

NORTHAMPTON BOROUGH COUNCIL



COUNCIL

Monday, 24 February 2014

YOU ARE SUMMONED TO ATTEND A MEETING OF NORTHAMPTON BOROUGH COUNCIL, WHICH WILL BE HELD AT THE GUILDHALL NORTHAMPTON ON MONDAY, 24 FEBRUARY 2014 AT 6:30 PM WHEN THE FOLLOWING BUSINESS IS PROPOSED TO BE TRANSACTED

1. DECLARATIONS OF INTEREST

2. MINUTES.

To approve the minutes of the proceedings of the Meeting of the Council held on 20th January 2014.

3. APOLOGIES.

4. MAYOR'S ANNOUNCEMENTS.

5. PUBLIC COMMENTS AND PETITIONS

6. RECORDED VOTES AT BUDGET COUNCIL MEETINGS

(Copy herewith)

7. CORPORATE PLAN

(Copy herewith)

8. TREASURY MANAGEMENT STRATEGY

(Copy herewith)

9. BUSINESS RATES RETAIL RELIEF - 2014/15

(Copy herewith)

10. GENERAL FUND, REVENUE AND CAPITAL BUDGETS

(Copy herewith)

11. COUNCIL TAX 2014/15

(Copy herewith)

12. HOUSING REVENUE ACCOUNT -RENT SETTING, REVENUE AND CAPITAL BUDGETS

(Copy herewith)

13. ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES

(Copy herewith)

14. MATTERS OF URGENCY WHICH BY REASON OF SPECIAL CIRCUMSTANCES THE MAYOR IS OF THE OPINION SHOULD BE CONSIDERED.

The Guildhall
Northampton

D. Kennedy Chief Executive

Public Participation

1. Comments and Petitions

- 1.1 A member of the public (or an accredited representative of a business ratepayer of the Borough) may make a comment or present a petition on any matter in relation to which the Council has powers. A comment or presentation of a petition shall be for no more than three minutes. No notice of the nature of the comment to be made or of the petition is required except for the need to register to speak by 12 noon on the day of the meeting.

(Public comments and petitions will not be taken and the Annual Council Meeting or other civic or ceremonial meetings.)

NOTES

- i. Comments may be on one or more subjects but each person has no longer than three minutes to have their say.*
- ii. The same person may make a comment and present a petition on different subjects. In such instances that person will have three minutes to make their comment and a separate three minutes to present a petition.*

2. Member and Public Questions

2.1 A member of the public (or business ratepayer of the Borough) may ask a maximum of two written questions at each meeting, each limited to a maximum of 50 words, on any matter in relation to which the Council has powers. Each question shall:

- be submitted in writing and delivered, faxed or e-mailed to Democratic Services no later than 10.00am seven calendar days before the day of the meeting; and
- include the name and address of the questioner and the name of the Cabinet member/Committee Chair to whom the question is put.

2.2 At the meeting, copies of all questions and the responses to them from the public and Members will be made available to the public and press. The Mayor may allow one supplementary question, without notice, that arises directly from the original question or response.

(Questions will not be taken at the Annual Council Meeting or at civic or ceremonial meetings or meetings called to deal with specific items of business.)

NOTES

In respect of paragraph 2.1 above, questions may be rejected on certain grounds that are set out on page 4-12 of the Council's Constitution and which may be viewed at www.northampton.gov.uk/site/scripts/download_info.php?fileID=1919 or by seeking advice using the contact details below.

3. Motions

3.1 A member of the public may register to speak to a motion under the 'Notices of Motion' item on the agenda. Registration to speak must be made to Democratic Services by 12 noon on the day to the meeting. Speaking to a motion is restricted to three minutes per person.

(The 'Notices of Motion' item will not be taken at the Annual Council meeting or meetings called for civic or ceremonial purposes.)

4. General

A member of the public may make a comment, present a petition, ask a question or speak to a motion at the same meeting subject to the restrictions set out above.

5. Contacts

Democratic Services: e-mail democraticservices@northampton.gov.uk

Tel 01604 837722

Mail Democratic Services
Northampton Borough Council
The Guildhall
St Giles Square
Northampton NN1 1DE

MINUTES

OF THE PROCEEDINGS OF A MEETING OF NORTHAMPTON BOROUGH COUNCIL HELD AT THE GUILDHALL, NORTHAMPTON, ON Monday, 20 January 2014 AT SIX THIRTY O'CLOCK IN THE EVENING

PRESENT: HIS WORSHIP THE MAYOR Councillor Marriott (in the Chair).

COUNCILLORS: Caswell, Ansell, Aziz, Beardsworth, Begum, Bottwood, Capstick, I. Choudary, Conroy, Duncan, Eales, Eldred, Flavell, Ford, Glynane, Golby, Gowen, Hadland, Hallam, Hibbert, Hill, Lane, Larratt, Lynch, Mackintosh, Malpas, Markham, Mason, Mennell, Meredith, Nunn, Oldham, Parekh, Patel, Sargeant, Stone, Strachan and Yates

1. DECLARATIONS OF INTEREST

Councillor Strachan declared a personal interest in Item 11 as the Chair of the Environment, Development & Transport Scrutiny Committee at Northamptonshire County Council.

Councillor Capstick declared a personal interest in Item 7 – Cabinet Member reports as a member of WNDC.

Councillor Hadland declared a personal interest in Item 7 – Cabinet Member reports as a member of WNDC.

2. MINUTES.

The minutes of the meeting held on the 9th December 2013 were agreed and signed by the Mayor following an amendment to the recording of Motion v – had been carried but recorded as lost.

3. APOLOGIES.

Apologies were received from Councillors Subbarayan, Wire, Davies, N Choudary, Palethorpe and King.

4. MAYOR'S ANNOUNCEMENTS.

The Mayor commented that Community Awards was being launched from Monday 27th January 2014 and commented that a letter would be sent out to community groups asking for nominations and urged Councillors to nominate any person who they considered deserving. He further thanked Officers and Members for their contribution during the 'Poppy Appeal' and noted that £311, in total, had been collected. The Mayor further noted that he was holding a Fundraising Event for the Mayor's Charity, at the Tamarind Curry Club on the 2nd February 2014.

5. PUBLIC COMMENTS AND PETITIONS

Mr Coles addressed Council and commented that he was the owner of a property in Northampton and had experienced a flooded cellar at his property which was the responsibility of Anglian Water and an environmental health concern. He expressed his concern for other residents of Northampton who may suffer similar experiences.

Mr Huffadine- Smith commented that he would like to applaud the information contained within the Cabinet Members report – Leader of the Council, that Councillor Mackintosh and Councillor Markham would be participating in the ‘Big Sleepout’ in order to raise money and awareness for the Hope Centre. He commented that there should be cross party support for this and urged all parties to participate as this was an issue that demanded the full attention of all parties.

6. MEMBER AND PUBLIC QUESTION TIME

The Mayor advised that twenty one questions had been received from members of the public and Councillors and that the answers had been tabled in accordance with the Constitution.

Questions and answers given were as tabled (included in an updated agenda on the website).

In response to a supplementary questions asked relating to question 8, Councillor Markham confirmed that encouragement was given to people who were homeless who refused to use services but could not force them against their will.

In response to a supplementary questions asked relating to question 9, Councillor Mackintosh stated that there was an obligation to work with other agencies and partnership which included data-sharing.

In response to a supplementary question asked relating to question 10, Councillor Markham explained that the allocations policy an alert was provided for those who were 2 weeks or more in arrears and that the Council would contact them to assist in early intervention. It was noted that there was also a Discretionary Housing Panel but that a number of these had been cancelled as to lack of people coming forward.

In response to a supplementary question asked relating to question 11, Councillor Markham explained that the some homeless people were assisted by the third sector but that this was due to the fact that it was not within the Council remit to provide some individuals who did not qualify for the necessary benefits

In response to a supplementary question asked relating to question 12, Councillor Hadland explained that the provision of affordable housing was dependent on the market as there was a percentage that had to be provided by NBC policy. He commented that there was never enough affordable housing but the administrations were trying their best.

In response to a supplementary question asked relating to question 15, Councillor Bottwood explained that reviews were constantly being undertaken but that they could only be conducted if issues were brought to the attention of the Cabinet

Members.

In response to a supplementary question asked relating to question 16, Councillor Eldred commented that he did not know when the Sekhemka statue would be sent to the auction house but he would inform Councillors when he had the information.

In response to a supplementary question asked relating to question 17, Councillor Eldred explained that no decision had been made relating to the location of the Francis Crick statue.

In response to a supplementary question asked relating to question 19, Councillor Hadland explained that he was unsure what incentives were being offered to encourage people into unlet units owned by NBC, but would let Councillor Conroy know the answer at a later date.

In response to a supplementary question asked relating to question 20, Councillor Hallam explained that he would not could not confirm whether there would be more fly tipping and whether he was for or against the decision to charge for Household Waste recycling as it could potentially predetermine the decision being discussed with Northamptonshire County Council.

7. CABINET MEMBER PRESENTATIONS

At this point, each of the Cabinet Members made a presentation of their respective portfolios that had been circulated with the agenda.

Councillor Mackintosh submitted his Cabinet Member report and elaborated thereon. He noted that there were many dates in the calendar for major events which included the Alive@delapre event, the opening of a new bus station and the demolition of Greyfriars. In response to a question from Councillor Stone, Councillor Mackintosh commented that increased homelessness was largely due to the previous governments' policies and failures and noted that completed work had been undertaken with various agencies. Responding to a question from Councillor Mennell, Councillor Mackintosh explained that he and the Cabinet Member for Environment would meet with her to explore the possibilities of installing recycling facilities in flats in Blackthorn. In response to a question from Councillor Mason, he stated that the opening up of Abington Street to traffic was a key manifesto policy and further responded to Councillor Glynane's comments by noting that there had been discussion about the de-pedestrianisation of Abington Street and that a motion had been brought at the last Council meeting (9th December 2013) and noted that no single member of the public had turned up to speak against the proposal. In response to a question asked by Councillor Meredith, Councillor Mackintosh noted that no decision had been made about the location of the Francis Crick statue.

Councillor Markham submitted her Cabinet Member report and elaborated thereon. She noted that the first tenants panel meeting had been held, with 35 members from the Stock Option Review and a further 14 new members. It was further noted that the Service Improvement Panel was going very well and the consultation on the new proposed scheme to tackle rogue landlords was underway. In response to a question asked by Councillor Mason, it was explained that ideally, those living in

accommodation where adaptations had been made to accommodate a disabled person, would be able to remain, but that there was not always the facilities and funding to allow this. Responding to a comment from Councillor Capstick, it was noted that Councillor Markham was working alongside the Overview and Scrutiny Panel but was not willing to wait for their recommendations to be made before she commenced any work.

Councillor Hadland submitted his Cabinet Member report and elaborated thereon. He explained that there had been huge progress with various projects within Northampton, specifically referring to the University accommodation and the huge amount of construction work that had been bought forward very quickly. In response to a question from Councillor Stone, it was noted that the poll taken by the Herald and Post whereby 93.5% of people disagreed with the opening of Abington Street to traffic mostly consisted of responses of people vehemently against the notion. He further stated that there is always a high percentage of negatives in similar cases and it was noted that the £3 million was a provision made in the Capital Programme but expectation was the final amount would be a lot less. In response to Councillor Beardsworth question, he explained that a low number of respondents to question from residents and business on the opening of Abington Street could only lead to an assumption that those who did not respond were content with the scheme, which he noted was technically the best scheme as recommended. Responding to Councillor Glynane, it was explained that whilst there may have been no mention of the opening of Abington Street in the Central Area Action Plan, he was still committed to providing a walkable and driveable town centre that would provide access and growth. It was noted that provisions for the cost of free parking would balance over time and costs would decrease. Responding to Councillor Larratt, Councillor Hadland commented that there was a need for reliable lifts at the new Railway Station and that they had campaigned for a year during the planning process for more lift facilities. He also confirmed that Brian Binley MP would be meeting the Secretary of State with regards to the implications and potential disruptions to train services when Euston would be accommodating HS2.

Councillor Eldred submitted his Cabinet Member report and elaborated thereon. In response to a question asked by Councillor Stone, he stated that the 'Women and Rising and the men who love them event' was an official event as it was organised through the Women's forum. It was noted that Resident's Associations would be written to and given information about the Forums. He further confirmed that staff in the one stop shop had been fully trained in dealing with people requesting assistance with fuel and food issues and noted that the public facing Police enquiry desk had been opened in the one stop shop. Responding to concerns expressed, it was noted that the majority of customers in the one stop shop had no problems in discussing issues with the police in public view and stated members needed to speak to the police directly about their consultation process with regards to them opening their enquiry desk. In response to a request from Councillor Meredith to simplify the Councillor Empowerment Fund form, Councillor Eldred stated that they had worked with the voluntary sector when designing the form.

Councillor Bottwood submitted his Cabinet Member report and elaborated thereon. He noted that there had been efforts to increase footfall in the town centre and that

the free parking incentives had been very successful, especially over the Christmas period. It was reported that there was proposals for a capital programme investment of more than £13 million to be spent on infrastructure projects and in response to a question from Councillor Beardsworth, confirmed that as funding became available, major projects would be completed.

8. OPPOSITION GROUP BUSINESS

Councillor Beardsworth addressed Council and commented the point of consultations was for the general public to have their opinions heard and taken on board. She stated that there was a need for the administration to use their own Consultation Matrix prior to undertaking major projects. She championed the extensive consultation that was conducted during the Housing Stock Options Review, for which they received cross party support. She further reported that with regards to opening up of Abington Street to traffic, there had been 3 options considered but that they had not been properly consulted on. She questioned why the Traffic Regulation Order consultation had been undertaken by Northamptonshire County Council during the month of December (2013) when residents and businesses were too busy to participate in the consultation. Having spoken to numerous traders along Abington Street, she stated that 14 of them were vehemently against the proposal.

The Leader, in response, stated that the Liberal Democrats were against the proposals as a consequence of them being voted out at the last election and suggested that they had failed on every issue. He stated that they had failed the town and that the responsibility and onus lay with the current administration and that they were determined to get the Northampton back on track with assistance being given to the Cobblers, the Saints, the Railway station and the skatepark.

Councillor Beardsworth commented that a number of the aforementioned projects had been started by the Liberal Democrats whom had built the foundations for the projects that were now being completed. She asked that the administration do not manipulate the consultation process as she stated she had seen it conducted excellently under Councillor Markham's review of Housing Stock Options.

9. LOCAL COUNCIL TAX REDUCTION SCHEME - YEAR 2 - PROPOSED CHANGES

Councillor Bottwood submitted a report that outlined the proposed amendment to the local Council Tax reduction scheme from an 8.5% reduction in support in 2013/14 to a 15% reduction in 2014/15. He stated that it had been designed to be fair to all and that consideration had been given to other local authorities and that any person identified as needing support would be assisted on an individual basis.

Councillor Beardsworth commented that the reduction was almost double what had been in the previous year and expressed concerns that it would have a detrimental effect on the most vulnerable people.

Councillor Mason commented that the 6.5% increase was above the rate of inflation. She further noted that many residents were still suffering the effects of the Welfare Reform Act and whilst she realised that there were still some people exempt from

this, the increase in costs was an attack on the poorest people.

Councillor Bottwood responded by noting that it was a government lead initiative.

Councillor Mackintosh seconded adoption of the report.

RESOLVED:

That Council approved the amendments to the scheme from an 8.5% reduction in Council Tax Support (CTS) in 2013/14 to a 15% reduction in 2014/15.

10. COUNCIL TAX BASE

Councillor Bottwood submitted a report that sought Council's approval of the tax base for 2014/15.

Councillor Beardsworth commented that it was nonsensical for there to be an increase in the Council Tax Base and suggested that a more prudent approach would be to not decrease the non-collection rate from 3.513% to 2.7% for 2014/2015.

Councillor Conroy asked whether the Council Tax Base for Billing was correct and not at a similar rate as other Parish Councils.

Councillor Stone stated that she was not able to support the recommendations contained within the report as residents were suffering the cumulative effect of having had a Council Tax freeze and requested that a consultation be conducted on increasing Council Tax.

Councillor Glynane commented that when the administration took over, Council debt was at zero and asked why the debt issues were not being addressed which he suggested would be left after the election.

Councillor Mackintosh seconded adoption of the report.

RESOLVED:

1. That the tax base for 2014/15 was approved at 60,651.14 Band D equivalent properties and associated parish tax bases within this report.

	2014/15	2013/14
Billing	2,402.29	2,394.26
Collingtree	508.64	443.35
Duston	5260.40	4,748.13
Great Houghton	279.44	246.80
Hardingstone	757.93	658.39
Upton	2,006.64	1,687.65
Wootton & East Hunsbury	6,214.60	5,442.79
West Hunsbury	1,585.70	1,447.71
Hunsbury Meadow	475.24	369.95

Northampton (Unparished)	41,160.27	40,635.31
Total tax base	60,651.14	58,074.34

11. NOTICES OF MOTION

- i. Councillor Stone proposed and Councillor Mason seconded:

“This council is mindful of our responsibility to protect our citizens in the event of bad weather, flooding and other environmental disasters.

This Council asks Cabinet to put in train the necessary refresh of all emergency policies and procedures and training for local authority staff, members and partners”.

Council debated the motion.

Upon a vote the motion was lost.

- ii. Councillor Stone proposed and Councillor Captstick seconded:

“This Council notes fuel poverty is becoming an ever increasing issue in the town. In order to ameliorate this and to help bring down the cost of domestic consumption this council resolves to work with energy companies on a favourable tariff for consumers willing to bulk switch to the same provider”.

Council debated the motion

Upon a requisition for a recorded vote:

There voted for the motion: Councillors Aziz, Beardsworth, Begum, Capstick, Conroy, Eales, Glynane, Gowen, Mason, Mennell, Meredith, Stone and Strachan.

There voted against the motion: Councillors Ansell, Bottwood, Caswell, I Choudary, Duncan, Eldred, Flavell, Ford, Golby, Hadland, Hallam, Hibbert, Hill, Lane, Larratt, Lynch, Mackintosh, Malpas, Markham, Nunn, Oldham, Parekh, Patel, Sargeant and Yates.

There abstained the Mayor.

The motion was lost.

- iii. Councillor Glynane proposed and Councillor Beardsworth seconded:

“This Council notes that since the current administration has overseen shocking decline of the town centre, highlighted by:

- A record number of empty shops
- Dropping footfall

- A misunderstanding of what people want from the town centre, evidenced by public resistance to Administration plans. (i.e the removal of the market square fountain, reopening of Abington Street etc.)
- The stalling of the Legal and General agreement that was progressing under the Liberal Democrat administration, even in the worst economic climate for regeneration.

The Council therefore concludes that:

- The current Administration is failing the town centre, and as such, the town.
- A radical policy shift is needed to undo the damage caused by the Administration over the last three years.
- The Administration either lacks, or is not motivated by a clear understanding of what is required for the health of the town centre

This Council resolves:

- Embrace, promote and deliver the “town centre first; policy.

Council debated the motion

The motion was lost.

12. MATTERS OF URGENCY WHICH BY REASON OF SPECIAL CIRCUMSTANCES THE MAYOR IS OF THE OPINION SHOULD BE CONSIDERED.

There were none.

The meeting concluded at 9.10pm

Appendices: 1



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL

24th February 2014

Agenda Status: Public

Directorate: Borough Secretary

Report Title	Recorded Votes at Budget Meetings
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1. Purpose

1.1 The purpose of this Report is to:

- 1.1.1 advise Members of the effect of *The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014* (the “2014 Regulations”) in relation to the requirement for Councils to adopt the practice of recorded votes on any decision relating to the budget or council tax; and
- 1.1.2 propose changes to the Council’s Constitution that are necessary to implement the recorded vote requirements in the 2014 Regulations.

2. Recommendations

The Council is recommended to:

- 2.1 adopt the amendments to the Constitution shown at Appendix 1 of this Report, to take effect when the 2014 Regulations come into force; and
- 2.2 Agree to apply recorded votes, to the budget and council tax decisions taken at this meeting of Council, in accordance with the principles of the 2014 Regulations.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The 2014 Regulations were laid before Parliament on 31st January 2014 and will come into force on 25th February 2014.

- 3.1.2 The 2014 Regulations amend The Local Authorities (Standing Orders) (England) Regulations 2001 and make it mandatory for Councils as soon as practicable after the Regulations are in force, to amend their Constitutions so as to include provisions requiring recorded votes at budget meetings.
- 3.1.3 Although the Regulations do not come into force until tomorrow, the Council can anticipate the changes and voluntarily make the required amendments to the Constitution to take effect when the 2014 Regulations come into force.
- 3.1.4 In any event, the Department for Communities and Local Government (“DCLG”) has written to all Councils to explain that even if Councils are holding their budget meetings before the 2014 Regulations come into force or before Councils are able to amend their Constitutions, this does not prevent them from applying the practice of recorded votes to the budget decisions at that meeting. DCLG has advised Councils, that it is the Government’s expectation that all Councils will adopt the practice of recorded votes at their budget meetings this year.
- 3.1.5 In order to give effect to the recommendation of DCLG, although the Council will make its budget and council tax decisions today, before the 2014 Regulations come into force, Council is recommended to agree that a recorded vote should be applied to all of its budget and council tax decisions made today in accordance with the principles of the 2014 Regulations.
- 3.1.6 DCLG has explained that carrying out a recorded vote at budget meetings shows a serious commitment to transparency and democratic accountability and enables people to see how their Councillors voted, not only on the substantive budget motions agreeing the budget and setting council taxes but also on any amendments proposed at the meeting.
- 3.1.7 Specifically, the 2014 Regulations state that, *“immediately after any vote is taken at a budget decision meeting of an authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting”*.
- 3.1.8 A budget decision means a meeting of the Council at which it:
- makes a calculation (whether originally or by way of substitute) in accordance with any of the following sections of The Local Government Finance Act 1992:
 - 31A - Calculation of council tax requirement by authorities in England
 - 31B - Calculation of basic amount of tax by authorities in England
 - 34 - Additional calculations where special items relate to part only of an area
 - 35 - Special items for purposes of section 34
 - 36 - Calculation of tax for different valuation bands
 - 36A – Substitute calculations: England
 - 52ZF - Excessive increase in council tax by billing authority – billing authority’s duty to make substitute calculations

3.1.9 The Council Procedure Rules in the Constitution deal with the conduct of meetings of the Council. Suggested amendments to the Council Procedure Rules are shown at Appendix 1. These amendments reflect the new requirement for there to be a recorded vote in relation to budget decisions. Members are recommended to approve these amendments to the Constitution to come into effect when the 2014 Regulations come into force.

3.1.10 The effect of approving these amendments, is that there will automatically be a recorded vote on budget and council tax decisions in the future, without any need for it to be requisitioned by Members.

4. Implications (including financial implications)

4.1 Policy

4.1.1 There are no policy implications arising from this Report.

4.2 Resources and Risk

4.2.1 There are no specific resource or risk implications arising from this Report.

4.3 Legal

4.3.1 The legal implications are set out in the body of this Report.

4.4 Equality

There are no negative impacts arising from this procedural change

4.5 Other Implications

4.5.1 None.

5. Background Papers

5.1 *Letter from Brandon Lewis MP, DCLG to the Leaders of Principal Councils in England dated 4th February 2014.*

5.2 *Letter from DCLG to the Chief Executives of Principal Councils in England dated 4th February 2014.*

Francis Fernandes
Borough Secretary and Monitoring Officer

[Appendix 1](#)

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Extract from the Council Procedure Rules of the Constitution showing recommended amendments

13. VOTING

13.1 [Subject to Rule 13.3 below,](#) the mode of voting at meetings of the Council shall be by show of hands; provided that, on the requisition of any Member of the Council (made before the vote is taken and supported by four other Members who signify their support by rising in their places) the voting on any question shall be by roll-call and shall be recorded so as to show how each Member present and voting gave their vote. The name of any Member present and not voting shall also be recorded.

13.2 Where any Member so requires immediately after a vote is taken at a meeting of the Council, the minutes shall record whether that Member voted for or against the motion or abstained.

13.3 At the annual Budget meeting of the Council, the voting on any budget decision shall be by roll call and immediately after any such vote is taken, the names of the Members who cast a vote for the decision or against the decision or who abstained from voting shall be recorded in the minutes. A budget decision is any of the decisions related to the budget or council tax calculations and specified in The Local Authorities (Standing Orders) (England) Regulations 2001 (as amended) as requiring a recorded vote.

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UK Parliament SIs 2010-Present/2014/151-200/Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 (SI 2014/165)

2014 No 165

Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014

LOCAL GOVERNMENT, ENGLAND

Made	29th January 2014
Laid before Parliament	31st January 2014
Coming into force	25th February 2014

The Secretary of State for Communities and Local Government, in exercise of the powers conferred by sections 8, 20 and 190 of the Local Government and Housing Act 1989, makes the following Regulations:

- 1 Citation, commencement and interpretation
- 2 Amendments relating to recording votes for budget meetings
- 3 Amendments consequential on the Local Government and Public Involvement in Health Act 2007 and the Localism Act 2011
- 4 Transitional provision

Signature(s)

EXPLANATORY NOTE

Document information

Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014

Date made

Made 29th January 2014

UK Parliament SIs 2010-Present/2014/151-200/Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 (SI 2014/165)/1 Citation, commencement and interpretation

1 Citation, commencement and interpretation

(1) These Regulations may be cited as the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 and come into force on 25th February 2014.

(2) In these Regulations "the 2001 Regulations" means the Local Authorities (Standing Orders) (England) Regulations 2001.

Document information

Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014

Date made
29/01/2014

UK Parliament SIs 2010-Present/2014/151-200/Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 (SI 2014/165)/2 Amendments relating to recording votes for budget meetings

2 Amendments relating to recording votes for budget meetings

- (1) The 2001 Regulations are amended as follows--
- (2) In regulation 4 (alternative arrangements--standing orders relating to staff)--
- (a) for the heading substitute "Committee system--standing orders relating to staff, proceedings and business";
- (b) after paragraph (a) insert--
- "(aa) incorporate in standing orders the provisions set out in Part 3 of Schedule 2 or provisions to the like effect;"
- (c) in paragraph (b) after "(a)" insert "or (aa)".
- (3) In Schedule 2 (provisions to be incorporated in standing orders regulating proceedings and business)--
- (a) after paragraph 14 of Part 1 insert--

"15

Immediately after any vote is taken at a budget decision meeting of an authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.

16

In paragraph 15--

- (a) "budget decision meeting" means a meeting of the relevant body at which it--
- (i) makes a calculation (whether originally or by way of substitute) in accordance with any of sections 31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ of the Local Government Finance Act 1992; or
- (ii) issues a precept under Chapter 4 of Part 1 of that Act,

and includes a meeting where making the calculation or issuing the precept as the case may be was included as an item of business on the agenda for that meeting;

- (b) references to a vote are references to a vote on any decision related to the making of the calculation or the issuing of the precept as the case may be.";

- (b) after paragraph 10 of Part 2 insert--

"11

Immediately after any vote is taken at a budget decision meeting of an authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.

12

In paragraph 11--

- (a) "budget decision" means a meeting of the relevant body at which it--
 - (i) makes a calculation (whether originally or by way of substitute) in accordance with any of sections 31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ of the Local Government Finance Act 1992; or
 - (ii) issues a precept under Chapter 4 of Part 1 of that Act,

and includes a meeting where making the calculation or issuing the precept as the case may be was included as an item of business on the agenda for that meeting;

- (b) references to a vote are references to a vote on any decision related to the making of the calculation or the issuing of the precept as the case may be.";

- (c) after Part 2 insert--

"Part 3 Authority Operating Committee System

1

Immediately after any vote is taken at a budget decision meeting of an authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.

2

In paragraph 1--

- (a) "budget decision" means a meeting of the authority at which it--
 - (i) makes a calculation (whether originally or by way of substitute) in accordance with any of sections 31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ of the Local Government Finance Act 1992; or
 - (ii) issues a precept under Chapter 4 of Part 1 of that Act,

and includes a meeting where making the calculation or issuing the precept as the case may be was included as an item of business on the agenda for that meeting;

- (b) references to a vote are references to a vote on any decision related to the making of the calculation or the issuing of the precept as the case may be.".

Document information

Date made
29/01/2014

UK Parliament SIs 2010-Present/2014/151-200/Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 (SI 2014/165)/3 Amendments consequential on the Local Government and Public Involvement in Health Act 2007 and the Localism Act 2011

3 Amendments consequential on the Local Government and Public Involvement in Health Act 2007 and the Localism Act 2011

- (1) The 2001 Regulations are amended as follows.
- (2) In regulation 2 (interpretation)--
- (a) omit the definitions of "alternative arrangements" and "council manager";
- (b) after the definition of "chief finance officer" insert--
- ""committee system" has the same meaning as in Part 1A of the 2000 Act";
- (c) in the definition of "elected mayor", "executive", "executive arrangements" and "executive leader" for "Part II" substitute "Part 1A".
- (3) In regulation 3 (executive arrangements--standing orders relating to staff, proceedings and business)--
- (a) in paragraph (1)--
- (i) for "Part II" substitute "Part 1A";
- (ii) in sub-paragraph (a) for "11(2)" substitute "9C(2)";
- (iii) in sub-paragraph (b) for "11(3)" substitute "9C(3)" and at the end of the sub-paragraph insert "and";
- (iv) omit sub-paragraph (c);
- (v) in sub-paragraph (d) for "(a), (b) and (c)" substitute "(a) and (b)"; and
- (b) in paragraph (2) for "(a), (b), (c) or (d)" substitute "(a), (b) or (d)".
- (4) In regulation 4 for "alternative arrangements under Part II" substitute "committee system under Part 1A".
- (5) In Schedule 1--
- (a) in Part 1--
- (i) in paragraph 1 in the definition of "elected mayor" and "executive" for "Part II" substitute "Part 1A";
- (ii) in paragraph 3(f) for "paragraph 6 of Schedule 1" substitute "paragraph 5 of Schedule A1";
- (b) in Part 2 in paragraph 1 in the definition of "elected mayor" and "executive" for "Part II" substitute "Part 1A";
- (c) omit Part 3; and

- (d) in Part 4 in the heading for "Alternative Arrangements" substitute "Committee System".
- (6) In Schedule 2--
 - (a) in Part 1--
 - (i) in the heading omit "or Mayor and Council Manager Executive";
 - (ii) in paragraph 1 in the definition of "elected mayor" and "executive" for "Part II" substitute "Part 1A";
 - (iii) in paragraph 8(a) for "32 to 37 or 43 to 49" substitute "31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ";
 - (b) in Part 2--
 - (i) in paragraph 1 in the definition of "executive" and "executive leader" for "Part II" substitute "Part 1A";
 - (ii) in paragraph 6(a) for "32 to 37 or 43 to 49" substitute "31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ".

Document information

Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014

Date made
29/01/2014

UK Parliament SIs 2010-Present/2014/151-200/Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 (SI 2014/165)/4 Transitional provision

4 Transitional provision

- (1) A relevant authority which is already operating executive arrangements or the committee system, as the case may be, shall modify its standing orders in accordance with the amendments made to the 2001 Regulations by these Regulations as soon as reasonably practicable after the day on which these Regulations come into force.
- (2) In paragraph (1), "relevant authority" means a county council, a district council or a London borough council.

Document information

Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014

Date made
29/01/2014

UK Parliament SIs 2010-Present/2014/151-200/Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 (SI 2014/165)/Signature(s)

Signed by authority of the Secretary of State for Communities and Local Government

Brandon Lewis

Parliamentary Under Secretary of State

Department for Communities and Local Government

29th January 2014

Document information

Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014

Date made

29/01/2014

UK Parliament SIs 2010-Present/2014/151-200/Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 (SI 2014/165)/EXPLANATORY NOTE

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Local Authorities (Standing Orders) (England) Regulations 2001 which require certain local authorities in England to make or modify standing orders so that they include certain provisions relating to staff and other matters.

Regulation 2 provides that the votes at key budget decision meetings by local authorities are recorded. Regulation 3 makes amendments consequential on Part 3 of the Local Government and Public Involvement in Health Act 2007 (which provided for the discontinuance of the mayor and council manager form of executive) and Part 1 of the Localism Act 2011 (which provided for local authorities to adopt either executive arrangements or the committee system).

Regulation 4 makes transitional provision.

No impact assessment has been prepared in relation to these Regulations because no impact on the private or voluntary sectors is foreseen.

Document information

Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014

Date made

29/01/2014

Appendices



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL
24 February 2014

Agenda Status: Public

Directorate: Corporate

Report Title	Corporate Plan 2012-2015 (2014 Update)
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1. Purpose

The Council’s Corporate Plan for 2012-15 (2014 Update) is attached for approval. It was considered and recommended for approval by Cabinet on 19 February 2014.

2. Recommendations

Council is recommended to:

- 1 Approve the attached Corporate Plan 2012-2015 (2014 Update)
- 2 Delegate to the Chief Executive in consultation with the Leader of the Council the authority to finalise the Corporate Plan and associated action plan in line with the budget decisions, service plans and any other consequent changes.

3. Issues and Choices

3.1 Report Background

The proposed Corporate Plan update and the related report considered by Cabinet on 19 February 2014 are attached.

4. Implications (including financial implications)

The implications are fully discussed in the attached report to Cabinet.

5. Background Papers

Attachments: Report to Cabinet 19 February 2014; Corporate Plan 2012-15 (2014 Update) (including Equality Impact Assessment)

Appendices: 2



NORTHAMPTON
BOROUGH COUNCIL

Item No.

CABINET REPORT

Report Title

Corporate Plan 2012-2015 (2014 Update)

AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	19 February 2014
Key Decision:	No
Within Policy:	YES
Policy Document:	YES
Directorate:	Corporate
Accountable Cabinet Member:	Cllr David Mackintosh
Ward(s)	All

1. Purpose

- 1.1 To approve the Council's Corporate Plan 2012-2015 (2014 Update) and to recommend its adoption to Full Council.

2. Recommendations

- 2.1 Cabinet is requested to:
- a) Recommend the refresh of the Corporate Plan to Full Council;
 - b) Delegate to the Chief Executive, in consultation with the Leader, the authority to amend if necessary, the:
 - i) Corporate Plan 2012-2015 (2014 Update) for presenting to Full Council on 24 February in line with the budget decisions, service plans and any other consequent changes;
 - ii) Associated set of corporate measures to underpin the Plan by 31 March to be developed alongside the service planning process.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Corporate Plan for 2012/15 was adopted by the Council in February 2012. This document was a three-year plan which was subject to annual reviews. The focus of the 2014 update was to re-word priority headings to better reflect the strategic direction of the Council. This update consisted of a “light-touch” review.
- 3.1.2 The Corporate Plan priorities were developed in consultation with local residents, stakeholders (including the community and voluntary sector and the business community) and staff during 2010/11.
- 3.1.3 The Council key priorities were reviewed during the 2011/12, 2012/13, and 2013/14 budget and business planning processes. The Corporate Plan 2012-15 priorities were further informed by the priorities detailed within the Conservative Manifesto mandated through the 2011 May Elections. Draft budget proposals were developed to take into account these priorities.
- 3.1.4 Consultation on the draft budget proposals for 2014/15, and indicative budgets for 2015/16 to 2018/19 commenced in December 2013 and will conclude when the budget is approved in February 2014.
- 3.1.5 Consultation feedback was used to clarify priorities, understand the impacts of draft budget proposals and inform spending/saving options to be reflected in our future plans and budget.
- 3.1.6 The development of the Corporate Plan has been informed by the consultation feedback and the Plan is presented for Cabinet endorsement.
- 3.1.7 The Plan will need to be reviewed and amended following Council decisions on the annual budget on the 24 February 2014. It is recommended that delegated authority to review the plan be given to the Chief Executive, in consultation with the Leader.
- 3.1.8 To support monitoring and delivery of the Council’s Corporate Plan priorities, a number of key corporate measures will underpin the Plan. Corporate measures against each priority and the outcomes are currently in development. Detailed targets and measures to deliver the agreed priority outcomes cannot be completed until the next phase of service planning has been completed and budget decisions concluded. It is recommended that delegated authority to finalise the set of corporate measures be given to the Chief Executive, in consultation with the Leader.

3.2 Issues

- 3.2.1 Cabinet are asked to consider, and recommend for approval, the content of the Corporate Plan in terms of ensuring it reflects the priorities highlighted through the consultation and sets out activities and outcomes that NBC can afford and has sufficient capacity to deliver.

3.3 Choices (Options)

- 3.3.1 Do nothing-The Corporate Plan 2012-2015 is the strategic linchpin for the Council as it sets our priorities and explains what we want to achieve over the next two

years. Failure to refresh this document will fail to provide the necessary focus and direction required by the organisation.

- 3.3.2 Recommend the approval of the refocused plan to reflect the Council's role in moving towards a Northampton alive with innovation, enterprise and opportunity

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The Corporate Plan 2012-2015 (2014 update) confirms the Council's corporate priorities for the next year. For each priority outcome a number of actions and projects have been detailed, which once adopted will be a commitment to delivery.
- 4.1.2 The corporate priorities detailed in the Plan form the framework for the Council's Service Planning process. Delivering the commitments in the Corporate Plan may require the review of some policies.

4.2 Resources and Risk

- 4.2.1 The plan needs to be considered alongside the budget, which can be seen as providing the resources to deliver the Corporate Plan within overall financial constraints. The service area Service Plans will underpin the delivery of the Corporate Plan priorities. All objectives, measures and actions within the Service Plans are risked assessed and challenged before final approval. The challenge process includes the agreement of targets and the capacity/ability to deliver the plans with appropriate resource set aside to do so.
- 4.2.2 The key risk with delivering the Corporate Plan is the inability to meet the commitments because it underestimates the difficulties, fails to understand its environment, or lacks the necessary resources. In the Council's current financial position it will be particularly important not to commit to activities and outcomes that NBC cannot afford nor has insufficient capacity to deliver.

4.3 Legal

- 4.3 None specifically arising from this report.

4.4 Equality and Health

- 4.4.1 The plan is clear about the commitments that this Council has made to deliver an equitable service and to support a diverse community.
- 4.4.2 A full EIA on the corporate planning process in terms of content and the consultation approach has been undertaken. No unintended adverse impacts have been identified so far. All our plans will need to be monitored in line with the public sector duties arising out of the Equality Act 2010.

4.4 Consultees (Internal and External)

- 4.4.1 Management Board, Directors, Heads of Service and Cabinet have been consulted on the 2014 review of the Corporate Plan.

4.5.2 Partners and all other stakeholders were consulted upon priorities during 2011/12, 2012/13, and 2013/14 as part of the wider consultation on the budgetary challenge, in line with the Consultation Toolkit recommended consultation period. A communication package was developed to support the consultation process with the Communications Team to ensure publicity, awareness and wide community participation. Consultation included on-line and paper surveys and public meeting including community forums and residents.

4.5 How the Proposals deliver Priority Outcomes

4.5.1 The Corporate Plan identifies priority outcomes and sets a framework for delivering them.

4.6 Other Implications

None

5. Background Papers

5.1 Appendix 1- Corporate Plan 2012-2015 (2014 Update)

5.2 Appendix 2 - Corporate Plan Equality Impact Assessment

David Kennedy
Chief Executive

Northampton Borough Council

Corporate Plan 2012-2015

2014 update

**Northampton alive with
innovation, enterprise and
opportunity**

Final Draft
February 2014

Corporate Plan 2012-2015 (2014 update)

Welcome to Northampton Borough Council's Corporate Plan. This sets our priorities and explains what we want to achieve over the next two years.

Northampton's population reached 212,100 at the last census, making it one of the largest towns and the largest district in the country. By 2020 the population of Northampton is projected to increase to 242,900 and by 2033, to 273,100.¹

The Corporate Plan has been reviewed for the start of the 2014-15 financial year, to ensure it remains up to date and guides our actions at a time of unprecedented change. It does not aim to set out in detail information about all of the services that the council provides.

Our plan focuses on two themes:

'Your Town', recognising the importance that investment and growth in local business and jobs will have on the long term prospects for the town and those people that choose to live and work here.

'You', acknowledging the significant challenges that the current economic climate and future welfare and housing reforms will have on the lives of people impacted by the changes and the importance of the role the Council will have in supporting people through the change

Our priorities

The Corporate Plan is structured according to the council's eight priorities:

Your Town	You
<ul style="list-style-type: none">○ Northampton Alive○ Invest in safer, cleaner neighbourhoods○ Celebrating our heritage and culture○ Making every £ go further	<ul style="list-style-type: none">○ Better homes for the future○ Creating empowered communities○ Promoting health and well-being○ Responding to your needs

For more information about individual services please visit the Council's website or for full descriptions of spending according to service areas these can be found in the Budget Book.

¹<http://www.northamptonshireobservatory.org.uk/docs/docNorthampton%20Facts%20&%20Figures%20combined%202010110308154441.pdf>

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This information can be made available in other languages and formats upon request.

To discuss this and for any other help you may need in order to understand this document, please contact 0300 330 7000

YOUR TOWN

A town to be proud of

A successful vibrant town centre economy is an essential part of prompting growth and prosperity. Our focus is on regenerating the Town and raising its national profile. Northampton is one of the UK's most enterprising places and operating costs are low in relation to other parts of the country. The town is also making the UK's fastest economic recovery.

The Council recognises it cannot achieve this alone. It is actively working with others to keep the Town clean, safe, attract new investment, visitors and jobs, whilst enhancing the Town's heritage and cultural opportunities.

We recognise that our parks and open spaces and the facilities available within them contribute to our sense of wellbeing. We will work with local communities and groups, benefit from their experience and their contribution to improve our beautiful parks and open spaces across the Town. Having access to a wide variety of cultural, leisure and sport activities and events is also a key part of having a vibrant and successful Town. We will also work with partners to improve access to cultural opportunities such as our Museums, cultural events programme and through our support to the local Theatres.

The establishment of the Northampton Cultural Quarter will provide a driving force for economic and social regeneration of the town. It presents an opportunity to celebrate both the town's rich history and to showcase its unique contemporary offer. Raising the profile of Northampton as a great place to live, visit, work, study and invest, the Northampton Cultural Quarter has the potential to significantly enhance the town's reputation as a first class cultural venue, a place with a diverse and extensive offer, a great atmosphere and a tangible energy.

As well as taking a leading role in the future development and growth of Northampton, the Council must ensure that Council Tax payer's money is spent wisely. The Council will continue to review how it is organised, to ensure it has the right skills and capacity and to identify the most effective methods of delivery. This will reduce our costs in order to prioritise spending to allow us to promote the Town's economic growth, regeneration and protect frontline services.

Our key priorities for the 'Your town' theme are:

- ◇ **Priority 1 – Northampton Alive**
A vibrant town
- ◇ **Priority 2 - Invest in safer, cleaner neighbourhoods**
Creating an attractive, clean and safe environment
- ◇ **Priority 3 - Celebrating our heritage and culture**
- ◇ **Priority 4 - Making every £ go further**
Provide Value for Money to protect local services

Priority 1 – Northampton Alive-A vibrant town

The long-term outcomes we want to achieve are:

Revitalise our Infrastructure to support economic growth

- Northampton Castle railway station – this year will see the completion of a redeveloped £20m station
- North Gate bus station – creating a clean, bright and modern welcome to our town for bus users
- Abington Street – improvements to support businesses and shoppers
- Heritage Gateway – a project that will recognise and celebrate the rich story of Northampton
- Successful sports clubs – supporting the redevelopment and expansion plans at Sixfields Stadium, Franklin’s Gardens and the County Cricket Ground

Be a hub of excellence to stimulate and energise Business and Education

- New University of Northampton campus – a new £330m university campus is set to be built in our Enterprise Zone
- Waterside Enterprise Zone – continuing to support our business community and attract new investment
- Innovation Centre - The building will provide office accommodation and support services for up to 55 small businesses in the social enterprise sector

We will

- Deliver the new Enterprise Zone to regenerate the Waterside area of the Town by developing our strategy to dispose of public land and our marketing plan to attract new businesses ;
- Introduce a Business incentive scheme to help businesses looking to grow or join our town centre to improve the business environment and make our town centre a more vibrant and attractive location for shoppers and investors;
- Local Development Orders to simplify the planning application process for new businesses;
- Work to focus on reducing factors deterring people from visiting the Town, to stimulate the local economy;
- Review the Parking Strategy to provide more free parking to shoppers visiting the town throughout the year, including free parking every Saturday in multi-storey car parks (St John’s, St Michael’s, Grosvenor and Mayorhold) plus an extension of the previous one hour free stay to two hours in St John’s, St Michael’s, Grosvenor and Mayorhold;
- Following the decommissioning of Greyfriars Bus Station work will start to demolish the building and free up land for redevelopment;
- The restoration work at Delapre Abbey will continue with over £1.1million being invested next year in essential work to restore the buildings and roofing as part of a wider scheme supported with a grant from the Heritage Lottery Fund;
- Work is also set to start on reopening Abington Street. Next year the Borough Council will invest £2.85million in supporting businesses and making it easier for shoppers and businesses to come into Northampton town centre;
- To support our Cultural Quarter we will be investing £2 million in public realm improvements to establish the identity of the area, promote the features of the Quarter and make the area more welcoming to visitors who want to spend time enjoying what the area has to offer;
- Work collaboratively with the Local Enterprise Partnerships for Northamptonshire and the South East Midlands;
- Support partners in the re-development of Northampton Castle railway station ;
- Progress development plans for St John’s, including the building of a new hotel following on from the new student accommodation;
- Work in partnership with Northamptonshire County Council to deliver regeneration projects within

the Town Centre;

- Identify ways of incorporating the Marina and the waterways into the life of the Town to exploit it to its full potential as a tourist attraction ;
- Support the independently chaired Market Advisory Group.

Priority 2 - Invest in safer, cleaner neighbourhoods

Creating an attractive, clean and safe environment

The long-term outcomes we want to achieve are:

- A clean Town with neighbourhoods that are tidy and well maintained
- A place where people want to visit and enjoy our parks and open spaces
- A place where visitors and residents from all communities feel safe, secure and protected with low levels of crime
- Less waste and increased recycling through education and waste reduction schemes

We will

- Improve the appearance and cleanliness of our neighbourhoods and open space land across the Town by removing fly-tipping, graffiti and litter and use enforcement, with a zero tolerance approach;
- Improve standards and facilities within our parks and open spaces to contribute to the achievement of green Flag status and 'Northampton in Bloom' success. We will do this by working in partnership with local groups and Friends Associations, establishing local management committees for our premier parks, the development of local 'park plans', improving public conveniences and ensuring our trees are well maintained. We will also work in partnership with community groups to provide community events in our parks all year round and deliver high quality holiday sports and play programmes for young people;
- Review and rationalise the land currently used for allotments seeking new sites, disposal of sites, investment in existing sites and provision in future developments through a review of the Allotment Strategy;
- Deliver the Community Safety Strategy action plan to improve safety across the Town, in particular:
 - Work in partnership to deliver a programme of projects throughout the year to tackle local priority issues; alcohol related violent crime, anti-social behaviour and serious acquisitive crime ;
 - Review the Council's approach to licensing to ensure that it supports the Council's aims of reducing anti-social behaviour and making the Town centre safer ;
- Improve the mechanisms available for local people to report incidents of Hate Crime and support individuals to feel confident that the Council will act appropriately on the information provided;
- Actively work with Northamptonshire Probation Trust and local communities to utilise the Community Payback Scheme;
- Reduce waste and increase recycling and focus on fly posting and fly tipping removal and enforcement.

Priority 3 - Celebrating our heritage and culture

The long-term outcomes we want to achieve are:

- Increased tourism
- Promotion, protection and improvement of our heritage and other attractions
- Delapre Abbey restored and its future secured
- Delivery of events to celebrate and enjoy the Town's heritage and culture
- Celebration of national events through a varied cultural programme

We will

- Work to promote tourism to increase the economic prosperity of the Town through the delivery of a varied programme of events;
- Continue to support and promote Delapre Abbey and Delapre Park as part of wider heritage strategy ;
- Seek innovative ways to bringing the Town's cultural museum offer to a wider audience with a broader exhibition programme and to raise the regional profile ;
- Consult on the conservation management plan for the site of the Battle of Northampton in Delapre Park;
- Continue to seek funding opportunities to improve the offer at Abington Museum;
- Increase opening hours of Northampton Borough Council's museums;
- Work constructively with the management of the Royal & Derngate theatres to safeguard the work they undertake and enhance their vital contribution to wider cultural life of Northampton;
- Provide support to the Arts Collective;
- Hold an annual 3 day music festival at Delapre Park in 2014 and 2015 ;
- Work together across the Council to improve the way we promote museums and events ;
- Work with others to make the most of the way we promote each other in partnership to consolidate the promotional efforts of all agencies and to achieve the best results for Northampton.

