

APPENDIX G – Enabling and Support Services – 13th January 2022

**North
Northamptonshire
Council**

NOTES OF THE BUDGET TASK AND FINISH GROUP FOR**ENABLING AND SUPPORT SERVICES (FINANCE, TRANSFORMATION (& CUSTOMER SERVICES), ICT AND LEGAL AND DEMOCRATIC SERVICES (INCL. HR)****SESSION 1 - 13 JANUARY 2022 held at 2pm using the Zoom platform****Attendees:**

Cllrs Mark Pengelly, Richard Levell (in the chair for this meeting), Valerie Anslow, Scott Brown, Jim Hakewill, Ken Harrington, Larry Henson, Ian Jelley, King Lawal, Steven North and Malcolm Ward

Executive Members/Officers: Councillor Lloyd Bunday

Lisa Hyde (LHy) , Nana Barfi-Sarpong, Adele Wylie, Guy Holloway, Paul Goult, Marie Devlin-Hogg, Heather Jackson, Geoff Kent and Lucy Hogston (LHo).

Finance Officers: Mark Dickenson, Claire Edwards, Niall Blowfield, Rachel Ashley-Caunt and Dean Mitchell

Democratic Services: Carol Mundy, Raj Sohal and Emma Robinson.

An apology was received from Janice Gotts.

1. Presentation

Each Director/Officer introduced their service area to the task and finish group, summarising each area of the budget and explaining the remit of each service. The current budgets, financial commitments and proposed budget for the forthcoming year were also explained.

Prior to the meeting a copy of the presentation for each of the enabling services listed below had been circulated to the task and finish group:

- Finance, Accountancy & Strategy and Corporate;
- Revenues and Benefits;
- Audit and Risk;
- Procurement;
- Chief Executive and Assistant Chief Executive's Offices;
- Governance and Human Resources;
- Legal, Democratic, Elections and Registrations;
- Transformation, Customer Services & ICT

2. Summary of questions and comments**Finance/Corporate**

Claire Edwards and Mark Dickenson responded to members questions:

- Increases to NI payments and Real Living Wage –

APPENDIX G – Enabling and Support Services – 13th January 2022

A question was raised about the affect this would have on the budget.

It was explained that both the increases to NI and the Real Living Wage and the pending pay awards had been factored into budgets.

- Closure of Accounts for legacy councils – it was reported that there would be a saving as resources would not be required for the closure of the legacy accounts and audit. Members asked what this would be.

It was agreed that there would be a saving.

- Treasury Income – A question was raised regarding the effect fluctuating interest rates would have on budgets.

It was explained that the Council's borrowing portfolio is based on fixed term loans

- Staffing levels – There were several vacancies across all council services and therefore what would the impact be on the budget if the council was fully staffed?

There are a number of restructures taking place across service areas. The budgets are based on the establishment and where services are reviewed, we would look for any changes to be met from within the existing budget. The current structures are largely based on those that transferred from the legacy authorities.

- Treasury - Reference was made to receipt of £500k of interest – where was this from?

The additional income of £500k reflects further investment into property funds and assumes an average return of 4%

- It was noted that there was an underspend on contingency a further explanation was required.

Officers confirmed that the Contingency budget for 21-22 was £5.7m and the balance on the contingency budget is around £3.5m. The contingency for the coming year had been reduced by £1.4m. Officers considered that a contingency of £4.25m is reasonable and is equivalent to around 1.5% of the net budget.

- A question was asked about what this had been spent on.

MD agreed to provide a a breakdown of this at the second session.

- Why could the underspend not be used and put towards council tax?

It was explained that the contingency is a one-off resource whereas Council Tax is an ongoing resource and the funding of the budget needs funding from on-ongoing resources.

A local government fair funding review is expected to take place in 2022 which will impact on how the local government sector is funded from

APPENDIX G – Enabling and Support Services – 13th January 2022

2023/24. Due to the high level of growth in North Northamptonshire there may be a significant reduction in government funding. It was mentioned that Council Tax was the most stable form of funding.

