

## **MINUTES**

OF THE PROCEEDINGS OF A MEETING OF NORTHAMPTON BOROUGH COUNCIL HELD AT THE GUILDHALL, NORTHAMPTON, ON Monday, 27 February 2017 AT SIX THIRTY O'CLOCK IN THE EVENING

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

**COUNCILLORS:** Malpas, Ansell, Ashraf, Beardsworth, Birch, Bottwood, Caswell, Choudary, Chunga, Culbard, Davenport, Duffy, G Eales, T Eales, Eldred, Golby, Gowen, Hadland, Hallam, Haque, Hibbert, J Hill, M Hill, Kilbride, King, Lane, Larratt, B Markham, M Markham, Marriott, McCutcheon, Meredith, Nunn, Oldham, Parekh, Patel, Russell, Sargeant, Kilby-Shaw, Smith, Stone and Walker

### **1. DECLARATIONS OF INTEREST**

Councillor Oldham declared a personal, non-pecuniary interest in item 9 as a Council tenant.

Councillors Kilbride, Bottwood, M Markham, Ashraf and Chunga declared personal non-pecuniary interests as board members of Northampton Partnership Homes (NPH)

### **2. MINUTES.**

The minutes of the meeting held on 30<sup>th</sup> January were agreed and signed by the Mayor.

### **3. APOLOGIES.**

Apologies were received from Councillors Cali, Flavell and Aziz.

### **4. MAYOR'S ANNOUNCEMENTS.**

The Mayor announced the sad passing away of Lesley Ingram, Environmental Warden. The Mayor commented that he had written a personal letter to her family offering condolences on behalf of staff and Councillors. He stated that her funeral was to be held on Friday 10<sup>th</sup> March at 11am at the County Crematorium in Milton Malsor.

The Mayor announced that the funeral of former Councillor and Alderman, Mr Trevor Bailey was due to be held on 3<sup>rd</sup> March 2017 at St Albans Church, Broadmead Avenue at 1.30pm

The Mayor thanked all those who attended the Mayoresses tree planting in Great Billing Pocket Park on the 28<sup>th</sup> February.

The Mayor proposed a suspension of standing orders under Rule 25 to enable the

mover and seconders the opportunity to speak for a maximum of 10 minutes and that no other speech exceeds 5 minutes in relation budget reports, item 7, 8, 9 and 10 was agreed.

It was also noted that in accordance with the principles of the 2014 regulations, recorded votes would be held on all matters relating to the budget items 7,8,9, and 10 of the agenda.

## **5. PUBLIC COMMENTS AND PETITIONS**

Ms Beverley Mennel addressed Council and commented that there was a lack of public toilet facilities in the town centre. She stated that the Council needed to look at increasing provisions within the town and making them more visible and user friendly for Disabled people. As a member of the Disability Forum, this was an issue that needed addressing urgently.

Mr Arthur Newbury addressed Council and commented that the Council Tax increases proposed were necessary in order for further investment to be made in the town centre and improvements to local services.

## **6. CORPORATE PLAN**

Councillor Nunn submitted a report that sought approval for the Council's Corporate Plan for 2017 to 2022 and to delegate authority to the Chief Executive in consultation with the Leader of the Council any final necessary amendments to finalise the Corporate Plan for publication.

Councillor Larratt seconded the report.

The Council debated the recommendations and detail in the Corporate Plan.

The recommendations were agreed.

### **RESOLVED:**

1. That the Corporate Plan (2017 to 2022) attached to the report be approved.
2. That authority be delegated to the Chief Executive in consultation with the Leader of the Council any final necessary amendments to finalise the Corporate Plan for publication.

## **7. ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES REPORT**

Councillor Eldred submitted a report advising Council 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.

Councillor Nunn seconded the report.

There voted for the recommendations:

Councillors Ansell, Ashraf, Beardsworth, Birch, Bottwood, Caswell, Choudary, Chunga, Culbard, Davenport, Duffy, G Eales, T Eales, Eldred, Golby, Gowen, Hadland, Hallam, Haque, Hibbert, J Hill, M Hill, Kilbride, Kilby-Shaw, King, Lane, Larratt, B Markham, M Markham, Marriott, McCutcheon, Meredith, Nunn, Oldham, Parekh, Patel, Russell, Sargeant, Smith, Stone and Walker.

## **RESOLVED:**

That careful consideration be given to 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 2017/22, the Revenue Budget for 2017/18, Capital Programme 2017/22 and Treasury Management Strategy 2017/18.

## **8. GENERAL FUND REVENUE AND CAPITAL BUDGETS 2017/18**

Councillor Eldred submitted a report which reported on the outcome of the consultation process on the 2017/18 General Fund budget and the final formula grant settlement for 2017/18 and to agree the Cabinet's recommendations for the General Fund revenue and capital budgets, the level of Council Tax increase for 2017/18 and indicative levels for 2018/19 to 2021/22. It also sought approval of the Treasury Management Strategy and Capital Strategy attached to the report.

Councillor Nunn seconded the report.

Councillor Stone proposed and Councillor Birch seconded amendments, on the attached supplementary document to the minutes.