Priority 4 – Making every £ go further

Provide Value for Money to protect local services

The outcomes we want to achieve are:

- Public money used to maximum benefit
- Cost savings achieved through the use of shared services, outsourcing opportunities and reduction in the use of consultants
- Delivery of value for money services in terms of service delivery and use of energy
- A continued freeze on Council Tax in 2014/2015 and the delivery of a local Council Tax Support Scheme
- A modern diverse workforce

We will

- Continue to review Council services to identify the most efficient and effective methods of delivery and identify shared services and outsourcing opportunities to make savings and further improve services;
- Continue to reduce the use of consultants to ensure that skills of existing staff are maximised and resources are targeted towards areas most in need ;
- Further reduce the Council's Carbon footprint and energy costs by identifying and implementing energy saving initiatives and purchasing energy wisely. We will also continue to promote sustainable energy initiatives across the wider community ;
- Continue to freeze Council Tax if possible, alongside creating a local Council Tax Scheme and lobby central Government to get the best for the Council in terms of funding.

YOU

How your Council will support and empower you and your community

In order to have a successful vibrant town, Northampton needs to have the right number and types of homes, across both the private and public sectors, which address the needs of local people. The quality of these homes is also an important factor in determining how people feel about where they live, their sense of pride in their neighbourhoods and the Town overall.

The delivery of new homes has fallen in Northampton over the last few years. With demand on the Housing Register increasing rapidly, it is vital that we facilitate and co-ordinate the delivery of new affordable homes for our customers. The Housing Strategy team work with RSL partners, the Homes & Communities Agency and Institutional Investors to get new homes built in Northampton.

During 2014/15 the Council will invest over £50m improving the housing stock in its ownership, bringing every home up to a modern standard and ensuring that properties are well maintained in the future.

Being able to stay in your home, when you want to, is also important to personal wellbeing and the Council will support people with advice and guidance to make the right choices for them and support vulnerable people to be able to live independently, when they want to.

Homelessness is increasing due to economic climate. We need to manage the increasing demand, prevent homelessness, where ever possible and support people in housing crisis by working in partnership with other key agencies. The Council is also proactively working to anticipate the impact of emerging central government Social Housing Reform on local people.

The Council recognises the important work undertaken by voluntary and community groups across Northampton and how this work supports the Government's aspirations to build a Big Society, where people can play an active role in their neighbourhoods and communities. We will continue to work with voluntary and community groups to build capacity and encourage wider community management of our Community Centres. We will also continue to develop our approach to neighbourhood management to ensure we provide support to frontline councillors in their community leadership role.

We provide services to ensure that the community has access to a variety of leisure and sport facilities to promote healthy lifestyles and a sense of wellbeing. The Council will continue to improve such facilities and opportunities, by supporting the Northampton Leisure Trust and improving facilities and opportunities to be physically active, across the Town.

Delivering high quality, cost effective services in a way that local people want them is a key focus for the Council. We are committed to delivering excellent customer service, treating our customers fairly and listening to them to develop and improve services and put things right when our standards have not been met.

Our key priorities for the 'You' theme are:

- ◇ **Priority 5 - Better homes for the future**
Helping you to have a home
- ◇ **Priority 6 - Creating empowered communities**
- ◇ **Priority 7- Promoting health and well-being**
- ◇ **Priority 8 - Responding to your needs**

Priority 5 - Better homes for the future

Helping you to have a home

The long-term outcomes we want to achieve are:

- Managing the supply and growth for the future of Northampton
- Create resilient and cohesive communities
- Deliver well designed, high quality homes, neighbourhoods and services
- Improve customer access, opportunity and choice
- Improve the relationship with private sector housing through engagement, regulation and enforcement

We will

- Deliver the Council's Housing Strategy for 2013-2016;
- Create an Arms' Length Management Organisation (ALMO) to take over the management of the Council's housing stock from January 2015;
- Continue to work with partners to reduce causes of homelessness and support the Homeless Forum, Oasis House and other organisations tackling homelessness and rough sleeping in the Town ;
- Implement a scheme of additional licensing for houses in multiple occupation (HMO) , following approval;
- Review policies, processes and procedures around Disabled Facilities Grants to ensure an efficient, effective and proportionate response to the needs of our customers.

Priority 6 - Creating empowered communities

The outcomes we want to achieve:

- Empowered local communities with a greater capacity to become involved in community life
- Increased capacity of our partners in the voluntary sector to better support communities
- Community managed community centres

We will

- Encourage individuals, communities and groups to get involved and contribute to activities within their local neighbourhoods in order to promote integration and cohesion within communities and foster a sense of pride across the Town;
- Maintain the current investment to help community based projects in Northampton through the small based grants process;
- Engage and involve young people in shaping services and promoting positive activities within the Borough;
- Work with others to support and develop the capacity of the voluntary sector for the benefit of NBC and local people ;
- Support localism plans for neighbourhood planning to increase community involvement in the planning process;
- Adopt an open door policy to allow our parish councils, resident associations, community groups and other organisations to take over the management and running of community centres still within the Council's full or partial control, where they have the capacity to do so.

Priority 7 - Promoting health and well-being

The long-term outcomes we want to achieve are:

- Work with the new local 'Health & Well-being' Board to improve the health of local people
- Promote the health and well-being of residents through continued support of leisure and sporting opportunities in local clubs and the Leisure Trust
- Improved public health

We will

- Respond to the emerging Health & Wellbeing Board strategy;
- Work with the new Clinical Commissioning consortia and develop locality plans to influence spend to deliver local priorities;
- Actively support our sports clubs;
- Support the Leisure Trust to deliver healthy living and Children and Young People outcomes and widen participation in leisure activities across all sections of the community;
- Work with businesses and individuals to promote responsible drinking;
- Work to influence our partners to improve air quality and meet Government minimum targets;
- Implement the Affordable Warmth Strategy;
- Work with external energy providers to implement the Community Energy Savings Programme to improve energy efficiency standards and reduce fuel bills in some of the Borough's most vulnerable communities;
- Ensure that all council owned homes are fitted with modern fuel efficient heating and insulation.

Priority 8 - Responding to your needs

The long-term outcomes we want to achieve are:

- Appropriate support provided to those in most need
- All services are fair, accessible and responsive to individual needs
- Residents and customers feel informed and engaged in service quality and design

We will

- Further develop services to support those in most need;
- Support the Council's Equality Strategy and continue to work towards becoming 'Excellent' in terms of equality;
- Expansion of the range of partners providing services in the One Stop Shop and focus on channel shift through the self-service area ;
- Provide consistency of customer service and "one point of contact" for customers by migrating the remaining service areas into the telephone contact centre and one stop shop;
- Continue to create effective dialogue with people so that they can feel involved in the decision making process and ensure developing policy and service delivery takes into account different needs;
- Support individuals affected by Social Welfare and Housing Reforms through effective communications of the changes and impacts upon them.

Northampton Borough Council

Equality Impact Full Assessment Form for:

Corporate Plan 2012-2015 (2014 Review)

Project Name:	Corporate Plan EIA		
Date:	Reviewed February 2011 January 2012 February 2013 January 2014	Release:	Final
Author:	Silvina Katz, Corporate Policy and Consultation Manager 01604 837573		

1.1 Aims/objectives and purpose of the policy/service

The Corporate Plan is a key driver for NBC as it sets our ambitions, challenges, priorities and key targets over the life of the plan. The Council is fully committed to delivering on its public sector equality duties.

The Corporate Plan for 2012/15 was adopted by the Council in February 2012. This document was subject to annual reviews. The focus of the 2014 update was to re-word priority headings to better reflect the strategic direction of the Council. This update consisted of a “light-touch” review.

The Corporate Plan priorities were developed in consultation with local residents, stakeholders (including the community and voluntary sector and the business community) and staff during 2010/11.

The Council key priorities were reviewed during the 2011/12, 2012/13 and 2014/15 budget and business planning processes. The Corporate Plan 2012-15 priorities were further informed by the priorities detailed within the Conservative Manifesto mandated through the 2011 May Elections. Draft budget proposals were developed to take into account these priorities.

Consultation on draft budget proposals for 2014/19 ran for 6 weeks in the Winter 2013/14. Consultation feedback was used to clarify priorities, understand the impacts of draft budget proposals and inform spending/saving options to be reflected in our future plans and budget.

The development of the Corporate Plan (and its updates) has been informed by the consultation feedback and the Plan is presented for Cabinet endorsement.

To support monitoring and delivery of the Council’s Corporate Plan priorities, a number of key corporate measures will underpin the Plan.

2.0 Scope/focus of the EIA

In order to consider how the plan will impact on the communities it will be necessary to review:

- Previous EIA
- The process followed to produce the document (to check how all sectors of the community are able to contribute to the process)
- The components and priorities set (to check how all sectors of the community can benefit from the process)

3.0 Relevant data and/or undertake research

The Corporate Plan has been developed through:

- Experience and knowledge from the development of Corporate Plans from 2007 to 2013
- Reviewing examples of Corporate Plans from other authorities
- Understanding our residents profile

Other key datasets and relevant information include:

- Local Profile Census 2011
- Review of NBC Consultations 2010 through to 2013
- Alignment of Consultation Activity and Manifesto May 2011

4.0 Assess and/or undertake consultation

Northampton Borough Council consults local residents and stakeholders to help decide its key priorities and budget. In 2010/11 we asked people to comment in two stages as part of our **Difficult Choices** consultation programme. Phase 1 focused on key priority areas for residents and Phase 2 focused on priority savings and spending as part of the budget consultation. In 2011/12 mandate for priorities was obtained at the Local Elections in May 2011 and budgetary proposals were consulted during winter 2011/12 as part of the **Facing the Challenge** programme and again during 2012/13 and 2013/14 for the respective forthcoming Budgets.

To ensure a wide participation, the consultation approach used a range of consultation mechanisms including on-line and paper surveys, public meetings, community forums and overview and scrutiny meetings. The local media promoted the opportunities to take part.

A profile of respondents by gender, age and ethnicity was collected to monitor sample representation.

Council members, senior managers and key stakeholders were kept informed of the views that people were expressing.

Budget proposals and options and proposed policy changes were accompanied by an impact assessment, as appropriate, to understand how these would affect the various communities and people and groups with protected characteristics (e.g. race, disability, gender or gender identity/assignment, pregnancy and maternity, sexual orientation, age, religion, faith and belief). Full details (including EIAs and related

information) are available at www.northampton.gov.uk/2014budget. The responses that people gave were used to inform the budget setting process.

5.0 Assessment of impact and outcomes

5.1 About the process

The consultation process was comprehensive and care was taken to ensure that views from sectors that are traditionally not reached were elicited and considered.

Consultation undertaken previously told us that people needed:

- Language to be clear and accessible to all sectors
- Accessible meetings to maximise opportunity to attend
- To understand impacts arising from any policy changes

Those views were taken into consideration and the language used in the survey questions and explanatory text was reviewed for clarity and simplicity, avoiding council acronyms and terminology where appropriate.

Surveys were made available in hard copy and on-line to ensure it was accessible to many. Care was taken in the design of the questionnaire and information, which was available in alternative formats upon request. Assistance to complete the survey was also made available via various means.

5.2 About the components and priorities

There have been no unintended adverse impacts identified in the development of the priorities or policy content of the Corporate Plan.

Delivery of equalities spans across all services (including employment). The plan sets our priorities for improvement but also needs to reflect the other (including statutory) activities we need to do as a council.

The Plan is titled “Northampton alive with innovation, enterprise and opportunity” and is split into two themes with a total of eight priority outcomes:

Your Town	You
<p data-bbox="379 300 628 331">Northampton Alive</p> <p data-bbox="245 376 762 407">Invest in safer, cleaner neighbourhoods</p> <p data-bbox="268 452 740 483">Celebrating our heritage and culture</p> <p data-bbox="331 528 676 560">Making every £ go further</p>	<p data-bbox="932 300 1292 331">Better homes for the future</p> <p data-bbox="884 376 1340 407">Creating empowered communities</p> <p data-bbox="900 452 1324 483">Promoting health and well-being</p> <p data-bbox="948 528 1276 560">Responding to your needs</p>

Community/Equality impacts were considered within the budget and priority setting context. No unintended adverse impact has been identified in relation to known protected characteristics including disability, gender (including reassignment) pregnancy and maternity, race, religion or belief, sex and sexual orientation in relation to the Corporate Plan.

5.3 Reducing any disproportionate adverse impact

See table below

5.4 Publication of result

Results of the consultation have been published on the web and on modern.gov as an attachment to Cabinet papers.

6.0 Monitoring and review

Monitoring and review will be undertaken as part of the Corporate Performance Framework and on-going self-assessment against the Equality Framework.

Compiled by: Silvina Katz

Reviewed by: Carl Tovey

Date: 29 January 2014

Equality Impact Assessment Improvement Plan

The table below should be completed using the information from the Equality Impact Assessment to produce an action plan for the implementation of proposals to:

1. Lower the negative impact? **And/Or**
2. Ensure that the negative impact is legal under anti-discriminatory law? **And/Or**
3. Provide an opportunity to promote equality, equal opportunity and improve relations within equality target groups? i.e. increase the positive impact

Please ensure that you update your service/business plan with the equality objectives/targets and actions identified below.

Area of negative impact/ concern	Changes proposed	Lead Officer	Timescale	Resource implication	Comments
The formulation of Corporate Plan process was iterative and involved a wide audience with differing requirements		Borough Secretary	Agree timetable for future process	Within existing resources	Good governance
Due consideration of impact in relation to all policies and strategies	EIA should be led by managers responsible for the area being assessed to inform decision making		Ongoing and iterative	Within existing resources	Good governance
On the document: Language needs to be clear	Use plain English where possible - Communications Strategy	Performance Team Leader	At all stages of drafting and consultation.	Within existing resources	The plan is a key strategic document which should be accessible to all audiences
On consultation: Inclusivity and wider participation	Consider alternative means for consultation to ensure that those unable to attend public meetings can contribute effectively to the consultation and arranging public meeting across the town	Leaders supported by Corporate Policy and Consultation Manager	Consultation Process to span through priority and budget setting timetable	Within existing resources	Within the principles of the Community Engagement Strategy (having regard to Consultation Toolkit)
Equality Framework	Ensure greater consideration of equality issues in the development of Corporate Plan priorities in future years to ensure focus on addressing inequality	Senior Management/ Heads of Service	Service Plans to be agreed by March 2014	Within existing resources	

Sign off (Head of Service): Francis Fernandes -February 2014

Equality Impact Assessment: Summary Report

The results of equality impact assessments must be published. Please complete this summary, which will be used to publish the results of your impact assessment on the authority's web site and return it to the Policy Team

Date of Assessment: January 2014
Completing Officer's Title/Position: Silvina Katz, Corporate Policy and Consultation Manager
Service, Policy, Procedure, or Practice that was Impact Assessed: Corporate Plan (2014 review)
Summary of findings: Consultation results revealed that the profile of respondents to consultation matched the profile of the community at large. This is indicative of an inclusive process. Policy options and priority setting have been individually assessed for community impact and mitigation on reviews put in place as appropriate. The 2014 refresh has reviewed the strategic objectives and re-worded priorities accordingly.
Summary of Recommendations and Key Points of Action Plan: Future developments in the Corporate Plan need to give consideration to addressing equalities issues in the identification of priorities and key actions and they also need to be clearly reflected in relevant service plans. An ongoing assessment will be needed in relation to individual policies and policy changes to understand how their implementation has affected communities.
Groups that this policy will impact upon: ALL protected characteristics (in accordance with the Equality Act)

Appendices
2



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL

24 February 2014

Agenda Status: PUBLIC

Directorate: Management Board

Report Title	TREASURY MANAGEMENT STRATEGY 2014-15
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1. Purpose

1.1 The purpose of the report is to bring to Council the Treasury Management Strategy for 2014/15.

2. Recommendations

2.1 That Council approve:

a) The Treasury Management Strategy for 2014/15 at **Appendix 2** of the attached Cabinet report, incorporating:

(i) The Capital Financing and Borrowing Strategy for 2014/15 including:

- The Council's policy on the making of Minimum Revenue Provision (MRP) for the repayment of debt, as required by the Local Authorities (Capital Finance & Accounting) (England) (Amendment) Regulations 2008.
- The Affordable Borrowing Limit for 2014/15 as required by the Local Government Act 2003.

(ii) The Investment Strategy for 2014/15 as required by the CLG revised Guidance on Local Government Investments issued in 2010.

That authority be delegated to the Council's Chief Finance Officer, in liaison with the Cabinet member for Finance, to make any temporary changes needed to the Council's borrowing and investment strategy to enable the authority to meet its obligations.

3. Issues and Choices

3.1 Report Background

3.1.1 See Cabinet report attached

4. Implications (including financial implications)

4.1 Policy

4.1.1 See Cabinet report attached

4.2 Resources and Risk

4.2.1 See Cabinet report attached

4.3 Legal

4.3.1 See Cabinet report attached

4.4 Equality

See Cabinet report attached

4.5 Other Implications

4.5.1 See Cabinet report attached

5. Background Papers

5.1 See Cabinet report attached

**Glenn Hammons, Chief Finance Officer, 01604 366521,
ghammons@northamptonshire.gov.uk**

**Management Board, C/o David Kennedy, Chief Executive, ext. 7726,
dkennedy@northampton.gov.uk**



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Treasury Management Strategy 2014/15
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	19 February 2014
Key Decision:	YES
Within Policy:	YES
Policy Document:	YES
Directorate:	Management Board
Accountable Cabinet Member:	Cllr A Bottwood
Ward(s)	N/A

1. Purpose

- 1.1 The purpose of the report is to bring to Cabinet the Treasury Management Strategy for 2014/15

2. Recommendations

- 2.1 That Cabinet recommend to Council that they approve the Treasury Management Strategy for 2014/15 at Appendix A of this report: incorporating:
- (i) The Capital Financing and Borrowing Strategy for 2014/15 including:
 - The Council's policy on the making of Minimum Revenue Provision (MRP) for the repayment of debt, as required by the Local Authorities (Capital Finance & Accounting) (England) (Amendment) Regulations 2008.
 - The Affordable Borrowing Limit for 2014/15 as required by the Local Government Act 2003.
 - (ii) The Investment Strategy for 2014/15 as required by the CLG revised Guidance on Local Government Investments issued in 2010.

- 2.2 That authority be delegated to the Council's Chief Finance Officer, in liaison with the Cabinet member for Finance, to make any temporary changes needed to the Council's borrowing and investment strategy to enable the authority to meet its obligations.

3. Issues and Choices

3.1 Report Background

- 3.1.1 See Treasury Management Strategy report attached.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The Treasury Management Strategy report sets out the Council's policy in its debt and investment portfolios over the next financial year. It is revisited annually and reported to Cabinet and Council as part of the budget setting process.

4.2 Resources and Risk

- 4.2.1 The resources required to deliver the Council's Treasury Management Strategy and policies over the next 5 years are incorporated into the Council's debt financing and debt management budgets, which are included in the General Fund and HRA budget 2014/15 to 2018/19 reports to Cabinet.
- 4.2.2 Effective risk management is a fundamental requirement for the treasury management function, and this then runs clearly throughout the Treasury Management in Public Services: Code of Practice and Cross-Sectoral Guidance Notes. The Council's Treasury Management Policy, Treasury Management Practices (TMPs) and Schedules, and Treasury Management Strategy for 2014/15 outline the ways in which treasury management risk will be determined, managed and controlled

4.3 Legal

- 4.3.1 The Council is obliged to carry out its treasury management activities in line with statutory requirements and associated regulations and professional guidance.

4.4 Equality

- 4.4.1 Equalities Impact Assessment (EIA) screening has been carried out on the Council's Treasury Management Strategy for 2014/15.
- 4.4.2 The EIA screening has determined that a full impact assessment is not necessary, as no direct or indirect relevance to equality and diversity duties has been identified.

4.5 Consultees (Internal and External)

- 4.5.1 Consultation on treasury management matters is undertaken as appropriate with the Council's external treasury advisers and with the Cabinet member for Finance.
- 4.5.2 The Audit Committee has been nominated by Council as the body responsible for ensuring effective scrutiny of the treasury management strategy, policies and practices. This role includes the review of all treasury management policies and procedures, the review of all treasury management reports to Cabinet and Council, and the making of recommendations to Council.

4.6 How the Proposals Deliver Priority Outcomes

- 4.6.1 The proposals support the Council's priority of making every £ go further.

4.7 Appendices

The **Appendices** are set out as follows:

- A Treasury Management Strategy 2014/15

5. Background Papers

- 5.1 Equalities Impact Assessment Screening: Treasury Management Strategy 2014/15

David Kennedy, Chief Executive, 0300 330 7000
Glenn Hammons, Chief Finance Officer, 0300 330 7000

Northampton Borough Council
Treasury Management Strategy
2014-15

Contents

1	Introduction
2	Current treasury management position
3	Prospects for interest rates
4	Borrowing strategy
5	Minimum Revenue Provision
6	Investment strategy
7	Sensitivity of the forecast and risk analysis
8	Reporting arrangements
9	Treasury management budget
10	Policy on the use of external service providers
11	Future developments
12	Training
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Appendix 1	Treasury Management Scheme of Delegation and role of Section 151 Officer
Appendix 2	Policy for attributing income and expenditure and risks between the General Fund and the HRA
Appendix 3	Prudential and Treasury Indicators
Appendix 4	Minimum Revenue Provision (MRP) Policy Statement
Appendix 5	Annual Investment Strategy

1 Introduction

CIPFA Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes

- 1.1 CIPFA has defined treasury management as “the management of the organisation’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 1.2 The Council has adopted CIPFA’s Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes (the Treasury Code). The adoption is included in the Council’s Constitution (Feb 2013) at paragraph 6.10 of the Financial Regulations.

CIPFA Prudential Code for Capital Finance in Local Authorities

- 1.3 The CIPFA Prudential Code for Capital Finance in Local Authorities (the **Prudential Code**) is a professional code of practice. Local authorities have a statutory requirement to comply with the Prudential Code when making capital investment decisions and carrying out their duties under Part 1 of the Local Government Act 2003 (Capital Finance etc and Accounts).
- 1.4 The CIPFA Prudential Code sets out the manner in which capital spending plans should be considered and approved, and in conjunction with this, the requirement for an integrated treasury management strategy.
- 1.5 Councils are required to set and monitor a range of prudential indicators for capital finance, covering affordability, prudence, capital expenditure, external debt and treasury management, as well as a range of treasury indicators.

Treasury Management Policy Statement

- 1.6 The Council’s Treasury Management Policy Statement was approved by Council at their meeting of 25 February 2013. The policy statement follows the wording recommended by the latest edition of the CIPFA Treasury Code.

Treasury Management Practices

- 1.7 The Council’s Treasury Management Practices (TMPs) set out the manner in which the Council will seek to achieve its treasury management policies and objectives, and how it will manage and control those activities. The TMPs are split as follows:
 - Main Principles
 - Schedules
- 1.8 The Council’s TMP Main Principles were approved by Council at their meeting of 25 February 2013. They follow the wording recommended by the latest edition of the CIPFA Treasury Code.

- 1.9 The Council's TMPs Schedules cover the detail of how the Council will apply the TMP Main Principles in carrying out its operational treasury activities. They are reviewed annually and approved by the Council's Chief Finance Officer

The Treasury Management Strategy

- 1.10 It is a requirement under the Treasury Code to produce an annual strategy report on proposed treasury management activities for the year.

- 1.11 The Council's Treasury Management Strategy is drafted in the context of the key principles of the Treasury Code, as follows:

- Public service organisations should put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities.
- Their policies and practices should make clear that the effective management and control of risk are prime objectives of their treasury management activities and that responsibility for these lies clearly within their organisations. Their appetite for risk should form part of their annual strategy, including any use of financial instruments for the prudent management of those risks, and should ensure that priority is given to security and liquidity when investing funds.
- They should acknowledge that the pursuit of value for money in treasury management, and the use of suitable performance measures, are valid and important tools for responsible organisations to employ in support of their business and service objectives; and that within the context of effective risk management, their treasury management policies and practices should reflect this.

- 1.12 The purpose of the Treasury Management Strategy is to establish the framework for the effective and efficient management of the Council's treasury management activity, including the Council's investment portfolio, within legislative, regulatory, and best practice regimes, and balancing risk against reward in the best interests of stewardship of the public purse.

- 1.13 The Treasury Management Strategy incorporates:

- The Council's capital financing and borrowing strategy for the coming year
- The Council's policy on the making of Minimum Revenue Provision (MRP) for the repayment of debt, as required by the Local Authorities (Capital Finance & Accounting) (Amendments) (England) Regulations 2008.
- The Affordable Borrowing Limit as required by the Local Government Act 2003.
- The Annual Investment Strategy for the coming year as required by the CLG revised Guidance on Local Government Investments issued in 2010.

- 1.14 The strategy takes into account the impact of the Council's Medium Term Financial Plan, its revenue budget and capital programme, the balance sheet position and the outlook for interest rates.
- 1.15 The Treasury Management Strategy for 2014-15 also includes the Council's:
- Policy on borrowing in advance of need
 - Counterparty creditworthiness policies
- 1.16 The main changes from the Treasury Management Strategy adopted in 2013-14 are
- A change to the format of the report to make it more concise
 - Inclusion of the Treasury Management Scheme of Delegation
 - Incorporation of the Prudential Indicators into the report
 - Updates to Prudential and Treasury Indicators
 - Updates to interest rate forecasts
 - Updates to debt financing budget forecasts
 - Inclusion of provisions for loans to third parties
 - Updates to the MRP policy

Scheme of Delegation

- 1.17 The Treasury Management Scheme of Delegation at Appendix 1 sets out the delegated treasury management responsibilities of Council, Cabinet, Audit Committee and the Section 151 Officer. This is set out in the Council's TMP Schedules and is reproduced in the strategy for the first time, in line with LGSS best practice.

General Fund and HRA

- 1.18 The Council is required to have a clearly agreed policy for attributing income and expenditure and risks between the General Fund and the HRA. This is set out at Appendix 2

Equalities Statement

- 1.19 Equalities Impact Assessment (EIA) screening has been carried out on the Council's Treasury Strategy for 2014-15, and the associated Treasury Management Practices (Main Principles and Schedules).
- 1.20 The EIA screening has determined that a full impact assessment is not necessary, as no direct or indirect relevance to equality and diversity duties has been identified.

2 Current Treasury Management position

- 2.1 The Council's projected treasury portfolio position at 31 March 2014, with forward estimates is summarised below. The table shows the external borrowing, against the Capital Financing Requirement (CFR), which is a

measure of the need to borrow for capital expenditure purposes, highlighting any forecast over or under borrowing.

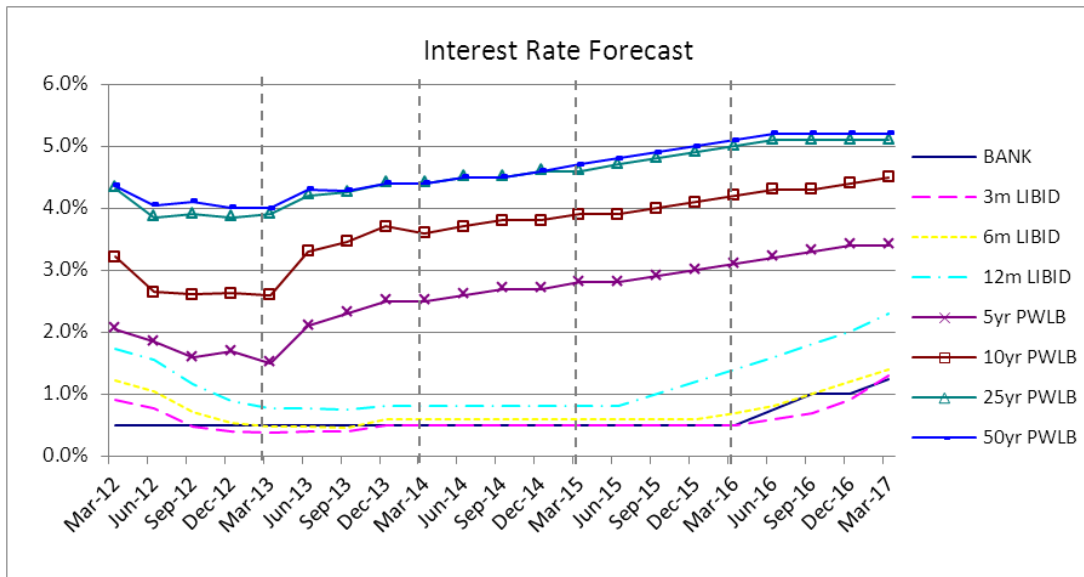
- 2.2 For the sake of clarity the figures exclude any borrowing undertaken or planned for third party loans

£m	2013-14 Projected	2014-15 Estimate	2015-16 Estimate	2016-17 Estimate	2017-18 Estimate	2018-19 Estimate
External borrowing						
Borrowing at 1 April	217	217	222	222	222	224
Expected change in borrowing		5			2	
Borrowing at 31 March	217	222	222	222	224	224
CFR at 31 March	222	229	232	232	235	236
Under/(over) borrowing	5	7	10	10	11	12
Investments						
Investments at 1 April	46	50	35	28	28	28
Expected change in investments	4	(15)	(7)	0	0	(1)
Investments at 31 March	50	35	28	28	28	27
Net borrowing	167	187	194	194	196	197

- 2.3 The large decrease in the investment balances forecast for 2014-15 and 2015-16 is primarily a result of the use of HRA reserves and cash balances, including internal borrowing, to fund the HRA planned capital programme.

3 Prospects for interest rates

3.1 The Council has appointed Capita Asset Services (CAS) as its treasury advisors. Part of their service is to assist the Council to formulate a view on interest rates. The following graph gives the CAS central view for short term (Bank Rate) and longer fixed interest rates.



3.2 Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, growth has rebounded during 2013 to surpass all expectations, propelled by recovery in consumer spending and the housing market. Forward surveys are also currently very positive in indicating that growth prospects are strong for 2014, not only in the UK economy as a whole, but in all three main sectors, services, manufacturing and construction. This is very encouraging as there does need to be a significant rebalancing of the economy away from consumer spending to construction, manufacturing, business investment and exporting in order for this start to recovery to become more firmly established.

3.3 One drag on the economy is that wage inflation continues to remain significantly below CPI inflation so disposable income and living standards are under pressure, although income tax cuts have ameliorated this to some extent. This therefore means that labour productivity must improve significantly for this situation to be corrected by the warranting of increases in pay rates.

3.4 The US, the main world economy, faces similar debt problems to the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth.

3.5 The current economic outlook and structure of market interest rates and government debt yields have several key treasury management implications:

- As for the Eurozone, concerns have subsided considerably in 2013. However, sovereign debt difficulties have not gone away and major concerns could return in respect of any countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy

(as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise to levels that could result in a loss of investor confidence in the financial viability of such countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed. Counterparty risks therefore remain elevated. This continues to suggest the use of higher quality counterparties for shorter time periods;

- Investment returns are likely to remain relatively low during 2014/15 and beyond;
- Borrowing interest rates have risen significantly during 2013 and are on a rising trend. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring even higher borrowing costs, which are now looming ever closer, where authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt, in the near future;
- There will remain a cost of carry to any new borrowing which causes an increase in investments as this will incur a revenue loss between borrowing costs and investment returns.

4 Borrowing strategy

Capital Financing

- 4.1 The Council's capital programme is financed by borrowing and by other available sources such as capital receipts, grants, third party contributions and revenue contributions.
- 4.2 Where borrowing is used to finance the Council's capital expenditure this is done under the prudential borrowing regime, with the Council funding the full costs of borrowing from its own revenue resources. This method of funding, sometimes referred to as unsupported borrowing, is particularly suitable for 'spend to save' schemes, where the financing costs of borrowing can be funded from revenue savings. However lack of capital resources means that it may also be used for other essential capital schemes where no other resources can be identified. As the repayment of principal is spread over the life of the asset it is most suitable for financing capital assets with long useful economic lives.
- 4.3 The Council also makes use of operating and finance leases to fund some types of expenditure where these offer better value for money than straightforward purchase and capital financing. Examples of the types of assets that might be leased are IT equipment and office furniture.
- 4.4 The accounting treatment for operating and finance leases is very different. The annual costs of operating leases are treated as revenue expenditure in the accounts and are not included in the Council's capital programme. In contrast, finance leases have to be treated as capital expenditure items in the Council's accounts. Changes to accounting regulations mean that leases are increasingly being classified as finance leases.

Borrowing

- 4.5 The Council as a whole is currently maintaining an under borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt. Instead, cash supporting the Council's reserves, balances and cash flow has been used to fund borrowing. This strategy has served the Council well in the current economic climate as investment returns are low and counterparty risk is relatively high.
- 4.6 Against this background and the risks within the economic forecast, caution will be adopted with the 2014-15 treasury operations. The S151 Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.
- 4.7 The Council may use a mix of its own cash balances and long term borrowing to finance further capital expenditure. This strategy maximises short term savings. However, the decision to maintain internal borrowing to generate short term savings will be evaluated against the potential for incurring additional long term borrowing costs in later years, when long term interest rates are forecast to be significantly higher.
- 4.8 The Council has access to Public Works Loan Board (PWLB) loans for its long term external borrowing needs at the 'certainty rate', which is 20 basis points below the standard PWLB rate. Loans, including LOBO loans, may also be available from major banks via the money market, depending on market conditions, and these may be considered when they offer better value for money than PWLB loans.
- 4.9 Other forms of borrowing such as bonds or private placements, either acting alone or through a collective agency, may be considered if available and appropriate.
- 4.10 Decisions on the timing and type of borrowing are taken in consultation with the Council's external treasury management advisors. All long-term external borrowing requires the express approval of the Chief Finance Officer, who has the delegated authority to take the most appropriate form of borrowing from approved sources.
- 4.11 A number of loans are due for repayment in the next five years, including LOBO loans of £15.6m due for repayment in February 2015. Having regard to prudence, repayment at maturity for all maturing loans is budgeted to be funded by the taking out of new loans. However interest rate conditions will be assessed at the time on a case by case basis to decide whether to pursue this policy or to fund from internal borrowing, or a combination of both.

Loans to Third Parties

- 4.12 The Council may make grants or loans to third parties for the purpose of capital expenditure, as allowable under paragraph 25 (1) (b) of the Local Authorities (Capital Financing and Accounting) (England) Regulations 2003 (Statutory Instrument No. 3146). This will usually be to support local economic development, and may be funded by external borrowing.
- 4.13 Three key projects in this respect are under way or in the pipeline. These are:
- Northampton Town Football Club – Cabinet approved in principle the granting of loan finance of up to £12m to support stadia expansion and associated development. The first tranches of the loan were drawn down in 2013-14.
 - University of Northampton – A loan to support the creation of a waterside campus. The Council has worked with the South East Midlands Local Enterprise Partnership (SEMLEP) to secure the LEP project rate from PWLB for a loan facility of £46 million for this purpose. Alongside this Northamptonshire Enterprise Partnership (NEP) has worked with Northamptonshire County Council to secure a further £14m at the LEP project rate from PWLB for the same project.
 - Northampton Saints – Cabinet have approved in principle the granting of loan finance of up to £5m to support stadia expansion and associated development.
- 4.14 The loans above planned for 2014-15 and future years have not been included in the Council's own capital programme, but where possible the Council's Treasury Strategy incorporates the limits and permissions required to allow the borrowing to go ahead.

Prudential & Treasury Indicators

- 4.15 The Council's prudential and treasury indicators for 2014-15 to 2018-19 are set out at Appendix 3.

Policy on borrowing in advance of need

- 4.16 Under the Local Government Act 2003 local authorities are able to borrow in year for the current year capital programme and for the following two years. The Council's policy on borrowing in advance of need is that this will not be undertaken purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

4.17 The Council will:

- Ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need
- Ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered
- Evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
- Consider the merits and demerits of alternative forms of funding
- Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

Debt rescheduling

4.18 The debt portfolio will be kept under review, with debt rescheduling opportunities being investigated for potential cash savings and / or discounted cash flow savings or to enhance the balance of the portfolio.

4.19 As short term borrowing rates tend to be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred). Furthermore, changes to accounting regulations and to the structure of PWLB rates in recent years mean that rescheduling opportunities for the Council's PWLB loans are very much more limited than in the past. Decisions will be based on appropriate advice from the Council's external treasury management advisers.

4.20 The reasons for any rescheduling to take place will include:

- The generation of cash savings and or discounted cash flow savings.
- Helping to fulfil the treasury strategy.
- Enhancing the balance of the portfolio (by amending the maturity profile and/or the balance of volatility).

4.21 Any debt rescheduling undertaken will subsequently be reported to Cabinet in the next treasury report following the decision.

Affordable Borrowing Limit

4.22 The Local Government Act 2003 and supporting regulations require the Council to determine and keep under review how much it can afford to borrow. The amount determined is termed the "Affordable Borrowing Limit". This is equivalent to the treasury indicator for the authorised limit.

4.23 The Council's affordable borrowing limit for 2014-15 is set at £290m, and it is anticipated that this limit will increase to £315m by 2016-17 and then continue at this level over the rest of the five year horizon. The table below shows the breakdown between the limit required for the Council's own capital expenditure purposes and that required for the provision of loans to third parties.

Affordable Borrowing Limit					
	2014-15	2015-16	2016-17	2017-18	2018-19
	Limit £m	Limit £m	Limit £m	Limit £m	Limit £m
NBC CFR plus headroom	250	246	251	251	251
To support loans to third parties	40	64	64	64	64
Affordable Borrowing Limit	290	310	315	315	315

Temporary Borrowing

- 4.24 The Council may occasionally undertake short-term temporary borrowing if this is needed to cover its cash flow position. The maximum amount of temporary borrowing that the Council will borrow from any one counterparty will be £5m.
- 4.25 In addition, under long standing arrangements, the Council manages deposits from two local organisations. Formal agreements were set up with these organisations in April 2009. These contain the following operational arrangements:
- Interest rates set in line with the average rate of interest achieved by the Council in the preceding period, less 0.5%
 - Quarterly review of interest rates
 - Withdrawal notice periods of 7 days
 - Termination notice of 7 days
- 4.26 The CFO may also authorise the taking of short-term deposits under mutually agreed and documented terms from other local not for profit organisations.

Overdraft Facilities

- 4.27 The Council has a £200k overdraft facility with its bankers, HSBC Bank, for which an annual fee of £2k applies. The overdraft rate applicable to use of the agreed facility is 2.5% above the prevailing Bank of England base rate.
- 4.28 The overdraft facility is only used to cover unforeseen events; usage is kept to an absolute minimum and generally occurs only as a result of events outside of the Council's control; for example, failure by third parties to make agreed payments. The use of the overdraft facility is monitored against a performance target.

5 Minimum Revenue Provision

- 5.1 The Council is required to repay an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the Minimum Revenue Provision - MRP), although it is also allowed to undertake additional voluntary payments if required (Voluntary Revenue Provision - VRP). The Housing Revenue Account is not subject to a mandatory MRP charge.
- 5.2 CLG Regulations have been issued which require full Council to approve an MRP Policy Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision.
- 5.3 The Council's policy statement on MRP for 2014-15 is set out at Appendix 4. . The policy is considered by the Section 151 Officer to provide for the prudent repayment of debt.

6 Investment strategy

- 6.1 Government Guidance on Local Government Investments in England requires that an Annual Investment Strategy (AIS) be set. The Guidance permits the Treasury Management Strategy Statement (TMSS) and the AIS to be combined into one document.
- 6.2 The Council's general policy objective is to invest its surplus funds prudently. Due to the ongoing uncertainty in the banking sector which has seen institutions fold, it is now felt more appropriate to focus on the safe return of the sum invested. As such the Council's investment priorities in priority order are
- the security of the invested capital
 - the liquidity of the invested capital
 - the yield received from the investment
- 6.3 The Council's Annual Investment Strategy for 2014-15 is set out at Appendix 5.

7 Sensitivity of the forecast and risk analysis

Risk Management

- 7.1 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Treasury management risks are identified in the Council's approved Treasury Management Practices. The main risks to the treasury activities are:
- Credit and counterparty risk (security of investments)
 - Liquidity risk (adequacy of cash resources)
 - Interest rate risk (fluctuations in interest rate levels)
 - Exchange rate risk (fluctuations in exchange rates)
 - Refinancing risks (impact of debt maturing in future years)
 - Legal and regulatory risk (non-compliance with statutory and regulatory requirements)

- Fraud, error and corruption, and contingency management (in normal and business continuity situations)
- Market risk (fluctuations in the value of principal sums)

7.2 The TMP Schedules set out the ways in which the Council seeks to mitigate these risks. Examples are the segregation of duties (to counter fraud, error and corruption), and the use of creditworthiness criteria and counterparty limits (to minimise credit and counterparty risk). Council officers, in conjunction with the treasury advisers, will monitor these risks closely.

Sensitivity of the Forecast

7.3 The sensitivity of the forecast is linked primarily to movements in interest rates and in cash balances, both of which can be volatile. Interest rates in particular are subject to global external influences over which the Council has no control. In terms of interest rates, taking an average forecast investment portfolio of £43m for 2014-15, each 0.1% increase or decrease in investment rates equates to £43k, the revenue impact of which is shared between the HRA and the General Fund.

7.4 Both interest rates and cash balances will be monitored closely throughout the year and potential impacts on the Council's debt financing budget will be assessed. Action will be taken as appropriate, within the limits of the TMP Schedules and the treasury strategy, and in line with the Council's risk appetite, to keep negative variations to a minimum. Any significant variations will be reported to Cabinet as part of the Council's regular budget monitoring arrangements.

8 Reporting arrangements

8.1 In line with best practice full Council is required to receive and approve, as a minimum, three main treasury management reports each year, as follows.

- Annual Treasury Management Strategy
- Treasury Management Mid Year Report
- Treasury Management Outturn Report

8.2 The reports include the Council's treasury and prudential indicators.

8.3 Full details of the Council's treasury management reporting arrangements are contained in the Council's Schedules to the Treasury Management Practices (TMP 6 – Reporting Requirements and Management Information Arrangements)

9 Debt financing budget

9.1 The following table sets out the Council's debt financing budget for 2014-15 to 2018-19. This excludes interest payable and reimbursements in respect of loans to third parties.

9.2

Debt Financing Budget – NBC					
	2014-15 £000	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
Interest payable	1,399	1,401	1,396	1,418	1,450
Interest Receivable	(215)	(157)	(323)	(259)	(222)
MRP	1,057	1,304	1,335	1,238	1,349
Recharges from/(to) the HRA	136	84	94	134	182
Total	2,377	2,632	2,502	2,531	2,759

9.3 The following table sets out estimates of the additional expenditure and income impacts of existing and proposed loans to third parties. The figures are based on broad estimates of the timing of loan drawdowns and interest rate and are subject to change once actual details are firmed up. There will be an overall net nil impact to the Council.

Debt Financing Budget – Loans to Third Parties					
	2014-15 £000	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
Interest payable	1,224	2,439	3,005	2,996	2,887
Re-imbursments	(1,224)	(2,439)	(3,005)	(2,996)	(2,887)
Total	0	0	0	0	0

9.4 The interest rate assumptions behind the budgeted figures are as follows:

Interest Rate Assumptions					
	2014-15 %	2015-16 %	2016-17 %	2017-18 %	2018-19 %
Investments	0.5	0.5	0.8	1.3	1.8
New and replacement borrowing	5.0	5.0	5.0	5.0	5.0

9.5 MRP charges are in line with the Council's MRP policy at Appendix 4.

10 Policy on the use of external service providers

- 10.1 Treasury management consultants are used to support the Council's treasury management activities by providing expert advice on interest rate forecasts, annual treasury management strategy, timing for borrowing and lending, debt rescheduling, use of various borrowing and investment instruments, creditworthiness of counterparties etc
- 10.2 From June 2013 the costs of the service have been met by LGSS. The current supplier of service is Capital Asset Services. The contract expires at 31 March 2014. It is anticipated that Capita Asset Services will continue to supply this service to NBC under their framework contract with LGSS.
- 10.3 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the external service providers. However it also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

11 Current and future developments

- 11.1 Local Authorities have to consider innovative strategies towards improving service provision to their communities. This approach to innovation also applies to councils' treasury management activities. The Government is introducing new statutory powers and policy change which will have an impact on treasury management approaches in the future. Examples of such changes are:

Localism Act 2011

- 11.2 A key element of the Act is the "General Power of Competence": "A local authority has power to do anything that individuals generally may do." The Act opens up the possibility that a local authority may be able to use derivatives as part of their treasury management operations. However the legality of this has not yet been tested in the courts. The Council has no plans to use financial derivatives under the powers contained in this Act.

Enterprise Zone

- 11.3 The Council is taking forward infrastructure improvements to enable development and to attract investment into the Enterprise Zone, supporting employment growth. Funding has been applied for from the Government's Growing Places Fund (approved subject to legal agreement) and Local Infrastructure Fund (currently going through due diligence with HCA). Repayment of funding (principal and interest) will be met from business rates uplift in line with the Enterprise Zone financial model.

Tax Incremental Financing

- 11.4 The Government has outlined its plans to give local authorities the tools to promote growth, including giving more freedom for local authorities to make use of additional revenues to drive forward economic growth in their areas. infrastructure projects
- 11.5 To this aim they are looking to introduce new borrowing powers to enable authorities to carry out Tax Incremental Financing (TIF) for infrastructure projects. This will require new legislation and will be closely linked to another Government initiative concerning the localisation of business rates i.e. local retention of business rate income.
- 11.6 In determining the affordability of borrowing for capital purposes, local authorities take account of their current income streams and forecast future income. Currently this does not factor in the full benefit of growth in local business rate income. TIF will enable local authorities to borrow against a future additional uplift to their business rates base. It will be important to manage the costs and risks of this borrowing alongside wider borrowing under the Prudential Code.
- 11.7 The Council will explore these new opportunities and assess their impact on the Treasury Management Strategy, particularly in terms of risk to the sustainability, prudence and affordability to the Council's finances.

Local Impact Funding

- 11.8 The Council is working with other agencies to put together an application for Northamptonshire to become one of the pilot areas for a Local Impact Fund (LIF). The LIFs will be led by local public sector bodies to bring together local and national partners and investors to provide tailored investment support for charities and social enterprises. The LIF model exploits the economic and employment benefits of supporting the local sector, in addition to the social impact benefits. It works on the basis that locally led solutions to social investment will target resources where they are needed most. Investments can be matched against EU funding and could give Northamptonshire the opportunity of transforming significant areas of service delivery.
- 11.9 As an investor the Council will receive a rate of interest on its investment into the LIF. The details of the LIF investment arrangements will be examined by officers to understand their treasury management implications. This will include an assessment of any treasury management risks. However as the investment is an integral part of the LIF policy initiative, driven by service considerations, it will fall outside of the Council's stated investment strategy and counterparty criteria.

12 Training

- 12.1 A key outcome of investigations into local authority investments following the credit crisis has been an emphasis on the need to ensure appropriate training and knowledge in relation to treasury management activities, for officers

employed by the Council, in particular treasury management staff, and for members charged with governance of the treasury management function

- 12.2 Policies for reviewing and addressing treasury management training needs are out in the TMP Schedules (TMP10 – Training and Qualifications)

13 List of appendices

- Appendix 1: Treasury Management Scheme of Delegation and Role of Section 151 Officer
- Appendix 2: Policy for attributing income and expenditure and risks between the General Fund and the HRA
- Appendix 3: Prudential and Treasury Indicators
- Appendix 4: Minimum Revenue Provision (MRP) Policy Statement
- Appendix 5: Annual Investment Strategy

Treasury Management Scheme of Delegation and role of the Section 151 Officer

Treasury Management Scheme of Delegation

Council

The Council is responsible for:

- Adoption of the CIPFA Code of Practice on Treasury Management in the Public Services
- Approval of the Treasury Management Policy Statement
- Approval of the annual Treasury Management Strategy and annual Investment Strategy
- Setting and monitoring of the Council's prudential and treasury indicators.
- Approval of the treasury management mid-year and outturn reports
- Approval of the debt financing revenue budget as part of the annual budget setting process

Cabinet

The Cabinet is responsible for:

- Consideration of the all of the above and recommendation to Council
- Receiving monitoring information on the debt financing budget as part of the revenue budget monitoring process.
- Approving the selection of external service providers and agreeing terms of appointment in accordance with the Council's procurement regulations

Audit Committee

Audit Committee is the body responsible for scrutiny and will have responsibility for the review of treasury management policy and procedures, the scrutiny of all treasury management reports to Cabinet and Council, and for making recommendations to Cabinet and Council

Treasury management role of the Section 151 Officer

The Council's Chief Finance Officer is the officer designated for the purposes of section 151 of the Local Government Act 1972 as the Responsible Officer for treasury management at the Council.

The Council's Financial Regulations delegates responsibility for the execution and administration of treasury management decisions to the Section 151 Officer, who will act in accordance with the Council's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.

The Responsible Officer has delegated powers through this policy to take the most appropriate form of borrowing from the approved sources, and to make the most appropriate form of investments in approved instruments.

