

Minutes of a meeting of the Executive

At 10.00 am on Thursday 21st December, 2023 in the Council Chamber, Corby Cube, George Street, Corby, NN17 1QG

Present:-

Members

Councillor Helen Howell (Deputy Leader of the Council)

Councillor Matt Binley

Councillor David Brackenbury

Councillor Lloyd Bunday

Councillor Scott Edwards

Councillor Helen Harrison

Councillor David Howes

Councillor Harriet Pentland

Councillor Mark Rowley

Also in attendance – Councillors Anne Lee, Jim Hakewill, Joseph Smyth, Lyn Buckingham and Matt Keane

547 Apologies for absence

Apologies for absence were received on behalf of the Leader of the Council, Cllr Jason Smithers. Apologies were also received from the Interim Executive Director for Place and Economy, Graeme Kane and Assistant Chief Executive, Guy Holloway.

548 Minutes of the Meeting Held on 16th November 2023

RESOLVED that the Executive agreed the minutes of the meeting held on 16th November 2023 as a true and accurate record of the meeting.

549 Members' Declarations of Interest

No declarations were received.

550 Notifications of requests to address the meeting

The Chair, Councillor Helen Howell reported that there were requests to address the meeting as set out below:

Agenda Item	Speakers
Item 5 - Performance Indicator Report 2023/24 (Period 7 – October 2023)	Cllr Mark Pengelly, Cllr Anne Lee, Cllr Lyn Buckingham
Item 6 - Amendment to Adult Social Care Charging Policy	Cllr Matt Keane, Cllr Dorothy Maxwell
Item 7 – Travellers Temporary Stopping Site Land at Junction 3 of the A14, Rothwell	Cllr Jim Hakewill, Cllr Matt Keane, Mr Michael Blissett, Cllr Dorothy Maxwell

Item 8 - Approval of Department for Transport (DfT) Additional Highway Maintenance Funding 2023/24 and 2024/25	Cllr Lyn Buckingham, Cllr Dorothy Maxwell, Cllr Jim Hakewill
Item 9 – Northamptonshire Safeguarding Children Partnership Annual Report 2022-23	Cllr Anne Lee, Cllr Dorothy Maxwell
Item 10 – Draft Budget 2024-25 and Medium-Term Financial Plan	Cllr Lyn Buckingham, Cllr Jim Hakewill
Item 11 – Housing Revenue Account Draft Budget (HRA) 2024- 25 and Medium-Term Financial Plan Proposals	Cllr Lyn Buckingham
Item 12 – Capital Programme 2024-2028	Cllr Jim Hakewill
Item 13 – Capital Programme Update 2023/24	Cllr Anne Lee, Cllr Jim Hakewill
Item 14 – Budget Forecast 2023-24 at Period 7	Cllr Lyn Buckingham, Cllr Jim Hakewill

Cllr Mark Pengelly was not in attendance and consequently did not speak in relation to agenda item 5.

Cllr Lyn Buckingham opted not to speak in relation to agenda item 5.

Cllr Anne Lee had departed the meeting at the point agenda item 13 was considered and consequently did not speak on this item.

551 Performance Indicator Report 2023/24 (Period 7 - October 2023)

The Chair invited Cllr Anne Lee to address the meeting. Cllr Lee made reference to improved performance of the indicator relating to breastfeeding. Reference was also made to the slight drop in the number of babies receiving their 6-8 week before the eighth week as well as the lack of available data relating to substance misuse clients waiting more than three weeks for their first intervention. Cllr Lee raised concerns regarding the significant underperformance in regard to initial child protection conferences being held within 15 days of a strategy discussion being initiated.

The Chair then invited the Executive Member for Finance and Transformation, Cllr Lloyd Bunday to introduce a report that sought to provide an update on the performance of the Council across a range of services as measured by performance indicators (PIs), as well as setting out the progress that was being made in the development of the Council's performance monitoring arrangements.

It was heard that the Period 7 report contained just under half of the total PIs for the Council. Of those 66 indicators, 52 were reported in-month, two were reported a month in arrears and 12 were quarterly figures. Of the 39 PIs with established targets, 23 indicators were on or exceeding their target, with nine inside tolerance levels and seven performing below target levels. It was noted that of the 56 PIs that had a determined polarity for direction of travel, performance had improved for 21, with 13 deteriorating since the previous reporting period.

Cllr Bunday referred to the Council's Corporate Priorities, noting that the Better, Brighter Futures commitment had performed well with over 70% of its PIs exceeding target with just one missing its target. The Safe and Thriving Places commitment was also performing well with 63% of PIs exceeding their targets.

Cllr Helen Harrison responded to Cllr Anne Lee's comments noting that it was positive to see an increase in breastfeeding rates and that breastfeeding was a better option for both mother and child. New birth visits and 6–8-week reviews were on target and these targets and the quality of visits would be examined as part of the recommissioning of the Council's 0-19 years' service. Health Checks performance had also started to move in a positive direction. It was noted that with regard to the substance misuse performance, this was a new measure for rapid response, a new Combatting Drugs Partnership had been created as one step towards offering an excellent substance misuse service.

Cllr Scott Edwards referred to the breastfeeding programme launched at the new Wellingborough Family Hub, providing details of a new app for mothers and breast pump availability from Kettering General Hospital. Cllr Edwards noted the Council's limited powers to intervene regarding children being home-schooled, although children on the At-Risk Register would still be monitored. With reference to child protection conferences, it was heard that most of the incidences where conferences took place outside of the target duration were only a couple of days late, however a plan was in place across the agencies involved to improve performance in relation to this target.

Cllr David Brackenbury spoke to note the slightly disappointing performance figures for the planning service, although it remained within tolerance. Work was underway to recruit new officers, with a further piece of work underway to tackle the backlog of applications that impacted performance figures.

RESOLVED

That the Executive noted the performance of the Council as measured by the available indicators at Period 7 (October) 2023/24, set out in **Appendix A** to this report.

Reason for Recommendations – to better understand the Council's performance as measured by Key Performance Indicators as at Period 7 (October) 2023/24.

Alternative Options Considered: Reporting performance data on a less frequent basis is an option but monthly reporting is considered useful at this stage of the Council's existence, reporting alongside budget information.

552 Amendment to Adult Social Care Charging Policy

The Chair invited Cllr Matt Keane to address the Executive. Cllr Keane noted cancelled government plans to reform Adult Social Care nationally and charging reform plans that had been delayed for a further two years. Cllr Keane queried what care packages the Council was looking at and raised concerns that government was delaying much needed reform and leaving councils to pick up the cost of inadequate national reform.

The Chair thanked Cllr Keane for his comments before inviting Cllr Dorothy Maxwell to address the meeting. Cllr Maxwell sought assurances that care paid for was being

received and queried monitoring of nursing homes and whether patients were treated fairly and received value for money for services provided.