There voted for the amendments:

Councillors Ashraf, Birch, Choudary, Chunga, Culbard, Davenport, Duffy, G Eales, T Eales, Gowen, Haque, Marriott, McCutcheon, Russell, Smith and Stone.

There voted against the amendments:

Councillors Ansell, Bottwood, Caswell, Eldred, Golby, Hadland, Hallam, Hibbert, J Hill, M Hill, Kilbride, Kilby-Shaw, King, Lane, Larratt, M Markham, Nunn, Oldham, Parekh, Patel, Sargeant and Walker.

There abstained: The Mayor, Councillors Beardsworth, B Markham and Meredith.

The amendment was lost.

Council debated the recommendations contained within the report.

There voted for the recommendations:

Councillors Ansell, Bottwood, Caswell, Eldred, Golby, Hadland, Hallam, Hibbert, J Hill, M Hill, Kilbride, Kilby-Shaw, King, Lane, Larratt, M Markham, Nunn, Oldham, Parekh, Patel, Sargeant and Walker.

There voted against the recommendations:

Councillors Ashraf, Beardsworth, Birch, Choudary, Chunga, Culbard, Davenport, Duffy, G Eales, T Eales, Gowen, Haque, b Markham, Marriott, McCutcheon, Meredith, Russell, Smith and Stone.

There abstained the Mayor.

The recommendations in the report were agreed.

**RESOLVED:**

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 of attached Cabinet report).

2.2 That a General Fund Revenue Budget for 2017/18 of £28.015m (excluding parishes) be approved (detailed in Appendices 4 and 5 of attached Cabinet report).

2.3 That the Council increase the Council Tax for its own purposes, i.e. excluding County, Police and Parish Precepts, by £5 per year per band D property for 2017/18.

2.4 That the Council approve the General Fund Capital Programme and proposed financing for 2017/18 as set out in Appendix 6 of attached Cabinet report.

2.5 That Council confirms the aim of maintaining a minimum level of General Fund reserves of £5.5m for 2017/18, having regard to the outcome of the financial risk assessment.

2.6 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.
- Update prudential indicators in both the Prudential Indicators Report and Treasury Strategy Report to Council, for any budget changes that impact on these.

2.7 That the draft Fees and Charges set out in Appendix 9 of the attached Cabinet report be approved, including immediate implementation where appropriate.

2.8 That Council approve the Treasury Management Strategy for 2017/18 at Appendix 10 of the attached Cabinet report: incorporating:

- (i) The Capital Financing and Borrowing Strategy for 2017/18 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 2017/18 as required by the Local Government Act 2003.

(ii) The Investment Strategy for 2017/18 as required by the CLG revised Guidance on Local Government Investments issued in 2010.

2.9 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.

2.10 That Council delegate authority to the Chief Executive, Directors and Chief Finance Officer to implement all budget options and restructures

## **9. HOUSING REVENUE ACCOUNT- RENT SETTING, REVENUE AND CAPITAL BUDGETS 2017/18**

Councillor Eldred submitted a report that sought approval of the HRA 2017/18 budget and the HRA indicative levels for 2018/19 to 2021/22, rent setting, service charges and other charges for 2017/18, including the Total Fee proposed for Northampton Partnership Homes (NPH) to deliver the services in scope for 2017/18.

Councillor Hibbert seconded the report.

There voted for the recommendations:

Councillors Ansell, Ashraf, Birch, Bottwood, Choudary, Chunga, Culbard, Duffy, G Eales, T Eales, Eldred, Golby, Gowen, Hadland, Hallam, Haque, Hibbert, J Hill, M Hill, Kilbride, Kilby-Shaw, King, Lane, Larratt, B Markham, M Markham, Marriott, McCutcheon, Meredith, Nunn, Oldham, Parekh, Patel, Russell, Sargeant, Smith, Stone and Walker.

There abstained the Mayor.

### **RESOLVED:**

2.1 That Council approved:

- a) An average rent decrease of 1% per dwelling, in line with the legislation and the government's national rent policy, to take effect from 3<sup>rd</sup> April 2017.
- b) The HRA budget for 2017/18 of £52.7m expenditure including options detailed in Appendix 1.
- c) The HRA capital programme for 2017/18, including future year

commitments, and proposed financing as set out in Appendix 2.

- d) The proposed service charges listed in Appendix 3.
  - e) The Total Fees proposed for NPH to deliver the services in scope for 2017/18 detailed in Appendix 4.
  - f) That Cabinet be authorised, once the capital programme has been set, to approve new capital schemes and variations to existing schemes during 2017/18, subject to the funding being available and the schemes being in accordance with the objectives and priorities of the Council.
- 2.2 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.
- 2.3 That 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 Housing Revenue Account balances of at least £5m for 2017/18, having regard to the outcome of the financial risk assessment.
- 2.4 That Council delegate authority to the Chief Executive and Chief Finance Officer to implement any retained HRA budget options and restructures.
- 2.5 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.
  - transfer monies to /from HRA working balances between the Council and NPH for cash flow purposes should that become necessary during the financial year.
  - update prudential indicators in both the Prudential Indicators report and Treasury Strategy report, for Council for any budget changes that impact on these.

## **10. COUNCIL TAX- 2017/18**

Councillor Eldred submitted a report that set out the final precept determinations from the majorprecepting authorities (Northamptonshire County Council and Northamptonshire Police and Crime Commissioner), parish councils, and the budget setting decision of the Council.