Cllr Bunday commented that council tax was an ongoing income stream, whilst the contingency was a one-off resource and shouldn't be used to fund changes in council tax levels.

Cllr North commented that the fair funding review had been ongoing for many years and that North Northamptonshire shouldn't be penalised for the ongoing growth within the area and considered that the council should lobby for no cuts to funding.

- A question was raised about interest payments? What was this payment for?

MD clarified that this related to interest on loans.

- How had the £8m pension deficit contribution figure been reached?

CE confirmed that there had been a 3-year valuation for the actuary which sets out deficits – a significant proportion was from the county council. CE would provide an update on this at the second session.

Revenues and Benefits

- Reference was made to the Housing Benefit subsidy and the additional income.

Officers clarified that the council was currently working with the legacy platforms but there was ongoing work to move to one platform shortly. Since becoming a unitary council there had been an increase in Housing Benefit Subsidy payments of £148,000.

- Regarding Fraud – could officers confirm whether the council would be fully recompensed for any fraud that had taken place. Do we have provision for fraud?

LHo clarified that the subsidy received for fraud cases was 40%, and that the council will try all means available to recover any overpayments as a result of fraud before considering a write off.

The number of overpayments created due to fraud and error has reduced significantly over the years due to the data matching tools introduced and the number of people that have now moved across from Housing Benefit to Universal Credit with help for their rent. This means the overpayment when somebody is on Universal Credit is with the DWP to recover and not the council.

Audit and Risk

- Following the recent environmental health court case and reported significant financial settlement – would there need to be an investigation

APPENDIX G – Enabling and Support Services – 13th January 2022

and would this impact on resources? Was there also a need for more auditing in general.

RAC – responded and advised she had discussed with the Chair of the Audit & Governance Committee how assurances can be gathered in relation to existing systems and record keeping. An audit had been added to the plan to look at the current controls and record keeping in relation to legal files.

Council tax and business rates

- Regarding Council Tax and Business Rates – what are the current collection levels?

The estimated collection rate for 2022/23 is 98.5%. Current year collection rates are improved from the previous years which were impacted on as a result of the pandemic.

Procurement

A restructure of the service area was currently taking place and it was expected that this would have an impact on future staffing budgets.

- Reference was made to the procurement of the new highway contract and a question was asked about whether procurement officers were able to provide the framework, guidance and support for relevant service areas. It was also commented that the highway contract would go live in September and if that was the case would the same number of employees be required year on year.

Officers confirmed that the service was currently being reviewed and there would potentially be changes in future requirements,

- There was concern expressed that the highways contract would be higher than expected and that it would be inadvisable to consider reducing the number of staff.

MD confirmed that additional money has been included in the base budget to reflect these changes.

- Confirmation of the date of the end of the contract with Welland Procurement was requested.

It was confirmed that the contract would end in March 2022 and that the service would return to an in-house service. CE confirmed that the budget would show as a third-party payment within the budget for 22-23

NB: Following comments made about the input the Executive would have on staffing the monitoring officer reminded members that staffing, and restructures were not an Executive function, and are a decision for the Head of Paid Service.

APPENDIX G – Enabling and Support Services – 13th January 2022

Chief Executive/Assistant Chief Executive

- A question was asked about Capital Costs and the Asset depreciation of £38k and what this related to?

Officers explained that this related to a legacy budget for Corby Borough Council whereby the 'corporate property' depreciated over a 50-year lifetime – this was the annual amount.

- A further question was asked about what the total cost of the property was.

Officers did not have the information to hand but would provide it.

- Reference was made to the use of social media in engagement and how residents views on the budget scrutiny would be fed back and how would such comments be scrutinised?

MD - confirmed that this would be reported back to the Executive on 10 February.

NCC Legacy Website

- A question was raised about the CMIS component of the legacy website for Northamptonshire County Council – this part of the website had been taken down by the West and it was considered that this should be accessible to all. How will this situation be resolved, as this information needed to be provided, and are there resources to ensure that this issue can be resolved.