Prior to entering into any capital financing, lending or investment transaction, it is the responsibility of the responsible officer to be satisfied, by reference to the Council's legal department and external advisors as appropriate, that the proposed transaction does not breach any statute, external regulation or the Council's Financial Regulations

The Responsible Officer may delegate his power to borrow and invest to members of his staff.

The Responsible Officer is responsible for:

- Ensuring that the schedules to the Treasury Management Practices (TMPs) are fully reviewed and updated annually and monitoring compliance to the Treasury Management in the Public Services: Code of Practice and Guidance Notes.
- Submitting regular treasury management reports to Cabinet and Council.
- Submitting debt financing revenue budgets and budget variations in line with the Council's budgetary policies.
- Receiving and reviewing treasury management information reports
- Reviewing the performance of the treasury management function and promoting value for money
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- Ensuring the adequacy of internal audit, and liaising with external audit
- Recommending the appointment of external service providers (e.g. treasury management advisors) in line with the approval limits set out in the Council's procurement rules.
- Ensuring that the Council's Treasury Management Policy is adhered to, and if not, bringing the matter to the attention of elected members as soon as possible.

Policy for attributing income and expenditure and risks between the General Fund and the HRA

- 1.1 The Council is required to have a clearly agreed policy for attributing income and expenditure and risks between the General Fund and the HRA. This is set out at Appendix 5.
- 1.2 The Council uses a two pool approach to splitting debt between the HRA and General Fund, whereby loans are assigned to either the HRA or the General Fund.
- 1.3 The Council applies the requirements of the CLG Item 8 Credit and Item 8 Debit (General) Determination from 1 April 2012 in recharging debt financing and debt management costs between the HRA and the General Fund. The interest rates to be applied are determined as follows:

Principal Amount	Interest Rate
HRA Credit Arrangements CFR: concession agreements and finance leases	Average rate on HRA credit arrangements
HRA Loans CFR: long term loans (external)	Average rate on HRA external debt
HRA Loans CFR: short term loans payable (under funded CFR)	Average rate on GF external debt/or for formally agreed borrowing from GF resources an agreed PWLB equivalent rate.
HRA Loans CFR: short term loans receivable (over funded CFR)	Average rate on external investments/or for earmarked medium term reserves an actual external investment rate
HRA Cash balances: short term loans payable (cash balances overdrawn)	Average rate on external investments
HRA Cash balances: short term loans receivable (cash balances in hand)	Average rate on external investments/or for earmarked medium term reserves an actual external investment rate

- 1.4 For the purpose of calculating interest rates:
- HRA cash balances are based on the average of opening and closing HRA cash balances.
 - HRA CFR external debt is based on actual external debt
 - Other HRA CFR balances is based on the mid year position
- 1.5 Debt management costs are charged to the HRA on an apportioned basis that takes into account the weighting of time spent on managing debt and investments respectively.

- 1.6 Risk associated with external loans sit with either the GF or HRA depending on which of these the loan has been earmarked to. This will include interest rate risk, for example the risk of interest rate rises associated with LOBOs.
- 1.7 Similarly, risk associated with any external investment of earmarked medium term HRA reserves sits with the HRA. This will include the risk of impairment, in the event of the failure of a counterparty.
- 1.8 Where risk cannot be earmarked specifically to either the General Fund or HRA, it is apportioned fairly between the two, using relevant available data. For example, in the event of impairment of an investment counterparty, the loss will be apportioned between the two funds based on an estimated proportion of cash balances held.

Prudential and Treasury Indicators

The prudential indicators for 2014-15 to 2018-19 are set out below, each one with a commentary and risk analysis.

Affordability

a) Estimate of the ratio of financing costs to net revenue stream

Commentary

The indicator has been calculated as the estimated net financing costs for the year divided by the amounts to be met from government grants and local taxpayers for the non-HRA element, and by total HRA income for the HRA element. The objective is to enable trends to be identified.

The rising trend for the General Fund shown below reflects the cumulative impact of borrowing costs, including MRP, for capital programme schemes agreed each year, set against forecasts of a reducing net revenue stream, which is made up primarily of formula funding and council tax.

The relatively high ratio for the HRA across all years compared to General Fund arises from the servicing of the the HRA debt taken 2011-12 under the government's HRA self-financing agenda, and from the requirement to include depreciation in the financing costs, as represented by the value of the Major Repairs Allowance (MRA), which is not required in the General Fund figures.

Estimate of the ratio of financing costs to net revenue stream					
	2014-15	2015-16	2016-17	2017-18	2018-19
	Estimate	Estimate	Estimate	Estimate	Estimate
	%	%	%	%	%
General Fund	8.58%	10.13%	10.15%	10.67%	12.05%
HRA	34.18%	34.08%	34.21%	33.98%	34.27%

Risk Analysis

Debt financing costs relating to past and current capital programmes have been estimated in accordance with proper practices. Actual costs will be dependent on the phasing of capital expenditure and prevailing interest rates, and will be closely managed and monitored on an ongoing basis. Carry forwards in the capital programme, whether planned or unplanned, will delay the impacts of debt financing costs to future years

b) Estimate of the incremental impact of capital investment decisions on the council tax

Commentary

This indicator represents an estimate of the incremental impact of new capital investment decisions on the annual Council Tax (Band D). It is intended to show the effect on the Council Tax of approving additional capital expenditure.

Revenue budget impacts may arise from the following:

- Direct revenue contributions
- Lost interest on use of revenue contributions
- Lost interest on use of capital receipts
- Lost interest on use of internal borrowing
- Lost interest on use of earmarked reserves
- Interest on use of external borrowing
- Revenue running costs or savings

The figure represents the incremental impact on Council Tax from agreed capital expenditure schemes continuing from 2013-14 and prior years, starting in 2014-15 and planned for 2015-16 to 2018-19.

Estimates of incremental impact of new capital investment decisions on the Council Tax					
	2014-15	2015-16	2016-17	2017-18	2018-19
	Estimate £.p	Estimate £.p	Estimate £.p	Estimate £.p	Estimate £.p
General Fund	2.22	8.91	9.89	9.12	10.68

Risk Analysis

The calculation of this indicator produces a notional figure. In practice the incremental costs of capital programme expenditure, including borrowing costs, are incorporated into the calculations for the revenue budget build along with all other proposed budget increases and savings, and are considered as part of an overall package of affordability.

Capital appraisals are completed for all new capital programme bids, and these should include any additional revenue costs associated with a scheme.

These procedures are designed to ensure that capital expenditure schemes are not included in the planned programme unless they have been demonstrated to be affordable, as well as prudent and sustainable.

c) Estimate of the incremental impact of capital investment decisions on the housing rents

Commentary

This indicator represents an estimate of the incremental impact of new capital investment decisions on average weekly housing rents.

Revenue budget impacts may arise from the following:

- Direct revenue contributions
- Lost interest on use of revenue contributions
- Lost interest on use of capital receipts
- Lost interest on use of internal borrowing
- Lost interest on use of earmarked reserves
- Lost interest on use of Major Repairs Allowance (MRA)
- Interest on use of external borrowing
- Revenue running costs or savings

The figures represent the incremental impact on weekly housing rents from agreed capital expenditure schemes continuing from 2013-14 and prior years, starting in 2014-15 and planned for 2015-16 to 2018-19.

The availability of additional revenue funds to support capital expenditure is linked to the HRA self financing reforms; the abolition of subsidy payments to government (replaced by debt financing costs) is expected to allow significant capital investment, initially to meet decent homes standards, and subsequently to maintain those standards and to invest in estate regeneration and/or new homes build. Actual rent rises will remain in line with the government rent restructuring policy.

Estimates of incremental impact of new capital investment decisions on Housing Rents					
	2014-15	2015-16	2016-17	2017-18	2018-19
	Estimate £.p	Estimate £.p	Estimate £.p	Estimate £.p	Estimate £.p
HRA	6.27	11.11	12.46	13.52	14.87

Risk Analysis

The calculation of this indicator produces a notional figure. In practice the incremental costs of capital programme expenditure, including borrowing costs, are incorporated into the calculations for the HRA revenue budget build along with all other proposed budget increases and savings, and are considered as part of an overall package of affordability.

Capital appraisals are completed for all new HRA capital programme bids, and these should include any additional revenue costs associated with a scheme.

These procedures are designed to ensure that HRA capital expenditure schemes are not included in the planned programme unless they have been demonstrated to be affordable, as well as prudent and sustainable.

Prudence

d) Gross debt and the capital financing requirement (CFR)

Commentary

This is a key indicator of prudence. It is intended to show that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and new two financial years. This demonstrates that the Council's borrowing has only been undertaken for a capital purpose.

Gross debt and the capital financing requirement		
	2014-15 £000 Excluding Third Party Loans	2014-15 £000 Including Third Party Loans
Gross external debt	216,441	228,441
2013-14 Closing CFR (forecast)	222,454	234,454
Increases to CFR*:		
2014-15	6,879	34,380
2015-16	2,418	26,418
2016-17	429	429
2017-18	2,479	2,479
2018-19	1,330	1,330
Adjusted CFR	235,989	299,490
Gross external debt less than adjusted CFR	Yes	Yes

Risk Analysis

Where the gross debt is greater than the capital financing requirement the reasons for this should be clearly stated in the annual strategy.

Capital Expenditure

e) Estimates of capital expenditure

Commentary

This indicator requires reasonable estimates of the total of capital expenditure to be incurred during the forthcoming financial year and at least the following two financial years.

The draft capital programme for 2014-15 to 2018-19 is included elsewhere on this agenda and the prudential indicator figures are based on that report.

Estimates include continuation schemes from previous years, new bids for the coming year, and block programmes for the coming and future years. The programme is agreed annually and will be adjusted in the context of future bids submitted and available resources when the annual programmes for the future years are agreed. Variations to the existing programme may also be agreed during the year.

Capital Expenditure					
	2014-15	2015-16	2016-17	2017-18	2018-19
	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
General Fund	18,352	10,542	2,870	2,275	2,275
HRA	46,700	28,608	25,308	25,308	25,308
Total	65,052	39,150	28,178	27,583	27,583
Loans to third parties	27,500	24,000	0	0	0
Total	92,552	63,150	28,178	27,583	27,583

Risk Analysis

There is a real risk of cost variations to planned expenditure against the capital programme, arising for a variety of reasons, including tenders coming in over or under budget, changes to specifications, and slowdown or acceleration of project phasing. There is also the possibility of needing to bring urgent and unplanned capital works into the capital programme. The risks are managed by officers on an ongoing basis, by means of active financial and project monitoring. Any significant issues are reported to Cabinet as part of the finance and performance reporting cycle.

The availability of financing from capital receipts, grants and external contributions also carries significant risk. This can be particularly true of capital receipts, where

market conditions are a key driver to the flow of funds, causing particular problems in a depressed or fluctuating economic environment. A prudent approach has been taken to these funding streams in the proposed capital programme for 2014-15 to 2018-19. New capital schemes funded by receipts will not commence until receipts are actually realised. The five year programme and financing is reviewed annually.

The financing position of the capital programme is closely monitored by officers on an ongoing basis and any significant issues are reported to Cabinet as part of the finance and performance reporting cycle.

f) Estimates of capital financing requirement (CFR)

Commentary

External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. The CFR can be understood as the Council's underlying need to borrow money long term for a capital purpose – that is, after allowing for capital funding from capital receipts, grants, third party contributions and revenue contributions.

The Council is required to make reasonable estimates of the total CFR at the end of the forthcoming financial year and the following two years thereafter. A local authority that has an HRA must identify separately estimates of the HRA and General Fund CFR.

The CFR has been calculated in line with the methodology required by the relevant statutory instrument and the guidance to the Prudential Code. It incorporates the actual and forecast borrowing impacts of the Council's previous, current and future capital programmes.

The table below splits out the impacts of proposed loans to third party organisations funded by borrowing.

The forecast trend for the General Fund CFR (excluding third party loans is relatively stable with an overall inclination to a reduction over the forthcoming five-year period, as the amount of proposed borrowing is offset by annual repayments of principal (Minimum Revenue Provision).

The HRA CFR is forecast to remain static for the five year period as no new borrowing is planned to support the HRA capital programme.

The changes to CFR for future years (2015-16 to 2018-19) are subject to future Council decisions in respect of the capital programme for those years

Capital Financing Requirement (Closing CFR)					
	2014-15	2015-16	2016-17	2017-18	2018-19
	31 March 2015 Estimate £000	31 March 2016 Estimate £000	31 March 2017 Estimate £000	31 March 2018 Estimate £000	31 March 2019 Estimate £000
General Fund	42,531	42,045	39,588	40,085	40,534
HRA	186,803	189,706	192,593	194,574	195,455
Total	229,334	231,751	232,181	234,659	235,989
Loans to third parties (GF)	39,500	63,500	63,500	63,500	63,500
Total	268,834	295,251	295,681	298,159	299,489

Risk Analysis

The capital financing requirement will vary from the estimates if there are changes to capital programme plans that result in reduced or increased borrowing to support expenditure. This will include adjustments between years as a result of carry forwards in the capital programme, which can impact on the profile of capital expenditure and the profile of the minimum revenue provision.

All borrowing plans must be affordable in revenue terms and to this end additional borrowing to fund capital expenditure will only be approved through the normal capital project approval process and where it has been demonstrated to be prudent affordable and sustainable.

External Debt

g) Authorised limit for external debt

Commentary

For the purposes of this indicator the authorised limit for external debt is defined as the authorised limit for borrowing plus the authorised limit for other long term liabilities.

This requires the setting for the forthcoming financial year and the following four financial years of an authorised limit for total external debt (including temporary borrowing for cash flow purposes), gross of investments, separately identifying borrowing from other long term liabilities.

The authorised limit represents the maximum amount the Council may borrow at any point in time in the year. It has to be set at a level the Council considers is

“prudent” and be consistent with plans for capital expenditure and financing. It contains a provision for forward funding of future years capital programmes, which may be utilised if current interest rates reduce significantly but are predicted to rise in the following year.

This limit is based on the estimate of the most likely but not worst case scenario, with in addition sufficient headroom over and above this to allow for operational management, for example unusual cash movements. It includes headroom for any planned loans to third party organisations.

The authorised limit is set at an amount that allows a contingency for any additional unanticipated or short-term borrowing requirements over and above the operational boundary during the period (see (h) below).

Other long-term liabilities relate to finance leases and credit arrangements.

The Council’s S.151 Officer will have delegated authority to effect movement between the separately agreed figures for borrowing and other long-term liabilities. Any such changes will be reported to the Council at the next meeting following the change.

Authorised limit for external debt					
	2014-15	2015-16	2016-17	2017-18	2018-19
	Limit £m	Limit £m	Limit £m	Limit £m	Limit £m
Borrowing	285	305	310	310	310
Other long-term liabilities	5	5	5	5	5
Total	290	310	315	315	315

Risk Analysis

Risk analysis and risk management strategies have been taken into account in setting this indicator, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of the Council’s cash flow requirements.

h) Operational boundary for external debt

Commentary

The proposed operational boundary is based on the same estimates as the authorised limit. However it excludes the additional headroom included within the authorised limit to allow for unusual cash movements.

The operational boundary represents a key management tool for in year monitoring by the S.151 Officer.

Within the operational boundary, figures for borrowing and other long-term liabilities are separately identified.

The borrowing element of the operational boundary has been set with reference to the maximum Capital Financing Requirement (CFR) over the coming three years. It includes headroom for any planned loans to third party organisations.

Other long-term liabilities relate to finance leases and credit arrangements.

The Council's S.151 Officer will have delegated authority to effect movement between the separately agreed figures for borrowing and other long-term liabilities. Any such changes will be reported to the Council at the next meeting following the change.

Operational boundary for external debt					
	2014-15	2015-16	2016-17	2017-18	2018-19
	Limit £000	Limit £m	Limit £m	Limit £m	Limit £m
Borrowing	275	295	300	300	300
Other long-term liabilities	5	5	5	5	5
Total	280	300	305	305	305

Risk Analysis

Risk – Risk analysis and risk management strategies have been taken into account in setting this indicator, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of the Council's cash flow requirements.

i) HRA Limit on Indebtedness

Commentary

The local authority is required to report the level of the limit imposed (or subsequently amended) at the time of implementation of self-financing by the Department for Communities and local Government. It is the HRA capital financing requirement that will be compared to this limit.

Indicator

The HRA limit on indebtedness is **£208.401m**. This is the HRA debt cap imposed by the Department for Communities and local Government at the implementation of HRA self-financing.

Risk Analysis

The HRA business plan has been modelled with full regard to the CLG debt cap requirements. The risk assessment of the business plan does not identify the breach of the debt cap as a risk. However there is an identified risk that inflation levels may change more than expected, resulting in the financial assumptions in the business plan proving to be inaccurate, leading to reduced headroom for borrowing. In this instance borrowing may reach (but not breach) the debt cap.

Treasury Management

j) Adoption of the CIPFA code of Practice for Treasury Management in the Public Services

Commentary

The Prudential Code requires that the local authority has adopted the CIPFA Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes. The aim is to ensure that treasury management is led by a clear and integrated forward looking treasury management strategy, and recognition of the pre-existing structure of the authority's borrowing and investment portfolios.

Indicator

The Council has adopted CIPFA's Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes. The adoption is included in the Council's Constitution (Feb 2013) at paragraph 6.10 of the Financial Regulations.

Risk Analysis

Effective risk management is a fundamental requirement for the treasury management function, and this theme runs explicitly through the Treasury

Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes.

The prime policy objectives of the Council's investment activities are the security and liquidity of funds, and return on investments will be considered only once these two primary objectives have been met. The Council will thereby avoid exposing public funds to unnecessary or unquantified risk.

The Council's Treasury Management Strategy Report for 2014-15 to 2018-19 discusses the ways in which treasury management risk will be determined, managed and controlled.

Treasury Indicators

k) Maturity structure of borrowing

This indicator sets both upper and lower limits with respect to the maturity structure of the Council's borrowing.

The indicator represents the amount of projected borrowing that is fixed rate maturing in each period expressed as a percentage of total projected borrowing that is fixed rate at the start of the period where the periods in question are:

- Under 12 months;
- 12 months and within 24 months;
- 24 months and within 5 years;
- 5 years and within 10 years;
- 10 years and within 20 years;
- 20 years and within 30 years;
- 30 years and within 40 years;
- 40 years and above.

The Treasury Management Code of Practice Guidance Notes requires that the maturity is determined by the earliest date on which the lender can require payment, which in the case of LOBO loans is the next break period. However in the current low interest rate environment the likelihood of the interest rates on these loans being raised and the loans requiring repayment at the break period is extremely low.

The proposed limits for the forthcoming year are:

Maturity Structure of Borrowing Review		
	Lower Limit %	Upper Limit %
Under 12 months	0%	20%
Between 1 and 2 years	0%	20%
Between 2 and 5 years	0%	20%
Between 5 and 10 years	0%	20%
Between 10 and 20 years	0%	40%
Between 20 and 30 years	0%	60%
Between 30 and 40 years	0%	80%
Over 40 years	0%	100%

Risk – The debt maturity profile is actively managed to ensure that debt maturity is prudently spread across future years. This ensures that the Council can properly plan for the maturity of its borrowings, and is not exposed to unmanageable risks.

The limits for the early periods (up to 10 years) have been set to allow for up to 20% of Council borrowing to be in the form of LOBO loans, which are treated as if maturing at the first break clause date.

I) Upper limits on interest rate exposures

The Council must set for the forthcoming financial year and the following two financial years, upper limits to its exposure to the effect of changes in interest rates. These limits relate to both fixed interest rates and variable interest rates, and are referred to as the upper limits on fixed interest rate and variable interest rate exposures.

The purpose of the indicator is to express the Council's appetite for exposure to variable interest rates, which may, subject to other factors, lead to greater volatility in payments and receipts. However this may be offset by other benefits such as lower rates, as in the case of LOBOs.

These limits can be expressed either as absolute amounts or as a percentage. They may be related either to the authority's net principal sum outstanding on its borrowing/investments or to the net interest on these.

As a result of advice from the Council's treasury advisors, these indicators have been set as percentages rather than absolute values. Separate indicators are set and monitored for debt and investments, as well as for the net borrowing position.

It is proposed to maintain the upper limits on interest rate exposures for borrowing at 100% for both fixed and variable rate debt. This will allow officers to make judgements on the most appropriate form of borrowing dependant on the market conditions and rates on offer, rather than being artificially constrained by the indicator. In practice there is likely to be a mix of fixed and variable rate borrowing in the Council's debt portfolio.

Upper limits on interest rate exposures - borrowing		
	Fixed Interest Rate Exposures	Variable Interest Rate Exposures
2014-15	100%	100%
2015-16	100%	100%
2016-17	100%	100%
2017-18	100%	100%
2018-19	100%	100%

Upper limits on interest rate exposures - investments		
	Fixed Interest Rate Exposures	Variable Interest Rate Exposures
2014-15	100%	100%
2015-16	100%	100%
2016-17	100%	100%
2017-18	100%	100%
2018-19	100%	100%

The interest rate exposures for net borrowing are distorted when debt and investment are combined. However, this combined indicator is included here for completeness, and as required by the Treasury Management Code of Practice. The percentages in the table below allow for both borrowing and investments to independently reach limits of 100% for both fixed and variable rates. Actual percentages on net borrowing may sometimes be in excess of 100% or below zero (ie negative percentages).

Upper limits on interest rate exposures – net borrowing		
	Fixed Interest Rate Exposures	Variable Interest Rate Exposures
2014-15	150%	150%
2015-16	150%	150%
2016-17	150%	150%
2017-18	150%	150%
2018-19	150%	150%

m) Total principal sums invested for periods longer than 364 days

Under the Local Government Act 2003 and the CLG Guidance on Local Authority Investments 2004 (revised 2010), all Councils are permitted to invest for periods exceeding 1 year (or 364 days). The Council is required to set a limit to the level of such investments it might wish to make.

This limit can be expressed as a percentage or as an absolute amount (i.e. a monetary figure). The Council has chosen to work to a limit represented as an absolute amount as officers consider this to be the most transparent method and the more straightforward to monitor.

The limit has been set at a level that would allow for monies not anticipated to be spent in year to be invested for longer periods if interest rates are favourable.

The proposed limits for the forthcoming, and following four financial years are as follows.

Upper limit on investments for periods longer than 364 days					
	2014-15	2015-16	2016-17	2017-18	2018-19
	Upper Limit £m	Upper Limit £m	Upper Limit £m	Upper Limit £m	Upper Limit £m
Investments < 364 days	6	4	4	4	4

This upper limit has been calculated at a prudent level with regard to cashflow liquidity, based on a maximum of 15% of forecast average general (HRA & GF)

cash balances in year, and an additional allowance for HRA earmarked reserves that may be generated for investment under the new HRA self financing regime.

Minimum Revenue Provision Policy Statement

- 1.1 The Local Authorities (Capital Finance & Accounting) (Amendments) (England) Regulations 2008, which came into force in February 2008, require local authorities to make 'prudent provision' for the repayment of its General Fund debt. This debt repayment is known as the Minimum Revenue Provision (MRP).
- 1.2 A number of options for prudent provision are set out in the regulations. The underlying principle is that the repayment of debt should be aligned to the useful life of the asset or assets for which the borrowing has been carried out.
- 1.3 Since 2007-08 the Council has used the transitional measures available to calculate MRP for all capital expenditure prior to 1 April 2008 as if the previous regulations were still in force.
- 1.4 The authority is required, under the 2008 regulations, to prepare an annual statement of their policy on making MRP for submission to Council.
- 1.5 The Council's policy statement on MRP for 2014-15 is set out below. The policy is considered by the Section 151 Officer to provide for the prudent repayment of debt.
 - 1.5.1 The Council has implemented the 2008 CLG Minimum Revenue Provision (MRP) guidance from 2008-09 onwards, and assessed their MRP from 2008-09 onwards in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.
 - 1.5.2 MRP relating to the historic debt liability incurred for years up to and including 2007-08 will continue to be charged at the rate of 4% on the reducing balance, in accordance with option 1 of the guidance, the "regulatory method".
 - 1.5.3 The debt liability relating to capital expenditure incurred from 2008--09 onwards will be subject to MRP under option 3, the "asset life method", and will be charged over a period that is reasonably commensurate with the estimated useful life applicable to the nature of expenditure, using the equal annual instalment method. For example, capital expenditure on a new building, or on the refurbishment or enhancement of a building, will be related to the estimated life of that building.
 - 1.5.4 Estimated life periods will be determined in line with accounting guidance and regulations. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, the Council will generally adopt these periods. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.
 - 1.5.5 As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be

assessed on a basis that most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner that reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

- 1.5.6 The Council will seek to spread MRP charges prudently in relation to asset lives, and with regard to the revenue impact of MRP charges. Where prudent to do so, capital receipts will be used to repay borrowing previously taken out in relation to assets with a short life. MRP on residual debt will be based on the lives of the remaining asset for which borrowing was undertaken.
- 1.5.7 MRP will be charged from the financial year after the asset comes into use.
- 1.5.8 In cases where the Council has approved the use of capital receipts to fund the asset, this funding will be assumed when the receipt is contractually certain, even if not actually received. In such cases no MRP charge will be made.
- 1.5.9 No MRP will be charged in respect of capital expenditure funded by borrowing where the expectation is that a future capital receipt will be applied to the CFR as a voluntary debt repayment for the borrowing. Examples are:
- Capital expenditure on preparing assets for sale.
 - Loans advanced to housebuyers under the Local Authority Mortgage Scheme (LAMS), should the Council decide to participate in this initiative
- 1.5.10 Where finance leases are held on the balance sheet, the MRP will be set at a charge equivalent to the element of the annual lease charge that goes to write down the balance sheet liability, thereby applying Option 3 in a modified form.
- 1.5.11 The Council will take advantage of any transitional arrangements introduced to minimise or negate the impact of retrospective accounting adjustments as a result of the transfer to the balance sheet of finance leases previously treated as operating leases under the introduction of IFRS.
- 1.5.12 In respect of loans to third parties supported by borrowing, where these are treated as capital expenditure, and contractual terms are in place to secure repayment over a period not exceeding the life of the asset, the Council will not charge MRP on the related expenditure.
- 1.5.13 In respect of infrastructure improvements and other capital schemes where repayment of the funding (principal and interest) will be met from business rates uplift in line with the Enterprise Zone financial model, and the repayment does not exceed the life of the asset, the Council will not charge MRP on the related expenditure.

Annual Investment Strategy

1 Investment policy

- 1.1 The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code").
- 1.2 The Council's appetite for risk must be clearly identified in its strategy report. The Council affirms that its investment policies are underpinned by a strategy of prudent investment of funds held on behalf of the local community. The objectives of the investment policy are firstly the security of funds (protecting the capital sum from loss) and then liquidity (keeping money readily available for expenditure when needed). Once approved levels of security and liquidity are met, the Council will seek to maximise yield from its investments, consistent with the applying of the agreed parameters. These principles are carried out by strict adherence to the risk management and control strategies set out in the TMP Schedules and the Treasury Management Strategy.

Responsibility for risk management and control lies within the Council and cannot be delegated to an outside organisation.

2 Creditworthiness policy

- 2.1 The Council's counterparty and credit risk management policies and its approved instruments for investments are set out in the TMP Schedules (TMP 1 Risk Management: Credit and counterparty risk management and TMP 4 Approved Instruments, Methods and Techniques). These, taken together, form the fundamental parameters of the Council's Investment Strategy
- 2.2 The Council defines high credit quality in terms of investment counterparties as those organisations that:
 - Meet the requirements of the creditworthiness service provided by the Council's external treasury advisers (ie have a colour rating) and,
 - Have sovereign ratings of AAA, or are
 - UK nationalised or part nationalised banking institutions, or are
 - UK banks or building societies supported by the UK banking system support package or are
 - UK national or local government bodies or are
 - Triple A rated Money Market funds

3 Sovereign limits

- 3.1 The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AAA from Fitch Ratings (or equivalent).
- 3.2 The exception will be the UK which is currently AA+ rated.
- 3.3 The list of countries that qualify using these credit criteria as at the date of this report are shown below. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

Australia	Germany	Sweden
Canada	Luxembourg	Switzerland
Finland	Singapore	UK

4 Investment position and use of Council's resources

- 4.1 The application of resources, such as capital receipts, reserves etc., to either finance capital expenditure or for other budget decisions to support the revenue budget will have an ongoing impact on investments balances and returns unless resources are supplemented each year from new sources such as asset sales. Detailed below are estimates of the Council's year end balances available for investment

Year End Resources £m	2013-14 Projected	2014-15 Estimate	2015-16 Estimate	2016-17 Estimate	2017-18 Estimate	2018-19 Estimate
Core funds	53	40	36	36	37	37
Working capital surplus	2	2	2	2	2	2
Total funds	55	42	38	38	39	39
Less under/(over) borrowing	5	7	10	10	11	12
Expected investments	50	35	28	28	28	27

- 4.2 The sharp drop in investment balances forecast for 2014-15 arises mainly from the financing of the HRA capital programme, which is delivering improvements to the Council's housing stock. The funding streams for these works include significant contributions from HRA earmarked reserves as well as internal borrowing (using internal cash balances).
- 4.3 Investment decisions will be made with reference to the core balance and cash flow requirements and the outlook for interest rates.

5 Specified investments

- 5.1 Under the Local Government Act 2003 the Council is required to have regard to the CLG Guidance on Local Government Investments. This requires that investments are split into two categories:
- (i) Specified investments – broadly, sterling investments, not exceeding 364 days and with a body or investment scheme of high credit quality.
 - (ii) Non-specified investments – do not satisfy the conditions for specified investments. This may include investment products that would normally be considered as specified investments, but are judged to have a higher level of risk than normal attached to them.
- 5.2 The detailed conditions attached to each of these categories are set out in the TMP Schedules (TMP4 Approved Instruments, Methods and Techniques).
- 5.3 The majority of the Council's investments in 2014-15 will fall into the category of specified investments.

6 Non-specified investments

- 6.1 Prior to the start of each financial year officers review which categories of non-specified investments they consider could be prudently used in the coming year.
- 6.2 The officer recommendation for 2014-15 is that the following non specified investments may be entered into:

- 6.2.1 Long-term investments (those for periods exceeding 364 days), which could prudently be used where interest rates are favourable and funds are not required for short-term cashflow management.

Amounts deposited for over 364 days will be determined by liquidity considerations and by whether longer term interest rates are favourable, and all deposits will be in accordance with counterparty limits.

Only counterparties in the Council's current approved counterparty list that have limits of over 364 days will be used for such investments.

Any overall stricter limits in force in the Council's investment counterparty policies at any time will take precedence.

The maximum amount that the Council will hold at any time during the year as long-term investments is £8m.

- 6.2.2 The following items, being non-specified only by virtue of unfamiliarity on the part of the Council's treasury management staff:
- Certificates of Deposit traded in the secondary market
 - Gilts
 - Treasury Bills

Before proceeding with any of the above treasury management staff will ensure that they fully understand the product and put in place procedures and limits for controlling exposure.

All non-specified investments are subject to an evaluation of counterparty and other risk. Advice will be taken from the Council's external treasury advisors as appropriate

7 Counterparties

7.1 Over-arching policies for the management of counterparty and credit risk are set out in the TMP Schedules (TMP 1 Risk Management). The Council's approach to counterparties for 2014-15 is set out below:

7.2 The Chief Finance Officer (CFO) will use the recommendations of the creditworthiness service provided by the Council's external treasury advisors to determine suitable counterparties and the maximum period of investment, using the ratings assigned.

7.3 The CFO will determine, in the context of the above, and taking into account appropriate risk management factors:

- Any further criteria to be put in place to determine suitable counterparties
- The maximum investment amount to be held with each type of counterparty assigned a rating
- The maximum investment period with each type of counterparty assigned a rating

7.4 The following table sets out the Council's counterparty criteria for 2014-15.

Investments may be placed with counterparties recommended by the Council's external treasury advisors, and which meet the following criteria		
Counterparty Type	NBC Additional Limits - Value	NBC Additional Limits - Duration
(1) UK counterparties	£15m per individual counterparty or banking group	2 years (729 days)
(2) UK nationalised or part nationalised banking institutions	£20m per individual counterparty or banking group	2 years (729 days)
(3) Non UK counterparties having a sovereign rating of AAA	£15m per individual counterparty or banking group	2 years (729 days)
(4) Money Market Funds (CNAV) having a credit rating of AAA	£15m per individual counterparty or banking group	N/A Liquid deposits
(5) Other Local Authorities	£20m in total	2 years (729 days)
(6) UK Government (including UK Debt Management Office, Treasury Bills and Gilts)	£20m in total	2 years (729 days)

- 7.5 Maximum counterparty limits may be temporarily exceeded by small amounts and for very short periods where interest is added by the counterparty to the principal investment amount, for example in the case of some call and deposit accounts. In such instances the interest amounts will be withdrawn back to the Council's main bank account as soon as reasonably practicable.
- 7.6 The maximum percentage of the portfolio that may be placed with overseas counterparties at any one time is 50%.
- 7.7 Any types of investments that fall within the category of specified investments as set out in the TMP Schedules (TMP 4 Approved instruments, methods and techniques), and any types of non-specified investments approved as part of this document may be made, within the bounds of the counterparty policies.
- 7.8 The total value of investments over 364 days at any one time is restricted by the treasury indicator for the upper limit on investments for periods longer than 364 days.

- 7.9 The Council may enter into forward agreements up to 3 months in advance of the investment commencing. If forward deposits are to be made, the forward period plus the deal period should not exceed the limits above.
- 7.10 The Chief Finance Officer has discretion during the financial year to lift or increase the restrictions on the counterparty list and/or to adjust the associated lending limits on values and periods should it become necessary to enable the effective management of risk in relation to investments. At all times the Council's minimum level of credit risk, as set out in the TMP Schedules (TMP 1 Risk Management), will be met.

8 Liquidity of Investments

- 8.1 Most short-term investments are held for cashflow management purposes and officers will ensure that sufficient levels of short-term investments and cash are available for the discharge of the Council's liabilities.
- 8.2 Investment periods range from overnight to 364 days as specified investments, or 2 years as a non-specified investment. When deciding the length of each investment, regard is had to both cashflow needs and prevailing interest rates. Amounts deposited for over 364 days will be determined by liquidity considerations and by whether longer term interest rates are favourable, and all deposits will be in accordance with counterparty limits and the treasury indicator for investments over 1.
- 8.3 For short term and overnight investment the Council makes full use of triple A rated Money Market Funds and appropriate bank call and deposit accounts offering competitive rates and, in most instances, instant access to funds.
- 8.4 The Council may occasionally undertake short-term temporary borrowing if this is needed to cover its cash flow position. The maximum amount of temporary borrowing that the Council will borrow from any one counterparty will be £5m.

9 Investments defined as capital expenditure

- 9.1 The acquisition of share capital or loan capital in any corporate body is defined as capital expenditure under Regulation 25(1) (d) of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. Such investments will have to be funded from capital or revenue resources and will be classified as 'non-specified investments'.
- 9.2 Investments in "money market funds" which are collective investment schemes and bonds issued by "multilateral development banks" – both defined in SI 2004 No 534 – will not be treated as capital expenditure.
- 9.3 A loan or grant or financial assistance by this Council to another body for capital expenditure by that body will be treated as capital expenditure.

10 Lending to third parties

10.1 Officers will ensure that any loans to or investments in third parties comply with legislative requirements. This would normally, but not necessarily, be under one of the following Acts of Parliament:

- The Localism Act 2011 gives local authorities a general power of competence to act in the same manner as any other legal person, except where those powers are specifically limited by statute.
- The Local Government Act 2000 contains wellbeing powers for local government that allow local authorities to do anything, including to give financial assistance to any person, which they believe is likely to promote or improve the economic, social or environmental well being of their area. Certain conditions, including consultation requirements, must be complied with in order to meet the requirements allowing the local authority to use the wellbeing powers.

10.2 Loans of this nature will be under exceptional circumstances and must be approved by Cabinet.

10.3 The primary aims of the Investment Strategy, in order of priority, are the security of its capital, liquidity of its capital and to obtain a return on its capital commensurate with levels of security and liquidity. These aims are crucial in determining whether to proceed with a potential loan to a third party.

10.4 Recipients of this type of investment are unlikely to be a financial institution and therefore unlikely to be subject to a credit rating. In order to ensure security of the Authority's capital, extensive financial due diligence must be completed prior to any loan or investment being agreed. The Council will use specialist advisors to complete financial checks to ascertain the creditworthiness of the third party. Where deemed necessary, additional guarantees will be sought. This will be via security against assets and/or through guarantees from a parent company.

11 Provisions for credit related losses

11.1 If any of the Council's investments appears at risk of loss due to default (i.e. this is a credit related loss and not one resulting from a fall in price due to movements in interest rates) the Council will make revenue provision of an appropriate amount.

12 Local Authority Mortgage Scheme

12.1 In the event that the Council makes a decision to participate in the (cash backed) Local Authority Mortgage Scheme (LAMS), which requires the Council to place a matching five year deposit to the life of the mortgage indemnity, this investment is an integral part of the policy initiative and is outside the Council's stated investment strategy and counterparty criteria.

13 Local Impact Funds

13.1 In the event that the Council decides to invest in a Local Impact Fund, any such investment being an integral part of the LIF policy initiative, driven by service considerations, will fall outside of the Council's stated investment strategy and counterparty criteria.

14 Banking services

14.1 HSBC currently provide banking services for the Council. The contract expires during 2014-15 and will be re-tendered during the year. It is the Council's intention that even if the credit rating of the provider of its banking services falls below the minimum criteria the bank will continue to be used for short term liquidity requirements.

15 End of year investment report

15.1 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.



COUNCIL

24th February 2014

Agenda Status: Public

Directorate: Chief Executive

Report Title	Business Rates Retail Relief – 2014/15
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1. Purpose

1.1 To implement the national Retail Relief Scheme for National Non-Domestic Rates (NNDR) Relief announced by Government in the 2013 Autumn Statement and subsequent guidance.

2. Recommendations

2.1 The Council is recommended to:

(a) Approve the implementation of the national Retail Relief Scheme for National Non-Domestic Rates (NNDR) with local variations as detailed in paragraph 3.2.2 of the report.

(b) Agree that the revised scheme will come into effect from 1st April 2014.

2.2 Empower the Chief Executive to give the necessary instructions to LGSS to implement the scheme in Northampton with effect from 1st April 2014.

2.3 Delegate to the Chief Executive in consultation with the Leader of the Council the consideration and determination of extensions to the scheme to include other businesses which add to the vitality and viability of key retail areas including the Town Centre.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Government announced in the Autumn Statement on 5 December 2013 that it will provide a relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in each of the years 2014-15 and 2015-16.
- 3.1.2 This national scheme is not the same as the Business Incentive scheme under consideration locally as part of the Council's budget proposals for 2014/15.
- 3.1.3 The Government will, in line with the eligibility criteria set out in their guidance; reimburse local authorities that use their discretionary relief powers, introduced by the Localism Act, to grant relief. Northampton Borough Council will be asked to provide an estimate of their likely total cost for providing the relief in their National Non Domestic Rate Return 1 (NNDR1) for 2014-15 and 2015-16. Central government will provide payments over the course of the relevant years.
- 3.1.4 Under the eligibility criteria set out in the Governments guidance, properties that will benefit from the relief will be occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments. For the avoidance of doubt, empty properties or properties not carrying out these activities for periods will not receive the relief.
- 3.1.5 The following list sets out the types of uses that Government considers fall within the definition of retail use for the purpose of this relief:
- i. Hereditaments that are being used for the sale of goods to visiting members of the public:**
- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets, etc)
 - Charity shops
 - Opticians
 - Post offices
 - Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
 - Car/ caravan show rooms
 - Second hand car lots
 - Markets
 - Petrol stations
 - Garden centres
 - Art galleries (where art is for sale/hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Tool hire
- Car hire

iii. Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

3.1.6 The following list sets out the types of uses that government does not consider to be retail use for the purpose of this relief:

i. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers).
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/financial advisers, tutors)
- Post office sorting office

ii. Hereditaments that are not reasonably accessible to visiting members of the public

3.1.7 Northampton Borough Council may use discretionary power to offer further discounts outside this scheme, or to the above types of uses. It would be the responsibility of the council to determine the types and uses of businesses/premises which would be to the benefit of the Council Tax payer as under local rate retention, 50 per cent of the cost would be funded by

central government, 40 per cent by Northampton Borough Council, and 10 per cent funded by Northamptonshire County Council.

3.2 Choices

3.2.1 The granting of the relief is discretionary. Therefore Northampton Borough Council may choose not to award relief if they consider that to be appropriate, for example, where granting the relief would go against the authority's wider objectives for the local area.

3.2.2 It is proposed to not give relief to businesses licensed to sell alcohol after 3am at night, and to exclude licensed sex establishments. It is also proposed to consider with partners the option to include some businesses not eligible under the national scheme where these ratepayers benefit retail areas in a similar manner to those eligible under the national scheme.

3.2.3 Therefore Council is recommended to:

- Award relief to occupied hereditaments with a rateable value of £50,000 or less, which are wholly or mainly being used as shops, restaurants, cafes and drinking establishments in line with national guidance.
- To remove entitlement under this scheme for any business premises which are in whole or part licensed for the sale of alcohol after 3am at night.
- To remove entitlement under this scheme for any business premises which are licensed sex establishments.
- Delegate to the Chief Executive in consultation with the Leader of the Council the consideration and determination of extensions to the scheme to include other businesses which add to the vitality and viability of key retail areas including the Town Centre and local retail areas.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The report proposes to use the Council's discretionary power to grant relief under Section 47 of the Local Government Finance Act 1988, as amended.

4.2 Resources and Risk

4.2.1 An initial analysis, taking into consideration the types of uses that the government does not consider as retail use, has identified that there are 868 qualifying hereditaments; the total amount of relief that will be granted to these current qualifying hereditaments is £769,448. Relief will also be granted to any new qualifying occupiers that move in during the 2014-15 and 2015-16 period. Government will fund the full cost of this relief.

4.2.2 If discretionary power is used to offer further discounts outside this scheme, or to additional types of uses (for example professional service business in the town centre), 50 per cent of the cost would be funded by central government,

40 per cent by Northampton Borough Council, and 10 per cent funded by Northamptonshire County Council.

4.2.3 Relief will be applied against the net bill after all other reliefs.

4.2.4 Where a property is eligible for Enterprise Zone relief, that EZ relief should be granted first as this will be funded under the rates retention scheme by a deduction from the central share.

4.2.5 In administering retail relief it is necessary for the local authority to establish that the award does not exceed the European state aid threshold of €200,000. Guidance on the rules relating to state aid will be provided as part of the annual business rate demands issued for 2014/15. Businesses will be required to notify the Council if they exceed the limit for a relief.

4.3 Legal

4.3.1 The Council has discretionary power to grant relief, introduced by the Localism Act (under Section 47 of the Local Government Finance Act 1988, as amended). The proposed scheme is compliant with these legal obligations and it is at the discretion of the Council to grant relief.

4.4 Equality

4.4.1 The report considers that there are no individuals or groups that will be disadvantaged disproportionately by the proposals.

5. Background Papers

5.1 Department for Communities and Local Government – Business Rates Retail Relief Guidance. Published January 2014.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/275589/Business_Rates_Retail_Relief_guidance.pdf

Appendices
11



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL

24 February 2014

Agenda Status: PUBLIC

Directorate: Management Board

Report Title	General Fund Revenue Budget and Capital Programme Budget 2014/15 and Medium Term Financial Plan 2014/15-2018/19
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1. Purpose

1.1 The purpose of this report is to:

- Report the outcome of the consultation process on the 2014/15 General Fund budget and the final formula grant settlement for 2014/15.
- To agree the Cabinet's proposals recommended to Council on 24 February 2014 for the 2014/15 to 2018/19 General Fund budgets, the level of Council Tax increase for 2014/15 and indicative levels for 2015/16 – 2018/19.

2. Recommendations

- 2.1 That the feedback from consultation with the public, organisations and the Overview and Scrutiny Committees, be considered and welcomed (detailed at Appendices 1 to 3 of the attached Cabinet report).
- 2.2 That the draft Fees and Charges set out in Appendix 9 (of the attached Cabinet report) be approved.
- 2.3 That authority is delegated to the Chief Executive and Chief Finance Officer to implement all budget options and restructures.
- 2.4 That authority be delegated to the Chief Finance Officer in consultation with the Lead Cabinet Member for Finance, and where appropriate the relevant Director and Lead Cabinet Member to transfer monies to/from earmarked reserves should that become necessary during the financial year.
- 2.5 That a General Fund budget for 2014/15 of £29.363m (excluding parishes), be approved (detailed in Appendices 4, 5, and 6 of the attached Cabinet report) for its own purposes.
- 2.6 The Council confirms the reserves strategy of protecting balances wherever possible to allow the option of supporting future years' budgets, aiming for a minimum level of unallocated general fund balances of £4.9m for 2014/15 having

regard to the outcome of the financial risk assessment and remaining at this level over the medium term.

2.7 That Council does not increase the Council Tax for its own purposes, that is, excluding county, police, and parish precepts.

3. Issues and Choices

3.1 Report Background

3.1.1 In the event that there are changes made in accordance with the delegated authority to the Chief Finance Officer following Cabinet's meeting on the 19th February, updated appendices to the Cabinet report will be tabled reflecting these changes.

3.1.2 See also Cabinet report attached.

4. Implications (including financial implications)

4.1 Policy

4.1.1 See Cabinet report attached.

4.2 Resources and Risk

4.2.1 See Cabinet report attached.

4.3 Legal

4.3.1 See Cabinet report attached.

4.4 Equality

See Cabinet report attached.

4.5 Other Implications

4.5.1 See Cabinet report attached.

5. Background Papers

5.1 See Cabinet report attached.

**Glenn Hammons, Chief Finance Officer, 0300 330 7000
Management Board, C/o David Kennedy, Chief Executive, 0300 330 7000**



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	General Fund Revenue Budget and Capital Programme Budget 2014/15 and Medium Term Financial Plan 2014/15 – 2018/19
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	19 February 2014
Key Decision:	YES
Within Policy:	YES
Policy Document:	YES
Directorate:	Management Board
Accountable Cabinet Member:	Cllr A Bottwood
Ward(s)	N/A

1. Purpose

- 1.1 To report the outcome of the consultation process on the 2014/15 General Fund Revenue and Capital budget and the final formula funding settlement for 2014/15.
- 1.2 To agree the Cabinet's proposals for recommendation to Council on 24 February 2014 for the 2014/15 to 2018/19 General Fund budgets, Council Tax level for 2014/15 and indicative levels for 2015/16 to 2018/19.
- 1.3 To outline the General Fund capital programme funding proposals for 2014-15 and future years.
- 1.4 To ask the Cabinet to recommend to Council that they approve the recommendations in paragraph 2 below.

2. Recommendations

- 2.1 That the feedback from consultation with the public, organisations and the Overview and Scrutiny and Audit Committees be considered and welcomed (detailed at **Appendices 1, 2, and 3**).
- 2.2 That the changes to the proposed budget (detailed at paragraph 3.5.2), in light of the consultation responses, equalities issues, technical adjustments and the final formula funding settlement, be agreed.
- 2.3 That a General Fund budget for 2014/15 of £29.364m (excluding parishes) be recommended to the Council (detailed in paragraph 3.6.11 and **Appendices 4, 5 and 6**) for its own purposes.
- 2.4 That the Council be recommended to confirm the outcomes of the reserves strategy review. Aiming for a minimum level of unallocated general fund balances of at least £4.9m for 2014/15 having regard to the outcome of the financial risk assessment and also note the position on earmarked reserves (**Appendix 7**).
- 2.5 That the Cabinet notes the key medium term financial issues as set out at **Appendix 8**.
- 2.6 That the draft Fees and Charges set out in **Appendix 9** be noted.
- 2.7 That authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 24 February 2014, including changes relating to parish precepts and council tax levels associated with those changes.
- 2.8 That Council be recommended to delegate authority to the Chief Executive and Chief Finance Officer to implement all budget options and restructures.
- 2.9 That authority be delegated to the Chief Finance Officer in consultation with the Cabinet Member for Finance, and where appropriate the relevant Director and Cabinet Member to:
 - transfer monies to/from earmarked reserves should that become necessary during the financial year.
 - establish criteria linked to return on investment & payback for the use of the new Invest to Save Earmarked Reserve.
 - update prudential indicators in both the Prudential Indicators report and Treasury Strategy report, for Council for any budget changes that impact on these.
- 2.10 That the Council be recommended not to increase the Council Tax for its own purposes that is, excluding county, police, and parish precepts for 2014/15.
- 2.11 That the Cabinet recommend to Council that they approve the General Fund capital programme for 2014-15, including future year commitments, and proposed financing as set out in **Appendix 10**.

