



Democratic Support Service
PO Box 136
County Hall
Northampton
NN1 1AT

MINUTES of the Budget Meeting of the NORTHAMPTONSHIRE COUNTY COUNCIL held at County Hall, Northampton on 23 February 2017 at 10.00am

PRESENT:

Councillor Jim Harker OBE (Chairman)
Councillor Dudley Hughes (Vice-Chairman)

Councillor	Sally Beardsworth	Councillor	Stephen Legg
"	Wendy Brackenbury	"	Chris Lofts
"	Julie Brookfield	"	David Mackintosh
"	Michael Brown	"	Arthur McCutcheon
"	Robin Brown	"	John McGhee
"	Mary Butcher	"	Allan Matthews
"	Michael Clarke	"	Andy Mercer
"	Adam Collyer	"	Dennis Meredith
"	Elizabeth Coombe	"	Ian Morris
"	Gareth Eales	"	Steve Osborne
"	Brendan Glynane	"	Bill Parker
"	Matt Golby	"	Bhupendra Patel
"	André Gonzalez De Savage	"	Suresh Patel
"	Christopher Groome	"	Bob Scott
"	James Hakewill	"	Mick Scrimshaw
"	Eileen Hales MBE	"	Judy Shephard
"	Mike Hallam	"	Heather Smith
"	Stan Heggs	"	Danielle Stone
"	Alan Hills	"	Winston Strachan
"	Jill Hope	"	Michael Tye
"	Sylvia Hughes	"	Sarah Uldall
"	Joan Kirkbride	"	Allen Walker
"	Phil Larratt	"	Malcolm Waters
"	Graham Lawman	"	

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

Dr Paul Blanter, Chief Executive
Tony Ciaburro, Corporate Director Place Commissioning
Anna Earnshaw, Director Adult Social services (DASS) & Managing Director, MD Olympus Care services Ltd
Laurie Gould, Monitoring Officer
Lesley Hagger, Director of Children's Services
Paul Hanson, Manager, Democratic Services
Dr Carolyn Kus, Director of People Commissioning
Jenny Rendall, Democracy Officer (Minutes)
David Watson, Independent Chairman of the Audit Committee

And 29 members of the public.

01/17 Apologies for non-attendance:

Apologies for absence were received from Councillors Paul Bell, Jim Broomfield, Mike Hallam, Sue Homer, Cecile Irving-Swift, Malcolm Longley, Russell Roberts & Ron Sawbridge as well as Honorary Alderman Gina Ogden.

02/17 To approve and sign the minutes of the meeting held on 24 November 2016:

RESOLVED that: Council approved the minutes of the meeting held on Thursday 24 November 2016 as a true and accurate record of the meeting.

03/17 Notification of requests by members of the public to address the meeting

Agenda Item No: 6 - Budget

- Mark Jones (Chair of the Northants Fire Brigade Union)
- Colin Bricher
- Stephanie de Vally
- Linda Walton
- Norman Adams
- Nova Keown
- Katie Simpson
- Ron Mendel
- Paul Crofts
- Mr Salvatore
- David Phelan
- Graham Walker
- Arthur Newbury
- Sandra Naden-Horley
- Dave Green
- Daventry Councillor Wendy Randall

04/17 Declarations of Interest by Councillors:

There were none.

05/17 Chairman's Announcements:

The Chairman welcomed everyone to the meeting including those watching via a live webcast.

He then informed Council of the death of former Councillor Trevor Bailey at the end of January 2017. He had been the County Councillor for the Abington Division between 1973 and 1977 and was a Northampton Borough Councillor for 32 years, serving as its mayor in 1987-88. During his term of office he had broken the record the number of events attended (542 engagements). He was also an avid supporter of the Northamptonshire Cricket Club.

Council then observed a minute's silence in memory of former Councillor Trevor Bailey.

A short celebration of Council would be undertaken during the next meeting due to be held on Thursday 16 March 2017. This would include a group photo to be taken during lunchtime.

Councillors were reminded that they should have found on their chairs that day a copy of the process that would be followed for the budget which he summarised for Council.

06/17 Final Budget 2016-17 and Medium Term Financial Plan 2019-20:

The Chairman asked everyone to show respect to each other with no shouting from the public gallery or councillors whilst people speak sating it considered it only fair that everyone had a chance to make their points freely and without any disruptions. He also informed everyone that a coroner's inquest was taking place in the building that day and asked that people leave the building quietly and respecting the dignity of those attending the coroner's inquest.

The Chairman then invited the following members of public to address Council:

Mr Mark Jones, Chairman of the Northamptonshire Fire Brigade Union stated everyone was working for a safer Northamptonshire but he did not feel the budget proposals did as they included a reduction of full time firefighters by 12 at the Mereway fire station and the downgrading of the Technical Rescue Vehicle (TRV). This vehicle attended incidents day and night and reference was made to the Golden Hour and the affect delays could have on other Council services. He asked that the Northants Fire & Rescue Service be allowed to try and save money through work with partners and sharing of facilities.

Mr Colin Bricher referred to excuses which he felt were given every year. He suggested councillors cut their own pay and expenses. He suggested they were like unicorns with a strong hide destroying the lives of weak and vulnerable people whilst remaining unscathed themselves. He then stated unicorns were small in number and suggested councillors take lessons in politics.

Ms Stephanie de Vally referred to families with Alzheimer's. She then reminded Council of its vision to increase the wellbeing of adults in the county and noted that should carers stumble, the county's problems in supporting those with Alzheimer's and dementia. She felt there was a significant risk in not continuing to support the Drayton Centre. He father who loved the Drayton Centre had 7 days respite in Turn Furlong. This respite lasted 24 hours before she was called to collect him. Everything had been done against his notes. When she collected him he appeared fine but Turn Furlong ad already prepared all of his paperwork and packed his bags and left him sitting in a hallway trying to eat from a low table. The Drayton Centre came to her rescue and the kitchen staff even reported him preparing his favourite breakfast. She considered the Drayton Centre to be good and noted it was noted as a centre of excellence.