It was confirmed that there was ongoing work taking place regarding the former CMIS component of the NCC website, when a resolution was achieved members would be informed.

Scrutiny Budget

- A question was raised about the current Scrutiny budget believed to be £40K, less chair's allowance, and clarity on the current balance available. Also, what was the budget for the coming year and were resources being fully used to scrutinise?

AW responded. She did not have the exact balance to hand but would let members know this. There was a review of allowances taking place shortly with the Independent Remuneration Panel, The IRP's determination and recommendations would need to be considered along with the budget implications. Notification of the review would be sent out over the coming week.

- A further question was asked about whether there was a budget for the Executive Advisory Panels, plus a budget for Scrutiny?

AW/ PG - There was no specific budget for the EAP's. These meetings were supported from within the democratic services normal running costs. When the new budget is established following the review by the IRP the chair's allowance would be taken out and the remainder of the budget will be retained to fulfil the scrutiny plan over the next 12 months to ensure priorities are met.

APPENDIX G – Enabling and Support Services – 13th January 2022

AW clarified that her service area was in the middle of a restructure and she planned to provide a more dedicated Scrutiny resource within her team to help with research and background information, this was built into the proposed new structure which will be in place during the next few months.

- A councillor commented that he had been told that there would be a dedicated scrutiny officer in place by January and asked why this had not happened? He felt it was essential to get someone in place to carry out much needed research work - what is the new timeline and budget?

PG responded and explained that the restructure process was ongoing, trade unions had been consulted and then service area staff would also be consulted, and this would take some time to conclude.

Governance and HR

- A question was asked about the NCC contract with Pathfinder Legal?

AW confirmed that the contract had been signed by NCC just before she had started and that NNC were contractually obliged and were also a shareholder. There would need to be an options appraisal.

- A question was raised about the costs of agency workers generally but particularly in relation to refuse collectors and which budget did this come from?

MDH responded and confirmed that agency spend was funded from individual service budgets and managers had to manage the costs within their set budgets.

- A request was made for a full breakdown of Full-time employees and Full-time agency staff.

AW confirmed this information could be provided.

- A question in relation to democracy was raised, particularly around hybrid governance and the need to engage more with the public, including encouraging scrutiny, promotion and communicating with harder to reach people in the community. It was noted that not all residents had technology and there was too much reliance on modern forms of communication.

AW confirmed that communications from councillors to their residents could be paid for from the Ward Empowerment Fund, there was an additional £95k in budget for 22-23.

MD clarified that there was a total provision of £156k funding equated to £2k per member.

Transformation, Customer Service & ICT

- A question was asked about the housing stock and whether there was an opportunity to increase efficiency and make money for the council?

LHy clarified that in the draft Transformation Plan that went to Executive in December there is reference to the housing service.

APPENDIX G – Enabling and Support Services – 13th January 2022

- When would the amount of transformation be reduced? Is this year the peak year or was there more to come and when would there be a reduction in staffing?

LHy replied that indeed the disaggregation of services was due to be completed over two years and therefore that piece of work does reduce however there are also a number of other/transformation projects relating to ongoing service improvement and restructures that are included in the plan up to 2024.

- Where would the staff from Angel Square be located.

It was confirmed that work was ongoing in this area and they would be placed across the North Northamptonshire estate. This project is being led by the Place directorate.

- Cllrs asked what would be happening with all the current empty office space, where considerable numbers of employees remained working from home.

LHy clarified that this was part of a wider review linked with the question above and is being undertaken by the Assistant Director of Asset and Environment.

- Cllrs commented that they had expected that some of the transformation would have been further forward than it currently was the key to a good workforce was to engage with staff and make them proud to work for North Northamptonshire Council.

LHy clarified there was considerable work going on and there had been a recent staff survey to ascertain current staff morale and wellbeing. A newsletter had been issued to members before Christmas providing detail about the ongoing transformation projects and the plan going forward.