The Chair then invited Cllr Helen Harrison, Executive Member for Adults, Health and Wellbeing to present a report that sought agreement to amend the Adult Social Care (ASC) Fees and Charges Policy to remove reference to exemption from charging for community-based care services for people who were in receipt of a Department of Work and Pensions (DWP) DS1500 fast track benefit claim form.

Responding to the speakers, Cllr Harrison stated that potential social care reform was a very important element of future service provision, with some of the delays to government plans to date being unfortunate, but noting that had plans progressed, there would have been significant cost implications for the Council. The Council continued to strive for the best possible care for its residents and the Adult Social Care (ASC) team worked diligently to provide this, with care assessments, annual reviews and quality monitoring of services undertaken to ensure people were receiving the right care.

It was noted that the Council's ASC Fees and Charges Policy currently contained an exemption to charging for community-based care services if a person was in receipt of a DWP DS1500 fast track benefit claim form. This policy stipulation was not based on legislation, or the Charging Regulations as set out in the Care Act 2014 and was a legacy from the former county council. It was heard that the DS1500 form had now been discontinued by the DWP and replaced by a new form (SR1) that had altered the scope and processes involved. The report before members therefore proposed that reference to the DS1500 form be removed from the ASC Fees and Charges Policy and not be extended to the new SR1 form.

It was heard that there was currently no review process in place for people on a DS1500 exemption from charges, so they would continue to be exempt from charges for community-based care services indefinitely.

RESOLVED

KEY DECISION

That the Executive approved the proposal to remove reference to Department of Work and Pensions DS1500 Certificates from the Adult Social Care Fees and Charges Policy and not extend the exemption to charging to the SR1 Form.

Reasons for Recommendation: This recommendation is the preferred option as it provides an equitable policy on charging for all people with an eligible need for community-based services, in line with charging regulations and statutory guidance.

Alternative Options Considered: Other options have been considered;

- a) Do nothing – this would mean that NNC's Adult Social Care Charging policy does not reflect current practice in relation to Department Work and Pensions assessments and provision for extending benefits to people assessed as approaching the end of their life.

Extend the exemption on charges to the SR1 form - this option is not recommended as it would result in inequitable financial contributions for people in receipt of community-based care and support.

553 Travellers Temporary Stopping Site Land at Junction 3 of the A14, Rothwell

The Chair invited Cllr Jim Hakewill to address the meeting. Cllr Hakewill suggested that the proposal before members should be considered within the emerging Gypsy and Traveller Local Plan process and made reference to the public consultation on the scope and options of the proposal and associated Sustainability Appraisal Scoping Report that had taken place between 5th April and 31st May 2023, noting that the projected timescale for the North Northamptonshire Gypsy and Traveller Local Plan proposed consultation on the draft in Spring 2024.

Cllr Hakewill expressed the view that local communities should be confident of the processes involved in decision making and be aware when major policy decisions such as provision for the Gypsy and Traveller community would be scrutinised. Cllr Hakewill made reference to negative public perception of the site being used as proposed, effectively destroying a valuable green space.

Reference was made to the proposed cost of the project and whether it would provide value for money given the anticipated usage of the facility once complete in light of financial pressures affecting the Council's budget. Cllr Hakewill concluded by requesting that the item be withdrawn and considered as part of the consultation process for the North Northamptonshire Gypsy and Traveller Local Plan.

The Chair thanked Cllr Hakewill for his comments before inviting Cllr Matt Keane to address the Executive. Cllr Keane noted that there was a need for a facility such as that proposed, but queried which other locations had been considered and what would happen should the facility be over-subscribed if opened. Cllr Keane also sought feedback on the Council's unsuccessful bid for the government's Traveller Site Fund.

The Chair thanked Cllr Keane for his contribution and invited Mr Mike Blissett to speak to the Executive. Mr Blissett called for a decision on the proposal to be delayed until a site feasibility investigation had been completed and for it to be considered alongside the development of the Gypsy and Traveller Local Plan.

Mr Blissett contended that the site in question was not suitable for the proposed development, with issues relating to construction costs, loss of significant wildlife interest and local road congestion, suggesting alternative sites in the area that could be easier to convert, with lower potential running costs.

Mr Blissett noted the opposition to the proposal from Rothwell Town Council, the potential costs of the facility being above those detail in the report, including ongoing operating costs being a liability on taxpayers and the potential lack of use of the site once constructed.

The Chair thanked Mr Blissett for attending and speaking and invited Cllr Dorothy Maxwell to address the Executive. Cllr Maxwell spoke to note that the proposal would be of great benefit in reducing the number of unauthorised encampments in the area. Cllr Maxwell queried the cost implications for operating and maintenance costs and enforcement at the site, if required.

The Chair thanked all the speakers for their comments and invited Cllr David Howes, Executive Member for Rural Communities and Localism to introduce a report that detailed the rationale, work required, methodology and estimated costs to provide a Travellers Temporary Stopping Site on land in Council ownership adjacent to Junction 3 of the A14, Rothwell. The report also sought approval to add £1.3m to the Council's capital programme for 2024/25 and approve that borrowing in order to fund the project. Approval was also sought to procure and contract the delivery of the project to be delivered within the next two financial years.

Cllr Howes made reference to comments made by the speakers in regard to alternative sites, the intended use for the site at the point of purchase and the potential costs for development of the site. It was heard that the government's Travellers Site Fund had been heavily oversubscribed, with further funding bids possible should the government make available any future pots of funding.

Cllr Howes noted that there remained a strategic need for temporary stopping place provision within the Council area, as demonstrated by the 2019 Gypsy and Traveller Accommodation Assessment, with such provision providing a safe and secure place with suitable welfare facilities for groups of travellers passing through the Council's area to stop for a period of up to 28 days.

Details were provided to the meeting of the positive location of the site in terms of connectivity and reference was made to the additional powers that provision of such a site would allow the police in regard to unauthorised encampments, directing Traveller groups to go to the temporary stopping place or leave the Council area.

Cllr Helen Harrison spoke to welcome the movement towards provision of a stopping site in the Council area, noting that the facilities available at the site would have a beneficial impact on the welfare of Travellers and need for such a facility from a Public Health perspective.

Cllr David Brackenbury welcomed the report and the concept behind it, noting that there was a genuine need for the site as a means of preventing unauthorised encampments in the Council area.

Cllr Lloyd Bunday noted the additional controls over unauthorised encampments that provision of a stopping site would provide. The meeting heard that the site in question had previously been purchased by the former Kettering Borough Council with a view to commercial development.

Cllr Mark Rowley spoke to note that provision of a stopping site had been requested for some time by the Rural Forum and that the report, if approved, would recommend the project to Full Council for further consideration.

Cllr Matt Binley spoke to note that creation of a stopping site would provide support to travellers entering the Council's area as well as providing the Council and police with a useful tool in preventing unauthorised encampments. Cllr Binley noted the sensitivity of the issue but noted that there remained a strategic need for temporary stopping place provision in North Northamptonshire.