Ms Linda Walton stated she was one of hundreds of thousands of unpaid carers in the county. Her mum was 96 and had lived in London during the war, came home to find she had been bombed and worked all her life. In 2004 she was diagnosed with dementia and paid for all of her care until her money ran out. She had attended Turn Furlong for a number of years and enjoyed it there and had made a close friend who assisted her as she moved from the early to mid-stages of dementia. Ms Walton then received a phone call from Turn Furlong who claimed they could no longer cope with her mother who then moved to the Drayton Centre. She felt the Drayton Centre did not just give carer a break or care for the physically ill but also assisted with emotional wellbeing. She asked how the Council could move people to a centre like Turn Furlong knowing they could contact relatives at any time stating they could not cope with their patients. Moving people with dementia caused confusion. She referred to dementia friends and Northamptonshire Carers who assisted her through their Needs and Aspirations Programme. It did not just give her a break but the opportunity to talk to other carers which was important in reducing

feelings of isolation. She asked if the Council wished to be known as having 2-tier day centres based on income.

A speech by Mr John Smith was circulated to councillors in which he referred to community care packages being reduced in 2017-18 and again in 2021 which he said pushed support on to the voluntary sector. He also referred to a number of times when he was able to be discharged from hospital but social care did not have the resources or staffing to put in place he would need at home. He also asked Council to reconsider the decision to close the Drayton Centre and move people to Turn Furlong. He then turned to Continuing Health Care which was also being reduced by the Council leaving nowhere for people to go. He felt it was unreasonable to ask disabled people and others receiving support to live an existence without dignity.

Ms Nova Keown was the main carer for a man with dementia who some days did not even notice the wardrobe in his room stating it was not there. He now used a little baby dish and a special cup and she found it difficult to support someone with dementia. She attended a dementia support group where after hearing only good things about the Drayton Centre she managed to get the man she cared for in 3 days a week. She referred to their 'there is no can't do' attitude and the challenging activities that were offered at the Centre. She felt the centre provided an excellent resource and urged Council to reconsider closing it.

Ms Katie Simpson (Branch Secretary of the Northampton Socialist Party) asked councillors to consider a 'no cuts' budget. She felt it was possible and would be based on needs and had been proposed in Nottingham and Leicester. She felt it was time to use reserves and reject austerity. She had worked with local activists, socialists and trade unionists to put together a no cuts budget and he suggested it would be better not to set a budget and break the law than break the poor.

Mr Ron Mendel had lived in the country since 1987, raised a family and moved to Northampton in 1994 because he was attracted by facilities such as the lovely parks and the great library service. Since 2010 there had been many cuts in services, £57million in the current year and £100million by 2020. He felt it was not about numbers but the human costs. In some sense he felt the Council was 'under the cosh' with central government grants being removed by 2020 which the Local Government Association had stated would put many councils close to the financial edge. He felt however that the Council still had the power to make decisions not to cut and penalise the people of the county. Although many people have not listened to him, he still felt a need to make his point in the hope that he might be listened to.

Mr Paul Crofts also felt he was not necessarily listened to and this made it difficult for him to know what to say. He felt he could state the budget hurt people but public services were pretty good. He could say that consultation around the budget was a sham but he could not see much evidence that consultation produced any results. He could say austerity was flawed and everyone and the majority of economists agreed. He was a local councillor for 16 years and he referred to a difference that councillors could make. He stated Council had regularly heard that the Drayton Centre was a centre of excellence in dealing with Alzheimer's and he felt the Council should be proud of the service which was effective and successful. He also felt the ongoing concerns mentioned with Turn Furlong would not go away and he asked Council to reconsider closing the Drayton Centre. He ended by stating that whilst he had been speaking at least 1 person had been diagnosed with Alzheimer's.

Mr Graham Walker referred to huge issues that the Council had to face up to over the past few years and in the near future. The number of people choosing Northamptonshire to move to had increased to incredible numbers because it had a vibrant economy, a good standard of living with high levels of employment and good access to many other parts of the country. He noted the Council worked with many partners across many sectors and the many people attracted to living in the county also posed many challenges such as a need for a significant number of additional primary and secondary school places. Thirty-three new schools would be required over the next 5 years. There were also challenges created by a growing over 60s population in adult social care. It was easy in his opinion to accuse politicians of inactivity in lobby central government but he knew local MPs were lobbying government and he also knew the Council would continue to represent the people of the county.

Mr Arthur Newbury, Chairman of St David's Community Association knew the Drayton Centre and Children's Centre very well. He was pleased the Children's Centre had been taken back by the Council as the previous suppliers had not provided all of the services. He also noted that when the Drayton Centre closed the staff would move to Turn Furlong. He knew these staff knew the patients well and he felt everything would work out well. He felt the previous Labour government had given much without any thought about how to pay anything back. He cared about the county but the budget had to be met. He felt Turn Furlong had an advantage in its car park, something the Drayton Centre did not have. He referred to various items the Council had achieved in the last year such as the Geddington By-pass and various road structures which made the county easier to navigate. He also felt many schools had been successfully expanded.

Ms Sandra Naden-Horley stated the Council was one of the 5 lowest funded county councils in the country but had managed to keep 38 libraries or community hubs open. Despite a growing population as an ever present drain on funding, the Council had managed to keep many amenities assisting young parents to undertake courses with qualifications attached to them. The number of people without functional skills nationally was worrying so this provision assisted to solve this issue. Parents have attended courses knowing their children are safe and well cared for and the gaining of the qualifications led to opportunities they would otherwise not have had. The unemployed could feel valued and the retired population could do things to keep themselves active and engaged. Many of those that she had taught in libraries and community hubs had stated that without these opportunities, they would have felt devalued and possibly not even left their own homes.

