



Democratic Services
Room 144
County Hall
Northampton
NN1 1DN

MINUTES of the Budget Meeting of the NORTHAMPTONSHIRE COUNTY COUNCIL held at County Hall, Northampton on 19 February 2015 at 10.00am

PRESENT:

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

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

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

Honorary Alderman Dr Marie Dickie
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
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

And 17 members of the public.

01/15 Apologies for non-attendance:

Apologies for absence were received from Councillors Paul Bell, Elizabeth Coombe, Alan Hills, Cecile Irving-Swift, Malcolm Longley, Steve Osborne, Ron Sawbridge and Winston Strachan as well as Honorary Aldermen John Bailey, Derek Batten & Priscilla Padley.

02/15 To approve and sign the minutes of the Council meeting held on Thursday 27 November 2014:

RESOLVED that: Council approved the minutes of the Council meeting held on Thursday 27 November 2014.

03/15 Notification of requests by members of the public to address the meeting

Item 6: Revenue Budget 2015-16 & Medium Term Financial Position to 2019-20

Mrs Anjona Roy
Mrs Katsuma Begum
Mr Colin Bricher
Mr Gary Mitchell
Dr Marie Dickie
Dr Ron Mendel
Ms Bianca Todd
Mr Justin Brown
Mr Clyde Leslie

04/15 Declarations of Interest by Councillors:

The following declaration of interest was made to be added to the main register of interests.

Item No	Councillor	Type	Nature
6	Russell Roberts	Personal	Leader of Kettering Borough Council which might be impacted by some elements of the budget

05/15 Chairman's Announcements:

The Chairman made the following announcements:

- Following a successful awards ceremony for the Council's Looked After Children (LAC) the previous year, another awards ceremony would be held on 26 March 2015 for which the Chairman requested tombola prizes suitable for those aged 11-18 years.
- Councillors were reminded of the annual easter egg donation which needed to be received by 6 March 2015.
- The Northamptonshire Young Leaders were welcomed to the meeting and councillors were informed that following the meeting, there would be an opportunity for councillors to meet with the Young Leaders to discuss the Charter for Schools on Mental Health.

06/14 Revenue Budget 2014-15 & Medium Term Financial Funding Position to 2019-20 :

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

On behalf of the Northamptonshire Race Equalities Council (NREC), Mrs Anjona Roy referred to concerns she had raised during the scrutiny process with regard to the Equality Impact Assessments (EqIAs) to which she had not received a response. She felt undertaking an accumulative impact assessment in relation to the next generation working model would ensure councillors fulfilled their legal and statutory duties with regard to equalities and provide reassurance that due diligence had been part of the process. an effective way to do this. She felt this would reassure councillors that due regard to equality had been part of the process. NREC had significant concerns about how vulnerable people would be affected by the next generation working model and felt there should be clear evidence to prove there would be no adverse impact on them.

On behalf of the Dostiyo Women's Group, Mrs Katsuma Begum voiced concerns about the implications of the budget proposals on the services they provided to extremely vulnerable members of the community. She gave examples of how they supported vulnerable people suffering from dementia and mental health issues, providing emotional support to their families, opportunities to take part in activities and meet other people from similar backgrounds, with advice and practical assistance to those requiring housing, furniture or to claim the appropriate benefits. They relieved a feeling of isolation and stress and in some cases through their activities, much needed respite to carers. She voiced concern for the communities they served for whom the democratic deficit was so great that the organisation's assistance meant the difference between life and death. Mrs Begum then referred to the time and resources her organisation had dedicated to setting up the consortia as part of the Community Wellbeing Tender the process for which had been ceased by the Council the previous December. She was uncertain about the future of her organisation's services as no clarity had been offered about future investment in the organisations and she felt an alternative to the published plans was required.

Mr Colin Bricher stated he understood the Council's difficult financial situation but felt financial papers should not be published hours before the meeting at which they should be considered. He felt all budget proposals should have passed through the scrutiny process and scrutiny meetings could have been better advertised. Although the Council stated they wished the public to be involved in the consultation, he felt the website was not easy to use and many would have struggled to attend daytime meetings because of family and/or work commitments.

On behalf of the Fire Brigades Union, Mr Gary Mitchell referred to the Council's responsibility as a fire authority and hoped councillors when visiting their local fire stations had listened to all their local firefighters had told them. He then referred to paragraph 20.4.6 of the report, the last sentence of which concerned him which referred to the national austerity climate which was forcing the service *'to review is basic standards of service with a view to extending attendance times and reducing the service provided'*. Mr Mitchell felt that should councillors approve the report, they were in his opinion saying it was acceptable for their constituents to wait longer for help during their hour of need. He also felt the Cabinet Member for Public Protection should explain the consequences of this paragraph in the report fully.

On behalf of the Friends of Northampton Castle, Honorary Alderman, Dr Marie Dickie referred to the capital strategy in which there was a commitment to develop a heritage gateway for Northampton. In a Cabinet meeting held in June 2013, the Leader of the Council referred to Northampton Castle as a unique selling point and huge sense of pride for the people of Northampton. As a former councillor she understood the difficult situation of approving a budget during austere times but she asked Council to consider the history of Northampton, particularly its castle which had previously hosted parliament. Subsequent generations had destroyed much of the town's heritage and she felt it was important to preserve what was left and ensure heritage sites were attractive places to visit by all people, particularly children who would take heritage through the town's future.

