

NORTHAMPTON BOROUGH COUNCIL

CABINET

Your attendance is requested at a meeting to be held at the Jeffery Room, Guildhall on Monday, 29 January 2007 at 6:00 pm.

M. McLean
Chief Executive

AGENDA

K= Key decision

1. APOLOGIES
2. MINUTES
3. DEPUTATIONS/PUBLIC ADDRESSES
4. DECLARATIONS OF INTEREST
5. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES
None.
- .K.. 6. COMMUNITY VISION FOR 2031 (CPFSP) S. Wade
x 8569
Report of Corporate Manager, Legal and Democratic Services
(copy herewith)
- .K.. 7. CORPORATE PLAN 2007/08- 2011/12 (CPFSP) S. Wade
x 8569
Report of Corporate Manager, Democratic and Legal Services
(copy herewith)
- .K.. 8. BUDGET 2007/08 TO 2009/10 (CPFSP) I.
Thompson
x 8339
Report of Corporate Manager, Finance and Asset Management
(copy herewith)
- .K.. 9. HOUSING REVENUE ACCOUNT; RENT SETTING 2007/08 I.
Thompson
x 8339
(RO)
(A) Housing Revenue Account Forecast Outturn 2006/07
(B) Housing Revenue Account Budgets 2007/08 to 2009/10
(C) Housing Revenue Account Capital Programme 2006.07
Onwards

Reports of Director, Governance, Resources and Improvement
(copy herewith)
- .K.. 10. CAPITAL STRATEGY 2007/08- 2009/2010 (CPFSP) I.
Thompson
x 8339
Report of Corporate Manager, Finance and Asset Management
(copy herewith)
- .K.. 11. ASSET MANAGEMENT PLAN 2007 (CPFSP) S. Dougall

Report of Corporate Manager, Finance and Asset Management x 8177
(copy herewith)

.K.. 12. SHELTERED HOUSING REVIEW (RO) F. Rodgers
Report of Corporate Manager, Housing Services (copy herewith) x 7595

13. EXCLUSION OF PUBLIC AND PRESS

THE CHAIR TO MOVE:

“THAT THE PUBLIC AND PRESS BE EXCLUDED FROM THE
REMAINDER OF THE MEETING ON THE GROUNDS THAT
THERE IS LIKELY TO BE DISCLOSURE TO THEM OF SUCH
CATEGORIES OF EXEMPT INFORMATION AS DEFINED BY
SECTION 100(1) OF THE LOCAL GOVERNMENT ACT 1972 AS
LISTED AGAINST SUCH ITEMS OF BUSINESS BY
REFERENCE TO THE APPROPRIATE PARAGRAPH OF
SCHEDULE 12A TO SUCH ACT.”

SUPPLEMENTARY AGENDA

**Exempted Under Schedule
12A of L.Govt Act 1972 as
amended
Para No:-**

.K.. 14. REVENUE AND BENEFITS CONTRACT (CPFSP) (3) F. Rodgers
Report of Corporate Manager, Housing Services (copy x 7595
herewith)

<TRAILER_SECTION>
A4913



**NORTHAMPTON
BOROUGH COUNCIL**

Name of Committee	Cabinet
Date	
Report Title	Community Vision for 2031
Key Decision	Yes

1. Recommendations

Cabinet members consider and approve the Community Vision for 2031 (appendix A).

2. Purpose and Summary of the report

The Community Vision for 2031 is part of the development of a new medium term Corporate Plan 2007-2011. Development of the Corporate Plan is covered in a separate report.

The Community Vision was developed from drawing together work previously done by the Local Strategic Partnership, the Town Centre Commission and "Future Northampton" and building upon it with the results of a comprehensive consultation programme.

The purpose of developing the Community Vision was to produce one vision for Northampton, replacing the many and varied visions currently in circulation.

Attached is a copy of the current draft of the Community Vision. Following the consultation programme a draft was taken to the LSP conference held on the 5th of December 2006. The purpose of the conference was to allow LSP partners a final opportunity to express their views on the draft Community Vision and then to identify shared areas of work/consideration under the three new LSP themes – Neighbourhood Management, LAA, and Growth in order to develop a new Community Strategy for 2007 –2011.

