



Democratic Support Service  
PO Box 136  
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Northampton  
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MINUTES of the Budget Meeting of the NORTHAMPTONSHIRE COUNTY COUNCIL held at County Hall, Northampton on 20 February 2014 at 10.00am

**PRESENT:**

Councillor Joan Kirkbride (Chairman)  
Councillor Stan Heggs (Vice-Chairman)

Councillor	Sally Beardsworth	Councillor	Stephen Legg
"	Paul Bell	"	Chris Lofts
"	Catherine Boardman	"	Arthur McCutcheon
"	Wendy Brackenbury	"	John McGhee
"	Julie Brookfield	"	David Mackintosh
"	Jim Broomfield	"	Allan Matthews
"	Michael Brown	"	Andy Mercer
"	Robin Brown	"	Dennis Meredith
"	Mary Butcher	"	Ian Morris
"	Michael Clarke	"	Steve Osborne
"	Adam Collyer	"	Bill Parker
"	Gareth Eales	"	Bhupendra Patel
"	Brendan Glynnane	"	Suresh Patel
"	Matt Golby	"	Russell Roberts
"	André Gonzalez De Savage	"	Ron Sawbridge
"	Christopher Groome	"	Bob Scott
"	James Hakewill	"	Mick Scrimshaw
"	Eileen Hales MBE	"	Judy Shephard
"	Mike Hallam	"	Steve Slatter
"	Jim Harker OBE	"	Heather Smith
"	Alan Hills	"	Danielle Stone
"	Sue Homer	"	Winston Strachan
"	Jill Hope	"	Michael Tye
"	Dudley Hughes	"	Sarah Uldall
"	Sylvia Hughes	"	Allen Walker
"	Graham Lawman	"	Malcolm Waters
"	Derek Lawson MBE	"	

Also in attendance (for all or part of the meeting):

Dr Akeem Ali – Director of Public Health & Wellbeing  
Matt Bowmer – Director of Finance & Section 151 Officer  
Tony Ciaburro – Director Environment, Development & Transport  
Art Conaghan – Political Assistant to the Conservative Group  
Martyn Emberson, Chief Fire Officer  
Laurie Gould, Monitoring Officer  
Paul Hanson, Executive & Regulatory Manager  
Alex Hopkins, Director of Customers, Communities & Education  
Carolyn Kus, Director of Adult Social Care Services  
Michael Quinn, Political Assistant to the Liberal Democrat Group

Jenny Rendall, Democracy Officer (Minutes)  
Ben Wesson, Political Assistant to the Labour Group

Honorary Alderman John Bailey

And 23 members of the public.

01/14 Apologies for non-attendance:

Apologies for absence were received from Councillors Elizabeth Coombe & Phil Larratt, Honorary Aldermen Derek Batten & Priscilla Padley and Chief Executive, Paul Blantern.

01/14 To approve and sign the minutes of the Council meetings held on Thursday 28 November 2013:

(a) Extraordinary Meeting to Appoint Honorary Aldermen:

**RESOLVED that: Council approved the minutes of the Extraordinary Council meeting held on Thursday 28 November 2013.**

(b) Business Meeting:

**RESOLVED that: Council approved the minutes of the Business Meeting held on Thursday 28 November 2013.**

02/14 Notification of requests by members of the public to address the meeting

Item 6: Revenue Budget 2014-15 & Medium Term Financial Plan 2014-15 to 2018-19:

Mr Pat Markey  
Dr Ron Mendel  
Mr Colin Bricher  
Mr Dave Green  
Mr Norman Adams  
Mrs Anjona Roy  
Mrs Olwen Mayes

03/14 Declarations of Interest by Councillors:

At the request of the Chairman, the Monitoring Officer confirmed all members had a standing dispensation from the Secretary of State for Communities and Local Government to discuss and agree a budget that affected the area in which they resided.

Councillors then made the following declarations of interest:

Item No.	Councillor	Type	Nature
All	Jim Harker	Personal	Regional Chairman of the Heritage Lottery Fund.
7	Jill Hope	Personal	Receives a pension from the University of Northampton
7	Sylvia Hughes	Personal	Governor of the University of Northampton
All	Heather Smith	Personal	Trustee of Northampton Theatres Trust which manages the Royal & Derngate Theatre.

#### 04/14 Chairman's Announcements:

The Chairman made the following announcements:

- The sad death of former Councillor, Don Edwards who passed away on Saturday 15 February 2014 following a spell in hospital. He had been a county councillor since 1977 and was presented with a 35 years long service award the previous March. He was also a councillor at Northampton Borough Council from 1972 and following his retirement from there in 2011 he was given the honour of becoming one of their Honorary Aldermen. He had an encyclopaedic knowledge of the county and his dedication to his work was obvious to all who knew him, particularly when it came to Duston, the area of Northampton in which he had lived for many years. He was a member of Duston Parish Council for many years and was instrumental in the building and development of the Duston Conservative Club during the 1960's. He was a very generous man who supported various charities and local people. He served as Mayor of Northampton from 1991-92 and Vice-Chairman of Northamptonshire County Council from 2005-2007. Deepest sympathy was expressed towards his widow, Nancy and 2 sons, Andrew & Phillip who were in attendance at the meeting.

Former Councillor Edwards' funeral would be held in private but a service would be held on Friday 7 March 2014 at All Saints Church from 2pm. All Councillors and Honorary Aldermen are invited to this as well as the reception taking place afterwards in The Great Hall at the Guildhall.

At the Chairman's invitation councillors commented as follows:

The Leader of the Council referred to former Councillor Edwards as a true stalwart of the Council and local government in Northampton. He gave an uninterrupted service to the people of Duston for 35 years. He carried out his role of Vice-Chairman of Northamptonshire County Council with dignity, wisdom and fairness to all and was a good Honorary Alderman within the borough of Northampton. He served on various committees with the County Council including Development Control and several scrutiny committees. He was dependable and absolutely loyal to those he represented, his colleagues at the Council and to the Conservative Party which he had supported all his adult life. He was a great friend to all even after his retirement from the Council and regularly visited his former colleagues at County Hall.

Former councillor Don Edwards was ably supported by his wife, Nancy and his family who were welcomed to the meeting. He was very proud of his sons and often referred to their achievements. He was confident his own legacy of service to Northamptonshire would not be forgotten.

The Leader of the Major Opposition, Councillor John McGhee referred to former councillor Don Edwards as a long-serving and valuable member of the Council who would be missed by all councillors. He was very popular both in the Council and within his division and sympathy was extended to his family.

Councillor Sally Beardsworth referred to former councillor Don Edwards as someone who always put people first. He always listened to those he represented and was often to be found assisting local charities. She recalled a time when he was collecting for a charity outside a Duston store, where he thanked her for shopping in the area. She felt it was impossible to undertake the role of a councillor without the support of a spouse and he was ably supported by his wife and family. She had found him to be a good friend who

gave good advice to any councillor regardless of their politics.

The Chairman thanked everyone for their warm memories and added he would be very sorely missed in the Council Chamber. She recalled his pride in his sons' achievements and thanked his family for attending the meeting to hear comments about a wonderful man who would be long remembered.