Councillor Nunn seconded the report.

There voting for the recommendations:

Councillors Ansell, Ashraf, Birch, Beardsworth, Bottwood, Choudary, Chunga, Culbard, Duffy, G Eales, T Eales, Eldred, Golby, Gowen, Hadland, Hallam, Haque,

Hibbert, J Hill, M Hill, Kilbride, Kilby-Shaw, King, Lane, Larratt, B Markham, M Markham, Marriott, McCutcheon, Meredith, Nunn, Oldham, Parekh, Patel, Russell, Sargeant, Smith, Stone and Walker.

**RESOLVED:**

## Council Tax Resolution 2017/18

Northampton Borough Council (hereinafter referred to as "the Council" in this resolution) calculated the following amounts for the year 2017/2018 in accordance with various regulations and RESOLVES for the financial year 2017/2018 to:

- 1 Note that on 30/01/2017 the Council calculated the Council Tax Base 2017/18:
  - a) for the whole council area as: 65,709 (Item T in the formula in section 31B of the Local Government Finance Act 1992, as amended)
  - b) for the parish precept area as: 21,238 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 2017/18 (including parish precepts) at £15,066,013.

	£
a) Net Expenditure on Council Services including formula grant	13,989,921
b) Parish Council Precepts	1,076,092
c) Total Council Tax Requirement	15,066,013
- 3 Set the following amounts in accordance with sections 31 to 36 of the Local Government Finance Act 1992:
  - a) Relevant Gross Expenditure 119,132,390 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 (104,066,377) 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 15,066,013 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 229.28 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 1,696,760 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 203.46 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 2017/18 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 2017/18 (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**

<b>Schedule A</b>					
	(1)	(2)	(3)	(4)	(5)
	<b>Council Tax Base</b>	<b>Parish Precept and Special Expenses</b>	<b>Parish Precept and Special Expenses Charge</b>	<b>Basic Amount of Council Tax excluding Special Expenses</b>	<b>Basic Amount of Council Tax including Special Expenses</b>
	£	£	£	£	£
Area:					
Billing	2,679	178,210	66.53	203.46	269.99
Collingtree	514	20,178	39.28	203.46	242.74
Duston	5,472	473,275	86.49	203.46	289.95
Great Houghton	288	20,706	71.84	203.46	275.30
Hardingstone	795	41,771	52.51	203.46	255.97
Upton	2,993	32,400	10.82	203.46	214.28
Wootton	2,941	181,147	61.60	203.46	265.06
East Hunsbury	3,409	208,098	61.04	203.46	264.50
Hunsbury Meadows	501	14,695	29.31	203.46	232.77
West Hunsbury	1,646	24,626	14.96	203.46	218.42
Unparished Area	44,471	501,654	11.28	203.46	214.74
	<b>65,709</b>	<b>1,696,760</b>			

<b>Schedule B Basic Amount of Council Tax for each Council Tax band</b>								
Valuation Bands	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Area:								
Billing	179.99	209.99	239.99	269.99	329.99	389.99	449.98	539.98
Collingtree	161.83	188.80	215.77	242.74	296.68	350.63	404.57	485.48
Duston	193.30	225.52	257.73	289.95	354.38	418.82	483.25	579.90
Great Houghton	183.53	214.12	244.71	275.30	336.48	397.66	458.83	550.60
Hardingstone	170.65	199.09	227.53	255.97	312.85	369.74	426.62	511.94
Upton	142.85	166.66	190.47	214.28	261.90	309.52	357.13	428.56
Wootton	176.71	206.16	235.61	265.06	323.96	382.87	441.77	530.12
East Hunsbury	176.33	205.72	235.11	264.50	323.28	382.06	440.83	529.00
Hunsbury Meadows	155.18	181.04	206.91	232.77	284.50	336.22	387.95	465.54
West Hunsbury	145.61	169.88	194.15	218.42	266.96	315.50	364.03	436.84
Unparished Area	143.16	167.02	190.88	214.74	262.46	310.18	357.90	429.48

<b>Schedule C Major Precepting Authorities Council Tax for each Council Tax band</b>								
Valuation Bands	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Northamptonshire County Council (NCC)	741.25	864.79	988.32	1,111.87	1,358.95	1,606.03	1,853.12	2,223.74
NCC Adult Social Care Precept	36.48	42.56	48.65	54.72	66.88	79.04	91.20	109.44
Northamptonshire Police and Crime Commissioner	139.36	162.59	185.81	209.04	255.49	301.95	348.40	418.08