Comments from the LSP conference on the Community Vision have not altered the current draft. More detailed comments will be used to inform the development of the Community Strategy.

The next steps includes the following:

- Presentation of the final draft Community Vision to the LSP Board on the 02.02.07
- Development of a new Community Strategy 2007-2011. It is planned to have a set of draft objectives ready for discussion at the LSP Board meeting on the 02.02.07
- A final Community Strategy completed for the 1st of April 2007.
- A launch of the Community Vision and Strategy possibly in March 2007.

3. Options Available

Option Summary	
a	Previous drafts of the Community Vision have been developed through consultation and debate. The consultation process has allowed for consideration of any previous drafts/options

4. Relevant Background

The development of the community vision and priorities for 2007-2011 is part of the process agreed at Highgate House in May 2006 to develop a longer term Corporate Plan.

5. Evaluation of Alternative Options

Option	Evaluation Summary
a	Various option have already been considered in the development of the Community Vision.

6. Consultees (Internal and External)

Internal	Councillors, Overview & Scrutiny, Directors, Corporate Managers, staff
External	LSP partners, Community Forums, Area Partnerships, and the public

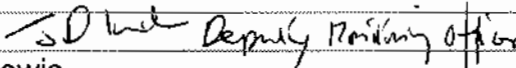
7. Compliance Issues

Links to Relevant Council Priorities
Recovery Plan The production of a community vision and a longer term Corporate Plan is a project within the Strategic Improvement Plan and Improvement Delivery Plan. This work addresses the criticisms about lack of long-term strategic planning made in the original CPA report. These actions will also address the issues raised in the subsequent CPA progress assessment report published in March 2006.
Corporate Plan Not applicable
Other Strategies Provides direction for policy and strategy development.
Financial Implications There are currently no direct financial implications, however the associated delivery plans will have costs attached which will require further consultation and decision making.
Legal Implications This meets the requirements of the Council's governance arrangements.

Crime & Disorder Issues
The community vision contains elements relating to the reducing the fear of crime
Children Act Issues
There are no direct implications within the Community Vision related to the Children Act although all visioning and prioritising for the future will obviously impact on the children and young people in our community.
Risk Management Issues
Failure to develop an appropriate community vision within the timescales would have loss of reputation risks for the Council in the eyes of the resident of Northampton and our partners. It would make it very difficult if not impossible to properly plan the development and delivery of future services to meet the needs of local people.
Such failure would also have a negative impact on our CPA score now and in the future.
Equalities Compliance Issues
The community vision and priorities includes how the Council will provide accessible and equitable services

8. Background Papers

Title	Description	Source
None		

Name	Signature	Date	Ext.
Author	Simone Wade, Operational Manager Recovery, Policy & Governance, Legal and Democratic Services	22 nd Jan 2007	Ext 8569, Mobile 07977 047506
Corporate Manager	Nicci Marzec, Governance & Communications	22 nd Jan 2007	Ext 7431 Mobile 07956 820190
Monitoring Officer	 Deputy Monitoring Officer	24.1.07	7335
Section 151 Officer	Bill Lewis Technical Finance Manager	23 rd Jan 2007	Ext 8718

NB: In relation to Key Decisions both the Monitoring Officer and the Section 151 Officer (or their deputies) will need to sign the report before it can be accepted by meeting services

DRAFT VERSION 4

A Community Vision to 2031

"Close your eyes and imagine where you want to be. Imagine the complete journey you need to take in order to get there. Now go pack... Your reservations have been made"

Imagine Northampton in **2031!** - A place of PRIDE, RESPECT, EXCITEMENT, VITALITY, FUN, and PASSION.

The spirit, commitment and determination of the people of Northampton will be there for everyone to see. Northampton will build upon its historic market town roots to become a 21st century city with diverse multi-cultural communities.

People who visit Northampton will look upon it as a place where they would want to live, work and bring up a family and those who live here will want to stay.

We will celebrate all that is good about Northampton and Northampton will be all these things because:

By **2011** it will....