Mr Dave Green from Save Northampton Services referred to Private Firm Initiatives (PFIs) of the Council which he considered to be a scam that only benefitted the shareholders of those PFIs. Those for Northampton Schools, street lighting and care for the elderly were for 25-30 years. He felt the elderly had not voted for the massive cuts the Council had implemented in order to keep somewhere such as Shaw Healthcare afloat. He felt money spent on PFIs would be much better spent on directly providing services and he suggested the Council opt out of all the PFI contracts in order to do just that.

Daventry District Councillor Wendy Randall requested on behalf of many families in the area that the Council reconsider moving the Children's Centre in Daventry East into the Community Centre. The Community Centre in Daventry East had moved into the library but when it had been based in Benbow Close, many had considered it to be a lifeline for them when their children had been little. It provided various different activities in different rooms whilst children were cared for in another room. The new building was totally unsuitable, being small and used at the same time by other people. Parents had lost confidence in it and they felt their confidentiality. She felt cuts proposed as part of the budget would affect many lives and make Northamptonshire less safe. Whilst she

understood cuts had to be made and she asked councillors to take the time to visit the centres and discuss with the users the alternatives that could be provided. She felt moving services would possibly mean that customers no longer used them.

The Chairman then invited Councillor Robin Brown to propose the report who stated:

- In his opinion the most important duty as a council was to safeguard health, wellbeing and economic prosperity for all residents. There was a need to maximise resources, asset management and commercial income to fund activities and services which ensured these duties could be met. He felt this budget would do that.
- There was a need to ensure the budget was balanced and the Council lived within its means. The Council therefore needed to extract the most value from assets and available resources.
- The hard work of councillors, the Chief Executive, Finance Director and all those who had worked on the budget were thanked for their hard work.
- Councillor Jim Hakewill was thanked for providing effective stewardship of the budget scrutiny process supported by the Democratic Services team. From previous involvement with scrutiny he knew how difficult it could be to provide a rigorous process.
- All those who participated throughout the budget scrutiny and consultation process were thanked for their support and views.
- The Council was operating in some of the most difficult times ever faced. The Council's budget had reduced from well over £1billion 5 years previously to just over £800million. There had been ever increasing demands on social services and many local authorities had been quick to highlight the various ways in which they were unique. Northamptonshire was one of the fastest growing counties in England with the highest employment rate in the region.
- By the end of the current Government it was proposed local government would retain 100% of business rates which would give local councils in England control of an additional £12.5billion of revenue. Since the draft budget was published he could report a modestly improved net yield of £1.3million in business rate revenue. The amount of business rate revenue the Council would receive under the new model had unchanged and remained miles from offsetting the reduction in government grants.
- The number of residents in the county would extend from the current 723,000 to 800,000 over the next 10 years. Over half of that population would be aged over 65 years and by 2027 over 23,000 would be aged over 85 years, an additional 9,000 more than currently. Medical science was helping people to live longer and it would be down to the Council to ensure the right care and support was available. Without whole system change the Council couldn't provide those services.
- The council would continue to lobby Central Government for increased funding.
- There were delays in care leading to discharge from hospital. Getting people back into their own homes quickly was something they could be proud of achieving particularly when the £5.4million promised from the NHS through the Better Care Fund was not given. This was an example of how delicate budget assumptions could be in some circumstances.
- A national solution was required to address shortfalls in funding for adult social care. Means testing was applied rigorously to ensure publically funded care went to those most in need. The Central Government solution to date had been to enable local councils to levy an additional adult social care precept on council tax of up to 6% over the next 3 years. The Council did not consider this fair but felt there was little choice but to increase the levy that year and the year after.
- The Care Act when introduced 2 years previously intended to rationalise disparate and isolated pieces of legislation into a single Act. It did not however rationalise the statutory duties conferred on local authorities but added to them and the Council now

had revised duties for supporting carers and those in care, to managing and supporting the care market and to provide social care in prisons where required.

- The Council was responsible for ensuring a high level of investment in Children's Services and Ofsted had approved the plans to progress to establishing a children's trust. The Council had a statutory duty to protect and safeguard vulnerable children and it currently had approximately higher than the nationally agreed levels of unaccompanied asylum seeking children.
- The Council would continue to be proactive in transforming local government in the County and the new medium term financial plan (MTFP) and Council plan had enabled the Council to stabilise its finances and provide the best platform for modern public services.
- During the term of the MTFP the Council expected their Central Government funding to reduce by £46.9million by the end of 2020/21. He also made a formal request to delegate authority to the Director of Finance to make provision for any variation in the final settlement up to a maximum of £1million.
- In addition to the 3% adult social care precept, he was recommending an increase in the county council element of the council tax demand of 1.98% which would make a total increase of 4.98%. This translated to the Band D charging level to an increase of £55.34 per annum, approximately £1 per week.
- The federated model would be resilient to reductions in Central Government grants and this flexibility would provide the Council with options for financing activities.
- The budget was lawful and low taxation and efficient services had been the cornerstone of the Administration and would assist the Council to reach financial sustainability quickly.
- The Council's external auditors had issued a qualification against the Council for value for money but this had not been focussed on the Council's ability to manage a public purse. It had been issued against the Council's delivery of the savings and transformation plan.
- A zero-based budget had been set with officers being asked to consider services and cost them from the bottom up. They constantly challenged on the basis of what had to be offered, what came at a premium and what was essential. They stripped out duplication and built accountability for how money was managed.
- A training programme had been established for budget managers and all budgets should be provided in adequate and a timely manner.
- Hard working families appreciated the Administration's stance in providing low council tax. The Council's revenue expenditure per head was one of the lowest in the country.
- The Council had improved the quality of the Council's children's services, taken innovative approaches to addressing the issue of the temporary children's social workers and the Council's social work academy had been recognised by England's Chief Social Worker as an example of best practice.
- During the next 12 months the Council would establish the Northamptonshire Adult Social Care Services in which they would integrate health and social care. The Sustainability and Transformation Plan (STP) had been developed by the NHS with input from the Council to meet the needs of the county and be resilient to meet the changes from demand for services.
- A significant aspect would be the Joint Commissioning Unit under which health and care budgets would be pooled to develop markets for prevention, long term care and emergency care. The e-market place would become a useful tool for the Council's commissioners as well as those who self-funded their own care.
- There was a real need to ensure the combined health and social care economy could cope with the current levels of under-funding which was estimated to be approximately £80million a year. The pro-active steps being taken to include key

partners in the governance structures of First for Wellbeing and other delivery vehicles is something that would improve the likelihood of success.