<b>Schedule D Aggregate Council Tax for each Council Tax band</b>								
Valuation Bands	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Area:								
Billing	1,097.08	1,279.93	1,462.77	1,645.62	2,011.31	2,377.01	2,742.70	3,291.24
Collingtree	1,078.92	1,258.74	1,438.55	1,618.37	1,978.00	2,337.65	2,697.29	3,236.74
Duston	1,110.39	1,295.46	1,480.51	1,665.58	2,035.70	2,405.84	2,775.97	3,331.16
Great Houghton	1,100.62	1,284.06	1,467.49	1,650.93	2,017.80	2,384.68	2,751.55	3,301.86
Hardingstone	1,087.74	1,269.03	1,450.31	1,631.60	1,994.17	2,356.76	2,719.34	3,263.20
Upton	1,059.94	1,236.60	1,413.25	1,589.91	1,943.22	2,296.54	2,649.85	3,179.82
Wootton	1,093.80	1,276.10	1,458.39	1,640.69	2,005.28	2,369.89	2,734.49	3,281.38
East Hunsbury	1,093.42	1,275.66	1,457.89	1,640.13	2,004.60	2,369.08	2,733.55	3,280.26
Hunsbury Meadows	1,072.27	1,250.98	1,429.69	1,608.40	1,965.82	2,323.24	2,680.67	3,216.80
West Hunsbury	1,062.70	1,239.82	1,416.93	1,594.05	1,948.28	2,302.52	2,656.75	3,188.10
Unparished Area	1,060.25	1,236.96	1,413.66	1,590.37	1,943.78	2,297.20	2,650.62	3,180.74

**Parish & Town Council Precepts**

	2016/17			2017/18			Council Tax Increase
	Tax Base	Precepts £	Council Tax Band D (£)	Tax Base	Precepts £	Council Tax Band D (£)	
Billing	2,627	147,164	56.02	2,679	152,314	56.86	1.5%
Collingtree	514	18,140	35.29	514	20,178	39.28	11.3%
Duston	5,448	443,101	81.34	5,472	451,719	82.55	1.5%
Great Houghton	288	20,770	72.24	288	20,706	71.84	-0.6%
Hardingstone	782	41,401	52.92	795	40,000	50.29	-5.0%
Upton	2,617	32,400	12.38	2,993	32,400	10.82	-12.6%
Wootton	2,927	169,150	57.78	2,941	171,180	58.21	0.7%
East Hunsbury	3,412	157,900	46.28	3,409	157,900	46.32	0.1%
Hunsbury Meadows	505	14,695	29.08	501	14,695	29.31	0.8%
West Hunsbury	1,625	0	0.00	1,646	15,000	9.11	n/a

<b>Parish &amp; Town Council Precepts including Special Expenses</b>			
	Precepts Band D (£)	Special Expenses Band D (£)	Total (£)
Billing	56.86	9.67	66.53
Collingtree	39.28	0.00	39.28
Duston	82.55	3.94	86.49
Great Houghton	71.84	0.00	71.84
Hardingstone	50.29	2.22	52.51
Upton	10.82	0.00	10.82
Wootton	58.21	3.39	61.60
East Hunsbury	46.32	14.72	61.04
Hunsbury Meadows	29.31	0.00	29.31
West Hunsbury	9.11	5.85	14.96
Unparished	0.00	11.28	11.28

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

There were none.

**12. LABOUR ALTERNATIVE BUDGET**

The meeting concluded at 8:38 pm

## Our Alternative

We have a duty to the citizens of this town to work for a cleaner safer greener Northampton, to alleviate poverty, to support engagement with the democratic process.

### Alleviating poverty and improving lives in practical ways

In our manifesto at the 2015 local election Labour argued that there should be a freeze in the Council Tax Reduction Scheme (CTRS) for two years. So we are keeping our promise and once again proposing that there should be a freeze in the CTRS, its current level being 29%. This will help the 9801 people affected by the change.

The Eastern District is in urgent need of attention from both local authorities and various agencies. Over the decades the problems facing the Eastern District have been placed into the “too difficult box” and the voluntary sector active in the area have not been supported well enough. Labour wants to address this. We want to work with the University of Northampton and the residents and come up with some kind of urban renewal programme for the Eastern district. This is about putting our heads together and coming up with improvements to the public realm in Northampton East that make a difference to people lives.

Fuel poverty is a real problem for vulnerable people in our town and so as a local authority we should be organising a switching scheme. Businesses also have high energy cost. So the ‘Northampton Collective Energy Switching Initiative’ would be for people and businesses who want to cut their energy bills. Local residents and businesses can join forces and use their collective bargaining power to get the best and greenest deals. So in this next year 2017/18 we will ask Council officers to carry out the necessary preliminary research on the feasibility of such a scheme.

Air pollution is moving up the political agenda in recognition of the detrimental impact it has on the lives of our residents. In particular we need to start highlighting the impact of this on younger people. We will purchase 10 air quality testing kits and give them to secondary schools in the town.

### Young People and Democracy

Northampton Borough Council is a democratic body that serves our local communities. We need to engage voters and potential voters and enhance our democracy, particularly amongst young people. Labour believes we need to start training and empowering the next generation of young people in our town to be the next generation of community leaders. We will do this in 3 main ways.

Establish a Young Leaders Project which will identify and encourage local young people to become involved in their neighbourhood and town. The Borough Council will put together a training programme to give young people the confidence and skills to get engaged in the community.

We will establish a Young Persons Mayor which who be democratically elected by young people. He or she will be the figure head for young people in the town and will work with the Mayor, cabinet, Councillors and senior officers on youth issues.

Local Democracy Week has diminished in recent years and Labour wants to reverse that. We will put together a series of events that bring Councillors together with young people. The ambition is that these activities will raise awareness amongst young people of how democracy works in Northampton.