A minute's silence had been held during prayers in memory of former councillor, Don Edwards.

- In line with new Government legislation a recorded vote would be held when making the final decision relating to the budget.
- Councillors were invited to view displays on Project Angel during the lunch break.
- A presentation would be held by representatives from the East Midlands Reserved Forces & Cadet Association following the meeting to which all councillors were invited.
- An induction training day would be held for all councillors on their role as a Corporate Parent on Wednesday 26 February 2014 between 9am and 4pm at the Council's offices in Riverside House.
- On 10 March 2014, alongside other local authorities in the country the Council would be raising the Commonwealth Flag to support the 'Fly a Flag for the Commonwealth' initiative.

#### 05/14 Revenue Budget 2014-15 & Medium Term Financial Plan 2014-15 to 2018-19:

The Chairman informed Council that in order to allow amendments from the floor, she had agreed with group business managers to suspend certain rules of procedure for this item only. She then proposed the following motion:

*That Council suspend Procedure Rule 15.6 of the Constitution (Amendments to Motions) parts, (a) (i), (ii), (iii) & (iv), (b) & (c).*

This was seconded by Councillor Allen Walker.

**RESOLVED that: Council agreed to suspend Rule 15.6 of the Constitution (Amendments to Motions) parts (a) (i), (ii), (iii), (iv), (b) & (c) for the item to discuss and agree the Revenue Budget 2014-15 & Medium Term Financial Plan 2014-15 to 2018-19.**

The Chairman then invited the following members of the public to address Council who stated as follows:

Mr Pat Markey referred to the plan to cut £128million from the budget over the next 5 years to be a crime. Cuts in budgets had a profound negative effect on the lives of thousands in the county, blighting lives and increasing depression and anxiety in those struggling to live with the effects of them. He understood the Council was duty bound to set a balanced budget but he also felt the Council had a moral duty to provide necessary services to enable people to live informed, safe and secure lives. He referred to reduced street lighting which in his opinion created a curfew for women and children during hours of darkness. He then referred to the cut in subsidy to the Northamptonshire Music and Performing Arts Trust which ran many activities in a number of centres around the county. This respected service was provided by experienced and dedicated staff and had won national prizes. It had a good reputation on a national level but many of those it served

were children and as such could not take part in the democratic process in the usual way (voting) and instead had to rely on others to ensure the many groups and activities they took part in remained.

Dr Ron Mendel who represented the Northamptonshire Trade Union Council referred to the tremendous strain on workers to deliver a service they felt very strongly about because of the Council's 'efficiency' savings which he considered to be a euphemism for cuts. He referred to increased payments that would be required of disabled people accessing services and suggested that the Council was targeting, not deliberately but objectively, the most vulnerable in society. He felt there was a democratic deficit as no meetings had been held with those affected by cuts and a petition submitted on the website had been delayed, thereby delaying the ability of people to respond to the budget. Dr Mendel had been a resident of Northampton for 20 years and was proud to live there. He was not comfortable with the Council making cuts year on year in the names of him all those who resided in the county. He then formally presented a petition to the Council regarding the budget.

Mr Colin Bricher referred to cuts threatening people's lives. He felt the Council was treating service users as soft targets either by accident or design. Either way he considered it to be unjust, particularly as people were members of the human race and not numbers. He also referred to councillors' pay rises, the cost of building a new Headquarters and queried how the Council could suddenly source an additional £5million it never knew it had. He concluded by suggesting the Council did not spend its money wisely and the creation of a unitary authority would provide the required savings

Mrs Anjona Roy referred to the equality impact assessments (EQIAs) as she did not feel there had been a considered outcome to the issue of EQIA's during the scrutiny of the budget process. She felt the template that year had not been as good as the one used the previous year and noted many of the embedded documents and links did not work. This in her opinion was poor in terms of commitment and transparency. She felt in previous years there had been investment in the quality of meeting the needs of BME communities in contracts and protecting people with particular characteristics. The Council in her opinion had not learned anything in terms of understanding the BME communities. She had received no response to her request to the Chief Executive to meet with any relevant service managers to discuss the issue.

Mrs Roy then referred to the voluntary sector and a small part of the budget that would have a deep impact on communities. The Chief Executive of the Northampton Volunteering Centre had requested through scrutiny that the Council reconsidered how this cut was made because of the vast difference it would make within the sector. She gave one example of the local food bank which was currently seeking help because it only had 2 weeks of food to meet the needs of the poorest and most vulnerable residents of the county.

Mrs Roy felt the Council had a moral duty to approve a budget that served the needs of local citizens, particularly the most vulnerable and very particularly through the proposal relating to increased charges to those with disabilities accessing services. She concluded by suggesting the most vulnerable and poorest members of society were bolstering the budget to enable the Council to invest in private sector initiatives.

Mrs Olwen Mayes represented the Higham Ferrers Research Society which had developed a good working relationship with the officers of the Antiquaries Scheme in Northamptonshire. Residents in the area had contributed to a database recording

significant finds in the area. In 2013 one of these finds proved to be part of a kiln that would not typically have travelled more than 20 metres from its original location, thereby suggesting a significant pottery kiln had been located in the area. The Higham Ferrers neighbourhood plan contributed to the identification of possible sites housing archaeological evidence and the group was able to provide detailed evidence to support their heritage paper. All of this demonstrated a good, strong working relationship between all those working in heritage and the British Archaeological Society had identified a need to work with these groups. Mrs Mayes queried how any of this could take place when funding to the Heritage and Archives Service was being cut. She also referred to Chester Farm as another important site and whilst she appreciated the need to contribute to the country's financial recovery she queried why it always seemed to be the Archives and Heritage Service that was cut each year.

At the Chairman's invitation Councillor Bill Parker then proposed his report (copies of which had been previously circulated) highlighting the following:

- On 11 February Cabinet had considered first the scrutiny response to the budget and then the final budget proposals. All recommendations within the first item were agreed on block but recommendation 31 which related to voluntary sector savings was subsequently taken forward unchanged from the recommendation contained in the commentary within the report:  
That Cabinet reviewed the request from Scrutiny to phase the reduction in the Community Grants Fund, delivered on behalf of the authority by the Northamptonshire Community Foundation (NCF). However, Cabinet considered that the impact of this budget reduction was sufficiently mitigated by the additional support offered by the NCF which included the opportunity to access Gift Aid through its Local Giving Scheme, the opportunity to lever funding from other sources known to the NCF, and the value of the other support services that were on offer to community groups through the NCF.
- All EQIAs and consultation responses had been made available prior to the meeting and considered during the decision making process that led to the recommendation to Council
- Cabinet colleagues and staff were thanked for their assistance during the process that had begun the previous August. Particular thanks were given to the Director of Finance and his finance team who had worked hard on a complex process which examined every aspect of the Council's business, challenged expectations and working and financial cultures and challenged everyone to work in closer collaboration.
- Councillors Phil Larratt, Winston Strachan, Dudley Hughes and Jim Hakewill were also thanked for their work in leading the various scrutiny working groups that reviewed 28 specific proposals which constituted over £20million of savings and £8.3million of spending commitments.
- Scrutiny proposals had been considered and wherever practical incorporated into the recommendations in the final budget.
- The Council under the current Administration had been prudent with money, thorough in budgeting and innovative in the way it delivered services. During the past 4 years, it had met the need to save £177million from the revenue budget by reshaping frontline services to meet future needs and ensure systems and back office services were effective and efficient.
- Frontline services had been protected and back office support revolutionised, particularly through the Council's partnership within LGSS which had enabled them to reduce back office costs from approximately 12% of expenditure to 3%. Over the next 2 years this was expected to reduce further.
- LGSS had made a significant contribution to the Council's Medium Term Financial Plan (MTFP) with net costs reducing by £20million over 5 years of the Strategic plan from

£36million to £16million.