- In September the 20million steps campaign achieved over 57million steps and in the summer the county had hosted the women's tour which had up to 80,000 spectators. Approximately £1.6million was estimated to have been generated in the local economy. Later that year Daventry would host the grand depart of the tour with Kettering hosting the end.
- Income generation opportunities would be achieved through the development of the Chester Farm site which would become an important part of educating children and visitors on how life across the county used to be.
- The Business Plans included a range of issues that would assist the Council to deliver services within the constraints of its resources. There was therefore a need to use social impact bonds, develop a corporate parent charity and access finance through the municipal bonds agency.
- The Council was committed to explore all options and attract new investment into the county. The necessary development in infrastructure had been delivered to create and sustain conditions for growth in the economy. The roll-out of superfast broadband will continue at a pace and the Council was one of the first councils to accelerate rural broadband connectivity and was one of the few areas with a successful bid to the Government's Rural Broadband Programme which secured an additional £2million to the £20million already allocated to phase 3 of the Superfast Broadband programme.
- £7.75million would be allocated during 2017/18 to the development of the A43 between Northampton and Kettering and £15million was allocated to progress the A509 Isham Bypass.
- England's economic heartland strategic alliance represented the key growth corridor from Oxfordshire and Northamptonshire through Milton Keynes and across to Cambridgeshire to provide a gateway from London and the South East to the Midlands and beyond.
- First for Wellbeing had been fully operation for almost 12 months with direct services being transferred into this Community Interest Company which was 51% owned by the Council and 49% shared between Northamptonshire Healthcare Foundation Trust (NHFT) and the University of Northampton.
- First for Wellbeing had developed an innovative assessment too, OCTGO to help develop corporate wellbeing plans for various organisations.
- LGSS had continued to grow during the year with Milton Keynes Council joining as a full shareholder. This would realise significant reductions in duplication and efficiencies by providing services to other public bodies from Norwich City Council to NHS Community Foundation Trust. It had enabled the Council to reduce back office operating costs to approximately 3% of the revenue budget.
- The creation of a managing Agent function in collaboration with a private sector partner would enable the Council to exploit the value of its investments and procurement.
- Plans were being drawn up for a new Energy Park to turn household waste into a valuable commodity to generate substantial income to the county whilst reducing the amount of unnecessary material put in the ground.
- Opportunities for care and dementia villages would create a good provision for those requiring good quality care and opportunities to enhance their lives.
- Digital Northamptonshire would assist consumers to self-serve to gain access to the Councils services in ways that fitted their needs and preferences.
- The new state of the art headquarters was almost complete and would enable the Council to put staff from 12 different buildings into 1. This would assist to avoid £54million of future building costs and bring 2,000 employees into the Northampton town centre.

- The William Knibb Centre in Kettering would also revitalise conditions for staff working in the North and East of the county.
- The gross revenue budget for 2017/18 would be £813million with a net revenue budget of £416.82million and a Council tax requirement of £273.36million. The Council Tax revenue accounted for in excess of 65% of the Council's net budget.
- During 2017/18 the Council would be required to make savings of £57.8million and a total of £115.8million over the 4-year period.
- The Medium Term Financial Plan (MTFP) assumed a 4.98% increase in council tax during 2017/18 and 2018/19 including the adult social care precept. The overall rate would then be reduced to 1.98% for 2019-20 onwards. This increase would deliver an additional revenue of £7.8million with an estimated accumulative total of £21.5million by 2019-20.
- The Council could also forecast a capital programme of £721million over the 5-year plan.
- The Next Generation Model was 60% in place and the Council would move towards 100% completion that year.

The report was seconded by Councillor Heather Smith.

At this point the Chairman invited the Labour Group as the Major Opposition to move their alternative budget.

Councillor Mick Scrimshaw proposed the alternative budget highlighting the following:

- The Labour Group could not support what it viewed as cuts and their alternative budget offered what they considered to be a bit of common sense.
- It was a simplistic attempt to deal with the cuts passed down by Central Government who appeared to have no understanding of local councils or the importance of the services the Council provided.
- The great plan was to rely on what they considered to be an ill-thought out and costly idea of Next Generation Working. It had been 3 years since the Administration had come up with this concept which by outsourcing services to a variety of ill-defined new organisations would bring huge amounts of extra cash into the Council. He questioned how this could be achieved.
- Reference was made to a briefing about how the new Children's Trust would work which included an example of 2 London Councils who had set up something similar with the aim of saving just £2million a year. The Council however had to save more than that. Councillors were already informed those new ventures were already in financial difficulty.
- It was noted the new organisations would have to pay VAT and Corporation Tax but the Council currently did not. The same people would be doing the same jobs but at arm's length from the Council possibly for higher wages and with less accountability to the public and less control from elected members.
- Although they did not know exactly how much had been spent on devising these plans, the Labour Group felt it was approximately £50million. Money that could have in their opinion been better spent on providing services.
- The Labour Group called on the Council as a matter of urgency to borrow in the short term to ensure the long term financial stability of the Council and stability of local public services. Borrowing as an investment to make a profit, not just borrowing.
- The figures in their alternative budget were taken directly from another Council's budget whose plans expect a net investment return of only 2 or 3%. Re-profiling reserves would provide an additional £700,000 a year for the length of the MTFP and much more thereafter. The Deputy Leader of Manchester City Council had explained in a recent conference that they had invested in such a way and had bought London Stansted Airport bringing in £11million net profit a year.

