



Cabinet Member Report for Finance

Northampton Borough Council

2nd March 2015

Budgets

The Administration has worked hard during a challenging period for local authorities and the country with reductions over the last four years in central funding. Despite these challenges, the Borough Council has maintained a balanced budget and made huge investments in the town's future.

Throughout the last four years, the Administration has invested in the town's regeneration, increased the number of Neighbourhood Wardens and Park Rangers, provided free car parking in the town centre, delivered massive regeneration projects for the town and increased the footfall and number of visitors to the town centre.

The Administration's four budgets have balanced the need to invest in the future of Northampton, to freeze Council Tax to help hardworking families and improve our Council housing stock with a need to reduce spending, reduced the number of senior managers and reduced back office costs.

Shared Services

In March 2012, the Administration announced that it had started discussions with Local Government Shared Services - the shared services partnership established by Northamptonshire County Council and Cambridgeshire County Council. An historic deal was announced on 17th October 2012 to share the back office and save £9.5m of taxpayers' money over five years.

The new partnership was approved by Full Council in May 2013 and began on 1st June 2013 with a smooth transition and 220 employees completed the TUPE transfer. The agreement sees LGSS provide back office services to the Borough Council including IT, HR, Finance, Procurement, Legal services, and Revenues and Benefits.

Revenue and Benefits

Welfare reforms over the last four years have included the benefit cap, the spare room subsidy, discretionary housing payments and the implementation of the new local Council Tax Support Scheme have been successfully managed by the Revenue and Benefits Team.

The Revenue and Benefits service won a Gold medal for the Revenues Team of the Year Award in 2013 and the Silver medal for the Excellence in Staff Development Award in 2013 in the Institute of Revenues Rating and Valuation. These awards reflect the service achievements to meet the ongoing demands with the collection of income and debt alongside supporting staff development.

Senior Management reductions

The Administration has kept its manifesto commitment of reducing the number of senior managers to ensure funding is prioritised to frontline services. The cost of senior management has been reduced by 50% over the last four years. Since 2011, the number of senior managers has been cut by the Administration from 21 to 10 and total pay and remuneration for senior managers has fallen from £1.68 million to around £850,000.

Council Tax Freeze

The Administration has not increased the Borough Council's share of Council Tax throughout the four year term to help hardworking families in Northampton. The reductions in senior management costs and other efficiencies through shared services has meant there have been no reductions in frontline services.

Housing Revenue Account

Changes to the national financing for Council housing were complete in April 2012 which resulted in a Council buy-out of the Housing Revenue Account. As a result the Council now self-finances its stock of social housing and retains the rental income collected each year. Since January 2015, the housing stock is now managed by Northampton Partnership Homes, the Arms Length Management Organisation.

Successorize

The Successorize event started in 2013 and has now become an annual event to support young people to develop their skills and confidence in finding employment across Northamptonshire. Local businesses volunteer their time to support the young people with everything from interview techniques, new hairstyles and apprenticeship offers. The next Successorize event will take place on 19th and 20th March.

Living Wage

In December 2014, the Administration announced that the Council will become a Living Wage Employer from April, ensuring that all directly employed staff are paid the nationally-set living wage, which is calculated according to the basic cost of living in the UK and designed to provide sufficient income for a person to have a minimum acceptable standard of living.

Staff Terms and Conditions

The Administration has introduced a number of changes to staff terms and conditions to achieve budget savings. Human Resources have negotiated with trade unions to successfully conclude changes including new working hours. Without making these changes, the Council would have needed to consider redundancies and 98% of staff accepted these changes.

Working with Local Business

The Administration is committed to working with local Northampton businesses wherever possible. To help businesses understand how they can do business with the Borough Council directly as a main contractor or indirectly, the Borough Council has run sessions on 'How to do Business with the Council' and outlined rules around procurement to help local businesses to compete for business. This has been delivered jointly with Northampton Partnership Homes and LGSS most recently to best help businesses get involved with all aspects of the Council. The last workshop was in January and over 100 businesses attended.

The Administration also introduced a Business Incentive Scheme in April 2014 to make it easier for entrepreneurs and businesses to find new premises or expand. Through the scheme, grants and incentives are available to help businesses take on empty or vacant units.

The scheme has awarded over £380,000 in grants, which has unlocked more than £1.7 million in private investment and helped to create 168 new jobs and brought business units and empty shops in the town back into use.

It has been a pleasure to serve as the Cabinet member for Finance and, despite a very challenging period for local authorities, I am proud to have led a Department which has managed to maintain control of the Council's finances whilst also investing in the town's future and making strategic changes to the authority to prepare us for the future.

Councillor Alan Bottwood
Cabinet Member for Finance