- One of the many key decisions taken was to keep all libraries in the county open and expand the service they provided including Sunday opening hours, provision of job clubs, enterprise hubs and free Wi-Fi. Through the provision of enterprise hubs, over 700 new entrepreneurs had been assisted to start a new business with 70 of these already trading.
- Through the Families and Future programme, 10,000 people had been provided with advice and over 84,000 children and young people had been assisted through the 3,400 activities organised.
- 600 volunteers had contributed more than 23,000 hours of time and 20 people had been successful in obtaining paid jobs as a result of volunteering in libraries.
- Relocating the library in Corby had resulted in a 30% increase in footfall since the previous year.
- Whilst reduced government funding was reflected in the budget, there were other important factors to consider. Huge technological and cultural changes had shaped the nation's fabric and attitudes since 2007. People no longer tolerate large tax rises and they no longer expect the state (at local and national level) to support those who cannot contribute themselves. They now demand value for money and greater transparency.
- The budget was considered to be one of change and transformation.
- Despite the need for savings of £34million, there would be no redundancies or closures of country parks, libraries or fire stations.
- The budget also assisted to provide the fiscal foundation for an enterprising and innovative Public Sector that in turn would create a sustainable and thriving Council fit for the future. It would help people to take charge of their lives whilst protecting the most vulnerable in the county and infrastructure that underpinned the county's prosperity.
- There would be no reductions in vital services. An additional £12million would be invested in Children's Services to provide the improvements required for the benefit of those families supported by it. This would include the provision of an Improvement Board for the next 2 years, grants for future increases in Looked After Children and ensuring the 2014/15 budget fully understood the pressures on the Service.
- There would be no reduction in funding to repair roads or invest in infrastructure. The nationally recognised Highways Maintenance Initiative ensured more proactive preventative road maintenance which provided longer-lasting repairs and had resulted in a 25% reduction in report defects and fewer insurance claims against the Council.
- Later that year the £40million Corby Link Road would be opened which was just one of a number of infrastructure developments designed to better shape the county.
- As some major improvement schemes have not been fully funded by government grants, the Council had taken an innovative approach to move the schemes forward including Phase 1A and 1B of the plan to dual and upgrade the A43 in the area of Moulton, due to start later that year.
- The £20million Stanton Cross project in Wellingborough (due to start later that year) would provide new roads and a bridge to help support the half a billion pound project to build 3,200 new private and social homes and 23,000 square metres of business and retail outlets. This programme would also create up to 7,500 jobs and community facilities including 2 new primary schools.
- Work on the £35million A45 Daventry Development Link Road would also commence the following year providing residents in West Northamptonshire the ability to benefit from a long awaited and desperately needed bypass.
- To complement the Northamptonshire Revolving Infrastructure Fund an additional £87million bid would be made for gap funding under the Local Growth Fund to lever an additional £400million in to the overall transport infrastructure programme over the next 4 years. The estimated increase in economic activity was £1.14billion and 70,000 new

jobs.

- Work was also being undertaken to enable growth in the town of Northampton, the most prominent example being the new Castle Station. The £20million improvement works would be completed by September that year and the new station building at twice the size of the current building would offer more capacity and improved facilities such as larger and better shops, cafes and waiting areas.
- The street lighting programme was now half way through the replacement of old stock. By 2016 all of the county's 65,000 streetlights would have been removed, replaced and/or upgraded. This would provide savings of over 17.5million kilowatt hours of electricity per year and reduce carbon emissions by 9.5 thousand tonnes per year. Feedback so far had been very positive about the new lights.
- The superfast broadband programme in partnership with BT had been officially launched (the first in the country) and would provide superfast broadband through the county with speeds of up to 3mbs.
- The £43million Project Angel was a step closer to realisation and would result in the Council vacating 12 older and less efficient buildings in the town. It was a key part of the Northampton Alive initiative which aimed to regenerate the county town of Northampton and would result in long-term savings of £56million.
- 74% of those responding to the budget consultation had agreed with keeping libraries open, 81% had agreed with keeping country parks open, 84% had agreed in investment in Children's services to drive improvements and 89% had agreed with maintaining the programme to repair roads and invest in infrastructure.
- The average council tax rise prior to 2005 was 7.7%. In 2002 the rise was 11.9%. Since 2005 council tax had not risen above the rate of inflation which had risen by 25%. Council tax on the other hand had risen by 20%.
- A council tax increase was proposed that year of 1.99%. This would mean a rise in a band D property of £20 per year or 39p per week and residents of Northamptonshire would pay more than £400 less than the average UK Band D rate. This would provide an additional £4.4million for the base budget and assist to mitigate some of the savings required during 2014/15.
- There was no clarification from the Department of Communities and Local Government (DCLG) that the 1% free grant offered in 2014/15 would remain in the base budget beyond 2015/16 and it was therefore felt wise to raise council tax. Borough and District Councils were also thanked for their work in improving collection rates on the Local Council Tax Support Schemes introduced the previous year. This had resulted in a one-off collection fund benefit of £2.1million that had been included in the plan and £1.6million being transferred to the Demand Reserve. This would also assist to reduce the Contract Rationalisation savings proposal from £8.5million to £6.5million (an area of concern raised during the scrutiny process). It would also reduce the 5-year MTFP savings requirement from £128million to £126million.
- There would be no charges for using waste re-cycling centres; another concern raised during the scrutiny process.
- The majority of reserves had not changed and the 2014/15 figure remained at £38million for earmarked reserves. All previously considered increases were included in the movements (of approximately £4.7million) during 2014/15 to create an increased balance in 2015/16 moving forward and some revision to other reserve forecasts.
- The improved settlement funding assessment of approximately £5.2million mainly consisted of one-off grants, little of which could be included in the base budget.
- Despite an injection of £17million over the lifetime of the MTFP to demographic pressures, the county would continue to experience great financial challenges, as a result of an ageing population, particularly in the area of adult social care. A fundamental review had therefore been undertaken in all areas of this directorate which would amend its processes in order to support the personalisation agenda in the most



effective way possible. Through the Resource Allocation System all those eligible for adult social care would be assessed and receive services in a fair and equitable manner.

- Integration between the NHS and adult social care with funding streams such as the Better Care Fund should through the lifetime of the MTFP assist to achieve greater transformation change across the social care and health economy.
- Adult social care, children's services and public health were all transforming their services towards earlier intervention and earlier prevention. The concepts of wellbeing, partnership working and helping people to help themselves were at the heart of this.
- As funding from central government reduced, the risks and challenges associated with setting budgets rose as did the stakes and opportunities. The Council remained true to its core values of 'helping you to help yourself', helping you when you are unable to help yourself' and 'being a trusted advocate'.