- It was felt the Council currently spent a small fortune on wages much of which was on senior management and specialist teams. He felt working more efficiently could produce savings that could be redirected to services and voluntary sector partners who undertook huge amounts of preventative work resulting in less need for expensive services.
- He questioned the value of the Business Intelligence Performance and Business Transformation Teams on whom £2.8million was spent on wages. He did not feel such big teams were needed and £1.2million a year could be saved in this area.
- He felt a shocking amount was spent on consultants although it had been impossible to ascertain how much and there appeared to be a culture of having everything checked by 'experts'. The Council already had highly paid professionals many earning £50,000 a year or more who were capable of developing ideas and did not need their work checked. Although there would be times when expert advice was necessary but he felt there was a need to move away from a culture of it.
- He noted the Council had stated it would stop using consultants temporarily but he felt there was a need to bring in a much stricter governance regime and empower staff to have the confidence of their convictions. He felt this could save the Council at least £1million.
- 58 senior members of staff were currently employed costing more than £5million a year. He called for an immediate review of this, perhaps using the zero-budgeting method.
- LGSS was currently paid £38million a year to provide services such as Legal Services, HR and finance of which £11.3million alone was spent on staffing during 2017/18. It was felt further savings could be achieved. It was felt that people called on LGSS advice when they didn't need it. He felt there was a need to look at each individual department's working practice to set up individual Service Level Agreements with LGSS which would save money.
- Currently through Home to School transport the Council spent £7million a year on taxis. There is little alternative to the expensive transport and it was felt there should be better ways to develop cheaper transport such as using the Council's own vehicles. The Council could also work with other public sector organisations to create an efficient transport system.
- Whilst the Council could not just cancel PFI contracts their long term future should be considered in order to find a way forward.
- It was felt the Council could not afford the Chester Farm project. It should be opened in its current form and get the paying public in through the gates. The Heritage Lottery Fund could be informed the project was being slowed down.
- Even after the Angel Street Project was completed the Council would own over 300 properties in the county. There was a need to review how they were used. It was suggested this could save at least £300,000 and perhaps more in the future.
- All of the savings could represent £6million a year but there was scope for this figure to be doubled or trebled. These could be placed into earmarked reserves to reduce the cuts to the Fire Service and Children's Services and even assist in the crisis in adult social care.

The alternative budget was seconded by Councillor John McGhee.

Councillors commented as follows:

- Some felt the alternative budget was important as it would assist in alleviating the issues in adult social care.
- Some felt other proposals in the alternative budget were also important to adopt such as home to school transport. Reference was made to one family with a child travelling to one school whilst a second child with special needs attended another

school in the opposite direction. It was felt by some that now was the time to institute an integrated transport system.

- All those who attended over 20 hours of scrutiny across 10 meetings before and after Christmas were thanked for their support. It was felt scrutiny led to the conclusion that the Council should be careful of unintended consequences and it was suggested that had the alternative budget been available for scrutiny, it could have achieved more.
- It was felt by some that this alternative budget did not have adequate clarity on consultancy savings. It was also suggested that an amount of savings could not be allocated to home to school transport until this issue had been scrutinised. It was suggested the alternative budget provided various areas that could be looked into during the year in order to identify savings.
- Some felt the alternative budget would enable the Council to stop cuts to the Fire Service and keep the Drayton Centre open. It could also put money into adult social care. It could assist to reduce bed blocking.
- It was suggested everyone should stop blaming Central Government and start working together to put money into front line services.
- It was suggested the Labour Group did not fully understand the budget requirements.
- Concerns were raised that the alternative budget, whilst making some good proposals could not be fully delivered.
- Concerns were raised that more detail behind the proposed plans were required.
- It was felt by some that the growth pressures in the county had not been fully considered in this budget. For instance there were over 150,000 young people in the county who would all need jobs and homes. Despite this the county still had the lowest unemployment rate in the East Midlands. Current issues did not appear to be addressed in the budget.
- It was noted that at least 3 papers had been received regarding home to school transport and various people were reviewing it.
- There was also a property team looking at all of the buildings the Council owned.
- It was noted the Labour Group's alternative budget the previous year had suggested mothballing Project Angel the money for which would have been classed as revenue money. 2 years previously the alternative budget was to borrow £200million to raise money through building factory units and collecting business rates on them. Now LGSS was being criticised despite being nationally recognised as very successful. Milton Keynes had joined the previous year because it could see how effectively it had made savings. The Shaw Healthcare PFI deal was for 25 years and had been recognised nationally as being one of the worst PFI deals because it provided no flexibility.
- Some felt the alternative budget would enable the Council to monitor figures and areas that had been identified in the Section 25 report as requiring further monitoring because the final figures from Central Government were not yet known.
- It was suggested borrowing to invest was a concept considered all the time.
- It was also suggested the alternative budget demonstrated a grave lack of understanding of how services worked. Back office cuts at 3% of the Council's revenue budget was the lowest in the country. The Council had also been discussing transport and a paper was in the MTFP. Very little was also spent on Chester Farm but stopping work on that site would leave little to show.

In reply Councillor Scrimshaw referred to the fact that setting an alternative budget was the opposition's opportunity to express their feelings and views on the budget. It might take time for some savings to be effected. There was more that could be done in terms of property and the proposals had not been written on the 'back of a fag packet'. All of the proposals were achievable and the figures were prudent.

RESOLVED that: Upon the vote the alternative budget by the Labour Group was rejected.