### **Investment in the Front Line**

It is frontline services that make the difference to communities. Like in most parts of the country we have a housing crisis and people are having to go into the private rented sector. We must do more to look after these tenants. We want to strengthen the private sector housing team. We will employ an additional Private Sector Housing Officer to ensure we are tough on bad landlords, to ensure we know where all the HIMO's are, and give more capacity to administer the Social Lettings Agency.

Neighbourhood wardens are popular with the public who recognise the valuable work they do. Through their work our communities are cleaner and safer. This service needs to be expanded so more areas are covered on a regular basis. Therefore we will employ an additional Neighbourhood warden.

Correcting previous mistakes. It is widely acknowledged that Northgate bus station is a failure and it has had unfortunate consequences. One of these is the insult to coach passengers that is the Victoria Street terminus. We will spend £15,000 putting in an additional toilet, seating and a noticeboard.

### **The Voluntary Sector**

Our voluntary sector is ever more important in our town as services are lost and austerity continues. Our Council must continue to support it. Labour will ensure that our voluntary sector grants have a real terms increase for the next two years. This will give some confidence and certainty to the voluntary sector in our town.

## For The Future

Labour has longer term aspirations that we would like the Council to start considering in the medium term. We need to think of how we get more income streams. We would get the Borough Council to carefully consider for the long term future -

1. A hopper bus service for the major points in Northampton such between the town centre, hospital, university and the college. A reduced bus rate or free bus passes for those under 16 years. We can explore doing this jointly with Stage coach, the University of Northampton and also get some kind of external sponsorship.
2. Four years ago Neighbourhood Co-ordinations were cut from the budget and Labour warned this would disadvantage many communities. It is our aspiration to see a return of Neighbourhood co-ordinators sometime in future when finances allow. We would start with a Neighbourhood coordinator for the Eastern District and then gradually introduce them into them to other areas of the town.
3. Social Investment Bonds are a way of running partnership projects with a social investor putting the money up front and taking the risk. These bonds are payment by results and bring in additional Government funding if the social outcome are achieved. Investors are repaid for their initial investment plus a return for the financial risks they took. If the social outcomes are not achieved, the investors stand to lose their investment. Payment is by results rather than process. This could be used in our duty for well-being. We would like to use this mechanism to enhance the role of NPH and the voluntary sector by, for example, duplicating the work of the One Stop shop in the Eastern district. This would bring services closer to the people. This would further help alleviate poverty.
4. We would like to explore the possibility of Smart Budgeting. This is about being innovative and delivering value for money in the budget process. Perhaps it is time to no longer follow patterns of past spending by the various directorates. Doing the same spending year on year encourages the status quo. Smart Budgeting means identifying key outcomes and then allocating the funding to each outcome. Budgets are allocated to outcomes rather than directorates. The outcomes themselves are decided by Councillors and the general public.
5. We need to build more homes. We need to stop land banking. If developers won't build then we should. We need a focus on building more affordable houses. We need a financial model that works. Labour suggest the Borough Council commits to providing 200 social housing units a year. For 10 years. Doing this will provide us with much needed homes and with much needed additional income.

6. Lastly, we need to become more entrepreneurial and create new revenue streams. We have two development sites that come to mind. Sixfields and Westbridge. Sixfields is complicated by the issues around land use. Westbridge is overdue for development. We should have a plan to develop Westbridge over the next five years. The waste depot needs to go. That will alleviate the problems in St James with air pollution and nuisance caused by vehicle movements. Westbridge could be developed for new offices for NPH, to provide light industrial units for rent to SMEs and or creative businesses. If we do that we can offer shared services to SMES to help cut their overhead costs and make them more profitable. Re-development in this way will generate additional income.

*Cllr Danielle Stone  
Leader, Labour Group  
Northampton Borough Council*

# Labour Group

## Alternative Budget 2017/18 – 2021/22

### Introduction

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.

Section 25(2) of the 2003 Act requires the Council to have regard to this report in approving the budget and Council Tax. This report on the Administration's budget, which highlights the economic, local government and local challenges facing the Northampton Borough Council is presented to Council at agenda item 7.

### Context

The Council is setting its budget at a time when it continues to face significant challenges. The Administration budget approved by Cabinet on 15<sup>th</sup> February 2017 has been used as the basis for this alternative budget. The Labour Group has reviewed the proposed budget and Medium Term Financial Plan (MTFP) put forward by the Administration for 2017-22 and has identified alternative proposals which would support the Council in meeting these challenges.

### Budget Assessment

This report sets out the proposals put forward by the Labour Group and provides commentary which supplements the assessment already undertaken for the Administration's budget.

The timing of the publication of these alternative proposals will increase the inherent risk. This additional risk arises from the reduced amount of scrutiny and public consultation which would be undertaken during the budget setting process.

The Labour Group proposals would require a detailed and robust business case to be prepared to evidence the deliverability and affordability of these proposals.

A high level review of proposals has indicated that, subject to the robust business cases, they would be deliverable. However, it must be noted that the proposal to freeze the Council Tax Reduction Scheme (CTRS) at 29% would also have a cost

impact upon the Council Tax precepting authorities. The additional cost to Northamptonshire County Council is estimated at £319k and additional cost to the Northamptonshire Police and Crime Commissioner is estimated at £58k. No conversations with these authorities have taken place; therefore a view cannot be given on how this would impact their budgets or service provision.