Dr Ron Mendel represented the Northamptonshire Trade Union Council which was committed to forging coalition between public sector workers and the communities they served. In response to Freedom of Information request he had made, he had been informed the purpose of the budget was to set the budget rather than setting out in detail the services provided. He quoted the old saying 'the devil is in the detail' as he wondered about the impact of the budget on the most vulnerable people in society. He also wondered how the budget would affect the 1 in 4 of the county's children that it had recently been reported lived in poverty. He then noted that at the previous week's cabinet meeting it had been suggested members of the public provide alternatives to the budget and in response to this he suggested a suitable alternative would be a fair funding settlement based on need and taking account of high deprivation, devolution of decision-making powers and resources to ensure the voice of service users and residents was heard, to develop a long term plan for adult social care and a long term plan for reducing poverty.

Mr Mendel concluded by presenting a petition signed by many residents who did not approve of the Council's budget.

Ms Bianca Todd stated she felt the current situation had caused her to resort to standing outside the Council with a sign because she felt other representations were not taken note of. She referred to a homeless man she had met that week and to whom she had given her last £5 so that he could buy some breakfast because she was unable to do anything else for him such as providing a home or warm place to stay. She asked the Council to consider the effects of the budget on members of the public, like this homeless man. She felt proposals for adult social care would cause this service to follow the path of Children's Services which in her opinion had failed spectacularly. She also felt many members of the public found it a daunting task to address Council to raise these issues and urged the Council to follow the example of Cambridgeshire County Council who had voted against their budget. She urged Council to consider the county's future and opt for an alternative to austerity measures.

Mr Justin Brown stated he had been impressed by the members of public addressing Cabinet the previous week to express concerns about the impact of cuts. The budget affected the vulnerable, elderly, disabled and 1 in 4 children living in poverty in the county for whom improvements in their quality of life were unlikely as a result of the budget. He felt the requirement to reduce the budget by £66million represented a greater menace to society than any foreign army or terrorist. He felt that rather than imposing the will of Central Government on residents, the Council should take back a message of 'no more austerity and no more cuts'.

Mr Clyde Leslie stated he had left preparations to bury his brother the following day to attend the meeting. The same time the previous year he had buried his father and he

wondered if they were actually the lucky ones. For every black couple in their 70s there were at least 6 widows who were in a position of isolation. There were many who could not afford to provide nice things for their elders but organisations such as the Wellingborough Afro-Caribbean Association and Glamis Hall provided the services the elderly required in later life and should the Council genuinely partner with these organisations, they would have genuine partners for life.

At the Chairman's invitation Councillor Bill Parker made a slight alteration to the budget that had been requested by the borough and district councils as follows:

That 1p be added to the council tax in Bands B, F and H making their totals £831.46, £1,544.14 and £2,138.04 respectively.

This alteration was accepted by Council.

The Chairman then invited Councillor Bill Parker to propose his report (copies of which had been previously circulated) who highlighted the following:

- The Council would face enormous financial challenges for the next 5 years.
- Since 2010 when the coalition government introduced austerity measures to address the deficit, the Council had reduced its revenue budget by £200million whilst keeping council tax levels at the lowest possible level and retaining and even increasing front line services.
- Throughout that time, the Council had remained innovative and despite pressures had invested wherever possible. The Council's award winning Library Plus Service was a good example of this with increased opening hours and expanded services which had enabled them to become good community hubs where people could collect bus passes or register for children's centres. The business advice offered had assisted to create 1 new business every 3 days. This had been recognised nationally and the Chief Executive had been asked to lead the National Library Taskforce.
- As part of the need to seek innovative ways of working Olympus Care Services was formed with the Council as the single shareholder. This highly successful organisation had taken adult social care out of the restrictive constraints of local government and now sold spare bed capacity. The Council had also developed with partners the e-marketing solution 'Breeze-e' which enabled service users to access services and products via the internet.
- The Council's award winning highways maintenance initiative continued to be hailed as a best practice model with many other authorities adopting the same methods. This performance had also enabled Northampton Borough Council to attract additional highways maintenance funding from Central Government.
- The shortage of skilled social workers was a local and national issue, traditionally resolved through hiring of agency staff at very high cost. The Council had now set up its own Social Workers Academy.
- The back office sharing model (LGSS) continued to provide savings; £24million during its first 3 years, some of which was reinvested into the project and some shared jointly with the Council's partners in this venture: Cambridgeshire County Council. This project had been instrumental in helping protect front line services with other organisations due to join the current list of clients which included Northampton Borough Council and Norwich City Council.
- Cabinet colleagues and all directorates were thanked for their dedication and hard work to achieve a balanced 2015/16 budget.
- Since 2013/14 Government funding had been reduced by 25% which meant every £10 received then was now only worth £7.50. This level of income was expected to reduce by a further 40% taking the worth of every £10 in 2013/14 to £3.50. The Council

therefore faced budget pressures of £105million as the Revenue Support Grant from Central Government was expected to reduce by £90million.