Councillor Parker concluded by commending the report and all appendices, including the Section 25 Report from the Section 151 Officer to the Council.

The report was seconded by Councillor Graham Lawman.

At the Chairman's invitation Councillor Mick Scrimshaw then moved the Labour Group Alternative Budget (copies of which were provided at the meeting) highlighting the following:

- Despite the proposed rise in Council tax the Administration still felt a need to cut a further £43million from the budget.
- Many of the proposed cuts were extremely challenging and posed a greater risk to services. The greatest of these would be felt in social care not just because of ongoing challenges within Children's Services but also in Adult Social Care which was at the beginning of a period of new partnership working.
- The cultural shift in the way the Council worked with partners was a concern raised regularly during the budget scrutiny process.
- Concerns were also raised about how the national economy might continue to affect the Council and county. The Governor of the Bank of England had announced the previous week that the signs of economic improvement were not currently sustainable.
- The Labour Group proposals would enhance the budget, focussing not just on achieving additional revenue but also encouraging economic growth and investment in social care.
- These proposals would free-up extra revenue to support services and act as a 'cushion' to tough times ahead. For example, to balance the budget the Administration would borrow a further £21.5million by capitalising a sum of the road maintenance budget. The Labour Group whilst unhappy about this did understand the current pressures and would slightly increase this proposal over the 5-year term by increasing the following year's £5million by an additional £200k.
- The next revenue making proposal was substantial as it was designed to offer a fundamental change to the Council's income by bringing in additional money both in the current times and years to come. Plans to sell the undeveloped farmland adjacent to the A14 near Pytchley would be halted and the Council would take advantage of the lower cost of capital it could access to develop the site itself. This would provide rent revenue and the proposal took account of the time and investment required in its alteration of the profile of earmarked reserves and adjustment to the revenue capitalisation referred to earlier which would add an additional £1million per year to the Council's revenue budget for the first 3 years, increasing to £2million and £3million a year respectively for the last 2 years of the MTFP. Rental income of £7.8million a year

should be available from 2017/18. A large part of the site would be left undeveloped and any future sale of this part of the land could raise an additional £8million if required.

- Additional revenue from the proposal noted in the point above, would enable the Council to support new business start-ups and small and medium sized enterprises by investing in much needed infrastructure, possibly also offering rent-free periods or discounted terms and provide a real boost to the local economy.
- Income generated from the proposals would be used to ensure all County Council employees were paid the living wage as a minimum. 470 of the lowest paid workers would benefit from this and the local economy would be stimulated by as much as £1million per year as staff spent this money locally. It would also assist to improve staff morale and attract a skilled workforce.
- In line with the Local Government Association's (LGA) expectations on councils to find further efficiency savings, an additional £70,000 worth of savings from the sum of £480k the Council currently spent on mobile phones was proposed. This could be achieved through re-negotiation of contracts and streamlining of providers. The sum saved would be used to fund the majority of the proposed cuts to the Connexions Service. It would enable this high performing service to fund work experience for vulnerable groups and support vulnerable young people back to work by supporting them during their first few weeks of employment. It would place the County Council at the forefront of supporting such initiatives.
- Whilst the Labour Group acknowledged the importance of communicating with residents and informing them about services, it was also considered to be reasonable to review the Council's Media and Communications Department. The Group therefore proposed this review be referred to scrutiny with a view to identifying savings of £154k.
- Savings made from the above proposal would be used as a one-off revenue contribution to capital of £125k as well as to create a 'one-stop shop' smart phone and social media application such as the one successfully pioneered by Reading Council. This would provide information on local job opportunities and career advice, bringing together input from young people and local businesses. As it required very little in future costs, it was suggested this be undertaken within the first year of the MTFP.
- The Group was extremely concerned about the budget's effect on Adult Social Care Services and the full effects of changes in this area could not be fully estimated. Little was also allocated to earmarked reserves in this area and it was therefore proposed a cut of almost £1.2million be made to the funding of the Northamptonshire Enterprise Partnership (NEP). The majority of this saving would be spent on adult social care (£907k during the current year rising to £1million a year after that).
- Whilst the Group supported the importance of economic development, they felt NEP did not provide value for money as much of the investment had been achieved by the University of Northampton. Other local enterprise partnerships in the country received no funding from their local county council and it was felt support could be provided through the county's MP's and MEP's, use of the Council's current professionalism and expertise and by working more directly with other organisations and businesses.
- Reference was made to the proposed cut in voluntary sector funding and whilst they supported the concept of using the Community Foundation to lever in additional funding from other sources such as Gift Aid, they were not convinced this would be sufficient to mitigate the shortfall. In the current economic climate they did not agree with cuts to local charitable organisations which brought in an additional £3 for every £1 provided by the Council. They would therefore recommend the Council began speaking to charities in Northampton to identify opportunities for shared space within the 12 properties it would be vacating as part of Project Angel.

Councillor Scrimshaw concluded by stating he felt these proposals would increase the revenue funding available to the Council each year, invest in the local economy, assist to

create new jobs, protect the most vulnerable members of the community, support local community groups and charities to source further vital funding, and over the course of the MTFP release a further £3.6million of unallocated funds to assist address future service pressures and cushion against further cuts from Central Government.

The Labour Group Alternative Budget was seconded by Councillor John McGhee.

Councillors commented as follows:

- Concerns were raised that councillors had been given little time to view the alternative budgets and it was suggested alternative budgets should be considered during the scrutiny budget process.
- It was suggested the cut to NEP funding was a cut in support to the local economy, business and the working man.
- Concerns were raised about the effect of increased council tax to vulnerable families.
- Some considered the proposals to be weak as they affected less than 10% of the overall budget.
- The need to develop a smart application was questioned, particularly as there were many that were readily available free of charge.
- It was suggested the development of a smart application would enable the Council to connect with young people in a method and language they understood.
- Concerns were raised that the recent issues encountered in Children's Services were a result of disinvestment in this area and it was suggested that without due diligence, this would be repeated in Adult Social Care Services. There was a need therefore to ensure adequate funding was in place to protect the elderly and vulnerable.
- It was noted the minimum wage paid by the Council to its workers was increasing.
- Some felt greater support was required for the voluntary sector which consisted of many small scale community projects which were dependent on funding from the local authority. For a relatively small sum they provided much early prevention work as well as supporting those affected by adversity. The Northamptonshire Rape and Incest Crisis Centre for example had assisted to reduce the stigma attached to reporting incidents through their support to victims of this type of abuse.
- Support for the Connexions Service was noted as it was considered to be a high performing, value for money service. It had delivered real results, assisting young people, many of whom were hard to reach, back into employment.
- Concerns were raised regarding the viability of the proposal to develop the land adjacent to the A14 as planning permission had not yet been obtained for this site.
- Some considered a policy of capitalisation of highways management and maintenance to be false economy as it created a loan over a longer period of time than was advisable in the current economic climate. It was also suggested this was irresponsible as it only created debt for the next generation.
- It was felt by some unfair to offer the 'living wage' to staff at a time when so many other people in the county were on low wages.
- Funding for NEP was questioned, particularly as there were other organisations attracting investment to the county. The South East Midlands Local Enterprise Partnership (SEMLEP) for example had been instrumental in the creation of Northampton's Enterprise Zone (possibly the single biggest investment in the county).
- Some considered the 'living wage' to be good for business, the individual and society as a whole. More than 80% of employers taking part in an independent study in London felt it would enhance the quality of staff and reduce absenteeism. This study also found it would have a positive impact on recruitment and retention of staff. A campaign launched in East London in 2001 had a real impact on parents who had previously been on such low wages they were having to undertake 2 jobs and had no time for their families.

