



Northumberland

County Council

Your ref:

Our ref:

Enquiries to: Rebecca Greally

Email:

democraticservices@northumberland.gov.uk

Tel direct: 01670 622616

Date: Friday, 17 November 2023

Dear Sir or Madam,

Your attendance is requested at a meeting of the **CORPORATE SERVICES AND ECONOMIC GROWTH OSC** to be held in **CONFERENCE ROOM 1, COUNTY HALL, MORPETH, NORTHUMBERLAND, NE61 2EF** on **MONDAY, 27 NOVEMBER 2023** at **10.00 AM**.

Yours faithfully

Dr Helen Paterson
Chief Executive

To Corporate Services and Economic Growth OSC members as follows:-

D Bawn (Chair), J Beynon, L Dunn (Vice-Chair), P Jackson, N Oliver, A Wallace, C Taylor, M Robinson, P Ezhilchelvan and L Grimshaw

Portfolio Holders: G Sanderson, R Wearmouth



Dr Helen Paterson, Chief Executive
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AGENDA

PART I

It is expected that the matters included in this part of the agenda will be dealt with in public.

1. APOLOGIES FOR ABSENCE

2. MINUTES

(Pages
1 - 8)

Minutes of the meetings of the Corporate Services and Economic Growth OSC held on 25th September 2023, as circulated, to be confirmed as a true record and signed by the Chairman.

3. DISCLOSURE OF MEMBERS' INTERESTS

Unless already entered in the Council's Register of Members' interests, members are required where a matter arises at a meeting;

- a. Which **directly relates to** Disclosable Pecuniary Interest ('DPI') as set out in Appendix B, Table 1 of the Code of Conduct, to disclose the interest, not participate in any discussion or vote and not to remain in room. Where members have a DPI or if the matter concerns an executive function and is being considered by a Cabinet Member with a DPI they must notify the Monitoring Officer and arrange for somebody else to deal with the matter.
- b. Which **directly relates to** the financial interest or well being of a Other Registrable Interest as set out in Appendix B, Table 2 of the Code of Conduct to disclose the interest and only speak on the matter if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain the room.
- c. Which **directly relates to** their financial interest or well-being (and is not DPI) or the financial well being of a relative or close associate, to declare the interest and members may only speak on the matter if members of the public are also allowed to speak. Otherwise, the member must not take part in discussion or vote on the matter and must leave the room.
- d. Which **affects** the financial well-being of the member, a relative or close associate or a body included under the Other Registrable Interests column in Table 2, to disclose the interest and apply the test set out at paragraph 9 of Appendix B before deciding whether they may remain in the meeting.
- e. Where Members have or a Cabinet Member has an Other Registerable Interest or Non Registerable Interest in a matter being considered in exercise of their executive function, they must notify the Monitoring Officer and arrange for somebody else to deal with it.

NB Any member needing clarification must contact monitoringofficer@northumberland.gov.uk. Members are referred to the Code of Conduct which contains the matters above in full. Please refer to the guidance on disclosures at the rear of this agenda

letter.

- 4. FORWARD PLAN OF CABINET DECISIONS** (Pages 9 - 18)

To note the decisions of Cabinet since the previous meeting of the OSC and the latest Forward Plan of key decisions. Any further changes made to the Forward Plan will be reported to the Committee.
- 5. BUDGET CONSULTATION 2024-25 DRAFT ENGAGEMENT DOCUMENT** (Pages 19 - 42)

This report sets out the draft Budget Engagement document for 2024-25 (Appendix 1) and invites Scrutiny Members comments and suggestions on this.

Councillor Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Services is required to attend for this item.
- 6. BUDGET 2024-25 AND MEDIUM-TERM FINANCIAL PLAN 2024-2028** (Pages 43 - 54)

This report provides an update on the development of the 2024-25 Budget and the Medium-Term Financial Plan (MTFP) covering the period 2024 to 2028.

Councillor Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Services is required to attend for this item.
- 7. BEST UPDATE** (Pages 55 - 78)

To update on progress made on the current programme of works with BEST, the council's new way of working.
- 8. WORK PROGRAMME** (Pages 79 - 84)

The Committee is asked to review and note the Corporate Services and Economic Growth Overview and Scrutiny Committee Work Programme for the 2023/24 council year.
- 9. URGENT BUSINESS**

To consider such other business as, in the opinion of the Chair, should, by reason of special circumstances, be considered as a matter of urgency.

IF YOU HAVE AN INTEREST AT THIS MEETING, PLEASE:

- Declare it and give details of its nature before the matter is discussed or as soon as it becomes apparent to you.
- Complete this sheet and pass it to the Democratic Services Officer.

Name:		Date of meeting:	
Meeting:			
Item to which your interest relates:			
Nature of Interest i.e. either disclosable pecuniary interest (as defined by Table 1 of Appendix B to the Code of Conduct, Other Registerable Interest or Non-Registerable Interest (as defined by Appendix B to Code of Conduct) (please give details):			
Are you intending to withdraw from the meeting?		Yes - <input type="checkbox"/>	No - <input type="checkbox"/>

Registering Interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in "The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012". You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

"Disclosable Pecuniary Interest" means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A 'sensitive interest' is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a 'sensitive interest' you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

Non participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest, just that you have an interest.

Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.

5. Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Disclosure of Other Registerable Interests

6. Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests (as set out in **Table 2**), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Disclosure of Non-Registerable Interests

7. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in **Table 1**) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
8. Where a matter arises at a meeting which **affects** –
- your own financial interest or well-being;
 - a financial interest or well-being of a relative or close associate; or
 - a financial interest or wellbeing of a body included under Other Registrable Interests as set out in **Table 2** you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied
9. Where a matter (referred to in paragraph 8 above) **affects** the financial interest or well- being:
- to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
 - a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise, you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Where you have an Other Registerable Interest or Non-Registerable Interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Table 1: Disclosable Pecuniary Interests

This table sets out the explanation of Disclosable Pecuniary Interests as set out in the [Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012](#).

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain. [Any unpaid directorship.]
Sponsorship	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land and Property	Any beneficial interest in land which is within the area of the council. 'Land' excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners (alone or jointly with another) a right to occupy or to receive income.
Licenses	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer
Corporate tenancies	Any tenancy where (to the councillor's knowledge)— (a) the landlord is the council; and (b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest in securities* of a body

	<p>where—</p> <p>(a) that body (to the councillor’s knowledge) has a place of business or land in the area of the council; and</p> <p>(b) either—</p> <ul style="list-style-type: none"> i. the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or ii. if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/ her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.
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* ‘director’ includes a member of the committee of management of an industrial and provident society.

* ‘securities’ means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2: Other Registrable Interests

You have a personal interest in any business of your authority where it relates to or is likely to affect:

- a) any body of which you are in general control or management and to which you are nominated or appointed by your authority
- b) any body
 - i. exercising functions of a public nature
 - ii. any body directed to charitable purposes or
 - iii. one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)

Agenda Item 2

NORTHUMBERLAND COUNTY COUNCIL

CORPORATE SERVICES AND ECONOMIC GROWTH OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the **Corporate Services and Economic Growth Overview and Scrutiny Committee** held in the Conference Room 1, County Hall, Morpeth, NE61 2EF on Monday, 25 September 2023 at 10.00 am.

PRESENT

Councillor D. Bawn
(Chairman in the Chair)

COUNCILLORS

Beynon, J.
Dunn, E.
Grimshaw, L.
Oliver, N.

Robinson, M.
Taylor, C.
Wallace, A.

OFFICERS

Farrell, S.

Gerrard, S.

Greally, R.

Hindhaugh, P.

Jones, P.

McMillan, S.

Nicholson, S.
Willis, J.

Director of Workforce &
Organisational Development
Director of Law and Corporate
Governance (Monitoring Officer)
Assistant Democratic Services
Officer
Head of Corporate Commissioning
and Procurement
Director of Environment and
Transport
Head of Economic Growth and
Inward Investment
Scrutiny Co-ordinator
Executive Director –
Transformation and Resources
(Section 151 Officer)

1 member of the press was in attendance.

08. APOLOGIES

Apologies were received from Councillors Paul Ezilchelvan, Colin Horncastle and Richard Wearmouth.

09. MINUTES

RESOLVED that the minutes of the meeting of the Corporate Services and Economic Growth Overview and Scrutiny Committee held on 26 June 2023, as circulated, be confirmed as a true record and signed by the Chairman.

10. FORWARD PLAN AND CABINET DECISIONS

The Forward Plan of forthcoming Key Cabinet decisions was reported to the Committee as well as Cabinet decisions made since the previous OSC meeting. (Report enclosed with the signed minutes as Appendix A).

RESOLVED that the Forward Plan of key decisions and Cabinet decisions be noted.

11. REGENERATION UPDATE

Councillor Wojciech Ploszaj, Cabinet Member for Supporting Business and Opportunities, introduced the presentation. An assurance was given that there was no plan to drop any of the planned programmes highlighted in the presentation. Sarah McMillan, Head of Economic Growth and Inward Investment, gave the presentation to committee (attached with the minutes). The presentation outlined the role of the service and gave an update of regeneration within different categories; town & community, cultural investment, rural stewardship & growth, economic growth and strategic sites.

The following comments were made in response to members questions:

- Members were assured that there would be a seamless transition into the new Combined Authority. All scheduled projects and programmes would still be delivered. There would be a process to agree new priorities but the Authority was in a strong position and key opportunities would be recognised. It was confirmed that the Leaders red lines were still in place.
- It was confirmed that the small business service will be advertised in early October and information can be shared with Councillors.
- An assurance was given that businesses were communicated with through various mechanisms regarding the town plan. It was confirmed that businesses were contacted through an open consultation and businesses also sat on the town plan boards.
- There were many cultural investments across the whole County, there were only a select few highlighted in the presentation but members were assured that there were many investments planned.

- It was clarified for members that the Authority used the DEFRA definition of rural which meant that elements within Blyth and Cramlington were classed as not rural.
- Members were assured that as soon as there was news regarding the Sleekburn site it would be brought to committee. Members requested a report come to the next meeting even if it was confidential due to the commercial sensitive nature.
- It was confirmed that the cinema project in Ashington had successfully submitted a business case. The next step was to evaluate the business case to assess whether it was still viable. This was being done in consultation with the Town board.
- There was an acknowledgement that it was difficult to evaluate how far the town regeneration reaches and the effect it has on outlying villages however outputs were always embedded into projects and wider data could identify the impact made. It was suggested that residents surveys could be a way gauge people's feelings.
- Members were assured that funding for town & community regeneration was given from the Government and North of Tyne where the opportunity arose.
- It was acknowledged that Northumberland was behind the national curve for fast broadband roll out. Chris Thompson, Head of Digital and IT, would be able to give a more detailed update of the progress to committee.

RESOLVED that the information in the presentation be noted.

12. PARKS AND GREEN SPACES

Paul Jones, Director of Environment and Transport, introduced the briefing to the committee. It outlined a response to a request by members who sought an explanation as to why £250,000 allocated to the Parks Enhancement Capital Programme had not been utilised and an assurance that it would be spent 2023/2024. The response outlined the projects that the money would be utilised for. It also gave an overview of works that were completed in 2022/23. It was also highlighted that the services had managed to increase the overall number of parks in the County achieving the prestigious Green Flag status from 11 to 12 this year, which recognises them as being amongst the best parks in the country.

The following comments were made in response to members questions:-

- An assurance was given that remedial work from storm Arwen was scheduled in Gallagher Park. There was a huge parks programme and the service were committed to certain programmes and were also developing proposals.
- Officers were happy to confirm with members what works were in the programme.
- Members were assured that the service recognised Wansbeck Riverside as an asset to the County. The Council had invested in the play park at Wansbeck Riverside.
- Officers confirmed they were happy to look at future investments and would look into suggestions from members.

RESOLVED that the information be noted.

13. FINANCIAL PERFORMANCE 2023-24 – Position end of June 2023

Jan Willis, Executive Director of Transformation and Resources (Section 151 Officer) introduced the report to the committee. The report outlined that the Authority was expected to have an overspend of £4.5 million, this included drawing down funds for the 2023/24 pay award which was awaiting agreement. It was not unusual for a forecasted overspend at that time of the financial year.

The report highlighted several pressures throughout the Authority including children's & young person's services including residential care placements and housing services due to energy prices. However, members were assured that there were mechanisms in place to help manage pressures such as; managing discretionary spend and deferring non-essential spends as well as a mechanism having been put in place regarding filling vacancies. An assurance was given that the overspend could be managed.

The following comments were made in response to members questions:-

- It was acknowledged that the next report for financial performance due would show the second quarter and would hopefully show that the budget was moving in the right direction.
- A detailed piece of work was to be undertaken regarding the overprogramming of the capital programme as it was acknowledged it was out of kilter. There were external projects which created delays in the programme as well as inflationary pressures affecting the timeline. However, an assurance was given that once the work was completed proposals would be brought to committee. One proposal was to create a 10-year capital programme.
- It was acknowledged that the social care services was one of the pinch points for the budget. The social care funding model was due for review and the Authority awaited Government proposals. It was one of the biggest challenges faced by Local Governments.
- There was confirmation that the Authority was not borrowing externally whilst inflation was at its highest. The Authority were following an under borrowing strategy and were not taking on any additional external borrowing.
- Members were assured that detailed work was being undertaken within Children's services within school transport. It was acknowledged that the number of children with an SEN statement were increasing nationally. Work was also being done regarding residential placement – the strategy would be to open more provisions within Northumberland to decrease the need to rely on external residential placements.
- It was confirmed that once cleared with Gill O'Neill, Executive Director - Public Health, Inequalities, and Stronger Communities, information regarding the recommendation to transfer £1.556 million from the reserve to provide additional services to reduce poverty and health inequalities would be circulated to members.

RESOLVED that the information be noted.

14. PERFORMANCE OF THE NORTHUMBERLAND LOTTERY

Pam Hindhaugh, Head of Corporate Commissioning and Procurement, introduced the report to committee. The report gave the committee an update on the performance of the Northumberland Lottery since it was launched in April 2020. Northumberland County Council in collaboration with Gatherwell Ltd (an External Lottery Manager) operates an online lottery which contributes 50p of every £1 ticket sold to whichever local good cause the ticket player has chosen to support. Community groups and registered charities apply to join the Lottery via the Council's branded lottery website. Once approved by the Council, organisations are provided with their own branded page within the site and provided with regular updates, and bespoke marketing materials to help promote the lottery. The groups/charities then retain 50% of all ticket sales generated via their web page. This is paid to them on a monthly basis directly via Gatherwell and provides a regular income stream (subject to ticket sales).

The following comments were made in response to members questions:-

- Members suggested it would be a good time to advertise the lottery post pandemic to encourage more participation. An assurance was given that the lottery could be publicised to community groups.
- Members shared that they were pleasantly surprised with the performance of the lottery.
- It was suggested that additional criteria was added to ensure that charities who benefit from the scheme cannot contradict the Council's corporate values. It was confirmed that in the terms & conditions any application can be rejected without a reason given.
- There was an assurance given that those who tried to exceed the number of prescribed tickets would receive information about gambling awareness. However, this has not been needed as of yet.
- There was confirmation that the chances of winning was 1 in 5 and legal the lottery must have the funds available to pay out the winnings.

RESOLVED that the information be noted.

15. HR ANNUAL UPDATE

Sarah Farrell, Director of Workforce and Organisational Development, presented the report to the committee. The report outlined the annual position statement in relation to strategic workforce related areas of assurance. The report gave assurances to the committee that there was provision and monitoring in place to achieve Key Performance Indicators. It provided members with an overview of the strategic direction for the Council's workforce.

The report highlighted how retention strategies were working as staff turnover had decreased. Recruitment issues had been recognised in late 2021 and the service

had introduced four streams to try and combat these struggles. It was acknowledged that there was a perception regarding local government jobs and the Council worked hard to promote the benefits of working within a Local Authority. It was highlighted that managers were not deterred to fill vacancies in departments but that they were encouraged to fill posts creatively.