- A radical transformation was required in all areas of the Council's work and the biggest challenge would be from demographics and the fact that services were demand-led. Northamptonshire was one of the fastest growing counties in England with its current population of £707,00 expected to grow by a further 100,000 by 2031. There was a predicted rise in the number of over 70s and 90s.
- There were currently over 12,500 residents over the age of 85 and this was expected to increase by a quarter by 2021. The resulting dramatically increased demand and consequential financial pressure in Adult Social Care services was reflected in the £14million included in the Medium Term Financial Plan (MTFP).
- The ongoing pressure in Children's Services from the demand for LAC care packages was also reflected in the MTFP by £6million.
- It was noted Central Government funding based on population figures was always 2 years in arrears.
- The Race for the Top strategy which was backed by the Chancellor of the Exchequer in a speech the previous week would assist to establish a modern educational system that would assist schools to improve.
- The majority of the Council's income in the future would come from council tax and business rates. The current council tax statute prevented the Council from raising it above 2% without a costly and complicated process including a referendum. Opinion polls across the county had indicated little appetite for large tax increases particular in times of austerity. The Council were therefore keeping their policy of low council tax increases and proposed a rise of 1.95% for 2015/16 which equated to an additional 40p per week on a Band D property. This would raise an additional £3.6million in revenue income and the Council was working with borough and district councils to improve collection rates.
- Business rates were outside of the Council's control and continual reviews and changes in the appeals process had led to the anticipated net yield growth not being realised. Money owed had been held up with a negative impact on the Council's income.
- The New Homes Bonus had also posed a challenge as funding had not been in line with overall increases in new and affordable homes built in the county.
- There was a need to reduce the budget by a further £148million over the next 5 years, £66million of which would be taken from the 2015/16 budget. Council recognised the challenge this posed as did the Section 151 Officer's Section 25 Report.
- Scrutiny members were thanked for their support in scrutinising the budget and it was noted that many had felt the scrutiny process that year had been very successful. In answer to an item raised during the scrutiny process, he could confirm initial meetings had taken place regarding waste and recycling rates and these would continue.
- There was a need for greater collaboration with district and borough councils to unlock more of the New Homes Bonus for the benefit of the whole county. The county as a whole had benefitted from £24million from this initiative and example of what it could achieve was the joint work with Daventry District Council on the Daventry link road.
- The Council Plan was part of the Medium Term Strategy with the next generation model that would be developed to meet the challenges outlined and ensure sustainability of services. He felt it was exactly what an innovative and forward thinking council should be doing to respond to a modern world where consumers wanted 24/7 access, choice and control over their lives. It embraced new technology and innovation and most importantly the concept of social enterprise.
- As business plans were developed it was vital to have scrutiny involved at the earliest opportunity.
- The Capital Strategy included a programme of £612million which was a combination of

the Committed Capital Programme and Development Pool over the financial period 2015/16 – 2019/20.

- The rapid population growth and predicted house building in the county also suggested the proportion of under 15s was higher than nationally with the highest number in the 0-4 years age bracket. Therefore the development pool included the sum of £125million to build new primary schools.
- The Barrack Road project was the largest school building project outside of London.
- There was also the sum of £17.2million in discretionary funding to support the East Northamptonshire schools re-structure.
- £19.2million was being invested in Superfast Broadband to assist the county's economy and business growth particularly in rural areas.
- The Council's major Invest to Save Scheme was the building of new offices in Angel Street, Northampton which would save the Council at least £50million in revenue costs over the next 30 years. The work was expected to be completed by the end of 2016 and the offices would become the home of the Federation of Social Enterprises once the next generation model proposals became fully operational.
- The fact that the Council was prepared to invest £5million of the projected development costs ensured the new Castle Station was built.

Councillor Parker concluded by commended the report and associated appendices, A-O to Council including delegation of responsibility to the Director for Children, Families and Education in consultation with the Cabinet Member for Learning, Skills and Education and the Director of Finance to finalise the arrangements for the Designated Schools Grant Early Years trajectory funding for 2015/16.

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:

- The need to change and find new and imaginative ways of working was accepted.
- It was felt services could be provided without out-sourcing which it was felt presented risks and jeopardised the accountability of services to local people.
- This alternative budget was considered to be a real alternative to the Administration's budget which took a more simplistic approach to the need to cut money and become more self-reliant.
- The Administration's forecast regarding the amount of business growth and business rates the Council would receive was considered to be conservative. Northamptonshire's central location and good transport links coupled with recent improvements in the local economy would in his opinion produce an extra 1% in business rates. The comment in the Section 25 Report that this was optimistic was accepted but the Labour Group were confident it was deliverable.
- The Labour Group alternative budget made no allowance for an increase in the amount of New Homes Bonus that might be received as part of an increase in business activity and proposed that NEP would be paid 10% of any increase over and above the current forecast as an incentive and to strengthen the Council's relationship with them.
- Although the Administration's proposed cut to NEP was welcomed the Labour Group were reluctant to completely end the Council's financial relationship with them. It was noted the Section 25 report acknowledged this could have merits.
- It was felt the sum of £100k would enable NEP to provide the same service previously offered from the European Office. This would produce a £300k saving in the base budget. The Labour Group did not agree with the comments in the Section 25 Report that this would jeopardise jobs and economic growth because the Labour Group

Alternative Budget as a whole would generate more than £1.4million business growth over the plan with the figure rising to £650k a year by the end of the investment period that would be split between the Council and NEP teams.