- Some felt local government had suffered as a result of reduced wages over the past 16 years. The vast majority of poor residents were working people having to claim tax credits to pay their bills. It was noted 470 of the Council's employees were still in this position despite raising the lowest band of the Council's pay scales. It was also noted other councils had introduced the living wage of £7.65 per hour and in Oxford and some London councils this was exceeded.
- Some described this alternative budget as a common sense budget as it supported young people, increased the revenue available to the Council, supported the local economy and jobs and utilised other avenues of funding.
- Reference was made to local community groups that would close without the assistance of Council funding, resulting in a loss to the community of the skills within those groups.

In reply Councillor Scrimshaw stated he felt the proposals mitigated the long-term risk to the capitalisation of road maintenance. Whilst the group supported NEP, it felt the Council could work closer with them to bring about the efficiencies and improved working methods it expected of all organisations it supported. He felt the most radical part of the alternative budget was the proposal relating to the development of land adjacent to the A14 which had been designed to bring funding into the county.

### **Upon the vote the Labour Group alternative budget was rejected.**

The Chairman then invited Councillor Chris Lofts to propose the Liberal Democrat alternative budget (copies of which were provided at the meeting) who highlighted the following:

- There was a need for change particularly as funding was decreasing at a time when the Council was responsible for an increasingly broad range of services that would be required more often and would become more complex as the Council played an increasingly fundamental role in protecting people's welfare, enriching their lives and enabling their life choices.
- Personal freedom was important as services changed and developed. Through personal budgets and Project Alpha people would be given more control of their welfare than ever before.
- Decision making in terms of planning, housing development and transport was becoming more localised.
- Concerns were raised that there were risks involved in the many changes that were taking place.
- It was suggested necessity of change was being used as a reason for doing things to residents instead of with them. The model of a 'commissioning council' was leading to the Council becoming smaller and more absent. It was managing minimal services with insufficient concern about quality, resources, community groups, the voluntary sector and care services.
- It was suggested a referendum be held following a genuinely open dialogue with communities to ascertain their thoughts and ideas.
- Praise was given to Council staff working hard to create innovative working methods.
- A reduction in wastage was noted and it was suggested general administrative efficiency savings could be raised by a further £200k.
- It was felt successive funding cuts had led to the current issues in Children's Services leaving children in danger and junior staff untrained or poorly trained and managed.
- Reference was made to pathway planning legally required of the Council not being in place for 9 out of 10 children leaving care.
- It was felt the key issue for Children's Services had been leadership and it was

suggested greater focus should have been given to safeguarding local children. Concerns were also raised that these mistakes could be repeated in other services without due care.

- The new model for the health and wellbeing and adult social care services had the capacity to deliver a better, more responsive and more interactive form of care. It required careful management however, led from the top.
- It was felt maintaining low council tax could have helped to create the funding gap the Council now had to address and it was suggested that had local people been asked, they would have been prepared to pay a moderate rise in exchange for real investment in front-line services.
- He suggested creating 2 budgets the following year; one with a 0% council tax increase continuing with the same model presented that day and another which was based on a review of base organisational costs and the full cost of delivering high quality services. These 2 could then be presented as part of a referendum asking local people which they preferred.
- He felt there were too many young adults not in employment, education or training (NEET) for far too long. The number of NEETs in the county had been above average the previous spring, rising again by 50% during the autumn. Whilst business growth was being stimulated in the county, there was a need to empower young people with the skills, knowledge and resources they required to get back into work.
- Their first amendment therefore proposed the formation of a Northamptonshire Economic Support Taskforce; a partnership between the public sector, private business and voluntary organisations. It would target assistance through job fairs and provide an easily accessible apprenticeships register, help and advice on job applications and early intervention and signposting to career development organisations. It would also provide outreach work in deprived areas and provide help, advice and grants to young people setting up small businesses. A similar model developed by Sutton Borough Council had reduced youth unemployment by 30%.
- The alternative budget would invest £250k in supporting local town centres with empty-shop policies and a concerted, joined-up policy for delivering unique offers and attractions in the county's major towns to underpin traditional shopping, enhance café culture and generally make them friendlier than sterile, generic, out of town shopping areas.
- The level of NEP funding was not considered to be appropriate for the returns produced, particularly as other local enterprise partnerships (LEPs) were not funded to the same extent of other local councils. Many were larger, more efficient and more effective and it was felt the Council should have greater engagement with SEMLEP. During the transition to 1 single LEP it was proposed NEP seek external funding that required matched-funding, which the Council would support.
- A cut in funding to Communications and advertising was proposed of £100k through a blend of reduced activity and increased external income.
- The positions of Assistant Portfolio Holder and Vice-Chairman of scrutiny committees would be abolished, with the special responsibility allowance that accompanied them. This in recognition of the effect of service cuts on people and a sign of good faith that 'we are all in this together'.
- A reduction in the mileage rate paid to councillors was also proposed as was a reduction in the funding available through the Councillors Empowerment Fund. A small reduction would create £100k that could be used to mitigate some of the cuts in front-line services.
- It was felt possible to source external sponsors and investors for a project as important as Chester Farm and the £5million currently allocated to this project could be used to reduce the pressures on capital spend.
- Reference was made to a suggestion made during the budget scrutiny process to

phase the voluntary sector cut. As much of this funding was used to match external funding the impact of the cut was much greater than it would first appear. Although it had been stated this was the result of the end of a temporary investment fund, the situation in his opinion had changed in terms of the need for this funding. Children's Services was considered to be in a situation that would not improve for some time. Completely new working models were being introduced in Adult Social Care Services, integrating health and increasing the level at which personal budgets were used.

- The Voluntary Sector provided incredible services within the county, supporting the hard to reach, assisting every conceivable group of people, tackling problems from social isolation to cancer, depression to carbon monoxide awareness, bed sores, dyslexia, repairs to buildings and historical tours. They assisted the elderly, sick and poor, supported heritage and tourism. They could be found in churches, community centres and schools. They assisted to alleviate thousands of problems and contributed to creating warmer, more cohesive communities. They would therefore permanently reinstate the £200K to the grant fund, earmarking it specifically to charities that worked with children.
- A further £300K investment was proposed for a limited period to create similar support during the changes in adult social care, ensuring anyone falling through the gaps was caught quickly and supported effectively and efficiently.
- Over £250k of additional funding would also be invested in the Council's in-house Fostering Service to fund home adaptation grants as well as the recruitment and retention of in-house foster parents thus reducing the reliance on agency services.
- A broad inclusive debate on the future of the Council including the option of Unitary Councils across the county was also suggested.