There had been a decrease in appraisals being completed but members were assured that remedial action was in place to combat this. There had also been a lower response rate to the staff survey than in previous years. However, in previous years there had been an array of incentives to complete, and it was felt that it was more positive for staff to respond to the survey without pressures as it could give a more accurate picture

The following comments were made in response to members questions:-

- Members raised concerns over the level of sicknesses in services and commented that these areas usually saw the highest vacancies. There was also a concern over filling vacancies. It was agreed that a report covering sickness numbers by department be brought to committee.
- Concerns were raised regarding departments needing to find efficiencies and the potential for those efficiencies to be found by not filling vacancies which had the potential to increase staff workload dramatically.
- It was acknowledged that collecting feedback from leavers was difficult as there was no obligation to provide it. However, members were assured that leavers data collected could be brought to committee.
- The Director of Workforce &OD confirmed that a temperature check of frontline staff and pressures could be obtained through the staff pulse surveys. Outcomes from the pulse surveys could be shared at a future committee.
- It was acknowledged that there was an aging workforce and efforts were being made through talent management and succession planning to accommodate this.
- It was confirmed that the WorkSmart project was being reviewed under the BEST use of resources workstream. There had been an increased trend for workers to return to County Hall since restrictions were lifted post pandemic. As long as services were being delivered there was still scope for agile working. It was confirmed that all officers had equipment which allowed agile working and that officers should be easily contactable regardless of their location.
- The WorkSmart review was still on-going but once completed the results and recommendations would be shared with the committee.
- It was not confirmed whether the Transformation post would become a permanent position, the success of the role would help determine the future of the position.
- Apprenticeships were being more tailored within the Authority to attract quality candidate. Apprenticeship posts provided a continuation into fulltime employment within the Authority with departments being encouraged to only offer apprenticeships where an employed position could be offered at the end.
- It was clarified that although the Authority did not have a positive action policy that recruitment was mindful of inclusivity. A further update could be

provided to include a breakdown of demographic in the workforce including the protected characteristics.

- Members requested details on historic vacancies within departments to identify longstanding vacancies where recruitment was difficult.

RESOLVED that

- (a) the report be noted;
- (b) the Committee agreed to continue to receive the Workforce Update annually;
- (c) the data that was contained in the whistleblowing report and the ongoing work to promote a safe environment for staff to raise concerns through various mechanisms across the Council be noted;
- (d) the continued use of Safecall across the Council as an additional mechanism for staff to raise concerns be supported, and
- (e) the additional information requested by members as set out above, be presented to the next meeting of the Committee.

16. WORK PROGRAMME AND MONITORING FORM

The Committee received an update on its Work Programme for the 2022/23 council year, including an assurance that the additional issues identified at the meeting would be included.

It was identified that a report regarding super-fast broadband and a further update on the outstanding issues arising from the HR Update would come to a future Committee.

Members asked that a report be presented to Committee regarding risk assessments to make the committee aware of their role to scrutinise the risk assessment.

Members also requested that a report be presented to the Committee regarding the land at Sleekburn as soon as information was available, regardless of commercial sensitivity and if required that a confidential report be shared if necessary.

RESOLVED that this information be noted.

Chairman _____

Date _____

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Agenda Item 4

DECISIONS TAKEN BY CABINET SINCE LAST OSC MEETING AND FORTHCOMING CABINET DECISIONS - SEPTEMBER TO DECEMBER 2023

DECISION	CABINET DATE/DECISION
<p>Cabinet Papers – 10 October 2023</p>	<p>https://northumberland.moderngov.co.uk/ieListDocuments.aspx?CId=140&MId=2257</p>
<p>Environmental Policy Statement</p> <p>To propose the adoption of an overarching Environmental Policy Statement by Northumberland County Council.</p>	<p>10 October 2023</p> <p>RESOLVED that:</p> <p>(a) Cabinet maintain its commitment to tackling climate change and to the development of a new Climate Change Action Plan which will set out the actions, work programme and targets that will be progressed over the period 2024 to 2026;</p> <p>(b) Cabinet adopt the Environmental Policy Statement and continuously strive to meet the on-going commitments contained within the statement (see Appendix A) and the actions and targets (see Appendix B) to the report;</p> <p>(c) the Environment Policy Statement be widely communicated and publicised to help raise public awareness, engagement and active participation on environmental matters across the county and</p> <p>(d) Cabinet note the ‘Potential Areas of Additional Environmental Activity’ outlined in section 5.4 of the report. It is intended that these additional areas of activity will be subject to further development and, where appropriate, any associated budget implications will be considered as part of this year’s MTFP budget setting process.</p>
<p>Building our Data Capability - Data Academy Pilot</p> <p>The purpose of this report was to outline the need to develop our data skills and capabilities and seek approval for the proposed establishment of a ‘Data Academy’ and associated use of unallocated Apprenticeship Levy to fund.</p>	<p>10 October 2023</p> <p>RESOLVED that Cabinet approve the awarding of a pilot programme in data skill apprenticeships to the apprenticeship provider ‘Multiverse’ with a Government Levy spend of £0.6m (excluding VAT).</p>
<p>Summary of New Capital Proposals considered by Officer Capital Strategy Group</p>	<p>10 October 2023</p> <p>RESOLVED that</p> <p>Ponteland to Callerton Phase 2</p>

	<p>(a) Cabinet approve the revised phase 2 approach and approve the additional funds of £0.518 million to deliver phase 2 and progress to scheme completion; and</p> <p>(b) Cabinet approve the inclusion of £0.518 million to the Capital Programme in 2023-24.</p>
<p>Corporate Performance – Quarter 4 2022/23 Outturn</p> <p>This report provides a summary of the progress against the Council’s three Corporate Plan priorities using the Council’s performance at the end of Quarter 4, 2022/23 (Q4)</p>	<p>10 October 2023</p> <p>RESOLVED that:</p> <p>(a) Cabinet note the progress against the three Corporate Priorities as summarised in the report; and</p> <p>(b) Cabinet agree to progress against the three Corporate Priorities at end of Quarter 4 2022/23 being reported to Full Council at its November meeting.</p>
<p>Food & Feed, Safety & Standards Service Plan 2023/24</p> <p>The purpose of this report was to present to the Cabinet, for its consideration the Food and Feed, Safety and Standards Service Plan for 2023/24</p>	<p>10 October 2023</p> <p>RESOLVED that Cabinet receives and adopts the Food and Feed, Safety and Standards Service Plan for 2023/24.</p>
<p>Cabinet Papers - 7 November 2023</p>	<p>https://northumberland.moderngov.co.uk/ieListDocuments.aspx?CId=140&MId=2258</p>
<p>North East Devolution</p> <p>The report asked members to consider and determine if consent should be given to the making of an Order that would abolish the North East and North of Tyne Combined Authorities, whilst at the same time establishing a new North East Mayoral Combined Authority.</p>	<p>7 November 2023</p> <p>RESOLVED that:-</p> <p>(a) the content of the report be noted;</p> <p>(b) Cabinet agree in principle that the Council should consent to the making of the order;</p> <p>(c) the Chief Executive be authorised, in consultation with the Leader of the Council, to issue the Council’s formal consent to the Secretary of State when requested;</p> <p>(d) the Chief Executive be authorised, in consultation with the Leader of the Council, to finalise the terms of the side agreement regarding the support arrangements associated with these proposals; and</p> <p>(e) the Chief Executive be authorised to take all other steps necessary to implement these proposals</p>

Setting the Scope and Targets for the Climate Change Action Plan 2024-26

7 November 2023

RESOLVED that:-

Cabinet was asked to agree the scope and targets to be addressed in detail in the Council's Climate Change Action Plan 2024-26 and to ensure alignment with the Council's Environment Policy Statement

- (a) Cabinet agree that the Climate Change Action Plan 2024-26 is a key element of the Council's wider Environmental Policy Statement, which commits the Council to strengthen the work being undertaken to maintain, protect and enhance the environment through a broad range of policies and activities, including active travel, nature recovery, planning, procurement, public health/disease control and general environmental services provision;
- (b) Cabinet agree that the Climate Change Action Plan will include a focus on greenhouse gas reduction and climate change resilience through nature in collaboration with the Council's strategies for wider ecology and biodiversity issues;
- (c) Cabinet agree to restate the Carbon Neutral target for the county by 2030 and clarify that it refers to carbon dioxide only;
- (d) Cabinet agree a new target to work with Government and other key stakeholders to achieve net-zero for all greenhouse gases for the county of Northumberland by 2040, a strategy for which will be developed as part of the new Climate Change Action Plan 2024-26;
- (e) Cabinet agree that the local and regional adaptation response to the risks and impacts of a changing climate be included in the Climate Change Action Plan 2024-26;
- (f) Cabinet agree a new target to become a carbon neutral organisation by 2030, a strategy for which will be developed as part of the new Climate Change Action Plan 2024-26;
- (g) Cabinet agree that the scope of the Climate Change Action Plan 2024-26 continues to only include direct, territorial emissions (i.e. those produced in Northumberland) as its focus for projects but that it should do more to raise awareness amongst stakeholders of scope 3 (indirect) emissions (i.e. those produced outside of Northumberland) and how they can be reduced; and
- (h) Cabinet agree the core structure of the Climate Change Action Plan 2024-26 including a commitment to set out a strategy for planning in relation to the climate change targets.

<p>Strengthened Biodiversity Duty and Reporting Obligations</p> <p>The report set out the Council's new obligations to take action to conserve and enhance biodiversity and to report on such actions, and proposed a 'first consideration' of such actions as required under S.40 of the Natural Environment and Rural Communities Act 2006 as amended.</p>	<p>7 November 2023</p> <p>RESOLVED that Cabinet accept the document attached to the report as a record of the Council's first consideration of actions the Council can take to conserve and enhance biodiversity in accordance with S.40 (1C) of the Natural Environment and Rural Communities Act 2006 as amended, which will then be used by Officers to develop an implementation plan.</p>
<p>Approval of the Council Tax Scheme</p> <p>The report sought approval for the local Council Tax Support Scheme for 2024-25 to continue to provide support at a maximum level of 92% of council tax liability.</p>	<p>7 November 2023</p> <p>RESOLVED that County Council be recommended to approve the Council Tax Support Scheme attached as Appendix 1 to be adopted as the Council's local scheme for 2024-25.</p>
<p>Corporate Feedback Performance 2022/2023</p> <p>The Annual Report reviewed the operation of the complaints process over twelve months (01.04.2022 to 31.03.2023), including statistical data, and provided the local authority with how it keeps itself informed about the effectiveness of its current arrangements for handling customer complaints.</p>	<p>7 November 2023</p> <p>RESOLVED that the findings of the report on complaint handling within the authority be noted.</p> <p>This report will be considered by the Communities and Place OSC on 29 November 2023.</p>
<p>Corporate Performance Quarter 1 2023-24</p> <p>The report provided a summary of the progress against the Council's three Corporate Plan priorities using the Council's performance at the end of Quarter 1, 2023/24 (Q1).</p>	<p>7 November 2023</p> <p>RESOLVED that progress against the three Corporate Priorities as summarised in the report be noted.</p>
<p>Summary of New Capital Proposals considered by</p>	<p>7 November 2023</p> <p>46.1 Kyloe House CCTV Upgrade</p>

Officer Capital Strategy Group

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group.

RESOLVED that:

- (a) Cabinet approve the receipt of the capital grant of £0.221 million from the Department for Education (DfE); and
- (b) Cabinet approve the amendment to the Capital Programme to include the funding and spend.

46.2 Replacement of Boating Pontoon in Wansbeck Riverside Park

RESOLVED that Cabinet approve the proposed spend on the Boating Pontoon and amend the Capital Programme in 2023-24. Note that the project will be wholly grant funded under an agreement with Cambois Rowing Club.

46.3 Highways Laboratory Expansion

RESOLVED that:-

- (a) Cabinet approve the expenditure of the £0.615 million which is already included in the MTFP under Highways Laboratory Expansion project; and
- (b) Cabinet note that a portion of the allocation will be slipped into financial year 2024-25. This is currently anticipated to be 50% but will be dependent on the date of approval.

46.4 North East Bus Service Improvement Plan (BSIP)

RESOLVED that:-

- (a) Cabinet note the agreement for the North East Joint Transport Committee (JTC) to release BSIP capital funding to assist scheme promoters with development of the programme;
- (b) Cabinet approve the BSIP capital funding to develop the “Bus Priority Infrastructure – Tranche 1” programme; and
- (c) Cabinet approve the amendment to the Capital Programme to include £0.121 million funding from Transport North East (TNE) to enable development of the BSIP Tranche 1 programme.

46.5 Parks Enhancement Capital Programme

1. **Cleasewell Hill Park**

RESOLVED that:-

- (a) Approve capital expenditure of up to £0.240 million for the refurbishment scheme at Cleasewell Hill Park;

(b) Approve the reallocation in the Capital Programme of £0.200 million from the existing Parks Enhancement Programme and £0.040 million contribution from Choppington Parish Council which has been agreed in principle subject to formal approval; and

(c) Note that if funding of £0.040 million from Choppington Parish Council is not received works will be scaled back and expenditure will be limited to £0.200 million.

2. **Gallagher Park**

RESOLVED that:-

(a) Cabinet approve capital expenditure totalling £0.019 million for car park repairs, overflow provision and fencing at Gallagher Park; and

(b) Cabinet approve the reallocation in the Capital Programme of £0.010 million from the existing Parks Enhancement Programme and £0.009 million from Cllr Robinson, Cllr Taylor, and Cllr Wilciezk's Members' Local Improvement Scheme funds.

3. **Plessey Woods – Bouldering Park**

RESOLVED that:-

(a) Cabinet approve capital expenditure totalling £0.159 million for Plessey Woods Bouldering Park; and

(b) Cabinet approve the reallocation in the Capital Programme of £0.088 million from the existing Parks Enhancement Programme, £0.067 million from Section 106 contributions and £0.005 million from Cllr Robinson's Members' Local Improvement Scheme funds.

46.6 Strategic Regeneration Investment

RESOLVED that:-

(a) Cabinet accept grant funding to establish the Northumberland Stewardship and Rural Growth Investment Programme as follows, noting that the establishment of the programme and projects below was previously agreed by Cabinet in February 2023:

- Accept grant funding of £4.810 million including £2.000 million capital and £2.810 million revenue for the Northumberland Small Business Service (NSBS).

- Approve the addition of the £2.000 million capital funding to the Capital Programme in line with the three-year funding profile further in the report.
- Accept grant funding of £3.510 million including £1.543 million capital and £1.967 million revenue for the Rural Asset Multiplier Programme (RAMP).
- Approve the addition of the £1.543 million capital funding to the Capital Programme in line with the three-year funding profile further in the report.

(b) Cabinet approve the below projects and the reallocation of capital funds of £0.600 million in 2023-24 from the Ashington North East Quarter Redevelopment (Phase 2). The Strategic Regeneration Projects budget will reallocate £0.600 million to the Ashington North East Quarter Redevelopment (Phase 2) project in 2024-25. Note that the Ashington North East Quarter Redevelopment (Phase 2) does not require the funds in 2023-24 due to slippage in the project delivery.

- Approve the allocation of capital funds of £0.500 million in 2023-24 for Hexham HSHAZ Public Realm Scheme.
- Approve the creation of a new capital project in 2023-24 for the Berwick Gateway and approve the allocation of capital funds of £0.050 million in 2023-24 for the Berwick Gateway.
- Approve the allocation of capital funds of £0.010 million in 2023-24 for the detailed design of the Royal Border Bridge Floodlighting Scheme.
- Approve the allocation of capital funds of £0.020 million in 2023-24 to finalise the successful Rural Business Growth Service project.
- Approve the allocation of capital funds of £0.020 million in 2023-24 for the detailed design of the Alnwick Cobbles Streetscaping scheme.