The Chairman then invited Councillor Chris Lofts to make a budget statement on behalf of the Liberal Democrat Group who highlighted the following:

- It was noted the budget would be set for a new administration yet to be voted for in county council elections in May 2017.
- The Liberal Democrat Group asked if the Administration's budget really inspired confidence in the Conservative administration.
- He felt the Administration's over-riding philosophy had been low taxation, minimal services and to change service users as much as it could. The impact of this was to reduce tax contribution from the well off, reduce the quality and availability of key services and then to change those who actually used those services.
- He felt the philosophy was to let the wealthy keep their money and to make the vulnerable suffer either financially or through a low quality of life.
- In his opinion budgets had been consistently approved with poorly researched claims and promises that savings could be delivered.
- Each year a balanced budget had been achieved by raiding reserves, funding one-off pots of money and deferring costs to future years.
- The Council's external auditor had issued a qualification against the Council in terms of value for money and the current 2016/17 budget showed an overspend of almost £10million.
- Easy savings for the current year had been found but capital receipts and one-off pots of money would provide a short-term bridging loan to get out of trouble. This was in his opinion was poor financial planning and management.
- In previous years various new and innovative ways for saving money had been put forward. Olympus Care Services for instance which the Council then stripped of reserves and was now winding up.
- Adult social care were relying on an electronic market place called Breeze-E to revolutionise services and empower customers by letting them choose their services but this failed before it even started.
- The Council pledged to build relationships with district and borough colleagues to deliver economies and better ways of working but Daventry District Council had recently stated they wanted nothing to do with a council they felt was on the brink of bankruptcy.
- The new headquarters in Angel Street were hailed as an opportunity to involve the private sector by leasing cafes, shops and other activities but it seems a business case was not available for them to get involved in.
- In previous years local businesses had been subsidised through grants and funding of the Northamptonshire Enterprise Partnership (NEP). The Liberal Democrat party had stated for some time this was unsustainable and recently NEP merged with the South East Midlands Local Enterprise Partnership (SEMLEP) in order to survive.
- For years the Government mantra had been one of austerity, restraint and cuts to services. £billions had been 'sucked' out of public services. The NHS was in crisis according to the British Red Cross and Local Government had been informed it must become self-sufficient by 2020.
- Central Government now appeared to realise that their original target of a national surplus was unsustainable and austerity did not provide reduced cost whilst maintaining quality services. The Government's relaxing of the cap on council tax had been welcomed by the Council and residents in Northamptonshire are now facing the largest single rise in council tax for years.

- Adult social care, children's services and Fire Services were all facing cuts in the proposed budget and the young, elderly, disabled and those most dependent on services would experience a lower quality of life as a result.
- Year on year failures to meet budget savings had finally caught up with the Council.
- That year cross-party scrutiny had recognised some weaknesses in the Council's approach. For instant zero based budgeting had happened too late to achieve the savings that could have been made some years previously. The Council had failed to conceive the consequences of cuts across partner organisations and the voluntary sector was struggling to cope with last minute changes. The continued reliance on effective partnership work was a risk. An absence of robust delivery plans had reduced confidence in the Council's ability to deliver savings. It was still not clear how every proposed budget change would be allocated to specific budget lines leading to no clear accountability or responsibility. A sound approach was required to debt management.
- There was no confidence in the Administration's budget or that it would provide improvements.

The Chairman then invited Councillor Michael Brown to make a budget statement on behalf of the UKIP/Independent Group who highlighted the following:

- The UKIP group had recommended a zero-based budget be considered and 3 years later one had been presented.
- The previous year the plan had been to save £66million but because savings were carried over from the previous year that had not been achieved, the Council would have to raise £21million over the next 3 years by selling council assets. That added an extra £2.5million in financial costs to the revenue budget. Now a further £20million was required for the 2017/18 tax year and the Council would be fine.
- The previous year he had stated there were many dominoes wobbling which would cause the budget to fail. The situation was solved by raiding reserves. The Council now faced a £50million structural deficit.
- Examples of what he considered to be financial incompetence included the selling of land for schools which brought the Council £zero against the real value of the land was £3million. The police were moving out of Wootton Hall keeping all the funds from the sale despite the fact that the Council's holding in the land is worth £1.5million. Buckton Fields where the new school was placed on the Council's land instead of the land the Council did not own. Selling the land at Buckton Fields without the infrastructure in place. He questioned just how much land was being sold.
- He had sent an e-mail to the Cabinet Member for Highways, Transport & the Environment asking questions regarding the land at Buckton Fields and the North West Bypass. He noted Kingsthorpe was already over maximum capacity in terms of its roads before this development added to it. He had not received a response to this e-mail however.
- The latest briefing from the Highways Department confirmed the Council was waiting for over £7million from Central Government to fund the road.
- Savings of £7million on waste collection had not been made because the Council had been unable to work with colleagues on district and borough councils.
- The Council had been unable to pursue the possibility of a unitary council.
- Olympus Care Services which had been set up to deliver care more efficiently and effectively was now being remerged with the rest of adult services with the Administration stating it was now cheaper to buy services from the private sector.
- A care home in Daventry had been closed more than 3 years previously but there was still no published plan for the future of that Council owned site.

- An agreement with staff was forfeited to take the bonus structure away and the recompense now offered was one suggested by the UKIP group.
- Releasing capital from the Angel Street project was mortgaging the one item that was effectively saving money. The assets being released from the closure of the buildings would now be used to support the revenue account. He asked where the papers were and when the information was provided to councillors.
- He felt that under the Council's watch the Children's Services had gone into 'Armageddon' and the Council's answer was to provide more funding. He was thankful that at last some controls were being seen on this funding.
- He was not convinced that the next generation model would save money, certainly not in the short term.
- It was also noted the Council had entered the Central Government's austerity period without the reserves or high council taxes some other councils had.
- The budget included use of budget receipts and raids on reserves leaving just £20million in the reserves. Any deviation from the budget could result in insolvency.
- Reference was made to the external auditors who had stated they could not state that the Council had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustained outcomes. He felt informed decision making and sustainable resource deployment had therefore not been met.
- Following £43.2million of transfers in the 2015/16 the authority did not have the reserves in place to make a similar level of transfer in 2016/17 should savings fall below planned levels in 2016/17.
- He considered the Leader of the Council's statement the previous month that the council had always had and would continue to deliver a balanced budget was misinformed.
- The current proposals were to provide almost the same level of savings that had not been achieved in the previous 3 years.
- He felt there was a lack of details of the sums to be saved and spend and exactly where and how. He therefore felt it impossible without this information to agree if the proposed savings were the correct ones.
- Reference was made to Daventry District Council's report which stated concerns about the Council's ability to manage the budget. Daventry District Council then claimed it was draft that was accidentally issued early. He requested an assurance that Government were not needed to intervene as Daventry was apparently requesting.
- He concluded by stating that since 2012 the Council had achieved running down the reserves by £100million and nearly £50million of debts which led to a 'wrecking' of children's services and now the Council's finances.