- **Be safer:**

People will use the city centre and move around all of Northampton at night without fear.

- **Be cleaner:**

All of Northampton will be clean and litter-free. We will work together to build a community culture of no tolerance of those who litter and pollute our streets.

- **Be healthier:**

Our green spaces, the street -scape and urban design will help to make the healthiest environment so that people have good physical and mental health and live longer.

- **Be recognised for good quality, environmentally friendly housing:**

We will continue to promote good affordable, well-designed housing for all, with attention to the environment and the use of sustainable resources

- **Be well served by modern and efficient local government:**

Local councils will have defined their role as community leaders, working in partnership to deliver this vision for Northampton. Their decisions will be easy to understand, transparent and will involve local people.

By **2021** it will....

- **Be a city:**

With a population approaching 240,000 over the next 15 years, Northampton will become city sized and as such we will develop an infrastructure that ensures that during this rapid period of growth there are enough schools, health care services, emergency services, roads, affordable quality housing and green space to support the rest of our vision. There will be excellent public services, healthy, skilled and prosperous residents who are proud of where they live and aspire to improve their lifestyle and opportunities.

- **Be a place made up from caring communities:**

Communities will be developed and built upon respect and understanding of people of all ages, status and ethnicity. We will invest in, support and promote the family in all the forms that it takes so that there is the opportunity and desire to stay together, learn from and support each other.

And by **2031** it will...

- **Be defined by its excellent transport system**

People will be able to move about the city and all of Northampton easily, hopping on and off an environmentally friendly transport system. They will have more choice of how they travel. This will free us from our dependence upon our cars to move around Northampton. Pollution and congestion will be virtually eliminated.

- **Be a major regional cultural and economic centre:**

Northampton will be a centre for educational excellence – our schools will help develop good citizens and produce exceptional results. Our colleges and university will work with local businesses to develop and retain the jobs and workers of the future.

Our traditional architecture will be mixed with new urban design. The Cultural Mile will snake through the city, joined together by our integrated transport system. Included within the Cultural Mile will be a heritage trail that celebrates our boot and shoe past. We will take full advantage of all that the River Nene has to offer and develop a water-based experience for all ages. All of this plus a specialist niche shopping experience like no other makes Northampton a tourist destination of choice.

Northampton will be a place of quality and distinction!



**NORTHAMPTON
BOROUGH COUNCIL**

Name of Committee	Cabinet
Date	29th January 2007
Report Title	Corporate Plan 2007/08 – 2011/12
Key Decision	Yes

1. Recommendations

Cabinet members consider and agree the new timetable to developing the Corporate Plan for 2007/08 – 2011/12

2. Purpose and Summary of the report

At the Cabinet meeting held on the 25th of September 2006, Councillors approved their priorities for 2007/08 – 2011/12.

These priorities have been used to inform the development of the Medium Term Financial Strategy as part of the Council's budget setting process for the 2007/08 budget.

The community vision and priorities are now in place.

Owing to the extent of the policy options under consultation it is not feasible for the council to set meaningful objectives and targets in advance of the budget decisions to be made at Council on 13th February 2007.

It is proposed that following approval of the budget in February, Councillors and senior managers work together to set objectives and targets. It is suggested that a day is set aside to complete this task. This objective and target setting day would need to take place ASAP after the budget has been set so that a full Corporate Plan can be considered by Cabinet towards the end of February. This suggested timetable would allow approximately one month for Corporate Managers to use the Corporate Plan to develop their service plans in time for 1st of April 2007

The outcome of this approach to completing the Corporate Plan would be cross-cutting objectives and targets developed with our Councillors and finished in line with our Corporate Planning cycle.

3. Options Available

	Option Summary
a	This is currently the only option available in order to develop the Corporate Plan and allow adequate time for managers to develop their service plans accordingly.

4. Relevant Background

The development of the community vision and priorities for 2007-2011 is part of the process agreed at Highgate House in May to develop a longer term Corporate Plan.
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5. Evaluation of Alternative Options

	Option	Evaluation Summary
a	As already indicated this is currently the only option to develop a Corporate Plan but various drafts will provide further opportunities for Councillors to comment.	