46.7 Great Northumberland Forest Tenant Lead Pilot

RESOLVED that:-

(a) Cabinet approve the proposed spend of £2.550 million for the Great Northumberland Forest Tenant Lead Pilot and note the funding of £2.550 million from the national Nature for Climate (NfC) fund; and

	(b) Cabinet approve the inclusion of an additional £2.550 million (2023-24 £1.500 million and 2024-25 £1.050 million) in the capital programme.
<p>Delegate Authority to Award Leisure Contract</p> <p>The report sought permission to delegate authority to enable the contract award of the Northumberland Community Leisure and Well-being Service to the preferred bidder, following final evaluation by the panel</p>	<p>7 November 2023</p> <p>RESOLVED that Cabinet delegate authority to the Executive Director of Public Health, Inequalities and Stronger Communities in consultation with the Leader, also Portfolio Holder for Environment and Local Services, the Deputy Leader, also Portfolio Holder for Corporate Services, the Portfolio Holder for Healthy Lives, the Director of Law and Corporate Governance and the Executive Director of Transformation and Resources to award and enter into a contract for the Northumberland Community and Wellbeing Service with the preferred bidder.</p>

FORTHCOMING CABINET DECISIONS

<p>Adaptions for Disabled People</p> <p>To report on additional Disabled Facilities Grant funding received from Government, and to ask the Cabinet to consider the case for revisions to the Council's discretionary grants policy.</p>	12 December 2023
<p>Budget 2024-25 and Medium Term Financial Plan 2024-28</p> <p>This report provides an update on the development of the 2024-25 Budget and the Medium-Term Financial Plan (MTFP) covering the period 2024 to 2028, prior to the receipt of the Local Government Finance Settlement 2024-25 in December 2023.</p>	12 December 2023
<p>Corporate Risk Management</p> <p>To inform Cabinet of the latest position of the County Council's corporate risks following review by Executive Management Team.</p>	12 December 2023
<p>Education, SEND and Skills Annual Report</p> <p>Annual Report of the Director of Education, SEND & Skills.</p>	12 December 2023
<p>Merger of North and South Northumberland Coroner Areas</p> <p>To seek approval from Cabinet to agree to the merger of the North and South Northumberland coroner areas, to become one Northumberland area effective from 1 April 2024.</p>	12 December 2023
<p>Northumberland Leisure and Wellbeing Procurement and Provision</p> <p>The purpose of the report is to provide an update on the Northumberland Leisure and Wellbeing Procurement and Provision.</p>	12 December 2023
<p>Financial Performance 2023-24 – Position at End of September 2023</p> <p>The report will provide Cabinet with the revenue and capital financial performance against budget as at 30 September 2023.</p>	12 December 2023
<p>Q2 Corporate Performance Report</p>	12 December 2023
<p>PFI Furniture, Fixtures and Equipment (FF&E) Responsibilities</p> <p>This report seeks governance approval for NCC to take over responsibility for the provision of FF&E for the PFI Fire and Rescue Service buildings at West Hartford and Pegswood, with an annual saving on the PFI unitary charge of £79,471 amounting to £1,192,065 for the remainder of the contract.</p>	12 December 2023

<p>Outcomes of the Tender for New School Buildings for Astley High and Whytrigg Middle Schools</p> <p>Update Cabinet on the outcomes of the tender process for the construction of new school buildings for Astley High School and Whytrigg Middle School and seek the delegated approval to award the construction contract.</p>	12 December 2023
<p>Setting of the Council Tax Base 2024-25</p> <p>To advise Cabinet of the tax base calculation for 2024-25 for all domestic properties liable to pay council tax.</p>	12 December 2023
<p>Summary of New Capital Proposals considered by Officer Capital Strategy Group</p> <p>This report details the Capital Proposals considered by the Capital Strategy Group on 30 October 2023.</p>	12 December 2023
<p>Notification of the Estimated Collection Fund Balances 2023-24 – Council Tax and Business Rates</p> <p>The report will advise members of the estimated surplus or deficit balances on the Collection Fund in relation to Council Tax and Business Rates at 31 March 2024. The Local Government Finance Act 1992 (as amended) requires the Council as the Billing Authority to calculate a Council Tax Collection Fund estimate by 15th January each year. The Non-Domestic Rating (Rates Retention) Regulations 2013 require the Council as the Billing Authority to calculate a Business Rates Collection Fund estimate on or before 31st January each year.</p>	16 January 2024
<p>Budget 2024-25, Medium Term Financial Plan 2024-28 and 30 Year Business Plan for the Housing Revenue Account</p> <p>The report presents to Cabinet, the updated Budget 2024-25, Medium Term Financial Plan 2024-28 and 30 year Business plan for the Housing Revenue Account</p>	16 January 2024 Council 17 January 2024 21 February 2024
<p>Climate Change Action Plan 2024-26</p> <p>To replace the expiring Climate Change Action Plan 2021-23 and to set out our intended strategies for reaching our climate change targets across the next three years and beyond.</p>	12 March 2024
<p>Financial Performance 2023-24 – Position at end of December 2023</p> <p>The report will provide Cabinet with the revenue and capital financial performance against budget as at 31 December 2023.</p>	12 March 2024



Northumberland County Council

Corporate Services and Economic Growth Overview and Scrutiny Committee
27th November 2023

Budget 2024-25 – Draft Engagement Document

Report of Cllr Richard Wearmouth, Deputy Leader of Council

Responsible Officer(s): Jan Willis, Executive Director, Transformation and Resources

1. Link to Key Priorities of the Corporate Plan

The Council's budget and Medium-Term Financial Plan (MTFP) are aligned to the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Economic Growth.

2. Purpose of report

This report sets out the draft Budget Engagement document for 2024-25 (Appendix 1) and invites Scrutiny Members comments and suggestions on this.

3. Recommendations

3.1 Members are invited to:

- Consider and comment on the draft Budget Engagement document.

4. Forward plan date and reason for urgency if applicable

The report was added to the Forward Plan on 17th November 2023. This is not a key decision.

5. Background

Engagement and consultation are an important part of planning and delivering services that meet people's needs. The Council has a statutory duty to consult on its budget proposals with businesses in Northumberland. In addition, the Council consults with residents and stakeholder groups on its budget proposals. We use this to inform the annual budget setting process.

The Council will undertake budget consultation from December 2023 to January 2024 to allow for full discussion and debate with: all political groups and their Leaders, local area councils; parish and town councils; and, with staff and the unions. This will include an on-line question and answer session with the Leader of the Council.

- 5.1 We plan to use this Budget Engagement document (draft attached at Appendix 1) to inform residents and stakeholders and help them to participate fully in Budget engagement.

6. Options open to the Council and reasons for the recommendations

- 6.1 Whilst the Council has the option not to engage residents and stakeholders during the Budget setting process, this would not be considered good practice and runs counter to transparency. We therefore do not consider this a viable option.

7. Implications

Policy	Budget Engagement helps to inform the Council’s Budget and Medium-Term Financial Plan
Finance and value for money	Whilst there are no financial implications arising directly from this report, engagement helps to inform the Council’s Budget which will be detailed in a separate report to Cabinet.
Legal	Whilst there are no legal implications arising directly from this report, engagement helps to inform the Council’s Budget which will be detailed in a separate report to Cabinet.
Procurement	There are no specific Procurement implications within this report.
Human resources	There are no specific HR implications within this report.
Property	There are no specific Property implications within this report.
The Equalities Act: is a full impact assessment required and attached?	There are no specific Equalities implications within this report, although this helps to inform the Council’s Budget which will be detailed in the separate report to Cabinet. No EIA is required for this report as no change of services is proposed.
Risk assessment	There are no specific risk implications within this report.
Crime and disorder	There are no specific crime implications within this report.
Customer considerations	There are no specific customer implications within this report.

Carbon reduction	There are no specific carbon reduction implications within this report.
Health and wellbeing	There are no specific health and wellbeing implications within this report.
Wards	All Wards

8. Background papers

N/A

9. Links to other key reports already published

Budget and Medium Term Financial Plan 2024-28

10. Author and Contact Details

Jan Willis, Executive Director, Transformation and Resources
Email: jan.willis@northumberland.gov.uk

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Budget 2024/25: Engagement Document (DRAFT)



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1. Introduction

Each year the Council must set a balanced budget, which sets out funding for its services as well as its plans for investing. The budget must also take account of new cost-pressures as well as making sure all its services are as efficient as possible. The Council's budget setting process is happening now.

Have your say on the Council's budget proposals

It is important that we consider your views on the budget because the Council exists to serve you and your communities. From Tuesday December 12th, 2023 until the 26th January 2024 you can give your views in an online questionnaire.

This document sets out key budget proposals – its purpose is to inform Members, residents and partners, and help them engage with the Council's budget-setting.

As part of the consultation the Council is also planning an online event in the New Year where residents can ask the Leader of the Council questions on services and the budget. Look out for details of this on the Council's Web Home Page.

This consultation runs for six weeks until 17th January 2023, with the Budget due to go before Full Council in February 2024. Once you have read this document you can have your say in the budget survey via the following link:

[WEBLINK TO BE ADDED]

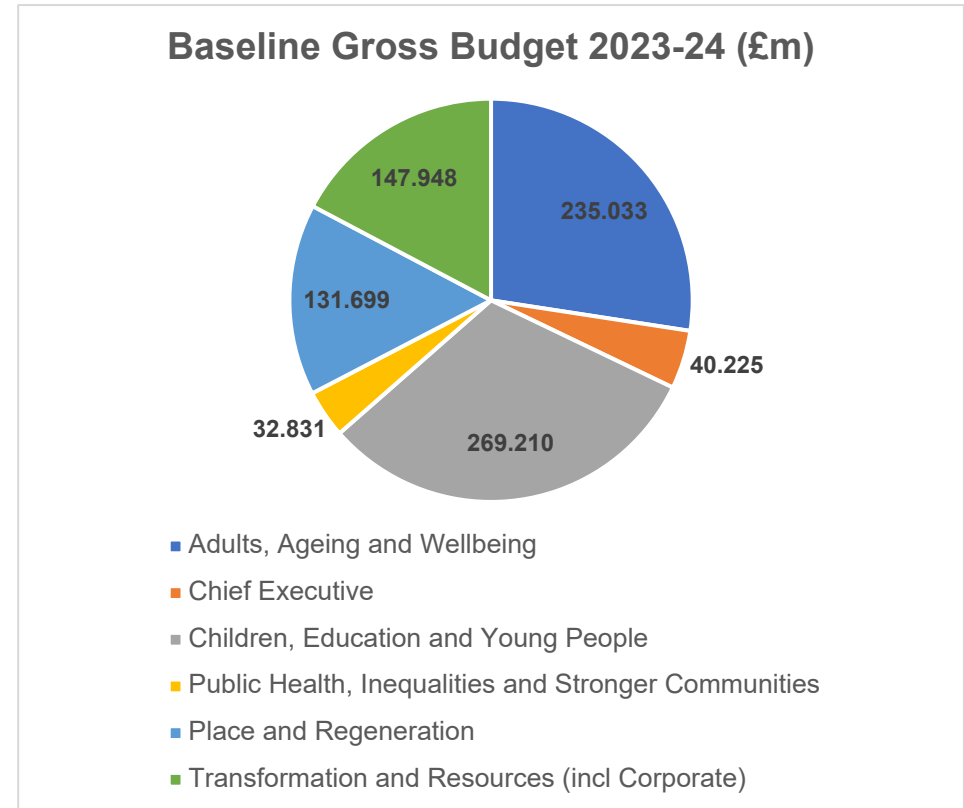
How we use your data

Northumberland County Council is the data controller of the information collected by us. The information collected will enable us to obtain feedback and valuable insights on the 2024/25 budget planning process. We will not provide your personal information to any external organisation or individual unless it is lawful to do so. For example, Local Government (Miscellaneous Provisions) Act 1976, the prevention and/or detection of crime, where sharing is covered by a data sharing agreement or Service Level Agreement (SLA), or where you have provided explicit consent to do so. Personal data will be held securely, then destroyed in line with retention schedules. The Council's retention schedules, and Privacy Notice can be found on the website - www.northumberland.gov.uk

2. Background to the Council's finances

In February 2023, Northumberland County Council agreed a balanced budget for the financial year 2023-24. The budget took account of the financial settlement from Government as well as the wider financial context, including significant price increases in the supplies we use to deliver services to residents.

Like most councils, our current budget sets out a range of efficiency measures and savings targets which are being delivered, even as we prepare the budget for next year. These measures ensure our services are value-for-money however, in achieving this we will work hard to ensure residents and businesses do not experience cuts to their day-to-day services. As part of the budget setting process for 2023-24, the Council's Interim Executive Director of Finance was satisfied that the Council set a viable budget and confirmed that the Council had the required financial strength within its reserves to cope with any anticipated financial challenge.



The Corporate Plan and the Council's Budget

Our vision and priorities

“Northumberland: Land of Great Opportunities. With world-class facilities to stunning landscapes, spectacular castles, picturesque coastal and market towns, we believe there's no better place to live and work. Our economy boasts a growing, internationally-recognised offshore and renewable energy hub delivering clean and green growth. And, we have a strong manufacturing base, including in pharmaceuticals and life

sciences. We are the largest and least densely populated local authority area in England. That makes for lots of communities with distinctive characteristics, heritage, functions and needs. We aim to build on all these strengths to ensure the county continues to be a land of great opportunities for current and future generations. To achieve this, Members and Council staff are focused on working together to deliver our three priorities: value for money; tackling inequalities; and, driving economic growth.

Our Corporate vision and priorities underpin the Council's budget and shape how we deliver all of our services and functions.

The Council's revenue budget

Councils have four main sources of revenue, namely:

- Council Tax;
- Government grants;
- Business Rates; and
- Fees and charges for services.

Unlike Government, our ability to raise other forms of taxes or income is very limited and we cannot borrow money to finance day-to-day spending on Council services. We use our 'revenue budget' to meet the cost of day-to-day spending such as salaries, supplies and services.

Some of the funding we receive is 'ringfenced' to fund certain service or one-off projects such as on roads or new buildings. This means that when the money is given, there are conditions attached stating how it can be spent. We can only use it for that purpose. It's for this reason that funding from

some grants cannot be re-allocated to other service areas (e.g. from major road improvement schemes to libraries). The cost of schools is included within the Council's revenue budget, but this funding is protected and therefore cannot be taken for savings.

Our approach to budget setting

Councils are required by law to deliver a balanced budget and so cannot spend more than is available. In previous budget consultations and budget monitoring reports we have mentioned growing demand for services such as social care for vulnerable children and adults and inflation as 'budget pressures'. These trends continue. The Council has a track record for managing its finances well and is high-performing in key services such as Children's and Adults' Services as well as School Improvement.

Our financial strategy is based on the following outcomes from our Corporate Plan priorities:

(i) Best customer experience

- Continuing the improvement in our customer contact.
- Encouraging more residents to use digital to contact & transact with us whilst maintaining other 'channels' of customer contact available.

(ii) Making the best spending decisions

- Making 'every penny count' – using our purchasing power and ensuring an efficient 'back office'.
- Making long-term, sustainable funding decisions and maintaining a prudent level of reserves.

Budget Engagement 2024-25

- Ensuring a sustainable tax-base, and maximising use of external funding streams.
- Spending local.
- Achieving efficiencies and better ways of doing things from our service reviews, using benchmarking to ensure value for money in services.
- Maximising income and covering costs where it is fair and sensible to do so.

(iii) Working better, more efficiently

- Ensuring our 'back office' are as efficient and effective as possible.
- Making the best possible use of our estate – making sure our land and buildings are fit for purpose and are run efficiently.

(iv) Making a difference with digital

- Making sure the Council's IT systems are joined up and fit for purpose to provide the best services to residents.
- Encouraging more use of digital services and access for our residents.

(v) Empowered and resilient communities

- Continuing to support households in need of help and helping communities to do more through for example our Communities Together Team and support to voluntary and community groups.

(vi) Children and young people have the best start in life and grow up well

- Ensuring our statutory services to children and families continue to be top performing, investing in prevention to manage demand in the medium to long-term.
- Continuing to invest in facilities that young people and families value most e.g. new and refurbished school buildings and leisure facilities.
- Supporting School Improvement – maintaining the very positive levels of primary and secondary school performance.

(vii) All adults living well, regardless of age, background, illness or disability

- Continuing to prioritise our statutory services to the adults who need our help most and helping them to live independently and have choice and control over their lives.
- Investing in our communities to build resilience and capacity.

(viii) Residents have the building blocks of a good life

- Continuing to support households through Northumberland Communities Together.
- Continuing to help people into jobs including playing our own part as an employer e.g. through our commitment to apprenticeships and our graduate recruitment scheme.

(ix) Thriving places and culture

- Protecting frontline, local services which keep neighbourhoods clean, safe and pleasant places to live and do business.
- Investing in regeneration in towns.
- Improving our walking and cycling paths.

(x) A diverse and resilient economy

- Agreeing an ambitious Capital Programme to create the conditions for economic growth.
- Continuing our commitment to supporting local economies in town centres.
- Investing in our rural economy through the 'Borderlands Plan'.
- Ensuring we continue to maximise the benefit for Northumberland businesses and residents from the new Combined Authority.

(xi) Skilled and aspirational people

- Supporting adult skills and learning – in partnership with the Combined Authority and other providers.

(xii) A connected county

- Continuing to invest in maintaining and improving our roads.
- Driving ahead with work on the Northumberland line.
- Supporting roll out of Superfast Broadband across the County.

(xiii) Protecting and enhancing our environment

- Continuing investment in parks and green spaces.
- Protecting the local services residents and businesses value.
- Continuing our commitment to addressing Climate Change.

Budget pressures

Like many councils, Northumberland faces, ongoing financial pressures, in particular:

- Rapidly increasing cost in all of our supplies and services which we need to absorb in order to continue delivering day-to-day services.
- Increasing demands on Children's and Education budgets.
- Increasing demand for care and support to vulnerable adults and older people.

Alongside dealing with these specific pressures, the expectations of our residents and businesses have not diminished. In fact, we are responding to changing demands as some residents opt for new ways of interacting with the Council and more personalised services, whilst others prefer traditional forms of contact.

Capital budget pressures

For every £1m the Council borrows, the cost to the revenue budget is approximately £0.088 million if the borrowing is over 20 to 30 years. The Council is facing rapid increases in interest rates and that means we have to review our Capital

Budget Engagement 2024-25

Programme as the cost of borrowing is significantly higher than originally anticipated. This may involve some capital projects being deferred or reduced in scope or 'value engineered' to reduce costs. However, overall, the Council remains committed to an ambitious programme of investing for the future in infrastructure, facilities and equipment.