Councillor Lofts concluded by stating he felt the Liberal Democrat Alternative Budget would support young people, engage with foster carers and assist in exploring innovative ways to enhance the county and the way it was viewed.

The Liberal Democrat alternative budget was seconded by Councillor Brendan Glynane.

Councillors commented as follows:

- Some considered the funding to develop local town centres to be unnecessary as some were already attracting external funding to assist their development without the help of the Council.
- It was noted the Government no longer promoted unitary authorities and many borough and district councils preferred to work in greater partnership as an alternative to this.
- The funding of a referendum was queried as was the result on council tax increases which many felt would not be welcomed.
- There were many councillors who already made no mileage claims. Many of those who did lived close to county borders and therefore relied on their expenses to be able to travel to Northampton where the majority of Council business was conducted.
- Whilst support for the youth was welcomed it was also noted by some that there were many people of different ages struggling to get back into employment.
- The idea of joining SEMLEP was queried as some understood the Government to be unsupportive of increasing the size of LEPs.
- It was noted external funding for Chester Farm had only been obtained because the County Council had been prepared to match fund it. The County Council was also actively seeking further funding opportunities to achieve all of the aims for this site which would eventually provide an income to the county as a major tourist attraction.
- Concerns were raised that the proposal to source external funding for the Chester Farm project did not give any details about how this external funding would be sought.
- Work being undertaken to improve Children's Services was commended. The Council

was knowledgeable about the current situation, what was required to improve it and various mechanisms and teams were in place to deliver the required changes. This , despite increased referrals to social care of approximately 30% and increased numbers of children on child protection plans. Improvement would only be achieved with a true understanding, engagement and commitment from all partners to match that of the Council.

- It was suggested alternative budgets be scrutinised during the budget scrutiny process to enable increased understanding of their aims and enable incorporation into the budget of good proposals within them, particularly as many councillors found it impossible to truly scrutinise an alternative budget, no matter how small the changes it contained that was only presented at the start of the meeting.
- It was suggested the proposal to raise council tax above 2% should be dismissed as it did not clarify how high the rise would be and only represented the 10% of the population who had signified support for such a rise.
- Council was informed of a scrutiny project currently exploring opportunities for supporting young people to get back into work.
- Concerns were raised about the situation in Children's Services following the recent Ofsted report and the fact that the effects of new working practices would not be known for some time.
- Some felt this alternative budget would mitigate some of the pressures Northamptonshire's ageing population would create for adult social care services.
- Some felt NEP was already undertaking similar work that would be required of the taskforce supporting NEETs. This proposal was therefore unnecessary.
- In-house foster carers were considered to be a valuable asset of the Council and the proposal to support their recruitment, training and on-going support was welcomed, particularly as the Council was currently undertaking a recruitment drive for social workers.
- A request was made to continue investment in safeguarding children by making the £12million investment a regular part of the budget.
- Further information would be required before any decision could be made regarding the land adjacent to the A14.
- A request was made for all political groups within the Council to be involved in the management and progress of Project Angel.
- Concerns were raised that a cut in the Empowering Councillors Fund would reduce the funding available for voluntary services, particularly as many little known services were supported by councillors in their own divisions.
- The work of the Communications Team in providing details of apprenticeship workshops held in conjunction with borough and district councils was commended.
- It was noted the Children, Learning & Communities Scrutiny Committee received regular updates on the progress in improving children's services from the Director of Customers, Communities & Education.
- Concerns were raised about voluntary sector funding and a recommendation was made to refer this to scrutiny, particularly as some organisations would close from the summer should they be unsuccessful in obtaining further funding.
- Not all considered Chester Farm to be unique as there were other roman town sites in the county. It was suggested a friends group be created to support the site.

In reply Councillor Lofts stated that from his 38-year experience of setting local authority budgets he considered the proposals in this alternative budget to be sound as they supported communities, the voluntary sector, the young unemployed and local small businesses.

**Upon the vote the Liberal Democrat Group alternative budget was rejected.**

The Chairman then invited Councillor Michael Brown to propose the UKIP/Independent Group alternative budget (copies of which were provided at the meeting) who highlighted the following:

- The need for a 1.99% increase in council tax was queried following the announcement the previous week of an additional £5million in planned income.
- He considered the budget to be concerned not just with providing services but also extracting taxes from ordinary people and referred to a cost of living crisis in the country which he felt a rising council tax would not alleviate. Whilst many in the county could afford the rise, the poorest families were always hit the hardest as they struggled to feed their families and pay their mortgage or rent. These were the people he felt the Council should protect.
- The figure of 1.99% was in his opinion not based on the minimum increase needed to protect vital services but the lowest figure that would not require a referendum.
- Reference was made to the budget scrutiny process which did not scrutinise the whole budget but just the areas that had been put before Cabinet the previous week.
- The budget was in his opinion incremental. It was based on the previous year's budget and consisted of proposals for changes. Many spending lines were not altered or discussed.
- An example of a budget line not reviewed was that relating to the school meals service which continued to achieve a loss of £3million per year. This loss was carried forward and as a result of a councillor bringing this to the attention of scrutiny a commitment to addressing it was noted in the 5-year plan. He queried how many other budget lines had not been considered because no-one recalled any issues in previous years.
- In his opinion a true budget would review all spending with all budget lines challenged whether they contained changes or not.
- He suggested a zero budget become an integral part of the budgeting process. This process would need to start at the start of the financial year to ensure a full budget was presented for consultation and would provide greater clarity to the people of Northamptonshire about how the Council spent their money.
- The sum of £4.4million would be taken out of the local economy through a council tax rise leaving people with less to spend in local shops. Foregoing the council tax rise would attract £2.2million from the Government who had declared an intention to fund this grant indefinitely. This would result in more than £11million government funding over the next 5 years.
- With regard to the capitalisation of road maintenance, they suggested capitalisation of IT and buildings enabling a council tax freeze in the current year. The capitalisation grant could then be repaid over 2 years from the government grant.

Councillor Michael Brown concluded by stating the UKIP/Independent Group alternative budget proposals were built on firm foundations recommending a true zero based budget that would deliver the following year's budget and reduce cuts.

The UKIP/Independent alternative budget was seconded by Councillor Adam Collyer.

Councillors commented as follows:

- A policy of freezing council tax in the forthcoming year, only to hold a referendum at a cost of £1million the following year was queried.
- Reference was made to the Section 151 Officer's comment in his Section 25 Report that a significant budget review was unlikely to result in changes. It was then noted a rigorous process had been followed in recent years making use of a star chamber process to ensure a more robust budget process.
- It was noted the Council had many statutory obligations for which it received grants that could not be spent elsewhere.



- Concerns were raised that zero-based budgets did not take account of the inevitable yearly increases in the base budget.
- Officers were thanked for all of their hard work which was only made harder by late notifications from Central Government.
- Some believed the council tax freeze grant was not restricted to the forthcoming year but would possibly be available over the next 5 years, certainly during the 2 remaining years of the current government.
- It was explained the zero based budget referred to by the UKIP/Independent Group was one that would commence with the services the Council was required to offer and the cost of those services. It was not suggesting zero funding.
- Some believed freezing council tax would result in the receipt of £11million in Government grants over a 5-year period.

