



Cabinet Member Report for Finance

Northampton Borough Council

20th January 2014

The administration is proposing a challenging programme of internal cost-cutting measures to tackle the 2014/15 budget shortfall, and prevent the budget gap growing even further in 2015/16.

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.

The gap has already been reduced significantly by work to streamline management and cut back office costs. The cost of senior management at Northampton Borough Council has reduced by 50% over the last three years. Since 2010/11, the number of senior managers has been cut from 21 to 10 as a result of work to streamline the organisation and create efficiencies.

As a result, total pay and remuneration for senior managers has fallen from £1.68 million to around £850,000 currently, a reduction of about £850,000 or around 50%.

This reduction, along with savings made by sharing back office functions such as HR and finance with other authorities through the LGSS scheme, has helped to close the budget gap and will safeguard investment in frontline services and regeneration in the next budget setting period, which begins next week.

The proposals for investment will support businesses to encourage growth and job creation. The Borough Council will set up a business incentive scheme, with an initial contribution of £250,000 to fund measures aimed to fill empty properties and help small businesses. The scheme would be in addition to the cap on business rate increases and doubling of Small Business Rate Relief that were announced in the Chancellor's Autumn Statement last week.

There are also proposals to drive footfall in the town centre, including offering free parking in the town's four multi-storey car parks every Saturday throughout the year and extending the one hour free offer in the multi-storey car parks to two hours. This follows a successful trial this summer and over the Christmas period. This will start at the beginning of April 2014.

The opening hours of both Northampton Borough Council museums would also be extended to attract more visitors to both Abington Park and the Town Centre, and there would be investment in the number of neighbourhood wardens and park rangers providing visible support in communities.

There are also proposals for a capital programme investment of more than £13 million to be spent on infrastructure projects that will open the way to further regeneration. The budget will be debated and agreed at the Full Council meeting next month.

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Cabinet Member for Finance