In response to these pressures, all services have been asked to consider all savings that could be made.

3. Options for achieving a balanced budget

Options that could contribute towards balancing the budget are outlined below. Given the range of services we deliver alongside legal requirements there is no single solution. Instead, a blended approach to these options needs to be considered.

- 1. Making the case to Government for sustainable funding for local services** – our ability to deliver high-quality local services within a balanced budget depends largely on grant funding from Government. We continue to make the case to Government, alongside other councils, for sustainable funding for local services. We focus our case to Government on funding growth and pressures in Adults and Children’s Services as these are services to the most vulnerable people in our communities but we are also making the case for day-to-day services that are important for everyone such as roads for example.
- 2. Using the County Council’s reserves** – the Council has been prudent in setting aside reserves from previous years which we have used to ‘invest to save’, manage budget shortfalls in-year as well as responding to unforeseen events and trends such as the recent inflationary pressures on supplies and services. However, continuing to use reserves to bridge the budget gap is not a sustainable option because the use of reserves does not address underlying budget pressures. If we continue to use reserves to meet budget pressures, we will quickly exhaust our reserves. This will result in two things: firstly we will not have reserves with which to respond to unforeseen events; and, secondly, unless changes are

made, the budget pressures in services will persist, threatening the Council’s overall budget position.

- 3. Using of grants** – the Council receives specific, external grants for services and investment. Most of these grants come from Government and are usually ‘ringfenced’ which means the Council is required to spend them on certain services in specific ways. However, there is often some, limited flexibility in grant conditions and where these flexibilities exist, we will think about smarter ways of using grants to secure the best services and outcomes for residents.
- 4. Generating income** - The Council can raise commercial income to fund services and help with costs, e.g. through renting property. When we sell assets such as land and buildings, we can only use the receipts for one-off projects and not for funding day-to-day services. There are limits to how much income we can make, not least ensuring we cover costs, so we are not putting pressure on core budgets and services. The Council is not generally allowed to make a profit from traded services.

We also have the option to cover the costs of some services by asking the people who use them to pay fees and charges. Whilst this only impacts residents who are using and benefiting from the services, this is not a choice we make lightly – we know many residents’ household budgets have also been squeezed by rising costs and we want to avoid wherever possible adding to those pressures. We already charge for some services though the vast majority of our services are free at the point of use.

5. **Management of vacancies** – the Council has over 5,000 staff so, at any given time there will always be vacant posts across our services as people move on to other jobs inside and outside the organisation or reach retirement. Whenever there are vacant posts in any service, we encourage managers to consider the options. Could they delete the vacant post as a budget saving with no adverse impact on services to residents? Might they delay filling the vacant posts as part of budget management? Are there opportunities to discuss shared cover with other services? In some cases, there will be a pressing need to fill a vacancy to deliver critical care services and managers are supported to do that.
6. **Changes to services** – Our residents, businesses and partners value the services we provide. But they also expect us to think about how we might modernise these services keeping up with changes in society and technology as well as changing demands and expectations from customers. They also, rightly expect we will always strive to ensure our services are as efficient and cost-effective as they can be. We do all of that through a range of approaches including:
- (i) **Our new ‘BEST’ ways of working** – now and moving forward into the coming months and years the Council is re-thinking how we deliver services, where there are potential overlaps and duplication and how we harness exciting new technologies to provide residents with what they want and at better value for money. Our budget proposals set out a number of BEST reviews.

- (ii) **Completing existing service reviews** – prior to the launch of our ‘BEST’ ways of working, we already had a number of service reviews underway. As part of the budget proposals for 2023-24, we will complete and implement these reviews.
- (iii) **Ensuring we get best value from our contracts** – where the Council contracts with businesses and external organisations, residents expect us to continue to review our contracts, ensuring we are buying the products and services at the best possible prices.
- (iv) **Making Straightforward efficiencies** – where there are simple and straightforward efficiencies we can make which don’t require in-depth reviews or contract negotiations, we will get on with taking these – that is just common-sense.
- (v) **Managing demand** – this may involve thinking of ways to safely reduce demand for some services, or ‘smoothing’ peaks and troughs in demand so that pressures on services and budgets are more predictable during the year and we avoid budget overspends wherever possible. Managing demand is important for higher-cost services such as care to adults and children. But this is not straightforward as these are services which help some of the most vulnerable people in our communities. Managing demand can involve providing support in different ways – for example helping some families earlier so they don’t need more intensive and high-cost support further down the line.

Budget Engagement 2024-25

- (vi) **Reductions to services** – the Council has worked hard in recent years to avoid service reductions and will continue to do so through these budget proposals. Generally, the Council will only propose reductions in services as a last resort. In these budget proposals, only £13k of service reductions are proposed - a tiny proportion of the Council's overall spend on services.

4. Service proposals

Place and Regeneration

What we deliver for residents and businesses:

Our roads and highways are critical to the lives of our residents, businesses and visitors. They ensure people can get to work or education easily and safely as well as able to access all the amenities and attractions Northumberland has to offer. Our Street Cleaning service ensure safe and clean neighbourhoods. Our vibrant towns and attractions across the county require well-maintained car parks and effective management of parking to keep our roads moving and ensure fair access for everyone. Our paths and cycleways support and encourage people to live healthily and do their bit for the environment. And let's not forget about public conveniences. In a county as large as ours, with fantastic beaches and open spaces we all value a network of well-maintained public toilets.

Access to good-quality and affordable housing options are basic 'building blocks' for the lives of all residents. Equally, residents and visitors want to enjoy well-maintained country parks and open spaces which give them access to nature and opportunities for healthy living. They also want all our open spaces to be attractive and well-maintained. Our residents and businesses expect their bins to be collected reliably and efficiently but, they also want opportunities to recycle and reduce waste too.

One of the Council's three corporate priorities is to drive growth and jobs because having vibrant and growing businesses and well-paid, good quality jobs for our residents

is the best way of talking inequalities in Northumberland. The Council, working with Government, the Combined Authority, partners and businesses has a vital role to play in: creating the conditions for businesses to flourish; attracting new investors to the County; building the infrastructure needed to support a modern economy; and ensuring our residents have the skills businesses need now and in the future. We do all of this through:

1. Supporting business start-up and growth;
2. Regenerating communities;
3. Investing in towns and villages; and,
4. Investing in jobs and skills development.

Current Revenue Service budget

The Council spends some £131.7m delivering these services.

Budget pressures

- Significant inflationary increases are being experienced in relation to capital contracts as it becomes more expensive to build or repair everything from roads to buildings.
- These services are particularly impacted by rising energy costs and prices for supplies and services.
- Like all services, Place and Regeneration budgets are impacted by pay inflation.

Investing in the future

In the coming year we propose continuing to invest in the future of the County through our 'capital programme', including in:

- Powburn Depot Recycling Facility;
- Regenerating towns, including Cramlington;
- Parks Enhancement / Green Spaces Programme
- Roads

What we are proposing to do differently

In these services, we propose to contribute to a balanced budget through the following measures:

- Generating new and additional income of £0.22m
- Delivering efficiencies of £0.446m
- Delivering contract savings of £0.27m
- Delivering savings from BEST value for money reviews of £0.642m
- Making a service reduction of £0.013m

In summary these proposals will contribute £1.591m towards the Council's balanced budget from a total budget for these services of £131.7M, of which just £13k will be a service reduction.

What will these changes mean for people?

These proposals are substantially about generating additional income, delivering efficiencies, securing the best value for

money in our contracts and doing things better and more efficiently through BEST reviews.

Proposals for proportionate increases to charges for some services will not result in any reduction in levels of service to customers. In fact, these charges will help us to maintain current levels of service at a time of rising costs. These services are optional – not all residents choose to use them, and alternatives are available to residents who do not wish to pay increased charges.

What we are not proposing

In putting together these proposals we have considered a wide range of options but have ruled out the following:

- Introducing new car parking charges. In places where there is currently a free parking offer – such as our main town centres – we will maintain that offer.
- Introducing charges for public conveniences. These facilities encourage our residents to enjoy all of Northumberland and so will remain free to use.

Questions to consider:

1. Is it fair to ask residents and visitors to the County to pay modest increases in charges for services that are optional and where there are alternatives?
2. Are residents and businesses happy for the Council to get on with making sensible, cost and contract efficiencies where these don't result in noticeable reductions in service standards?

3. Are there any reductions in these services that you would be prepared to accept?
4. Do you have other potential savings, efficiencies or ideas for income generation?

Public Health, Inequalities and Stronger Communities

What we deliver for people:

The Council is passionate about tackling the inequalities that exist between our most and least affluent areas. That is why one of our three core priorities is to tackle inequalities, backed by our Inequalities Plan and a commitment to work in new and more effective ways with partners to address this important issue. Building on the experience of the Equality Impact Assessment process we are working towards an Integrated impact Assessment approach where we consider the impact of our decisions not only on our Public Sector Equality Duty, but on our key commitments to reduce inequalities and our impact on the environment. The work to tackle social and economic inequalities is bolstered by providing direct services to support public health improvement for people who need more intensive support, including for example, support to stop smoking or dealing with drugs and alcohol issues.

We also work through the Council's 'Communities Together' team to build community resilience, helping local people to get more involved in their neighbourhoods and take more decisions locally. This includes the Council working with voluntary and community groups (VCS) and funding them to

provide services too and we will look for opportunities to work in new and different ways with the VCS going forward.

In previous years, the Council has supported some of the lowest income households with a local Council Tax Support scheme. Given the cost-of-living pressures on households we propose to continue this scheme in the 2024-25 budget.

Equally important to all our residents are the arts and culture services we provide directly or help fund such as local theatres and festivals for all to enjoy. And don't forget, the Council continues to maintain a network of libraries across the County as well as investing in high-quality leisure centres – at a time when, sadly, neighbouring councils are having to close down key facilities. We know investing in facilities, arts and culture are the lifeblood of our towns and villages and are also good for the visitor economy.

Current Revenue Service budget

The Council spends some £32.8m delivering these services.

Budget pressures

- These services are impacted by rising energy costs and prices for supplies and services.
- Like all services, these budgets are impacted by pay inflation.

Investing in the future

In the coming year we propose continuing to invest in the future of the County through our 'capital programme', including in:

- A mobile Library Service vehicle.

What we are proposing to do differently

In these services, we propose to contribute to a balanced budget through the following measures:

- Delivering contract savings of £0.2m
- Delivering savings from BEST value for money reviews of £0.5m
- In summary these proposals will contribute £0.7m towards the Council's balanced budget from a total budget for these services of £32.8m. No service reductions in these services are proposed.

What will these changes mean for customers?

These proposals are not service reductions and should help us to deliver services which our residents want now and in the future.

What we are not proposing

In putting together these proposals we have considered a wide range of options but have ruled out the following:

- Stepping back from our commitment to high-quality leisure facilities and provision.
- Cutting back in our Library provision in the ways some other councils have had to do in recent years.

Questions to consider:

1. Are residents and businesses happy for the Council to get on with making sensible, cost and contract efficiencies where these don't result in noticeable reductions in service standards?
2. Are there any reductions in these services that you would be prepared to accept?
3. Do you have other potential savings, efficiencies or ideas for income generation?
4. Do you agree with the proposal to continue the local council tax support scheme in 2024-25?

Children and Young People

What we deliver for families:

We ensure the County's children and young people go to school in good-quality facilities and most importantly our Teachers and Head Teachers are supported to maintain and improve education opportunities and attainment for our young people. We also support young people and adults to develop the skills they need to fulfil their employment aspirations. Alongside education and skills, we provide support to families who need our help most, providing advice and guidance for parents and young people to make the best choices in their lives through our Family Hubs and other provision. In some cases, where families cannot cope and when young people are at risk, the Council has to 'step in' and look after some children, acting as a 'corporate parent'.

Current Revenue Service budget

The Council spends some £269.2m on these services (including schools funding).

Budget pressures

- New children’s homes that are being built / acquired to keep Northumberland children in the County which will in turn reduce the cost of out of county placements.
- Additional funding required for short break services for disabled children.
- The increased pressure resulting from a mandatory inflationary increase of 12.50% introduced by the Department for Education for foster care and special guardianship allowances.
- A significant increase in funding is required for external residential placements as the needs of the children are complex and the placements costly.

Investing in the future

In the coming year we propose continuing to invest in the future of the County through our ‘capital programme’, including in:

- Our programme of school investment.
- Housing for disabled children.

What we are proposing to do differently

In these services, we propose to contribute to a balanced budget through the following measures:

- Delivering contract savings of £0.1m
- Making best use of grants of £0.887m
- Safely managing demand for services of £0.606m
- Delivering savings from BEST value for money reviews of £0.136m
- Making straightforward and sensible efficiencies of £0.1m
- Delivering service reviews of £0.156m
- Effectively managing staff vacancies of £0.099m
- In summary these proposals will contribute £2.084m towards the Council’s balanced budget from a total budget for these services of £269.2m. No service reductions in these services are proposed.

What will these changes mean for families and young people?

- Our proposals will save money to help sustain services. There should be no adverse impact in service provision and indeed these proposals will deliver benefits to young people and families.
- Using grants to sustain services is simply a smarter use of Government funding with no reductions for existing services. Completing service reviews will deliver more effective services.

Budget Engagement 2024-25

- Managing staff vacancies are a sensible way of saving staff budgets which empower managers to make the right decisions.
- Delivering contract savings should not impact adversely on service standards and are a way of ensuring best value for money in the Council's 'supply chain'.

What we are not proposing

In putting together these proposals we have considered a wide range of options but have ruled out the following:

- Re-thinking our commitment to investment in rebuilding and refurbishing our schools. The Council will progress its programme of investing school facilities for our young people.

Questions to consider:

1. Do you have concerns on any of the budget proposals outlined for services to children and young people? If yes, what are these?
2. Are you happy for the Council to get on with making sensible, cost efficiencies where these don't result in noticeable reductions in service standards?
3. Are there any reductions in services for children and young people that you would be prepared to accept?
4. Do you have other potential savings, efficiencies or ideas for income generation?

Adults

What we deliver for adults:

We provide help, care and support for adults who need our help most, including services for older people, disabled adults or adults with long-term illness. We do this through direct care and support as well as commissioning care and support services to meet the needs of our residents. We also support independent living, helping older people to live happily in their homes and communities for as long as possible. And we provide grant support for the voluntary and community sector for their work with adults who need care and support.

Current Revenue Service budget

The Council spends some £235m on these services.

Budget pressures

- The Real Living Wage has been included for Social Care contract budgets across the Medium-Term-Financial-Plan period.
- These services are impacted by rising energy costs and prices for supplies and services.
- Like all services, these budgets are impacted by pay inflation.

What we are proposing to do differently

In these services, we propose to contribute to a balanced budget through the following measures:

Budget Engagement 2024-25

- Making best use of grants of £0.09m
- Safely managing demand for services of £3m
- Delivering savings from BEST value for money reviews of £0.057m
- Making straightforward and sensible efficiencies of £0.277m
- Generating new and additional income of £0.206m
- In summary these proposals will contribute £3.63m towards the Council's balanced budget from a total budget for these services of £235m. No service reductions in these services are proposed.

What will these changes mean for people?

- Our proposals will identify ways people's needs can be better managed, increasing their independence, providing more personalised and less formal care as well as reducing costs. They will lead to better integrated responses to individual needs.
- These proposals will also reduce delays in assessing or reviewing what charges people will be asked to pay as well as making smarter use of grants and managing vacant posts which are no longer needed because of changes in the way services are provided.

What we are not proposing

In putting together these proposals we have considered a wide range of options but have ruled out the following:

- Reducing services for vulnerable adults who need our help.

- Making steep increases in charges.

Questions to consider:

1. Do you have concerns on any of the budget proposals outlined for services to adults? If yes, what are these?
2. Are you happy for the Council to get on with making sensible, cost efficiencies where these don't result in noticeable reductions in service standards?
3. Are there any reductions in services for adults that you would be prepared to accept?
4. Do you have other potential savings, efficiencies or ideas for income generation?

Enabling services

What we deliver for people and businesses

Like all councils, we require a range of professional and technical services which support and enable our frontline teams to deliver efficient and effective day-to-day services. These enabling services include for example human resources, finance, legal services, audit and risk. These types of services are often known as 'back office' and will naturally be less visible to residents, though these play a vital role in enabling 'frontline' teams to do their jobs.

Investing in the future

In the coming year we propose continuing to invest in the future of the County through our 'capital programme', including in:

- The Council's Network Infrastructure Modernisation.
- Fire & Rescue Service Fire Control Upgrade / Replacement.