6. Consultees (Internal and External)

Internal	Councillors, Overview & Scrutiny, Directors, Corporate Managers, staff
External	LSP partners, Community Forums, Area Partnerships, and the public

7. Compliance Issues

Links to Relevant Council Priorities
Recovery Plan
The production of a community vision and a longer term Corporate Plan is a project within the Strategic Improvement Plan and Improvement Delivery Plan. This work addresses the criticisms about lack of long-term strategic planning made in the original CPA report. These actions will also address the issues raised in the subsequent CPA progress assessment report published in March 2006.
Corporate Plan
Not applicable
Other Strategies
Provides direction for policy and strategy development.
Financial Implications
There are currently no direct financial implications, however the associated delivery plans will have costs attached which will require further consultation and decision making.
Legal Implications
This meets the requirements of the Council's Governance arrangements.

Crime & Disorder Issues
The community vision contains elements relating to the reducing the fear of crime
Children Act Issues
There are no direct implications within this proposal related to the Children Act although the final Corporate Plan will obviously impact on the children and young people in our community.
Risk Management Issues
Failure to develop an appropriate Corporate Plan within the timescales could have loss of reputation risks for the Council in the eyes of the residents of Northampton and our partners. It would make it very difficult if not impossible to properly plan the development and delivery of future services to meet the needs of local people. Such failure would also have a negative impact on our CPA score now and in the future.
Equalities Compliance Issues
The Corporate Plan will include how the Council will provide accessible and equitable services

8. Background Papers

Title	Description	Source
None		

Name	Signature	Date	Ext.
Author	Simone Wade, Operational Manager Recovery, Policy & Governance, Legal and Democratic Services	22 nd Jan 2007	Ext 8569, Mobile 07977 047506
Corporate Manager	Nicci Marzec, Governance & Communications	22 nd Jan 2007	Ext 7431 Mobile 07956 820190
Monitoring Officer	<i>S. Lewis</i> Deputy Monitoring Officer	24.1.07	7335
Section 151 Officer	Bill Lewis Technical Finance Manager	23 rd Jan 2007	Ext 8718

NB: In relation to Key Decisions both the Monitoring Officer and the Section 151 Officer (or their deputies) will need to sign the report before it can be accepted by meeting services

8. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
None
Corporate Plan
Make Northampton a cleaner, safer and greener place to live.

B: Other Implications

Other Strategies

Finance Comments

Legal Comments

Crime and Disorder Issues
None

Equality Impact Assessments
None

9. Background Papers

Title	Description	Source
Clean Neighbourhoods and Environment Act 2005	Legislation	HMSO
DEFRA Guidance CNEA Implementation	Guidance	DEFRA



**NORTHAMPTON
BOROUGH COUNCIL**

Name of Committee	CABINET
Directorate:	Governance and Finance
Corporate Manager/Director:	Ian Thompson
Date:	29 January 2007

Report Title	Revenue Budget 2007/08 and later years.
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Key Decision	Yes
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1. Recommendations

- 1.1 Having regard to the responses to the consultation process, that the Cabinet recommends a General fund revenue budget for consideration by Council that complies with the statutory framework set out in the report
- 1.2 That the target level of general reserves to be held in support of the 2007/08 budget should be not less than £3m.

2. Summary

2.1 The report and appendices summarise the General Fund revenue budget position for 2007/08. Reference is made to the consultation process and outcomes. The statutory requirements for budget setting are summarised together with the relevant section of the Council's Constitution. Cabinet is invited to recommend a robust balanced budget for consideration by Council at the meeting scheduled for 13th February.

3. Report Background

3.1 The draft General Fund revenue budget for 2007/08 to 2009/10 was reported to Cabinet on 19th December 2006. Appendix 1 sets out the current position, unchanged since the previous report with the exception of the following:

- an additional budget pressure of a net £170k in relation to Planning and Development Control that results from the loss of income from major planning applications now handled by West Northants Development Corporation. This was reported to Cabinet on 8th January 2007.
- adjustment to the provision for implementing the Pay & Grading Review on a phased basis. A sum of £350k has been provided but on the basis that this will need to be offset by efficiency savings as agreed by Cabinet on 8th January 2007.