3. Issues and Choices

3.1 Report Background

National Position

- 3.1.1 The Government has based its economic policy on deficit reduction and has driven this through by the twin fiscal measures of increased taxation and reduced public expenditure. In contrast to the accustomed increases in public funding in line with growth in Gross Domestic Product (GDP) local government has seen in year reductions in 2010/11 and then a four year programme amounting to a 28%, front loaded, funding reduction announced in the Spending Review 2010 of October of that year.
- 3.1.2 During 2013 the economy has started to recover strongly. However, it should be noted the level of GDP activity is still below 2009 levels and without the requisite growth in revenue streams the UK national deficit is still some distance from being adequately addressed. The Government announced a single year Spending Round in June 2013 for 2015-16.
- 3.1.3 Although positive signs are emerging from various data and intelligence surrounding the UK economy, there remains some uncertainty over the outlook for the UK and this will continue to put pressure on Local Government finances over the medium term. This was emphasised in the Autumn Statement announced on 5th December 2013 with clear expectations that public sector funding would continue to be reduced in the next spending review period in line with that seen in the current spending review. This would indicate local government could see its funding reduce by around 10-15% per annum until at least 2018, possibly longer.

Government Funding and Policy Changes

- 3.1.4 In addition to funding reductions local government has seen significant changes to the way it receives its funding and new policy initiatives. The key changes are set out below.

Business Rates Retention Scheme

- 3.1.5 The previous grant regime was replaced with a Business Rate Retention scheme in April 2013. The key aim of this is to incentivise local business growth. For a growing area, like Northampton, this should have a positive impact on the funding received by the Council. The first year of operation has been one in which the new scheme has bedded in. During 2014/15 the Council will develop its intelligence of future business rates prospects to enable improved planning of future levels of funding and service provision.

Local Council Tax Support Scheme

- 3.1.6 The Council Tax Benefit system ceased at the end of March 2013 as a result of the Welfare Reform Act, and was replaced with the localised scheme administered by the Council. The Government included the funding for Council Tax Support in its funding for local government which is being reduced by around 10% per annum. The expectation is that this would be offset by changes to council tax discounts/exemptions and reductions in expenditure to those receiving Council Tax Support. Council approved the CTRS scheme for 2014/15 in January 2014.

Welfare Reform

3.1.7 Over the medium term planning period more information and details will be released about universal credit and other welfare reform initiatives which will have an impact upon the current service provision of the Council. It is currently anticipated universal credit will be in operation in councils in 2016.

New Homes Bonus

3.1.8 During the summer of 2013, the Government announced a consultation where a large proportion of NHB funding (around 40%) would be top sliced and allocated to Local Enterprise Partnerships (LEPs). Local Government viewed this as a disincentive for housing growth. Following consultation, and extensive feedback from councils, this proposal has now been reviewed and will not be implemented.

Local Position

3.1.9 The National economic position has had and continues to have specific repercussions locally. In addition to significant reductions in government funding since 2010 the following impacts have been felt locally:

3.1.10 Investment interest levels remain low, and are expected to do so for at least the next few years before rising gradually.

3.1.11 Funding for capital expenditure is linked both to revenue funding in relation to borrowing costs and the Council's ability to generate capital receipts.

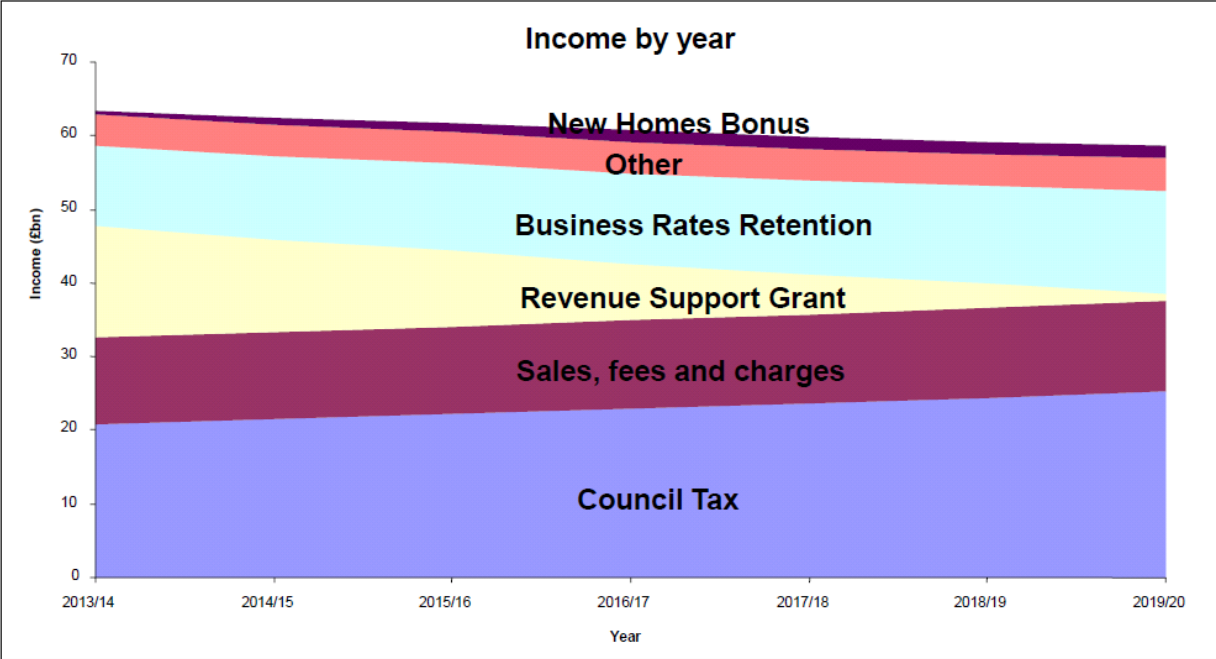
3.1.12 The impact on the property market has had the effect of reducing income levels.

3.1.13 The differential between investment and borrowing rates remains high. The cost of borrowing, having already been increased by Government in relation to the Public Works Loan Board as part of the Spending Review, is expected to remain high in comparison to investment rates.

3.1.14 Overall the effects of the economic downturn on local citizens and businesses are such that there is likely to be a continued high call on certain services, such as Housing Needs, Homelessness and Benefits, which in turn draw on the Council's resources.

3.1.15 There remains some short term uncertainty, but the biggest risks facing the Council are in assessing the financial implications of our continuing to provide services at current levels and the proposed changes to Local Government funding over the longer term.

3.1.16 These projected changes to local government funding are starkly presented in the graph produced by the Department for Communities & Local Government (DCLG) below. The graph clearly shows the total level of funding for local government is forecast to reduce over the next few years. However, within this the Revenue Support Grant element of the framework for funding local government effectively drops away to nil over the period. This represents a dramatic shift in the historical funding position of local authorities and the inevitable conclusion is one of greater dependence on local self-determination.



3.1.17 It should be noted that alongside this increased reliance on business rates together with the decline of the RSG, local authorities bear a higher degree of risk under the Business Rates Retention Scheme. This has a greater extent of risk sharing between local and central Government than the previous formula funding regime. While Northampton is positive about the new scheme, there are risks for example in relation to demolitions for redevelopment projects..

Autumn Statement and Final Settlement

3.1.17 On the 5th December the Chancellor made his Autumn Statement essentially setting out a fiscally neutral judgement reflecting the Government’s commitment to deficit reduction and returning public finances to a sustainable position. The key points coming out of the Statement for local authorities are:

- Withdrawal of proposal to top slice NHB funding to pass to LEPs.
- Welfare Reform – proposed introduction of controls on overall amount that is spent on welfare.
- Asset Sales – proposal to further incentivise the selling of local authority assets.
- Business Rate increases – proposal to cap rises to 2%.
- Housing Revenue Account – proposal to increase the debt cap via competition through application to Local Enterprise Partnerships (LEPs).

- 3.1.18 The Government announced the final Local Government Finance Settlement for 2014/15, which also included indicative allocations for 2015/16, on 5th February 2014. Government funding through Revenue Support Grant and Business Rates baseline has decreased by 13.5% in 2014/15 to £13.042m and then by a further 15.6% in 2015/16 to £11.009m.

Local Preparation

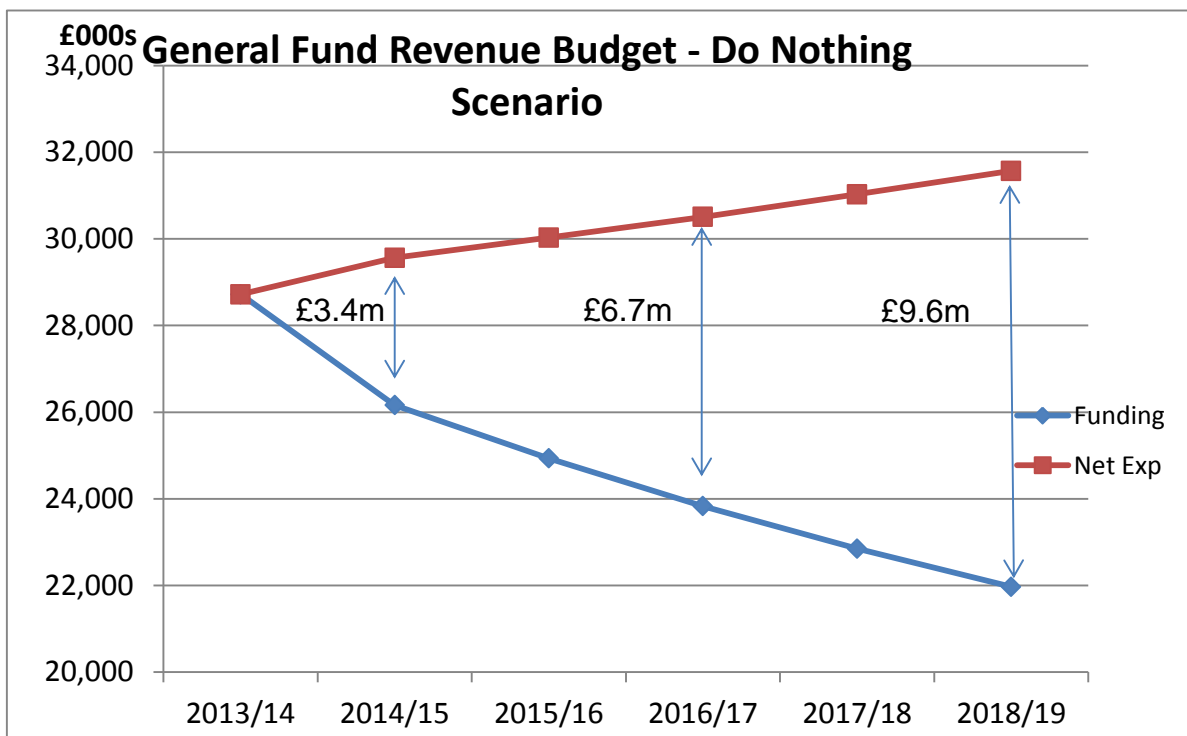
- 3.1.19 The Management Board approved the timetable and process for the Medium Term Financial Plan and budgets in the summer. The report set out the financial parameters for budget projections 2014/15 to 2018/19.
- 3.1.20 The budget process was closely linked to the Corporate Plan and the objectives set out in it, which are also reflected in the Medium Term Financial Plan.
- 3.1.21 The draft Budget proposals were considered by Cabinet at its meeting in December 2013 and have been subject to a period of consultation.

3.2 Medium Term Financial Plan (MTFP)

- 3.2.1 The overall purpose of the MTFP is to enable the Council to manage its future finances and ensure that its plans are sustainable. This is becoming increasingly difficult because of the severity of government spending reductions, government policy changes, high levels of inflation and some significant uncertainties over future costs and income.
- 3.2.2 The budget is being set at a time when recent data suggests the economy is starting to grow. In the Autumn Statement the Chancellor announced increased annual Gross Domestic Product (GDP) growth forecasts for 2013/14 and 2014/15 to 1.8% and 2.4%, respectively, and stated “this reflects the upward momentum in the economy”. Alongside the Autumn Statement the Office for Budget Responsibility (OBR) published its Economic and Fiscal Outlook, containing its forecasts for the economy and the public finances, and an assessment of whether the Government is likely to achieve its fiscal mandate and supplementary target. The OBR now expects the ‘underlying deficit’ to be £73bn lower over the forecast period than projected at Budget 2013. However, although the structural deficit continues to fall year on year, the OBR believes that this reflects the improvement in the economic outlook since Budget 2013 rather than an improvement in growth potential.
- 3.2.3 The Cabinet remains clear in its determination to continue towards its ambition to be amongst the best Councils in terms of public service, providing value for money services to the community. The Council will not be deflected from this aim by external factors. However, it does recognise that they make it more challenging to accomplish, particularly in an environment where funding is reducing.
- 3.2.4 Each year the Council reviews, considers and refreshes its financial position. The assumptions, pressures and risks are assessed, and developed into a model for forecasting the most likely financial position over the medium term. Historically this forecasting has taken place over a 3 year time horizon, to cover next years budget and 2 subsequent years. This year the Medium term financial position is to be considered over 5 years to reflect the indications from Government that the current pressures on public sector funding are likely to continue until at least 2018. This is an important part of the framework for future budget-setting decisions. The process identifies the cost of providing

existing services as well as any additional services or enhancements the Council deems as priorities. From these forecasts, the affordability of these plans can be assessed with reference to the likely impact they will have on taxation levels and the level of reserves and balances.

- 3.2.5 The MTFP includes the Council's capital spending plans as these have a direct and sometimes significant impact on our revenue expenditure.
- 3.2.6 The Council has made fundamental changes over the last three years in the way it delivers value for money services. These changes are as a direct result of the reductions in funding and policy change in local government. This has stood the authority in a better position than it would otherwise have been in for the further austerity measures announced in addition to those announced in the Spending Review 2010. However, the Council has to implement further change over the period of the MTFP to ensure it remains financially sustainable and still delivers value for money services.
- 3.2.7 The Council aims to deliver as much of its savings requirements as possible through efficiencies before considering other options to balance its budget.
- 3.2.8 The Council over the last few years has significantly reduced its cost base, by establishing a more mixed economy of service delivery. This has included the externalisation of Environmental services, the creation of the Leisure Trust, reducing the number of senior managers and more recently the partnership with LGSS to deliver back office services. Despite the changes the funding pressures have increased and the Council still needs to drive forward change and deliver more savings whilst maintaining services.
- 3.2.9 The graph below demonstrates the potential funding gap over the medium term if the Council continues to deliver the same level of services as it currently provides, continues with its current risk appetite and does not take any mitigating action.

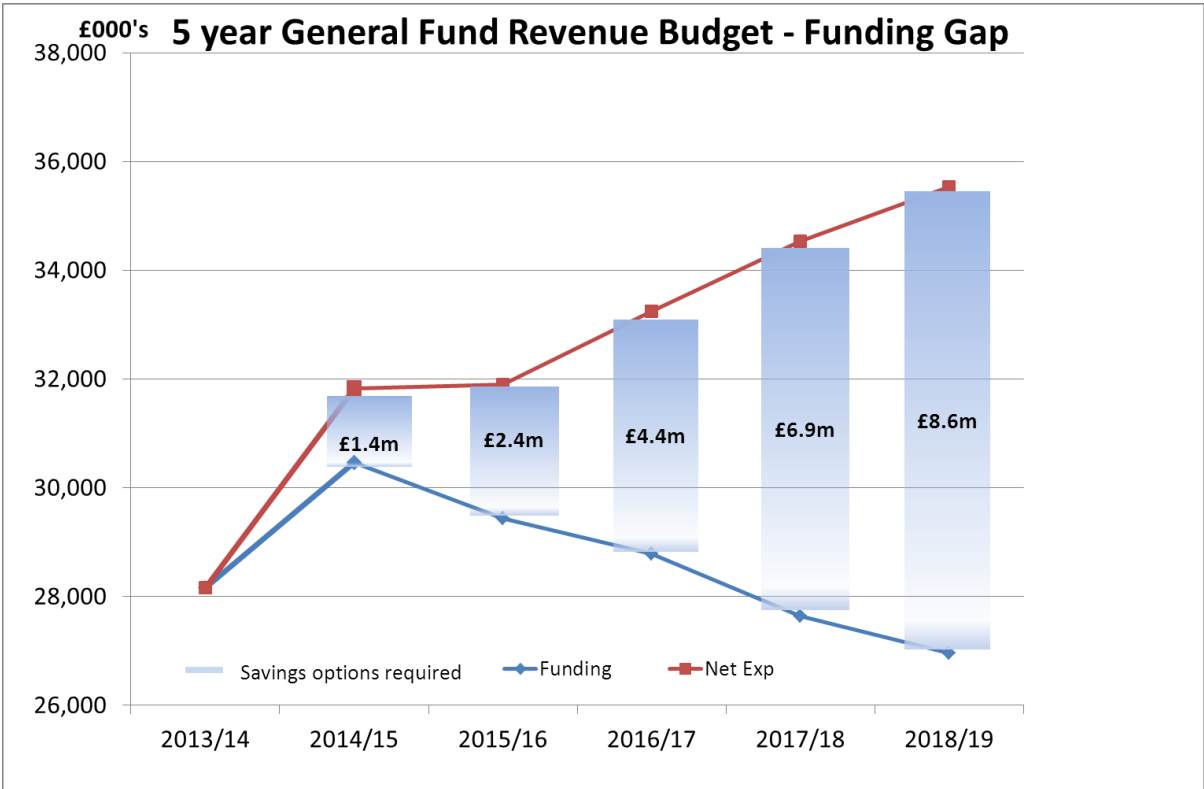


3.2.10 The financial gap reported to Council in February 2013 for 2014/15 was £1.9m. This gap moved out to £3.4m through increased pressures from Pension assumptions, lower interest rates on investments and mainstreaming of budgeted earmarked reserve usage.

3.2.11 The financial position set out in the graph above is not financially sustainable and if the Council did not take mitigating action to address this it would need to fund the gap by using its general fund balances. The level of general fund working balances, also referred to as the minimum level of reserves, was set at a risk assessed level of £3.1m for the 2013/14 budget. If these were used to fund the gap the Council would run out of general fund balances during next financial year.

3.2.12 As part of the review of the MTFP the Council has assessed its appetite for risk. A clear outcome from this review is with regards to the timing of the recognition of government funding streams in the budget and over the MTFP period. Following the recent fundamental changes to the way in which councils are funded from government and also the uncertainty arising from public sector funding reductions a conscious part of the Council's financial strategy has been to only recognise funding sources in the budget when they are certain and sustainable.

3.2.13 If the Council were to continue with this extremely prudent approach it could make reductions to services in the short term which may not be needed over the longer term. It should also be noted that the major changes to the way in which local government is funded are now operational. New Homes Bonus has been running for 3 years and is now an integral part of the Council's funding sources. The Business Rates Retention system has been operational since April 2013. As such the income streams from Government are now more certain and it is considered prudent to incorporate these into the proposed draft Budget 2014/15 and the MTFP. The impact of this reduces the forecast gap between spending and funding. This is shown in the graph below:



3.2.14 The MTFP and Budget 2014/15 set out in this report at Appendix 4 have been developed to address the financial challenges identified above. The MTFP that is presented in this report ensures that the financial position of the Council over the medium term is both stable and sustainable, with its resources focussed on priorities.

3.3 Draft General Fund Revenue Budget 2014/15 - Cabinet 18 December 2013

3.3.1 The Cabinet met on the 18 December 2013 and recommended proposals for consultation. The headlines were:

- a) No proposed council tax increase, for the Council's own purposes, for 2014/15, and no annual increases be adopted as planning parameters for the financial years 2015/16 to 2018/19;
- b) A general Fund budget of £30.1m (including parishes)

3.3.2 New efficiency savings and income options totalling £1.7m had been proposed for consultation to close the gap. Investment in priority areas totalling £1.2m was also proposed for 2014/15.

3.3.3 The Council's programme for delivering efficient cost effective services had effectively closed the 2014/15 budget/funding gap, by looking at efficiency improvements and considering the balance between using reductions in service levels in some areas and increasing income in others. The table following shows a summary of the draft budget 2014/15 position.

Description	Budget 2014/15 £000s
Service Base Budget	32,471
Savings	(1,747)
Growth	1,259
Gross Revenue Budget	31,983
Corporate Budgets	(1,840)
Net Budget	30,143
Revenue Support Grant	(6,757)
Business Rates	(6,847)
Council Tax	(13,860)
New Homes Bonus	(2,679)
Total Funding	(30,143)

Bridging the Funding Gap

3.3.4 Over the medium term the Council will need to increase income or deliver savings to meet the funding gap. The funding gap is now projected to be £8.6m by 2018/19. It is not possible to bridge the gap over the medium term

solely by continuing the approach that has previously been applied. It is almost inevitable that, before the end of the current MTFP period, more radical options for cost reduction will need to be considered.

The revised funding gap in 2014/15 was £1.4m and has been closed by the putting forward of a number of saving options that were subject to consultation over the consultation period.

Council Tax

- 3.3.5 In line with previous years, the Secretary of State has proposed that a referendum trigger of 2% or above will apply for all principal local authorities in 2014/15. At present this is not proposed to apply to local precepting authorities (Town and Parish Councils) for 2014/15.
- 3.3.6 The draft Budget 2014/15 and MTFP assumed a 0% increase in Council Tax for each of the 5 years.
- 3.3.7 The Council on a 0% Council tax rise would be eligible for a Council Tax Freeze grant, which is anticipated to be the equivalent of 1% of Council Tax, to mitigate the cost. This equates to approximately £140k per year and is currently anticipated for two years. As indicated by Government this grant is expected to be incorporated within the baseline funding position for the council in the future.
- 3.3.8 Cabinet consulted with the public on taking up the government offer of assistance to enable it to propose a 0% increase for 2014/15.
- 3.3.9 The Borough Council's 2013/14 Average Band D Council Tax was £209.57 excluding amounts raised for parishes. On 22nd April 2013 Council received a report on special expenses, which resulted in a revised Average Band D Council Tax for 2013/14 of £208.19. Following a review of special expenses the proposed Average Band D Council Tax for 2014/15 is £207.91. While there is a small monetary decrease of £0.28 compared to the revised 2013/14 figure.
- 3.3.10 The 2012/13 Community Governance Review resulted in the creation of two new parish areas, in addition to changes to the boundaries of some of the existing parish areas. These changes resulted in some of the local parks now being in one of the new parishes; previously these were in an unparished area and in two local parks now being within the boundary of one of the previously existing parishes.
- 3.3.11 The two parishes affected were West Hunsbury and Hardingstone respectively. Initially the residents of those two parishes saw a disproportionate increase in their Council Tax bills. The purpose of the special expenses mechanism is to improve the equity of charging; this result was therefore not in line with the purposes of the Council's special expenses scheme. Temporary measures were put in place to address this inequity in April 2013 and the Council set up a review of special expenses that took place in 2013/14.
- 3.3.12 The outcome of the review confirmed the revised 2013/14 Average Band D council tax as £208.19, and resulted in a figure of £207.91 for 2014/15 after taking account of changes to the tax base.

3.3.13 The Band D level of council tax (excluding parishes) for the last 4 years is shown in the table below:

	2010/11	2011/12	2012/13	2013/14	2013/14 Revised	2014/15 Estimate
	£	£	£	£	£	£
NBC	209.65	209.62	209.57	209.57	208.19	207.91
NCC	1,028.11	1,028.11	1,028.11	1,028.11	1,028.11	TBC
NPCC	193.20	193.20	193.20	193.20	193.20	TBC
Total	1,430.96	1,430.93	1,430.88	1,430.88	1,429.50	TBC

3.4 **Budget Consultation Feedback**

- 3.4.1 The consultation process was carried out from 19 December 2013 until 31 January 2014. The aim of this consultation was to find out people's views on the draft budget proposals presented. The consultation period will formally close on the date the budget is approved in February 2014.
- 3.4.2 Residents, businesses, and other stakeholders were invited to provide feedback on the proposals for the draft budget during the consultation period and support was made available to maximise involvement and understanding of the proposals.
- 3.4.3 People were able to engage in a range of methods including:
- The consultation proposals and questionnaire were available to download and complete on-line via the Council's website. An e-mail address, freepost address and consultation phone line were set up to receive comments/views ;
 - Invitation to comment sent to the business community via the Chamber of Commerce, their network and the Federation of Small Businesses;
 - Invitation to Residents Panel to participate;
 - Question Time Event – Open public meeting held at the Guildhall on 30 January 2014.
 - Council's budget proposals debated at Community Forums (Diverse Community Forum, LGB People's Forum, Pensioners and Disabled People's Forums)
- 3.4.4 Public consultation showed the majority of respondents to be broadly in agreement with the Council's budget proposals (Appendix 1).
- 3.4.5 Overview and Scrutiny Committee reviewed the budget proposals at its meeting on 28 January 2014. The views of the Overview and Scrutiny Committees are reported in Appendix 2.
- 3.4.6 Audit Committee reviewed the budget proposals from a risk perspective on 13 January 2014. The key risks identified are reported at Appendix 3.
- 3.4.7 The Council must set a prudent, balanced budget, particularly in light of the current economic environment and the future expectation for local government funding.

3.4.8 The Cabinet has considered the budget proposals, taking into account the financial position, in the light of the results of the public consultation, Overview and Scrutiny and Audit Committee comments and other discussions and representations from key partners.

3.5 Draft General Fund Revenue Budget Position – Cabinet 19 February 2014

3.5.1 Further work has been undertaken to refine the budget since 18th December 2013. This includes the final Local Government Finance Settlement adjustments, changes to proposed savings options, updated assumptions to the continuation budget and a number of technical adjustments.

3.5.2 Since the draft budget was proposed by Cabinet on 18 December 2013 the position has changed as follows:

Summary of Changes since 18 December 2013 Cabinet

	2014/15 Budget Changes £
Continuation Budget (net changes)	491,137
Changes to Savings Options	
Removal of Housing MTP GF11 Staff Restructure	114,000
Removal of MTP GF18 Volunteer Expansion	20,000
Reduction of MTP GF03 Facilities management Review	20,500
MTPs GF15 and GF20 moved to continuation budget	227,660
New MTP Growth Proposals	
MTP102 Contribution to Northampton Bike Hire Scheme	13,333
MTP103 Housing Call Care	150,000
MTP104 Private Sector Housing	100,000
Technical Changes to Corporate Budgets	
Adjustment between service budgets and recharge from General Fund to HRA	(67,588)
Recharges from General Fund to HRA	(651,379)
HPDG Adjustments	(174,835)
Parish Precepts	62,208
Earmarked Reserves Contributions	(8,185)
Total Changes to Net Budget	296,851
Changes to Funding	
Surplus on Collection fund	(137,324)
Council Tax – NBC	(100,827)
Council Tax – Parishes	(54,427)
Council Tax Freeze Grant (rolled into RSG in future)	133,369
Revenue Support Grant	(200,720)
Locally Retained Business Rates	63,078
Total Changes to Funding	(296,851)

3.6 Use of Balances

- 3.6.1 A prudent level of reserves and working balance, along with appropriate application of reserves, should be part of the overall budget. The Chief Finance Officer reviews the level of balances required to support the general fund spend annually as part of a robust risk assessment. This risk assessment suggests that the minimum level of balances, taking all known risks into account along with the Council's gross expenditure requirement, should be in the order of £4.9m for 2014/15.
- 3.6.2 In determining the potential use of the reserves, the five year financial strategy takes into account previous years' spending trends, in particular the projected general fund 2013/14 outturn.
- 3.6.3 A major review of the General and Earmarked Reserves position has been undertaken by the Chief Finance Officer and Management Board. The aims of this review have been to ensure the council has financial risks effectively covered, rationalise the number of earmarked reserves, manage risks collectively rather than individually and create funds to enable the investment required to assist in the delivery of the MTFP funding gap.
- 3.6.4 This review has identified that £3m of Earmarked Reserves can be reallocated. These monies are proposed to be reallocated to General Fund balances (£1.8m) to manage a number of financial risks on a collective basis and to set up a new Invest to Save Earmarked Reserve (£1.2m) to assist in the delivery of the MTFP funding gap. The Invest to Save reserve is intended to be subject to strict criteria for its use, including demonstration of clear returns on investment and pay back through a clear business case.
- 3.6.5 The Chief Finance Officer recommends that a minimum prudent level of reserves be set at £4.9m for 2014/15 rising to £5.3m by 2015/16. This will be reviewed at least annually. This minimum level is designed to cope with unpredictable circumstances, which cannot be addressed by management or policy action within the year.
- 3.6.6 In the medium to longer term higher levels of General Fund balances may be required, depending on changes to the risk profile of the organisation. It should also be noted that the General Fund Balance can only accommodate the impact of significant events up to the level set, and would need to be replenished if one or more such events actually occur.
- 3.6.7 The 2014/15 budget assumes no use of general fund balances in 2013/14. The expected movement on the General Fund Reserve is summarised in the table below.

Forecast of General Fund Reserves as at the end of January 2014

		£m
	General Fund Balance as at 01.04.2013	3.1
	Total estimated General Fund balance at 31.03.2014	3.1
<i>Plus</i>	Budgeted contribution to General Fund balances from Earmarked Reserves	1.8
	Total estimated General Fund balance at 31.03.2015	4.9
<i>Plus</i>	Budgeted contribution to General Fund balances from Earmarked Reserves	0.4
	Total estimated General Fund balance at 31.03.2016	5.3

3.6.8 It must be emphasised that the forecast level of General Fund balances by the 31st March each year is purely that, a forecast, and is not therefore guaranteed.

Final Formula Funding Settlement

3.6.9 The provisional 2013/14 finance settlement was announced on 18th December 2013, and was finalised on 5th February 2014.

Formula Funding Settlements 2013/14 to 2015/16

	2013/14 Actual £m	2014/15 Actual £m	2015/16 Draft £m*
Retained Business Rates	5.968	6.084	6.252
Revenue Support Grant	8.971	6.957	4.757
Total Formula Funding	14.939	13.042	11.009
Specific Grants Adjustments*	0.146	0	0
	15.085	13.042	11.009

* Council Tax Freeze compensation grant relating to 2013/14 has been built in to the formula funding settlement.

Revised Proposals

3.6.10 Appendix 4 sets out a summary of the revised budgets covering 2014/15 to 2018/19 to be recommended to the Council. The main features are:

- No Council Tax increase, for the Council's own purposes (excluding precepts), for 2014/15;
- A General Fund budget for 2014/15 of £30.440m (including parishes).
- A planning parameter of 0% indicative annual Council Tax increases, for the Council's own purposes (excluding precepts), for 2014/15 – 2015/16.

3.6.11 The Council's budget for its own purposes (excluding parishes) is £29.364m.

The Council's Budget for its Own Purposes

	£m
Revenue Budget Requirement including Parishes	30.440
Less Parish Precepts	(1.076)
Amount to be Funded by Formula Funding and Council Tax Excluding Parishes	29.364

3.6.12 The Government have set the level of council tax increase above which a referendum would be required at 2%. Northampton's budget proposes a 0% council tax increase, and therefore falls well within the limit.

Medium Term Implications

3.6.13 In setting a budget for 2014/15, the Cabinet and the Council must take into account the implications for the following four years financial strategy, namely 2015/16 – 2018/19. There are significant planned efficiency savings in 2014/15 and the following years, which will require action to be taken now if they are to be secured within the planned timescales.

3.6.14 Appendix 4 also sets out the budget projections for 2014/15 to 2018/19 and the key features of the projections including assumptions of the level of Formula funding and Council Tax funding.

3.6.15 The medium term plan assumes that the Council will achieve year on year cashable efficiencies, 2014/15, and this has been built into the financial strategy from 2014/15 onwards. Plans will be developed to deliver the required savings as part of the 2014/15 medium term planning process.

3.6.16 The financial projections identify the need to:

- a) Continue the search for efficiencies in accordance with Government requirements; and
- b) Make sure the council's ambitions are set within the context of the available funding envelope.

3.6.17 The medium term budget projections also highlight the need to continue to develop the organisation's future strategy through the Corporate Plan. The key medium term financial issues identified are attached at Appendix 8.

Robustness of Estimates and Adequacy of Reserves

3.6.18 The Local Government Act 2003 places a duty on the Chief Finance Officer to comment on 'the robustness of the estimates' included in the budget and the adequacy of the reserves for which the budget provides. This is subject to a separate report to this Cabinet meeting.

Fees and Charges

3.6.19 The schedule of draft Fees and Charges for 2014/15 is attached at Appendix 9. The Cabinet is recommended to note the fees and charges that have been reflected in the budgeted income figures. These figures have been reviewed through the Medium Term Planning process and updated where feasible.

3.7 General Fund Capital Programme

The Financial Position

- 3.7.1 The Council continues to face an extremely challenging financial situation in the short to medium term. Reductions in overall revenue funding constrain the ability to undertake borrowing in support of capital expenditure due to its impact on interest and Minimum Revenue Provision (MRP) charges.
- 3.7.2 The national economic situation continues to make it difficult to realise capital receipts. In line with the Capital Strategy, receipts are only utilised to fund capital expenditure when actually received.
- 3.7.3 Grant funding has also been affected where grant-awarding bodies are being forced to tighten their belts. New sources of grant funding are continually being sought to finance schemes, the outcome of which often becomes known during the course of the year. In line with the delegation scheme, capital schemes that are fully funded from external grants and contributions and in accordance with the objectives and priorities of the Council can be added to the programme with the approval of the Chief Finance Officer. This enables such schemes to commence promptly and achieve their objectives in line with grant conditions.

Building the Capital Programme.

- 3.7.4 Project appraisals have been completed for all 2014-15 capital programme bids.
- 3.7.5 Each project appraisal demonstrates how the scheme will contribute to:
- The Council's corporate priorities.
 - Statutory duties and legal commitments
 - Equalities
 - Efficiency and Value for Money
- 3.7.6 These factors are all taken into account in formulating a proposed capital programme that will best target the Council's corporate priorities within the resources available.
- 3.7.7 A file of all project appraisals is maintained and copies of individual appraisals are available on request.
- 3.7.8 Capital expenditure represents major investment in new and improved assets such as land, buildings, infrastructure, equipment and information technology. It therefore plays a key part in the development of the Council's services.

3.7.9 The proposed capital programme for 2014-15 to 2018-19 is attached at Appendix 10. The value of the total proposed capital programme for 2014-15 is £18.952m. A summary of the draft programme and final proposed programme is shown in the table below.

Description	DRAFT Budget 2014/15	PROPOSED Budget 2014/15
	£000s	£000s
Capital programme 2014-15		
Housing General Fund	2,707	2,707
IT Improvements	119	119
Town Centre Improvements	8,350	8,250
Heritage and Culture	1,297	1,297
Block Programmes	1,190	1,228
Enterprise Zone		5,350
Total GF Capital Programme	13,663	18,952
Funding Source:		
Borrowing	8,956	8,394
Capital Receipts	767	767
Grants & Third Party Contributions	2,170	2,671
Growing Places Fund		5,350
Revenue/Earmarked Reserves	1,770	1,770
Total Funding	13,663	18,952

3.7.10 The schemes have been prioritised within the resources available.

3.7.11 There is continuing significant demand for Disabled Facilities Grants. These are mandatory for the Council when the homeowner has made a full application. The proposed programme includes a budget of £2.075m for 2014/15.

3.7.12 The proposed draft programme for 2014/15 includes significant schemes supporting Council priorities in relation to heritage, regeneration and town centre improvements, as well as meeting the Council's statutory responsibilities.

3.7.13 In addition, there are block programme schemes. These will provide funding for individual schemes to improve and enhance the Council's assets and meet its responsibilities as a landlord. Individual schemes will be subject to appraisal and approval by the Capital Programme Board prior to commencement.

Capital Strategy

3.7.14 The Capital Strategy for 2012/13 to 2014/15 approved by Council on 29th February 2012 remains current as updated at Council on 25 February 2013. The aim of the Capital Strategy is to provide a clear framework for capital funding and expenditure decisions in the context of the Council's vision, values, objectives and priorities, financial resources and spending plans. The strategy will be reviewed and updated as part of the next update of medium term financial plans during 2014/15 for approval at Council in February 2015.

3.8 The Next Steps

3.8.1 The timetable for the 2014/15 budget process requires a meeting of the Council on 24 February 2014, at which consideration will be given to the recommendations of this Cabinet in relation to the expenditure and tax proposals that relate to the Council's own spending.

3.8.2 In addition to the Council's own Council Tax, there are separate Council Taxes for the county, police, and the parishes. Not all of these precepting bodies have set their Council Taxes at the date of the Cabinet report being written, with the result that these will be reported to the Cabinet if known by that date and at Council on 24 February 2014 in any event.

3.9 Choices (Options)

3.9.1 It is recommended that Cabinet make the recommendations to Council as detailed in section 2 of this report, taking into account the items detailed for noting.

3.9.2 The Cabinet may choose to make amendments to the proposed budgets or to the proposed council tax increase and adjust the budget proposals accordingly, in consultation with the Chief Executive and the Chief Finance Officer. It would then recommend the amended budget and council tax (if applicable) to Council.

4. Implications (including financial implications)

4.1 Policy

4.1.1 In carrying out its business, the authority has a number of general and specific duties, which must be taken into account through the medium term planning process and on to the setting of the budget. Most duties to which the authority is subject are specific but some are generic to all of its functions, including the setting of the budget.

4.1.2 Current such duties include:

- a) the crime and disorder duty - to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area; and
- b) the race equality duty - in carrying out its functions, to have due regard to the need
 - to eliminate unlawful racial discrimination; and
 - to promote equality of opportunity and good relations between persons of different racial groups.

- c) the disability equality duty - in carrying out its functions to have 'due regard' in the exercise of all of the authority's functions to:
 - eliminate unlawful disability discrimination, and
 - promote disability equality
- d) the gender equality duty - in carrying out its functions to have 'due regard' in the exercise of all of the authority's functions to:
 - eliminate unlawful gender discrimination, and
 - promote equality of opportunity between men and women.

4.2 Resources and Risk

- 4.2.1 The resource implications are detailed throughout the report and appendices.
- 4.2.2 The robustness of the estimates and adequacy of the Council's reserves are subject to a separate report.
- 4.2.3 A detailed report on risk and the 2014-19 budget was also considered by Audit Committee at its meeting on 13 January 2014, which is a background paper to this report.

4.3 Legal

- 4.3.1 The Council must set a balanced budget for the next financial year by midnight on 11 March 2013 (Local Government Finance Act 1992 section 32 (10)). Failure to do this would leave the Council potentially vulnerable to court action by way of judicial review on the part of the Audit Commission. Delay in sending out Council Tax demands would result in losses being incurred by the Council.
- 4.3.2 The authority has specific legal duties in relation to equalities and financial decision making – see 4.4 below.
- 4.3.3 There are no further specific legal issues arising from this report

4.4 Equality

- 4.4.1 Under the general equality duty (as set out in the Equality Act 2010), public authorities are required to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation as well as advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.
- 4.4.2 The protected grounds covered by the equality duty are: age, disability, sex, gender reassignment, pregnancy and maternity, race, religion or belief, and sexual orientation. The equality duty also covers marriage and civil partnership, but only in respect of eliminating unlawful discrimination.
- 4.4.3 The law requires that this duty to have due regard be demonstrated in decision making processes. Assessing the potential impact on equality of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can demonstrate that they have had due regard to the aims of the equality duty.
- 4.4.4 It is also important to note that public authorities subject to the equality duty are also likely to be subject to the obligations under the Human Rights Act. We

would therefore recommend that public authorities should consider the potential impact their decisions could have on human rights.

- 4.4.5 Equality and Diversity were considered as part of the budget build process, and an equalities assessment/screening was completed as part of each appropriate medium term planning option submitted. These were made public as part of the budget consultation.
- 4.4.6 Members are required to have specific regard to the equalities issues identified when making the decision to approve the budget options. The detailed Equalities Impact Assessments are available on the Internet as a background paper to this report.
- 4.4.7 Where issues have been identified and the option is approved, the detailed Equalities Impact Assessment will be used to inform the implementation of the budget option.

4.5 Consultees (Internal and External)

- 4.5.1 Internally Heads of Service and budget managers have been consulted and Management Board has carried out a detailed challenge of the budget.
- 4.5.2 The budget has also been consulted on with relevant stakeholders including the public, business community, forums, key partners and NBC Overview and Scrutiny. This was undertaken through the public consultation process during December 2013 and January 2014.

4.6 How the Proposals Deliver Priority Outcomes

- 4.6.1 All of the discretionary investment proposals in the draft budget reflect the corporate priorities as set out in the Corporate Plan.

4.7 Other Implications

The **Appendices** are set out as follows:

- 1 Consultation responses – Public Consultation
- 2 Consultation responses – Overview and Scrutiny committee
- 3. Consultation responses – Audit committee
- 4. Proposed Budget Summary 2014/15 to 2018/19
- 5. Schedule of Savings Options
- 6. Schedule of Growth Options
- 7. Schedule of Earmarked Reserves
- 8. The Key Medium Term Financial Issues 2014/15 to 2018/19
- 9. Draft Fees and Charges 2014/15
- 10. General Fund Capital Programme and Forecast Financing 2014/15 to 2018/19

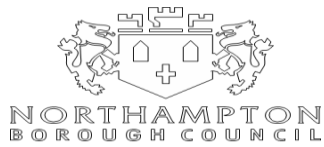
5. Background Papers

- 5.1 Capital Strategy 2012 - 2015
- 5.2 Medium Term Planning Savings Options list GF
- 5.3 Medium Term Planning Growth Options list GF
- 5.4 Medium Term Planning Savings Options list HRA
- 5.5 Medium Term Planning Growth Options list HRA
- 5.6 Equality Screening and Analysis for MTP Options GF and HRA

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Northampton Borough Council

Budget Proposals 2014

Consultation results

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Chief Finance Officer

February 2014

1 Executive summary

In December 2013 the Council launched a consultation which looked at the budget proposals for 2014/15. The consultation ran for 6 weeks, closing on 31 January 2014.

For the third year running, the budget consultation focused on whether council tax should be frozen for a further year. People were invited to comment on the budget options for savings, investments and growth.

Key results

Nearly 2,000 residents visited our dedicated budget information web pages during the consultation. 129 completed online surveys. In excess of 160 comments were received expressing views about the budget. Around three out of every five respondents agreed that council tax levels should not be increased for 2014/15.

2 Introduction

- 2.1 Cabinet approved the draft budget proposals for 2014/15 and the forecast budgets for 2015/16 to 2018/19 for the General Fund Revenue Budgets, the Housing Revenue Account and the Capital Programme for consultation on 18 December 2013
- 2.2 The consultation process covering all these areas was carried out from 19 December 2013 until 31 January 2014. The aim of this consultation was to find out people's views on the draft budget proposals presented.
- 2.3 Completed questionnaires were accepted up to 31 January 2014.
- 2.4 The consultation period will formally close on the date the budget is approved in February 2014.
- 2.5 This consultation followed the principles set out in the Council's Consultation Toolkit and industry standard guidance on best practice in consultation.
- 2.6 This report contains the results to the draft budget 2014/15 consultation. They will be used to by the Council as part of the process for informing priorities for the Council's Corporate Plan and for setting a balanced budget (including a capital programme).

3 Methodology

- 3.1 Residents, businesses, and other stakeholders were invited to provide feedback on the proposals for the draft budget during the consultation period and support was made available to maximise involvement and understanding of the proposals.
- 3.2 People were able to engage in a range of ways:
- Open public meeting held at the Guildhall on 30 January 2014;
 - Council's budget proposals debated at the Council's Community Forums (Young Persons Forum, Women's Forum, Diverse Community Forum, LGB People's Forum, Pensioners and Disabled People's Forums) during January 2014;
 - On-line survey;
 - Social media;
 - Paper copies of the questionnaire available at meetings and upon request;
 - Consultation proposals and questionnaire were available to download and complete on-line (via the Council's website). An e-mail address, freepost address and consultation phone line were set up to receive comments/views etc.
 - Staff via intranet, trade unions and as general public;
 - Invitation for Residents Panel to participate;
 - Invitation to the business community via the Chamber of Commerce, their network and the Federation of Small Businesses;
 - Town Centre Businesses via Town Centre News;
 - Invitation to tenant groups;
 - Engagement with the voluntary and community sector via their various networks ;
 - Posters displayed at Central Library;
 - Engagement with our key stakeholder and partners ;
 - Meeting of the Overview and Scrutiny Committee 28 January 2014;
 - Audit Committee Meeting 13 January 2014
- 3.3 The consultation was advertised through the media including mail shots and press releases to raise awareness. Social media, including Facebook and Twitter, was used during the consultation period.
- 3.4 Interim consultation reports were available to Senior Management and relevant cabinet members to maximise awareness and action in relation to issues and concerns arising during the consultation.

4 Results

- 4.1 During the consultation period **2012** people visited the website to view budget information. A total of **129 online** responses were received as at 31 January 2014 (compared with 120 in 2013, 272 in 2012 and 149 in 2011).
- 4.2 Respondents also provided **168** comments, including details about specific proposals, concerns about potential impacts that were considered to affect various sectors of the community and also about alternative proposals for efficiencies. These have been circulated to Senior Managers and to Cabinet members for their input and consideration.
- 4.3 Full consultation results are available in Appendix 3.
- 4.4 The profile of respondents by gender, age and ethnicity, available at Appendix 1, is representative of the wider community profile. This can be seen as an indicator of a fair survey.
- 4.5 It should be noted that additional activity relating to the budget was undertaken in addition to this exercise during the period of consultation including local press, public meetings, forums, etc and that the views expressed during such events are not included in this report. (For Audit Committee, Overview and Scrutiny Committee and Community Forums, please view minutes of meetings held during the consultation period available at modern.gov)

4 Draft Budget Proposals Consultation-Results and Analysis

5.1 Findings

Below are the questions asked, the response achieved.

5.2 Consultation Questions

Question 1-Council Tax Levels-Despite the significant financial pressures faced by the Council, Council Tax levels have not been increased since 2010. **The Council is considering keeping council tax levels the same for 2013/14. Do you agree or disagree with this approach?**

Total agree: 63% (79)

Total disagree: 37% (42)

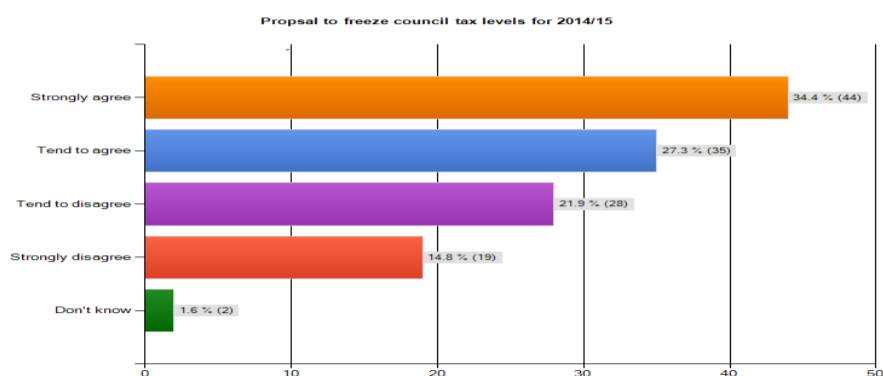


Table 1-Proposal to freeze council tax

Number of additional free-form comments received: **50**

Key points:

- Concerns about keeping Council Tax levels low in the long term
- Some people would be prepared to pay more to preserve essential services

Question 2-Feedback of draft budget proposals

Comments, including concerns about how specific proposals may impact on individuals or any sector of the community and if appropriate, how we can minimise any such impact.

Received **69** comments (full details are in Appendix 3)

Key proposed budget options:

- Extended free parking including every Saturday and 2 hours free during the week-**32** comments related to this option. Views on the merits of the proposed options were divided.
- Business incentive scheme-**7** comments related directly to this option
- Capital budget projects and investment-**10** comments related directly to this option
- Providing an additional neighbourhood warden, two park rangers and a new vehicle- **12** comments related directly to this option. Views were divided on this matter.
- Increase opening hours of Northampton Borough Council's museums- **19** comments related directly to this option. Views divided on this matter, including potential benefits.
- Maintaining the investment of small community grants- **6** comments related directly to this option. Views divided on this option.
- Senior management savings and review- **19** comments related directly to this option. Concerns expressed in relation if service provision suffers as a consequence.
- Staff terms and conditions- **29** comments related directly to this option. Concerns expressed in relation to impact on service and morale.

Question 3-Alternative proposals, including anything else we could do to achieve savings and/or any other comments in respect of budget options for 2013/14?

Received **49** comments (full details are in Appendix 3)

6 How comments received will be used

- 6.1 Where comments relate to service specific issues that relate to the usual business of the organisation, these will be forwarded to the relevant service area.
- 6.2 Where issues raised are not our responsibility, such as street lighting, the state of the roads or about social work, the comments received will be forwarded to the relevant organisation as appropriate.
- 6.3 In relation to the budget, the Cabinet will consider all responses alongside the need to set a balanced budget. Any changes arising from the consultation will be detailed in the Council Wide General Fund Revenue Budget Report.
- 6.4 Findings have been used to inform priorities for the Council's Corporate Plan 2012-15 (update 2014).

