



Finance and Resources Scrutiny Committee

1st February 2022

Report Title	Budget 2022/2023 – Report from Scrutiny Task & Finish Groups
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List of Appendices

- Appendix A – Session 1 Adults, Communities and Wellbeing 6 Jan 2022**
- Appendix B – Session 2 Adults, Communities and Wellbeing 19 Jan 2022**
- Appendix C – Session 1 Place and Economy 7 Jan 2022**
- Appendix D – Session 2 Place and Economy 18 Jan 2022**
- Appendix E – Session 1 Children’s and Education Services 11 Jan 2022**
- Appendix F – Session 2 Children’s and Education Services 17 Jan 2022**
- Appendix G – Session 1 Enabling and Support Services 13 Jan 2022**
- Appendix H – Session 2 Enabling and Support Services 24 Jan 2022**

1. Purpose of Report

- 1.1. For the Committee to receive feedback from the eight budget sessions conducted on the Executive’s budget proposals for 2022/23. These sessions were conducted between 6th – 24th January 2022. The Committee are being requested to determine its representation to the Executive for consideration at the Executive meeting on 10th February 2022. The final budget proposals from the Executive will be forwarded to Full Council on 24th February 2022 for determination.

2. Executive Summary

- 2.1. The report details the process undertaken by the Committee in reviewing the proposed draft budget for 2022-23. The report is requesting that the Committee having considered the budget proposals indicates whether the proposals are robust, whether there are any areas of concern noted, and whether there are other priorities that the Committee wish the Executive to consider.

3. Recommendations

- 3.1. It is recommended that the Finance and Resources Scrutiny Committee –
- (i) Receive the notes from the eight scrutiny budget sessions (detailed in Appendices A-H);
 - (ii) Agree what comments, questions, or recommendations the Committee wish to forward to the Executive.
- 3.2. (*Reason for Recommendations* – To ensure that the Council complies with its Constitution in setting the budget for North Northamptonshire.

4. Report Background

- 4.1. The Executive at its meeting on 23rd December 2021 set out its draft proposals for the Council's budget 2022/23. These proposals included the Capital Programme 2022-25 and proposals for the Housing Revenue Account (HRA) 2022-23.
- 4.2. These draft proposals were submitted for public consultation commencing on 23rd December 2021, with the consultation period closing on 28th January 2022.
- 4.3. The main headline assumptions within the draft budget proposals are:
- A balanced budget for 2022-23
 - Further net investment in services to both protect vital services and invest in service change of £8.2m, including removal of previous one-off funding predominantly related to COVID-19
 - Efficiencies and income generation of £7.6m
 - Investment in the Children's Trust to protect and increase the baseline funding from 2021-22 into 2022-23. Further to this there is potential additional one-off revenue and capital investment of £3.65m countywide (£1.6m from the North) to help deliver service improvements for some of our most vulnerable children and young people.
 - Planned savings and pressures from previous Medium Term Financial Plans will remain to be delivered, unless there is a requirement to change the assumptions following review
 - The use of reserves to support non-recurring investment in service improvement, fund time limited projects, pump-prime invest to save schemes and help manage risk.
 - An investment of £1m spread over three years to forward fund initiatives to help address the climate crisis.
 - Investment in Social Care to recognise the increase in the National Living Wage to £9.50 per hour and a 1.25% increase in national insurance contributions for care providers.

- An investment of £0.8m recurringly to consolidate the increase in pay for the Council’s lower paid staff to the real living wage in 2021-22, together with improved incremental progression
- An increase in Council Tax consisting of 1.99% for the “core” council tax and 1% for the Adult Social Care precept, resulting in an average weekly increase in Council Tax of 88 pence for a Band D equivalent property.
- No change to the Local Council Tax Support Scheme which will continue at 25%.
- Inclusion of a contingency to mitigate against uncertainty.
- Officers will continue to seek efficiencies in order to help address the budget requirement from 2023/24.

4.4. In addition to the public consultation, the Finance and Resources Scrutiny Committee were invited to consider the draft budget proposals and were invited to scrutinise these. Any comments, concerns or representations from the Scrutiny Committee would be reported to the Executive at its meeting on 10th February 2022 for the Executive’s consideration.

4.5. To assist the Scrutiny Committee in formulating its representation, eight budget scrutiny sessions were timetabled. These sessions were formulated around the four main service areas of the Council:

Service Area	Budget Sessions
Adults, Communities and Wellbeing	6 th & 19 th January 2022
Place and Economy	7 th & 19 th January 2022
Children’s and Education Services	11 th & 17 th January 2022
Enabling and Support Services	13 th & 24 th January 2022

4.6. All members of the Scrutiny Committee were invited to attend each session, and each session was attended by the appropriate senior officers from the respective service area and officers from Financial Services.