What we are proposing to do differently

In these services, we propose to contribute to a balanced budget through the following measures:

- Delivering savings from BEST value for money reviews of £2.436m
- Making straightforward and sensible efficiencies of £0.085m
- Generating new and additional income of £0.101m
- Delivering contract savings of £0.155m
- Effectively managing staff vacancies of £0.077m
- In summary these proposals will contribute £2.854m towards the Council's balanced budget. No service reductions in these services are proposed.

What will these changes mean for people?

These proposals will not impact adversely on our residents and the Council's enabling services will continue to provide support to frontline teams.

Questions to consider:

1. Do you have concerns on any of the budget proposals outlined for these services? If yes, what are these?
2. Do you have other potential savings, efficiencies or ideas for income generation?

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Northumberland County Council

Cabinet

Tuesday, 12 December 2023

Budget 2024-25 and Medium-Term Financial Plan 2024-2028

Report of Councillor: Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Resources

Responsible Officer: Jan Willis, Executive Director for Transformation & Resources (S151)

1. Link to Key Priorities of the Corporate Plan

The Council's budget and Medium-Term Financial Plan (MTFP) are aligned to the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Economic Growth.

2. Purpose of report

This report provides an update on the development of the 2024-25 Budget and the Medium-Term Financial Plan (MTFP) covering the period 2024 to 2028.

3. Recommendations

Members are requested to:

- 3.1 Review and note the revisions to the assumptions (and the risks) within the 2024-25 Budget and Medium-Term Financial Plan.
- 3.2 Note that further work is required to refine and finalise the Medium-Term Financial Plan.
- 3.3 Note that the revenue implications of the Capital Programme are still to be updated.
- 3.4 Note that there are still budget balancing measures required to be identified over the term of the Medium-Term Financial Plan and that it is intended that budget balancing measures for the two years 2024-25 and 2025-26 are agreed at the full Council meeting on 21 February 2024.

4. Forward plan date and reason for urgency if applicable

The report first appeared in the forward plan on 13 November 2023. The report is presented to inform and update Members of progress with the Budget 2024-25 and

MTFP 2024-2028. It has not been possible to provide this update earlier as there were too many unknowns. At this point in time no decision is required.

5. Background

- 5.1 Local government is operating in a period of significant financial uncertainty brought about by ongoing significant budget pressures (including social care, special educational needs, and disability services), as well as other unfunded pressures arising from demographic and significant pay and price inflation as well as rising interest rates. The financial outlook for the Council will continue to be extremely challenging for the foreseeable future.
- 5.2 There continues to be significant uncertainty in terms of the financial settlement for local government and how the available funding will be distributed between local authorities through the funding formula.
- 5.3 On 19 December 2022 the Government announced a one-year settlement as part of its provisional Local Government Finance Settlement. The settlement did however provide some certainty around some of the funding streams for 2024-25 (up to the end of the Spending Review period).
- 5.4 The provisional Local Government Finance Settlement also confirmed that the outcome of the Fair Funding Review and review of the Business Rates Retention system would be postponed by at least a further two years; resulting in implementation in 2025-26 at the earliest. In practice, it is likely that decisions on both will be postponed until after the next General Election the timing of which remains uncertain.
- 5.5 This level of uncertainty has made financial planning extremely difficult and requires the Council to be flexible and adaptable as it considers setting the 2024-25 Budget and the Medium-Term Financial Plan. Robust financial planning arrangements within the Council will ensure that the Council is well placed to react effectively to any outcome. However, planning with this level of uncertainty is not conducive to effective long-term decision making.
- 5.6 To ensure the MTFP can be developed effectively, and savings targets delivered in time to produce a balanced budget, it is important that a robust plan and timetable is agreed and followed.
- 5.7 The current MTFP forecast, agreed by Council on 22 February 2023, covered the four-year period 2023-24 to 2026-27. It is recommended at this stage that the MTFP covers the four-year period 2024-25 to 2027-28 but with a focus on the detailed package of efficiencies for the next two years 2024-25 and 2025-26 in order that they can be progressed, and delivery of those efficiencies optimised. The budget and MTFP will be presented to full Council on 21 February 2024. Planning across the medium term in this way ensures that decisions can be made in the knowledge of the likely financial position of the Council and provides a basis for effective decision making whilst taking account of the best estimates of income and expenditure.
- 5.8 Details of the local government financial settlement are expected to be announced by Government in late December 2023. It is once again hoped that the settlement will cover more than one financial year, but at this stage that detail is not known. Work will continue on the MTFP to incorporate the outcome of the financial settlement, and this will be presented to full Council on 21 February 2024.
- 5.9 In line with previous practice the MTFP model has been reviewed and updated using a variety of assumptions for inflationary increases relating to Revenue Support Grant,

New Homes Bonus, Services Grant as well as different assumptions for the tax base and pay and price inflation. The estimated savings requirement based on these assumptions will be as follows over the life of the MTFP:

2024-25	2025-26	2026-27	2027-28	Total
£m	£m	£m	£m	£m
10.859	18.543	19.908	14.920	64.230

- 5.10 The assumptions will continue to be reviewed as the MTFP is updated, and early identification and planning for savings required in the later years of the MTFP will be critical.
- 5.11 Savings proposals have been and will continue to be developed using the following principles:
- a) Setting a balanced budget over the life of the MTFP whilst maintaining modest and sustainable increases in Council Tax.
 - b) Investing to save; recognising that one-off resources can be used to generate future savings that will pay back the investment.
 - c) Ensuring that service and financial planning is fully aligned with the Corporate Plan.
 - d) Continuously reviewing services in order to keep reductions to front line services to a minimum.
 - e) Maintaining the Council's strong financial position so that it has sufficient reserves and balances to address any future risks and unforeseen events without jeopardising key services and delivery of outcomes.
 - f) Maintaining a commercial focus and maximising income generation while at the same time managing risk.
 - g) Ensuring the Council can demonstrate value for money in the delivery of its priorities.

5.12 **Medium-Term Financial Plan 2024-25 to 2027-28**

The Medium-Term Financial Plan was presented to Council on 22 February 2023 when the budget was set for 2023-24. The report set out a number of assumptions and identified a gap of £54.071 million from 2023-24 to 2026-27.

The MTFP is currently being updated to cover the period 2024-25 to 2027-28. At this point in time and using the mid-case scenario and the assumptions detailed below, savings of £10.859 million will be required to balance the budget for 2024-25 and a further savings requirement of £18.543 million for 2025-26 and £34.828 million covering the period 2026-27 to 2027-28 has also been identified.

The plan will continue to be updated to reflect changing circumstances and a revised MTFP will be presented to the Cabinet for approval as the budget process develops.

5.13 **Review of the Medium-Term Financial Plan**

The financial outlook for the Council continues to be extremely challenging. The national finances are in a highly uncertain position due to the aftermath of Covid-19, the impact of the UK exit from the European Union, the wars in Ukraine and Gaza and the resulting spike in energy prices, significant inflation, higher interest rates, volatile financial markets and the cost-of-living crisis. Although the latest headline rate of inflation has come down to 4.6%, the significant increases seen in recent years

are now to a large extent baked in, and inflationary pressures are expected to add around £40 million to the Council's cost base over the next 2 years.

The draft MTFP can currently be summarised as follows:

	2024-25	2025-26	2026-27	2027-28
	£m	£m	£m	£m
FUNDING:				
Government Grants	(169.496)	(163.428)	(164.866)	(167.297)
Council Tax	(242.824)	(257.680)	(263.673)	(269.627)
Collection Fund Surplus	(7.271)	-	-	-
Use of Reserves	(19.448)	(11.638)	(0.100)	1.025
TOTAL FUNDING	(439.039)	(432.746)	(428.639)	(435.899)
EXPENDITURE:				
Baseline Budget	385.576	417.431	423.971	428.760
Inflation	21.862	19.283	15.570	15.390
Proposed Growth & Pressures	26.993	4.414	3.006	0.669
Revenue Cost of Capital	15.467	10.161	6.000	6.000
Budget Gap	(10.859)	(18.543)	(19.908)	(14.920)
TOTAL EXPENDITURE	(439.039)	(432.746)	(428.639)	(435.899)

The assumptions for the 2024-25 and 2025-26 Budgets and MTFP are currently as follows:

- a) Revenue Support Grant (RSG) - that the Council will receive a government settlement including an appropriate inflationary increase over the period of the MTFP (CPI at the end of September was 6.70% and this is the increase that has been assumed for 2024-25). An inflationary increase of 2.00% has been assumed for the remaining three years of the MTFP.
- b) Rural Services Delivery Grant – a cash flat allocation of £2.456 million has been assumed for each year of the MTFP.
- c) New Homes Bonus (NHB) – The provisional Local Government Finance Settlement in December 2022 announced that there would be a new allocation for 2023-24 only and that the future of the NHB scheme would be announced in time for the 2024-25 provisional Local Government Finance Settlement. It is forecast that £0.961 million will be received in both 2024-25 and 2025-26.
- d) Improved Better Care Funding – it has been assumed that there will be no increase or decrease in the Better Care Fund.
- e) Adult Social Care Grants - that additional funding (Social Care Grant) received for Adults and Children's Social Care in 2023-24 will become recurrent but there will be no increase, and, that the cost of adult social care reforms (Fair Cost of Care and charging reform) will be fully funded by the Government.
- f) Services Grant – a cash flat allocation of £2.787 million has been assumed for each year of the MTFP.

- g) Council Tax - the Government confirmed that the council tax referendum limit would be 3.00% for 2024-25 in the Local Government Finance Settlement. It is possible however that due to the current position of the Government's finances that the council tax referendum limit will be increased beyond 2.00%. for 2025-26. Therefore, a council tax increase of 2.99% has been assumed for 2024-25 and 2025-26 and it is assumed that the council tax referendum limit will revert to 2.00% from 2026-27 and the council tax increase has been assumed as 1.99% for the remaining two years of the MTFP.

The Council Tax Policy will be updated so that the council tax premium for empty homes commences after 1 year rather than 2 years.

The figures also assume that the legislation regarding 2nd homes premium is passed and is implemented with effect from 1 April 2025.

- h) Adult Social Care Precept - that an increase to the Adult Social Care Precept of 2.00% will be applicable for 2024-25 only.

- i) Council Tax and Business Rate Tax Base Increases - Regular reviews are carried out in relation to tax base forecasts. The tax base is impacted by new builds, the incidence of uptake of discounts and exemptions, with a further major variable being the impact of the local council tax support scheme. At this stage a slight increase in the tax base is forecast in each year as a result of growth from new developments over the lifetime of the MTFP period. The forecast for the tax base for 2024-25 will be closely monitored in the coming weeks in what is a very volatile area.

With regard to the council tax base the Council has assumed that losses on collection will continue to be 1.00%.

- j) Pay Inflation - The Real Living Wage (RLW) has been included for social care contract budgets across the MTFP period. An annual pay inflation allowance of 4.00% has also been included for pay costs across the MTFP. The final determination of these pay inflation factors will impact on the MTFP assumptions.

When the 2023-24 budget was set, inflation for all pay increases was included at 4.00%.

Pay negotiations for firefighters has concluded for years 2022-23 and 2023-24 and the increases were 7.00 and 5.00% respectively.

The agreed pay increase for staff on local government terms and conditions is now estimated to be between 9.50% for those on spinal column point (SCP) 1 and 3.88% for those on SCP 43 (and above) in the current financial year (2023-24) which equates to the employer's current offer of £1,925 for each grade (plus employer's oncosts). All staff on SCPs above SCP 43 will not receive the flat rate increase of £1,925 but will instead receive an increase equating to 3.88% of their basic salary. The overall average increase based on this offer equates to 5.26% for the Council.

All of the costs (actual and estimated) over and above 4.00% have been added as a recurrent pressure to the 2023-24 budget and MTFP.

- k) Non-Pay Inflation - Whilst they may have abated recently, significant increases in utility charges continue to be experienced nationally and this is applicable to local government and the Council too. Increases over and above "normal" inflationary increases will be funded from reserves for the first year of this MTFP. The MTFP assumes that inflationary increases for utilities return to "normal"

levels after this time. However, this will need to be kept under review as there is currently no clarity about what will happen with energy costs in the medium term.

Inflation is included within the 2024-25 budget relating to a number of other items. Some of the more significant revenue budget increases are as follows:

Budget	Inflationary Increase
	%
Electricity (above 2023-24 base)	48.00
External Audit Fee	6.70
Gas (above 2023-24 base)	98.00
Insurance	11.00

Significant inflationary increases are also being experienced in relation to capital contracts which will have an impact on the affordability of the capital programme.

Inflationary increases have also been applied to some income budgets. A full list of all fees and charges will be included in the full budget report in February 2024.

- I) Recurrent Pressures – recurrent pressures have been identified across the MTFP and can be categorised as follows:

	2024-25	2025-26	2026-27	2027-28
	£m	£m	£m	£m
Budget realignment	0.195	0.031	0.001	0.001
Children’s Services pressures	3.419	0.415	-	-
Corporate pressures	0.527	-	-	-
Digital contracts	0.282	0.382	-	-
Fire & Rescue Service – overtime pressure	0.400	-	-	-
Home to School Transport (Not SEND)	0.400	-	-	-
Legislative Changes	0.676	0.202	0.389	-
Loss of grant/income pressures	0.759	0.030	0.030	0.030
Other	0.031	-	-	-
Pay inflation over and above the budgeted amount	3.209	-	-	-
Total Recurrent Pressures	9.898	1.060	0.420	0.031

The Children’s Services figures relate to:

- i) the new children's homes that are being built/acquired in order to keep Northumberland children in the county which will in turn reduce the cost of out of county placements. The pressure spans two years of the MTFP but there will be savings in the cost of out of county placements to offset these costs.
- ii) additional funding required for short break services for disabled children following a review that concluded that Northumberland's offer was inconsistent and limited and didn't provide enough variety of support for families.
- iii) the increased pressure resulting from a mandatory inflationary increase of 12.50% introduced by the Department for Education for foster care and special guardianship allowances. The Council had anticipated an increase of 5.00%.
- iv) an increase needed to the provision of overnight respite care. The service has been operating at a reduced capacity since the pandemic.
- v) a significant increase in funding is required for external residential placements as the needs of the children are complex and the placements costly. There is a shortage of supply and demand is high for placements.

The Corporate pressures figures relate to budget alignment required for bank charges, external audit fees and the apprenticeship levy as well as the cost of benefits which are not funded.

- m) Growth including demographic growth for adult social care and the increase in pupil numbers for the home to school transport service (SEND) has been included in the MTFP.
- n) Non-recurrent Pressures – a number of non-recurrent pressures have been identified (some were identified in the previous year) and it is proposed that they are all funded from reserves or grant.
- o) Efficiencies – there are sufficient efficiencies identified to enable the budget for 2024-25 to be balanced but there is still a shortfall for 2025-26 and as mentioned previously it is the intention to request that efficiencies for the next two years are approved by Council in February.

Executive Directors were asked to assess the deliverability of agreed savings for both the current year (2023-24) and the two financial years 2024-25 and 2025-26. The assessment was carried out using the following principles:

- i) Original permanent planned savings for 2023-24 will be achieved or an alternative must be delivered in-year and on an on-going basis in 2024-25.
- ii) Savings originally identified and verified as deliverable for 2024-25 will be achieved.

Work is ongoing to develop delivery plans for those savings that have not yet been realised, and Executive Directors have been asked to identify alternative proposals where necessary and possible. It is recognised that the delivery of savings in the current year has been extremely challenging.

In order to ensure delivery of a balanced budget for 2024-25 and 2025-26, work has commenced on identification and development of savings proposals. The recommended framework and MTFP principles surrounding the development of these plans is shown in paragraph 5.11.

The budget planning process is a continuing and iterative process, and further additional savings will be required over the life of the MTFP. Work is also progressing in relation to the revenue cost of the capital programme.

To date efficiencies have been identified as follows:

	2024-25	2025-26	2026-27	2027-28	Total
	£m	£m	£m	£m	£m
BEST savings	3.631	7.584	4.905	0.640	16.760
Contract savings	0.465	0.305	-	-	0.770
Efficiency	1.318	0.376	0.250	0.050	1.994
Income generation	0.517	0.762	0.172	-	1.451
Manage demand	3.606	5.410	-	-	9.016
Management of vacancies	0.176	-	-	-	0.176
Reduction in service	0.013	0.041	-	-	0.054
Service review	0.156	-	-	-	0.156
Use of grant	0.977	0.472	-	-	1.449
Total Efficiencies	10.859	14.950	5.327	0.690	31.826
Savings Gap	10.859	18.543	19.908	14.920	64.230
Balance to identify	-	3.593	14.581	14.230	32.404

The Executive Directors continue to work on the balance and identify proposals which will ensure that a balanced set of proposals will be presented to Cabinet in February 2024 covering the two years 2024-25 and 2025-26.