- A question was asked about customer service and whether customer services would be reinstated in three libraries, Rothwell, Desborough and Burton Latimer, for those residents who didn't have access to on-line information?

GK confirmed that services would shortly be reinstated to these libraries, and consideration was also being given to similar services being provided elsewhere in the North Northants areas.

- A further question was asked about the webcasting of in person meetings (committees) and whether there was a budget to engage with residents – during Covid virtual meetings had been very successful in engaging the public.

AW/PG confirmed that the Executive had decided to invest funding at the Corby Cube. Procurement was underway for the main council meetings to be hosted in the Cube, which will have live screen capability. This was hoped to be in place for the next municipal year. Currently there was no budget to upgrade the other council chambers.

APPENDIX G – Enabling and Support Services – 13th January 2022

- Cllr Hakewill asked that it be formally noted that this facility should be budgeted for, and that all formal meetings should be webcast from all meeting locations from 2022.

- Where do we get blue badge income from?

GK confirmed that a small amount of income was received from the administration of the provision of blue badges.

- With reference to libraries would this include Wellingborough having a face to face customer service.

GK said that there was no intention for this at Wellingborough as there was already a service offered at Tithe Barn Building, it was also noted that the telephone system was being replaced during the current year and there would be a single platform

- Members considered that there were many issues with the current telephone system and customers frequently complained about not being able to contact officers as not all calls were processed through customer services. Direct dial numbers were required to ensure that standards across the organisation were met. A directory was also needed for those in the West where there was a shared service in place.

LHy noted these comments and confirmed that a new telephony system is a key corporate project.

ICT

- A question was asked about the number of staff and vacancies within the service.

NBS confirmed there were 43 staff on the establishment with 36 in post leaving, four vacancies and three agency staff in place.

- Reference was made to the additional costs for remote working and the continuing impact this would have.

NBS clarified that the working environment generally had moved to remote working. and this was successful during the pandemic.

- A question was raised following information from the Unite Forum about the health and safety aspects of employees not having proper desks and chairs at home and the muscular skeletal problems that were being faced. Would the council's risk assessments take this into account to ensure there were no health and safety concerns from uncomfortable working conditions?

NBS confirmed that workstation reviews were being updated to ensure that the correct facilities were provided to those working from home and using IT. The council needed to ensure that staff were working safely – there was mandatory learning and development training on workplace assessments which employees are required to undertake

MDH also clarified that HR was seeing more concerns being raised about muscular skeletal concerns from return to work interviews.

APPENDIX G – Enabling and Support Services – 13th January 2022

Encouragement was being given to the assessment being carried out and adjustments being made to support those working from home. Further advise and support on ways of working including mental health issues around isolation were also being looked at.

General

- A question was asked about Covid funding, could there be more information provided on this and was there any further information about Covid grants? Could an overview on the close-down of accounts and reserves be provided?

CE responded and confirmed that details in relation to reserves were included in the budget papers to the Executive in December. She could circulate these.

- Reference was made to the former legacy council's and the consultation process they had previously undertaken with the public. A question was asked about whether a meeting had been arranged for the public or parish councils to enable them to attend to ask questions and find out more information?

AW confirmed this was not a requirement of the current constitution.

MD clarified that there were no plans in place to hold such a meeting – Reports were presented to the December Executive and this formed part of the wider consultation.

- JH asked for confirmation of when the budget was reported.

MD clarified that the Scrutiny process was reported to the Finance & Scrutiny Committee on 2 November and to the Executive on 18th November and 23rd December.

Cllr Bunday also clarified that the Executive on 23 December 2021 had started the budget consultation process which would conclude on 28 January 2022 before a further meeting of the Executive on 10 February and the full council meeting on 24 February 2022 which would set the budget. Nothing further was planned.

3. Close

The chair thanked all for attending and confirmed that the second session would be held on Monday 24 January at 2pm.