- It was felt the Council's plans to achieve £7million of savings through collaboration with district and borough councils was possible from a current budget of £27million. The view from the scrutiny process was that this was unlikely to be achieved; something echoed by the Waste Management Partnership who felt it could also result in legal proceedings. Because the Waste Management Partnership had agreed savings could be made however, the Labour Group alternative budget proposed that half the proposed savings be made during Year 1 with the figure increasing to £10million by the end of a 5-year plan. It was also felt further discussions with the Council's partners should take place to achieve this.
- Following from the success of merging mobile phone contracts, the Labour Group Alternative budget proposed to create a post for a non-executive councillor to become a 'Procurement Champion'. They would be directly involved with all procurement matters; an example of best practice elsewhere and it was felt this would produce annual savings of £235k.
- As Northamptonshire's unique position due to its central location and transport links provided real appeal to business, they would set up a Business Growth Investment Fund and work alongside NEP to lead in attracting medium and large sized business to the county. It was felt this would provide a fund of £120million to enable the Council to acquire or build the offices, sites and factories that could assist those fast-growing businesses that struggled to obtain funding to expand. It could also persuade businesses to relocate to the county. This would also provide income from business rates. This could be achieved without increasing borrowing limits and whilst it would increase overall debt, the subsequent benefits made it worthwhile.
- Caution was required in relation to the Business Growth Investment Fund as success would take time. Therefore the £120million would be achieved in increments of £20million per year for 6 years. An extra £55million was expected to have been received over the life of the scheme with an annual contribution going forward into the Council's revenue budget of almost £9million per year. Additional funding that the proposal might bring in from either Central Government or the European Union had not been a factor when calculating the expected benefits.
- Street lighting remained an ongoing issue with many areas without street lighting and still unaware of when they will have new street lighting. The Labour Group proposed to turn the lights back on in the worse affected areas until the replacement programme had been completed. The worst affected areas would be identified in consultation with the Police and borough and district councils.
- The Labour Group alternative budget also proposed all directly employed staff would receive at the least, living wage. This would also set a good example to other local businesses, improve staff morale and assist in recruitment and retention.
- It was felt the Administration's plan for the Cultural Manager was unclear and the Labour Group alternative budget would include the wage for this role whilst alternative grant funding was sought.
- It was felt proposed cuts to the Northamptonshire Fire & Rescue Service (NFRS) caused uncertainty. Northamptonshire was one of the fastest growing counties in the country and these cuts could pose a real danger to residents. The Labour Group therefore proposed to add an additional £1.5million above the proposed budget over the next 2 years. It was felt this would halt the need to reduce the Service's response times and enable the Service to undertake some further planning.
- It was felt the decision not to pay staff for their first 3 days of sick leave had reduced morale, particularly as the Council's partners, Cambridgeshire County Council and Olympus Care Services had not adopted this change. The Labour Group would

therefore reverse this decision.

- Reduced road maintenance budgets had led to many parish councils receiving requests to fund repairs and many country lanes had become impassable. The Labour Group would therefore spend an additional £1million on road repairs every year for the next 5 years.
- An extra £500k would be added to the base budget to increase the number of Council apprenticeships. This was considered by Learn Direct to be a tried and tested means of recruiting new staff and retain existing ones.
- It was further proposed that a proportion of the Council's apprenticeships be offered to LAC when they came of age and that the Council's own contractors employ some of these apprentices.
- Although it was recognised additional funding had been included in the Administration's budget for Adult Social Care since the initial draft budget had been published, it was felt this directorate would continue to face financial pressure, particularly in light of an ever increasing local elderly population and increasing costs of care homes. The Labour Group therefore proposed an extra £3.3million be spent on developing the new models of integrated health and social care highlighted by the Local Government Association and in line with the example of how Manchester Council had achieved this by working with community nurses, GPs, mental health and social workers to support patients at risk of hospital admission.
- There was evidence to demonstrate the Manchester Council example for integrated health and social care had led to higher satisfaction rates and an increase of numbers leaving the service without ongoing needs. The Labour Group therefore proposed the Director of Adult Social Care Services develop a strategy to promote and pilot such a scheme.
- The Administration's budget planned to reduce the amount of earmarked reserves available from £35million to £24million over a 5-year financial plan. The Labour Group alternative budget would improve that figure with an extra £2million for reserves.

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

In support of the Labour Group alternative budget councillors commented as follows:

- Some felt the Council's biggest investment should be in its staff for whom it was important to receive the living wage. They deserved to live and not just exist and the proposal in the alternative budget to provide this affected a relatively small number of staff.
- It was suggested the policy of not paying staff for their first 3 days of sick leave was unfair and it was felt reinstating sick pay for the first 3 days was a good investment in staff.
- Concerns were raised that there were currently 669 beds taken in hospitals by people who could not be moved on because of delays by adult social care services. It was suggested the way forward would be to set up good triage systems for moving people through the system and show residents the Council cared about vulnerable adults.
- Some felt the alternative budgets should have been passed through the scrutiny process as receiving them at the beginning of the meeting did not provide adequate time to consider them. It was suggested this issue be considered by the Councillor Services & Governance Working Group.
- It was felt by some the alternative budget was aimed at protecting and safeguarding citizens of the county. It was considered to be an entrepreneurial budget which would raise income and invest in resources ethically. Unlike the Administration's budget it aimed at reducing the gap between those in the county with great wealth and those in the county living in poverty.
- Some felt growth and development should be linked to apprenticeships and

apprenticeships should be linked to the Council's LAC.

- The need to campaign against proposed cuts in budgets on a regular basis was noted. Some felt this alternative budget aimed at addressing a decade of decline in the Council and its services. Switching on street lights in areas at high risk of crime and anti-social behaviour, providing street wardens and police and community support officers (PCSOs) would assist to make people feel safer.
- Apprenticeships and training opportunities for LAC were considered to be a worthy aspect of this alternative budget.
- It was felt this alternative budget focussed on business growth and investment and provided an innovative way of generating some revenue streams for the Council that could be reinvested into services.
- The proposal of £5million for roads was commended.
- This alternative budget was considered to be an alternative to the Administration budget which benefitted those with money whilst taking more from those who had none. There was a need to consider growth which this alternative budget did.
- It was felt the Administration's proposal to cut the waste management budget by £7million during 2015/16 was too high a figure from a total budget of £27million. The saving over the long-term was perhaps possible and this was something this alternative budget supported.
- The alternative budget also supported the Fire and Rescue Service as it was felt the Administration's budget put lives in jeopardy.
- It was suggested this alternative budget relied too heavily on borrowed funds, a large reduction in reserves which could pose a much greater risk to the Council's future and unlikely partnerships with borough and district councils.
- It was felt this alternative budget 'looked outside of the box' to create better lives for the needy.
- It was suggested that should the opposition group receive the same support as the Administration in putting together a budget proposal, it would be better able to present it for scrutiny. This would require at least 6 months support leading up to the budget process.
- Although many had criticised this alternative budget it was suggested the budget for the current year had only been achieved by use of reserves.