7 Equalities

- 7.1 The Cabinet will consider the results of this consultation and of all relevant impact assessments which were developed to make an informed decision regarding the Council's budget.
- 7.2 Equality and Diversity were considered as part of the budget build process and an equality impact assessment or screening was completed as part of each option submitted.
- 7.3 Where issues have been identified and the option is approved, the detailed equality impact assessment will be used to inform the implementation of the budget option.
- 7.4 An Equality Impact Assessment for this consultation process is available at Appendix 2.

Appendices

Appendix 1	Demographics
Appendix 2	Consultation Equality Impact Assessment
Appendix 3	Full results and comments

Appendix 1

Demographics

Gender			
Options	Response %		Response Count
Male	48%		40
Female	52%		43
Age			
Options	Response %		Response Count
Under 16	0.0%		0
16-24	1.2%		1
25-34	4.9%		4
35-44	28.0%		23
45-54	15.9%		13
55-64	22.0%		18
65-74	22.0%		18
75 or above	6.1%		5
Ethnicity			
Main categories	Response %		Response Count
White	85.5%		71
Asian/Asian British	2.4%		2
Mixed	1.2%		1
Black/Black British	2.4%		2
Other	6%		5
Prefer not to say	2.4%		2
About Respondents			
Options	Yes	No	Response Count
I live in Northampton	89.0% (73)	11.0% (9)	82
I work in Northampton	62.9% (39)	37.1% (23)	62
I study in Northampton	4.5% (2)	95.5% (42)	44
I have a business in Northampton	22.4% (11)	77.6% (38)	49
I am employed by Northampton Borough Council	26.5% (13)	73.5% (36)	49
I am responding on behalf of an organisation/group	10.3% (4)	89.7% (35)	39

Any savings with impact on services will have the issues and risks raised through their individual assessments and evaluations taken into account in the implementation and monitoring of the options.

Issues and concerns identified during this consultation will be used to develop mitigation where possible and will be used to inform priorities for the Council.

To view options and specific impacts identified so far, click [here](#).

To view feedback from the draft budget proposals from Community Forums, please read minutes from individual meetings at modern.gov

February 2014

Appendix 2-Equality and Community Impact Assessment

Budget 2014/5 Consultation Programme

What are we looking to achieve in this activity?

The Council is mindful of its Public Sector Equality Duty and wants to ensure that it has due regard to its equality duties in its decision making process.

How will the decision be made?

Cabinet will consider the results of this consultation and of all relevant impact assessments to help it make an informed decision regarding the Council's budget and priorities. The Council will set its Budget for the forthcoming 2014/2015 in February 2014.

What information exists already to assist with making the judgments above? Has any consultation been undertaken on this or any other related issue? Are any reports or relevant documents available internally or from partners or other sources?

Impact assessments are carried out for options as they are developed, where appropriate, and will be reviewed as the consultation evolves, using the feedback received. Individual medium term planning options specify if equality/community impact assessments have been deemed necessary and details are provided as appropriate.

Who is/ will be the main beneficiaries/people affected by this activity?

Everybody living, working, studying or otherwise engaged with the town or its people may be potentially affected by our budget plans. This includes businesses, employees of the Council as well as, partners and contractors. Some efficiency savings will impact on staff and could lead to redundancies and changes in service provision, and the level of service received by the public will be protected wherever possible. Where this is appropriate, consultation will be undertaken in accordance with council policy and all those affected will be able to have a say in this process.

Does the activity have the potential to cause adverse impact or to discriminate against different groups in the community or to make a positive contribution to equalities?

The testing challenges caused by the general economic environment continue to have a significant impact on our communities and also on our budget, creating added pressure and increase demand for our services.

With limited resources, service provision will need to be reviewed and this may affect the services we provide, the people who deliver them and those who receive them. It is critical when making decisions that may affect people that their views are sought and considered so that we can understand what matters to them, what they consider priority and what areas are in need of improvement and how the choices made may impact on their lives.

Impact

Proposals that will lead to efficiency savings have been screened for impact against the protected characteristics groups. Details are contained within options proposed. Where proposals involve staff changes and rationalisation, appropriate consultation in line with council policy will be followed and outcomes monitored for any disproportionate and adverse impacts on individual groups.

1. Despite the significant financial pressures faced by the Council, Council Tax levels have not been increased since 2010. The Council is considering keeping council tax levels the same for 2014/15. Do you agree or disagree with this approach?

		Response Percent	Response Count
Strongly agree		34.4%	44
Tend to agree		27.3%	35
Tend to disagree		21.9%	28
Strongly disagree		14.8%	19
Don't know		1.6%	2
Please use this space for comments that will help us understand your response			50
answered question			128
skipped question			1

2. A challenging programme of internal cost-cutting measures is proposed to tackle the shortfall and prevent the budget gap growing even further in 2015/16. At the same time, order to promote growth, there will be a focus on investment, despite the need for the Borough Council to make savings to deal with a budget shortfall of £3.4 million in the next financial year. A list of the draft budget proposals and background information can be found at www.northampton.gov.uk/budget2014 These proposals, if/when agreed, will help the Council balance its budget for 2014/15. This is your opportunity to comment on the Council's draft budget options before they are submitted to the Cabinet for their consideration. Full Council will in turn consider the Cabinet's recommendation for approval on 24 February 2014. Your comments on our options

Key proposed budget options:
 Extended free parking including every Saturday and 2 hours free during the week
 Business incentive scheme
 Capital budget projects and investment
 Providing an additional neighbourhood warden, two park rangers and a new vehicle
 Increase opening hours of Northampton Borough Council's museums
 Maintaining the investment of small community grants
 Senior management savings and review
 Staff terms and conditions






Please tell us which option you wish to comment on and include any concerns you may have about how our specific proposals may impact on yourself or any sector of the community and if appropriate, tell us how we can minimise any such impact.

	Response Count
	69
answered question	69
skipped question	60

3. Alternative proposals Is there anything else that you think we could do to achieve savings and/or any other comments you would like to make in respect of the budget options for 2014/15?

	Response Count
	49
answered question	49
skipped question	80

4. Contact details

		Response Percent	Response Count
Name		98.1%	51
Organisation (if applicable)		30.8%	16
Address (including postcode)		78.8%	41
Telephone number		67.3%	35
Email address		75.0%	39
	answered question		52
	skipped question		77

5. About you



	Yes	No	Rating Count
I live in Northampton	89.0% (73)	11.0% (9)	82
I work in Northampton	62.9% (39)	37.1% (23)	62
I study in Northampton	4.5% (2)	95.5% (42)	44
I have a business in Northampton	22.4% (11)	77.6% (38)	49
I am employed by Northampton Borough Council	26.5% (13)	73.5% (36)	49
I am responding on behalf of an organisation/group (insert name below)	10.3% (4)	89.7% (35)	39

Name of the Organisation I am responding from 8




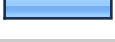
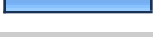


answered question 87

skipped question 42







6. Are you:

		Response Percent	Response Count
Male		48.2%	40
Female		51.8%	43
		answered question	83
		skipped question	46

7. How old are you?

		Response Percent	Response Count
Under 16		0.0%	0
16-24		1.2%	1
25-34		4.9%	4
35-44		28.0%	23
45-54		15.9%	13
55-64		22.0%	18
65-74		22.0%	18
75 or above		6.1%	5
answered question			82
skipped question			47

8. How would you describe yourself?

		Response Percent	Response Count
White		85.5%	71
Mixed/multiple ethnic groups		2.4%	2
Asian/Asian British		1.2%	1
Black/African/Caribbean/Black British		2.4%	2
Other ethnic group		6.0%	5
Prefer not to say		2.4%	2
answered question			83
skipped question			46

Page 2, Q1. Despite the significant financial pressures faced by the Council, Council Tax levels have not been increased since 2010.

The Council is considering keeping council tax levels the same for 2014/15. Do you agree or disagree with this approach?

1	Look after your staff better, motivate them to work more efficiently and stop wasting money on stupid initiatives like car parking signs and opening up abbington street	Jan 31, 2014 12:36 PM
2	I am happy for my Council Tax to be increased to pay for front line Council services.	Jan 31, 2014 11:37 AM
3	A small raise in Council Tax would mean that some of the services could be retained and staff cuts would not be necessary.	Jan 31, 2014 10:50 AM
4	the overall recovery at present is slow, another years 'breathing' space is needed to encourage people to start spending again which could lead to growth in the town	Jan 30, 2014 6:07 PM
5	Increasing Council Tax will bring in more money to the Council thus reducing the need to charge Staff for parking and to reduce staff or change our terms and conditions which we have faught for for so long	Jan 30, 2014 1:41 PM
6	i think with cost of living going up and fuel bills there needs to be some leway.	Jan 30, 2014 11:19 AM
7	If we are struggling to provide services and sacking people to do so thereby putting services under pressure then Council Tax should rise to reflect the costs of providing public services and the population receiving the services should contribute to them	Jan 30, 2014 10:06 AM
8	With inflation Council tax needs to be increased	Jan 30, 2014 9:18 AM
9	We are faced with cuts services and staffing - we should not be cutting these by freezing tax. Cuts in fact damage the economy. Staff salaries and spending feed into the local economy.	Jan 30, 2014 8:55 AM
10	Can you please explain why NCC plans to increase theirs?	Jan 30, 2014 7:04 AM
11	I am not happy with the fact that low income people - working or otherwise - will pay a price they can ill afford.	Jan 29, 2014 11:29 AM
12	feel levels should remain the same, particularly as Northampton is not a high earner town, and many retired people particularly find the present council tax levels high enough already. Including me.	Jan 29, 2014 11:18 AM
13	a 1.99 increase will raise sufficient revenue to protect some services we badly need	Jan 29, 2014 10:59 AM
14	Nothing is free, and your townsfolk know this. Stop treating us like idiots.	Jan 24, 2014 4:41 PM
15	There is still too much FREE money spent , and we should still cut down on any services which does not show results.	Jan 24, 2014 2:27 PM
16	Vital services need the investment, after cuts from central government.	Jan 20, 2014 11:46 AM
17	If Council Tax rates are increased by a small percentage, then this would mean the fewer efficiencies would have to be absorbed by changes to staff terms and conditions. Many highly qualified and experienced staff have left the organisation, and are planning on leaving due to these changes. A significantly better deal can be had elsewhere, so if you want to continue delivering a satisfactory front line service, with a highly performing back office function as well, do not continue to demoralise your own staff.	Jan 13, 2014 9:28 AM
18	Council tax is very expensive.	Jan 13, 2014 9:05 AM
19	Agree with keeping tax the same .despite the council wasting large sums of money on unwanted infrastructure projects [No increase]	Jan 9, 2014 6:28 PM
20	It is being kept artificially low - the longer we delay an increase, the greater the negative impact when we do.	Jan 9, 2014 1:39 PM
21	because,even if we paid more the lack of street cleanliness and drainage and other services would not improve based on previous experience [No increase]	Jan 6, 2014 10:34 AM
22	This has the effect of eroding the tax base which will make for difficulties in	Jan 2, 2014 3:55 PM

Page 2, Q1. Despite the significant financial pressures faced by the Council, Council Tax levels have not been increased since 2010.

The Council is considering keeping council tax levels the same for 2014/15. Do you agree or disagree with this approach?

	future years. Better off increasing CTAX and then providing a universal discount (which could then be removed at a later stage)	
23	residents cannot afford increases	Dec 26, 2013 5:40 PM
24	I think the Council should do all it can to find its savings through process redesign and the introduction of more efficient working practices. Once this is exhausted then the Council should consider raising tax. I think that the 2014/15 budget can be balanced with the former.	Dec 23, 2013 2:47 PM
25	Prices are now rising .A small increase would be acceptable	Dec 23, 2013 10:23 AM
26	I think that there are still areas for economies.	Dec 22, 2013 5:46 PM
27	There are still areas for economies I am sure.	Dec 22, 2013 5:39 PM
28	There seems to be little point in reference to household budgets of not raising council tax. Utilities and energy costs are constantly increasing at a very rapid rate and to keep council taxes the same is just unrealistic. A small increase in tax for a better or certainly no worse service would be far more preferable. With huge increases in living costs else where, it seems surreal to expect local taxes to effectively reduce. The cutbacks so far to critical local services are of grave concern to locals.	Dec 22, 2013 4:45 PM
29	Most people are financially stretched and will find it difficult to pay a lot more but I would understand if there has to be a small increase.	Dec 22, 2013 4:08 PM
30	A small increase spread across all tax payers would provide sufficient to maintain key services	Dec 22, 2013 3:06 PM
31	Certainly no increases.	Dec 22, 2013 1:06 PM
32	In the financial climate we are in at the moment people find it very difficult to find the money for any more increases in their bills, food, energy supplies some families don't have a very big income. We too struggle we are pensioners and there are many more like us. [No increase]	Dec 22, 2013 11:39 AM
33	The gates and fencing at Grafton Underwood St.James Church were showing signs of rot, covered in Lichens, and Moss. Four dry days were forecast. I wire brushed them down, and gave two coats of Cuprinole in a lighter colour that blended with the colours in the stonework of the Church. If waged persons had done this they would have wanted £15 an hour plus materials and travel costs. I therefore saved the community £158 and have asked for this sum to be recorded in the Minutes of the next Parish Council meeting. Other people do voluntary work on conservation in the village. I think all these savings should be recorded, as they add up. This is not money that the County Council have to pay out. Its money that will not have to be paid out in future years. Walls, fences, window frames, trees, all little jobs people can do if N.C.C. set up a Conservation Volunteers Scheme to appreciate the financial saving they can effect by just a little work when the weather is right. It should be recorded in appreciation. [not NBC]	Dec 22, 2013 7:59 AM
34	This helps everyone and for that reason should stay. [No increase]	Dec 21, 2013 11:23 PM
35	With other things going up this would have been the last straw as with all the cuts in service and to cost more [No increase]	Dec 21, 2013 6:50 PM
36	Would support small increases to fund services that improve residents lives	Dec 21, 2013 4:30 AM
37	I feel that if you are to maintain services some increase must be made. However all wastage should be cut out first. [Increase]	Dec 20, 2013 3:32 PM
38	I do not work for the council but I am deeply concerned for the lives of Northampton Borough Council staff who face changes to their working terms and conditions. I think it is right and proper that senior staff members have their salaries reviewed. However this must be taken in context with their professional skills that come at a cost and need to be fairly maintained as a service that requires a need for such professionalism. I also believe that senior staff are paid a living wage that is required to maintain a standard of living in our economical climate. Therefore is it ethical for that to be compromised when a majority are	Dec 20, 2013 10:42 AM

Page 2, Q1. Despite the significant financial pressures faced by the Council, Council Tax levels have not been increased since 2010.

The Council is considering keeping council tax levels the same for 2014/15. Do you agree or disagree with this approach?

unable to achieve a living wage. This county needs its professionals and they should be kept at the price that their years of academic study is befitting their dedication. I believe that if front line services are cut or people are expected to do more for less then the affect to people within the council could be disengaging and potentially cost the council more in the long run, since many experienced staff may seek employment elsewhere and lack of experience can and does cost money. Current staff perhaps should remain on their original terms and conditions, whilst new staff entering should be employed on new terms and conditions if required. However despite difficult financial times for all families of the borough I am part of a family that would be willing to pay £5.00 more a month or £60 a year regardless of the hardship in order to preserve the vital services that I think the council should retain and improve for excellence. I do not think austerity of these services is a solution. I think it creates problems that will need financial assistance once more resources become available. One can only cut back so much. If the council agree to instruct an ALMO for the running and maintainance of its housing services is this not already a cost cutting exercise and are the staff members of the council already having to deal with a great deal of change. This county needs its services more than ever now. The town is struggling despite its massive enterprise scheme. Commerce needs time to reap financial prosperity for the town but it cannot be the only measure to restore a broken town. It also requires the services that people give in order to nurture the town and its people especially in the face of hardship and need. It might be a fabulous accolade to state that the town is freezing all council tax bills but I think this is misguided and at what real cost. I dont believe this saving will drive people into the town to spend as disposable income. People only realise the worth of services when they are gone and they are difficult to reinstate cheeply. Make a small rise and do it for the right reasons especially the protection of your employees.

39	I believe that Council Tax is important but Is a big difficultie to pay for most families.So my answer to that is, You pay less council tax but get less benefits.I don't know if that is possible, but its an option.	Dec 19, 2013 9:10 PM
40	Happy to pay more to keep essential services [Increase]	Dec 19, 2013 6:49 PM
41	My wife and I know a great many people in Northampton and we know that almost all our acquaintances are already struggling to pay increased utility bills. So an increase in council tax would push people into even greater poverty. We also know of a lot of working people who are increasingly reliant on food banks so an increase in council tax would be a disaster for those working people . However we shouldn't mask the fact that the coalition government has cut funding for council tax and they know this cut affects poor people much more than it affects wealthy people. [No increase]	Dec 19, 2013 6:31 PM
42	It will just be storing up problems for future years. Council tax must keep pace with the rate of inflation, or the douncil's continuing spiral of cuts to make the books balance will never end. [Increase]	Dec 19, 2013 12:40 PM
43	the thought that you may put a charge of one pound, for every trip to the recycling centre, just does not make sense all it will do more than double the fly tipping that we have now. [not NBC]	Dec 19, 2013 12:35 PM
44	I would not mind an increase in my tax if this meant protecting services [Increase]	Dec 19, 2013 12:03 PM
45	impossible without sum extra cuts. we must be careful not to destroy our basic infrastructures and management systems. The most vulnerable need protection from rising costs but I do not include benefit claimants in this category. [Increase]	Dec 19, 2013 11:22 AM
46	Other than empty bins, I'm not sure what I actually get for my council tax. Services seem to be reducing - I never see park wardens or other representatives of the borough	Dec 19, 2013 10:20 AM
47	Family's are struggling all across northampton and could do with a decrease in council tax. [Decrease]	Dec 19, 2013 10:17 AM
48	We are all having to keep our costs to a minimum and any rise is crippling. [No increase]	Dec 19, 2013 9:53 AM

Page 2, Q1. Despite the significant financial pressures faced by the Council, Council Tax levels have not been increased since 2010. The Council is considering keeping council tax levels the same for 2014/15. Do you agree or disagree with this approach?

49	With economic climate as it is then a rise could cause financial burden on tax payers it would be better to get all the outstanding Council Tax from the no paying residents in which would lesson this debt	Dec 19, 2013 9:47 AM
50	I would rather pay a little more and have decent services.	Dec 19, 2013 9:45 AM

Page 3, Q1. A challenging programme of internal cost-cutting measures is proposed to tackle the shortfall and prevent the budget gap growing even further in 2015/16.

At the same time, order to promote growth, there will be a focus on investment, despite the need for the Borough Council to make savings to ...

1	Don't offer free parking. This will not increase trade. Business incentive. what about incentivising your staff? Stupid projects like parking signs at nearly .5 million and 3 million to open up Abington Street. Are you mad? Neighbourhood wardens. What a waste of money. Make an additional payment to the Police Authority to provide proper police officers Museums. Why increase opening hours? Review management Maintain staff conditions or you will get nothing done. It is not fair that staff are treated in the way that they have been in the recent past, with cover ups and threats. Maintain their conditions.	Jan 31, 2014 12:44 PM
2	Increasing neighborhood wardens and increasing the opening hours of museums should not take place at the expense of job losses or changes in terms and conditions of existing staff. I do not support budget proposals.	Jan 31, 2014 11:45 AM
3	I don't think people mind paying for parking provided the fee is not extortionate. Instead of free parking for 2 hours why not charge 50p. Most people would not mind a flat fee of this amount. It is a reasonable cost for parking (and cheaper than MK). Increase the opening hours of our museums is a good idea but why dont NBC market them properly as conference or wedding venues. Thousands of pounds could be raised this way. Staff terms and conditions should also be assessed. If staff do not require their cars for work then a charge for parking is acceptable. If staff are required to use thier car for work purposes then charging for parking as well as removing the essential car users allowance is not acceptable. The Neighbourhood Wardens/Park Rangers do a vital job and we should employ more people.	Jan 31, 2014 11:06 AM
4	Free Parking - Advertise more so people are encouraged to visit town more often. Try free advertising - eye catching banners on car park sites, posters in NBC buildings, get a slot on Radio Northampton. Additional warden and vehicle - work smarter with the ones you already have. Museum opening - great idea to open on Sunday afternoon and extend opening of Abington Museum - make sure it is advertised well. Try free advertising - eye catching banners at museums, posters in NBC buildings, get a slot on Radio Northampton Senior Management savings and review - dont fill empty positions with agency or consultancy staff.	Jan 31, 2014 10:48 AM
5	Free parking is an important consideration if Northampton town centre is to compete with other town centres and out of town schemes. [Parking]	Jan 30, 2014 4:04 PM
6	Do not agree with extended free parking incentives, the public expect to pay for parking whenever you shop in a town center. Do not agree with money being thrown at Delapre abbey, when a grade 1 listed building(Abington Museum) owned and maintained by the Borough council that the people of Northampton actually do love to spend time in and the surrounding parkland is being left to decay beyond repair.How many people visit Delapre on a weekend compared to Abington Park???? Agree entirely with the Senior Management review,the term too many cooks not enough indians comes to mind. Agree more Park rangers needed or at least the ones we have got working full time,but do not agree a Park ranger is needed for Delapre,as a frequent user of Delapre i barely see anyone there or if so dog walkers!! [Parking]	Jan 30, 2014 3:04 PM
7	Staff Terms and Conditions - this was only recently looked at in the pay and grading, then staff morale was so low that services suffered. By charging us for parking, removing Special Leave, considering Annual Leave and pay performance and the other issues you are just dropping morale even lower and telling staff that you care nothing about them and their comittment to the Council. Some of us have served this Council and Northampton for many years - 22 years for myself, and I am committed to providing a brilliant service, also the knowledge I have gained at this Council over these years in various different jobs in invaluable, all you are doing is not make the likes of myself want to stay or want to serve the Residents of Northampton, you are pushing us out and you will eventually loose all the years of knowledge gained by these long serving and loyal members of staff and end up with staff who know nothing and have no interest in Northampton or the Borough Council itself. [Parking] [Staff]	Jan 30, 2014 1:46 PM
8	Capital Budget projects and investment. Why, in these chalenging times, are we spending £13,663,567. Surely the council should be saving this money until the financial situation improves and using this money for more immediate problems like maintaining roads and facilities and on helping the communities to actually	Jan 30, 2014 12:30 PM

Page 3, Q1. A challenging programme of internal cost-cutting measures is proposed to tackle the shortfall and prevent the budget gap growing even further in 2015/16.

At the same time, order to promote growth, there will be a focus on investment, despite the need for the Borough Council to make savings to ...

	live day to day. [capital projects]	
9	Why should staff members have to pay and suffer for the shortfall in the budgets that have been brought on by the politicians. The staff have had a pay freeze for 3 years which is in effect a pay reduction in real terms. Why do the public get free parking when plans are to charge staff for parking. The staff received a 1% pay increase this year which will be taken away with this charge [Parking] [Staff]	Jan 30, 2014 11:25 AM
10	I	Jan 30, 2014 11:22 AM
11	<p>•Increase opening hours of Northampton Borough Council's museums Extending the opening hours of the museums will not be good value for money. Abington Park Museum is run down and visitors either will not visit if there is nothing new to see or be very disappointed when they visit and find that the exhibits are tired and have not changed. This will invite criticism from the public and we will be having to justify the expenditure. The money would be better spent on improving the exhibits or the building of Abington Park Museum rather than opening a dilapidated building for more days or longer hours. Visitors are unlikely to visit Northampton Museum & Art Gallery on a Monday if there are no other visitor attractions to visit in that area. All Museums have one day when they are closed to the public to carry our exhibition changeover and essential maintenance that cannot be done whilst the building is open. Again the suggestion would be to invest the money in other ways. •Capital budget projects and investment Disappointed that Delapre Abbey receives so much funding from the Council, whilst it neglects it's other beautiful building Abington Park Museum. For a council who puts so much emphasis on heritage surely it should consider directing some of these funds to it's other listed buildings. Suggest redirecting money into refurbishing Abington Park Museum. Spending so much money on the Cultural Quarter will not 'establish the identity of the area'. The area needs to grow naturally through better promotion of the venues and their activities. Currently there is insufficient investment in the venues in terms of marketing and promotion of these venues and their activities. You cannot enforce an identity and spending money will not make it happen. Suggest money is redirected into better publicity rather than creating an identity for a few streets. [museums] [capital projects]</p>	Jan 30, 2014 10:58 AM
12	I do not think it is necessary to increase the opening hours of NBC's museums, it is not a priority, priority should be with public services directly affecting NBC residents and not cutting the staff terms and conditions. [Staff] [museums]	Jan 30, 2014 10:48 AM
13	I agree with the business incentive scheme and think this should be extended as we need more businesses and higher quality shops and until this is achieved there is little point in making the parking free as people will go out of town to shop as Northampton has very little to offer for shoppers. Low cost incentive schemes to promote the good shops we do have would be of great benefit such as a shop local shop independent campaign. Investment in the cultural quarter is commendable as long as the support for the institutions that are part of the quarter is in place and incentives are put in place to encourage other cultural experience in the area. Increasing opening hours of the town's Abington museum is of little help when the museum has been steadily underfunded over successive years there needs to be investment to provide an experience that the extra visitors will want to see. [museums] [business incentive]	Jan 30, 2014 10:40 AM
14	Extend Free Parking, Although it is important to encourage spending within Northampton, i do not agree that extending parking at this time will largely benefit the town, once the town improvements Abington street and the Grovsnor extention are underway then i would tend to agree the benefits would be realised. We should be encouraging public transport with the view of utilising the new bus station - park and ride scheme? [Parking]	Jan 30, 2014 10:36 AM
15	FREE PARKING STAFF CUTS [Parking]	Jan 30, 2014 10:33 AM
16	Increase opening hours of museums I don't see this money being of significant benefit to Northampton in this present economic climate. This money would be better spent improving or promoting the town centre, for example by giving funding to local crafts people to utilise the empty shops in Northampton. The museum is lovely and should be encouraged, however I feel the additional opening hours should be considered once the town centre is a thriving again.	Jan 30, 2014 10:20 AM

Page 3, Q1. A challenging programme of internal cost-cutting measures is proposed to tackle the shortfall and prevent the budget gap growing even further in 2015/16.

At the same time, order to promote growth, there will be a focus on investment, despite the need for the Borough Council to make savings to ...

17	Staffing levels at the Museum are all ready stretched. Increasing the opening hours will require extra staff. I agree that the Museum should be open longer but staff there already work well above there weekly hours. Great to see the investment in the cultural Quarter. Keeping the parks clean and safe is definitely a top priority.	Jan 30, 2014 10:17 AM
18	<ul style="list-style-type: none"> •Extended free parking including every Saturday and 2 hours free during the week - If people really cant afford £1.20 to park for 2 hours then what exactly are you expecting them to be spending in the Town shops. £1.20 is affordable to all. Car parks need maintainign and repairing what will be used to fund that? •Business incentive scheme - Great idea lower rates and rents •Capital budget projects and investment- ok if affordable and not at the costs of jobs •Providing an additional neighbourhood warden, two park rangers and a new vehicle - This needs to be open and transparent and show the benefits of the wardens and what the community gain through having this additional resource •Increase opening hours of Northampton Borough Council's museums - If footfall demands it then I dont have a problem [Parking] 	Jan 30, 2014 10:13 AM
19	Not bothered about the neighbourhood warden or park wardens....	Jan 30, 2014 9:59 AM
20	I am absolutely against the expenditure on Abington St which will be a drag on spending for years to come and will do nothing except annoy and endanger pedestrians. It will merely be a rat run and will do nothing to further the use of Abington St. I am also against the relocation of the bus station and the massive expenditure that will be spent on the demolition of the old one at great expense, when the old one could have had similar levels of investment to bring it up to scratch. I sincerely hope that these are not PFI schemes which are terrible value for money in the long term. I am not sure how Senior Managers are defined, but departments do need them. It is too easy to imply that they are overpaid bureaucrats but good managers are needed to direct and run our services. Charging staff for parking is effectively cutting their salaries, as parking charges are high in the town, and given many of them will be on relatively low pay this shouldn't happen. Cutting staff will reduce services to the public and will adversely affect both the individuals concerned and the economy of Northampton.	Jan 30, 2014 9:33 AM
21	Not sure your business incentive plans are sound and could not see how they would deliver. Prove me wrong!	Jan 30, 2014 7:06 AM
22	(...)	Jan 29, 2014 4:57 PM
23	this is a start to help balance the books and keep our head above water. Staff terms and conditions need some very serious thought.	Jan 29, 2014 11:32 AM
24	capital budget projects and investment. Think that these should be looked at carefully, with the high unemployment levels (particularly among young people in the town) this can get particularly out of control	Jan 29, 2014 11:24 AM
25	Priority order: 1-Business incentive scheme; 2-Providing an additional neighbourhood warden, two park rangers and a new vehicle; 3-Maintaining the investment of small community grants; 4-Capital budget projects and investment-NOT Abington St; 5-Extended free parking including every Saturday and 2 hours free during the week; Senior management savings and review-NO; Staff terms and conditions-NO;	Jan 29, 2014 11:03 AM
26	It's tricky, but we think the only way to reduce expenditure in a meaningful way is to reduce management and staff costs. It's your duty to look after the town so other cost-savings are not viable. The other savings would be small by comparison although the extended free parking isn't absolutely necessary, not are the additional wardens, rangers and new vehicle which could be introduced when times are better.	Jan 28, 2014 5:12 PM
27	As the infrastructure support for Northampton we are extremely pleased to see the commitment of the Borough Council to the the community grants program and investment in the voluntary sector. At a time when the sector most needs	Jan 28, 2014 10:19 AM

Page 3, Q1. A challenging programme of internal cost-cutting measures is proposed to tackle the shortfall and prevent the budget gap growing even further in 2015/16.

At the same time, order to promote growth, there will be a focus on investment, despite the need for the Borough Council to make savings to ...

	support and investment because of increasing demand it is encouraging to see that NBC is being so forward in their thinking. We fully support these proposals.	
28	staff terms and conditions. You don't really say whats involved so how can we comment.	Jan 27, 2014 8:14 AM
29	How do you expect to run an efficient Council if your staff are demoralised by constant attacks from Politically-motivated Councillors?	Jan 24, 2014 4:43 PM
30	For this coming year CUT down completely on any capital projects and investments , and just concentrate and manage in full filling all the outstanding committments and just stay within the current budget framework. NO NEED TO OPEN MUSEUM HOURS , IT DOES NOT SERVE ANY PURPOSE , THIS IS NOT A TOURIST TOWN. Why is NBC making such a big fuss about parking issues ? This town has NO enforcement , all the foreigners control and get away with parking every where , one of the worst towns where special treatment is accorded to all the foreigners , just look at your Kettering Road , and Abington Square junction , is ruled by the Interner Cafes m= , who park in corner , double yellow for every evening.	Jan 24, 2014 2:35 PM
31	I'm a bit confused about the "Senior management savings and review" proposal. It doesn't actually say what you mean to do - it just says what you've already done. How can we answer a question if it's not been asked? It says "The cost of senior management at Northampton Borough Council has reduced by more than 40% over the last three years. Since 2010/11, the number of senior managers has been cut from 21 to 10."	Jan 20, 2014 11:48 AM
32	See previous comments re changes to staff terms and conditions. Continuing to demoralise and dis-incentivise working for NBC will only result in a lower performing, unhappy, and uncommitted workforce. [Staff]	Jan 13, 2014 9:30 AM
33	Please disregard the following 3: Providing an additional neighbourhood warden, two park rangers and a new vehicle Increase opening hours of Northampton Borough Council's museums Senior management savings and review The remaining 6 are absolutely vital. I also suggest a full independent investigation into all contracts agreed by the Council over the last 5 years and a full audit into any and all payments into currently or formerly serving members of the Council.	Jan 13, 2014 9:07 AM
34	Stop wasting money on unwanted projects I.e bus interchange.money could have been used to the roads which are getting in some places so bad that they close to being unsafe.	Jan 9, 2014 6:33 PM
35	Capital projects should proceed only where the budget exists to fund them. We should not be borrowing more and increasing our debt. Projects such as re-opening Abington Street are window dressing for elections - they are not wanted by this community and are costing us money we don't have. Stop it now. Senior Management review is all well and good, but there is only so much you can shave off and body before you begin to cut the skin and shed blood - proceed with great caution on this. Staff terms and conditions have been constantly under attack through national pensions cuts and recalculations. If we are not careful we will end up creating even more dependency upon the state among our elderly population in years to come. Manage your staff effectively, cut out waste by all means, but there is a huge proportion of people working for the Council that work way over and above their requirements. Don't punish those people with a blanket cut in conditions - that's completely unfair.	Jan 9, 2014 1:49 PM
36	Agree Agree Agree Agree with neighbourhood warden, disagree with others Agree No comment Agree Disagree *** Detail below added by CT 7/1 to clarify response *** Extended free parking - agree. Business incentive scheme - agree. Capital budget projects and investment - agree. Additional neighbourhood warden, park rangers and a new vehicle - agree but Warden only. Increase opening hours of museums - agree. Maintaining the investment of small community grants - no comment. Senior management savings and review - agree. Staff terms and conditions - disagree.	Jan 7, 2014 11:40 AM
37	there is no point in extending museum hours unless proper signage is put up throughout the town. [museums]	Jan 6, 2014 10:41 AM

Page 3, Q1. A challenging programme of internal cost-cutting measures is proposed to tackle the shortfall and prevent the budget gap growing even further in 2015/16.

At the same time, order to promote growth, there will be a focus on investment, despite the need for the Borough Council to make savings to ...

38	Senior management savings and review - I realise the council has made saving through LGSS - but other areas/systems could be consolidated. [Managers]	Jan 2, 2014 11:57 AM
39	You have to look after the staff you have left else you will be back hiring consultants again at a much higher cost [Staff]	Dec 31, 2013 5:31 AM
40	cut down on capital projects cut down n museum hours - don't really need it. cut down on commubniyu grants for few years now remove more senior managers staff terms - bring it in line with private industry , cut down the wastage and unproductive staff. [Staff] [Managers] [museums] [capital projects]	Dec 25, 2013 5:49 PM
41	Work being carried out in Northampton at the moment is being noticed by many people. Hopefully the growth being created will soon take up any shortfall in budget.	Dec 24, 2013 9:46 AM
42	Extended free parking [Parking]	Dec 23, 2013 7:50 PM
43	I think that whilst popular to review and reduce senior management positions it is unlikely to produce the level of savings required. All processes should be examined with a view to removing unnecessary labour. I dont suport the opening of the museums for an extra day as I am unsure that this will increase the number of people visiting the town. I support the terms and conditions review to bring NBC staff in line with private sector arrangements. I support the drive to increase investment through financial support and providing a more pleasant environment. [Staff]	Dec 23, 2013 2:53 PM
44	All of the above seem to be laudable aims and should help the poor state of the town centre.	Dec 22, 2013 5:51 PM
45	I think the free car parking incentive is of very little merit or interest to most people. Shopping in the town centre is a huge and complex can of worms. There is nothing in the town to make ppl want to shop there. irrespective of parking charges. The damage has already happened in the town centre, free parking isnt going to have a major effect on the lack of suitable shopping. Free parking is a bit too late, ie: after the damage. Maybe a different policy of free parking for the first hour all week? Pay as you exit like the Mayorhold is a much more less stressful solution to shoppers. No parking tickets !! Expand pay as you exit to all car parks. The single most important factor to bring shoppers back into town is to give the centre a deep clean. The smell or stale urine in town is enough to keep shoppers away. No one wants to come and be in that smell and it is all over the town centre and not just confined to the alleyways from the market square. Really badly needs to be sorted ! The rest of the points on this section I cannot comment with no information.	Dec 22, 2013 5:08 PM
46	When will you finish restructuring? will that ever end? It cannot be good for morale	Dec 22, 2013 3:12 PM
47	Extended free parking, didn't know about this. Who does this benefit?	Dec 22, 2013 11:45 AM
48	I have commented on the previous page and would like this to added to your list.	Dec 22, 2013 8:00 AM
49	Free parking is the one thing that will get the town back on its feet and is critical if Northampton wants to move forward without all the empty shops we have currently and more people using the town. The biggest store in the Grovenor is leaving what more evidence do you need.	Dec 21, 2013 11:30 PM
50	I think most of these sound like a good idea. I have not had time to review the draft budget proposals and background information, but it is a very good idea to review all services and costs and to look at savings that could be made and also to do some lateral thinking and find better, more flexible ways of doing things. This could mean asking the views of people who are largely unfamiliar with your existing practices - so that fresh approaches can be considered.	Dec 21, 2013 10:41 PM
51	In order to develop neighbourhood initiatives I support the extension of warden and ranger schemes and also community grants	Dec 21, 2013 4:33 AM
52	I think that a lot of savings could be made on staff costs which are in some cases overly generous. The business incentive is good as this is the only real way we	Dec 20, 2013 3:46 PM

Page 3, Q1. A challenging programme of internal cost-cutting measures is proposed to tackle the shortfall and prevent the budget gap growing even further in 2015/16.

At the same time, order to promote growth, there will be a focus on investment, despite the need for the Borough Council to make savings to ...

	will advance. I think that some of the expenses of the senior staff and councillors are excessive and should be reviewed as should the "perks".	
53	Keep current staff terms and conditions, they are still providing an excellent service even as the council staff numbers are reduced. As a form of gratitude, they deserve something for their efforts. Look closer at staff who want voluntary redundancy, why keep staff that don't want to be there, it could make the authority more efficient with staff who WANT to be there. If there is scope for reduced management but no reduction in performance, then this could be an option, although you dont want managers with loads of staff to appraise and do 1:1s but no time to actually manage their service Trial extended hours during half terms and school breaks. Keep 2 hrs free on car parks	Dec 20, 2013 1:33 PM
54	Retain all services that are vital for the towns welfare. Without question continue with all regeneration projects. Unemployment and deprivation affects everyone. Contraversial but raise taxes. We all need to invest to protect our town.	Dec 20, 2013 12:06 PM
55	Your options appear to require councillors to make decisions without any attempt to understand what the impacts might be. To say it's too early to have any idea what the impacts might be about for example volunteers running and delivering services, or about removing the possibility of leave in family emergencies or flexitime, is ridiculous when you have given figures. I wonder what the Equality and Human Rights Commission would make of this - you even say you haven't considered equality impacts in your so-called community impact assessments and claiming you can in one brush stroke talk simply about 'our customers' is ridiculous.	Dec 20, 2013 10:40 AM
56	Parks for childrens for the communities, there should be more.	Dec 19, 2013 9:43 PM
57	This, seems one of the better sololutions	Dec 19, 2013 8:10 PM
58	Happy with parking proposals Please take care not to decimate your staff Not happy with your council tax scheme at 15percent	Dec 19, 2013 6:51 PM
59	why on earth would you increase the hours of museums etc when it is not a statutory service and are not experiencing an over demand issues. It is always staff reductions and T&C that are attacked, not members remuneration or an effort to stop doing certain taks or services that may not be priority.	Dec 19, 2013 3:41 PM
60	Concerned at the reopening of Abington Street for traffic. Think it is a costly and unnecessary move. It will deter people rather than bring them in to the town centre Keep it pedestrian. The free parking will improve footfall in the town, though if it had been done earlier we might not have seen such a demise in customers for town shops. The problem will then be that the lack of parking places will soon become apparent. It is getting progressively more difficult for the elderly to be able to visit the Royal and Derngate any evening. When the hotel and student accomodation are built it will become a real problem, especially for the elderly who can't walk distances or easily climb stairs in multi-storey parks. Other lovely parks do exist, other than the three you concentrate on. Is one part time person adequate to service all the others...why not a fairer and more even share-out.	Dec 19, 2013 3:16 PM
61	The first six items are expenditures the council cannot afford, when there is a budget shortfall of £3.4 million. How many senior managers will have to go to make the books balance, will this save £3.4 million and who will be left to run the council?	Dec 19, 2013 12:44 PM
62	I like the proposed changes to free parking. I would remove the small community grants pot in its current form. I believe that were services are key, the council should provide them or commission them. Please look after your staff. They are key to you being able to do your job.	Dec 19, 2013 12:05 PM
63	why are we paying to demolish greyfriars. we have no real commitment for its redevelopment yet and with HOF moving out to be replaced with low cost clothing stores the Grosvenor Centre is maintaining its downward spiral of attractiveness caused mainly by the dithering of L&G [?] in the last 3 years. Staffing levels should be kept at current numbers. Much better to pay staff than to spend monies that only enrich shareholders eg demolition company. Staff pay	Dec 19, 2013 11:33 AM

Page 3, Q1. A challenging programme of internal cost-cutting measures is proposed to tackle the shortfall and prevent the budget gap growing even further in 2015/16.

At the same time, order to promote growth, there will be a focus on investment, despite the need for the Borough Council to make savings to ...

taxes and spend money helping businesses. [Staff] [Town]

- | | | |
|----|---|-----------------------|
| 64 | I agree to Senior management savings. Staff terms and conditions are overly generous compared to non government workers. Money could be saved by not moving departments to different buildings every few years. The expence of stationery, equipment, and transport must be huge and the services do not improve. [Staff] [Managers] | Dec 19, 2013 11:00 AM |
| 65 | Free parking is a great idea Providing additional wardens or park rangers depends on their objectives and how they are monitored, based on current performance this is at least two more people who will be sat in a shed drinking tea From my experiences of council management, the management tiers need reviewing and the committee process needs several layers of red tape removing [Parking] [Wardens] [Staff] | Dec 19, 2013 10:27 AM |
| 66 | Other than the free parking, how are any of the options above relevant to the modern day family? All are pointless and the changes will only affect a minority. [Parking] | Dec 19, 2013 10:25 AM |
| 67 | Any reduction in parking costs has to be sensible for the sake of the town centre which is slowly collapsing in on itself. There is no incentive for ordinary people to visit the town. I am not sure what is meant by capital budget projects and investments, I believe the town needs completely redesigning thanks to years of mish mash developments without an overall plan. I have always thought that senior executives in the Council are too highly paid for what they achieve. I am not qualified to comment on staff terms and conditions as I have no idea what they are. [Parking] [Town] | Dec 19, 2013 10:01 AM |
| 68 | Management and staffing There are too many who do not know how to run a department and do not manage. They need to be able to be able to give direction and not have to get outside Consultants in at extra cost to tell them what to do.Councils are a business which has a defined amount of money given to it and MUST balance how this is distributed to ensure it does not overspend. If they cannot do this then they should not be in that position [Staff] | Dec 19, 2013 9:57 AM |
| 69 | Free parking on Saturday could be for a set number of hours rather than all day (longer stays would therefore generate revenue) to encourage people to pop in to the town centre and not just use it for longer shopping trips. This is then enhanced by the all day free Sunday parking opportunity. Increase the events and activities held at the Museums, encourage grander exhibitions (local artists as well as the better known national collections). [Parking] | Dec 19, 2013 9:24 AM |

Page 3, Q2. Alternative proposals Is there anything else that you think we could do to achieve savings and/or any other comments you would like to make in respect of the budget options for 2014/15?