The Chair spoke to state the report before members was the simply the beginning of the process for creating temporary stopping provision, the proposal would need to go

through the usual planning processes including consultation that all interested stakeholders could engage with.

Cllr Howes concluded debate by noting that there was potential to generate income to offset the running costs of the proposed site by charging occupiers a weekly rental fee per pitch in addition to a refundable damage deposit. A number of potential sites had been considered, with officers recommending the proposal before members as the most suitable.

RESOLVED

KEY DECISION

That the Executive:

- a) Recommended to Full Council the approval of the project being added to the 2024/25 Capital Programme to deliver the Travellers Temporary Stopping site and establish a budget of £1,300,000 to be funded through borrowing.
- b) Delegated authority to the Executive Member for Rural Communities and Localism in consultation with the Executive Director for Place and Economy to submit an application for planning permission for the project and procure the necessary works to provide the Travellers Temporary Stopping site, and undertake any other actions required to deliver the project within the approved financial envelope.

Reason for Recommendations :

- To procure and undertake the required works in line with the Council's constitution and financial regulations in relation to governance.
- There is a strategic need to make provision for temporary stopping places to serve the North Northamptonshire area, as demonstrated by the 2019 Gypsy and Traveller Accommodation Assessment (GTAA).
- Currently there are no temporary stopping places for transient travellers passing through the NNC area to use which would provide safe and secure places to stop with suitable facilities.
- Provision of a temporary stopping place within the Council's area would enable the Council and the Police to better manage UEs within the Council's area and limit the adverse impacts of UEs on settled communities.

Alternative Options Considered

- The only other option available is to do nothing, however this would not address the strategic need for a temporary stopping place within the Council area, which provides a safe and secure place to stop with suitable facilities and would not allow the Council and the Police working together to exercise 'direction' powers available to them in

law to better manage UEs and their impact on settled communities.

- Alternative locations for temporary stopping places on land in the ownership of the Council were considered prior to submitting the DHLUC Traveller Site Fund bid and disregarded as being unsuitable.

554 Approval of Department for Transport (DfT) Additional Highway Maintenance Funding 2023/24 and 2024/25

The Chair invited Cllr Lyn Buckingham to speak on this item. Cllr Buckingham welcomed the additional funding, albeit on the back of the cancellation of HS2. Cllr Buckingham suggested that the funding should not be added to the general highways' maintenance budget, but allocated to specific projects where it would have the maximum impact.

The Chair thanked Cllr Buckingham for her contribution and invited Cllr Dorothy Maxwell to address the meeting. Cllr Maxwell stated that current maintenance of highways locally was unacceptable and queried when repairs would start and who would decide which roads would benefit from the additional funding.

The Chair thanked Cllr Maxwell for her comments and invited Cllr Jim Hakewill to speak. Cllr Hakewill welcomed the additional funding and referenced the reporting requirements outlined by the DfT that would allow local people to see for themselves how the money was being spent. Cllr Hakewill stated that scrutiny was needed to understand how funding was being spent, referring to additional funding of £1.5m received in the previous financial year and queried the specifics of its utilisation.

The Chair thanked Cllr Hakewill for his contribution and invited Cllr Matt Binley, Executive Member for Highways, Travel and Assets to introduce a report that sought approval for the addition to the capital programme of £1.069m of additional highway maintenance capital funding for each of the financial years 2023/24 and 2024/25 as announced by the Department for Transport (DfT).

Cllr Binley, responding to the speakers, stated that the Council would publish a work programme to detail exactly how taxpayers' money was being spent and subsequently provide progress reports on the work undertaken. In response to Cllr Hakewill's query regarding £1.5m of additional funding received in the previous financial year, Cllr Binley noted that a schedule of works for that funding had been provided and discussed at Full Council. It was noted that the performance of the current highways contract had been considered by the Place & Environment Scrutiny Committee at its meeting on 19th December and was therefore being scrutinised, with further opportunities for discussion at future meetings of the committee.

Cllr Binley noted that the additional funding received was derived from the cancellation of northern phase of HS2 and part of an 11-year government investment plan into the road network. It was reported that the current list of works would be assessed to determine which would be delivered based on current priorities in the list of identified schemes, in accordance with the Northamptonshire Asset Management Plan and the Network Management Plan.

The meeting heard that DfT had stipulated that by March 2024 the Council should publish a summary of the additional resurfacing works to be delivered from the funding

over the next two years, with quarterly update reports detailing works completed and which roads had been resurfaced. Later in the 2024/25 financial year, the Council was required to publish a long-term plan detailing the usage of the full 11-year funding programme that could be used for resurfacing schemes, in-laid patching and permanent repairs to potholes.

Cllr David Brackenbury spoke to welcome both the additional funding but also the reporting requirements for its use. Cllr Brackenbury noted that the current highways contractor, Kier and the Director of Place and Economy had attended the Place & Economy Scrutiny Committee on 19th December with lengthy, informative debate underpinning the notion that scrutiny of highways activity was indeed welcome.

The Chair closed debate by noting that it was positive to receive additional funding that could be used for the benefit of all North Northamptonshire residents.

RESOLVED

KEY DECISION

That the Executive accepted and noted the addition of £1.069m of new funding from the Department for Transport to the capital programme for 2023/24 and 2024/25 to be used to deliver the current priorities in the list of identified maintenance schemes.

Reason for Recommendation: This additional funding will add to the existing capital budgets for highway maintenance and enable more maintenance schemes to be completed.

Alternative Options Considered: The Council could choose to not accept the additional funding from government which would result in a real terms reduction in funding for highway maintenance as current allocations for this year and next year make no provision for inflation.

555 Northamptonshire Safeguarding Children Partnership Annual Report 2022-23

The Chair invited Cllr Anne Lee to speak in relation to the Northamptonshire Safeguarding Children Partnership (NSCP) Annual Report 2022-23. Cllr Lee welcomed the report but noted that certain figures contained within it were outdated and made reference to child protection conferences, income received from strategic partner agencies towards the work of the NSCP and the number of people employed as part of the partnership.

Cllr Dorothy Maxwell was then invited to speak. Cllr Maxwell welcomed the report, noting that the work of the partnership supported children and ensured they would be protected and offered a voice. Cllr Maxwell also queried whether finances were in place to carry out the proposed work and whether it would be assist in preventing children becoming involved with the police or partaking in undesirable behaviours such as carrying knives.

The Chair then invited Cllr Scott Edwards, Executive Member for Children, Families, Education and Skills to present the Northamptonshire Safeguarding Children

Partnership (NSCP) Annual Report 2022-23, which outlined the partnership's achievements during the reporting period.

In response to comments from speakers, Cllr Edwards noted that by virtue of the report being an annual iteration, some of the figures contained within data sets would be less than current. It was heard that safety of children was paramount, with early intervention crucial in building better outcomes for vulnerable children. It was noted that a definitive number of employees within the partnership could not be provided, as all employees had a safeguarding responsibility. Cllr Edwards stated that the voice of the children was reflected within the report and that two school link officers were employed to liaise with local schools on the subject of safeguarding, while work was ongoing to educate young people on the danger of knife crime.