Speaking against the alternative budget councillors commented as follows:

- It was noted household waste recycling which was managed by the Council was not part of household waste management which was managed by different councils.
- Concerns were raised that borrowing £120million to invest and receive a return of £28million was not good accounting.
- Some suggested this budget was not a good alternative to the Administration's budget which was already a high risk, because the proposal to borrow £120million was spending without concern for the future.
- Concerns were raised that no real consideration had been given as to how the debt this alternative budget would create would be repaid.
- It was suggested the borrowing proposals in this alternative budget would leave a debt that subsequent council administrations would struggle to repay.
- Some felt this alternative budget was not fair and equitable to all residents and was focussed in a way that would only benefit certain sections of the population. There was a need to protect the most vulnerable that it was felt this alternative budget could not guarantee.
- It was noted that as of the previous day there were 153 patients blocking beds, the reasons for which could be attributed to adult social services for just 38 of them.
- Some felt there had not been a decade of decline as the Council had been very successful with partners to bring businesses into the county. It had also assisted the

Silverstone Race Track to retain the British Grand Prix which in turn retained the associated businesses in this industry to stay within the county, in turn keeping many jobs in the county.

In response to comments made by public speakers, scrutiny councillors offered to assist to ensure budget scrutiny meetings were better advertised.

In reply Councillor Scrimshaw stated this alternative budget had been submitted in line with the deadlines set and the Administration's final budget had only been received on the morning of the Cabinet meeting to which it was presented. This alternative budget included long-term investment proposals which expected to achieve £9million in the first year and further funding for decades. When considering the amount to borrow, a repayment plan was also included. It was also noted earmarked reserves had been reduced to £4.5million by the Administration's; a figure far less than this alternative budget proposed.

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:

- The Administration were correct when stating the budget existed within a context of austerity. There was no money left and a national deficit that was no longer acceptable or viable.
- The context was one of rising pressures on public services and a failing appetite to fund those services properly.
- It was also important to note Children's Services was causing a massive, crippling pressure on the Council. It was suggested this was because the Administration had failed to preserve the most fundamental services the Council provided. Cuts to Adult social Care, the Fire Brigade and maintenance of the roads demonstrated a lack of care for the most vulnerable.
- The Administration had failed to sell school sites sensibly and quickly or use them to generate income.
- The funding of additional allowances for Assistant Portfolio Holder positions was considered to be unnecessary as were many of the civic events such as the forthcoming civic dinner for which a band, 3 course meal and refreshments for chauffeurs would be provided for those attending free of charge.
- Within this full context, tens of millions of pounds would be taken from the Council's budget in the forthcoming year and hundreds of millions of pounds over the next 5 years.
- It was suggested the Council had failed and it was time to be honest with those the Council represented. It had not performed well for some time and failed to manage funding for essential services. It was further suggested the 8 councils of the county with their own chief executives, finance officers, politicians, set of buildings to manage, civic events be replaced with 3 modern, efficient, fit for purpose councils.
- The creation of 3 unitary authorities would save tens of millions of pounds every year through genuine efficiency. It would provide improved local accountability with no area 'propping up' another.
- The consultation on the new Council Plan was considered to be overwhelmingly negative as 67% of respondents were against it. Accepting it therefore would not be democratic. Some might think people responding just didn't understand it but those responding included back bench councillors and the officers who would be tasked with

implementing it.

- The Council Plan was criticised for not including any figures or details about how the new models would save money, what they would cost or on the effects they would have on services the Council provided. Even Overview & Scrutiny recommended it was not yet ready to be presented to Council.
- It was felt concerns raised about the Council Plan during the budget scrutiny process had not been answered. The Chief Executive had stated plans were at the embryonic stage and explanations had little substance.
- The latest version of the Council Plan still did not detail service delivery or savings. Stating the market would provide was inadequate as the market did not provide all that was required and the most vulnerable members of society did not have much money with which to purchase services.
- It was suggested the Council raised taxes to fund services so they did not need to be self-sustaining. Although it was felt a federated model might be good for the county, the Council Plan did not demonstrate how.
- Across the county's 8 councils there were 329 council seats and many councillors represented more than one of those councils. There were elections for 8 councils and according to the latest figures, tax payers spent £3,779,449 a year on councillor allowances and expenses alone. Elections over a 5 year cycle raised this figure to approximately £5million. This sum would fund over 200 full time social workers, 50,000 pothole repairs, a new school building every year, 100 senior teachers and undo the proposed cuts to the Fire Service over 6 times.
- The current system of local government was considered to be messy, complicated, wasteful and confusing. Borough and district councils were responsible for collecting waste and recycling but the County Council was responsible for disposing of it. The County Council was responsible for social care but the borough and district councils were responsible for housing. The County Council was responsible for town centres and road layouts but the borough councils responsible for the effectiveness of town centres.
- The creation of 3 unitary authorities would reduce confusion and local residents would know exactly where to go for assistance or to report complaints. It would solve the issue of needing to change the way services were provided. It would provide the opportunity to discuss services based on local need with the relevant stakeholders including service users and providers
- The Council's current financial situation was undeniable and cuts would be required. The Liberal Democrat alternative budget cut allowances by not filling various roles such as assistant portfolio holders, The civic budget would be reduced completely, the Personnel Committee would no longer be required and Councillor mileage would be reduced by half.
- The creation of 2 service user advocacy posts to work with vulnerable adults over the coming years would be employed outside of and completely independent of Adult Social Care Services.
- The proposed cut of £250,000 to the Fire Service would be reversed. As was noted during the scrutiny budget process, this cut could not be found through efficiencies and would materially affect the service.
- Proposed changes to permit parking schemes would be reversed as it was felt they targeted residents unfairly.
- The increased charges for incidental licenses from the Environment, Development and Transport directorate would be stopped as it was felt they affected small businesses and charity groups unfairly.
- The income targets for the Council's Business Intelligence Unit and marketing and publicity team would be increased.
- It was felt funding should be spent where it was needed and service provided to those