There are a number of factors which will influence the position:

- i) The reprofiling of the capital programme which will impact on both the capital and revenue position.
- ii) The provisional Local Government Finance Settlement which is due to be received in December 2023.
- iii) The outcome of the leisure provider procurement exercise.
- iv) Grant notifications from the Government.
- v) Confirmation that the legislation has been passed in relation to an increase in planning fees.

5.14 Capital

Members are advised that in light of the financial difficulty the Council is facing and the rapid increase in interest rates that the Capital Programme is also being reviewed as the cost of borrowing is significantly higher than originally anticipated. When the 2023-24 budget was agreed the average rate assumed for borrowing was 4.58% and at 14 November 2023 the average rate for borrowing using the same terms was 5.57%. For every £1.000 million that the Council borrows the impact on the revenue budget is approximately £0.088 million if the borrowing is over 20 to 30 years. There

is still significant uncertainty surrounding interest rates. However, it is clear that there will be an impact on the affordability of the capital programme and some capital projects may need to be deferred or reduced in scope or value engineered in order to reduce costs. It may also be the case that there are some projects which are no longer affordable and will only be able to proceed if additional external funding can be secured. The revenue assumptions above do not include any changes to the revenue cost of capital from the assumptions made in the 2023-27 MTFP. This work will be done following the review of the Capital Programme. It is intended that a Capital Programme will be presented to Council in February 2024 which is affordable in the context of not only the capital budget but the revenue budget too.

- 5.15 At this stage any of the assumptions made could be subject to change as a result of the Comprehensive Spending Review, and the publication of the provisional Local Government Finance Settlement, which is expected towards the end of December 2023.
- 5.16 The Section 151 Officer considers that there are too many unknowns to present a comprehensive and detailed budget package to Members for approval at the present time and work continues to formulate an affordable Capital Programme, identify savings proposals and refine costs and pressures to enable a balanced budget to be presented.
- 5.17 It is the intention to present the schedule of efficiency savings to Members for discussion in 2024.
- 5.18 It is proposed currently that the budget will be presented to Members as follows:

27 November 2023	Corporate Services and Economic Growth Overview & Scrutiny Committee
12 December 2023	Cabinet
29 January 2024	Corporate Services and Economic Growth Overview & Scrutiny Committee (All Members will be invited)
13 February 2024	Cabinet
21 February 2024	Full Council

5.19 **Budget Consultation**

The Council recognises that consultation is an important part of planning and delivering services that meet people’s needs.

The Council has a statutory duty to consult with businesses in Northumberland.

The purpose of the general budget consultation with residents and stakeholder groups is to communicate the budget challenge; ascertain an understanding of people’s views on the way we plan to meet this challenge; and determine whether views differ for different groups. This will be used to help guide and inform the annual budget setting process. Where proposals will potentially have greater impact on the public or on groups protected by equality law, services will carry out their own consultation on the detailed proposals and work closely with our most vulnerable residents to help them understand what changes to services may mean for them.

The Council will undertake Budget consultation from December 2023 to January 2024 to allow for full discussion and debate with all political groups and their Leaders, local area councils; parish and town councils; and, with staff and the unions.

There will also be an on-line question and answer session with the Leader of the Council, Glen Sanderson.

Service areas will consult on their budget proposals directly with individual services users, partners, and key stakeholders.

Feedback on budget consultation will be online.

Consultation will be promoted primarily through local and social media channels, linking through the Council's budget website.

6. Options open to the Council and reasons for the recommendations

- 6.1 This report provides an update for Members and outlines the assumptions included in the draft budget to date. The detail of the budget has yet to be finalised and there is further work to be concluded in relation to the Council's Capital Programme.
- 6.2 Notwithstanding that the Government will announce the Local Government Finance Settlement at the end of December 2023 which may result in the need to revisit the figures currently included in the budget.
- 6.3 The report is therefore for Member's information and to note.

7. Implications

Policy	This is the third year of this Administration’s Medium-Term Financial Plan; and it fully supports the priorities outlined in the Corporate Plan 2023-26.
Finance and value for money	The financial implications of the 2024-25 and 2025-26 Budgets and the Medium-Term Financial Plan are still being assessed. The Section 151 Officer is confident that the budget will achieve balance, but it is evident that the position will continue to be challenging.
Legal	The provisions of the Local Government Finance Act 1992 set out what the Council has to base its budget calculations upon and require the Council to set a balanced budget with regard to the advice of its Chief Finance Officer. The Act also states that the Council has got to set its budget before 11 March in the financial year preceding the one in respect of which the budget is set. The responsibilities of Cabinet, as set out in the Constitution, include taking all necessary steps to prepare the authority’s budget, and those plans and strategies which constitute the authority’s policy framework. It will undertake this work in accordance with the Budget and Policy Framework Procedure Rules.
Procurement	There are no specific Procurement implications within this report.
Human resources	The size of the financial challenge will have an impact on staffing levels across the Council. The Council will continue to try and mitigate this impact by the management of vacancies and voluntary redundancy wherever possible.
Property	The individual proposals will carefully consider the impact with regard to property requirements.
The Equalities Act: is a full impact assessment required and attached?	<p>No - not required at this point in time.</p> <p>All individual budget savings proposals for 2024-25 and 2025-26 are being, or will be, screened for potential equality implications, and where potential equality impacts are identified, specific impact assessments are being, or will be, carried out unless the final decision on whether to proceed with the saving will be taken after the budget round. In those cases, impact assessments will be carried out by the relevant Executive Director before final decisions are taken and could potentially lead to decisions that some savings should not be made in their currently proposed form but should be achieved in other ways. An overall assessment of the equality impacts of the budget proposals is in preparation; this will be updated as work on the budget proceeds, including taking account of the outcome of consultations on elements of the savings proposals. A final version will be presented to the Council alongside the final budget proposals in February 2024.</p> <p>At this stage, the amounts indicated for financial years 2026-27 and 2027-28 are simply initial savings targets that are expected to be required, based on current information and assumptions. As proposals are developed to achieve the overall savings for these years, they will be screened for potential equality considerations and, where potential impacts are identified, specific impact assessments will be carried out before final decisions are taken.</p>

Risk assessment	<p>The risks associated with the budget proposals will continue to be reviewed by the Executive Directors up to and including implementation of the detailed proposals.</p> <p>Any efficiency proposals that are considered to represent a risk will be subject to a separate comprehensive risk appraisal process. The risk appraisal process is the responsibility of the relevant Executive Director and will continue up to the County Council and beyond as individual budget reduction measures are implemented</p>
Crime and disorder	There are no specific Crime & Disorder implications within this report.
Customer considerations	The individual proposals will carefully consider the impact upon both customers and residents of Northumberland.
Carbon reduction	The Council continues to develop proposals concerning the management of energy which are supported by the budget. Executive Directors will advise members of the carbon reduction implications in relation to their own areas of the budget and their budget proposals.
Health and wellbeing	The Council's budget is founded on the principle of promoting inclusivity.
Wards	All wards.

8. Background papers

Not applicable.

9. Links to other key reports already published

[Budget 2023-24 and Medium-Term Financial Plan 2023-27 - County Council 22 February 2023](#)

10. Author and Contact Details

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Northumberland County Council

Corporate Services OSC

Monday, 27 November 2023

BEST Update

Report of Councillor(s) Cllr Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Resources

Responsible Officer(s): Jan Willis, Executive Director for Resources & Transformation (S151)

1. Link to Key Priorities of the Corporate Plan

This report is relevant to “Value for Money”, “Enabling Growth” and “Tackling Inequalities” priorities included in the NCC Corporate Plan 2018-2021.

2. Purpose of report

To update on progress made on the current programme of works with BEST, the council's new way of working.

3. Recommendations

To note the progress made to date on the programme or work and the proposed next steps.

To discuss a forward plan of deep dives into specific workstream to be brought to overview and scrutiny.

4. Forward plan date and reason for urgency if applicable

Not applicable

5. Background

BEST is the council's new way of working:

- It enables the council to give residents the best experiences through its services.
- It opens up opportunities and broadens experience for staff.

- It is the Council becoming more financially efficient and ensuring VFM is achieved.

The strategic business case, sponsored and led by the Executive Director of Transformation and Resources, was approved by Cabinet on 17th January 2023 and is the high-level strategic document that helped to begin the journey, identifying a programme of work under seven workstreams and encompassing around forty projects that are now being developed under BEST. This is not about cutting services, but about moving to a new way of working, transforming the way services are delivered and how the Council operates to deliver value for money and achieve the best outcomes for our customers and residents.

On 14 March 2023, Cabinet made the key decision to proceed with the tendering and procurement of a Delivery Partner who will work alongside council officers in delivering the priorities identified in the strategic business case and support the design and delivery of projects falling within the scope of the programme. Some of the benefits identified from engaging a delivery partner are as follows:

- The partner will bring the additional capacity and highly specialist support and advice that the Council needs to deliver.
- Our current workforce will have an opportunity to gain experience from industry experts.
- BEST opportunities and benefits are achievable, and opportunities are maximised.
- New opportunities are identified.
- Combined council officer and delivery partner teams will have a strong mix of experienced professionals bringing both internal and external knowledge and experience.
- The procurement process will support the delivery of Social Value outcomes and ensure value for money.
- Opportunity to agree risk reward arrangement to incentivise Partner's performance, encourage innovation and increase risk transfer.

A Procurement Working Group was set up comprising senior officers with subject matter expertise (BEST Programme Director and BEST Workstream Leads) and led by the Head of Corporate Commissioning and Procurement.

A soft launch of BEST took place in April 2023 at multiple locations across the Council and the associate programme of work was mobilised and delivery started.

In September 2023, the procurement working group evaluated the tender submissions from the ITT and Deloitte were appointed as the Council's strategic delivery partner in October 2023. The introduction and mobilisation of Deloitte commenced on contract award, the contract is managed by the Executive Director of Transformation and Resources who is also the internal client relationship lead.

6. Progress Update Enabling Workstreams

There are three enabling workstreams under the programme of work, these are as follows:

- Programme Management and Governance
- Communication and Engagement
- Benefits Realisation and Management

The Senior Responsible Officer (SRO) for on these workstreams is the Director of Transformation and Resources as the overall programme Executive sponsor and lead, supported by the Programme Director, Programme Manager, and subject matter experts.

Programme Management and Governance is fully set up and working effectively. The BEST Working Board, chaired by the Chief Executive and made up of the Executive Directors in their role as workstream SRO's and the Programme Director, meets monthly and gives strategic oversight and challenge. Beneath this there is an Operational Steering Group chaired by the Programme Director and made up of workstream leads and project managers which provides oversight of workstreams and manages the dependencies between them. Each Workstream then has a Workstream Board led by the relevant Executive Director as SRO and workstream lead, this Board provides direction and management for the overall workstream and is accountable for delivery of projects within that workstream, with the projects leads reporting into this board. Governance arrangements for the delivery partner contract are currently being developed, these will be led by the Executive Director of Transformation and Resources as SRO for the overall programme.

The soft launch for BEST took place in April 2023 and a communication and engagement plan was developed, this has included the set-up of a SharePoint site, recruitment and training of BEST ambassadors and regular newsletters to staff alongside Q&A style spotlights on workstreams and overall programme leadership. 87 ambassadors are currently engaged across all services within the Council. It has been recognised that a substantial proportion of current Ambassadors are County Hall based therefore further work is ongoing to engage staff in other locations across the county. Engagement with staff is fundamental to success and a key focus for all workstreams is on engaging as many staff as possible within the project work to propose, co-design and test ideas and solutions. At present this engagement has been at a relatively small scale due to the projects currently in delivery, however this will significantly increase as the larger projects are initiated and the expectation is that staff will be engaged in workshops, hackathon style events and larger scale Q&A's. A refreshed communication and engagement plan which will build upon on the work already done is being developed between now and Christmas with a planned launch in January. One element of this refreshed plan will be addressing what the new way of working means and how it impacts staff in their individual roles, services, and the Council as a whole.

It is critical that staff have the skills, tools, and knowledge to embark on the journey to new ways of working therefore an organisational development plan to support staff through the change is a key deliverable required within the Communications and Engagement workstream. This will include training and development and skills and knowledge transfer, focusing on sustainability for the longer term. An OD plan is being developed for the whole organisation, but work has already been ongoing

within workstreams for example the establishment of a Data Academy within Best Value for Money workstream and delivery of Living Leader within Best Talent and Opportunities.

Benefits (financial and non-financial) for each project within the workstreams are being collated, focusing on outcome and impact of the work and how these can be measured. Benefits tracking and management is area of expertise of the delivery partner, and they will be working alongside us to build upon this work over the next few months ensuring we have strong metrics in place for measuring outcomes, impact, and progress.

7. Progress Update Delivery Workstreams

Under each of the seven workstreams there are multiple projects, these projects have been categorized between those which can be delivered internally and those that require support from a delivery partner due to either capacity, expertise, scale, or a combination of these things.

Whilst the tender exercise has been ongoing the focus for the workstreams has been delivery of those internal projects which can be mobilised rapidly with little co-dependency on other areas or enabling projects for future larger scale work. Key deliverables and benefits to date include, but are not limited, to the following:

- OneCall and Enquiry Referral Coordinators (ERCs) live on Amazon Connect on 20th September 2023, OneCall, Enquiry Referral Coordinators (ERC's) and Revenues & Benefits all use the same telephony platform. Integrating more services into the corporate contact centre will create capacity for service teams to deliver more complex work. It will enable a more joined up experience for customers that can have multiple queries across the organisation dealt with in the one place and create the data to support "a single view" of the customer.
- Fix My Street implemented by May 2023, a platform that allows residents to report public realm issues and get updates on progress. This system has improved the online offer for customers and has allowed better understanding and visibility of issues leading to more efficient service delivery.
- Modern.Gov implemented by September 2023, a platform to provide paperless management and publication of democratic papers and approvals. The benefits of this system are a streamlining to the process of publishing papers improving efficiency, improved governance and auditability of decision making and papers and stakeholders have access to modern technology that enable them to work effectively and securely.
- iCasework implemented by November 2023, a case management platform for corporate feedback and information governance request. This system allows more efficient case handling as all correspondence and documents are within one system and allows better insight into customer needs through the capture and analysis of feedback and use of this insight to provide a better customer experience.
- Procurement savings of £1.63m achieved in Q1/Q2 2023/24.
- Co-design of a future state model to divert referrals from ASC to community provision. Communities First development model to be presented to SLT Nov '23.

- Continued roll out of the living Leader Programme to staff as part of the Leadership Framework developing our people and establishing a common language for change.
- Depot Review completed in November 2023 with a number of recommendations to be implemented to improve and streamline our depot facilities.
- Planning, Performance and Accountability Framework developed establishing one corporate approach with a clear thread from corporate plan to service planning to individual appraisal.
- Data Academy proposal developed and launched with first cohort due to commence end of November 2023, this apprenticeship will equip staff across the organisation with the skills to support faster data- informed decisions.

Appendix 1 details the full progress of projects by workstream highlighting those which have been delivered or are inflight and those that require delivery partner support to develop and implement. As can be seen in the Appendix 1 there has been both a significant amount of critical design and development work for larger projects as well as a significant amount of delivery and improvement across the Council since the BEST launch and this will now be accelerated with the support of our strategic delivery partner.