Cllr Edwards informed the meeting that Council was one of five strategic leads representing the multi-agency Northamptonshire Safeguarding Children's Partnership, a statutory requirement of Working Together to Safeguard Children 2018 guidance, the purpose of which was to safeguard and promote the welfare of children in the county by coordinating the work of those involved to ensure that it was effective. It was noted that there was a requirement to produce an annual report that provided an overview of the partnership's achievements against the NSCP Business Plan.

Cllr Edwards provided details of the work undertaken during the previous year and the three main priorities set out in the NSCP Business Plan; referencing the introduction of Family Hubs, the priority of tackling knife crime and the development of a Child Exploitation hub. Cllr Edwards noted that neglect was the main abuse category facing children and the main reason children entered the care system.

The meeting heard that the report had been considered by the Health and Wellbeing Board at its meeting on 5th December 2023, where it had been welcomed as being of higher quality than the edition published the previous year and offered greater levels of assurance regarding work undertaken. A number of case studies had been added to the report and it was felt that this added greater depth and understanding of the experiences of children and young people.

RESOLVED

That the Executive received the Northamptonshire Safeguarding Children Partnership's Annual Report 2022-23 attached as **Appendix A** to this report and noted the findings.

Reason for Recommendations – To accord with legislation or the policy of the Council; under the statutory guidance 'Working Together to Safeguard Children 2018', the five key strategic lead agencies are accountable for safeguarding children and young people, including the Local Authority, who in turn are required to publish an annual report. (see Section 8 of the report Background papers)

Alternative Options Considered: There is a requirement to publish this annual report, as such there are not alternative options available.

556 Draft Budget 2024/25 and Medium-Term Financial Plan

The Chair invited Cllr Lyn Buckingham to address the Executive. Cllr Buckingham welcomed the budget but noted with disappointment the single year government grant that made planning outside the short-term difficult. Cllr Buckingham also made reference to difference in Service Grant noting the smoothing reserve being used to mitigate this.

Cllr Jim Hakewill was then invited by the Chair to address the meeting. Cllr Hakewill questioned when the Executive would be holding face-to-face meetings in local towns to explain the budget to residents. Cllr Hakewill referred to fees and charges, noting that income derived from these was important to support Council services, however, he considered that these significant costs were being raised behind closed doors and asked what involvement Executive Members had in agreeing revised fees and charges. Cllr Hakewill also queried when the Executive would request that the Council's scrutiny function examine the implications of these charges for residents and businesses for 2024/25.

The Chair then invited Cllr Lloyd Bunday, Executive Member for Finance and Transformation to introduce the draft revenue budget 2024-25 and the indicative Medium-Term Financial Plan for North Northamptonshire Council, including the addendum published on 20th December 2023 following the publication of the provisional Local Government Finance Settlement on 18th December.

Responding to the speakers, Cllr Bunday concurred with Cllr Buckingham's frustrations regarding a single year financial settlement. In response to Cllr Hakewill's comments, Cllr Bunday detailed the array of public meeting opportunities and online access to the budget scrutiny process for those interested in the Council's draft budget. Cllr Bunday also noted that in-line with the Council's Constitution, Executive Members did have reference to decisions made relating to fees and charges.

Cllr Bunday stated that the report before members set out the Draft Budget for 2024/25 and the Medium-Term Financial Plan to 2028. It was noted that should the recommendations in the report be approved, the draft budget would form the basis for a consultation process offering residents, local partners and other stakeholders the opportunity to review and provide comment on the proposed budget until 26th January 2024. The budget would also be presented to the Corporate Scrutiny Committee on 23rd January, with feedback from this meeting and the wider consultation response presented to the Executive at its meeting on 8th February. The Executive would, at this meeting, consider the final draft budget proposals and Council Tax Levels for 2024-25 with a view to recommending these to Full Council for approval at its meeting on 22nd February 2024. Full Council would also receive the final information from all the precepting authorities required to propose the Council Tax for all areas of North Northamptonshire.

Cllr Bunday urged all those who held an opinion regarding the draft budget to use the time of consultation to share their thoughts, before providing details of the wide range of services the Council provided to its residents, with the budget underpinning the priorities contained within the Council's Corporate Plan.

It was noted that when the draft budget before members was published, details of the Local Government Finance Settlement from central government were awaited. Given

the financial pressures, risks and uncertainties faced by local government over the short and medium-term, it was considered that the failure of central government to provide a forecasted settlement over several years had added to this uncertainty. In addition, it was reported that the government financial policy issued on 5th December 2023 as the precursor to the settlement had made it clear that the settlement would be one of funding by growth and not new or increased grant funding.

The meeting was advised that the provisional Local Government Finance Settlement had been published on 18th December. Following this, an addendum to the main budget report had been published setting out the revised financial position for the Council and comparing the settlement to the assumptions made within the draft budget report before the Executive.

It was noted that while the settlement represented a 6.5% (£4bn) increase nationally in Core Spending Power, high levels of inflation and service demand growth had resulted in significant pressures to Council services, outstripping this increase and required further savings to be found. As per the addendum to the main report, additional recommendations were required requesting the Executive note the changes to the draft budget arising from the provisional Local Government Finance Settlement.

Cllr Bunday outlined the unprecedented financial challenges faced by the Council in recent years, predominantly resulting from external factors such as the longer-term impact of the Covid pandemic and sustained high inflation. Although the draft budget before members was balanced, the Council's Medium-Term Financial position remained very challenging, with further transformation opportunities requiring delivery to help create a strong and modern authority delivering quality, cost-effective services for the benefit of its residents.

It was reported that the budget outlined an estimated net revenue of £759.6m including a Designated Schools Grant of £388.1m. Although a balanced budget had been proposed for 2024/25, it was recognised that there was a funding gap of £36m for 2025/26, rising to £83.6m by the end of the 2028 financial year.

Approximately half of the growth in the Core Spending Power in the government settlement would come from local taxpayers through Council Tax increases, with the budget assuming that Full Council would increase Council Tax by 4.99%; 2.99% for the "core" Council Tax and 2% for the Adult Social Care precept. Cllr Bunday stated that the proposed Council Tax for a Band D property would be £1740.22, an increase of £82.71 per year or £1.59 per week. A property in Band A would see an increase in Council Tax of £1.06 per week, and Band B £1.23 per week.

It was noted that Full Council had previously accepted the recommendation to maintain the Local Council Tax Support Scheme at 25% for 2024/25.

Cllr Bunday made reference to Business Rates as the second largest income source for the Council amounting to £110.5m annually. It was heard that the Council had benefitted from the present Business Rates Retention system due to an above average increase in business growth across the area, however the way the scheme operated in future years could have major financial implications for the Council.