The Labour Group proposals also include medium term policy ideas for future years. These ideas have not been included in the budget figures as these ideas would require further work to build business cases for them and to understand their financial impact.

### **Financial Impact**

The revenue impact of all of the proposals in total is a reduced revenue cost of £6k in the year 2017/18, which includes the additional borrowing costs to cover additional capital investment. This amount has increased the contribution to reserves to be invested and contribute towards the management of future years pressures.

The capital impact of these proposals is to increase the capital programme expenditure by up to £219k.

Looking forward, the additional costs of proposals across the medium term increases due to the increasing cost of maintaining the CTRS scheme at 29% as the equivalent funding for this reduces. This increases the funding gap when compared to the Administration's draft budget presented to Cabinet in February 2017.

### **Conclusion**

In addition to the risks highlighted in the Section 25 Report presented to Council at agenda item 7, there are some minor additional risks surrounding the Labour Group alternative proposals should they be incorporated into the Council's MTFP. These mainly relate to the timing of proposals and the fact that detailed business cases have not at this stage been drawn up. The proposals are based on estimates and have not been fully assessed by the management team and consequently would require further review before they are implemented to assess the impact. They also have not been subject to public consultation or scrutiny and there are no Equality Impact Assessments in place.

Additionally, the proposal to freeze the CTRS scheme at 29% would cause additional cost pressures on Northamptonshire County Council and the Northamptonshire Police and Crime Commissioner, the impact of which would need to be fully considered if this proposal were to be adopted.

Following an initial review of the proposals, subject to the comments above, I do not consider that these proposals materially affect my assessment of the overall Northampton Borough Council Budget and Medium Term Financial Plan. I cannot make a statement of similar intent regarding the impact of the proposal to freeze the CTRS scheme at 29% on the budgets of Northamptonshire County Council and the Northamptonshire Police and Crime Commissioner.



**Glenn Hammons, Chief Finance Officer, 01604 366521**

**Draft Labour Alternative General Fund Budget Summary 2017 - 2022**

Description	Budget 2017/18	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22
	£	£	£	£	£
<b>Service Base Budget</b>	<b>28,516,754</b>	<b>28,098,994</b>	<b>28,148,654</b>	<b>28,429,737</b>	<b>28,545,129</b>
<b>Medium Term Planning Options</b>					
<b>Savings and Efficiencies</b>					
- Borough Secretary	(30,343)	(30,559)	(30,779)	(30,999)	(31,222)
- Customers and Communities	(282,500)	(282,500)	(282,500)	(282,500)	(282,500)
<b>Total Savings</b>	<b>(312,843)</b>	<b>(313,059)</b>	<b>(313,279)</b>	<b>(313,499)</b>	<b>(313,722)</b>
<b>Growth</b>					
- Borough Secretary	113,198	113,901	114,613	115,332	116,058
- Customers and Communities	118,468	118,839	119,215	119,593	119,974
- Housing	35,968	36,339	36,715	37,093	37,474
<b>Total Growth</b>	<b>267,634</b>	<b>269,079</b>	<b>270,543</b>	<b>272,018</b>	<b>273,506</b>
<b>Total MTP Options</b>	<b>(45,210)</b>	<b>(43,980)</b>	<b>(42,736)</b>	<b>(41,481)</b>	<b>(40,215)</b>
<b>Gross Revenue Budget</b>	<b>28,471,544</b>	<b>28,055,015</b>	<b>28,105,918</b>	<b>28,388,256</b>	<b>28,504,914</b>
<b>Corporate Budgets</b>					
<b>Debt Financing - Final Budget</b>	<b>1,590,472</b>	<b>1,801,212</b>	<b>1,864,222</b>	<b>2,024,811</b>	<b>2,067,199</b>
Recharges from General Fund to HRA	(2,744,907)	(2,644,907)	(2,524,907)	(2,524,907)	(2,524,907)
Parish Grants	(20,355)	(20,355)	(20,355)	(20,355)	(20,355)
Parish Precepts	1,044,721	1,044,721	1,044,721	1,044,721	1,044,721
<b>Contribution to/(from) Earmarked Reserves</b>	<b>655,512</b>	<b>2,998,000</b>	<b>2,922,000</b>	<b>3,407,000</b>	<b>3,407,000</b>
<b>Total Corporate Budgets</b>	<b>525,443</b>	<b>3,178,671</b>	<b>3,285,681</b>	<b>3,931,270</b>	<b>3,973,658</b>
<b>Net Budget</b>	<b>28,996,987</b>	<b>31,233,686</b>	<b>31,391,600</b>	<b>32,319,527</b>	<b>32,478,572</b>
<b>Funding</b>					
Revenue Support Grant	(1,792,976)	(886,014)	0	0	0
Transition Grant	(23,672)	0	0	0	0
Business Rates Retention Scheme	(7,595,224)	(7,803,698)	(8,034,281)	(8,050,071)	(8,050,071)
New Homes Bonus	(4,229,589)	(3,231,237)	(2,646,436)	(2,061,885)	(2,079,861)
<b>Total Government Funding</b>	<b>(13,641,461)</b>	<b>(11,920,949)</b>	<b>(10,680,717)</b>	<b>(10,111,956)</b>	<b>(10,129,932)</b>
<b>Council Tax</b>					
Band D Council Tax	212.91	217.91	222.91	227.91	232.91
Tax Base	65,709	66,366	67,030	67,700	68,377
<b>NBC Council Tax</b>	<b>(13,990,165)</b>	<b>(14,461,898)</b>	<b>(14,941,668)</b>	<b>(15,429,586)</b>	<b>(15,925,769)</b>
<b>Maintain CTRS at 29%</b>	<b>63,000</b>	<b>205,000</b>	<b>298,000</b>	<b>269,000</b>	<b>269,000</b>
Parish-related Council Tax	(1,044,721)	(1,044,721)	(1,044,721)	(1,044,721)	(1,044,721)
<b>Total Council Tax</b>	<b>(14,971,886)</b>	<b>(15,301,619)</b>	<b>(15,688,389)</b>	<b>(16,205,307)</b>	<b>(16,701,490)</b>
Surplus on Collection Fund	(383,640)	0	0	0	0
<b>Total Funding</b>	<b>(28,996,987)</b>	<b>(27,222,568)</b>	<b>(26,369,105)</b>	<b>(26,317,263)</b>	<b>(26,831,421)</b>
<b>Funding Gap</b>	<b>(0)</b>	<b>4,011,118</b>	<b>5,022,494</b>	<b>6,002,264</b>	<b>5,647,151</b>