At the Chairman's invitation councillors discussed the budget noting the following:

- There were over 300 councillors in Northamptonshire and the County would review the situation with regard to unitary councils.
- The Drayton Centre had been first raised at a Cabinet meeting held late the previous year. The Leader of the Council had been extremely concerned by the concerns raised at that time and had went on to discuss the issues with the relevant director. The Council had 2 centres but only required 1 and the work undertaken was not about the buildings but the people undertaking that work. The Director had worked hard to ensure the staff working at the Drayton Centre would move to Turn Furlong.
- There was a need to operate within the Council's means. The Council was investing heavily in schools and roads amongst other things. The Leader of the Council had visited a new school the day before and everyone had been overwhelmed by the quality of the work undertaken. Many schools in other parts of the country had been built in a cheaper way.

- The Council had managed to keep its libraries open at a time when many other parts of the country had closed them. Country parks had stayed open and improved bringing many visitors to the county.
- Chester Farm currently had inadequate facilities and the work there needed to be completed if it was to bring visitors in.
- Some considered the budget to be a direct attack on the people of Northamptonshire driven by an ideological belief that small government was best and services could be best provided by using ideas of the business sector. Many Councils were known to be bringing services back in-house.
- Out-sourcing services reduced elected member control and it was felt by some that the next generation working model would achieve this.
- Some suggested cuts to the technical response vehicle in the Fire & Rescue Service would result in a cut in response times.
- Investing in early help benefitted people's lives yet there were cuts to the targeted help contracts.
- Some suggested the Council was running out of reserves and places to get money from.
- In reference to the Drayton Centre it was noted that moving those with dementia and Alzheimer's caused them anxiety. The Drayton Centre was also noted as a centre of excellence and yet it was being closed and replaced with what some considered to be an inferior service. It was felt this could be kept open for less than £500,000.
- Some queried interims and asked how many the Council employed and what they paid.
- Concerns were raised regarding cuts to the fire service and it was suggested these cuts could lead for further problems for other departments.
- MPs were asked to take the message back to Central Government that the Council required more funding.
- Some suggested council tax should have been raised if only by 1% in previous years which should have meant the Council had needed less to provide services.
- Concerns were raised that Appendix D of the papers referred to a base budget of £4million but zero-based budgeting would mean the base budget was zero.
- Further concerns were raised about the structural deficit of £48million. In 2012 reserves were stated as £119million and yet they were now £24million. During 2017/18 £4million was expected to be required from these reserves and if the savings were not achieved, that £20million would have to be hit again.
- Some felt it was to the Council's credit that highways were considered to be a Cinderella service. But for every 2 pot holes filled, another 1 would come on line.
- Concerns were raised that the budget was very fragile and there was little confidence in the Administration to deliver it. Queries were raised about the cumulative effect the council tax freeze had on the budget. Further queries were raised about the figures for children in the county living in poverty.
- Further concerns were raised that the austerity measures imposed on the Council had hurt the most vulnerable residents and brought working people to the brink. Some of the Council's employees had to visit food banks and yet the budget was taking £10million from children's services. It was felt the Council should be developing an anti-poverty strategy that cut across all of its work.
- Some suggested the budget had no passion and it was suggested this was because of the Government cuts. Concerns were then raised that £50million was being spent going into the wilderness of unknown consequences.
- It was felt that only by doing things differently could people be assisted to lead more fulfilling and longer lives. Public health was in a long-term process and relied heavily on training. The Health and Wellbeing board was managing various successful workshops looking at various areas and it was noted the 20million steps project had

more than doubled the previous year. A successful workplace conference had been held, the first in the UK and the county had a cutting edge research project on drug and alcohol services. 0-19 years services had been provided in partnership with the NHFT and there were now 26.9 school nurses.

- First for Wellbeing would assist to improve wellbeing and involved a focus on community resources. The outstanding contribution by the Health Team on the STP was recognised.
- The Director of Public Health's annual report would report on how developing safer, younger communities and developing successful communities to improve wellbeing, reduce isolation and facilitate early discharge from hospitals.
- Tribute was paid to staff in the Children's Services Directorate who had worked very hard and stood by the aspiration to build better outcomes for all children in the county. The leadership brought to the directorate by Director, Lesley Hagger was also recognised. The Cabinet Member for Children's Services was confident the services were breaking new ground on behalf of the majority of vulnerable children. Zero based budgeting would also assist. A key part of developing the trust would be in seeking alternative models to gain finances to facilitate growth and other opportunities. The Council would work with partners to ensure early help was not ignored. All those working in setting the budget were thanked for their work in what had been a very challenging environment.
- Concerns were raised regarding the STP as it was felt councillors had not been given adequate time or papers to consider this properly. The NHS had also received cuts year on year and the funding through the better care fund had not been received because the NHS had not had it to give. It was considered important to consider prevention as small amounts of money could assist communities and carers to have a break.
- 40,000 pot holes had been repaired in the previous year and 2,800 miles of roads had been maintained. Over £100million had been spent in highways capital over the previous 4 years and there were plans to spend a further £15million per annum over the next 4 years. 49,000 street lights had been maintained and phase 3 of superfast broadband was about to be rolled out which would reach 98% of the county's communities by the end of 2018.
- Concerns were raised regarding children's services and councillors were reminded of the adverse Ofsted report received. Money was then given to the services without any thought about how to reform it. Since the appointment of the new director, a lot of changes had been made, many of which were quite radical. Her approach had received good reviews from scrutiny and it appeared to be a credible approach.
- Concerns were raised that cutting money from children's centres would be devastating on vulnerable children as well as their parents who also required assistance. Similarly cuts in dementia were devastating to vulnerable adults and their carers. Cuts in the Fire Service were referred to with concern as well.
- It was suggested some emotions had been stirred up by those addressing Council earlier which was felt by some to be unethical, particularly in the suggestion to break the law.
- Concerns were raised that the Council would overspend again that year. It was also noted that £63million had been spent during 3 years of trying raise the Ofsted rating for children's centres. Many aspirations required partnership work and concerns were raised regarding the Council's ability to work in partnership.
- It was generally accepted that change was required but concerns were raised about how that change could be achieved.
- Some suggested the budget was an attack on preventative services many of which would be cut. An example was given of how children's centres provided preventative services through the many activities they provided for children and their families.