In reference to the work to be supported by our strategic delivery partner, a 6-month work plan is being co-developed by council officers and delivery partner colleagues which will prioritise the work over this period. Proposed areas of focus are:

- Enablers – Development of Benefits Tracker and Updated Comms and Engagement Strategy
- Best Use of Resources – BEST ways of working development
- Best Service to Customers – customer journey development and customer strategy and access model
- Best in Class Commissioning – category management and commissioning framework
- Best Value for Money - Value for Money Assessments and service reviews
- Best Use of Assets - Estates Review and Plan

A number of ongoing activities linked to the Independent Review of Governance (2022) have been integrated into the BEST work programme, progress on these activities is reported through the relevant workstream highlight reports The Table below outlines the linkages and progress:

Governance Review Recommendation *(including follow-up actions where relevant)	Proposed BEST Workstream	Update (29th September Group Leaders)	BEST (or other) Senior Responsible Officer (SRO)
(10.2.9) Establish a scheme of performance appraisal, starting with the Chief Executive at Member level, in line with the JNC provisions, which cascades throughout the organisation so that	Best Value for Money	Work on the 'golden threading' from Corporate Plan to Performance Appraisal is ongoing. Currently, the focus of this is on Service Planning, with Directors and	Audrey Kingham

every employee is clear about their targets and how they fit into plan delivery. As the Chief Executive is accountable to the Council as a whole for their performance, publish the targets and how they have been achieved as an annual statement to Council.		Heads of Service developing these based on a new approach and template. This forms part of the Planning, Performance and Accountability Framework under the Best Value for Money Workstream.	
(10.1) Establish what it means to be a Best Value Unitary Local Authority in its geographic area delivering appropriate services and community leadership to every resident and entity in its area.	Best Value for Money	Senior Officers have undertaken a Best Value 'baselining' exercise. This is based on the latest Best Value guidance. Through BEST, Officers are now developing a Value for Money assessment this will be piloted with by 3 or 4 service areas before full roll out across all council services. All council services will then have a baseline against which internal progress can be measured. Deep dives/ service reviews can be prioritised ensuring greatest impact.	Audrey Kingham
(10.2.1) Redraft its Corporate Plan in terms of the Administration's Goals and Objectives, moderated by the capacity of the organisation and the legislative framework	Best Value for Money	The Corporate Plan was adopted by Full Council in May 2023. The Corporate Plan is a key part of the Planning, Performance and Accountability Framework being adopted by the organisation.	Audrey Kingham
(10.2.2) Ensure the values by which it seeks to operate are lived within the organisation. Follow-up actions: Develop a leadership development programme for the senior team to enable the team to be fit for	Best Talent & Opportunities Best Enabling Workstream – Comms, Engagement and OD	T&O workstream: - New values and behaviours have been launched and are now being embedded across the organisation - A service review has been carried out on coaching and mentoring offer	

<p>purpose to meet the challenges ahead, including the need to speak truth to power and to support the whole Council with good member and officer engagement.</p> <p>Follow-up actions: Ensure that the whole Council are supported to be a part of the improvement journey.</p>		<p>- Leadership development continues through 'Living Leader,' alongside other initiatives.</p> <p>Comms, Engagement and OD</p> <p>-Comms And engagement strategy developed and implemented. This is now being refreshed and will be relaunched in January 2023</p> <p>- An OD plan is being developed to ensure that staff have the skills, tools, and knowledge to embark on the journey to new ways of working</p>	
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8. Implications

Policy	N/A
Finance and value for money	<p>Collectively, the Business Case for BEST agreed by Cabinet on 17 January 2023 sets out changes to ways of working that will deliver recurrent Council wide savings of more than £20m (Low: £17.9 million and High: £38.5 million). Savings will be incrementally achieved over the next 3 years, as and when change projects are delivered. Resourcing the programme is a critical enabler to mobilisation hence the key decision to tender and procure a Delivery Partner, this was essential to support the delivery of projects and to achieve the cashable and non-cashable benefits. Without the support of highly specialist change resources, many projects will not be delivered, and the savings opportunities set out in the Business Case cannot be met. The Budget 2022/23 and Medium-Term Financial Plan 2022/26 which was approved by County Council in February 2022 provides for funding of £3m per annum for BEST implementation costs for the 3-year period from 2022/23 to 2024/25.</p>
Legal	<p>The Local Government Act 1999 imposes a duty for Local Authorities to make arrangements for the achievement of best value in the performance of their functions.</p> <p>Best value for these purposes is described as securing continuous improvement in the exercise of all functions undertaken by the authority, whether statutory or not, having</p>

	<p>regard to a combination of economy, efficiency, and effectiveness.</p> <p>Within the design stages of workstream projects, regular assessment of any legal requirements / legal constraints will be identified, and advice taken where necessary. When needed, legal issues will be escalated to Programme Board and / Executive Team for strategic advisory and decision.</p> <p>The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 confirm that the matters within this report are not functions reserved to Full Council</p>
Procurement	<p>The procurement of the Delivery Partner was conducted in accordance with the Public Contracts Regulations 2015 and best practice methodologies.</p>
Human resources	<p>Within the design stages of workstream projects, regular assessment of any HR/OD requirements or constraints will be identified and advice taken where necessary. When needed, HR/OD issues will be escalated to Programme Board and / Executive Team for strategic advisory and decision. Regular updates are given to the Trade Unions on progress and future plans.</p> <p>The programme of work requires specialist HR resource to deliver projects which impact on staff. The Programme Team will be supported by HR Specialists and an OD Lead Officer.</p>
Property	<p>'Best Use of Assets' is a specific Workstream with key projects identified which will support a strategic review of the corporate estate and improvements to how the Council uses and manages properties within the corporate estate portfolio.</p> <p>The Strategic Delivery Partner will be expected to work on site at County Hall and potentially other corporate buildings on a regular basis. It is likely that hot desking space will be required to accommodate Delivery Partner colleagues.</p>
The Equalities Act: is a full impact assessment required and attached?	<p>No</p> <p>There are multiple projects for delivery within the programme r work and a key aim of the programme is 'no detriment to residents. This will be a key consideration for the design of each change project option and the anticipated equalities impact. Following the design phase of each project, an individual project Equalities Impact Assessment (EIA) will be completed based on design options set out in an Options Appraisal for consideration and decision by workstream boards. EIA's will be subject to consultation with equalities specialist within the Council and will be subject to frequent review and update based on the chosen option</p>

Risk assessment	<p>A Programme Risk Register is in place with the identification of strategic risks and operational risks, and this is reported to BEST Working Board on a monthly basis. In addition to this all workstreams also have risk registers which are monitored via Workstream Board.</p> <p>BEST is identified as one of the Councils Corporate Risks and is monitored and reviewed regularly with the Corporate Risk team.</p>
Crime and disorder	N/A
Customer considerations	<p>Residents First and improving residents experience of services is a primary objective of BEST and 'Best Service to Customers' is a specific workstream in the programme of work. Key improvement projects identified for delivery, will focus on improvements to customer access, customer contact and engagement. Implementation of the projects set out in the workstream are also anticipated to achieve a reduction in the volume of customer complaints.</p>
Carbon reduction	<p>There are multiple projects within the programme of work therefore following the design phase of each project, an individual project Carbon Impact Assessment (CIA) will be completed based on design options set out in an Options Appraisal for consideration and decision by Workstream Boards. CIA's will be subject to consultation with the Council's Climate Change specialists and will be subject to frequent review and update based on the chosen option. Positive contributions to the Council's carbon reduction targets will be monitored and mitigation will be sought for any negative impacts identified as a result of changes.</p>
Health and wellbeing	<p>BEST is intricately linked to work set out in the Inequalities Programme. The design options for each workstream project, will be viewed through the 'inequalities lens' to ensure cohesion of delivery priorities. Programme Leads will maintain regular contact to ensure that dependencies across programmes are known and understood</p>
Wards	(All Wards);

9. Background papers

Not Applicable

10. Links to other key reports already published

January 17th Cabinet Report – Strategic Business Case

[Appendix 1 corporate report template August 2019.doc \(moderngov.co.uk\)](#)

11. Author and Contact Details

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Appendix 1 Workstream Updates

Best Service to Customers

Workstream Aim: By redesigning our customer access model, we will change the way we deliver our customer services, make better use of the customer insight we gather, deliver proactive customer services and make best use of digital services to make savings of: LOW £3.2m HIGH £4.65m (Strategic Business Case January 2023).

Workstream Senior Responsible Officer (SRO)	Jan Willis	Executive Director of Transformation and Resources
Workstream Lead	Chris Thompson	Director of Digital & IT
Workstream Sub-Leads	Paul Jones Sarah Green	Director of Environment and Transport Head of Customer Experience
Senior Project Manager	Natalie Copeland	Senior Project Manager BEST

Project	Project Aim	Achievements	Key Milestones	Outcomes
Digital Services to Customers - PlaceCube	A low-code platform for us to accelerate digital transformation. Helping us provide more services digitally	Cost of Living service went live on Beta site on 11th October 2023 (this included web feedback form) Registrars scheduled to go live 20th October and Public Health week commencing 23rd October 2023.	All content migrated from Kentico to PlaceCube – March 2024 First transactional Service live - December 2023	Giving our customers accessible, usable digital services so that they can easily transact with us digitally.
Customer Service Integration & Improvement	Integrating more services into the corporate contact centre will create capacity for service teams to deliver more complex work. It will enable a more joined up experience for customers that can have multiple queries across the organisation dealt with in the one place and create the data to support “a single view” of the customer.	OneCall, Enquiry Referral Coordinators (ERC’s) and Revenues & Benefits all use the same telephony platform. Removal of Windows 12 server used to host the old telephony platform system used by OneCall and Enquiry Referral Coordinators).	OneCall and Enquiry Referral Coordinators (ERCs) live on Amazon Connect – 20 th September 2023	Fit for purpose telephony platform to improve functionality for users and customers. Decommissioning of a Windows 12 server to support in the wider aim of maintaining Payment Card Industry Data Security Standard (PCI DSS). Support with a single view of our customers.

The following projects within the Best Service to Customers workstream require support from the BEST Delivery Partner and have not yet commenced:

Customer Target Access Model & Strategy – We will develop a new customer service strategy and access model that helps focus on delivering services through the right channel at the right time.

Customer Insight - We will use data to allow us to better understand the needs of our customers, which in turn, may help us design improved services. We will develop tools to measure customer satisfaction in real time and enable us to recognise customer frustrations and immediately react to them.

Delivering Pro-active Customer Services - We will identify opportunities to co-locate complimentary services and re-model customer experience delivery. We will also look at our approach to digital inclusion and skills, hosting events to reduce demand and upskill residents.

Digital Services to Customers: Automating end-to-end processes and Paperless – We will support with the prioritisation, delivery, and acceleration of the work within the existing Digital & IT Service to automate end-to-end customer journeys and deliver user-centred, accessible digital services that delight and empower our users.

Best Use of Technology

Workstream Aim: By investing in our ability to design and build our own technology solutions, we will reduce the complexity of our technical architecture and make savings of: LOW £500k HIGH £1m (Strategic Business Case January 2023).

Workstream Senior Responsible Officer (SRO)	Jan Willis	Executive Director of Transformation and Resources
Workstream Lead	Chris Thompson	Director of Digital & IT
Senior Project Manager	Natalie Copeland	Senior Project Manager BEST

Project	Project Aim	Achievements	Key Milestones	Outcomes
FixMyStreet	A platform that allows residents to report public realm issues and get updates on progress	Implemented by May AGM 2023 – ongoing improvements as we respond to feedback. 14,329 reports received from 3 rd May 2023 to 17 th October 2023. As a comparison, we received an average of 18,559 in 2021 & 2022.	Go Live – 5 th May 2023 Lean Process Mapping recommendations from Service Review Team – December 2023	Improve the online offer for customers to report public realm issues (e.g., potholes, street lighting) Improved understanding and visibility of issues to allow more efficient service delivery. Customers can track progress improving satisfaction and reducing requirement to make follow up calls.
GIS	Helping us to build our data literacy and capability to	59 users moved to the new system (ArcGIS Online), 79 staff have been trained.	Launched GIS Community SharePoint - August 23	Replaced old GIS system with a new web-based solution.

	become more data driven.	<p>Launched GIS Community SharePoint site – 259 members to date.</p> <p>GIS Developer & GIS Engineer appointed to support with transfer to BAU</p>	<p>GIS Developer & GIS engineer appointed – September 2023</p> <p>Partner, Atkins, to handover from Project into Business as usual – by December 2023.</p>	Building a self-sufficient GIS Community
Modern.Gov	A platform to provide paperless management and publication of democratic papers and approvals	<p>Implemented Cabinet and all other committee workflows within Modern.Gov</p> <p>29 workflows are live in the system to date.</p> <p>356 staff are registered to use the system.</p>	<p>Phase 1 (Cabinet workflow) live - September 2023</p> <p>Phase 2 (All other committee workflows) live - October 2023</p> <p>Phase 3 (Explore and implement additional functions and paper lite meetings) by 31st May 2024 with go-live date planned for AGM.</p>	<p>Streamlining the process of publishing papers.</p> <p>Improving governance and auditability of decision making and papers.</p> <p>Staff and members have access to modern technology that enable them to work effectively and securely</p>
Smarter Procurement & Device Management (Desktop Refresh, DTR)	Provide modern, reliable, and mobile computing devices for all our users	Hardware and software requirements collected from majority of users in scope using actionable email.	1665 devices replaced by April 2024	<p>Staff and members have access to modern devices that enable them to work effectively and securely.</p> <p>Laptops issued to staff without the need for manual configuration by the Digital & IT Service Desk.</p>
iCasework	Provide a case management platform for corporate feedback and information governance requests	Soft Launch of Information Governance Request (Freedom of Information FOI, Environment Information Regulation EIR, Subject Access Request SARs) in October 2023.	<p>2nd October 2023– System used for Information Governance Requests</p> <p>1st November 2023– system used for corporate feedback, statutory complaints for</p>	<p>Keep documents and correspondence within one system (more efficient case handling)</p> <p>Automated templates to ensure</p>

			Adult's and Children's, Local Government and Social Care Ombudsman and Housing Ombudsman cases 21 st November 2023 – Report training	consistency with responses. Capture and analyse feedback to give us better insight into our customer needs and use this to provide a better customer experience
M365 E5 Licensing	Provide a licensing model that enables staff to use modern tools to do their role	1.Replaced our existing virtual private network (VPN) tool from Prisma Global Protect to Always-on-VPN - May 2023 2.Windows AutoPilot – key enabler to commence Smarter Procurement & Device Management (Desktop Refresh, DTR) Project 3.Enhanced Security and Compliance tools are available (data loss prevention, conditional access, and document management controls). This is a key enabler for the Information Architecture Project.	Replacement of VPN – May 2023 Windows AutoPilot available – October 2022 Enhanced Security & Compliance Tools available – October 2022.	Implementation of tools available to us within Microsoft 365 product to reduce the third-party contract costs with suppliers providing the same tools. This enables a smarter way of working for the Digital & IT Service Desk, meaning the new device roll out will be seamless and smooth. 5,669 desk-based staff can access installed versions of the office applications rather than limited cloud versions
Oracle Improvement & Optimisation	A programme of work to review our enterprise resource platform to see where we can make improvements for users	Business case drafted for Cloud Absence & Pension Changes	Seeded functionality for absence and leave implemented by August 2024 Oracle contract renewal – November 2024	Improvements enhance users' experience, deliver automation, and mitigate system failure risks.
Labman	Replacement of a legacy laboratory management testing system	Scope of work clearly defined	Commence in-house build of proof-of-concept in Microsoft 365 – October 2023.	A laboratory management testing system that is fit for purpose and

			UKAS recertification visit Feb 2024	secure. Staff have technology that enables them to work effectively and securely. Continuous attainment of the UKAS Accreditation
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The following projects within the Best Use of Technology workstream require support from the BEST Delivery Partner and have not yet commenced:

Fit for Purpose Digital & IT Staffing Structure – We will support with the independent review and validation of a proposed structure for the Digital & IT Service

Streamlined Technical Architecture – We will review the technology estate to establish the current position and future needs. We will use this to develop a rationalisation plan and embedding a governance process to embed longer-term decision making through the creation of a Technical Design Authority.

Information Architecture – We will support the implementation of a more intuitive way to discover documents and ensure permissions are simpler to manage.

Service Desk Management Tool – We will provide a tool so staff can self-serve routine requests covering Finance, HR, and IT matters.

Best in Class Commissioning and Communities First

Workstream Aim : By introducing a new commissioning framework underpinned by a category management approach, and co-designing more services through a Communities First ethos, we'll improve the quality of public services in Northumberland, involve more people in how they are designed and delivered, and manage our spend with suppliers more commercially to make savings of: LOW £5m HIGH £21m (Strategic Business Case January 2023).