In reply Councillor Michael Brown stated the referendum on council tax would be held alongside the general election of 2015 and its cost had been included in the alternative budget. It was based on their aim to increase council tax the following year and the need for a referendum should this be above 2%. He noted the base line would increase each year but his suggestion of a zero based budget was one that considered everything the Council was required to and aimed to provide. It would allow for the movement of money from one area that did not require it to another with a greater need. It would also pick up on issues such as the £3million overspend on the school meals service. He also thanked the Section 151 Officer for his support in explaining the differences between private sector budgets (in which Councillor Brown was experienced) and public sector budgets.

#### **Upon the vote the UKIP/Independent Group alternative budget was rejected.**

At the Chairman's invitation, Councillors then debated the substantive motion as follows:

- Thanks were given to all councillors and officers involved in the scrutiny budget process..
- The scrutiny budget process had focussed on the deliverability of the draft cabinet proposals presented in December, particularly on planning proposals, risks and the effect of local and national priorities. Approximately half of the budget lines had been identified for scrutiny and meetings were open to and addressed by, members of the public.
- The scrutiny process was considered by many to have been a success, offering recommendations for changes that were accepted such as the removal of recycling centre charges and the sum of savings in some budget lines.
- Councillor Phil Larratt was thanked for chairing all of the scrutiny budget meetings. Not every councillor could attend every meeting but all were thanked for their input as were Democratic Services who provided officers to support every meeting.
- It was noted new areas for scrutiny work were also identified through the scrutiny budget process.
- Another key area for scrutiny that came out of the budget scrutiny process was noted as voluntary sector funding and scrutiny was urged to undertake this review carefully.
- The scrutiny budget process was considered by many to have been a vast improvement on previous years, as was the way in which the Council managed its finances.
- It was noted the Council was managing to retain some front-line services that other councils were closing, particularly the libraries service.
- The budget was considered by some to be a good way of managing tight finances during times of adversity.
- Concerns were raised that the budget included a risk to adult social care services

which was perhaps suffering from reduced funding because of the need to increase funding to support improvements in children's services.

- Concerns were also raised that adult social care services were very dependent on major changes in the way NHS services were delivered and it was noted this would be a huge culture shock to an NHS which was generally resistant to change.
- Some felt funding to the voluntary sector should not be cut at a time when it was expected to assist to provide services within communities, particularly in adult social care.
- Concerns were raised regarding the efficiency and speed in which Children's Services should be improved. Outcomes as well as the methods for effecting improvements were required in order to ascertain if good progress was being made.
- Concerns were also raised regarding the Council's reliance on partners to provide new and improved services in many areas of its work, particularly in reforming health.
- It was noted many community organisations that supported people in most need were struggling as a result of reduced or lost funding. An example of how community groups assisted local people in need was given of a mother of 67 who had her benefits removed because the Department of Work and Pensions noted her age as 47 and had not taken account of her caring role for an adult child with serious issues. The only way she had survived since the halting of her claim in November was through the support of various community groups such as the food bank and Community Law.
- It was noted the funding cut to the voluntary sector was actually the end of a time limited fund of £194K aimed at encouraging the development of a particular part of the sector. The actual reduction was therefore only really £6K and many councillors had been satisfied that providing the funding to the NCF to manage would also give organisations access to their specialist support and knowledge as well as other sources of funding to which the Council had no access. The Council supported front-line services and not the back office costs of voluntary organisations.
- Change in adult social care was noted as a necessary change, particularly as the Council integrated with Public Health. Both portfolio holders worked closely together to ensure this integration was successful and that any gaps would be bridged. Through a one-off funding grant, the sum of £200K would be available to support growth of new innovative services to meet the needs of individual care packages.
- Some councillors suggested the reduction to voluntary sector funding could have been phased over 2 years to assist voluntary groups during a transitional period. Whilst the sum of £100K was small in comparison to the Council's budget it was a large amount to the community groups that relied on it.
- Assurance was sought that all of the planned road repairs would be undertaken, as in previous years this had not been the case.
- It was noted the additional £200K for the Innovation Seal Fund was not new funding but funding moved from public health to the voluntary sector. Concerns were raised that there was no new funding to support the move in to the Council of responsibility for public health and it was suggested additional investment was required particularly to support assessments of older people.
- It was suggested that whilst larger grants to the voluntary sector would be managed by the NCF, councillors could still continue to support small local organisations through the Empowering Councillors Fund.
- Concerns were raised that various voluntary groups and the services they provided would be lost to the county as a result of loss of funding. This in turn would lead to a greater demand on Council services to support vulnerable people.
- The support many voluntary sector organisations received from their volunteers, particularly in terms of back office services was noted. Some felt this factor should not be ignored when undertaking a scrutiny review of voluntary sector support.
- Some noted the response of more than 85% of people who when asked, requested the

road repair and maintenance programme be protected. Although local MP's had regularly lobbied government ministers the funding formula for new schemes had not been changed and the Council was therefore seeking alternative and innovative ways to progress many of these programmes.

- Concerns were raised that changes in health and adult social care were required at too fast a pace to be deliverable. A major culture shift in working methods was required and much was dependent on government announcements and guidelines whilst all of the responsibility lay with the Council.
- The Council Plan was commended as a good document.
- Information on the way in which the £194K grant to the voluntary sector had been used was requested including who had been awarded grants and why.
- It was felt by some the changes in health and adult social care would create many opportunities for people to take better control of their lives.
- It was noted the Chief Executive of the Northampton Volunteering Centre had stated a belief that providing funding through the NCF would provide greater opportunities for the voluntary sector.
- Thanks were given to the finance officers who supported the Administration to present a budget that provided infrastructure improvements, increased skills through the University Technical Colleges, increased opportunities through NEP, improved business intelligence, investment in property, libraries, heritage and partnership working, whilst increasing reserves and capital expenditure.
- Challenging times were noted which required innovative new methods for partnership working and providing services. A big challenge would be in the way the Council worked with the health service and the way the Better Care Fund would protect adult social care services and ensure the most vulnerable in the county had access to personal budgets and received care.
- Some felt there were great opportunities for people to become involved in volunteering, assisting to provide low-level support services to the frail and elderly.
- It was hoped local GPs would recognise the way the voluntary sector influenced prevention and innovation and seek ways in which to engage with them.
- Councillor Parker and his team were congratulated on providing a budget that had ensured residents in the county continued to pay the lowest council tax in the country, providing an additional £8 per week for families struggling in difficult financial times. It also reduced budgets whilst continuing to deliver improvements in the way that services were provided. Balancing the budget each year was not an easy task but it had been regularly managed.
- Information was requested on the 3-year programme for replacing ageing fire appliances.

In reply Councillor Parker confirmed his cabinet colleagues would provide the requested information regarding the £194K voluntary sector grant as well as the replacement fire appliance programme. He was aware of issues in adult social care services and expected the budget to ensure those eligible for services would continue to receive them. He noted the debate on council tax stating the government council tax free grant could not be included as part of the base budget because it could not be guaranteed for the duration of the MTFP.