1	Get rid of the police Commisioner and his sycophants. Invest in your existing staff to properly recognise those that work. Sack neighborhood wardens because they're pointless. Don't waste money on stupid, unnecessary infrastructure projects that we don't need, like parking signs and Abington Street.	Jan 31, 2014 12:44 PM
2	Do not reopen Abington Street to traffic this should save c. £3m. This is ridiculous when only £300,000 would ensure your staff are adequately funded.	Jan 31, 2014 11:45 AM
3	Instead of free parking for 2 hours why not charge 50p. Most people would not mind a flat fee of this amount. It is a reasonable cost for parking (and cheaper than MK). The Church of St Peter and St Paul in Abington Park is very busy with weddings every Summer. With The Museum next door, this could be a perfect wedding venue with minimum investment. With the reburishment of Delapre Abbey, this is also a perfect Wedding/Conference Venue.	Jan 31, 2014 11:06 AM
4	keep our terms and conditions as they are, keep our free parking. Up the price of the parking in Northampton rather than give free parking, don't change Abington Street, changing that back to a road is a stupid idea and an extremely huge waste of money!	Jan 30, 2014 1:46 PM
5	Don't spend the £13,663,567 on frivolous projects. Maintain, save and when the financial situation in the country improves then spend this budget.	Jan 30, 2014 12:30 PM
6	Do not give free parking at week-ends and 2 hours during the week Cut the number of expensive agency workers operating in the NBC.	Jan 30, 2014 11:25 AM
7	I do think funding needs to start in town centre shopping before we offer free car parking. the issues we have are all stores coming into the town are cheap and makes the town look cheap and grim.	Jan 30, 2014 11:22 AM
8	Currently NBC use a service called First Care a nurse advice service that staff have to phone when phoning in sick as well as phoning their team to advise of sickness. This is a total waste of time and money and is of no benefit whatsoever to employees that are ill and I dread to think how much this costs NBC every year as no one is advised of the cost of this to NBC and taxpayers!!!	Jan 30, 2014 10:48 AM
9	Staff Savings It is a contradiction to charge staff parking, whilst offering the public free parking, where is the equalities in this notion, staff will park off site and income will not be realised.	Jan 30, 2014 10:36 AM
10	LET THE CHARGES FOR PARKING STAND. or INCREASE. (if people can afford to drive to town they can afford reasonable parking charges.) also Adequate public transport. (New bus station.). STAFFING LEVELS ARE ALREADY CUT AND STAFF ARE NOW OVERSTRESSED DUE TO SHORTAGE OF STAFF. THIS INVARIABLY IMPACTS ON THE CUSTOMER.(Negatively).	Jan 30, 2014 10:33 AM
11	How about restructuring the lower level management. It is obvious that this is where we are weakest. Some managers are doing way too much and some managers do not manager anyone? I have been told that this was an almost unanimous comment in the Investors in people feedback sessions.	Jan 30, 2014 10:17 AM
12	If you want to encourage people into town you should try to do so for longer, so keep the 2 hour tariffs and reduce the all day rate to £4 or £5 this also benefits those working in the Town centre that are forced to pay it or park illegally in alley ways etc	Jan 30, 2014 10:13 AM
13	switch the street lights back on before a disaster happens.	Jan 30, 2014 9:59 AM
14	Stopping the Abington St scheme would save £3 million in the long term. Put up council tax. Maintain 1 hour free parking rather than extend to 2.	Jan 30, 2014 9:33 AM
15	Cut repairs for Fountain on Market Square, £50,000 is too much	Jan 30, 2014 9:26 AM
16	(...)	Jan 29, 2014 4:57 PM
17	wish I could tell you. However we don't have the previous full knowledge of how you arrived where you are now, which is just the tip of the iceberg. *** original paper copy difficult to read ***	Jan 29, 2014 11:32 AM
18	A business incentive scheme sounds a good idea, the number of shops that	Jan 29, 2014 11:24 AM

Page 3, Q2. Alternative proposals Is there anything else that you think we could do to achieve savings and/or any other comments you would like to make in respect of the budget options for 2014/15?

	become vacant is too high. Likewise a number of shops for older people need to be undertaken, at the moment only the young seem to being catered for; ***quite difficult to read original paper copy***	
19	Tell us the actual options so we can comment	Jan 27, 2014 8:14 AM
20	Increase rents across Northampton BC properties to help offset any cuts. Increase Council Tax to offset cuts. Dip into reserves.	Jan 24, 2014 4:43 PM
21	Yes , if you have a better sustainable transport , better access , and full law of enforcement on double yellow , make it a friendly , place where there is NO FEAR , then you get more people come here , spend , and you get bigger revenue.	Jan 24, 2014 2:35 PM
22	Build 10,000 new Council homes to ensure rent benefits the Council.	Jan 13, 2014 9:07 AM
23	Cut the salaries of all staff being paid over £100,000 by 50 percent	Jan 9, 2014 6:33 PM
24	Greater partnership working both on delivery and shared services	Jan 9, 2014 4:55 PM
25	Hold a meaningful dialogue with your workers and listen to their professional opinions - it's what they have trained for and have integrity in. Much waste is incurred by work being done over again due to professional work, opinion and recommendation being swept away in favour of a quick policial win for the Leader of the Council.	Jan 9, 2014 1:49 PM
26	Review sellers to the council and ensure you're getting best value. Invest more time, money and thought in getting the right staff instead of hiring extremely expensive consultants. See where else the council can go green and save on utilities bills etc., as this is where most people would look to reduce costs at home.	Jan 7, 2014 11:40 AM
27	There was a specific promise from Cllr Mackintosh that the question of Discretionary Rate Relief for Working Men's Clubs would be revisited for 2014/15 budget consideration	Jan 6, 2014 10:41 AM
28	For example I believe Luton intend to move away from Carefirst for children's/adults services - via Civica. A wider circle of councils could collaborate in these areas where systems fail to deliver the future requirements. Also when I worked at NCC we consolidated the CYPS processes to a best practice approach - again there could be national best practice processes for key areas - this would make it easier for staff - e.g. social workers - to move from one geographic area to another - knowing that the council works in exactly the same way as their former employer. [Not NBC]	Jan 2, 2014 11:57 AM
29	It is good that car parks are being made more affordable for shoppers, but there is also a need to have a business rate for people who work in the town centre on Monday to Friday. The lack of cheap parking means that small businesses are unlikely to want to locate to the town centre, when there are plenty of out-of-town commercial parks with free on-site parking. Bringing businesses to the town centre also brings employees, who will then be spending in the centre. Rather than free shoppers parking, could this be offered at a reduced rate (competitive with MK, Leicester etc) and then have a much more attractive business discount for Monday to Friday all-day parking?	Dec 30, 2013 4:02 PM
30	increase parking enforcement specially arounf BRADSHAW STREET , where taxis rule OK. cut down on your road safety , travel advisors staff , who do not seem to perform.	Dec 25, 2013 5:49 PM
31	One of the things that happened to me recently was a speeding ticket !! Not excessive speed and not endangering anyone. It seems that the police are upping their income by creating an empire of road safety by catching all and sundry. I took the option of the training course. There were 24 people on my course at £90 each. Thats an awfull lot of money that will not be spent in the shops. By their own admission the cost could be done for £50 so it has nothing to do with road safety more to do with income creation and empire building. I know that this is county Council/Police based but for every £1 taken by "fines" or courses its £1 not spent in Northampton. [Not NBC]	Dec 24, 2013 9:46 AM
32	Dont assume that a reduction in budget immediately leads to a reduction in front line service. I think NBC should review all of its internal supply chains and make	Dec 23, 2013 2:53 PM

Page 3, Q2. Alternative proposals Is there anything else that you think we could do to achieve savings and/or any other comments you would like to make in respect of the budget options for 2014/15?

	these as efficient as possible before even considering reducing the services provided to the public.	
33	Encourage more "proper shops" to come to the town centre not just charity £shops and not bookies and "money lenders". [incentivise retail]	Dec 22, 2013 5:51 PM
34	Reduce town centre business rates for shops and incentivise new retail tenants. ie: short term leases or community projects to fill empty shops. Deep clean the town centre to remove the smell of urine. Under new planning laws, change the unused offices above town centre shops to residential use. Student Accomodation or for young employed people = More town centre trade ! The town is desperate for housing. Appoint an "Empty Property Officer" ! Allow free 15 minute parking tickets like other town centres. Arriving at St Peters car park or the Grosvenor centre car park and you haven't got the right change? You have to leave, done it myself many a time. 15 minutes free parking allows you time to park and to get change in town and buy a ticket to do your proper shopping. [incentivise retail] [extend free parking] [empty property officer]	Dec 22, 2013 5:08 PM
35	See my previous entry.	Dec 22, 2013 8:00 AM
36	There is so much litter in the town and its surrounding environs.....get the unemployed clearing up the streets and hedgerows....will make Northampton a better place for everyone, at NO EXTRA COST!!!!!!!!!!!!!! [promote use of volunteers]	Dec 21, 2013 11:30 PM
37	If you are responsible for people in very high cost care homes then it might be wise to review some of these cases, particularly the ones where people with learning difficulties might be better placed in the community, with some help. This would save money and in many cases be a much better way of life for them. This would only be applicable in appropriate cases of course.	Dec 21, 2013 10:41 PM
38	Bring back speeding cameras, they would be self funding and would probably leave a income for the council as well as promoting safer driving. More should be done to collect rents for council properties. Tenants should also be responsible for keeping the outside areas clean and tidy, this would save some money as well as improving the look of the various estates.	Dec 20, 2013 3:46 PM
39	why not have a £1 all day for saturday - at least that way you have the possibility, should all spaces be full, make £4900, which as there are 52 of them in 2014 is potentially £254,800 look at the possibility of increasing the part time park rangers hours before increasing numbers What do existing neighbourhood wardens feel about additional staff - last time they had large numbers, they were cut by next administration	Dec 20, 2013 1:33 PM
40	I don't think you really want a genuine consideration. If you did, your budget options would be properly explained and considered.	Dec 20, 2013 10:40 AM
41	Put offenders to work, especially with the garbage .Work with communities resident groups, use volunteers to do some works in the community. Everyone , who can, should volunteer to help the community.Its our duty, if we don't help, we shouldn't receive anything from our council.Its my sincere opinion. [promote use of volunteers]	Dec 19, 2013 9:43 PM
42	reprioritise services and stop doin gthise that are not a priority.	Dec 19, 2013 3:41 PM
43	Cut down on unnecessary paperwork (and delivery of such). We have twice now had the leaflets telling us that our street lights were iminently going to be changed. Last time was early October...nothing. I presume we'll be told 3 or 4 more times before it actually happens. Save money by getting the collectors to treat the recycle bins with just a little respect. three of mine now damaged...two replaced, and it is because of they are so thrown around.	Dec 19, 2013 3:16 PM
44	Raise council tax by the rate of inflation. Stop funding private businesses who will never show the council tax payers of this town a return	Dec 19, 2013 12:44 PM
45	Stop wasting money on things like the fountains. the town can be enriched by using your own staff for planting of flowers and shrubbery.	Dec 19, 2013 11:33 AM
46	cut back on building and running costs and then more staff in vital departments could be employed. eg, social services.	Dec 19, 2013 11:00 AM

Page 3, Q2. Alternative proposals Is there anything else that you think we could do to achieve savings and/or any other comments you would like to make in respect of the budget options for 2014/15?

47	Turning back on street lights means less use in the emergency services in all areas. [Not NBC]	Dec 19, 2013 10:25 AM
48	Instead of savings why not look into regeneration as a way of creating wealth.	Dec 19, 2013 10:01 AM
49	Cut managers and staff who cannot cut it and promote more able and financially aware staff in there place	Dec 19, 2013 9:57 AM

Extract from Overview and Scrutiny Minutes 28 January 2014

4. DRAFT BUDGET 2014-2019

Councillor Alan Bottwood addressed the Committee and presented the report. Glen Hammons, Head of Corporate Finance confirmed that there were three budget items identified on the report which were print review, car parks and Delapre Abbey restoration.

Print Review

Julie Seddon Director of Customers and Communities addressed the Committee and confirmed that they had reviewed the potential options to reconsider the way the print material was used as it was not as efficient as it could be. They had reviewed other Local Authorities' best practise and would consider if it was more cost effective to deliver in house or out source. She confirmed that in the summer of 2014 Northamptonshire County Council would retender their own contract and there would be an option to be included in this as well. Members would be kept informed.

In response to a question from Councillor Winston Strachan, Julie Seddon confirmed that they were confident that savings could be achieved by year 1 and year 2. This Committee was a good example of operating with less paper as there were only two copies of the agenda available at the meeting. There would be a mixed approach for electronic and paperless meetings which would provide a large amount of savings. At each stage there would be an Equality Impact Assessment so people would be able to have their say.

Car Parks

Julie Seddon confirmed that they recognised that there was a need for people to come into the town centre and the car park charges would have an impact on their budget and encourage people into the town centre. She confirmed that the Saturday before Christmas 2013 all of the car parks in the town centre were full and the town centre was thriving. The initiatives had an impact on people's behaviour.

In response to a question from Councillor Winston Strachan, Julie Seddon confirmed that the car park initiative was sustainable and had been built into the budget until 2019. There was further discussion on lowering business rates and improving the appearance of the town centre.

Councillor Joy Capstick supported the car park initiative and suggested that park and ride be considered again to make the town centre more vibrant and less traffic.

Extract from Audit Committee Minutes 13 January 2014

8. RISK REVIEW OF 2014/15 BUDGET OPTIONS

Phil Morrison, Assistant Head of Finance LGSS presented the report and elaborated thereon. Glenn Hammons, Section 151 Officer confirmed that he had to report to Council on the robustness and adequacy of the budget and levels of reserves. He would make his own assessment at the end of February.

In response to a question from Councillor Larratt, Glenn Hammons confirmed that the car parking figures had been highlighted as an area of concern for risk. Further work and analysis was required so that the figures were robust on data and real evidence. There was a challenge to the car park team on how things were likely to change as people's behaviour varied which would be factored into the budget.

It was further confirmed that if there was a risk in the area of the collaborative working with Trading Standards, then this too would be reviewed. He advised that the Leisure Trust were aware that they would be self-supportive by 2018 and the management fee would be reduced from £500k to £0.

Councillor Larratt requested that assurance be provided that when developers are charged for street naming and numbering there would be no adverse impact on the Council budget to repair and maintain them.


Glenn Hammons confirmed that there had been a 10% decrease in Council contributions for the Joint Planning Unit however there were no future proposals. There would be a review of the JPU and its activities.

RESOLVED: That the recommendations be accepted and the report be noted.

General Fund Budget Summary 2014 - 2019



Description	Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19
	£	£	£	£	£
Service Base Budget	32,847,370	33,683,878	34,522,397	35,893,058	36,649,585
<i>Medium Term Planning Options</i>					
Savings and Efficiencies					
- Borough Secretary	(120,000)	(120,000)	(120,000)	(120,000)	(120,000)
- Customers and Communities	(523,500)	(843,500)	(1,043,500)	(1,159,401)	(1,159,401)
- Regeneration Enterprise and Planning	(356,607)	(297,740)	(299,365)	(301,051)	(302,759)
- Corporate	(365,000)	(365,000)	(365,000)	(365,000)	(365,000)
Total Savings	(1,365,107)	(1,626,240)	(1,827,865)	(1,945,452)	(1,947,160)
Growth					
- Customers and Communities	1,009,407	908,273	897,034	900,827	904,593
- Housing	250,000	0	0	0	0
- Regeneration Enterprise and Planning	263,333	13,333	13,334	0	0
Total Growth	1,522,740	921,606	910,368	900,827	904,593
Total MTP Options	157,633	(704,634)	(917,497)	(1,044,625)	(1,042,567)
Gross Revenue Budget	33,005,003	32,979,244	33,604,900	34,848,433	35,607,018
<i>Corporate Budgets</i>					
Debt Financing	2,377,000	2,632,000	2,502,000	2,531,000	2,759,000
Recharges from General Fund to HRA	(6,361,640)	(6,318,691)	(6,318,691)	(6,318,691)	(6,318,691)
Parish Grants	(20,611)	(20,611)	(20,611)	(20,611)	(20,611)
Parish Precepts	1,076,291	1,076,291	1,076,291	1,076,291	1,076,291
Contribution to General Fund Balances	1,828,066	380,841	0	0	0
Contribution to/(from) Earmarked Reserves	(1,464,241)	(478,640)	545,062	446,152	460,758
Total Corporate Budgets	(2,565,135)	(2,728,810)	(2,215,949)	(2,285,859)	(2,043,253)
Net Budget	30,439,868	30,250,434	31,388,951	32,562,574	33,563,765
Funding					
Revenue Support Grant	(6,957,695)	(4,757,177)	(3,531,179)	(2,412,794)	(1,390,937)
Locally Retained Business Rates	(6,784,320)	(7,252,252)	(7,377,297)	(7,504,843)	(7,634,940)
Total Formula Grant	(13,742,015)	(12,009,429)	(10,908,476)	(9,917,637)	(9,025,877)
Council Tax					
Band D Council Tax	207.91	207.91	207.91	207.91	207.91
Tax Base	60,651	60,954	61,259	61,565	61,873
NBC Council Tax	(12,609,979)	(12,673,027)	(12,736,394)	(12,800,077)	(12,864,076)
Parish-related Council Tax	(1,076,291)	(1,102,616)	(1,102,616)	(1,102,616)	(1,102,616)
Total Council Tax	(13,686,270)	(13,775,643)	(13,839,010)	(13,902,693)	(13,966,692)
Council Tax Freeze Grant 13/14	0	0	0	0	0
Council Tax Freeze Grant 14/15	(148,192)	(148,192)	0	0	0
Council Tax Freeze Grant 15/16	0	(150,175)	0	0	0
New Homes Bonus	(2,679,018)	(3,359,153)	(4,041,685)	(3,814,328)	(3,972,999)
Surplus on Collection Fund	(184,373)	0	0	0	0
Total Funding	(30,439,868)	(29,442,592)	(28,789,171)	(27,634,658)	(26,965,568)
Savings to be identified	0	807,842	2,599,780	4,927,917	6,598,197

General Fund MTP Savings Options		 NORTHAMPTON BOROUGH COUNCIL				
MTP Reference	MTP Option Description	2014/2015 £	2015/2016 £	2016/2017 £	2017/2018 £	2018/2019 £
Borough Secretary						
GF01	Review of Administration support - Borough Secretary	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
GF02	Borough Secretary Review structure	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
	TOTAL Borough Secretary	(120,000)	(120,000)	(120,000)	(120,000)	(120,000)
Customers & Communities						
GF03	Facilities Management - Comprehensive Review	(19,500)	(19,500)	(19,500)	(19,500)	(19,500)
GF04	Print Review	(150,000)	(250,000)	(250,000)	(250,000)	(250,000)
GF05	Northampton Leisure Trust reduction of support	0	(200,000)	(400,000)	(515,901)	(515,901)
GF06	Income from Sponsorship	(20,000)	(40,000)	(40,000)	(40,000)	(40,000)
GF07	Customer and Cultural services restructure	(121,000)	(121,000)	(121,000)	(121,000)	(121,000)
GF08	Customer Services - Software savings	(29,000)	(29,000)	(29,000)	(29,000)	(29,000)
GF09	Communities & Environment - Review Staff Structure	(84,000)	(84,000)	(84,000)	(84,000)	(84,000)
GF10	Car Parking - Reduced NNDR costs	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
	TOTAL Customers and Communities	(523,500)	(843,500)	(1,043,500)	(1,159,401)	(1,159,401)
Regeneration, Enterprise & Planning						
GF12	Asset Management - review structure	(47,886)	(49,719)	(51,344)	(53,030)	(54,738)
GF13	Asset Management - Increase in NNDR Relief and Appeal Refunds	(85,000)	0	0	0	0
GF14	Reduction in Corporate Repairs and Maintenance Budget	(38,450)	(62,750)	(62,750)	(62,750)	(62,750)
GF16	Charging for Street Naming and Numbering	(14,500)	(14,500)	(14,500)	(14,500)	(14,500)
GF17	Fees and Charges review	(32,000)	(32,000)	(32,000)	(32,000)	(32,000)
GF12	Review Staff Structure	(138,771)	(138,771)	(138,771)	(138,771)	(138,771)
	TOTAL Regeneration Enterprise and Planning	(356,607)	(297,740)	(299,365)	(301,051)	(302,759)
Corporate						
GF19	Changes in Terms & Conditions/Employment Costs	(365,000)	(365,000)	(365,000)	(365,000)	(365,000)
	TOTAL Corporate	(365,000)	(365,000)	(365,000)	(365,000)	(365,000)
	SAVINGS AND EFFICIENCIES TOTAL	(1,365,107)	(1,626,240)	(1,827,865)	(1,945,452)	(1,947,160)



General Fund MTP Growth Options

MTP Reference	MTP Option Description	2014/2015 £	2015/2016 £	2016/2017 £	2017/2018 £	2018/2019 £
Customers & Communities						
GF50	Antisocial Behaviour Liaison Officer	11,874	12,740	13,501	14,244	14,960
GF51,52,53,56	Neighbourhood Warden, Town Centre Ranger, Increase in Park Ranger hrs, provision of Additional Park Ranger Vehicle, and Supplies and Services	146,750	139,750	127,750	130,800	133,850
GF54	Events Programme 2014	50,000	0	0	0	0
GF55	Investment in Northampton tourism Strategy	45,000	0	0	0	0
GF57	Small Community Grants fund	50,000	50,000	50,000	50,000	50,000
GF58,59	Car Parking - Additional Free Saturdays and first 2 hours free MSCP car parks only	664,783	664,783	664,783	664,783	664,783
GF60	Museum Service Extended Opening Hours	41,000	41,000	41,000	41,000	41,000
	TOTAL Customers and Communities	1,009,407	908,273	897,034	900,827	904,593
Regeneration, Enterprise & Planning						
GF61	Business Incentive Scheme	250,000	0	0	0	0
	Contribution to Northampton Bike Hire Scheme	13,333	13,333	13,334	0	0
	TOTAL Regeneration Enterprise and Planning	263,333	13,333	13,334	0	0
Housing General Fund						
GF62 (new)	Housing Call Care	150,000	0	0	0	0
GF63 (new)	Private Sector Housing	100,000	0	0	0	0
	TOTAL Housing GF	250,000	0	0	0	0
	OVERALL GROWTH TOTAL	1,522,740	921,606	910,368	900,827	904,593

Schedule of Earmarked Reserves Held

Earmarked Reserves	Expected Balance 31/03/2014 £	Proposed Budget Movements £	Expected Balance 01/04/2014 £	Description
Reserves which must be used for their specific purpose				
General Grants	-5,237,107	-363,825	-5,600,932	Revenue Grants and Conditional / Contractual Funds
Insurance Reserve	-2,638,622	0	-2,638,622	Actuarial valuation of future insurance costs
Carbon Management & Salix	-109,879	0	-109,879	Ring fenced under the terms of the SALIX grant funding; can only be used for carbon management schemes
Rent Deposit Scheme	-160,000	135,000	-25,000	Reserve held against the risk of calls on bonds given under the rent deposit scheme
Arts	-19,145	0	-19,145	Refenced under the terms of the bequest; can only be used for specific arts and culture costs
Joint Planning Unit	-78,000	0	-78,000	Surplus JPU contributions
Hazelrigg House Dilapidations	-26,776	0	-26,776	Deposit for the cost of dilapidation rectifications at Hazelrigg House
	<u>-8,269,529</u>	<u>-228,825</u>	<u>-8,498,354</u>	
Reserves Committed but Not Spent				
Project Carry Forwards	-15,240	0	-15,240	Costs of specific projects where costs span financial years
Subsidy Equalisation	-218,007	-203,993	-422,000	To manage the risk of pressure on Housing Benefit budgets arising from additional use of Bed and Breakfast Accommodation
Increase to GF Working Balance 2015/16	0	-380,841	-380,841	To fund the increase in working balance requirements per the risk assessment of reserves
	<u>-233,247</u>	<u>-584,834</u>	<u>-818,081</u>	
Reserves Relating to Specific Risks or for a Specific Purpose				
Debt Financing	-235,608.00	235,608	0	Market risks of Treasury management
Car Parks	-200,000	200,000	0	Shortfalls in car parking income
Utilities Prices	-100,000	100,000	0	Risk of rising costs of energy not included in budgets
Skate Park	-36,833	0	-36,833	Maintenance of the skate park
Specific PES Risks	-517,000	0	-517,000	Risks of budget pressures on the PES contract
Asset Income Shortfall	-90,000	0	-90,000	Shortfalls in property income arising from the economic climate

Earmarked Reserves	Expected Balance 31/03/2014 £	Proposed Budget Movements £	Expected Balance 01/04/2014 £	Description
HIMO Licensing	-24,000	0	-24,000	Scheme for issuing licenses for private rented HIMO housing
Domestic Homicide Reviews	-50,000	0	-50,000	Against risk of NBC contribution
Licensing Risks	-38,000	38,000	0	Risk of loss of licensing income losses
Future Budget Pressures	-2,031,622	2,031,622	0	Funding needed to balance future budgets and to increase the level of working balance
Electoral Registration	-65,000	0	-65,000	Cost of electoral registration changes to individual registration
CAB and Community Partnerships	-100,000	100,000	0	
Brackmills BID	-16,000	0	-16,000	Cost of BID ballot and software changes
Recharges Shortfall	-310,178	-39,822	-350,000	Against risk of recharges shortfall to HRA; also managed through risk assessment of working balances
Supporting Business/Economic Growth	-211,388	0	-211,388	to support regeneration work and encourage economic expansion
Service Improvements/Performance and Change	-416,862	0	-416,862	Costs of improvement agenda
Restructuring - Redundancy Costs etc	-164,907	-435,534	-600,441	Risk of future redundancy costs
Central Area Action Plan	-113,562	113,562	0	Costs of central area action plan
Delapre Abbey	-957,941	0	-957,941	Costs of restoring Delapre Abbey
NAPS	-1,352	1,352	0	Balance of NAPS funds
Office Moves including Cliftonville	-67,542	67,542	0	Office moves
Equal Pay	-252,000	0	-252,000	Against risk of equal pay claims and related issues
Core Business Systems	-204,514	204,514	0	Upgrading financial systems to improve efficiency
Building Maintenance Reserve	-233,449	233,449	0	Risk of emergency building works; now managed through the risk assessment of working balances
LGSS Set Up Costs	-435,534	435,534	0	Against the risk of additional setup costs
Carbon Tax	-45,776	45,776	0	Against risk of changes to the carbon trading scheme; now managed through the risk assessment of working balances
St Johns and Grosvenor Greyfriars Advice	-71,936	0	-71,936	Cost of advice
Council Tax Project	-115,633	115,633	0	Special Expenses review
Routes & Rounds	-18,136	0	-18,136	Additional costs of routes and rounds
Street Football	-20,000	0	-20,000	Additional costs of Street Football
Britain in Bloom	-15,000	0	-15,000	Additional costs of Britain in Bloom
Invest to Save Reserve	0.00	-1,169,336	-1,169,336	To fund invest to save projects supported by a robust business case and fulfilling strict criteria
	-7,159,771	2,277,900	-4,881,872	
	-15,662,547	1,464,241	-14,198,307	

Key Medium Term Financial Issues 2014/15 – 2018/19 Onwards

Ref	Issue	National Issues/Implications	Effect on Northampton Borough Council
1	Economic Climate	Ongoing Global Economic instability since October 2008 is expected to last several more years, with continuing austerity measures as a result. Also, continuing impact of recession, and downturn in housing and financial markets. In addition, material fluctuations in inflation since 2009/10.	Significant uncertainty in relation to key income streams, such as investment income, planning income, and building control income, as well as future prices, in cost areas where markets and inflation rates are unstable.
2	Welfare Reform	Linked to Local Government Finance Review – impacts on benefit claimants	<p>Wide range of risks including impact of council tax benefit reforms and impacts on housing benefits for customers - particularly in the current economic climate. The localisation of Council Tax Benefit may have a significant financial impact on the authority.</p> <p>The implementation of welfare reform may have a detrimental impact on the Council as a landlord. If there are impacts on the Council relating to the non-payment of rent (either through the direct payment of rent rebates or through other changes which reduce the levels of revenue available to customers) this will have an impact on the HRA budgets and an on-going impact on the HRA business plan.</p>
3	Formula Funding and Planning of budgets to match Council's projected funding	2014/15 settlement and 2015/16 draft settlement are challenging for district authorities, with ongoing financial implications for both services and council tax levels. The Government has made clear that savings will need to continue at a similar level until at least the end of the decade,.	Challenging settlements materially reducing funding. Through medium term planning processes NBC must examine its net expenditure to meet the limitations of its funding.
4	Medium Term Planning	National push for better financial planning	Continued development, especially integration of policies, performance, and cost.
5	General and Local Elections	The General Election and Local Elections in 2015 could result in further shifts in funding and policy that will need to be managed.	Planning and preparation alongside horizon scanning for proposals and areas of concern/interest.

Ref	Issue	National Issues/Implications	Effect on Northampton Borough Council
6	Growth	Localism Bill has delayed the Joint Core Strategy progress but housing growth will still be promoted to meet local needs. New timetable agreed. Regeneration impacted by economic climate but with the Enterprise Zone and town centre schemes Northampton's future optimistic. National funding required.	Infrastructure costs exceed resources, but local investment is maintaining momentum. Need to link in with regional and national efforts and secure new ways of funding with partners.
7	Asset Management Improvements and Asset Disposals	Ties in with ensuring best Value for Money is delivered	Improvements to planning and management of the Council's assets (property and non-property) and planned capital receipts
8	Risks and Reserves	Recognising the financial risks of the potential local government financial and service position, while managing the fact that the Government has indicated a desire to reduce levels of reserves held in the public sector.	See appendix 5
9	157 Major Projects	Constrained local government finance requiring major projects to review delivery method. The Enterprise Zone will raise profile and provide opportunity for greater investment.	Considering full implications of new funding sources before uptake. Strong financial governance. Ensuring that spend to save funds together with prudential borrowing are available to enable such projects to be progressed. Failure to invest will damage future growth prospects.
10	Spending Review	The next spending review is due to take place following the general election in May 2015. Given the current state of public finances, it is expected that the next three year settlement will also be tight.	Need to participate at a county, regional, and national level to make our case.
11	Termination of West Northampton Development Corporation	WNDC will be wound up in March 2014. NBC are working with partners including NCC, WNDC and CLG on arrangements post March 2014.	The major projects being managed by WNDC will need ongoing support and resources, and NBC is working with NCC, WNDC and CLG on ensuring that projects are adequately supported to ensure that they are delivered.
12	Creation of ALMO	At its meeting on 9 December 2013 Council agreed to implement an Arm's Length Management Organisation (ALMO) as the new delivery model for housing services. Cost implications and accounting for residual costs will need to be managed appropriately.	The project will need to ensure that the ALMO and agreements around the ALMO structure, deal with such considerations as pensions costs and ensure that costs that remain are appropriately charged to the HRA

13	Localisation of Funding – Business Rates Retention	The Retained Business Rates Scheme implemented for local government funding from 2013/14 has seen a significant transfer of business rates collection and retention risk transfer from the previous central government pool to local authorities	Additional funding risks (e.g. from appeals, development, displacement, etc.) falling on local authorities as an inherent part of the changes around retention of business rates in particular will need to be monitored. This risk is partly mitigated through recognition in the risk assessment of reserves.
14	The Level and Pace of Change within the Council	Northampton Borough Council continues to experience an unprecedented level and speed of change, which brings with it a variety of inherent risks including financial risks, legal risks, and risks to robust governance, amongst others.	Giving consideration to all risks and governance requirements for day to day service delivery as well as project work. Planning this into processes and project plans and monitoring the current status. Need to keep sight of the importance of good governance and take full account of risks while moving forward with change.

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
Waste Services				
Bulky Waste Collection	Up to three items	Non - S	26.82	28.00
Note: the VAT status of some trade waste services (below) has changed between 2010/11 and 2011/12				
Skip Collection Service (to be confirmed)	Non - recyclable waste - per tonne	Non - S	97.77	101.00
	Administration fee	Non - S	54.60	57.00
	Mileage charge - per mile	Non - S	1.05	2.00
Waste above one tonne - prices available from Waste Minimisation Team				
Charity Sacks	per 25	Non - S	24.34	26.00
Cemetery				
Grant of Right	Adult Grave for 1 - 5'6"	Non - S	407.00	419.00
	Adult Grave for 2 - 6'6"	Non - S	470.00	484.00
	Adult Grave for 3 - 7'6"	Non - S	534.00	550.00
	Child	Non - S	80.00	83.00
	Cremated Remains	Non - S	153.00	158.00
Interment Fee Mon - Friday	Grave depth 7'6"	Non - S	510.00	525.00
	Grave depth 6'6"	Non - S	446.00	459.00
	Grave depth 5'6"	Non - S	407.00	419.00
	Child up to 12 Years	Non - S	64.00	66.00
	Still Born-1 Month Old	Non - S	No Charge	No Charge
	Cremated Remains	Non - S	153.00	158.00
	Scattering of Ashes	Non - S	21.00	22.00
Vault	Mausoleum	Non - S	3,719.00	3,827.00
	Grant of Right and First Interment	Non - S	815.00	839.00
Memorial Erection Rights	Second Interment	Non - S	383.00	395.00
	Headstone - Adult	Non - S	109.00	113.00
	Headstone - Child	Non - S	29.00	30.00
	Vase - Plain	Non - S	No Charge	No Charge
Kerb Sets	Vase - Inscribed	Non - S	51.00	53.00
	Kerb only	Non - S	166.00	171.00
	Kerb and Headstone	Non - S	275.00	283.00
	Memorial Tablet	Non - S	51.00	53.00
	Additional Inscription	Non - S	38.00	40.00
	Grave Number Marker	Non - S	15.00	16.00
	Permanent Grave Number Marker	Non - S	23.00	24.00
	Use of Chapel	Non - S	64.00	66.00
	Use of Chapel - Winter fuel charge	Non - S	7.00	8.00
	Search Fee (Inc VAT) -Small Search	Non - S	No Charge	No Charge
Search Fee (Inc VAT) - Medium search	Non - S	24.00	25.00	
Search Fee (Inc VAT) - Full search	Non - S	65.00	67.00	
Non Resident Fees - families that have resided outside the Borough for more than 5 years are charged at 100% on all the above				
Allotments				
Standard Plot	10 Poles	Non - S	32.00	33.00
Half size	5 Poles	Non - S	15.00	16.00
Gate Key Fee - either £6 or £4 dependent on type of lock used				
Parks				
Some bookings may require a differing VAT treatment than that assumed below. The actual total fee charged may vary as a result.				
Football	Senior Pitch	Non - S	31.50	26.25
	Junior Pitch	Non - S	9.00	7.50
Rugby	Senior Pitch	Non - S	31.50	26.25

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
	Junior Pitch	Non - S	16.50	13.75
Hockey	Senior Pitch	Non - S	31.50	26.25
	Junior Pitch	Non - S	16.50	13.75
	Changing facilities for the above			
	Mon - Sat	Non - S	11.00	12.00
	Sunday	Non - S	15.50	16.00
	Sunday - Race course	Non - S	16.50	17.00
	Changing Facilities without showers - Racecourse only			
	Mon - Sat	Non - S	8.00	9.00
	Sunday	Non - S	13.00	14.00
Cricket	Day Match	Non - S	44.00	36.67
	Evening Match	Non - S	28.50	23.75
	Junior School Match	Non - S	15.50	12.92
	Junior Practice Wicket	Non - S	15.50	12.92
Bowls	Rink per person , per hour	Non - S	2.50	2.08
	OAP's & Unemployed	Non - S	2.50	2.08
	Matches - 3 rinks per hour	Non - S	20.50	17.08
	Matches - 4 rinks per hour	Non - S	26.50	22.08
	Matches - 5 rinks per hour	Non - S	33.50	27.92
	Hire of Bowls per game	Non - S	1.50	1.25
Tennis	Grass - Per court per hour	Non - S	4.50	3.75
	Hard Court - Per court per hour	Non - S	5.00	4.17
	Per court, per hour with floodlights	Non - S	10.50	8.75
	Children per hour	Non - S	2.00	1.67
	Junior School parties per hour	Non - S	3.50	2.92
Mini 5 a Side Football	Returnable Deposit for hire of the goal	Non - S	10.50	11.00
	Hire of pitch	Non - S	5.50	4.58
Call Care				
Non - HRA	Lifelines - Inside Borough Yearly Charge	Non - S	259.91	259.91
	Lifelines - Inside Borough Charge per week	Non - S	4.99	4.99
	Lifelines - Outside Borough Yearly Charge	Non - S	281.82	281.82
	Lifelines - Outside Borough Charge per week	Non - S	5.42	5.42
	Installation Charges - Inside Borough	Non - S	56.72	56.72
	Installation Charges - Outside Borough	Non - S	69.47	69.47
	Monitoring Charges Yearly Charge	Non - S	85.15	85.15
	Monitoring Charges Charge per week	Non - S	1.63	1.63
	Environmental Health Yearly Charge	Non - S	60.12	60.12
	Environmental Health Charge per week	Non - S	1.15	1.15
Licensing Fees				
Gambling Act 2005				
New Application				
	New Small Casino	S	8,000.00	8,000.00
	New Large Casino	S	10,000.00	10,000.00
	Regional Casino	S	15,000.00	15,000.00
	Bingo Club	S	3,500.00	3,500.00
	Betting Premises	S	3,000.00	3,000.00
	Tracks	S	2,500.00	2,500.00
	Family Entertainment Centre	S	2,000.00	2,000.00
	Adult Gaming Centre	S	2,000.00	2,000.00
Apply to Vary	Existing Casino	S	2,000.00	2,000.00
	New Small Casino	S	4,000.00	4,000.00
	New Large Casino	S	5,000.00	5,000.00
	Regional Casino	S	7,500.00	7,500.00

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
	Bingo Club	S	1,750.00	1,750.00
	Betting Premises	S	1,500.00	1,500.00
	Tracks	S	1,250.00	1,250.00
	Family Entertainment Centre	S	1,000.00	1,000.00
	Adult Gaming Centre	S	1,000.00	1,000.00
Apply to Transfer	Existing Casino	S	1,350.00	1,350.00
	New Small Casino	S	1,800.00	1,800.00
	New Large Casino	S	2,150.00	2,150.00
	Regional Casino	S	6,500.00	6,500.00
	Bingo Club	S	1,200.00	1,200.00
	Betting Premises	S	1,200.00	1,200.00
	Tracks	S	950.00	950.00
	Family Entertainment Centre	S	950.00	950.00
	Adult Gaming Centre	S	1,200.00	1,200.00
Apply for Re-instatement	Existing Casino	S	1,350.00	1,350.00
	New Small Casino	S	1,800.00	1,800.00
	New Large Casino	S	2,150.00	2,150.00
	Regional Casino	S	6,500.00	6,500.00
	Bingo Club	S	1,200.00	1,200.00
	Betting Premises	S	1,200.00	1,200.00
	Tracks	S	950.00	950.00
	Family Entertainment Centre	S	950.00	950.00
	Adult Gaming Centre	S	1,200.00	1,200.00
Apply for Provisional Statement	Copy Licence	S	25.00	25.00
	New Small Casino	S	8,000.00	8,000.00
	New Large Casino	S	10,000.00	10,000.00
	Regional Casino	S	15,000.00	15,000.00
	Bingo Club	S	3,500.00	3,500.00
	Betting Premises	S	3,000.00	3,000.00
	Tracks	S	2,500.00	2,500.00
	Family Entertainment Centre	S	2,000.00	2,000.00
	Adult Gaming Centre	S	2,000.00	2,000.00
Full Licence Application - Provisional Statement	New Small Casino	S	3,000.00	3,000.00
	New Large Casino	S	5,000.00	5,000.00
	Regional Casino	S	8,000.00	8,000.00
	Bingo Club	S	12,000.00	12,000.00
	Betting Premises	S	12,000.00	12,000.00
	Tracks	S	950.00	950.00
	Family Entertainment Centre	S	950.00	950.00
	Adult Gaming Centre	S	1,200.00	1,200.00
Annual Fee	Existing Casino	S	3,000.00	3,000.00
	New Small Casino	S	5,000.00	5,000.00
	New Large Casino	S	10,000.00	10,000.00
	Regional Casino	S	15,000.00	15,000.00
	Bingo Club	S	1,000.00	1,000.00
	Betting Premises	S	600.00	600.00
	Tracks	S	1,000.00	1,000.00
	Family Entertainment Centre	S	750.00	750.00
	Adult Gaming Centre	S	1,000.00	1,000.00
Notification of Change	Existing Casino	S	50.00	50.00
	New Small Casino	S	50.00	50.00
	New Large Casino	S	50.00	50.00
	Regional Casino	S	50.00	50.00
	Bingo Club	S	50.00	50.00
	Betting Premises	S	50.00	50.00
	Tracks	S	50.00	50.00
	Family Entertainment Centre	S	50.00	50.00
	Adult Gaming Centre	S	25.00	25.00
	Notifications Section 34	S	50.00	50.00
	Machines New	S	100.00	100.00
	Club Permits Pt 2 & 3 New	S	100.00	100.00
	Premises Grant & Variation			

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
Annual Fees	Band A Rateable Property	S	100.00	100.00
	Band B Rateable Property	S	190.00	190.00
	Band C Rateable Property	S	315.00	315.00
	Band D Rateable Property	S	450.00	450.00
	Band E Rateable Property	S	635.00	635.00
	Band A Rateable Property	S	70.00	70.00
	Band B Rateable Property	S	180.00	180.00
	Band C Rateable Property	S	295.00	295.00
	Band D Rateable Property	S	320.00	320.00
	Band E Rateable Property	S	350.00	350.00
	Personal (Grant or Renewal)	S	37.00	37.00
	Temporary Event Notice	S	21.00	21.00
	Theft, loss etc. of Premises Licence or Summary	S	10.50	10.50
	Provisional Statement	S	315.00	315.00
	Personal Notification of Change of Address	S	10.50	10.50
	Variation of Specified Person as Premises Supervisor	S	23.00	23.00
	Transfer of Premises Licence	S	23.00	23.00
	Interim Authority Notice	S	23.00	23.00
	Theft, loss etc. of Club Certificate	S	10.50	10.50
	Notification of Change of Name or Rules of a Club	S	10.50	10.50
	Change of Registered Address of a Club	S	10.50	10.50
	Theft, Loss of Temporary Event Notice	S	10.50	10.50
	Theft, Loss of Personal Licence	S	10.50	10.50
	Premises - Duty to Notify a Change of Address	S	10.50	10.50
	Right of Freeholder to be Notified	S	21.00	21.00
Minor Variation	S	89.00	89.00	
Hackney Carriage & Private Hire Fees				
Drivers Licence Fees	New Grant/ Renewal	Non - S	50.00	50.00
	Renewal of licence with CRB	Non - S	101.00	101.00
	Failure to attend CRB Appointment	Non - S	15.00	15.00
	Combined New Grant / Renewal	Non - S	63.00	63.00
	Hackney Carriage written Test	Non - S	55.00	55.00
	Replacement HC or PH Badge	Non - S	20.00	20.00
	Replacement HC or PH Licence	Non - S	25.00	25.00
Vehicle Fees	Temporary Private Hire/ Hackney Badge	Non - S	15.00	15.00
	New Private Hire/Hackney Application (inc bracket)	Non - S	99.00	99.00
	Vehicle Licence every 6 months	Non - S	93.00	93.00
	Transfer of vehicle	Non - S	12.00	12.00
	Replacement Vehicle Plate	Non - S	16.00	16.00
	Replacement Vehicle Licence	Non - S	22.00	22.00
	Replacement Platform Plate	Non - S	15.00	15.00
	Replacement Condition Booklet	Non - S	6.00	6.00
	Replacement Fixing Bracket	Non - S	15.00	15.00
Operator renewal	Annual Private Hire Operators Licence	Non - S	330.00	330.00
	Operator Renewal Number of vehicles			
	1	Non - S	220.00	220.00
	2-5	Non - S	330.00	330.00
	6-20	Non - S	440.00	440.00
	20-30	Non - S	550.00	550.00
	30-40	Non - S	660.00	660.00
	40-50	Non - S	770.00	770.00
	50-60	Non - S	880.00	880.00
	60-70	Non - S	990.00	990.00
	70-80	Non - S	1,100.00	1,100.00
	80-90	Non - S	New Fee	1,200.00
	90-100	Non - S	New Fee	1,300.00
	100 - 110	Non - S	New Fee	1,400.00
	110-120	Non - S	New Fee	1,500.00
	120-130	Non - S	New Fee	1,600.00
	130-140	Non - S	New Fee	1,700.00
	140-150	Non - S	New Fee	1,800.00
	150-160	Non - S	New Fee	1,900.00
	160-170	Non - S	New Fee	2,000.00
	170-180	Non - S	New Fee	2,100.00
	180-190	Non - S	New Fee	2,200.00
	190-200	Non - S	New Fee	2,300.00
	200-225	Non - S	New Fee	2,500.00
	225-250	Non - S	New Fee	2,750.00
Notification of change of named Operator	Non - S	220.00	220.00	
Driver Induction Course	Non - S	370.00	370.00	

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
	Recovery of monies when Cheque not Honoured	Non - S	35.00	35.00
Miscellaneous Licences				
Car Boot	Pitches 1 - 20 Registration Fee	Non - S	10.00	11.00
	Pitches 21 - 50 Registration Fee	Non - S	10.00	11.00
	Fee per Event	Non - S	15.00	15.00
	Pitches 51 - 75 Registration Fee	Non - S	25.00	25.00
	Fee per Event	Non - S	20.00	20.00
	Pitches 76 - 100 Registration Fee	Non - S	30.00	30.00
	Fee per Event	Non - S	25.00	25.00
Sex Establishments	Per Year	Non - S	3,000.00	3,000.00
Street Trading Consents	Fee per Day per Year (i.e. Monday - Friday 5 Days x £100.00 = £500.00 per year)			
	Standard Area Fee	Non - S	200.00	225.00
	Premium Area Fee (NOTE Monday - Friday 5 Days @ £200 x 5 days = £1,000.00 per year, 7 days = £1,400.00 per year)	Non - S	300.00	400.00
	Premium Town Centre Location (Charge per day)	Non - S	30.00	35.00
Election Fees				
	Copy of Electoral Register			
	Electronic Version - Full Register (restricted sales)	S	£20 admin fee plus £1.50 per thousand entries (or part)	£20 admin fee plus £1.50 per thousand entries (or part)
	Electronic Version - Edited	S	£20 admin fee plus £1.50 per thousand entries (or part)	£20 admin fee plus £1.50 per thousand entries (or part)
	Paper copy- Full Register (restricted sales)	S	£10 admin fee plus £5 per thousand entries (or part)	£10 admin fee plus £5 per thousand entries (or part)
	Paper version - Edited	S	£10 admin fee plus £5 per thousand entries (or part)	£10 admin fee plus £5 per thousand entries (or part)
Borough Secretary				
	Confirmation of registration - Individual	Non - S		15.00
	Certifying Foreign Pensions	Non - S	n/a	10.00
Planning				
All Outline Applications				
	Sites up to and including 2.5 Hectares	S	385.00 per 0.1 hectare	385.00 per 0.1 hectare
	Site exceeds 2.5 Hectares £8,285 plus £100 per 0.1 Hectares in excess of 2.5 Hectares to a maximum £125,000	S	9,527; and an additional £115 for each 0.1 hectare in excess of 2.5 hectares, subject to a maximum in total of £125,000.	9,527; and an additional £115 for each 0.1 hectare in excess of 2.5 hectares, subject to a maximum in total of £125,000.
Householder Applications	Alterations/extensions to a single dwelling, including works within boundary (including flats)	S	172.00	172.00
Full Applications (and first submissions of reserved matters)	Alterations/extensions to two or more dwellings, including works within boundaries	S	339.00	339.00
	New Dwellings (up to and including 50)	S	385.00 per dwelling	385.00 per dwelling

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
	New Dwellings (for more than 50) additional dwelling to a maximum of £250,000	S	19,049 + 115 per additional dwelling over 50, subject to a maximum of 250,000.	19,049 + 115 per additional dwelling over 50, subject to a maximum of 250,000.
	Erection of buildings not dwellings, agricultural, glasshouses, plant nor machinery, no increase in gross floor space or no more than 40m ²	S	195.00	195.00
	Erection of buildings not dwellings, agricultural, glasshouses, plant nor machinery, increase of gross floor space of more than 40m ² but no more than 75m ²	S	385.00	385.00
	Erection of buildings not dwellings, agricultural, glasshouses, plant nor machinery, increase of gross floor space of more than 75m ² but no more than 3750m ²	S	385.00 for each 75m ² or part of	385.00 for each 75m ² or part of
	Erection of buildings not dwellings, agricultural, glasshouses, plant nor machinery, increase of gross floor space of more than 3750m ² - £19,049 plus £115 for each additional 75m ² to a max of £250,000	S	19,049 plus 115 for each additional 75m ² to a max of 250,000.	19,049 plus 115 for each additional 75m ² to a max of 250,000.
	The erection of buildings on land used for agriculture purposes with a site area of no more than 465m ²	S	80.00	80.00
	The erection of buildings on land used for agriculture purposes with a site area of more than 465m ² but not more than 540m ²	S	385.00	385.00
	The erection of buildings on land used for agriculture purposes with a site area of more than 540m ² but no more than 4,215m ² - £385 for first 540m ² plus £385 for each 75m ² or part thereof	S	385.00 for first 540m ² plus 385.00 for each 75m ² or part thereof	385.00 for first 540m ² plus 385.00 for each 75m ² or part thereof
	The erection of buildings on land used for agriculture purposes with a site area of more than 4,215m ² - £19,049 plus £115 for each additional 75m ² to a max of £250,000	S	19,049.00 plus 115.00 for each additional 75m ² to a max of 250,000.	19,049.00 plus 115.00 for each additional 75m ² to a max of 250,000.
	Erection of glasshouses on land used for the purposes of agriculture with a floor space no more than 465m ²	S	80.00	80.00
	Erection of glasshouses on land used for the purposes of agriculture with a floor space more than 465m ²	S	2,150.00	2,150.00
	Erection/Alterations/Replacement of plant and machinery on a site no more than 5 hectares	S	385.00 per 0.1 hectare	385.00 per 0.1 hectare
	Erection/Alterations/Replacement of plant and machinery on a site that exceeds 5 Hectares -£19,049 plus £115 per 0.1 Hectares in excess of 5 Hectares to a maximum £250,000	S	19,049.00 plus 115.00 per 0.1 Hectares in excess of 5 Hectares to a maximum 250,000.	19,049.00 plus 115.00 per 0.1 Hectares in excess of 5 Hectares to a maximum 250,000.
Applications other than Building Works	Car Parks, Service Roads or Other Accesses for existing uses	S	195.00	195.00
	Waste, Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals on a site no more than 15 hectares	S	195.00 for each 0.1 hectare or part thereof	195.00 for each 0.1 hectare or part thereof

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
	Waste, Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals on a site more than 15 hectares - £29,112 plus £115 per 0.1 hectare in excess of 15 hectares up to a maximum of £65,000	S	29,112.00 plus 115.00 per 0.1 hectare in excess of 15 hectares up to a maximum of 65.000.	29,112.00 plus 115.00 per 0.1 hectare in excess of 15 hectares up to a maximum of 65.000.
	Operations connected with exploratory drilling for oil or natural gas on a site no more than 7.5 hectares	S	385.00 per 0.1 hectare	385.00 per 0.1 hectare
	Operations connected with exploratory drilling for oil or natural gas on a site that exceeds 7.5 Hectares £28,750 plus £115 for each 0.1 Hectare in excess of 7.5 Hectares to a max £250,000	S	28,750.00 plus 115.00 for each 0.1 hectare in excess of 7.5 hectares to a max 250,000.	28,750.00 plus 115.00 for each 0.1 hectare in excess of 7.5 hectares to a max 250,000.
	Other operations - Winning and working of a site that does not exceed 15 Hectares	S	195.00 per 0.1 hectare	195.00 per 0.1 hectare
	Other operations - Winning and working of a site that exceeds 15 Hectares - £29,112 plus £115 for each additional 0.1 Hectare in excess of 15 Hectares up to £65,000	S	29,112.00 plus 115.00 for each additional 0.1 Hectare in excess of 15 Hectares up to 65.000.	29,112.00 plus 115.00 for each additional 0.1 Hectare in excess of 15 Hectares up to 65.000.
	Other operations not coming within any of the above categories	S	195.00 per 0.1 hectare upto a maximum of 1,690.00.	195.00 per 0.1 hectare upto a maximum of 1,690.00.
Reserved Matters	Application for approval of reserved matters following outline approval - Full Fee due, or if already paid then £385 due	S	If full fee already paid 385.00	If full fee already paid 385.00
Approval/ Variation/ Discharge of condition	Application for removal or variation of a condition following grant of planning permission	S	195.00	195.00
	Request for confirmation that one or more planning conditions have been complied with - £28 per request for householder	S	28.00 per request	28.00 per request
	Request for confirmation that one or more planning conditions have been complied with - others £97 per request	S	97.00 per request	97.00 per request
Change of use of a building	Change of use of a building to use as one or more separate dwelling houses, or other cases, no more than 50 dwellings	S	385.00 for each	385.00 for each
	Change of use of a building to use as one or more separate dwelling houses, or other cases, where change of use exceeds 50 dwelling houses - £19,049 plus £115 for each additional dwelling house up to a maximum of £250,000	S	19,049.00 plus 115.00 for each additional dwelling house up to a maximum of 250.000.	19,049.00 plus 115.00 for each additional dwelling house up to a maximum of 250.000.
	Other changes of use, other material change of use of a building or land	S	385.00	385.00
Advertisement	Advertisement relating to business on the premises	S	110.00	110.00
	Advance signs which are not situated on or visible from the site, directing the public to a business	S	110.00	110.00
	All other advertisements	S	385.00	385.00
Lawful development certificates				