The meeting was advised that the Dedicated Schools Grant that formed part of the budget was a ringfenced grant allocated to support a range of education related

services. It was forecasted that the High Needs Block of the grant would overspend at the end of 2023-24 with discussions ongoing as to how this could be mitigated.

In reference to directorate budgets, it was noted that demand-led services were the most volatile and carried the highest risk. During the current financial year significant overspends had been witnessed for both Children's and Adults Social Care Services. It was recognised that safeguarding and care of the most vulnerable in society was important in all that the Council did, however, it must work to stay within available resources so that all services were protected. It was heard that tackling overspends and implementing change took time, but it was necessary that services reviewed operations and sought greater efficiencies to ensure long term financial sustainability and the ability to continue to deliver the services residents valued.

Cllr Bunday referenced Northamptonshire Children's Trust, the organisation delivering children's social care and targeted early help on behalf of North and West Northamptonshire Councils and funded predominantly from the two unitary authorities by means of an agreed contract sum. It was heard that as part of delivering the contract sum for 2024-25, a Transformation and Efficiency Board had been created between the two unitary authorities and the Trust to create systemic improvement in services for children in Northamptonshire, whilst driving value for money to ensure that resources were used effectively to support and improve outcomes.

The contract sum for the Children's Trust was agreed at £177.4m, of which the Council's share was £78.6m. In negotiating the contract sum for the Children's Trust it was felt that stronger governance arrangements could be put in place in order to consider and approve transformation business cases.

The Children's Directorate draft budget, including the Children's Trust, reflected a net pressure of £15.231m, of which £14.373m relates to the Children's Trust and £858,000 to the Children's Service delivered within the Council.

The Adult Social Care draft budget reflected a net pressure of £15.730m. The main pressures included contractual inflation and other increases for independent care placements, incorporating the National Living Wage pressures for social care providers. The projected inflation requirements of £3.988m included the provision for the national living wage in line with announcements by government, and other overheads as well as general fee movements in line with market factors. Within Adult Social Care there was a provision for demographic growth of £11.015m, North Northamptonshire having seen a significant increase in the number of clients requiring care.

It was reported that additional costs of £1.498m for the ringfenced grant funding to meet Social Care-related demand in respect of discharge and capacity funding were included within the budget and a further £1.078m in support of discharge.

It was recognised that risk remained in the budget assumptions for Adult Social Care due to the influence of service demand, with a reserve set aside to help underwrite such risk and to smooth any impact over the longer term whilst alternative mitigations were sought.

The main savings within Adult Social Care were the reduction in the number of residential placements made in the independent sector of £695,000 and demand management efficiencies of £2.6m.

Pressures and savings were outlined to the meeting in relation to the following service areas:

- Strategic Housing, Development and Property Services
- Public Health and Communities
- Communities and Leisure
- Place and Economy
- Planning and Development Services
- Enabling and Support Services

Cllr Bunday reported that investment income of £4.697m reflected the increase in the Bank of England base rate on future investments and was based on an average cash balance of £157m at a weighted average rate of 5.01% for a full year.

It was heard that the Corporate Resources revenue budget for 2024/25 was £34.397m. Amongst other items this held a corporate contingency of around 1% of the revenue budget, MRP required to fund borrowing on maturity and contingency for future pay awards. It also reflected the uncertainty of future insurance costs.

The Council's Treasury Management Debt Portfolio and other associated Treasury Management costs were reported as being £12.5m.

Cllr Bunday stated that there continued to be risks around the overall cash and loan position for North Northamptonshire, not only from a volatile marketplace, but also due to the outstanding legacy audits for 2020/21 and the disaggregation of the opening position from Northamptonshire County Council.

When announcing the Settlement, the Secretary of State had highlighted that the Government continued to encourage local authorities to consider the use of their reserves to maintain services in the face of service pressures.

Cllr Bunday noted that in terms of reserves, most were earmarked for specific purposes or ringfenced, the Council holding just over £24m of general reserves which provided a working balance to help cushion the impact of unexpected events or emergencies. Members were reminded that once reserves were spent, they were gone and therefore a strategy for replenishing any reserve that was to be used must be in place.

Cllr Bunday noted that the second recommendation as set out in the addendum to the main budget report was to approve the use of the Budget Delivery Smoothing Reserve to meet the net shortfall in funding of £0.748m arising, predominantly, from a reduction to the Services Grant. Members noted that further work would be undertaken to look at options to meet this shortfall on a recurring basis.

The Reserves Strategy included a range for the level of general fund balances to be at a minimum of 5% and a maximum of 10% of the net revenue budget. The level of reserves included in the budget were £24.2m, approximately 6.5% of the proposed net revenue budget of £371.5m.

Cllr David Brackenbury thanked Cllr Bunday for his comprehensive overview of the draft budget, noting the hard work of the Finance team and service directorates to achieve a balanced budget position. Cllr Brackenbury echoed concerns in relation to the single year financial settlement from Government and welcomed the forthcoming consultation period as an opportunity for interested stakeholders to contribute.

Cllr Matt Binley spoke to note the amount of time that had gone into production of the draft budget and stated that there had been a number of challenging conversations in the course of its development. Cllr Binley also stated his frustration at the single year financial settlement but welcomed the balanced draft budget when set against a challenging financial environment. Cllr Binley noted that the public were welcome to attend any of the budget-related Council meetings and that significant time had gone into the setting of fees and charges from an Executive Member perspective.

The Chair concluded debate by noting the challenging environment to achieve a balanced budget and offered thanks to all those involved in its production for their hard work in pushing each and every department to make savings to allow for the draft before members to be considered.

RESOLVED

KEY DECISION

That the Executive:

- a) Approved for consultation the 2024-25 Draft Revenue Budget, which includes:
 - i. an estimated net revenue budget of £371.5m (£759.6m including the Dedicated Schools Grant) as set out in Appendix A, noting that this is subject to further update and change following the publication of the provisional Local Government Finance Settlement.
 - ii. a Band D Equivalent Council Tax of £1,740.22 for North Northamptonshire Council, representing an increase of 2.99% in the 'core' Council Tax and a further 2% for the Adult Social Care Precept.
 - iii. pressures of £53.4m, including adjustments for the reversal of one-off funding in 2023-24, and savings, efficiencies and income proposals of £18.5m as detailed in Appendix B.
 - iv. the provisional Dedicated Schools Grant budget of £388.1m for 2024-25, pending the final settlement, as detailed in Appendix C.
 - v. the draft planned use of, contribution to, and movement in, reserves as identified in paragraph 5.52, section 9 and Appendix D of the report, noting the reserves will be reviewed again after the Finance Settlement and prior to the final budget proposals, to consider the risk applying at that time.
 - vi. corporate budget requirements as set out in paragraph 8.1, including a contingency sum of £4.1m as set out in paragraph 8.2.
- b) For the Dedicated Schools Grant (DSG):