**Draft Labour Alternative General Fund MTP Savings Options**

MTP Reference	MTP Option Description	2017/2018 £	2018/2019 £	2019/2020 £	2020/2021 £	2021/22 £
<b>Borough Secretary</b>	Support Staff	(20,969)	(21,185)	(21,405)	(21,625)	(21,848)
	Reduction in Size of Cabinet	(9,374)	(9,374)	(9,374)	(9,374)	(9,374)
	<b>TOTAL Borough Secretary</b>	<b>(30,343)</b>	<b>(30,559)</b>	<b>(30,779)</b>	<b>(30,999)</b>	<b>(31,222)</b>
<b>Customers &amp; Communities</b>	Contribution to Waste Partnership	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
	Change to parking fees - £3 for 3 hrs	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
	Reduce Councillor Community Fund	(67,500)	(67,500)	(67,500)	(67,500)	(67,500)
	<b>TOTAL Customers and Communities</b>	<b>(282,500)</b>	<b>(282,500)</b>	<b>(282,500)</b>	<b>(282,500)</b>	<b>(282,500)</b>
<b>Total Savings</b>	<b>(312,843)</b>	<b>(313,059)</b>	<b>(313,279)</b>	<b>(313,499)</b>	<b>(313,722)</b>	

**Draft Labour Alternative General Fund MTP Growth Options**

MTP Reference	MTP Option Description	2017/2018 £	2018/2019 £	2019/2020 £	2020/2021 £	2021/22 £
<b>Borough Secretary</b>	Governance	66,090	66,463	66,838	67,220	67,606
	Elections	32,108	32,439	32,775	33,112	33,453
	Young leaders project	5,000	5,000	5,000	5,000	5,000
	Shadow mayor	5,000	5,000	5,000	5,000	5,000
	Democracy week programmes	5,000	5,000	5,000	5,000	5,000
		<b>113,198</b>	<b>113,901</b>	<b>114,613</b>	<b>115,332</b>	<b>116,058</b>
<b>Customers &amp; Communities</b>	Maintenance of Play equipment	15,000	15,000	15,000	15,000	15,000
	Additional Neighbourhood Warden	35,968	36,339	36,715	37,093	37,474
	Increase voluntary sector grants	67,500	67,500	67,500	67,500	67,500
	<b>118,468</b>	<b>118,839</b>	<b>119,215</b>	<b>119,593</b>	<b>119,974</b>	
<b>Housing</b>	Additional Private Sector Team Officer	35,968	36,339	36,715	37,093	37,474
		<b>35,968</b>	<b>36,339</b>	<b>36,715</b>	<b>37,093</b>	<b>37,474</b>
<b>Total Growth</b>		<b>231,666</b>	<b>232,740</b>	<b>233,828</b>	<b>234,925</b>	<b>236,032</b>