3.2 The net effect of the above changes is to revise the previously agreed efficiency target for 2007/08 to £1.465m. (of which, more below). After allowing for this, the net funding shortfall for 2007/08 is £3.15m and it is now necessary to identify which services are to remain as priorities and where budget reductions are to be made.

3.3 Following the Cabinet meeting of 8th January, an extensive consultation exercise has been undertaken involving staff, partners and the general public. This was based on the schedule of options for service and budget reductions amounting to £3.95m. in total and approved by Cabinet as the basis for consultation. The results have been summarised and this, together with all of the detailed responses, has been provided to all members of the Cabinet and leading members of all political groups. In advance of Council on 13th February, the same information will be provided to all Council Members. Cabinet is invited to have regard to the responses in determining a balanced budget for recommendation to Council (see para. 3.10 below).

3.4 During the consultation process, the suggestion was made of implementing a one year pay freeze with a potential saving of about £800k. Such an option clearly has major practical difficulties. In the absence of any detailed formal proposal from Trades Unions, this has not been proposed by officers as a potential viable option.

3.5 The Cabinet meeting of 19th December also received a report on the forecast outturn position for the current financial year 2006/07. That report indicated a year-end overspend of the order of £1.9m with the consequential effect that the Council's reserves would be reduced to about £1m. by the end of the financial year. The report also outlined a strategy for boosting the reserves by a further £1m. but recognised that there would still be a requirement to make some provision in the draft budget for a further additional contribution. That remains the case and the draft budget at Appendix 1 makes provision for an additional contingency reserve of £1m. This takes into account the extent of the risks facing the Council in 2007/08 across a range of budget areas and the need to retain adequate provision against these. A key recommendation therefore is that the target level of reserves to be held in support of the 2007/08 budget should be not less than £3m.

3.6 In addition to the above, an earlier report to Cabinet (25 September 2006) noted that there was a surplus of the order of £1.3m in the earmarked Insurance Reserve.

However, there were a number of significant unfunded liabilities including the potential clawback of overpaid benefit subsidy and it was therefore considered prudent to maintain this amount and not to return the sum to the general reserve fund. Work is continuing to resolve the level of subsidy clawback but officers are now optimistic that any agreed amount can be contained within the reserved sum and any surplus returned to the general reserves in support of the 2007/08 budget.

3.7 It can be noted in passing that there are other potential risks facing the Council that at this stage it is not possible to quantify. One key area is the risk of retrospective claims arising from the Pay & Grading Review. Another concern is that the level and range of recharges between the ring-fenced Housing Revenue Account and the General Fund has not been reviewed for some time and that therefore some realignment of budgets may become necessary, possibly to the detriment of the General Fund. This will be subject to further scrutiny during 2007/08.

3.8 Paragraph 3.2 above refers to the efficiency savings target of £1.465m. (of which £350k relates to the cost of implementing the first phase of the Pay & Grading Review). Officers have already identified a range of opportunities for reducing costs which would have no direct impact on direct service provision. Work is continuing on this with a view to being confident that the target amount is realistically achievable and deliverable. As the options being considered have no direct impact on services to the public, there is no over-riding need to introduce this into the public consultation exercise in detail. However, as there is the possibility of reductions in posts, it will be necessary to consult formally with the Trades Unions prior to Council on 13th February.

3.9 For completeness, Appendix 2 shows the previously approved budget position for 2006/07 to 2008/09 and is simply an updated version of the appendix to the budget report considered by Cabinet on 16 February 2006. It is included here in particular to serve as a reminder of the additional growth and savings items previously approved as part of the 2007/08 and 2008/09 budgets but which have been adjusted in the context of the current draft budget for 2007/08 and later years.