- i. Noted the provisional allocations of the funding for the Schools Block, High Needs Block, Early Years Block and the Central School Services Block.
 - ii. Following consultation with the Schools Forum, delegated authority to the Executive Member for Children, Families, Education and Skills in consultation with the Executive Member for Finance and Transformation, Executive Director for Adults, Health Partnerships and Housing (and Children's Services – Interim), and the Executive Director of Finance and Performance (S151 Officer) to determine the DSG 2024-25 schools funding formula, high needs funding arrangements and the early years funding formula in line with Department for Education guidance.
- c) Noted the decision making principles of the Transformation and Efficiency Board for Children's Services (Northamptonshire Children's Trust) as set out in paragraphs 7.17 to 7.20 and delegates authority to the Executive Member for Children, Families, Education and Skills in consultation with the Executive Member for Finance and Transformation, the Executive Director for Adults, Health Partnerships and Housing (and Children's Services - Interim) and the Executive Director of Finance and Performance (S151 Officer) to approve allocations from the Transformation and Efficiency funding held within the Children's Trust budget in support of change programmes. Investment decisions will be subject to approval following the submission of detailed business cases.
 - d) Endorsed the budget consultation process as outlined at paragraphs 13.16 to 13.20 which commences following the approval of the recommendations in this report.
 - e) Noted that the funding allocations are estimates only at this stage and will not be confirmed until the publication of the provisional Local Government Finance Settlement.
 - f) Delegated authority to the Executive Member for Finance and Transformation in consultation with the Executive Director of Finance and Performance (S151 Officer) to amend the draft budget following the publication of the provisional Local Government Finance Settlement.

The Executive also:

- a) Noted the changes to the draft budget arising from the Provisional Local Government Finance Settlement.
- b) Approved the use of the Budget Delivery Smoothing Reserve to meet the net shortfall in funding of £0.748m arising, predominantly, from a reduction to the Services Grant. Noting that further work will now be undertaken to look at options to meet this shortfall on a recurring basis.

Reason for Recommendations: To ensure that the Council complies with its Constitution and legislative requirements in setting the budget for North Northamptonshire Council from 2024-25.

Alternative Options Considered – This is the start of the formal budget consultation for the General Fund and any comments from the consultation, together with any changes from the Finance Settlement, will be considered as part of this process to inform the need for alternative options.

557 Housing Revenue Account Draft Budget 2024-25 and Medium-Term Financial Plan Proposals

The Chair invited Cllr Lyn Buckingham to address the meeting. Cllr Buckingham spoke to query the proposed rent increase of 7.7% and the potential impact this could have on Council tenants.

The Chair thanked Cllr Buckingham for her contribution before inviting Cllr Lloyd Bunday, Executive Member for Finance and Transformation to introduce a report that presented the draft Housing Revenue Account (HRA) budget and Medium-Term Financial Plan and set out the proposals for a rent increase in 2024/25

In response to Cllr Buckingham's comments, Cllr Bunday noted that in setting rent levels, consideration had to be given as to how collectable rents were. Any rent increase was ring-fenced for use to improve the Council's housing stock and therefore benefitted those living in Council accommodation.

Cllr Bunday noted that the HRA did not directly impact on the Council's wider General Fund budget or on the level of Council Tax, with income to the HRA primarily received through the rents and other charges paid by tenants and leaseholders. The Council was required to run a single HRA, but for a short period continued to operate two neighbourhood accounts to reflect stock holding from the two legacy councils of Kettering and Corby. The Council had commenced work on consolidating these two accounts, however this required a 30-year business plan that would be informed by the Housing Strategy for North Northamptonshire that was currently in development.

The draft HRA budget had been presented to the Tenants Advisory Panel on 16th November 2023, with a further meeting on 18th January 2024 ahead of the panel making formal recommendations pertaining to rent levels and the budget itself to the Executive for its meeting on 8th February 2024. It was noted that the Corporate Scrutiny Committee would also consider the draft at its meeting on 23rd January.

Following the 8th February meeting of Executive, recommendations would be made to Full Council at its meeting on 22nd February where it would be invited to approve the 2024/25 HRA Budgets consisting of the Corby and Kettering Neighbourhood Accounts, and an increase in dwelling rents for 2024/25 for both the Corby and Kettering accounts. Full Council would also consider the HRA Medium Term Financial Plan for 2025/26 to 2028/29.

It was noted that the two neighbourhood accounts comprised 8132 properties, consisting of flats, houses and bungalows. The former councils of East Northants and

Wellingborough had no housing stock, having made the decision to sell their stock many years prior to unitarisation.

Cllr Bunday stated that the Council was required by law to avoid budgeting for a deficit on the HRA, therefore the budget must not be based on total HRA revenue reserves falling below zero. In practice the Council was expected to maintain a reasonable balance of HRA reserves to cover contingencies.

The Chief Finance Officer had reviewed the level of balances required to support the HRA spend annually as part of their risk assessment of the budget, and, taking all known risks into account, these should remain unchanged at £800,000 for the Corby Neighbourhood Account and £650,000 for the Kettering Neighbourhood Account. The minimum balances for the two Neighbourhood Accounts were around 3.5% of the total budget.

Numbers of Right to Buy (RTB) properties and the number of empty properties must also be taken into account in the budget setting process. The number of RTB sales assumed during 2024/25 and the medium term for the Corby Neighbourhood Account was 40 and for the Kettering account was 20.

It was further assumed that 0.9% of the Corby housing stock and 2% of the Kettering housing stock would be void at any one time and therefore rent could not be charged on these properties, reducing the total income expected to be achieved by £205,000 for the Corby Neighbourhood Account and £375,000 for Kettering.

Acquisition and new-build programmes would increase housing stock numbers for the HRA. It was anticipated that within Kettering a further eight homes would be delivered at The Grange during 2024/25 and the part-year effect had been reflected into the revenue account for 2024/25. Further schemes would be reflected in the Medium-Term Financial Plan when there was more certainty around the timed delivery of these.

The HRA budget for 2024/25 showed a balanced position for both Corby and Kettering neighbourhood accounts separately, amounting to a total overall budget of £42.425m.

The Corby Neighbourhood Account indicated a deficit over the period of the Medium-Term Financial Plan to the end of the 2028 financial year of £736,000 whilst over the same period the Kettering account showed a surplus of just over £2m. The main reason for this difference was a result of how loans for self-financing were structured. The Corby account was increasing its contribution for the repayment of the loans whereas the Kettering account was reducing.

To achieve a balanced state, the proposal was for an average rent increase of 7.7%, in line with the recommendations from central government and amounting to an average increase of £6.68 and £7.05 per week for Corby and Kettering respectively.

Cllr Mark Rowley spoke to welcome the balanced budget and noted that even a 1% rent reduction would have an impact of £11m across the 30-year HRA business plan resulting in reduce maintenance. Tenants would be provided with the opportunity to consider the increase, but the proposal was inline with the Government formula.

