



Cabinet Member Report for Finance

Northampton Borough Council

27th October 2014

Finance

Work on the Council's Budget for 2015/16 is now well underway to identify the issues facing the authority in the next and future financial years. The Chancellor of the Exchequer has indicated that he will make his Autumn Statement on 3rd December which will help to give an indication of the national picture and the Administration will announce budget plans for the Council later in December. The Council continues to face significant challenges on its finances as the planned reductions in Government funding are expected to continue until at least 2018. This will particularly affect the General Fund revenue budget and the Council must reduce its spending and increase its income to balance its budget.

KPMG, the Council's external auditors, signed off the Council's Statement of Accounts for 2013/14 on 30th September and the annual report identified no issues.

Council Tax Support Scheme

A consultation is currently underway asking people in Northampton to have their say on how changes to the Council Tax Reduction scheme may affect them. The Council Tax Reduction scheme provides financial support for people on low incomes to help with their Council Tax bill. In Northampton the scheme helps around 18,000 people.

Northampton Borough Council has been asking about how the scheme is currently working. People will also have the chance to comment on the future of the scheme and how proposed changes from 1st April 2015 may affect them.

The consultation has been available on the Council's website and there were three drop in sessions at The Guildhall for anyone interested in asking questions about the chances or looking to find out more about the scheme.

Revenue and Benefits

Pressure on the Benefits service is expected to increase during the second part of the year with the introduction of two reforms. One will see monthly data transfers of real – time earning information from HMRC. This will lead to a large number of cases requiring manual review and re – assessment. Funding is expected from the Department for Work and Pensions. A second change to the method of applying earnings to work cases is also expected. This could lead to a reduction in benefit against the old assessment method, leading to increased enquiries to the service. The position will be monitored carefully.

Councillor Alan Bottwood
Cabinet Member for Finance