**Draft Labour Alternative General Fund Capital Programme 2017-18 to 2021-22**

Project Title	Funding Source	2016-17 Latest £	2017-18 Budget £	Indicative				Total £
				2018-19 £	2019-20 £	2020-21 £	2021-22 £	
<b>Housing - General Fund</b>								
Disabled Facilities Grant	G, C	1,393,000	1,475,000	1,475,000	1,475,000	1,475,000	1,475,000	8,768,000
<b>Self-funded</b>								
IT Infrastructure	S-F	462,225	150,000	150,000	150,000	150,000	150,000	1,212,225
CCTV Technology Upgrade	S-F	200,000						200,000
<b>Town Centre Improvements</b>								
St Giles Street	G, C	1,918,499						1,918,499
Town Centre Traffic Enhancements - Design Stage	R	50,000						50,000
Superfast Broadband	C	45,000	367,000					412,000
<b>Heritage &amp; Culture</b>								
Delapre Abbey Restoration	G, R, C	4,020,303						4,020,303
Delapre Abbey Parklands Infrastructure	G, R, C	296,890						296,890
Abington Park Museum - Renewal of Displays	C	210,000						210,000
<b>Block Programmes - specific schemes to be agreed</b>								
Capital Improvements - Regeneration Areas	C	502,875	35,000	50,000	50,000	50,000	50,000	737,875
Improvements to Victoria Street	C		15,000					15,000
Parks/Allotments/Cemeteries Enhancements	C	269,986	200,000	250,000	250,000	250,000	250,000	1,469,986
Car Park Lifts	C	250,000	250,000	200,000				700,000
Operational Buildings - Enhancements	C	416,046	250,000	250,000	250,000	250,000	250,000	1,666,046
Commercial Landlord Responsibilities	C	411,778	50,000	50,000	50,000	50,000	50,000	661,778
<b>Other</b>								
Play Equipment	G, R, C		100,000					100,000
Planning IT Improvements	G	17,000	17,000					34,000
<b>Development Pool (Estimated Costs)</b>								
Vulcan Works	G, C	850,000	7,650,000	3,089,716				11,589,716
Central Museum Development	C	150,179	6,212,000	300,000				6,662,179
St James Mill Link Road	G, EZ	1,000,000	1,000,000					2,000,000
St Peters Waterside	G	20,697	1,000,000					1,020,697
Town Centre Traffic Enhancements	C		200,000					200,000
Fish Street Public Realm	C		509,000					509,000
Market Stall Covers	C		20,000					20,000
9 Guildhall Road - purchase	R		462,000					462,000
Mounts Bath Improvements	G,C		570,000					570,000
Revenues and Benefits Capital Investments	C		147,000	121,000	20,000	20,000	20,000	328,000
Air testing kits	C		18,946					18,946
Develop public space to increase use and reduce anti-social behaviour	C		100,000					100,000
Public Realm Improvement in the Eastern District	C		100,000					100,000
<b>Schemes Due to Complete in 2016/17*</b>	G, R, C	6,320,466						6,320,466
<b>Total General Fund Capital Programme</b>		<b>18,804,944</b>	<b>20,897,946</b>	<b>5,935,716</b>	<b>2,245,000</b>	<b>2,245,000</b>	<b>2,245,000</b>	<b>52,373,606</b>

\* as previously reported to Cabinet

**Key to Funding Sources**

G - Grants & Contributions

R - Revenue and Reserves

EZ - Enterprise Zone Business Rates

SF - Self-funded Borrowing

C - Corporate Resources - Capital Receipts or Borrowing

<b>Proposed General Fund Capital Funding</b>	2016-17 £	2017-18 £	2018-19 £	2019-20 £	2020-21 £	2021-22 £	Total £
<b>Grants &amp; Contributions:</b>							
Disabled Facilities Grant - Better Care Fund	950,000	1,092,000	1,092,000	1,092,000	1,092,000	1,092,000	6,410,000
Heritage Lottery Funding - Delapre Abbey	1,280,075						1,280,075
HPDG	17,000	17,000					34,000
Local Growth Fund - Vulcan Works	850,000	5,450,000					6,300,000
Local Growth Fund - St James Mill Link Road	562,000						562,000
Section 106	3,339,600	25,000					3,364,600
Other Grants and Contributions	267,698	1,534,000	2,000,000				3,801,698
Sub-total Grants & Contributions	7,266,373	8,118,000	3,092,000	1,092,000	1,092,000	1,092,000	21,752,373
NBC Earmarked Reserves - Delapre Abbey	1,316,110						1,316,110
Other Revenue/Reserves	1,005,020	487,000					1,492,020
Capital Receipts - Heritage	250,179	6,212,000	300,000				6,762,179
Capital Receipts - Other	4,640,973	467,000					5,107,973
Growing Places Fund and Local Infrastructure Fund (to be repaid from EZ business rate uplift) - St James Mill Link Road	438,000	1,000,000					1,438,000
Self-funded Borrowing	1,228,225	2,350,000	950,000	150,000	150,000	150,000	4,978,225
Corporate Borrowing	2,660,064	2,263,946	1,593,716	1,003,000	1,003,000	1,003,000	9,526,726
<b>Total Funding</b>	<b>18,804,944</b>	<b>20,897,946</b>	<b>5,935,716</b>	<b>2,245,000</b>	<b>2,245,000</b>	<b>2,245,000</b>	<b>52,373,606</b>

## **Draft Labour Medium Term Budgetary Policy Ideas**

The following are policy ideas to cut costs or generate additional income to try to close the budget gap in the medium term. Further work would need to be done on developing business cases for these ideas before firm numbers can be attached to them.

- A hopper bus service for the major points in Northampton such between the town centre, hospital, university and the college. A reduced bus rate or free bus passes for those under 16 years.
- Social Investment Bonds are a way of running partnership projects with a social investor putting the money up front and taking the risk.
- Smart budgeting
- Commit to building 200 new social housing units a year, for 10 years.
- Investing to create revenue streams - potentially on the Westbridge site
- Northampton Collective Energy Switching Initiative' for people and businesses who want to cut their energy bills. Local residents and businesses can join forces and use their collective bargaining power to get the best and greenest deals.