Current Savings Achieved: £1.63m in Q1/Q2 2023/24

Workstream Senior Responsible Officer (SRO)	Gill O'Neill	Executive Director of Public Health, Inequalities, and Stronger Communities
Workstream Lead	Pam Hindhaugh Nigel Walsh	Head of Corporate Commissioning and Procurement Director of Stronger Communities
Senior Project Manager	Jackie Woods Mark Robertson	Senior Project Manager BEST (Commissioning) Senior Project Manager BEST (Communities First)

Project	Project Aim	Achievements	Key Milestones	Outcomes
Reduce Third Party Spend	By focusing on rationalising addressable third party spend through better consolidation of	1.An opportunity assessment tool, Atamis, went live, which will support analysis, opportunity	Completed analysis of agency spend and post and print.	Identified opportunities to be explored in Service Reviews

	contracts and/or renegotiation of prices.	assessment and understanding of spend in NCC. 2.Post and Print Service Review complete. 3.Review of agency spend underway	Action plan to reduce spend in post and print developed. Action plan to reduce agency spend developed.	TBC TBC
Implement a Contract Management Framework	A robust Contract Management Framework ensures that cost reductions remain locked in during the lifetime of contracts and suppliers deliver ongoing value	1.Corporate Contract and Supplier Relationship Manager recruited. 2.Social Value and Responsible Procurement Manager recruited.	New contract management arrangements implemented with services. Northumberland Supplier Engagement event (Mar 24)	Contract benefits and cashable savings fully realised. Promote local business and retain £ spend in Northumberland. Develop new and existing suppliers. Encourage local suppliers to work collaboratively. Support social value and community wealth building.
Communities First		Four workshops held with partners from across health, VCFSE sector, ASC, Customer Services and Fire & Rescue to understand 'as is' state, and support in the co-design of a future state model to divert referrals from ASC to community provision. Workshop four looking at future state (Nov 23)	Communities First development model to be presented to SLT Nov '23	TBC. Aim is to develop pilot areas to test approach to preventative measures, developing community activity and referral routes to prevent escalation to ASC services.
Reduced		1.Service Review of	Service Review of	

<p>Demand for Homecare</p>		<p>Direct Payments completed Mar 23</p> <p>2. Second stage project under way, implementing recommendations</p>	<p>Direct Payments, with recommendations.</p> <p>Training offer for ASC staff reviewed.</p> <p>More engagement with VCSFE sector and Northumberland Communities Together</p>	<p>Direct Payments training added as 'Required Learning.'</p> <p>Attendance at Communities First workshops and increased liaison with Communities Together to promote Direct Payments as a care route.</p>
<p>Reduced Demand for High-Cost Independent Living Placements</p>		<p>1. Three workshops have taken place with staff from across Adult Social Care around developing co-design and participation opportunities for service users.</p> <p>2. Supporting the development of Service User and Carer engagement in the Shared Lives service and developing story boards to be delivered as part of the marketing campaign to promote the service</p>	<p>Individual service delivery sites have used tools to engage with service users.</p> <p>Video packages being developed to promote Shared Lives as both a referral route for ASC clients and to attract more Carers to the service</p>	<p>Service Users will have increased opportunity to influence service provision.</p> <p>Support for evidence-building within future CQC inspections</p> <p>There will be more opportunities for Service Users to access Shared Lives as a service.</p>
<p>Community Asset Transfers – Leisure Sites</p>		<p>Expression of Interest work ongoing around five sites across the County, with positive engagement and comms across a number of partner agencies.</p>	<p>Report taken to SLT 7th Nov, with formal decision to be taken by Cabinet on 12th December</p>	<p>CAT process to be completed by end of financial year.</p>

The following projects within the Best in Class Commissioning and Communities First workstream require support from the BEST Delivery Partner and have not yet commenced:

Implement a Category Management Framework - Category Management is a strategic approach to procurement, taking the council's existing, fragmented spend and organising it into

common groups called 'categories' enabling better management of spend and better relationships with the market.

Implement a Commissioning Framework - A new Commissioning Framework will provide a strategic approach to commissioning; a robust and commercially minded methodology to ensuring that good outcomes, value for money and social value are achieved from all decisions to spend money with third parties.

Implement a Networked Model of Commissioning - A networked model of commissioning supporting effective and collaborative working will be in place for staff in relevant roles (commissioning, procurement, and contract management).

Best Use of Resources

By re-organising the Council's structures, reducing bureaucracy, and managing internal demand, the Council can create clearer career pathways for its staff, a better employee and customer experience and make savings of: LOW £1.975 million HIGH £3.25 million (Strategic Business Case January 2023).

Workstream Senior Responsible Officer (SRO)	Neil Bradley	Executive Director of Adults, Ageing and Wellbeing
Workstream Lead	Alison Elsdon	Director of Finance and Procurement
Senior Project Manager	Jackie Woods	Senior Project Manager BEST

Project	Project Aim	Achievements	Key Milestones	Outcomes
Develop a Streamlined Operating Framework	A leaner operating framework will streamline processes, make it easier for council staff to get things done for customers and strip out unnecessary bureaucracy.	1. On-line form for insurance claims developed for customers and staff. 2. Developed more proactive process for renewal of concessionary travel and blue badges.	On-line claim form launched (Nov 23). Test and launch of new process. Obtain feedback from Customers and the Customer Service team.	Customers and staff can log insurance claims electronically, directly. Customers are contacted in advance of their travel pass expiring, wherever possible, and renewed immediately when required.
Develop a Transactions Hub for Employees	The Transactions Hub will make it easier for employees and managers to self-serve by providing better information, self-help guides and resources on our intranet, building more digital services and	1. Electronic Timesheets solution launched to staff. 2. Accounts Payable electronic order pad launched for schools.	Solution developed, tested, then launched. Further development to improve compatibility with mobile devices (TBC) Form developed and tested, signed off by Audit and launched to	Staff can update their timesheets electronically at a time and place which suits them. Schools can now place orders electronically.

	automating processes to make working life easier.		schools	
Develop an Employee Service Centre	A new Employee Service Centre(s) will provide a single point of access to all staff involved in delivering the council's high volume, enabler Transactional Services, providing a channel for all routine requests for Finance, HR, ICT and Procurement.	Planning in progress		
Implement a New Operating Model in Finance, HR, and ICT	Develop and implement a new operating model for enabler services with roles focused on Business Partners, Performance and Insight, and Centres of Expertise, providing clarity and consistency to the level of support provided to frontline services	Planning in progress		

The following project within the Best Use of Resources workstream requires support from the BEST Delivery Partner and has not yet commenced:

Implement a Corporate Business Support Centre of Excellence - By bringing staff involved in general administrative functions together into (a) Business Support function(s), the council can make efficiencies through economies of scale, while creating clearer career pathways for support staff and reducing the cost of providing services for taxpayers

Best Talent & Opportunities

By transforming our workforce to reflect the needs of a modern local authority, we will support the implementation of this business case and be best placed to deliver the council's strategic priorities. We will create opportunities that attract the best talent to Northumberland and give people great reasons to stay.

The key focus of this workstream is to support and develop our staff, to grow and retain talent within the Council and to support a positive culture. Cashable savings benefits are not expected to be achieved from the delivery of BEST Talent and Opportunities workstream projects.

Workstream Senior Responsible Officer (SRO)	Simon Neilson	Executive Director of Place and Regeneration
Workstream Lead	Sarah Farrell	Director of Workforce and Organisational Development
Senior Project Manager	Isobel Nicholson	Senior Project Manager BEST

Project	Project Aim	Achievements	Key Milestones	Outcomes
Values and Behaviours	Launch and embed new values and behaviours.	New values and behaviours brand and graphics have been developed. Values & Behaviours pages released on 'The Beat'	New values and behaviours brand and graphics launched	New values and behaviours are recognised by staff and become embedded in NCC culture
Coaching and Mentoring	Development of Coaching and Mentoring support for staff	Service Review completed, the outcomes and recommendations from which provide the evidence base for change and improvement.	Development of an Options Appraisal for providing coaching and mentoring support for staff	The creation of a 'coaching' culture within the Council Improved quality of Coaching and Mentoring offer
Leadership Framework	Development of a Leadership Framework	Commitment to continue Living Leader Programme	Continued roll out of the Living Leader Programme to staff at all levels.	Develop our people and establish a common language for change
Reward and Recognition	Development of a Reward and Recognition Strategy and the review of Pay, Benefit, Terms and Conditions	Planning in progress		
Talent MAD	Acquisition, Management and Development of talent within Northumberland County Council	Planning in progress		

The following project within the Best Talent and Opportunities workstream requires support from the BEST Delivery Partner and has not yet commenced:

Workforce Blueprint – Create a new workforce blueprint that will rationalise our 1,000+ job descriptions to around 150 role profiles, grouped into 'job families', based on the roles that people perform and what those roles have in common, and not on the organisational structure.

Best Use of Assets

By better managing our assets through a corporate landlord approach we will reduce the size of our property estate to deliver capital receipts and reduce how much we spend on maintaining buildings. A better approach to facilities management and planned maintenance will make savings of £2m (Strategic Business Case January 2023).

Workstream Senior Responsible Officer (SRO)	Simon Neilson	Executive Director of Place and Regeneration
Workstream Lead	Rob Murfin	Director of Housing and Planning
Senior Project Manager	Mark Robertson	Senior Project Manager BEST

Project	Achievements	Key Milestones	Outcomes
Estates Review	<p>1. Depot Review complete, with final report going initially to SLT 7th Nov.</p> <p>2. Estates Plan scope in place to enable development of Estates Plan project.</p> <p>3. Community Asset Transfer review and update</p>	<p>Report to SLT – Nov 23</p> <p>Agreed principles and approach to wider Estates Review. Agreement around resourcing needed to undertake the review.</p> <p>CAT policy revised for future use</p>	<p>Recommendations in place around maintenance and/or siting of Depot Facilities</p> <p>The Estates Plan will offer the following outcomes:</p> <ul style="list-style-type: none"> • Identification of potential property savings • Reduced carbon footprint. • Smaller Estate of better quality accommodation <p>CAT policy up to date, and in line with Corporate Priorities, to be used where required following Estates Review</p>
Integrated Services	A review of Integrated Services, which includes Facilities Management, Statutory and Planned Maintenance and Capital Delivery has been initiated.	Review of Council DLO	
WorkSmart Review	Review of WorkSmart has been undertaken, focusing on	Final recommendations presented back to Workstream Board 23 rd	Recommendations will form part of basis for Estates Planning in terms of office space make up and space requirements,

	County Hall.	October	
Corporate Landlord	Not yet commenced, awaiting outcome of Estates Plan scope and Integrated Services Review		

Best Value for Money

By introducing a more rigorous approach to planning and performance management, and performing Deep Dive reviews into specific service areas, we will achieve better outcomes for customers while reducing demand on higher cost public services to make savings of: LOW £1.88m HIGH £2.68m (Strategic Business Case January 2023).

Workstream Senior Responsible Officer (SRO)	Audrey Kingham	Executive Director of Children, Young People and Education
Workstream Lead	Jon Lawler	Public Health Consultant
Workstream Sub-Lead	Kelly Gardner	Director of Strategic Change and Service Improvement
Senior Project Manager	Mark Robertson	Senior Project Manager BEST

Project	Achievements	Key Milestones	Outcomes
Planning, Performance and Accountability Framework	New iterative Service Plan completed at Service Director	complete	One corporate approach to Performance Planning and Accountability established with a clear thread throughout NCC from service planning to individual appraisal-
	Corporate Service Plan template completed by all Directors (already reviewing for 2024)	Complete (2 outstanding)	
	Head of Service key priority template ready for completion	On track	
	Planning and Performance Accountability Framework complete	Complete	
	Suite of corporate documents sharing the approaches for Northumberland complete.	On track	
	Head of Service priorities template ready to issue	On track	

Value for Money Baseline Tool	Value for Money Assessment draft template under review – plan to align with business partner areas of focus	In development To be piloted with by 3 or 4 service areas before full roll out across all council services	All council services will have a baseline against which internal progress can be measured. Deep dives/ service reviews can be prioritised ensuring greatest impact.
Data and BI strategy	Strategy in draft format Data Academy proposal developed and launched	On track Suitable staff members engaged in training. First cohort to commence – Nov 23 First cohort completion – Dec 24	Co produced work from data leaders across NCC Staff across the organisation are equipped with the skills to make faster data-informed decisions.
Home to School Transport Review	The individual deep dives are now coherent within one overall project with the Best VFM workstream where tracking, progress and codependent decisions can make progress 1. Transformation Fund accessed to support development of Independent Travel Trainers proof of concept project. Jobs out to advert at present. 2. Engagement work ongoing with parent carers regarding the potential for developing Enhanced Personal Budgets to enable them to organise or deliver their own home to school transport arrangements.	ITT staff in post – by Dec 23 Feasibility decision Dec 23 around potential for Enhanced Personal Budgets for families of SEND children and young people to make their own arrangements for Home to School Transport Business Case Development for Devolved Transport Budgets (Nov 23)	Singular conversation supporting the review process. Increased independence for SEND children and young people in relation to transport. Increased opportunities for families to make their own arrangements for Home to School Transport

	<p>3. Discussions with two school sites regarding piloting Devolved School Transport Budgets.</p> <p>4. Project implemented to deliver recommendations of Home to School transport proposals re: service integration of School Transport and School Admissions processes</p> <p>5. Deep Dive review of contracting arrangements and finance in flight</p>	<p>Transport Management System live Dec 23</p> <p>In progress</p>	<p>Devolved School budgets allowing greater flexibility for schools able to make their own Transport arrangements.</p> <p>Recommendations to influence contracting arrangements April 2024 Service Integration and clear responsibilities. Increased efficiency via TMS system. SEND representation in policy</p>
Local Services Service Review	<p>Scope of the review to be completed – expect this to consider</p> <ul style="list-style-type: none"> a. Depot review b. Operating model and approaches c. Organisational structure 	TBC	TBC
Safety and Enforcement Service Review	<p>Bring together three separate review aspects to have a singular conversation and consider decision that may be codependent upon one another</p> <ul style="list-style-type: none"> • Corporate Health and Safety • Enforcement • Community Safety 	Nov 9 th initial meeting to review work to date and inform future planning	

Northumberland County Council

Corporate Services and Economic Growth Overview & Scrutiny Committee

Work Programme and Monitoring Report 2023-2024

1. Terms of reference:

- (1) To maintain an overview of the Council's Annual Budget and Budgetary Management via the Medium Term Financial Plan.
- (2) To review the state of Northumberland and the County Council's activity in delivering its Corporate Plan.
- (3) To maintain an overview of the Council's performance management arrangements; highlighting areas of poor performance and monitoring recovery delivery plans.
- (4) To maintain an overview of the Management Agreements in place between the Council and Advance Northumberland.
- (5) To monitor, review and make recommendations about:
 - Corporate Services: Organisational Development, Health and Safety, ICT Strategy, Corporate Governance, Financial Services, Procurement Strategy, Risk Strategy, Shared and Traded Services
 - Partnership development coordination with local organisations
 - Relationships with external bodies
 - Regeneration and Economic Development
 - Strategic Transport Network and Infrastructure
 - Employability, Skills, and removing barriers to work
 - Capital Programme and Asset Management
 - Support to VCS organisations and the Council's relationship with town and parish councils.

To be Timetabled:

This will include the OSC being more proactive in early stage development work in formulating new policies and strategies; to investigate matters of interest and concern to the wider community, and to keep under review the performance and financial position of the Council.

- Capital Programme (monitoring slippage)
- Gigafactory Site, Cambois

Northumberland County Council
Corporate Services and Economic Growth Overview and Scrutiny Committee Work Programme 2023-2024

29 January 2024

Broadband Rollout

To provide an update on the rollout of Broadband in the county.

Debt Recovery Update

To provide the Committee with information regarding the level of outstanding debt owed to the Council and to give assurance as to the efficiency and effectiveness of its collection and recovery policies and systems.

Workforce Update

To provide additional information to the Annual Workforce Report which had been presented to the September meeting.

25 March 2024

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Northumberland County Council
Corporate Services and Economic Growth Overview and Scrutiny Committee Monitoring Report 2023-2024

Ref	Date	Report	Decision	Outcome
1.	26 June 2023	Presentations from Executive Directors on Forthcoming Issues (Jan Willis/Simon Neilson)	RESOLVED that the information was noted and the issues identified for further examination be included on the Committee's work programme.	The work programme will continue to develop in accordance with the Committee's priorities.
2.	26 June 2023	Financial Performance 2022/23: February 2023 (Provisional Outturn 2022/23)	RESOLVED that (a) the information be noted, and (b) a report be presented to the next meeting setting out the proposals for ensuring the delivery the Parks and Green Spaces Programme.	A report on the issues identified regarding Parks and Green Spaces be prepared for the next meeting.
3.	26 June 2023	Debt Recovery Update	RESOLVED that the report be noted.	The Committee will continue to receive six monthly updates.
4.	25 September 2023	Regeneration Update	RESOLVED that the information in the presentation be noted.	Further updates be presented as requested by the Committee.
5.	25 September 2023	Parks and Green Spaces	RESOLVED that the information be noted.	No further action necessary.
6.	25 September 2023	Financial Performance 2023/24 - Position at End of June 2023	RESOLVED that the information be noted.	The Committee will continue to receive further updates.
7.	25 September 2023	Performance of the Northumberland Lottery	RESOLVED that the information be noted.	No further action necessary.
8.	25 September 2023	HR Annual Update	RESOLVED that (a) the report be noted; (b) the Committee agreed to continue to receive the Workforce Update annually; (c) the data that was contained in the whistleblowing report and the ongoing work to promote a safe environment for staff to raise concerns through various mechanisms across the Council be noted;	A further update on outstanding issues be presented to the OSC in January 2024.

			(d) the continued use of Safecall across the Council as an additional mechanism for staff to raise concerns be supported, and (e) the additional information requested by members as set out above, be presented to the next meeting of the Committee.	
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