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
Prior Approval	LDC - Existing use - in breach of a planning condition	S	Same as full	Same as full
	Existing use LDC - lawful not to comply with a particular condition	S	195.00	195.00
	LDC - Proposed Use	S	Half normal planning fee	Half normal planning fee
	Change of use from Class B1(a) (Offices) to Class C3 (Dwelling Houses)	S		80.00
	Change of use from Classes B1 (Business), C1 (Hotels), C2 (Residential Institutions), C2a (Secure Residential Institutions) and D2 (Assembly & Leisure) to use as a State Funded School.	S		80.00
	Change of use from an Agricultural Building to a flexible use falling within either Class A1 (Shops), Class A2 (Financial & Professional Services), Class A3 (Restaurants and Cafes), Class B1 (Business), Class B8 (Storage or Distribution), Class C1 Hotels or Class D2 (Assembly and Leisure).	S		80.00
	Agricultural / forestry buildings & operations or demolition of buildings	S	80.00	80.00
Non-Material Amendment	Installation of a radio mast ,radio equipment, housing or public callbox	S	385.00	385.00
	Non-Material amendment following a grant of planning permission for householder	S	28.00	28.00
	Non-Material amendment following a grant of planning permission in any other case.	S	195.00	195.00
Copy of decision notice	Non - S	15.00	15.00	
Copy Tree Preservation order	Non - S	15.00	17.00	
Copy of Appeal Decision Notice	Non - S	15.00	17.00	
Copy of Enforcement Notices	Non - S	15.00	17.00	
Copy of Section 106	Non - S	25.00	27.00	
Photocopying				
A4	per sheet	Non - S	0.50	0.60
A3	per sheet	Non - S	1.00	1.10
A2	per sheet	Non - S	3.00	3.50
A1	per sheet	Non - S	4.00	5.00
A0	per sheet	Non - S	5.00	10.00
Ordnance Survey Extracts	Set of 6 A4 extracts of 1:500 scale	Non - S	20.00	20.00
	Set of 6 A4 extracts of 1:1250 scale	Non - S	25.00	25.00
	Set of 6 A4 extracts of 1:2500 scale	Non - S	30.00	30.00
Planning Policy Documents	Consultants' Reports	Non - S	POA	POA
	Local Plans various stages of development and all supporting documents	S & Non-S	POA	POA
Pre-Application Advice	Largescale Major Developments	Non - S	POA	POA
	Other Major Development dwellings	Non - S	10% of fee	10% of fee
	Other Major Development Offices/Research and Development/Light industry	Non - S	10% of fee	10% of fee
	Other Major Development Heavy Industry/Storage/Warehousing	Non - S	10% of fee	10% of fee
	Other Major Development Retail, Distribution and Servicing	Non - S	10% of fee	10% of fee
	All other major development	Non - S	10% of fee	10% of fee
Minor development 1 dwelling	Non - S	40.00	10% of fee	

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
	Minor development 2-9 dwellings	Non - S	120.00	10% of fee
	Minor development Offices/Research and Development/Light industry	Non - S	180.00	185.00
	Minor development Heavy Industry/ Storage/ Warehousing	Non - S	180.00	185.00
	Minor development Retail and Distribution	Non - S	180.00	185.00
	All other minor development	Non - S	10% of fee	10% of fee
	Change of Use	Non - S	10% of fee	10% of fee
		Non - S	no fee	10% of fee
	Householder Developments			(£17.20)
	Advertisements	Non - S	20.00	20.00
	Listed Building Consent to alter/extend	Non - S	no fee	no fee
	Listed Building Consent to demolish	Non - S	no fee	no fee
	Conservation Area Consents	Non - S	no fee	no fee
	Meetings and/or Site Visits (per 30 Minutes) in addition to the pre-application charge applicable above	Non - S	£80 per 30 mins	88.00
Request for current use of property	All properties	Non - S	POA	POA
Other Ancillary Charges	Householder Enquiries	Non - S	POA	POA
	Permitted Development Enquiries (other)	Non - S	POA	POA
	History and Investigation	Non - S	POA	POA
	Other (not included in the above)	Non - S	POA	POA
Building Control				
New Dwellings up to 300m ² :				
Number of Dwellings				
1 to 2 dwellings as set out				
	1 Plan Charge	S	167.36	147.20
	1 Inspection Fee	S	502.08	441.63
	1 Building Notice Charge	S	736.38	647.70
	1 Regularisation Charge	S	870.27	686.97
	2 Plan Charge	S	225.88	182.26
	2 Inspection Fee	S	677.65	546.77
	2 Building Notice Charge	S	993.90	801.92
	2 Regularisation Charge	S	1,174.58	850.53
For Three or more dwellings, or if the floor area of the dwellings exceeds 300m ² , the charge is individually determined				
Detached garage of car port up to 40m ²	Plan Charge	S	265.20	240.34
	Inspection Fee	S	Included in Plan Charge	Included in Plan Charge
	Building Notice Charge	S	265.20	265.20
	Regularisation Charge	S	287.30	260.36
Attached single storey extension of garage or car port up to 40m ²	Plan Charge	S	156.00	120.00
	Inspection Fee	S	132.00	140.36
	Building Notice Charge	S	288.00	260.36
	Regularisation Charge	S	312.00	282.06
Domestic extension up to 10m ²	Plan Charge	S	156.00	120.00
	Inspection Fee	S	190.80	220.48
	Building Notice Charge	S	346.80	340.48
	Regularisation Charge	S	375.70	368.85
Domestic extension 10m ² to 40m ²	Plan Charge	S	156.00	120.00
	Inspection Fee	S	313.20	308.60
	Building Notice Charge	S	469.20	428.60
	Regularisation Charge	S	508.30	464.32
Domestic extension 40m ² to 100m ²	Plan Charge	S	168.00	120.00
	Inspection Fee	S	464.40	420.76
	Building Notice Charge	S	632.40	540.76
	Regularisation Charge	S	685.10	585.82
A minimum charge for rooms in the roof is	Plan Charge	S	156.00	120.00
	Inspection Fee	S	272.40	288.58
	Building Notice Charge	S	428.40	408.58
	Regularisation Charge	S	464.10	442.62

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
A Minimum charge for rooms in the roof with dormer	Plan Charge	S		120.00
	Inspection Fee	S		343.00
	Building Notice Charge	S		463.00
	Regularisation Charge	S		501.63
Conversion of a habitable room(s)	Plan Charge	S	66.3	60.00
	Inspection Fee	S	198.9	200.36
	Building Notice Charge	S	265.2	360.36
	Regularisation Charge	S	287.3	282.06
The introduction of insulation as part of a re-roof work, re-rendering/plastering and replacement ground floors that does not include changes to structural members	Plan Charge	S		200.28
	Inspection Fee	S		Included in Plan Charge
	Building Notice Charge	S		200.28
	Regularisation Charge	S		216.97
Domestic external window & door replacements (up to 5)	Building Notice Charge	S	163.20	160.22
	Regularisation Charge	S	176.80	173.58
Domestic external window & door replacements (over 5)	Building Notice Charge	S	204.00	To be individually determined
	Regularisation Charge	S	221.00	To be individually determined
Domestic Internal Alterations, installation of fittings and/or structural work				
Estimated Cost of Building Works				
£				
0 - 2,000	Plan Charge	S	204.00	200.28
	Building Notice Charge	S	224.40	200.28
	Regularisation Charge	S	221.00	216.97
2,001 - 5,000	Plan Charge	S	244.80	240.38
	Building Notice Charge	S	268.80	240.38
	Regularisation Charge	S	265.20	260.36
For schemes exceeding £5,000 estimated contract price the charge is individually determined				
Charges for all non domestic building work				
Estimated Cost of Building Works				
£				
0 - 2,000	Plan Charge	S	153.00	200.28
	Inspection Fee	S	0.00	
	Building Notice Charge	S	153.00	200.28
	Regularisation Charge	S	165.75	216.97
2,001 - 5,000	Plan Charge	S	269.28	240.34
	Inspection Fee	S	0.00	
	Building Notice Charge	S	269.28	240.34
5,001 - 10,000	Plan Charge	S	71.40	70.09
	Inspection Fee	S	214.20	210.29
	Building Notice Charge	S	314.16	280.38
	Regularisation Charge	S	309.40	303.75
For schemes exceeding £10,000 estimated contract price the charge is individually determined				
Electrical Work - minimum charge when not carried out in conjunction with other controlled building work		Non - S	198.00	198.00
	Regularisation Charge	Non - S	214.50	214.50
Fees for dealing with dangerous structures				
Surveyors mileage costs		Non - S	45p per mile	45p per mile
Surveyors time costs		Non - S	Between £14.02 to £25.14 per hour	Between £14.02 to £25.14 per hour
Administration		Non - S	50.00	50.00

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
Cost of work to make structure safe will depend on the amount and type of work involved				
Exempt Building Certificate		S	29.00	29.00
Retrieval of Plans to enable copies of Certificates to be issued		Non - S	30.00	30.00
Copies of Certificates	Per Copy	Non - S	10.00	40.00
To view Historic / Stored files		Non - S	210.00	210.00
Letters of Confirmation of works carried out if files not available		Non - S	45.00	45.00
Street Naming and Numbering Charges				
Existing Properties				
House Name Change		S		60.00
New Properties				
Numbering/Naming	1-5 Plots	S		176.40
	6-25 Plots	S		282.00
	26-75 Plots	S		666.00
	76+ Plots	S		900.00
Additional charge where this includes naming of a building (e.g. Block of Flats)		S		120.00
Existing Streets				
Renaming of street where requested by residents		S		210.00 plus 20.00 per property
New Streets				
Additional charge to house numbering where this includes naming of street	Per Street	S		144.00
Amendments to schedule				
Amending schedule of development already issued following plot change by developer	Per plot affected	S		36.00
Planning Performance agreement	Individual cases	S	negotiable on an individual case	negotiable on an individual case
Surveyors Fees	Applications to assign, sub, let or vary existing commercial leases or to seek consent for alterations (where Council is landlord)	Non -S	price on application, subject to minimum fee of £250	price on application, subject to minimum fee of £250
Surveyors Fees	Applications to purchase low value (non residential) property owned by the Council	Non -S	price on application, subject to minimum fee of £250	price on application, subject to minimum fee of £250
Environmental Health				
Licences				
Animal boarding establishment	Issue of annual licence traditional border	S	145.00	150.00
Animal boarding establishment	Issue of annual licence domestic border	S	120.00	124.00
Dog breeding	Licence Renewal	S	120.00	124.00
Dog breeding	Issue of new licence	S	120.00 + vet fee	124.00
Dangerous wild animal	Licence to keep certain animals	S	265	273
Pet Shops	Annual Licence	S	120.00	124.00
Riding establishment	Annual licence	S	95.00 + vet fee	98.00
Zoo Licence	Annual licence	S	515.00 + vet fee	530.00
Motor salvage operator				
Scrap Metal Dealers Licence (Site Licence)	3 year licence	S	325.00	325

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
Scrap Metal Dealers Licence (Collectors Licence)	3 year licence	S	240.00	240
Scrap Metal Dealers Licence (Variation to Licence)	As required	S	65.00	65
Scrap Metal Dealers Licence (Duplicate Licence issued)	As required	S	15.00	15
Motor salvage operator	3 year registration	S	80.00	0
Tattooing, Ear piercing, Acupuncture, Electrolysis	Registration - one off fee	S	125.00	129.00
Tattoo and body art convention	Administration fee (New for 2012/13)(Per exhibitor)	S	30.00	31.00
Fixed Penalties and Fines	No notice displayed - Fixed Penalty Notice reduced to £150 if paid in 14 days	S	200.00	206.00
Smoke Free Areas	Maximum fine on conviction £1000	S	50.00	52.00
	Smoke Free Areas - reduced to £30 if paid within 15 days	S		
	Maximum fine on conviction £200	S		
	Maximum fine for managers of smoke free areas £2500	S		
Certificates & Statements				
Health Export Certificate	Within 3 working days of request	Non - S	65.00	67.00
Environmental Searches	Urgent rate	Non - S	100.00	103.00
Consultancy	Contaminated land etc	Non - S	70.00	73.00
Statement and Legal Advice (Private Cases)	Hourly rate	Non - S	70.00	73.00
	Up to 5 pages	Non - S	160.00	165.00
	Additional pages	Non - S	25.00	26.00
Public Health / Environmental Protection Charges				
Funerals	LA funerals - claim to banks / treasury	S	500.00	515.00
Drainage works filthy	Works in default	S	cost of work + 40.00 or 10% of external fee whichever is greater	42.00
Private Drinking Water Supplies	Risk Assessment	S	up to 500.00	515.00
	Second Visit / Investigation / Authorisation	S	up to 100.00	103.00
	Analysing a sample - taken under reg 10	S	up to 25.00	26.00
	Analysing a sample - taken during check monitoring	S	up to 100.00	103.00
	Analysing a sample - taken during audit monitoring	S	up to 500.00	515.00
Filthy & verminous premises	Works in default	S	cost of work + 40.00 or 10% of external fee whichever is greater	42.00
Silencing of alarms	Burglar, car etc	S	cost of work + 40.00 or 10% of external fee whichever is greater	42.00
Domestic noise	Seizure and storage of noise equipment	S	200.00 first 28 days 1.00 per day after	206.00
LA Environmental Regulations of Industrial Plant	LAPC / LAPP / LA-IPPC application for permit / renewal	S	set by DEFRA	set by DEFRA
Animal Welfare Service				
Stray Dogs	Stray dog release fee	Non - S	48.00 + kennel charge	50.00
Fixed Penalties - to be approved at Cabinet				
Dogs	Dog fouling (FPN) (discounted amount £50)	S	80.00	80.00
Dogs	Dog control (FPN) new for CN & E Act (discounted amount £50)	S	80.00	80.00
Litter	Depositing Litter (discounted amount £50)	S	80.00	80.00
Litter	Failure to comply with street litter clearing notice (discounted amount £80)	S	110.00	110.00
Litter	Failure to comply with waste receptacle notice (discounted amount £50)	S	80.00	80.00
Litter	Unauthorised distribution of litter on designated land (discounted amount £50)	S	80.00	80.00

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
Litter and Waste	Failure to produce waste transfer note (waster's carriers licence)	S	300.00	300.00
Graffiti / Fly Posting	Graffiti and Fly Posting (discounted amount £50)	S	80.00	80.00
Noise	Failure to nominate key holder (discounted amount £50)	S	80.00	80.00
Noise	Noise from premises - dwelling (discounted amount £80)	S	110.00	110.00
Noise	Noise from premises - licensed premises	S	500.00	500.00
Parking (cars for sale)	Nuisance premises	S	100.00	100.00
Photocopying and Printing	First A4 sheet	Non - S	2.50	2.60
	Additional sheets	Non - S	0.25	0.30
	A3	Non - S	3.00	3.10
	Additional sheets	Non - S	0.30	0.30
	Copying Statutory Notices	Non - S	20.00	20.60
General	Copy of taped interview	Non - S	11.75	12.10
Housing Fees				
HMO Licence	Processing application & granting licence to high risk HMO's	S	750.00	634.81
	Additional licensing - Processing application & granting licence to HMO's	S	n/a	316.53
Immigration	Request for letter confirming property is satisfactory for intended immigrant	Non - S	150.00	155.00
Housing Act - Enforcement	Charging for taking enforcement action including works in default	S	Cost of work plus admin fee of 100.00	Cost of work plus admin fee of 100.00
Viewing of Registers	Free office viewing or internet (where applicable) – charge for copy	Non - S	Free	Free
RSL Framework	Registration	Non - S	1,000.00	1,000.00
Choice Based Lettings	Flat rate charge for advertising a property	Non - S	80.00	85.00
Car Parks				
Charges	Up to 1 hour	Non - S	0.60	0.60
	Up to 2 hours	Non - S	1.20	1.20
	Up to 3 hours	Non - S	2.40	2.40
	Up to 4 hours	Non - S	3.20	3.20
	Up to 5 hours	Non - S	4.00	4.00
	All Day	Non - S	7.00	7.00
	Evening*	Non - S	1.00	1.00
	Overnight*	Non - S	2.50	2.50
	Sunday	Non - S	Free	Free
	Coaches	Non - S	8.00	8.00
	* Selected Car Parks Only			
	Monthly - 7 day	Non - S	120.00	120.00
	Annual - 7 day	Non - S	1,440.00	1,440.00
Permits	Town Centre Annual Parking Permits	Non - S	350.00	350.00
Market Stall Rents				
<u>Permanent Trader Rates</u>				
<u>Winter Rates</u>				
Standard	Tues- Thurs	Non - S	7.00	7.00
	Fri	Non - S	10.00	10.00
	Sat	Non - S	15.00	15.00
1st Class	Tues & Weds	Non - S	9.50	9.50
	Thurs	Non - S	9.00	9.00
	Fri	Non - S	12.50	12.50
	Sat	Non - S	17.50	17.50
2nd Class	Tues & Weds	Non - S	8.50	8.50
	Thurs	Non - S	7.00	7.00
	Fri	Non - S	11.50	11.50
	Sat	Non - S	16.50	16.50
<u>Summer Rates</u>				
Standard	Tues- Weds	Non - S	10.00	10.00
	Thurs	Non - S	8.00	8.00
	Fri	Non - S	12.00	12.00
	Sat	Non - S	25.00	25.00
1st Class	Tues & Weds	Non - S	16.00	16.00

Fees & Charges

Activity / Item	Basis	Statutory / Non-Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
2nd Class	Thurs	Non - S	10.00	10.00
	Fri	Non - S	18.00	18.00
	Sat	Non - S	31.00	31.00
	Tues & Weds	Non - S	14.50	14.50
	Thurs	Non - S	8.00	8.00
	Fri	Non - S	16.50	16.50
	Sat	Non - S	29.50	29.50
<u>Casual Trader Rates</u>				
<u>Winter Rates</u>				
Standard	Tues- Thurs	Non - S	10.00	10.00
	Fri	Non - S	12.00	12.00
	Sat	Non - S	20.00	20.00
1st Class	Tues & Weds	Non - S	12.50	12.50
	Thurs	Non - S	12.00	12.00
	Fri	Non - S	14.50	14.50
2nd Class	Sat	Non - S	22.50	22.50
	Tues & Weds	Non - S	11.50	11.50
	Thurs	Non - S	10.00	10.00
	Fri	Non - S	13.50	13.50
	Sat	Non - S	21.50	21.50
	<u>Summer Rates</u>			
Standard	Tues- Weds	Non - S	12.00	12.00
	Thurs	Non - S	10.00	10.00
	Fri	Non - S	18.00	18.00
1st Class	Sat	Non - S	30.00	30.00
	Tues & Weds	Non - S	18.00	18.00
	Thurs	Non - S	12.00	12.00
2nd Class	Fri	Non - S	24.00	24.00
	Sat	Non - S	36.00	36.00
	Tues & Weds	Non - S	16.50	16.50
	Thurs	Non - S	10.00	10.00
	Fri	Non - S	22.50	22.50
	Sat	Non - S	34.50	34.50
<u>Guildhall Room Hire</u>				
Mon - Fri. 8am till 8.30pm per hr	Great Hall	Non - S	60.00	60.00
	Court Room	Non - S	40.00	40.00
	Ceremony Room (Mon-Fri. after 6pm)	Non - S	25.00	25.00
	Dressing Rooms (2) (to be booked with hall only)	Non - S	20.00	20.00
	Gallery Room	Non - S	25.00	25.00
	Godwin Room	Non - S	25.00	25.00
	Council Chambers	Non - S	40.00	40.00
	Jeffery Room	Non - S	40.00	40.00
	Holding Room	Non - S	25.00	25.00
	Courtyard & Cloister (Mon-Fri. after 6pm & Sat)	Non - S	30.00	30.00
	Mezzanine Area (Mon - Fri. after 6pm & Sat)	Non - S	30.00	30.00
	Mon - Fri. per hr after 8.30pm	Great Hall	Non - S	90.00
Court Room		Non - S	60.00	60.00
Ceremony Room (Mon-Fri. after 6pm)		Non - S	60.00	60.00
Dressing Rooms (2) (to be booked with hall only)		Non - S	20.00	20.00
Gallery Room		Non - S	60.00	60.00
Godwin Room		Non - S	60.00	60.00
Council Chambers		Non - S	60.00	60.00
Jeffery Room		Non - S	60.00	60.00
Holding Room		Non - S	60.00	60.00
Courtyard & Cloister (Mon-Fri. after 6pm & Sat)		Non - S	50.00	50.00
Mezzanine Area (Mon - Fri. after 6pm & Sat)		Non - S	50.00	50.00
Saturdays per hr		Great Hall	Non - S	90.00
	Court Room	Non - S	60.00	60.00
	Ceremony Room (Mon-Fri. after 6pm)	Non - S	60.00	60.00
	Dressing Rooms (2) (to be booked with hall only)	Non - S	20.00	20.00
	Gallery Room	Non - S	60.00	60.00
	Godwin Room	Non - S	60.00	60.00
	Council Chambers	Non - S	60.00	60.00
	Jeffery Room	Non - S	60.00	60.00
	Holding Room	Non - S	60.00	60.00
	Courtyard & Cloister (Mon-Fri. after 6pm & Sat)	Non - S	50.00	50.00
	Mezzanine Area (Mon - Fri. after 6pm & Sat)	Non - S	50.00	50.00
	Sundays & Bank Hols Per hr	Great Hall	Non - S	145.00
Court Room		Non - S	100.00	100.00

Fees & Charges

Activity / Item	Basis	Statutory / Non- Statutory	2013/14 Value inc VAT £	2014/15 Value inc VAT £
	Ceremony Room (Mon-Fri. after 6pm)	Non - S	100.00	100.00
	Dressing Rooms (2) (to be booked with hall only)	Non - S	20.00	20.00
	Gallery Room	Non - S	100.00	100.00
	Godwin Room	Non - S	100.00	100.00
	Council Chambers	Non - S	100.00	100.00
	Jeffery Room	Non - S	100.00	100.00
	Holding Room	Non - S	100.00	100.00
	Courtyard & Cloister (Mon-Fri. after 6pm & Sat)	Non - S	100.00	100.00
	Mezzanine Area (Mon - Fri. after 6pm & Sat)	Non - S	100.00	100.00
Wedding Ceremony Rates	Great Hall	Non - S	750.00	750.00
	Court Room	Non - S	500.00	500.00
	Great Hall (Sundays & Bank Holidays)	Non - S	1,500.00	1,500.00
	Court Room (Sundays & Bank Holidays)	Non - S	1,000.00	1,000.00
Museum Service				
Room Hire	Meeting Room Hire - Half Day	Non - S	75.00	80.00
	Meeting Room Hire - Full Day	Non - S	150.00	160.00
	Meeting Room Hire - Out of Hours (per hour)	Non - S	106+ additional staff costs	125+ additional staff costs
	Refreshments	Non - S	1.50	1.80
Gallery Hire	AG1 per week:			
	- Non- profit making organisation	Non - S	60.00	60.00
	- Individual Artisit	Non - S	100.00	100.00
	AG2 & 3 (per week)	Non - S		
	- Non- profit making organisation	Non - S	60.00	60.00
	- Individual Artisit	Non - S	100.00	100.00
	Shoe Lounge	Non - S	Negotiable	Negotiable
Talks		Non - S	42.00	63.00 plus travel costs

Key:

Non S - Non Statutory

S - Statutory function



Proposed Capital Programme 2014-15 to 2018-19 - General Fund

Project Title	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total
	£	£	£	£	£	£	£
<u>Housing - General Fund</u>							
Disabled Facilities Grant		2,075,000	1,475,000	1,475,000	1,475,000	1,475,000	7,975,000
Empty Homes Programme		632,090					632,090
<u>Self-funding</u>							
IT Infrastructure		119,000					119,000
<u>Town Centre Improvements</u>							
Greyfriars Demolition	500,000	3,500,000					4,000,000
Abington Street - Re Introduction of Traffic - Public Realm	150,000	2,850,000					3,000,000
Town Centre Realm improvements		1,400,000	1,500,000				2,900,000
Superfast Broadband		500,000					500,000
<u>Enterprise Zone</u>							
Site 1 Land Remediation (Fund from BR Uplift)	685,000						685,000
<u>Heritage & Culture</u>							
Delapre Abbey Restoration	179,715	997,477	3,877,450	595,031			5,649,673
Delapre Abbey Roof	348,972	200,000					548,972
Heritage Gateway		100,000	500,000				600,000
<u>Block Programmes - specific schemes to be agreed</u>							
Vehicles		38,000					38,000
Capital Improvements - Regeneration Areas		250,000	250,000	100,000	100,000	100,000	800,000
Parks/Allotments/Cemeteries Enhancements		270,000	270,000	250,000	250,000	250,000	1,290,000
Operational Buildings - Enhancements		400,000	400,000	400,000	400,000	400,000	2,000,000
Commercial Landlord Responsibilities		270,000	270,000	50,000	50,000	50,000	690,000
<u>Enterprise Zone Schemes - Funded from Growing Places Fund and Local Infrastructure Fund</u>							
Site 11 Construction		3,000,000					3,000,000
St Peters Way Improvements	1,400,000	1,600,000					3,000,000
St James Mill Way- Electricity Substation Upgrade		750,000					750,000
Total General Fund Capital Programme	3,263,687	18,951,567	8,542,450	2,870,031	2,275,000	2,275,000	38,177,735



Proposed Capital Programme 2014-15 to 2018-19 - General Fund

<u>Proposed General Fund Capital Funding</u>	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total
	£	£	£	£	£	£	£
Grants & Contributions Received:							
Empty Homes Grant		632,090					632,090
Disabled Facilities Grant - External Funding		475,000	475,000	475,000	475,000	475,000	2,375,000
Heritage Lottery Funding - Delapre Abbey	102,438	568,562	2,210,147	339,168			3,220,315
Delapre Abbey Contributions - Secured	2,000	95,000	70,000	70,000			237,000
Delapre Abbey Fundraising Target (unsecured)		200,000	420,000	180,000			800,000
English Heritage - Delapre Abbey Roof	149,250	50,000					199,250
Contribution to Swan Street Public Realm		150,000					150,000
Sub-total Grants & Contributions	253,688	2,170,652	3,175,147	1,064,168	475,000	475,000	7,613,655
NBC F ¹ armarked Reserves - Delapre Abbey	75,277	133,915	630,808				840,000
New Homes Bonus	150,000	2,135,800					2,285,800
Capital Receipts	199,722	767,250	4,258,995	2,866,863			8,092,830
Growing Places Fund and Local Infrastructure Fund (to be repaid from EZ business rate uplift)	1,400,000	5,350,000	0	0	0	0	6,750,000
Borrowing Taken Out/(Repaid)	1,185,000	8,393,950	477,500	(1,061,000)	1,800,000	1,800,000	12,595,450
Total Funding	3,263,687	18,951,567	8,542,450	2,870,031	2,275,000	2,275,000	38,177,735

Changes to General Fund Revenue Budget Report since 19th February Cabinet Meeting

Since the report to Cabinet on 19th February 2014 the figures have been updated in accordance with recommendation 2.7 of that report for a technical change in respect of parish precepts and council tax levels associated with those changes.

This impacts on the table at paragraph 3.5.2 and on appendix 4 of the Cabinet report as outlined below.

Changes to the Cabinet Report of 19th December 2014

3.5.2 Since the draft budget was proposed by Cabinet on 18 December 2013 the position has changed as follows:

Summary of Changes since 18 December 2013 Cabinet

	2014/15 Budget Changes £
Continuation Budget (net changes)	491,137
Changes to Savings Options	
Removal of Housing MTP GF11 Staff Restructure	114,000
Removal of MTP GF18 Volunteer Expansion	20,000
Reduction of MTP GF03 Facilities management Review	20,500
MTPs GF15 and GF20 moved to continuation budget	227,660
New MTP Growth Proposals	
MTP102 Contribution to Northampton Bike Hire Scheme	13,333
MTP103 Housing Call Care	150,000
MTP104 Private Sector Housing	100,000
Technical Changes to Corporate Budgets	
Adjustment between service budgets and recharge from	(67,588)
Recharges from General Fund to HRA	(651,379)
HPDG Adjustments	(174,835)
Parish Precepts	62,478
Earmarked Reserves Contributions	(8,185)
Total Changes to Net Budget	297,121
Changes to Funding	
Surplus on Collection fund	(137,324)
Council Tax – NBC	(100,827)
Council Tax – Parishes	(54,697)
Council Tax Freeze Grant (rolled into RSG in future)	133,369
Revenue Support Grant	(200,720)
Locally Retained Business Rates	63,078
Total Changes to Funding	(297,121)

Glenn Hammons, Chief Finance Officer, 0300 330 7000

General Fund Budget Summary 2014 - 2019

Description	Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19
	£	£	£	£	£
Service Base Budget	32,847,370	33,683,878	34,522,397	35,893,058	36,649,585
<i>Medium Term Planning Options</i>					
<u>Savings and Efficiencies</u>					
- Borough Secretary	(120,000)	(120,000)	(120,000)	(120,000)	(120,000)
- Customers and Communities	(523,500)	(843,500)	(1,043,500)	(1,159,401)	(1,159,401)
- Regeneration Enterprise and Planning	(356,607)	(297,740)	(299,365)	(301,051)	(302,759)
- Corporate	(365,000)	(365,000)	(365,000)	(365,000)	(365,000)
Total Savings	(1,365,107)	(1,626,240)	(1,827,865)	(1,945,452)	(1,947,160)
<u>Growth</u>					
- Customers and Communities	1,009,407	908,273	897,034	900,827	904,593
- Housing	250,000	0	0	0	0
- Regeneration Enterprise and Planning	263,333	13,333	13,334	0	0
Total Growth	1,522,740	921,606	910,368	900,827	904,593
Total MTP Options	157,633	(704,634)	(917,497)	(1,044,625)	(1,042,567)
Gross Revenue Budget	33,005,003	32,979,244	33,604,900	34,848,433	35,607,018
<i>Corporate Budgets</i>					
Debt Financing	2,377,000	2,632,000	2,502,000	2,531,000	2,759,000
Recharges from General Fund to HRA	(6,361,640)	(6,318,691)	(6,318,691)	(6,318,691)	(6,318,691)
Parish Grants	(20,611)	(20,611)	(20,611)	(20,611)	(20,611)

Parish Precepts	1,076,561	1,076,561	1,076,561	1,076,561	1,076,561
Contribution to General Fund Balances	1,828,066	380,841	0	0	0
Contribution to/(from) Earmarked Reserves	(1,464,241)	(478,640)	545,062	446,152	460,758
Total Corporate Budgets	(2,564,865)	(2,728,540)	(2,215,679)	(2,285,589)	(2,042,983)
Net Budget	30,440,138	30,250,704	31,389,221	32,562,844	33,564,035
Funding					
Revenue Support Grant	(6,957,695)	(4,757,177)	(3,531,179)	(2,412,794)	(1,390,937)
Locally Retained Business Rates	(6,784,320)	(7,252,252)	(7,377,297)	(7,504,843)	(7,634,940)
Total Formula Grant	(13,742,015)	(12,009,429)	(10,908,476)	(9,917,637)	(9,025,877)
Council Tax					
Band D Council Tax	207.91	207.91	207.91	207.91	207.91
Tax Base	60,651	60,954	61,259	61,565	61,873
NBC Council Tax	(12,609,979)	(12,673,027)	(12,736,394)	(12,800,077)	(12,864,076)
Parish-related Council Tax	(1,076,561)	(1,102,616)	(1,102,616)	(1,102,616)	(1,102,616)
Total Council Tax	(13,686,540)	(13,775,643)	(13,839,010)	(13,902,693)	(13,966,692)
Council Tax Freeze Grant 14/15	(148,192)	(148,192)	0	0	0
Council Tax Freeze Grant 15/16	0	(150,175)	0	0	0
New Homes Bonus	(2,679,018)	(3,359,153)	(4,041,685)	(3,814,328)	(3,972,999)
Surplus on Collection Fund	(184,373)	0	0	0	0
Total Funding	(30,440,138)	(29,442,592)	(28,789,171)	(27,634,658)	(26,965,568)
Savings to be identified	0	808,112	2,600,050	4,928,187	6,598,467

Appendices
3



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL

24 February 2014

Agenda Status: PUBLIC

Directorate: Management Board

Report Title	COUNCIL TAX 2014/15
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1. Summary

1.1 The final precept determinations from the major precepting authorities (Northamptonshire County Council and Northamptonshire Police and Crime Commissioner), parish councils, and the budget setting decision of Northampton Borough Council earlier on this agenda lead directly to the council tax determinations set out in **Appendices A, B, and C**.

2. Recommendations

2.1 That Council approve the Council Tax resolution shown at **Appendices A, B, and C**.

3. Issues and Choices

3.1 Report Background

3.1.1 The revenue budget (approved earlier on this agenda) and the consequential Council Tax (approved as part of the revenue budget for Northampton Borough Council but formally approved as an overall Council Tax Resolution at this agenda item) provide the resources to allow the delivery of the approved level of Council services.

3.1.2 If the recommendation above is approved there will be a zero average Council Tax increase for Northampton Borough Council's services, as set out at **Appendix B** (schedules A and B). After taking account of the Parishes, the Office of Northamptonshire's Police and Crime Commissioner, and the County Council, the average increase in tax levels will vary depending on the relevant parish precept charge.

- 3.1.3 Since the meeting of Cabinet on 19 February 2014 the precept levels of all the other precepting bodies have been confirmed. These are detailed below.
- 3.1.4 The Parish Council Precepts for 2014/15 are detailed in **Appendix C** and total £1,076,291. The increase in the average Band D Council Tax for Parish Councils is 1.7% and results in an average Band D Council Tax figure of £17.75 for 2014/15.
- 3.1.5 Northamptonshire County Council met on 20 February 2014 and set their precept at £63,596,929. This results in a Band D Council Tax of £1,048.57.
- 3.1.6 The Northamptonshire Police and Crime Commissioner has issued a precept at £11,950,701. This results in a Band D Council Tax of £197.04.
- 3.1.7 If the formal Council Tax Resolution at **Appendix A** is approved, the total Band D Council Tax will be as follows:

	2013/14	2014/15	Increase		%
	£	£	£ Per Annum	£ Per Week	Increase
Northampton BC	208.19	207.91	-0.28	0.00	0.00%
Northamptonshire Police and Crime Commissioner	193.20	197.04	3.84	0.07	1.99%
Northamptonshire County Council	1,028.11	1,048.57	20.46	0.39	1.99%
Sub Total	1,429.50	1,453.52	24.02	0.46	1.68%
Parish Precepts (Average)	17.45	17.75	0.30	0.01	1.72%
Total	1,446.95	1,471.27	24.32	0.47	1.68%

- 3.1.8 In order to set the Council Tax legally, the Council must agree a complex set of resolutions shown at **Appendices A to C**. These resolutions build up from the Council's council tax requirement including Parish precepts, to arrive at a basic Council Tax including and excluding Parish precepts. Added to that are the precepts for the Police and County Council to arrive at a total Council Tax by Parish and by Council Tax Band.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 None

4.2 Resources and Risk

- 4.2.1 See Cabinet report on the revenue budget earlier on the agenda.

4.3 Legal

- 4.3.1 See Cabinet report on the revenue budget earlier on the agenda.

4.4 Equality

4.4.1 No direct impact on equality context, however any resulting impact options/consultations for budgets will have to be considered individually.

4.5 Consultees (Internal and External)

4.5.1 Internally Heads of Service and Budget Managers have been consulted, and Management Board has carried out a detailed challenge of the budget which feeds into this report. In addition tax base and collection fund information has been provided by the Revenues and Benefits Team.

4.5.2 Externally the Council consulted on the budget proposals including the proposal for a council tax freeze, and also consulted on its Council Tax Reduction Scheme. In addition, parishes and major preceptors have provided the information for their organisations for inclusion in the calculations.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The proposals in this report deliver 'a continued council tax freeze alongside creating a local council tax scheme and lobbying central Government to get the best for the Council in terms of funding' in line with the outcomes desired under the corporate priority of 'making every £ go further'.

4.7 Other Implications

4.7.1 See Cabinet report on the revenue budget earlier on the agenda.

5. Background Papers

5.5.1 See Cabinet report on the revenue budget earlier on the agenda, and the Report by Chief Finance Officer on Robustness of Budget Estimates and Adequacy of Reserves.

David Kennedy, Chief Executive, ext 7726
Glenn Hammons, Chief Finance Officer, 01604 366521

Council Tax Resolution 2014/15

Northampton Borough Council (hereinafter referred to as “the Council” in this resolution) calculated the following amounts for the year 2014/2015 in accordance with various regulations and RESOLVES for the financial year 2014/2015 to:

- 1 Note that on 15/01/2014 the Council calculated the Council Tax Base 2014/15:
- a) for the whole council area as: 60,651 (Item T in the formula in section 31B of the Local Government Finance Act 1992, as amended)
- b) for the parish precept area as: 19,491 for dwellings in those parts of its area to which a parish precept relates as in the attached appendix C.
- 2 Set the Council Tax Requirement for its own purposes for 2014/15 (including parish precepts) at £13,686,400
- | | | |
|--|-------------------|--|
| | £ | |
| a) Net Expenditure on Council Services including formula grant | 12,609,979 | |
| b) Parish Council Precepts | 1,076,291 | |
| c) Total Council Tax Requirement | <u>13,686,270</u> | |
- 3 Set the following amounts in accordance with sections 31 to 36 of the Local Government Finance Act 1992:
- a) Relevant Gross Expenditure 137,326,636 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils
- b) Relevant Gross Income -123,640,366 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- c) Council Tax Requirement 13,686,270 The Council Tax Requirement being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
- d) Basic Council Tax including Parish Precepts 225.66 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish Precepts).
- e) Total of Special Items 1,825,505 This represents the total of Parish precepts and other special items in accordance with s34(1) of the Act (as shown at 2 above).
- f) Basic Amount of Council Tax for dwellings in parts of the area to which no special items relate 195.56 Item (e) - (g) divided by tax base (resolution 2(a)) in accordance with s34(2) of the Act.
- 4 Note that the County Council and the Police and Crime Commissioner have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table at Schedule C.

- 5 Note that the Council, in accordance with Sections 30 and 36 of the Act hereby sets the aggregate amounts shown in the tables at appendix 2 as the amounts of Council Tax for 2014/15 for each part of its area and for each of the categories of dwellings.

- 6 Note that the Council's basic amount of council tax for 2014 (for the borough's own purposes and excluding special expenses) is not excessive in accordance with the principles approved under section 52ZB of the Local Government Finance Act 1992

Schedules**Schedule A**

	(1) Council Tax Base	(2) Special Expenses	(3) Special Expenses Charge	(4) Basic Amount of Council Tax excluding Special Expenses	(5) Basic Amount of Council Tax including Special Expenses
		£	£	£	£
Area:					
Billing	2,402	165,005	68.69	195.56	264.25
Collingtree	509	30,140	59.26	195.56	254.82
Duston	5,260	423,893	80.58	195.56	276.14
Great Houghton	279	21,570	77.19	195.56	272.75
Hardingstone	758	38,401	50.67	195.56	246.23
Upton	2,007	23,000	11.46	195.56	207.02
Wootton	6,215	364,709	58.69	195.56	254.25
Hunsbury Meadows	475	13,820	29.08	195.56	224.64
West Hunsbury	1,586	82,535	52.05	195.56	247.61
Unparished Area	41,160	662,432	16.09	195.56	211.65
	<u>60,651</u>	<u>1,825,505</u>			

Schedule B Basic Amount of Council Tax for each Council Tax band

Valuation Bands	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Area:								
Billing	176.17	205.53	234.89	264.25	322.97	381.69	440.42	528.50
Collingtree	169.88	198.19	226.51	254.82	311.45	368.07	424.70	509.64
Duston	184.09	214.78	245.46	276.14	337.50	398.87	460.23	552.28
Great Houghton	181.83	212.14	242.44	272.75	333.36	393.97	454.58	545.50
Hardingstone	164.15	191.51	218.87	246.23	300.95	355.67	410.38	492.46
Upton	138.01	161.02	184.02	207.02	253.02	299.03	345.03	414.04
Wootton	169.50	197.75	226.00	254.25	310.75	367.25	423.75	508.50
Hunsbury Meadows	149.76	174.72	199.68	224.64	274.56	324.48	374.40	449.28
West Hunsbury	165.07	192.59	220.10	247.61	302.63	357.66	412.68	495.22
Unparished Area	141.10	164.62	188.13	211.65	258.68	305.72	352.75	423.30

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Schedule C Major Precepting Authorities Council Tax for each Council Tax band

Valuation Bands	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Northamptonshire County Council	699.05	815.55	932.06	1,048.57	1,281.59	1,514.60	1,747.62	2,097.14
Northamptonshire Police and Crime Commissioner	131.36	153.25	175.15	197.04	240.83	284.61	328.40	394.08

Schedule D		Aggregate Council Tax for each Council Tax band							
Valuation Bands	A	B	C	D	E	F	G	H	
	£	£	£	£	£	£	£	£	
Area:									
Billing	1,006.58	1,174.33	1,342.10	1,509.86	1,845.39	2,180.90	2,516.44	3,019.72	
Collingtree	1,000.29	1,166.99	1,333.72	1,500.43	1,833.87	2,167.28	2,500.72	3,000.86	
Duston	1,014.50	1,183.58	1,352.67	1,521.75	1,859.92	2,198.08	2,536.25	3,043.50	
Great Houghton	1,012.24	1,180.94	1,349.65	1,518.36	1,855.78	2,193.18	2,530.60	3,036.72	
Hardingstone	994.56	1,160.31	1,326.08	1,491.84	1,823.37	2,154.88	2,486.40	2,983.68	
Upton	968.42	1,129.82	1,291.23	1,452.63	1,775.44	2,098.24	2,421.05	2,905.26	
Wootton	999.91	1,166.55	1,333.21	1,499.86	1,833.17	2,166.46	2,499.77	2,999.72	
Hunsbury Meadows	980.17	1,143.52	1,306.89	1,470.25	1,796.98	2,123.69	2,450.42	2,940.50	
West Hunsbury	995.48	1,161.39	1,327.31	1,493.22	1,825.05	2,156.87	2,488.70	2,986.44	
Unparished Area	971.51	1,133.42	1,295.34	1,457.26	1,781.10	2,104.93	2,428.77	2,914.52	

Parish & Town Council Precepts

	2013/14			2014/15			
	Tax Base	Precepts £	Council Tax Band D (£)	Tax Base	Precepts £	Council Tax Band D (£)	Council Tax Increase
Billing	2,394	141,796	59.22	2,402	141,796	59.03	-0.3%
Collingtree	443	18,122	40.88	509	30,140	59.26	45.0%
Duston	4,748	367,780	77.46	5,260	407,459	77.46	0.0%
Great Houghton	247	18,356	74.38	279	21,570	77.19	3.8%
Hardingstone	658	67,631	102.72	758	38,401	50.67	-50.7%
Upton	1,688	15,000	8.89	2,007	23,000	11.46	29.0%
Wootton	5,443	299,244	54.98	6,215	324,825	52.27	-4.9%
Hunsbury Meadows	370	10,547	28.51	475	13,820	29.08	2.0%
West Hunsbury	1,448	75,280	52.00	1,586	75,280	47.47	-8.7%

Parish & Town Council Precepts including Special Expenses

	Precepts Band D (£)	Special Expenses Band D (£)	Total (£)
Billing	59.03	9.66	68.69
Collingtree	59.26	0.00	59.26
Duston	77.46	3.12	80.58
Great Houghton	77.19	0.00	77.19
Hardingstone	50.67	0.00	50.67
Upton	11.46	0.00	11.46
Wootton	52.27	6.42	58.69
Hunsbury Meadows	29.08	0.00	29.08
West Hunsbury	47.47	4.58	52.05
Unparished	0.00	16.09	16.09

Appendices
5



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL

24 February 2014

Agenda Status: PUBLIC

Directorate: Management Board

Report Title	Housing Revenue Account (HRA) Budget, Rent Setting 2014/15 and Budget Projections 2015/16 to 2018/19
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1. Purpose

1.1 The purpose of this report is to:

- Approve the HRA 2014/15 budget and the HRA forecasts for 2015/16 to 2018/19, rent increases, service charges and other charges for 2014/15 (summarised in **Appendix 3**).
- Provide a brief update on the ongoing work on the direction of the HRA.

2. Recommendations

2.1 That Council approve:

- a) An average rent increase of 5.55% per dwelling, in line with the Government's national rent and rent restructuring policy, with the last year of convergence being 2014/15, to take effect from 1st April 2014.
- b) The proposed service charges listed in Appendix D.

2.2 That Council approve the HRA budget for 2014/15 of £54.1m expenditure (including options detailed in Appendix A of the report).

2.3 That the Council acknowledges the issues and risks detailed in the Chief Finance Officer's statement on the robustness of estimates and the adequacy of the reserves.

2.4 That authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 24th February 2014.

2.5 That Council delegate authority to the Chief Executive and Chief Finance Officer to implement all budget options and restructures.

- 2.6 That Council delegate authority to the Chief Finance Officer in consultation with the Cabinet Member for Finance, and where appropriate the relevant Director and Cabinet Member to:
- transfer monies to/from earmarked reserves should that become necessary during the financial year.
 - update the budget tables and appendices, prior to Council should any further changes be necessary.
 - update prudential indicators in both the Prudential Indicators report and Treasury Strategy report, for Council for any budget changes that impact on these.
- 2.7 That the Council confirm the reserves strategy of protecting balances wherever possible to allow the option of supporting future years' budgets, aiming for a minimum level of unallocated Housing Revenue Account balances of at least £5m for 2014/15 having regard to the outcome of the financial risk assessment and remaining at this level over the medium term.
- 2.8 That Council approve
- a) The Housing Revenue Account capital programme for 2014/15, including future year commitments, and proposed financing as set out in Appendix C.
 - b) That Cabinet be authorised, once the capital programme has been set, to approve new capital schemes and variations to existing schemes during 2014/15, subject to the funding being available and the schemes being in accordance with the objectives and priorities of the Council.

3. Issues and Choices

3.1 Report Background

- 3.1.1 In the event that there are changes made in accordance with the delegated authority to the Chief Finance Officer following Cabinet's meeting on the 20th February, updated appendices to the Cabinet report will be tabled reflecting these changes.
- 3.1.2 See also Cabinet report attached.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 See Cabinet report attached.

4.2 Resources and Risk

- 4.2.1 See Cabinet report attached.

4.3 Legal

4.3.1 See Cabinet report attached.

4.4 Equality

4.4.1 See Cabinet report attached.

4.5 Other Implications

4.5.1 See Cabinet report attached.

5. Background Papers

5.1 See Cabinet report attached.

**Glenn Hammons, Chief Finance Officer, 0300 330 7000
Management Board, C/o David Kennedy, Chief Executive, 0300 330 7000**



NORTHAMPTON
BOROUGH COUNCIL
CABINET REPORT

Report Title	Housing Revenue Account (HRA) Budget, Rent Setting 2014/15 and Budget Projections 2015/16 to 2018/19
AGENDA STATUS:	PUBLIC

Cabinet Meeting Date:	19 February 2014
Key Decision:	YES
Within Policy:	YES
Policy Document:	YES
Directorate:	Management Board
Accountable Cabinet Member:	Cllr A Bottwood
Ward(s)	N/A

1. Purpose

- 1.1 To agree the Cabinet's proposals for recommendation to Council on 24 February 2014 for the 2014/15 to 2018/19 Housing Revenue Account budgets.
- 1.2 To agree the Cabinet's proposals for recommendation to Council on 24 February 2014 for the 2014/15 HRA rent setting.
- 1.3 To outline the capital programme funding proposals for 2014/15 and future years.
- 1.4 To ask the Cabinet to recommend to Council that they approve the recommendations in paragraph 2 below.

2. Recommendations

- 2.1 That Cabinet recommend to Council to approve:
 - a) An average rent increase of 5.55% per dwelling, in line with the Government's national rent and rent restructuring policy, with the last year of convergence being 2014/15, to take effect from 1st April 2014.
 - b) The proposed service charges listed in Appendix D.
 - 2.2 That the HRA budget for 2014/15 of £54.1m expenditure (including options) be recommended to the Council (detailed in Appendix A).
 - 2.3 That the Cabinet acknowledges the issues and risks detailed in the Chief Finance Officer's statement on the robustness of estimates and the adequacy of the reserves.
 - 2.4 That authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 24th February 2014.
 - 2.5 That Council be recommended to delegate authority to the Chief Executive and Chief Finance Officer to implement all budget options and restructures.
 - 2.6 That authority be delegated to the Chief Finance Officer in consultation with the Portfolio Holder for Finance, and where appropriate the relevant Director and Portfolio Holder to:
 - transfer monies to/from earmarked reserves should that become necessary during the financial year.
 - update the budget tables and appendices, prior to Council should any further changes be necessary.
 - update prudential indicators in both the Prudential Indicators report and Treasury Strategy report, for Council for any budget changes that impact on these.
 - 2.7 That the Council be recommended to confirm the reserves strategy of protecting balances wherever possible to allow the option of supporting future years' budgets, aiming for a minimum level of unallocated Housing Revenue Account balances of at least £5m for 2014/15 having regard to the outcome of the financial risk assessment and remaining at this level over the medium term.
 - 2.8 That the Cabinet recommend to Council that they approve
 - a) The Housing Revenue Account capital programme for 2014/15, including future year commitments, and proposed financing as set out in Appendix C.
 - b) That Cabinet be authorised, once the capital programme has been set, to approve new capital schemes and variations to existing schemes during 2014/15, subject to the funding being available and the schemes being in accordance with the objectives and priorities of the Council.
-

3. Issues and Choices

3.1 Report Background

Housing Revenue Account

- 3.1.1 The Housing Revenue Account (HRA) is a ring-fenced account that represents the costs of holding the Council housing stock. There are strict rules surrounding the costs and income that can be charged to this account. Much of the income and expenditure is dictated by legislation and regulation leaving the Council with direct control over a limited number of these budgets. Rental income, by far the largest single budget within the HRA, is calculated in accordance with national rent policy, applying the rent restructuring formula, as defined by the Government, for 2014/15 for the final time.
- 3.1.2 The HRA Budget proposed for 2014/15 reflects the current service levels and the current methods of service delivery, plus some proposals for some specific changes (Medium Term Planning (MTP) options) detailed in Appendix B.
- 3.1.3 On 18th December 2013, Cabinet approved the Draft HRA Budget for consultation. A schedule of all changes since this meeting is paragraph 3.3.2 below.