3.10 In terms of process, the Council's Constitution incorporates the 'Budget and Policy Framework Procedure Rules'. These state that at the end of the appropriate budget consultation period, the Cabinet will draw up firm proposals for consideration by Council having regard to the consultation responses. Provision is made for Council to amend the proposals and in such a case, there is a grace period of five days after which the Council decision becomes effective. The exception to this is where the Leader may enter a formal objection within three days of the Council amendment and in such circumstances, a further meeting of council is required in order to finally determine the budget.

3.11 The timing of the Council Budget Meeting for 13th February has regard to the above and in particular the need to formally determine the Council Tax no later than the end of February in order to facilitate the printing and distribution of bills. This in turn is time critical in that adequate notice has to be provided to instalment payers if the April 1st instalment collections by direct debit are to be valid. Any delay has significant cash flow implications for the Council.

3.12 In terms of officer responsibilities, there are two key legislative requirements. The Council's Financial Procedure Rules refer to the Local Government Finance Act 1988 which imposes a responsibility upon the 'Section 151 Officer' to ensure that budgeted expenditure does not exceed total resources available. In addition, the Local Government Act 2003 requires the officer to report on the 'robustness' of the budget and the adequacy of the proposed financial reserves and for the Council to have regard to that report accordingly.

3.13 In the light of the above, Cabinet is invited to recommend to Council as follows:

- (i) having regard to the consultation responses, a balanced General Fund revenue budget for 2007/08 that complies with the statutory framework outlined above
- (ii) that the target level of general reserves to be held in support of the 2007/08 revenue budget be not less than £3m.

4. Options and Evaluation of Options

4.1 The Council has conducted an extensive consultation exercise on a range of options for delivering a balanced budget.

5. Resource Implications (including Financial Implications)

5.1 As set out above and in the appendices.

6. Risk and Opportunity Issues

6.1 The level of general reserves retained in support of the annual budget should relate to the extent of the perceived risk inherent in the budget assumptions.

7. Consultees (Internal and External)

Internal	Directors and corporate managers
External	None

8. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
N/a
Corporate Plan
N/a

B: Other Implications

Other Strategies
N/a

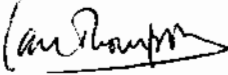

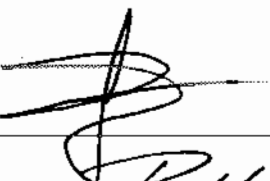
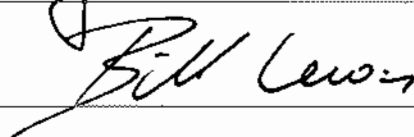
Finance Comments
N/a

Legal Comments

9. Background Papers

Title	Description	Source

Ian Thompson, Interim Finance Director, ext. 8744

Name	Signature	Date	Ext.
Author		27/07	8744
Corporate Manager	N/a		
Director		27/07	8744
Monitoring Officer or Deputy (Key decision only)		25/1/07	7334 —
Section 151 Officer or Deputy (Key decision only)		25/01/07	7167