most in need of them. Anything in the Council not serving that purpose should be removed and anything preventing the Council's ability to provide should be investigated. Therefore additional funding was proposed to police the use of blue disabled badges. This was an essential service to those who genuinely required them but many disabled bays were taken by people borrowing badges and this should stop.

- An investment of almost £100,000 specifically into repairing uneven and dangerous pavements would ensure towns were more attractive to visitors and less dangerous.
- This alternative budget aimed at flattening the sharp edges of the Administration's budget, reduce harshness and prevent people from getting hurt. Although the changes could not solve everything they might ensure potentially catastrophic problems were identified sooner. They would ensure people were not hurt physically or financially and posed less of a risk than the Administration's budget.

The Liberal Democrat alternative budget was seconded by Councillor Sally Beardsworth.

In support of the Liberal Democrat alternative budget councillors commented as follows:

- It was felt civic functions should not be provided at a cost to local tax payers.
- Some felt it was easy to support this alternative budget because it made little difference to the Administration's budget whilst ignoring the main issue which was the black hole in funding that these savings would have very little effect on.
- Concerns were raised that cuts to the Fire and Rescue Service could not be sustained and this budget ensured the service's sustainability. The public were very concerned about response times, particularly if the aim to respond was dropped from 6 to 12 minutes. This could lead to deaths and it was suggested the Cabinet Member for Public Protection consider giving greater support to this valuable service.
- It was felt local people would understand the aims of this alternative budget because it did address some of the sharper elements of the Administration's budget.
- It was noted the comments raised about civic events were not intended as a personal attack on the Chairman or any of her predecessors or successors but it was genuinely felt this function did not require a budget to support it.
- It was felt the 'bigger picture' should include serious consideration to creating unitary authorities for the county.
- It was felt the civic function was sustainable without a budget to support it. Some mayors charged for attendance at their civic functions, donating any surplus funds to their chosen charities.
- It was suggested the Council Plan was too embryonic to be considered and approved by Council at the current time.
- Although unitary authorities had been suggested as part of this alternative budget speech, Council might like to consider returning to a committee system.
- There was a need to protect the most vulnerable, not just service users but also care workers who were often exploited by unscrupulous employers.

Speaking against the Liberal Democrat alternative budget councillors commented as follows:

- It was noted many residents supported the ethos of a civic head and the ceremony that came with it. Many mayors and chairmen gave awards to local groups and businesses and contributed to tourism.
- Some suggested this alternative budget could have been provided to go through the budget scrutiny process.
- It was felt this alternative budget only 'tinkered' at the edges and there had been too much of a focus on unitary authorities.
- This alternative budget appeared to only represent 0.15% of the Council's overall budget and therefore could make very little difference.

- Some felt the assistant portfolio holders deserved an allowance for all of the hard work they undertook in support of the Cabinet. Not all councillors claimed all of their expenses but when they lived some distance from their main place of work (County Hall) some financial assistance was required.
- It was suggested that the cut in councillor allowances could extend to the abolition of the allowance for the Leader of the Opposition.
- There was a need to save more money during the next 5 years from all areas of the Council. The European Office had assisted to raise £3million of funding and reducing support to that office would seriously reduce their ability to attract further funding, particularly of that size.
- It was felt the sum for repairs to pavements in the county was inadequate as some councillors could think of pavements just in their division that would require that amount or more.
- Some felt there was no need for the proposal to fund monitoring of safeguarding because this was already undertaken by Healthwatch Northamptonshire on the Council's behalf.

In reply Councillor Lofts confirmed he had not intended to make personal attacks on any particular councillor but purely on the way in which posts were supported financially. The Liberal Democrat Group recognised their alternative budget proposals amounted to moderate changes and the reason for this was because the Council's finances were in such a serious state that a much more radical approach would be the only way to address the issue of the current financial 'hole'. He felt the suggestion of 3 unitary authorities for the county would assist with this. He also felt the implications of the proposed cuts to the Fire & Rescue Service should be more carefully considered.