Cllr Matt Binley also spoke to make reference to the formula for rent setting, noting that a reduction in the level of the increase would impact the level of service that could be offered to tenants.

RESOLVED

KEY DECISION

That the Executive:

- a. Noted the draft 2024/25 Housing Revenue Account Budgets consisting of the Corby Neighbourhood Account and the Kettering Neighbourhood Account as set out in **Appendix A**, which will be consulted upon with Tenants, which includes:
 - i) an increase in dwelling rents for 2024/25 of 7.7% which adheres to the Department for Levelling Up, Housing and Communities (DLUHC) rent setting formula.
- b. Noted the draft Housing Revenue Account Medium Term Financial Plan beyond 2024/25 consisting of the Corby Neighbourhood Account and the Kettering Neighbourhood Account, for 2025/26 to 2028/29 as set out in **Appendix B**.
- c. Noted the forecast reserves for the Corby Neighbourhood Account and the Kettering Neighbourhood Account up to 2028/29 as set out in **Appendix C**.

Reason for Recommendations: To ensure that the Council complies with its Constitution in setting the budget for North Northamptonshire.

Alternative Options Considered – This is the start of the formal budget consultation for the HRA and any comments from the consultation will be considered as part of this process.

558 Draft Capital Programme 2024-28

The Chair invited Cllr Hakewill to address the meeting. Cllr Hakewill made reference to the section of the report that detailed risks associated with the draft Capital Programme 2024-2028 and stated that he felt it was unreasonable to herald future delivery of plans as part of the programme only for these to remain undelivered, questioning how the Executive would deliver the draft programme given the significant underspend on capital projects to date.

The Chair then invited Cllr Lloyd Bunday, Executive Member for Finance and Transformation to introduce a report that presented the Draft General Fund Capital Programme for 2024-28, the Baseline Development Pool and the Housing Revenue Account (HRA) Capital Programme 2024-28. It was noted that, if approved, the programme as set out above would follow the same consultation route as the General Fund Budget before returning to Executive on 8th February for recommendation to Full Council for approval.

In response to Cllr Hakewill's comments, Cllr Bunday noted that a number of previous schemes had been put forward by the legacy authorities prior to unitarisation, a number of which had required reprofiling with yet other schemes being more aspirational. Cllr Bunday noted that the influence of external factors including the Covid pandemic, high inflation and global conflict had resulted in certain historic schemes no longer being viable for delivery.

Cllr Bunday reported that the Capital Programme assumed various sources of funding including capital receipts and grants supported by external and internal borrowing that was at the discretion of the Council for essential capital expenditure. The current Capital Strategy demonstrated how the Council would make expenditure and investment decisions in line with service objectives and take account of stewardship, value for money, prudence, sustainability, and affordability. It was noted that the final Capital Strategy and the Treasury Management Strategy would be presented to Full Council for approval in February.

The meeting heard that the total capital programme totalled £163.5m, consisting of the General Fund baseline programme of £104.8m and Housing Revenue Account (HRA) baseline programme of £58.7m. The Development Pool, that included schemes awaiting satisfactory business cases prior to Executive approval and inclusion within the formal programme, totalled £171.2m.

Cllr Bunday stated that the General Fund baseline programme included key projects such as highways, disabled adaptations, school improvements and extensions, and various property and environmental projects across North Northamptonshire, together with significant investment in the highway infrastructure network over and above the integrated transport grant funding.

It was noted that the HRA Baseline programme covered the Kettering and Corby housing stock, together with significant investment of £20.2m proposed for the Housing Development and New Build Programmes.

Cllr Bunday outlined the following new investments that had been put forward as part of the revised main programme from 2024-25 for approval by Council:

- £9m over the period 2024-2027 (£3m each year) funded from borrowing for investment into highway infrastructure across North Northants.
- £1.3m across 2024-25 (£164,000) and 2025-26 (£1.136m) to develop a Traveller's Temporary Stopping Site funded from borrowing.
- £123,000 investment into play facilities at Sywell Country Park during 2024-25 funded through Capital Receipts.
- £749,300 investment into Alfred Street/Tennyson School. This had been moved from the Development Pool to the Main Programme, to be funded through DfE Basic Needs grant.
- £125,000 to support the upgrading of the public Library network, met from Capital Receipts.

It was reported that the Minimum Revenue Provision as detailed in the report reflected the minimum amount a Council must charge to the revenue budget each year to set aside a provision for repaying external borrowing. The increase in this provision of £1.735m was to ensure that the provision was aligned to our policy moving into the

medium term. This would form part of the Treasury Management Strategy presented to the February 2024 Executive.

Concluding, Cllr Bunday reported that the disaggregation of the capital assets, balances and debt were still to be finalised and subject to the final certification audit of the 2020-21 financial accounts for Northamptonshire County Council and Corby Borough Council, noting this may have implications for the current assumptions.

RESOLVED

KEY DECISION

That the Executive:

- a) Approved for consultation the General Fund Capital Programme 2024-28 and HRA Capital Programme 2024-28.
- b) Noted the Development Pool 2024-28 and that schemes within the pool will be subject to further approval prior to inclusion in the programme.

Reason for Recommendations: To ensure that the Council complies with its Constitution and legislative requirements in setting the budget for North Northamptonshire Council for 2024-25.

Alternative Options Considered - This is the start of the formal budget consultation for the Capital Programme and any comments from the consultation will be considered as part of this process.

559 Capital Programme Update 2023-24

The Chair invited Cllr Jim Hakewill to address the meeting. Cllr Hakewill welcomed the funding for Montsaye Academy but queried its source. Cllr Hakewill also queried the reasoning for the timing of approval for an increase in the capital programme for Isham Bypass to be funded from Department for Transport (DfT) grant.

The Chair then invited Cllr Lloyd Bunday, Executive Member for Finance and Transformation to introduce a report that requested approval for capital schemes that had come forward for inclusion in the Council's Capital Programme. Approval of the funding would allow the schemes to move forward to procurement and delivery. Three schemes were highlighted as per the report and recommendation below.

The Executive was also requested to note a change of purpose to an existing capital programme scheme and a budget virement approved by Full Council at its meeting on 7th December 2023.

In response to Cllr Hakewill, Cllr Bunday stated the Montsaye Academy funding was coming from the Higher Needs Dedicated Schools Grant. Regarding Isham Bypass, a governmental announcement had required an urgent decision to be taken.

Cllr Matt Binley spoke on the subject of Isham Bypass, noting that the matter and timings thereof had previously been subject to discussion at Full Council. Due to an unexpected Government announcement that the project would be fully funded, further work and documentation required submission that, if delayed, had the potential to further delay, or even mothball, the project, hence the requirement for an urgent decision.

The Chair spoke to note that the Council had constitutional processes in place to allow urgent decisions to be taken expeditiously.