The Chairman then invited councillors to take part in a recorded vote following consideration of the report submitted to Council, consultation responses, equality impact assessments and comments made at the meeting which needed to be taken into consideration in reaching a decision on the recommendations.

**RESOLVED that: upon a recorded vote of 35 for and 20 against with 2 absentees Council:**

- 1) Approved after due consideration the results of the relevant consultation process 2014-15 Revenue Budget which set:**
  - (i) A net revenue budget of £428,320million**
  - (ii) A Council Tax Requirement of £226,640million**
  - (iii) A Band D Council Tax increase of 1.99%, taking Band D Council Tax from £1,028.11 to £1,048.57**
  - (iv) Council Tax for each valuation band A to H as set out in paragraph 15.6 of the report**
  - (v) Precepts to District and Borough Councils as set out in paragraph 15.9 of the report**
  - (vi) A local pay settlement of 0.6% as set out in paragraph 16.4.4 of the report;**
- 2) Approved the Council Plan 2014-15 to 2018-19 as set out in Appendix A to the report;**
- 3) Approved the Medium Term Financial Plan (MTFP) 2014-15 to 2018-19 as summarised in Appendix D to the report;**
- 4) Delegated authority to the Chief Executive Officer for prioritisation of new grant funding and commitments as per paragraph 14.1.4 of the report;**
- 5) Noted the Second Home Discount Scheme arrangements as set out in paragraph 15.12.7 of the report;**
- 6) Approved the detailed proposals underpinning the 2014-15 to 2018-19 MTFP revenue budgets as set out in Appendix F to the report;**
- 7) Approved the Fees and Charges Summary as set out in Appendix G to the report;**
- 8) Approved the Capital Strategy 2014-15 to 2018-19 as set out in Appendix I to the report;**
- 9) Approved the Chief Financial Officer's Section 25 Report as set out in Appendix I to the report;**
- 10) Approved the Treasury Management Strategy 2014-15 which included:**
  - (i) The prudential indicators, including the Capital Financing Requirement of £579.6million and the Authorised Borrowing Limit of £669.3million;**
  - (ii) The Annual Investment Strategy as set out in Appendix J-4 to the report;**
  - (iii) The Minimum Revenue Provision (MRP) Policy as set out in Appendix J-3 to the report;**
- 11) Recommended to scrutiny a review of voluntary sector funding;**
- 12) Information relating to how the previous grant of £194k was distributed amongst the voluntary sector would be provided to Councillor Uldall following the meeting; and**
- 13) Information relating to the programme for purchasing new fire appliances would be provided to Councillor Strachan following the meeting.**

**06/14 Urgent Business: Treasury Management report, Quarter 3, 2013-14:**

At the Chairman's invitation, Councillor Bill Parker proposed the report (copies of which were previously circulated) stating this urgent report required Council to agree in principle a loan to the University of Northampton, not from its own funds but government funding provided for infrastructure projects. The University had applied for £14million via NEP but required the Council to act as a conduit for the funding. This meant there was a requirement for the Council to include it in the budget but as a sum that came in and then out again. All loan repayments would be made by the University and he and officers would ensure due diligence was in place before any final arrangements were made for this long term loan of 40 years.

At the Chairman's invitation, the Director of Finance stated a third party loan was something the Council could facilitate and emphasising his aim to ensure due diligence to safeguard the Council's assets.

The report was seconded by Councillor Graham Lawman.

Councillors raised concerns regarding the length of the loan and the fact there was no guarantee the University of Northampton would remain in existence in the next 40 years. It was also felt a decision could not be made until due diligence had been carried out and the exact terms of the loan could be presented for approval.

In reply Councillor Parker confirmed Council was being asked to agree this loan in principal and he would present details of the exact terms and due diligence undertaken in forming them to Cabinet prior to any final decision being made.

**RESOLVED that: Council:**

- 1) Noted the Treasury Management Report, Quarter 3 for 2013-14;**
- 2) Approved in principle subject to a further report to Cabinet a third party loan to the University of Northampton for the value of £14million, under the Government's initiative which provides a concessionary rate of borrowing for one key infrastructure project nominated by the Local Enterprise Partnership (NEP); and**
- 3) Delegated authority to the Section 151 Officer and LGSS Director of Law & Governance in consultation with the Cabinet Member for Finance and Performance to negotiate and agree the terms of the loan agreement and legal mortgage, carry out appropriate financial and legal due diligence (as detailed in Section 11 of the report) following any further report to Cabinet;**

07/14 Exempt Business:

There was none.

There being no further business the Chairman closed the meeting at 2.55pm.

Jenny Rendall  
Democratic Support  
24 February 2014

**Chairman's Signature:-**

**Date:-**



## NORTHAMPTONSHIRE COUNTY COUNCIL

Recorded Votes for Council:	
<b>Date of Meeting:</b>	Thursday 20 February 2014
<b>Item No:</b>	6: Revenue Budget 2014-15 & Medium Term Financial Plan 2014-15 to 2018-19

Surname	First Name	For	Against	Abstain	Absent
Beardsworth	Sally		√		
Bell	Paul	√			
Boardman	Catherine	√			
Brackenbury	Wendy	√			
Brookfield	Julie		√		
Broomfield	Jim		√		
Brown	Michael		√		
Brown	Robin	√			
Butcher	Mary		√		
Clarke	Michael	√			
Collyer	Adam		√		
Coombe	Elizabeth				√
Eales	Gareth		√		
Glynane	Brendan		√		
Golby	Matthew	√			
Gonzalez de Savage	Andre	√			
Groome	Christopher		√		
Hakewill	James	√			

Surname	First Name	For	Against	Abstain	Absent
Hales	Eileen		√		
Hallam	Mike	√			
Harker	James	√			
Heggs	Stanley	√			
Hills	Alan	√			
Homer	Sue	√			
Hope	Jill		√		
Hughes	Dudley	√			
Hughes	Sylvia	√			
Kirkbride	Joan	√			
Larratt	Phil				√
Lawman	Graham	√			
Lawson	Derek	√			
Legg	Stephen	√			
Lofts	Chris		√		
McCutcheon	Arthur		√		
McGhee	John		√		
Mackintosh	David	√			
Matthews	Allan	√			
Mercer	Andrew	√			
Meredith	Dennis		√		
Morris	Ian	√			
Osborne	Steve	√			
Parker	Bill	√			
Patel	Bhupendra	√			

Surname	First Name	For	Against	Abstain	Absent
Patel	Suresh	√			
Roberts	Russell	√			
Sawbridge	Ron	√			
Scott	Bob		√		
Scrimshaw	Mick		√		
Shephard	Judy	√			
Slatter	Steve	√			
Smith	Heather	√			
Stone	Danielle		√		
Strachan	Winston		√		
Tye	Michael	√			
Uldall	Sarah		√		
Walker	Allen	√			
Waters	Malcolm	√			
<b>Totals</b>		<b>35</b>	<b>20</b>	<b>-</b>	<b>2</b>