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

At the Chairman's invitation, Councillor Michael Brown made a budget statement on behalf of the UKIP/Independent Group highlighting the following:

- In reflecting on what had been said the previous year he noted, the UKIP/Independent Group had recommended no council tax rise, a £5million capitalisation of the county's roads to provide the difference between council tax raised and government grants received and a zero based review of the whole budget structure.
- Council had been informed the star chamber had already considered every area of significant savings but it appeared area again had been missed which had now become available for savings was the sum of £7million from waste disposal.
- It appeared Council had considered the UKIP/Independent Group's suggestion of a zero based review of the budget as it had undertaken a least one zero based review and made other significant savings throughout the year.
- Council had failed to achieve the required £34million of savings that year in the planned way as both Children's Services and Adult Social Care Services had overspent their budgets. He fully accepted that it was the Council's duty to protect their vulnerable people and fully supported this. He asked how the Council would fulfil its duty to protect vulnerable people when it could not even remain within budget and make the required savings the previous year in the way planned.
- The additional funding from Central Government to repair pot holes only replaced some of the funding cut from that year's road budget under the guise of 'deferrment'.
- The current year's budget had been balanced through a series of one-off 'windfall's', use of reserves and strategic reserves and not planned savings.
- The £66million of savings required in 2015/16 represented over a 15% reduction in the Council's budget that he felt was unsustainable, particularly in view of the Council's

difficulty in securing the current year savings.

- He felt the county was being treated by Central Government in the same way as other councils with large reserves. Northamptonshire not only had the lowest council tax in the country but also very small reserves and he felt the Administration should discuss the issues with their colleagues in Government. .
- He also felt the concerns raised by scrutiny that the budget and Council Plan should be debated separately had been ignored and this was why his Group had refused to debate the Council Plan as part of the budget debate.
- Scrutiny also referred several times to 'risks', 'potential risks', 'demanding', 'no flexibility' 'takes this into account' 'ability to deliver'. He felt there were too many potential areas with risks and without a responsible budget the Council will fail.
- He felt all council leaders should meet to discuss issues. A good 'Plan B' was also required as failure was not an option.

At the Chairman's invitation, Councillors then debated the substantive motion being the budget put forward by the Administration.

Speaking in favour of the budget councillors commented as follows:

- The financial pressures of addressing issues in Children's Services were recognised and all those involved in the improvement programme were congratulated and thanked for their hard work and commitment to it. A full Ofsted inspection was expected in the autumn of 2015 and much was dependent on the outcome of that inspection. The sooner the Council could move out of intervention, the sooner the financial pressure could be released. The last monitoring visit had indicated the Council was heading in the right direction to achieve this and many of its partners were more confident in services and staff training.
- Council tax was not the Council's only source of income and it had been the Comprehensive Spending Review in 2011 that had clearly identified the need to effect harsh savings. Government funding since then had decreased to £97million and would decrease further. It was noted the Council had achieved many savings already having taken £177million from its total budget during the past 4 years. Many members of the public had stated they had barely noticed a difference. A good example was the way in which the Council had also managed to keep all libraries open, increasing opening times and expanding their service.
- It was noted the New Homes Bonus had resulted in a loss to the Council of £3million at a time of extreme pressure and whilst borough and district councils had benefitted from the sum of £24million.
- It was noted many other fire and rescue services in the country were also considering innovative changes to their operation. It was confirmed standards of response had been reviewed by experts and all 22 fire stations worked together to ensure resilience wherever possible. The number of fire alarms had reduced by 60% during the past 10 years. The Northamptonshire Fire and Rescue Service was not making firefighters redundant as in other areas of the country and there was good collaboration with the Council's strategic alliances.
- The 'Race to the Top' initiative was noted as a real step change in academic achievement in Northamptonshire that would be launched the following week.
- The hard work of the staff teams in managing the capital programme to ensure the Council could deliver the additional school places required was acknowledged.
- Although there were tremendous pressures in Adult Social Care Services the Council took its responsibility to protect the most vulnerable seriously and assessments were undertaken in a fair and equitable way. Reviewing all care packages would ensure value for money for those in need of care. Prevention and early intervention was a key

element in helping people to help themselves and the community connectors who would be based in communities would assist to provide vital services. There was a need to transform social care services which could not be delivered within the current operating model. The Council would work with all partners to ensure an innovative and creative service that was sustainable and fair to all.

- Some felt the proposals provided a sustainable and improved budget for the long term as it include innovation and flexibility to services. It invested in education, libraries, infrastructure and business.
- It was felt there had been plenty of opportunities for the public to comment on the proposed budget.
- It was felt the nature of fires which had reduced in the county both corporately and domestically by 63% and investments in new equipment had provided the opportunity to make improvements and changes in operating standards.
- The integration of public health with the Council was considered to be positive as it would enable all partners including the voluntary sector to work together not just at the present time but in the future.
- The new federated model was considered by some to be the only way to guarantee the public, private and voluntary sector could all work as a whole, making use of their various skills to provide a service designed around everyone's needs
- It was noted the budget scrutiny process had succeeded in some improvements to the draft budget that was originally presented to Cabinet in December 2014. Many scrutiny councillors looked forward to scrutinising the new generation working models as they evolved.
- All those involved in preparing the budget were thanked for their hard work including the Cabinet Member for Finance, the Director for Finance and his team, the Chief Executive and all the directors.