Cllr Scott Edwards made reference to the funding for the Montsaye Academy to allow for a multi-use games area and also welcomed the funding for Burton Latimer Multi Wheeled Sports Facility, stating that he would be writing to the two boys who put forward the proposal to congratulate them.

Cllr Harriet Pentland spoke to welcome the changes to the Local Authority Treescape Fund, external grant funding that would allow the Council to continue its significant scheme of tree planting with the local community that formed part of a multi-faceted approach to tackling climate change.

RESOLVED

KEY DECISION

That the Executive:

- i) Approved the following changes into the capital programme:
 - a. Local Authority Treescape Fund (LATF) – budget approval for £261.5k which will be profiled as £96.5k in 2023/24, £55k in 2024/25, £55k in 2025/26 and £55k in 2026/27. The scheme is to be funded from external grant.
 - b. Burton Latimer Multi Wheeled Sports Facility – budget approval for £46.3k in 2023/24, £41.8k to be funded from external grant and £4.5k to be funded from S106 contributions/a virement from the Property Minor Works Budget.
 - c. Local Highways Maintenance additional funding – budget approval for an increase in the capital programme of £2.138m, £1.069m in 2023/24 and £1.069m in 2024/25, to be funded from Department for Transport (DfT) grant.
- ii) Noted the following change of purpose to an existing capital programme scheme:
 - a. Montsaye Academy – amendment of scope of the approved scheme with £135k originally approved for yard and lift improvements to be re-purposed to fund a multi-use games area.
- iii) Noted the following budget virement approved by Council on 7th December:

- a. Isham Bypass – virement of budget of £0.790m from Integrated Transport Block to facilitate the next stage of the planning application process approved on 27th November by the Leader of the Council, in consultation with the Executive Member for Highways, Travel and Assets.

Reasons for Recommendations: These are set out in greater detail within section 5 of the report, but can be summarised as helping to meet the Council's corporate plan objectives:

- Active, fulfilled lives
- Safe and Thriving Places
- Green sustainable environment
- Connected Communities

Alternative Options Considered:

- For those schemes which are grant funded, they are undertaken in accordance with the requirements of the grant conditions and, therefore, there is no alternative option proposed in this report.
- The budget virement in support of the ICT equipment could have been released, however, the replacement of end user devices is an important element of ensuring that the Council has the appropriate equipment to support and deliver services and further investment is required in this area.
- Where individual schemes are over £0.5m, separate reports are included elsewhere on this agenda, and these set out the wider options that were considered before reaching the proposals put forward.

560 Budget Forecast Update 2023-24 - Period 7

The Chair invited Cllr Lyn Buckingham to speak on this item. Cllr Buckingham raised concerns regarding the forecast pressures for the Dedicated School Grant (DSG) and the recent increase in these figures.

Cllr Jim Hakewill then spoke to ask the Executive Member what in-year efficiencies had, and would, be utilised to avoid using contingency and reserves funds to mitigate overspending.

The Chair thanked both speakers for their contributions before inviting Cllr Lloyd Bunday, Executive Member for Finance and Transformation to introduce a report that set out the forecast outturn position for the Council based on the Period 7 monitoring forecasts for the General Fund and the Housing Revenue Account (HRA).

In response to Cllr Buckingham's comments, Cllr Bunday echoed concern regarding the pressures affecting the Dedicated Schools Grant and stated that conversations with the Department for Education and Schools Forum were ongoing to try and mitigate the situation. Cllr Bunday also commended all services areas for their efforts to deliver savings to mitigate the pressures of the Council's demand-led services.

The meeting heard that the overall outturn forecast for the General Fund for 2023/24, as at Period 7 was a forecast overspend of £6.198m against the approved budget, a favourable movement of £1.377m since the last reporting period.

It was heard that to safeguard the financial position of the Council, officers would continue to seek efficiencies in year to offset the forecast overspend. Whilst there was a contingency budget and reserves available to call on to help fund in year pressures, the Council would look to alternative mitigations before these were applied.

Cllr Bunday reported that the NJC pay award, applicable to the majority of Council staff had been agreed and resulted in a pressure of £2.222m, to be funded by utilising the Council's contingency budget, reducing the balance from £3.746m to £1.524m.

Against favourable movements for the Place, Enabling and Corporate directorates, there was again an adverse impact from Children's Services and an added pressure from Adult Social Services. It was reported that the Children's Trust was now forecasting an overspend of £23.509m, with additional staffing pressures of £605,000 within Children's Services. Third party payments, independent care spend, and staffing pressures had resulted in an additional pressure of £3.459m for Adult Services.

Details of favourable budgetary movements were outlined to the meeting, with Executive noting that the Council had set aside £5.708m in 2023/24 for a pay contingency to allow for annual increments and potential pay increases of 4%.

It was estimated that Business Rates income for the Council was £2.666m above the original budget.

The Council's overall outturn forecast for the Housing Revenue Account was reported as being an overspend of £185,000.

It was also reported that the Dedicated Schools Grant (DSG) had a forecast pressure of £8.598m, with pressures relating to the high needs funding block that supported SEND provision. Discussions were ongoing to mitigate these pressures.

Cllr Scott Edwards spoke to note the huge increase in Education, Health and Care plans as a driving factor for the DSG pressures, noting it was a national issue and not localised to North Northamptonshire. A request for the Department of Education to review the current funding mechanism as well as other mitigation measures were being discussed.

Cllr Helen Harrison spoke to note the unprecedented level of service demand impacting Adult Services. It was reported that rapid and extensive work was being undertaken to ensure financial forecasting was as accurate as possible and that for the next financial year pressures could be identified and mitigated in advance. High-cost care packages was one area for review as well as examining other contracts to ensure best value was being obtained.

RESOLVED

That the Executive:

- a) Noted the Council's forecast outturn position for 2023/24 as summarised in Section 4, alongside the further analysis, risks and other considerations as set out in Section 5 to Section 7 of the report.

- b) Noted the release of the contingency budget, totalling £2.222m, to fund the pay award pressures.
- c) Noted the assessment of the current deliverability of the 2023/24 savings proposals in **Appendix A**.

Reason for Recommendations – to note the forecast financial position for 2023/24 as at Period 7 and consider the impact on this year and future years budgets.

Alternative Options Considered: The report focuses on the forecast revenue outturn against budget for 2023/24 and makes recommendations for the Executive to note the current budgetary position as such there are no specific choices within the report.

561 Urgent Decision Taken by the Leader of the Council

The Chair reported that on 29th November 2023, Cllr Jason Smithers, as Leader of the Council took an urgent decision to approve an increase to the capital budget for the A509 Isham Bypass of £0.79m. Full Council, at its meeting on 7th December 2023, subsequently approved the virement of £0.79m of capital budget from the 2023/24 Integrated Transport Block allocation and 2024/25 Integrated Transport Block allocation to the A509 Isham Bypass. Details of the decision could be found on the Council's website via the link detailed on agenda pack.

Chair

Date

The meeting closed at 12.58 pm