4.7. Each session comprised a presentation from officers relating to the respective service area, with a focus on the budget implications as contained in the draft budget proposals 2022/23. Each session included an opportunity for questions and answers.

4.8. Summary notes from each session are included within Appendices A-H accompanying this report and are intended to assist the Scrutiny Committee in formulating its representation to the Executive.

4.9. In addition to the Scrutiny Committee budget sessions, Members have had the opportunity to attend All Member budget briefings, and sessions have been/are being held with the leadership of the respective recognised political groups.

4.10. The Executive at its meeting on 10th February 2022 will consider any representations received from the Scrutiny Committee and any representations received through the public consultation period. These

representations will inform the Executive's final budget recommendations which will inform the final proposals submitted to Full Council for determination.

5. Issues and Choices

- 5.1. It is suggested that the Scrutiny Committee consider the outcome of the budget sessions held, by each service area, and consider the points raised for inclusion in any representations to the Executive.

6. Next Steps

- 6.1. Once the Scrutiny Committee have formulated its representation to the draft budget proposals this will be communicated to the Executive ahead of the Executive meeting on 10th February 2022. The Chair of Scrutiny Committee (or their designated deputy) will have the opportunity to present the Committee's representation to the Executive.

7. Implications (including financial implications)

7.1. Resources and Financial

- 7.1.1. The Scrutiny Committee are required to ensure that the draft budget is robust and to challenge any proposals or assumptions made which they feel are unreasonable. It is not the role of the Scrutiny Committee to develop an "alternative budget" but where the Committee feel that there are areas of potential income or expenditure that have not been fully explored or addressed it is reasonable for the Committee to raise these with the Executive. The need to ensure the Council set a balanced budget is paramount.

7.2. Legal and Governance

- 7.2.1. Under the Council's approved Constitution (Part 7.1 Scrutiny Procedure Rules) the Committee are required to challenge the draft budget proposals and any assumptions made in those proposals.
- 7.2.2. The Committee should report its findings and deliberations to the Executive, prior to the Executive making its final recommendations to Full Council.
- 7.2.3. Senior officers of the Council have been available throughout the Committee's scrutiny process to assist the Committee in its deliberations.

7.3. Relevant Policies and Plans

- 7.3.1. The Executive in compiling its draft budget proposals is required to ensure that these support the implementation of the approved Corporate Plan and satisfy all legislative requirements placed on the Council.

7.4. Risk

- 7.4.1. It is important that any draft budget proposals are subject to rigorous challenge and appropriate scrutiny. This will assist in ensuring that the draft proposals are robust, meet the Council's corporate priorities, fulfil statutory requirements, and provide for a balanced budget.

7.5. Consultation

- 7.5.1. The Committee are being consulted on the budget proposals as required under the approved Council Constitution.

7.6. Consideration by the Executive

- 7.6.1. The Executive approved the draft budget proposals on 23rd December 2021. The Executive will receive all consultation responses at its meeting on 10th February 2022.

7.7. Equality Implications

- 7.7.1. None directly from this report.

7.8. Climate Impact

- 7.8.1. The Council, having declared a climate change emergency in June 2021, is committed to reducing its climate impact both within its own Council buildings and in working with businesses and the wider community to achieve net zero energy emissions.
- 7.8.2. Significant progress has been made and reported into the Climate, Growth and Environment Executive Advisory Panel at regular intervals and in November the Climate Change Route Map was presented which detailed key actions that will be undertaken over the next 12 months. Further reports linked to elements of the Route Map will continue to be reported into the Advisory Panel throughout 2022.
- 7.8.3. The £1m pump priming investment proposed over the next three years will enable the council to develop a robust response to the impact of climate change including developing its own carbon management plan.
- 7.8.4. Among the Council's priorities will be putting in place carbon literacy training for elected members and staff, a management system to manage and monitor its own carbon footprint as well as plans to improve the local environment and sustainable travel.

7.9. Community Impact

- 7.9.1. The Executive's report stated that no distinct community impacts had been identified as a result of the proposals included in their report.

8. Background Papers

- 8.1. Executive Report 23rd December 2021 – Draft Budget 2022-23 and Medium-Term Financial Plan
- 8.2. Executive Report 23rd December 2021 – Capital Programme 2022-25
- 8.3. Executive Report 23rd December 2021 – Housing Revenue Account (HRA) Draft Budget 2022-23 and Medium-Term Financial Plan Proposals
- 8.4. Scrutiny Budget Sessions Presentations