They enabled young mums to get together and learn from each other's experiences. Without them many communities would become isolated.

- It was noted the Council was the fire authority and did not have the benefits of many metropolitan or combined service. The Technical Response Vehicle was much more required before all fire engines were fitted with first aid and structural equipment. The alternative to reducing use of this vehicle was to close 5 fire stations.
- Concerns were raised that the IRMP version that was put out for consultation did not include details of all of the cuts that would be made and it was suggested it be re-issued so that people could give their views. The Northamptonshire Fire & Rescue Service provided a very good service but the county was growing with new homes at Stanton Cross, the Rushden Lakes development and the expansion of the M1. It was suggested the removal of the technical vehicle be reviewed after 3 months to ascertain the effect of this decision.
- Concerns were raised that the Council would end up with a 2-tier system of social care. Council was also asked about where the consultation on dementia care services was undertaken. It was noted even the shadow cabinet member in parliament had voiced concerns.
- It was noted the dementia cafes had been run by the Alzheimer's Society with funding which was due to end at the end of March 2017. The Council had tried to discuss this with them for some time without success.
- It was also noted that from 2006-2011 council tax had been increased by the rate of inflation.
- The Council owned the Drayton Centre and were not closing it as it would remain open for self-funders with Alzheimer's. Everyone else would be moved to Turn Furlong. The Council had met with those affected to discuss concerns and they had met with Shaw Healthcare and the manager of the Drayton Centre should be moving to Turn Furlong.
- NASS was the new organisation to run adult social services, of which Olympus Care Services would be an integral part.
- Long term debt was being reviewed with the intention of bringing that back in-house.

In reply Councillor Brown stated the land at Buckton Fields had not been sold. 3% for the cost of back office services was seriously good. Olympus Care Services was being built upon and not closing. He felt he and his colleagues had plenty of passion and commitment and knew where they were going and what they could achieve. He felt the Council would continue to develop another way of delivering local services, improving those services and creating a smaller, more enabling council.

RESOLVED that: Upon a recorded vote of 29 for, 19 against and 9 members absent the budget was approved or noted as follows:

- a) Approved the Final Budget for 2017-18 which sets:**
 - i. a Net Revenue Budget of £416.82m.**
 - ii. a Council Tax requirement of £273.36m.**
 - iii. a Band D Council Tax increase of 4.98%, including a Social Care Precept of 3% taking Band D from £1,111.25 to £1,166.59 with Band rates A to H and Precept detail in section 9.16**
- b) Approved the Council Plan 2017-18 to 2019-20 at Appendix A.**
- c) Approved the Medium Term Financial Plan (MTFP) 2017-18 to 2020-21 as summarised at Appendix D.**
- d) Approved the planned utilisation of Dedicated Schools Grant for 2017-18 at Appendix F**
- e) Approved Fees and Charges Appendix G**
- f) Approved the detailed proposals underpinning the MTFP revenue budgets for 2017-18 set out at Appendix I(1-5).**

- g) **Approved the Capital Strategy at Appendix J.**
- h) **Approved the Treasury Management Strategy Statement 2017-18 at Appendix L which includes:**
 - I. **The Prudential Indicators, including the Capital Financing Requirement of £700m and the Authorised Borrowing Requirement of £760m.**
 - II. **The Annual Investment Strategy in Appendix L-5**
 - III. **The Minimum Revenue Provision policy in Appendix L-4**
- i) **Approved the Flexible use of Capital Receipts for 2016-17 through to 2018-19 see section 9.9 and 9.10.**
- j) **Delegated authority to the Section 151 Officer for any variation up to £1m as a result of the final settlement to be dealt with through a transfer to or from the general reserve. Section 9.13.5**
- k) **Noted the Consultation feedback at Appendix B.**
- l) **Noted the Equality Impact feedback at Appendix C.**
- m) **Noted the Reserve Summary Statement at Appendix H.**
- n) **Noted the Asset Utilisation Strategy at Appendix K; and**
- o) **Approved the Chief Financial Officer's Section 25 Report at Appendix M.**

07/17 Changes to Arrangements for the Appointment of External Auditors:

At the Chairman's invitation, Councillor Robin Brown proposed the report (copies of which had been previously circulated) stating this was not connected in any way to the adverse report received from the external auditors but having in place the appointment for when their term ended. It would be undertaken via the Local Government Association's framework to ensure a minimal cost to the Council.

The report was seconded by Councillor Heather Smith.

RESOLVED: that Council: approved the decision to opt-in to the sector led body (Public Sector Audit Appointments) for the national procurement of external auditors and ultimately the Council's external auditors from 2018/19.

08/17 Urgent Business:

There was none.

09/17 Exempt Items:

The Chairman thanked everyone for their help in ensuring a serious and good debate held in a friendly atmosphere.

Councillors who wished to donate Easter eggs for looked after children could do so by passing eggs to Councillor Joan Kirkbride.

There being no further business the Chairman closed the meeting at 3pm.

Jenny Rendall
Democratic Support

Chairman's Signature:-

Date:-

NORTHAMPTONSHIRE COUNTY COUNCIL

Recorded Votes for Council:					
Date of Meeting: 23 February 2017					
Item No: 6 (The Budget)					

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		√		
Hallam	Mike				√

Surname	First Name	For	Against	Abstain	Absent
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	√			
Patel	Bhupendra	√			
Patel	Suresh	√			

Surname	First Name	For	Against	Abstain	Absent
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		29	19		9