Speaking against the budget councillors commented as follows:

- Some felt the Council not just collected the lowest council tax but also provided the lowest services as it was noted staff wages were often amongst the lowest in the region and many areas of the Council's work had not been addressed fully. An example was provided in the proposed savings of £7million from waste management which many of the Council's partners had considered to be unrealistic in the timetable put forward.
- It was felt that the Council was suggesting borough and district councils should use their business rates 'windfalls' to contribute to the County Council's budget which was considered to be unreasonable particularly by those only representing one council and one division with a view to ensuring their residents received the best services they could.
- In noting the savings in the Fire and Rescue Service were predicated in part on new equipment it was suggested the new Cobra vehicle could not manage as many or varied calls as the second vehicle which could manage any situation it was called to. It was also felt the reduction in response times from 6 to 12 minutes was unfair on residents in need.
- Some felt the creation of unitary authorities would assist to resolve issues often experienced by members of the public and councillors when attempting to work with colleagues. It would also be easy to implement with a shadow year, followed by full implementation.
- It was suggested the new generation working methods should have been considered earlier as the coalition government had announced austerity measures when first taking power 5 years previously.
- It was also suggested a committee system was more democratic as it enabled all members to take part in decision making and not just a chosen few.
- Some felt the Administration's aim of keeping the lowest council tax in the country had

contributed to eroding reserves.

- It was suggested that had Central Government applied the same austerity measures to its own organisation as it had to local authorities the country's deficit would have been resolved and it was felt the Administration should pass this message on to their Central Government colleagues.
- Some felt the next generation working model would only serve to hide harsh cuts to services that were yet to come.
- This budget was considered by some to be undeliverable. The most vulnerable members of society; the elderly, young and disabled would all be affected adversely as would the Fire and Rescue Service.
- It was suggested the Council might need to reduce reserves further to balance the proposed budget for 2015/16.
- Concerns were raised that local councils might take some of the energy provided at the new energy plant in St James that was originally planned to provide affordable energy to local residents.
- Concerns were raised that serious issues could emerge across the county, particularly to the voluntary sector should the budget be approved.
- It was noted 67% of those taking part in the budget consultation were against it and particularly the Council Plan and it was suggested scrutiny could have fought harder to have the budget and Council Plan presented to, and debated at Council separately.
- Further concerns were raised that the Council Plan included no information relating to how democratic oversight would be maintained on plans and the many questions that arose included how the companies providing the services would be set up, how the Council would work with them and monitor their performance.
- Some voiced fears that the voluntary sector would be unable to provide many of the services the Council expected from it. It was noted many voluntary sector organisations were unsure of their own survival and this posed a threat to adult social care services.

In reply Councillor Parker re-iterated that not 1 library had closed and their opening hours and services had been extended to the point that the Service had achieved national recognition in the form of the Chief Executive's appointment to lead a national library taskforce. He acknowledged the savings made through LGSS which had also achieved national recognition is an excellent example. Many other local authorities were now also following the Council's methods for highways maintenance. He recognised the Council was running out of options. The Council had received excellent advice from officers who had worked alongside councillors to provide a successful Council and identify new ways of working.

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 30 for and 18 against with 9 absentees Council:

- 1) Approved after due consideration the results of the relevant consultation process 2015-16 Revenue Budget which set:**
 - (i) A net revenue budget of £414.98million**
 - (ii) A Council Tax Requirement of £238.22million**
 - (iii) A Band D Council Tax increase of 1.95%, taking Band D Council Tax from £1,028.57 to £1,069.02**

- (iv) Council Tax for each valuation band A to H as set out in paragraph 14.2 of the report
- (v) Precepts to District and Borough Councils as set out in paragraph 14.5 of the report
- 2) Approved the Council Plan 2015-16 to 2019-20 as set out in Appendix A to the report;
- 3) Approved the Medium Term Financial Plan (MTFP) 2015-16 to 2019-20 as summarised in Appendix D to the report;
- 4) Approved the detailed proposals underpinning the MTFP revenue budgets for 2015-16 as set out in Appendix E to the report;
- 5) Approved the Fees and Charges Summary and website link to the detailed schedule as set out Appendix G to the report;
- 6) Approved the planned utilisation of the Dedicated Schools Grant (DSG) for 2015-16 as detailed in Appendix I to the report pending the final DSG settlement;
- 7) Approved the use of a Public Health Grant to invest in the transformation of services to deliver public health and wellbeing outcomes, as set out in Appendix J to the report;
- 8) Approved the Capital Strategy as detailed in Appendix K to the report;
- 9) Approved the Asset Utilisation Strategy as detailed in Appendix M to the report;
- 10) Approved the Treasury Management Strategy Statement as detailed in Appendix N to the report;
- 11) Approved the Financial Officer's Section 25 Report as detailed in Appendix O to the report;
- 12) Delegated responsibility to the Director for Children, Families and Education in consultation with the Cabinet Member for Learning, Skills and Education and the Director of Finance (S151 Officer) to finalise the arrangements for the DSG Early years trajectory funding for 2015-16.

07/15 Urgent Business:

There was none.

08/15 Exempt Items:

There were none.

There being no further business the Chairman closed the meeting at 2.20pm.

Jenny Rendall
Democratic Support
20 February 2015

Chairman's Signature:-

Date:-



NORTHAMPTONSHIRE COUNTY COUNCIL

Recorded Votes for Council:	
Date of Meeting:	Thursday 19 February 2015
Item No:	6: Revenue Budget 2014-15 & Medium Term Financial Funding Position to 2019-20

Surname	First Name	For	Against	Abstain	Absent
Beardsworth	Sally		√		
Bell	Paul				√
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	√			
Hales	Eileen		√		

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

Surname	First Name	For	Against	Abstain	Absent
Patel	Bhupendra	√			
Patel	Suresh	√			
Roberts	Russell	√			
Sawbridge	Ron				√
Scott	Bob		√		
Scrimshaw	Mick		√		
Shephard	Judy	√			
Smith	Heather	√			
Stone	Danielle		√		
Strachan	Winston				√
Tye	Michael	√			
Uldall	Sarah		√		
Walker	Allen	√			
Waters	Malcolm	√			
Totals		30	18	0	9