Welfare Reform

- 3.1.4 Over the medium term planning period more information and details will be released about universal credit and other welfare reform initiatives which will have an impact upon the current service provision of the Council. It is currently anticipated universal credit will be in operation in councils in 2016. This could have an impact on rent collection for the Council which will have an impact on the overall HRA position. An allowance for increasing Bad Debt Provision by £750k per year is built into the HRA budgets to mitigate against this risk.

3.2 Draft HRA Revenue Budget 2014/15 Cabinet 18th December 2013

- 3.2.1 The Cabinet met on the 18th December 2013 and recommended proposals for consultation. The headlines were:
- a) Proposing rent increase in line with government rent restructuring policy of 5.55%;
 - b) An HRA budget for 2014/15 of £53.9m expenditure including medium term planning options totalling a net cost of £1.4m.

3.3 Draft HRA Revenue Budget 2014/15 - Cabinet 19th February 2014

- 3.3.1 Further work on the HRA budget has been undertaken to refine the estimates since 18th December 2013. This has resulted in a number of adjustments, some of a technical, nature which impact on the draft budget since 18th December.

- 3.3.2 A schedule of all changes since the 19 December 2012 proposals is shown below.

Description	Budget 2014/15
HRA Balanced Budget - December Cabinet	0
Removal of MTP - Decanting tenants out of Little Cross Street	-32,000
Adjustment to pension deficit following actuary report	-66,167
Call Care Charge to HRA	260,000
Income - Dwelling Rents	78,244
Income - Garage Rents	29,800
Income - Service Charges	-325,328
Employee adjustment	29,395
Corporate savings	86,302
Rent Rebate Subsidy Limitation	100,000
Net Recharges Changes	718,967
RCCO	-8,981,736
Contribution to (from) Reserves	8,102,523
HRA Balanced Budget - February Cabinet	0

Rents and Rent Restructuring

- 3.3.4 Rents within the HRA are currently being restructured in line with the national rent policy which includes provisions to increase rents by RPI + ½% (based on RPI at the September prior to the rent increase year). The intention of this restructuring is to have a consistent approach to rental charges across the whole of the Public Sector housing stock, including that held by Housing Associations.
- 3.3.5 The average rent increase and the methodology by which rents on individual properties move towards the calculated (formula) rent is determined by the Government Rent Restructuring formula. Each property held by the Council has a target rent associated with it which is based on this formula provided by central government. The formula takes account of average national rent, relative county earnings, number of bedrooms, and relative property value.
- 3.3.6 Social housing providers, as well as applying the inflation-based increase, apply a convergence formula to the rents to bring actual rents into line, over time, with the target rent (subject to a maximum increase of +£2 in each year). Under existing previous rent calculations, there were two years of convergence left (2014/15 and 2015/16).
- 3.3.7 Following announcements in the Spending Round 2013, the Government is intending to change national rent policy from 2015/16 onwards for at least 10 years to remove any provision for rent convergence on all tenanted stock. This is a change to the rent restructuring period which previously had allowed for convergence to continue for 2015/16 as well. Accordingly, from 1st April

2015 onwards, there will no longer be provision to increase weekly social rents each year by up to an additional £2, to move the rents towards the target rent. In line with this change, the proposed rents for 2014/15 include convergence increases based on the one year of rent convergence now remaining.

- 3.3.8 The HRA dwelling rental income for 2014/15 contained within the draft HRA budget is calculated based on one year remaining of convergence to target rent and on an inflation rate of 3.7% (RPI + ½% based on the September RPI figures). For 2015/16 onwards, the rents are calculated at an inflationary rise of CPI + 1%, assuming a CPI rate of 2.5%.
- 3.3.9 The percentage change in rental charges will vary from property to property depending on the formula rent calculation. The draft budget assumes that the Council will apply the rent restructuring policy with a convergence target date of 2014/15. This will result in an average rent increase of 5.55% for 2014/15.
- 3.3.10 Revised rents will take effect from 1 April 2014. The tables below show the range of rent increases for 2013/14 in percentage and pounds per week terms.

Rent Increase	Stock Numbers	Rent Increase	No.
Between 0% and 1%	1	£0 - £1	1
Between 1% and 2%	2	£1 - £2	5
Between 2% and 3%	52	£2 - £3	211
Between 3% and 4%	586	£3 - £4	2516
Between 4% and 5%	3154	£4 - £5	7943
Between 5% and 6%	3035	£5 - £6	1330
Between 6% and 7%	4761	£6 - £7	2
Greater than 7%	417	£7 - £8	0
	12008		12008

Service Charges

- 3.3.11 The schedule of draft Service Charges for 2014/15 is attached at Appendix D. The Service Charges have been reflected in the budgeted income figures.

ALMO Implementation

- 3.3.12 At its meeting of 9th December 2013, Full Council resolved to implement an ALMO to manage the HRA housing stock, projected to go live on 5th January 2015. This falls within the 2014/15 financial year for which budgets are being considered within this report. The development of the ALMO is likely to require a change to the way that the HRA budgets are structured but the precise implications of this will only emerge later in the implementation process.

HRA Reserves

- 3.3.13 In previous years, Cabinet has approved the prudent set aside of funds into specific HRA Reserves to finance future HRA expenditure including capital

financing, loss of Supporting People funding, ALMO implementation, risks of Leaseholder claims, Service Improvements, and an Insurance reserve. The use of the capital reserve is incorporated into the capital programme financing considerations included later in this report.

3.3.14 These reserves can be drawn down as required, to finance the future strategic requirements of the service, and will be subject to change depending on the approval of MTP options and future funding requirements under the Self-financing HRA.

Adequacy of Working Balances

3.3.15 A prudent level of working balance, along with appropriate application of reserves, should be part of the overall budget. The Chief Finance Officer reviews the level of balances required to support the Housing Revenue Account spend annually as part of a robust risk assessment. This risk assessment suggests that the minimum level of balances, taking all known risks into account should be in the order of £5m for 2014/15. This will be reviewed at least annually. This minimum level is designed to cope with unpredictable circumstances, which cannot be addressed by management or policy action within the year.

3.3.16 This does not represent a medium to long term safe level of reserves. The level can only accommodate the impact of significant events up to the level set, and would need to be replenished if one or more such events actually occur.

3.4 Housing Revenue Account Capital Programme

The Financial Position

3.4.1 The Council continues to face an extremely challenging financial situation in the short to medium term. Alongside the decision to implement an ALMO, the Council decided to adopt a new “Northampton Standard” for the maintenance and improvement of Council housing stock. This new higher standard has associated increased costs which have been built in to the capital programme.

3.4.2 The HRA is subject to a debt cap whereby the Council cannot carry borrowing on the HRA at over a level set by the Government. For Northampton, this level is £208.4m. This is one of the considerations taken into account when setting the HRA capital programme for 2014/15 onwards. The proposed capital programme does not cause the debt cap to be exceeded in any of the financial years from 2014/15 to 2018/19.

3.4.3 Right to Buy (RTB) sales have increased compared to recent years following an increase in discount levels introduced from April 2012. Assumptions based on these increased resources are included within the indicative HRA capital programme financing shown at Appendix C. There are two additional considerations arising from this change:

- a) Additional pressure is placed on the revenue budgets through reduced rental income; assumptions around this have been built into the HRA budgets being considered in this report; and

- b) The additional capital receipts must be used towards the provision of new social housing and can only be used to finance 30% of this cost; if the Council does not spend the capital receipts within a 3 year rolling timeframe, the receipts, plus an amount for interest, are payable to Government. The funding can be used to contribute towards additional provision by housing associations.

Building the Capital Programme.

3.4.4 Project appraisals have been completed for all 2014/15 capital programme bids.

3.4.5 Each project appraisal demonstrates how the scheme will contribute to:

- The Council's corporate priorities.
- Statutory duties and legal commitments
- Equalities
- Efficiency and Value for Money

3.4.6 These factors are all taken into account in formulating a proposed capital programme that will best target the Council's corporate priorities within the resources available.

3.4.7 Officers maintain a file of all project appraisals and copies of individual appraisals are available on request.

HRA Capital Programme and Funding

3.4.8 Capital expenditure is essential for the Housing Revenue Account in order to maintain and improve the Council's housing stock. The HRA is an asset driven service and as such the capital programme plays a key part in the delivery of the HRA service.

3.4.9 The proposed HRA capital programme for 2014/15 to 2018/19 is attached at Appendix C. All proposals have been reviewed and challenged by the Director of Regeneration, Enterprise and Planning and the Chief Finance Officer. The value of the total proposed HRA capital programme for 2014/15 is £46.7m.

3.4.10 The table below shows a summary of the proposed capital programme and funding for 2014/15.

Draft HRA Capital Programme Funding 2014-15

	HRA
	£000s
Capital programme 2014-15	
Decent Homes	39,305
Major regeneration repurchase and New Build	2,000
Disabled Adaptations	1,140
Sheltered Housing Improvements	1,000
Other	3,255
Total HRA Capital Programme	46,700
Funding Source:	
Borrowing	0
Capital Receipts	2,000
Major Repairs Reserve	16,231
Grants & Third Party Contributions	15,355
Revenue/Earmarked Reserves	13,114
Total Funding	46,700

3.4.11 The HRA Capital Programme has been developed within the context of the 30-year Business Plan and the latest stock condition survey. The capital programme has a direct impact on the revenue position of the HRA.

3.4.12 The main focus is the achievement and maintenance of the Decent Homes standard, partly supported in 2014/15 by the final phase of government grant, and the shift towards the implementation of a higher Northampton Standard.

3.4.13 The detail of the HRA capital programme for 2015/16 and beyond will be refined in line with the transition to proposed new management arrangements.

Capital Strategy

3.4.14 The Capital Strategy for 2012/13 to 2014/15 was approved by Council on 29th February 2012 and remains current. The aim of the Capital Strategy is to provide a clear framework for capital funding and expenditure decisions in the context of the Council's vision, values, objectives and priorities, financial resources and spending plans. The strategy will be reviewed and updated as part of the next update of medium term financial plans during 2014.

Capital Programme Board

3.4.15 In order to improve governance, ensure accountability and strengthen controls in relation to the capital programme, a new Capital Programme Board has been created, to be chaired by the Director of Regeneration, Enterprise and Planning. All new proposals for capital expenditure and variations to existing schemes will require approval by this Board prior to inclusion in the Capital Programme. Those with a value above delegated limits will continue to be reported to Cabinet for final approval.

3.4.16 The Capital Programme Board will also approve individual schemes within the block allocations set out in Appendix D.

3.5 The Next Steps

3.5.1 The timetable for the 2014/15 budget process requires a meeting of the Council on 24 February 2014, at which consideration will be given to the recommendations of this Cabinet in relation to the expenditure, income, and rent proposals that relate to HRA spending.

3.6 Consultation

3.6.1 Formal consultation with the public and local businesses on the budget was launched in December 2013 and will continue until the budget is formally adopted in February 2014.

3.6.2 The HRA budgets and proposed rent increases were presented to tenants on 4th February 2014.

3.6.3 Budget reports and equality impact assessments for budget proposals are published on the internet.

3.7 Choices (Options)

3.7.1 It is recommended that Cabinet make the recommendations to Council as detailed in section 2 of this report, taking into account the items detailed for noting.

3.7.2 The Cabinet may choose to make amendments to the proposed budgets or to the proposed rent increase and adjust the budget proposals accordingly, in consultation with the Chief Finance Officer. It would then recommend the amended budget and council tax (if applicable) to Council.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The revenue and capital budgets are set in support of the Council's priorities.

4.1.2 The HRA Revenue Budget is set in the overall context of the HRA 30 year business plan.

4.1.3 The Capital Programme for the HRA is set in the context of the Council's Capital Strategy.

4.2 Resources and Risk

- 4.2.1 HRA budgets will need to be updated to reflect the Councils decision to move to an Arms Length Management Organisation (ALMO). This will be carried out between now and the ALMO going live in January 2015. In addition to this, further service reviews are currently being undertaken including a review of the recharges between the HRA and GF.

4.3 Legal

- 4.3.1 The Council has a legal duty to set a balanced budget each year, bearing in mind its fiduciary duties to the taxpayer, and the HRA is not allowed to go into deficit by law. In exercising these duties the Council has to comply with various legislation and administrative duties.

4.4 Equality

- 4.4.1 The Public Sector Equality Duty (PSED) requires the Council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out its activities. Failure to comply with this duty would be challengeable in the courts. In order to comply with these duties the following was done.
- 4.4.2 Equality and diversity were considered as a part of the budget build process, and an Equalities Impact Assessment is completed as part of each medium term planning option submitted.
- 4.4.3 Equalities assessments for the draft revenue budget are published on the internet and will be updated to take account of feedback from the public consultation and re-published with the final budget proposals in February 2014.
- 4.4.4 The impact assessments are 'living' documents and will updated to take into account relevant feedback from the consultation process. Where these documents identify mitigating action, this will be undertaken in implementing the relevant option should it be taken forward and approved.
- 4.4.5 Each completed capital project appraisal includes responses to the following questions:
- State specifically the equalities issues that have been identified that this project will address?
 - How will this project address the equalities issues that have been identified?
- 4.4.6 The project manager for each scheme in the agreed capital programme will complete the Equalities Impact Assessment process as a condition of approval.
- 4.4.7 The Capital Strategy underwent an Equalities Impact Assessment screening. There are no direct impacts on individuals or groups arising from the Capital Strategy itself.

4.5 Consultees (Internal and External)

- 4.5.1 Internally heads of service and budget managers have been consulted, and Management Board has carried out a detailed challenge of the budget with Members.

4.5.2 The draft capital and revenue budgets were subject to public consultation and was presented to tenants on 4th February 2014

4.6 How the Proposals Deliver Priority Outcomes

4.6.1 Consulting on the draft budget is a key ingredient of effective financial governance, which contributes to the priority of making every pound go further.

4.7 Appendices

The **Appendices** are set out as follows:

- A Housing Revenue Account Summary
- B Housing Revenue Account Medium Term Planning Options
- C Proposed Housing Revenue Account Capital Programme and Financing
- D HRA Fees and Charges

5. Background Papers

- 5.1 Capital Strategy 2012 - 2015
- 5.2 Medium Term Planning Options list HRA
- 5.3 Equality Screening and Analysis for MTP Options HRA

David Kennedy, Chief Executive, ext. 7726
Glenn Hammons, Section 151 Officer, 01604 366521

Housing Revenue Account Budget Summary 2014-2019

Description	Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19
INCOME	£	£	£	£	£
Rents - Dwellings Only	(50,556,700)	(52,204,217)	(53,636,969)	(54,971,786)	(56,309,745)
Rents - Non Dwellings Only	(1,087,100)	(1,100,100)	(1,113,400)	(1,126,900)	(1,140,700)
Service Charges	(2,388,123)	(2,138,473)	(2,140,176)	(2,141,878)	(2,143,521)
Other Income	(85,000)	(85,000)	(85,000)	(85,000)	(85,000)
Total Income	(54,116,923)	(55,527,790)	(56,975,545)	(58,325,564)	(59,678,966)
EXPENDITURE					
Repairs and Maintenance	14,328,630	12,425,465	12,558,424	12,686,907	12,810,715
General Management	4,669,496	4,719,469	4,867,609	5,018,043	5,172,337
Special Services	4,031,210	4,124,797	4,211,801	4,307,350	4,396,832
Rents, Rates, Taxes & Other Charges	78,308	78,767	79,152	79,544	79,953
Increase in Bad Debt Provision	750,000	750,000	750,000	750,000	750,000
Rent Rebate Subsidy Deductions	100,000	0			
Total Expenditure	23,957,644	22,098,498	22,466,986	22,841,844	23,209,837
Continuation Budget	(30,159,279)	(33,429,292)	(34,508,559)	(35,483,720)	(36,469,129)
Medium Term Planning Options	1,436,302	1,436,302	1,436,302	1,436,302	1,436,302
Net Recharges from the General Fund	6,361,640	6,318,691	6,318,691	6,318,691	6,318,691
Interest & Financing Costs					
- Premia	0	0	0	0	0
- Interest on balances	(106,000)	(58,000)	(99,000)	(188,000)	(316,000)
- Mortgage interest	(670)	0	0	0	0
- Interest Fixed Rate	6,352,300	6,351,100	6,349,360	6,499,110	6,503,380
RCCO	13,113,735	11,238,943	7,483,368	7,974,784	8,647,607
Depreciation/MRA	12,211,047	12,609,994	13,019,838	13,442,833	13,879,149
Contribution to / (from) Reserves	(9,209,075)	(4,467,738)			
Remaining Deficit / (Surplus)	0	0	0	0	0

Housing Revenue Account MTP options

Directorate	MTP Reference	MTP Option Description	2014/2015 £'s	2015/2016 £'s	2016/2017 £'s	2017/2018 £'s	2018/2019 £'s
Housing		Housing Choice Recharge (transfer to HRA)	200,000	200,000	200,000	200,000	200,000
		Tenant Communication (MyHome & Annual Tenant Report)	150,000	150,000	150,000	150,000	150,000
		Estate Service - Deep Cleaning team/Removal of Standby	22,000	22,000	22,000	22,000	22,000
		Increase to service charges due to increase costs in Estate Services MTP above	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)
		Housing Stock Options	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
		Corporate savings	86,302	86,302.00	86,302.00	86,302.00	86,302.00
			1,436,302	1,436,302	1,436,302	1,436,302	1,436,302

Proposed Capital Programme 2014-15 to 2018-19 - HRA

Project Title	2014-15	2015-16	2016-17	2017-18	2018-19	Total
	£	£	£	£	£	£
Decent Homes	39,305,000	24,326,345	21,025,821	21,025,821	21,025,821	126,708,808
Structural Improvements	200,000					200,000
Heating Replacements	900,000					900,000
Asbestos removal remedial action	100,000	100,000	100,000	100,000	100,000	500,000
Door entry replacement	150,000					150,000
Property Improvements outside Decent Homes	230,000					230,000
Electrical periodic works	125,000					125,000
Garage roofs, doors and forecourts	100,000					100,000
Digital Aerials	10,000					10,000
SCATE	640,000	250,000	250,000	250,000	250,000	1,640,000
Fire safety in communal areas	150,000					150,000
Disabled adaptations	1,140,000	1,132,000	1,132,000	1,132,000	1,132,000	5,668,000
Sheltered housing improvements	1,000,000					1,000,000
IT capital	200,000					200,000
Walkways	100,000					100,000
Green deal contribution & energy efficiency	50,000					50,000
Major Regeneration, Repurchase and New Build, including provision for 'Northampton Standard'	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Change of Use	250,000					250,000
CCTV	50,000					50,000
Garages and Related assets		200,000	200,000	200,000	200,000	800,000
Fire Risk Work		600,000	600,000	600,000	600,000	2,400,000
Total	46,700,000	28,608,345	25,307,821	25,307,821	25,307,821	151,231,808



Proposed Capital Programme 2014-15 to 2018-19 - HRA

Project Title	2014-15	2015-16	2016-17	2017-18	2018-19	Total
	£	£	£	£	£	£

Proposed Funding - HRA Capital

Decent Homes Backlog Grant	15,355,000	0	0	0	0	15,355,000
Major Repairs Reserve/Depreciation	16,231,265	12,609,994	13,019,838	13,442,833	13,879,149	69,183,079
Capital Receipts - Right to Buy	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Revenue/Earmarked Reserve	13,113,735	11,238,943	7,483,368	7,974,784	8,647,607	48,458,437
Borrowing	0	2,759,408	2,804,615	1,890,204	781,065	8,235,292
Total Financing - HRA	46,700,000	28,608,345	25,307,821	25,307,821	25,307,821	151,231,808

SCHEDULE OF SERVICE CHARGES 2014/15

<u>SERVICE CHARGES (48 week Basis)</u>			PRESENT	PROPOSED
			£	£
Garages			8.33	8.64
(+VAT in some cases)				
Commuter Surcharge on Garages			13.24	13.73
(+VAT in some cases)				
Communal Heating			9.52	9.83
Sheltered Charges per Review				
- Level 1 Low			5.64	5.83
- Level 2 Medium			12.25	12.65
- Level 3 High			17.99	18.57
Eleonore House - Level 4				
- Prior to 31/3/03			8.89	9.18
- After 31/3/03			63.27	65.30
Brookside Meadows New Build - Service Charges				
- Tarmac and Block Paving			3.53	3.65
- Electric Gates			0.98	1.02
CCTV			2.80	3.59
Grounds Maintenance			1.90	1.96
<u>Non- Standard Service Charges</u>				
Electricity Communal				
	Low		0.10	0.11
	High		6.05	6.57
Estate Services - Cleaning and Caretaking				
	- Service Level 1		0.36	0.37
	- Service Level 2		0.87	0.89
	- Service Level 3		1.09	1.11
	- Service Level 4		1.45	1.47
	- Service Level 5		2.18	2.21
	- Service Level 6		3.27	3.32
	- Service Level 7		4.35	4.42
	- Service Level 8		4.35	4.42

Appendices
1



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL

24 February 2014

Agenda Status: PUBLIC

Directorate: Chief Finance Officer

Report Title	Report by Chief Finance Officer on Robustness of Budget Estimates and Adequacy of Reserves 2014/15.
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1. Purpose

- 1.1 To advise the Council on the robustness of the estimates in the budget and the adequacy of the proposed financial reserves before approving the Council's Medium Term Financial Plan 2014/19, the Revenue Budget for 2014/15, Capital Programme 2014/19, Reserves levels and Treasury Management Strategy 2014/15.

2. Recommendations

- 2.1 That Council carefully consider the content of the attached report prior to approving the Council's Medium Term Financial Plan 2014/19 for the General Fund and Housing Revenue Account Budgets for 2014/15, Capital Programme 2014/15 and Treasury Management Strategy 2014/15.

3. Issues and Choices

3.1 Report Background

- 3.1.1 See Cabinet report attached

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 See Cabinet report attached

4.2 Resources and Risk

4.2.1 See Cabinet report attached

4.3 Legal

4.3.1 See Cabinet report attached

4.4 Equality

See Cabinet report attached

4.5 Other Implications

4.5.1 See Cabinet report attached

5. Background Papers

5.1 See Cabinet report attached

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**Management Board, C/o David Kennedy, Chief Executive, ext. 7726,
dkennedy@northampton.gov.uk**



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Report by Chief Finance Officer on Robustness of Budget Estimates and Adequacy of Reserves
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	19 February 2014
Key Decision:	No
Within Policy:	YES
Policy Document:	YES
Directorate:	Management Board
Accountable Cabinet Member:	Cllr A Bottwood
Ward(s)	N/A

1. Purpose

- 1.1 To advise the Cabinet on the robustness of the estimates in the budget and the adequacy of the proposed financial reserves for the General Fund and Housing Revenue Account before recommending to Council the Council's Medium Term Financial Plan 2014/19, the Revenue Budget for 2014/15, Capital Programme 2014/19, Reserves levels and Treasury Management Strategy 2014/15.

2. Recommendations

- 2.1 That Cabinet recommend to Council to carefully consider the content of this report with regards to the General Fund and Housing Revenue Account prior to recommending the approval of the Council's Medium Term Financial Plan 2014/19, the Revenue Budget for 2014/15, Capital Programme 2014/15 and Treasury Management Strategy 2014/15.

3. Issues and Choices

3.1 Report Background

3.1.1 Section 25(1) of the Local Government Act 2003 requires that the Chief Financial Officer (Section 151 Officer under the Local Government Act 1972) reports to the Council when setting its Council Tax on:

- the robustness of the estimates in the budget.
- the adequacy of the proposed financial reserves.

3.1.2 Section 25(2) of the 2003 Act requires the Council to have regard to this report in approving the budget and Council Tax.

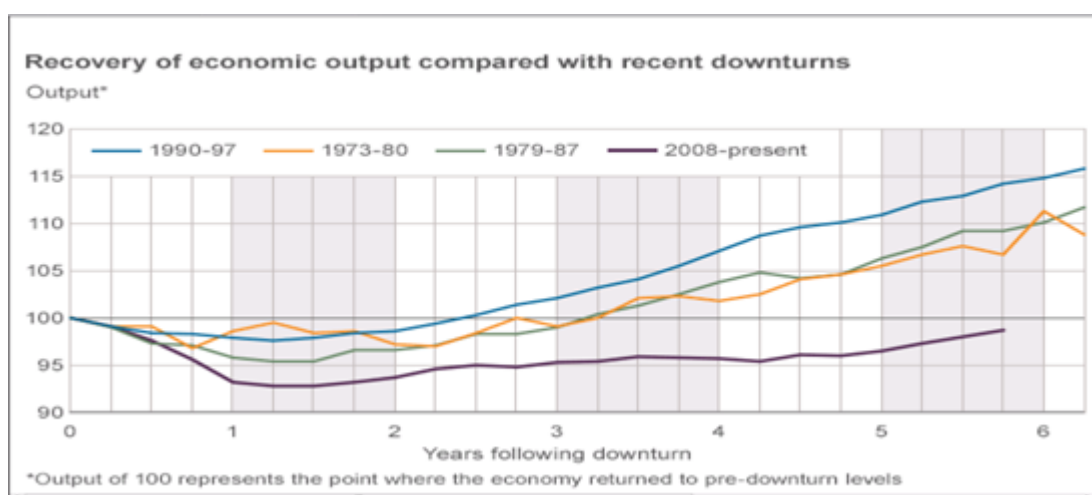
3.2 Context

3.2.1 The Council is setting its budget at a time when it continues to face significant challenges. In broad terms these can be split into 3 categories; economic, local government and local challenges. Each of these challenges is explored below.

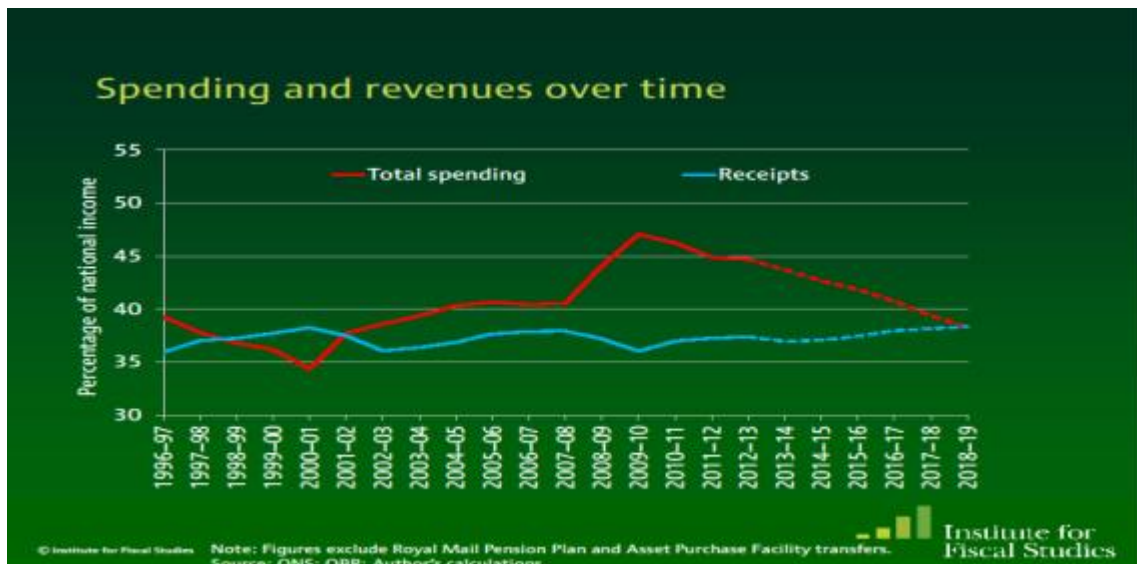
Economic Challenges

3.2.2 The UK economy over the last 12 months has returned to growth. In 2013 the annual growth in Gross Domestic Product (GDP) was 1.9%. This is the fastest rate of growth since the financial crisis in 2008 and the introduction of austerity measures in 2010. This growth is expected to continue in 2014 with the Office for Budget Responsibility forecasting growth at 2.4%.

3.2.3 Whilst this is positive news the UK economy is still below the level of GDP seen in 2008. The period of recession and economic stagnation has lasted significantly longer than similar recent downturns. As can be seen in the graph below it took between 2-3 years to return to the level of GDP in previous downturns. It is likely to take 6 years in the downturn which commenced in 2008:



3.2.4 The UK economy is still operating with an annual deficit and the Government has stated its commitment to a balanced budget by 2018. Due to the depth of the downturn this is longer than previously envisaged. The graph below from the Institute of Fiscal Studies (IFS) shows how the UK income receipts could increase and public spending is likely to continue reducing over the next 5 years.



Local Government Challenges

- 3.2.5 As announced by Government in their Budget, Spending Round and Autumn Statement during 2013 the austerity measures for the public sector, including Local Government will continue until at least 2018, rather than 2015 as previously indicated. This follows the Spending Review 2010 (SR10) which identified a 28% reduction in real terms for local government funding. In January 2014 councils received notification of their funding allocations for 2014/15 and an illustrative funding settlement of 2015/16. These confirmed that decreases in funding from Government are set to continue for the next two years at the rates seen over the last 4 years.
- 3.2.6 In addition to the continuing austerity measures councils have implemented significant changes to Government policy, including the localisation of council tax support, technical reforms to council tax discounts & exemptions, keeping council tax increases to a minimum and Business Rates Retention Scheme. Looking ahead the next Government policy change will be the introduction of universal credit and a continued reform of the welfare system.
- 3.2.7 From these changes it appears that Government are moving slowly away from the previous needs based funding of the old formula grant, towards a system where councils are rewarded for growth in house and business numbers. For example Revenue Support Grant (RSG) is forecast to reduce at significant rates over the medium term and is therefore unlikely to be a primary source of funding for the Council in the future. It is being replaced by New Homes Bonus and Business Rates Retention, both of which reward those areas which can promote and deliver growth.
- 3.2.8 All of these changes present significant risks, as well as opportunities, to the Council over the period of its Medium Term Financial Plan.

Northampton Challenges

- 3.2.9 As noted above the Council faces significant external challenges that it will need to manage over the medium term. Over the past two budget planning rounds the Council has implemented a financial strategy which addressed a number of specific financial challenges faced by the Council.
- 3.2.10 During 2013/14 the Council has made good progress in delivering its Medium Term Financial Plan. The primary areas being:

- Delivery of revenue budget savings and operating within its revenue budget for 2013/14; and
 - Changes in terms and conditions and a senior management restructure.
 - The transfer of support services to LGSS which is expected to deliver substantial savings over the next five years.
- 3.2.11 There are still a number of actions that need to be delivered in the future given the increasing revenue funding pressures that, as noted above, look set to continue into the medium to long term. An example of the change and investment programme the Council is in the process of delivering includes the transfer of the Council's housing stock to an Arms Length Management Organisation (ALMO).
- 3.2.12 In addition to the existing externally driven funding pressures, there are additional calls on Council funding to implement schemes and provide loans in order to promote and enhance the local economy and allow a sound base for future economic growth. The success of this strategy could lead to additional revenue funding becoming available to the Council in the future form of retained growth through Business Rates Retention Scheme and funding arising from the building of new dwellings through the New Homes Bonus grant, however this does give rise to additional pressures in the short to medium term.

3.3 Medium Term Financial Plan 2014/15 to 2018/19

- 3.3.1 The Medium Term Financial Plan is a key part of ensuring the Council's future. The approach during the 2013/14 budget planning round has been to update the previous year's plans for any changes to assumptions, local policy changes, national policy changes and known risks. This has then been used as a basis to identify savings requirements for the years 2014/15 to 2018/19.

Risks and Mitigations

3.3.2 General Fund Revenue

- a) There are £1.4m of savings to be achieved in 2014/15 onwards; those currently identified are itemised in the budget report at appendix 5. Specific ones of notes are:

- Restructures / staffing savings of £875k.
- Printing review of £150k rising to £250k in future years.
- Employment Costs £365k.

The risk of delivery of these will be mitigated through the use of a budget tracker to monitor progress; outputs from this will be regularly reported to Management Board and senior councillors.

- b) A number of significant reviews will be undertaken during year. These include:
- Private sector housing;
 - Housing restructure

- Call care
- GF/HRA recharges review

The risk of delivery of these will be mitigated through the use of a tracker to monitor progress; outputs from this will be regularly reported to Management Board and senior councillors

- c) The Council is committed to create an Arms Length Management Organisation (ALMO) to deliver the Council's landlord function, plus other housing functions yet to be defined. This will be financed through a management fee paid by the Council to the ALMO. There is a risk of financial implications to the Council arising from the calculation of the management fee or through commitments made to stakeholders through the ALMO creation process.

The risk of this is mitigated through the governance structures and the involvement of the Chief Finance Officer and his representatives in those governance structures.

- d) Through the Business Rates Retention Scheme, the Council retains a proportion of the net growth outside the Waterside Enterprise Zone for its own purposes. There is a risk that the forecasts of this business rates growth may not be achieved resulting in lower revenue streams than anticipated.

This risk is mitigated through the inclusion of 50% of the projected uplift in 2014/15 budgets. There are also plans to improve intelligence gathering and information sharing between planning, revenues & finance combined with more detailed modelling of future projections including risk and sensitivity analysis.

- e) Through the Business Rates Retention Scheme, the Council retains all the growth from the Waterside Enterprise Zone which is earmarked (through a memorandum, of understanding) for use on South East Midlands Local Enterprise Partnership (SEMLEP) priorities. There is a risk that the forecasts of this business rates growth may not be achieved resulting in lower revenue streams than anticipated; this risk affects Northampton Borough Council via some of the loans to improve Enterprise Zone Infrastructure whereby the funding of principal and interest repayments are expected to come from business rates uplift; if this uplift does not occur, the responsibility for repayment remains with the Council.

This risk is mitigated through modelling of business rates uplift on a site by site basis. There are plans to further improve intelligence gathering and information sharing between planning, revenues & finance combined with more detailed modelling of future projections including risk management and more detailed sensitivity analysis. However, it should be noted this risk is unlikely to materialise until after the end of our MTFP period.

- f) Business rates revaluation is planned for 2017 in England and Business Rates Retention Scheme rebasing is planned for 2018. Both of these could impact on projected business rates growth and have a consequent effect on Council revenues.

The risk of these impacts is medium term and is mitigated as per d) above and will be mitigated through liaison with the Valuation Office and monitoring developments in this area.

- g) There are some services which historically have had higher levels of financial risk associated with them, including car parking and waste contract.

There is now reduced risk relating to car parking income due to using improved data for producing improved financial forecasting; the costs of the waste contract are being continually monitored and contract risks dealt with through the contract management team.

3.3.3 General Fund Capital

- h) There are a large number of high profile capital schemes to deliver over next two years.

A new Capital Programme Board has been introduced to manage the capital programme and improve governance.

- i) The Greyfriars bus station is programmed for demolition in late 2013/14 to early 2014/15.

Risks around the residual costs of this scheme are being managed through the risk assessment of reserves and working balances.

- j) There is significant capital investment relating to investment in improved infrastructure in the Enterprise Zone. Initial funding of this is from various sources including the Growing Places Fund; repayment of the funding is reliant on business rates uplift.

This risk is managed as per e) above.

3.3.4 Housing Revenue Account

- k) A review is being undertaken of recharges between the General Fund and Housing Revenue Account. There is a risk of additional costs falling in the Housing Revenue Account arising from this review.

Any additional costs will be built into the HRA 30 year business plan and the overall finances will managed within that context.

- l) The Council is committed to create an Arm's Length Management Organisation (ALMO) to deliver the Council's landlord function, plus other housing functions yet to be defined – see c) above for details.

3.3.5 Housing Revenue Account - Capital

- m) There are a large number of high profile capital schemes to deliver over next two years, including the improvement of council housing upto the Decent Homes Standard and Northampton Standard.

A new Capital Programme Board has been introduced to manage the capital programme and improve governance.

3.3.6 Treasury Management

- n) The Council has and is entering into a number of loan agreements with local partners.

Risks are fully assessed and loan agreements put into place to mitigate the risks including proposed repayment schedules; interest rates are charged on the loans to mitigate state aid implications.

- o) There is a risk relating to interest rate increases.

The interest budgets have been built using latest forecasts of interest rates provided by the Council's risk management advisors, Capita Treasury Services.

3.3.7 Financial Awareness & Skills

- p) It is recognised that with the financial challenges and risks the Council faces there is a need for improved financial awareness and improved finance skills amongst budget managers.

The risk of this is being managed through implementing a comprehensive finance improvement plan to include a training programme to raise awareness, providing budget managers with improved financial systems and a review of key financial processes.

Delivering the Medium Term Financial Plan

3.3.7 The Medium Term Financial Plan requires a number of key deliverables to be achieved and implemented in order to achieve a stable and sustainable financial position for the Council. Key deliverables include implementing savings plans, identifying further savings, selling assets and increasing revenues by encouraging more businesses into the district. This will need to be managed against a backdrop of further significant change within the Local Government sector. To ensure delivery the Council is advised to ensure that:

- project teams are established to deliver the savings programmes, particularly those still to be identified, and that these teams are resourced to the right level.
- money used to support these programmes must be on an invest to save basis, with clear criteria and expectations of return.
- progress against savings plans are regularly monitored, with variances and any mitigating actions reported.
- members take future decisions that support the aim of maintaining a financially stable and sustainable Council.

The Longer Term Financial Position

3.3.8 The medium to long term financial position for the Council continues to show costs increasing at a faster rate than funding. By 2018/19 there is projected to be a £6.6m gap between expenditure and income and this could get wider over the longer term using current projections. The Council will need to be mindful of this position when making strategic and policy decisions in the future. Mitigating factors for this could be around increasing revenues through the Business Rates Retention scheme by growth in the number of businesses in the borough, although there are risks around this as noted

above, and will be by reducing costs by operating more efficiently, effectively and innovatively.

3.4 Revenue Budget 2014/15

The Financial Position

3.4.1 The revenue budget 2014/15 is the first year of the Council's five year Medium Term Financial Plan. The budget has been developed using a robust process with officer and member involvement.

Budget Process

3.4.2 An important feature of the budget process is that Directors and Heads of Service are responsible, with the support of finance staff, for the preparation and determination of their income and expenditure estimates. The active involvement of Directors and Heads of Service in determining their spending plans and income generation estimates ensures ownership of the budget and that the officers responsible for delivery of the services are happy that financial targets are achievable. During the 2014/15 budget setting cycle, all items within the base budget have been scrutinized and any changes to the figures submitted have only been incorporated with the acceptance of the Directors and Heads of Service.

3.4.3 Councillors have been involved in the budget process through the Overview and Scrutiny Committee, who have investigated and challenged the proposals and Audit Committee who conducted a risk review of the budget proposals.

Budget Proposals

3.4.4 The budget includes £1,365k of savings, delivery of which will need to be managed.

Council Tax

3.4.5 Freezing the Council tax has been a key policy objective for the Government and there is to be a Council Tax freeze grant for the fourth year running. Again the terms are less generous than the first round. There is a grant equivalent to 1% of Council Tax payable for two years, only for councils freezing or reducing Council Tax in 2014-15. 2011-12 was the first year of the Freeze Grant and the additional resource was built into the funding baseline for subsequent years. However, for 2012-13 the freezing of Council Tax was supported by a one off grant of 2.5% of Council Tax. This dropped out of funding in 2013-14 creating a funding gap requiring an equivalent reduction in spend.

3.4.6 The Government has stated Council Tax freeze grants will be incorporated into the baseline for future funding settlements. However, there remains a lack of 100% certainty on the inclusion of the 2013-14 freeze grant, equivalent to 1% of Council Tax in future base funding. The MTFP assumes it is included in base funding in future years, and any future freeze grants will also be included..

3.4.7 The Budget 2014/15 and MTFP 2015/19 has recommended a Council Tax freeze in each year This will need to be reviewed on an annual basis in light of the financial position of the Council and in response to the threshold set by Government to trigger a referendum.

Council Tax Support

3.4.8 Council Tax Benefit reforms were put in place from April 2013 which provided for decisions on benefits to be made at a local level. These reforms did, however, come with a target reduction of 10% in the overall benefits bill. This has been a challenge for local authorities with a number of previous Council Tax Benefit claimant categories exempt from the reduction, and hence there has also been a need to take advantage of flexibility around Council Tax discounts. There was a likelihood that there would be an impact on collection rates as well as general uncertainty in the first year of the new arrangements. Collection rates have actually held up better than anticipated and the council is continually reviewing its scheme on an annual basis.

3.5 Draft Capital Programme 2014/15 to 2018/19

3.5.1 Historically the Council's General Fund Capital Programme has been funded from capital receipts, capital grants, prudential borrowing financed from service revenue savings and prudential borrowing that is affordable within the overall revenue position. This remains largely the case, although New Homes Bonus income is now also being used to finance regeneration and economic growth related projects.

3.5.2 Over the period of the Medium Term Financial Plan, the General Fund Capital Programme is projected to be financed from £8.093m capital receipts. There are risks around the delivery of this level of capital receipt, however the majority of this funding (£7.126m) is planned to be used in 2015/16 and 2016/17. Progress on the achievement of this level of receipt will therefore be closely monitored through the Corporate Asset Board, with any amendments to capital programmes and financing through new Capital Programme Board.

3.5.3 There is £6.750m of funding provided through the, Growing Places Fund and Local Infrastructure Fund which is to be repaid from the Enterprise Zone business rate uplift; risks around the repayment of this are being managed as per 3.3.2 e) above.

3.5.4 The Housing Revenue Capital Programme is funded within the context of overall Housing Revenue Account resources and in line with the stock condition survey and the HRA 30 year business plan. Where there are changes in the overall resources available to the HRA, the capital plans are amended accordingly. In this context there is not a high financial risk relating to HRA capital expenditure, however significant reductions in capital investment would impact heavily on service delivery and put delivery of landlord obligations at risk.

3.6 Treasury Management Strategy 2014/15

3.6.1 The Council's Treasury Management Strategy has been updated to reflect the latest borrowing requirements of the capital programme, latest interest rate forecasts and updated for the credit criteria to reflect the changing banking environment whilst ensuring the security of the Council's investments continues to be maintained.

3.6.2 Forecasting the Council's future short term borrowing and lending costs is always a challenge, but even more so in the current climate of economic volatility and uncertainty. Nevertheless the Treasury Management budget does reflect the capital financing costs to support the approved capital

programme and rates of return on investments at this time. The base rate is forecast to remain at its historical low further into the medium term and the budgets will be regularly monitored.

3.7 Forecast Reserves and Balances

3.7.1 The previous strategy has been to hold relatively high levels of earmarked reserves to mitigate against the risks foreseeable in the short to medium term. This approach has been reviewed this year and a fundamental review of earmarked reserves and working balance has been undertaken. The new approach is to manage more risk within the risk assessment of the working balance. This results in a lower overall level of reserves needed when compared to the levels of risk than the previous methodology. This is primarily because the new approach, although it recognises all risks, also recognises that not all risks will emerge at the same time if they emerge at all. This means that the levels of overall reserves can be lower.

Minimum Levels of Working Balance

3.7.2 The risk assessed minimum level of balances for 2014/15 is £4.9m, an increase of £1.8m on previous levels. This increase will be managed from the reduced levels of earmarked reserves. The risk assessed minimum level of balances increases for 2015/16 by £0.4m to £5.3m due primarily to increased risks around loans to local organisations. This increase for 2015/16 will also be managed from the reduced levels of earmarked reserves.

3.7.3 The underlying minimum level of working balance necessary to mitigate against short to medium term risks will be reviewed, along with the levels or earmarked reserve, on an annual basis.

Use of Earmarked Reserves

3.7.4 There is a net contribution from earmarked reserves within the 2014/15 revenue budget of £1.464m. This is made up as follows: -

	£m
Increase to Minimum Working Balance	-1.828
New Homes Bonus (NHB) receivable in 2014/15	2.794
Use of NHB	-2.255
Use of Housing and Planning Delivery Grant	-0.175
Net Contribution <u>from</u> earmarked reserves	<u>-1.464</u>

3.7.5 The Housing and Planning Delivery Grant reserve is used to finance specific costs within the planning department.

3.7.6 New Homes Bonus receivable in year, in line with previous years, is transferred into earmarked reserves. Regeneration and economic development schemes to the value of £2.255m have been identified to be funded from the NHB earmarked reserve. This includes £224k to pay for the ongoing revenue costs of prudential borrowing. In addition to this, £2.136m of the NHB earmarked reserve is being used to directly finance capital schemes.

3.7.7 In recognition of the future General Fund revenue pressures, rising to a budget gap of £6.6m in 2018/19, an earmarked reserve of £1.2m for invest to save schemes has been set up. The use of this reserve will be based on a strict criteria linked to a business case and will require sign off by the Chief Finance Officer and the Cabinet Holder for Finance and will only be used for projects which contribute overall to closing the projected budget gap in the short to long term.

3.8 Conclusion

3.8.1 Provided the Council carefully considers and acts upon the above analysis, and officers robustly manage the implementation of the Revenue and Capital Budgets, a positive opinion can be given under Section 25 of the Local Government Act 2003 on the robustness of budget estimates and the level of reserves.

3.8.2 However, it should be noted:

- Whilst risk does exist the estimates are robust both in respect of the underlying estimates and the future deliverability of potential reductions.
- From a Chief Finance Officer perspective there is always a desire to have a high level of reserves to protect against the unknown. However, against the backdrop of reduced public finances, the need to protect service, especially the most vulnerable in the community and provide investment for future growth the level of reserves is currently considered adequate.
- That the Council faces significant financial pressures, particularly in its General Fund Revenue Budget, over the medium term. Over this period the Council must ensure it takes the necessary action to ensure a continued stable and sustainable financial position is maintain.

3.9 Choices (Options)

3.9.1 Section 25(2) of the Local Government Act 2003 requires the Council to have regard to this report in approving the budget for both the General Fund and the Housing Revenue Account.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The revenue and capital budgets are set in support of the Council's priorities and in order to do this effectively, the calculations used within the budgets must be robust; this report demonstrates that, in the opinion of the Chief Financial Officer, the budgets for 2014/15 are robust within the parameters outlines in this report.

4.1.2 Protecting the Council's medium to long term financial position and ensuring adequate provision for reserves allows the Council to continue to deliver services in line with its priorities.

4.2 Resources and Risk

4.2.1 The report is of a financial nature and the implications are set out within the report. This report by its nature considers risk management from a financial perspective.

4.3 Legal

4.3.1 The Council has a legal duty to set a balanced budget each year, bearing in mind its fiduciary duties to the taxpayer, and the HRA is not allowed to go into deficit by law. Section 25(1) of the Local Government Act 2003 requires that the Chief Financial Officer (Section 151 Officer under the Local Government Act 1972) reports to the Council when setting its Council Tax on the robustness of the estimates in the budget and the adequacy of the proposed financial reserves.

4.3.2 Section 25(2) of the 2003 Act requires the Council to have regard to this report in approving the budget.

4.4 Equality

4.4.1 There are no equality and diversity implications arising from this report. Separate assessments will be produced as savings plans are developed over the period of the MTFP to deliver the savings yet to be identified.

4.5 Consultees (Internal and External)

4.5.1 Internally heads of service and budget managers have been consulted, and Management Board has carried out a detailed challenge of the budget with Members.

4.5.2 The draft capital and revenue budgets were subject to public consultation and the HRA budget was presented to tenants on 4th February 2014.

4.6 How the Proposals Deliver Priority Outcomes

4.6.1 Consulting on the draft budget is a key ingredient of effective financial governance, which contributes to the priority of making every pound go further.

4.7 Appendices

None

5. Background Papers

5.1 General Fund Budget Report

5.2 HRA Budget Report

5.3 Prudential Indicators Report

5.4 Treasury Management Strategy Report

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