Appendix 1:
General Fund Revenue Budget - Future Years Budgets 2007 - 2010

	2007/08 £000's	2008/09 £000's	2008/10 £000's	Note
Medium Term Financial Plan				
Medium Term Financial Plan - Appendix 2	1,115	1,350	1,600	A
Plus Reinstated Savings Target (to avoid double counting)	233	233	195	B
	1,348	1,583	1,795	
Community Safety, Leisure & Community Operations				
Balloon Festival	47	47	47	1
Community Safety	-187	-199	-199	2
Town Centre Management	45	45	45	3
Events, Arts and Museums	-53	-53	-53	4
Leisure Centres	-70	-70	-70	5
Car Parking	446	446	446	6
Customer Services				
One Stop Shop	182	190	199	7
Pnnt Services	-50	-50	-50	8
Finance & Asset Management				
Cliftonville House, Industrial Units and Investment Property	114	114	114	9
Audit Fee/Internal Audit	-84	-84	-84	10
Markets Income Adjustment	204	162	160	11
Pensions Added Years Costs	140	140	140	12
Governance & Recovery				
Members Expenses and Meeting Services	129	129	130	13
Elections	217	0	0	14
Landcharges Income Shortfall	109	109	109	15
Savings for Licence Income and Communications Staff	-104	-105	-105	16
Planning & Environmental Health				
Private Sector Improvement and Repairs & Health & Safety At Work	-66	-36	-32	17
Development Control	170	170	170	18
Regeneration & Growth				
Regeneration and Growth	-70	-70	-70	19
Concessionary Fares	200	200	200	20
Performance and Improvement				
IT	-57	-57	-57	21
Streetscene & Property Maintenance				
Highways Revenue Account	357	356	351	22
Domestic Refuse Collection and Recycling	143	143	143	23
Trade Refuse Collection	271	355	318	24
Human Resources				
Pay and Grading Review	-400	-100	100	25
Training	-200	-200	-200	26
Housing				
Homelessness	-160	-160	-160	27
Additional Capacity Revenues and Benefits	250	250	250	28
Total Continuing Impact on Future Years Budgets	1,523	1,672	1,842	
Additional Future Years Budget Pressures				
Additional Debt Charges	350	350	350	29
Excess Inflation - Principally Energy	294	179	221	30
Legal, Statutory and Health & Safety - Trees Maintenance	100	100	100	
Total Additional Future Years Budget Pressures	744	629	671	
Additional Contingency Provision	1,000	1,000	1,000	31
Less Value For Money / Efficiency Target as per Medium Term Financial Plan	-1,485	-2,350	-3,350	32
Total	3,150	2,534	1,958	

Notes to the Future Years Budgets 2007 - 2010

A	See Appendix 2. Includes assumption that council tax rise is 3% year on year
B	Efficiency savings included as target at A above - need to avoid double counting.
1	Balloon Festival Realigns the budget with past experience and future expectations.
2	Community Safety Removal of a post within Community Safety -£50k and savings to be made in relation to CCTV -£130k
3	Town Centre Management Non achievement of the Town Centre Partnership income
4	Events, Arts and Museums Savings within Events and Arts with regards to reductions on Supplies and Services budgets. Additional savings of £15k have been included for the Museums.
5	Leisure Centres Additional Leisure Centre income reflecting 2006/07 experience.
6	Car Parking Realigns the budget with actual experience/expectations.
7	One Stop Shop Additional Customer Services Officers £240k. This is offset partially by cross cutting savings across the Council on Customer Services of -£48k as a result of the operation of the Customer Contact Centre. Further efficiency savings to be identified for 2007/08
8	Print Services Efficiency savings targeted for the Print Unit including potential to explore partnership option.
9	Cliftonville House, Industrial Units and Investment Property Rental income will be reduced due to the rent free period offered to the Demgate £135k. Income will also be reduced at Cliftonville House due to the vacation of District Audit from the offices. These additional costs will be partially offset by increased rental income from industrial units and other land and buildings
10	Audit Fee/Internal Audit Ongoing savings in relation to the Audit fee paid by the Council and Internal Audit services procured.
11	Markets Income Adjustment Realignment of the historic income budget for the Open Market (£147k) together with reduction in income from the Indoor Market £57k due to its vacation.
12	Pensions Added Years Costs Realignment of the budget for pensions added years costs arising in part from the Root and Branch exercise.
13	Members Expenses and Meeting Services Increase in members allowances not reflected in the budget (£99k) and reinstatement of unachievable income budget (£30k)
14	Elections Cost of the Northampton Borough Council election.
15	Landcharges Income Shortfall Reduction in landcharge income due to external competition in the market and limited ability to respond competitively.
16	Savings for Licence Income and Communications Staff Increased licensing income -£72k and deletion of a post within Communications Team
17	Private Sector Improvement and Repairs & Health & Safety At Work Reflects HIMO licensing income of £46k and savings that are achievable as a result of staff turnover at lower than budgeted spinal points.
18	Development Control Net additional cost resulting from loss of planning fee income to WNDK.
19	Regeneration and Growth Removal of additional budget allocated in the Medium Term Financial Plan of £100k. This saving has been offset partially by an unachievable income budget of £30k
20	Concessionary Fares Additional cost of Concessionary fares.
21	IT Removal of a post -£32k and ongoing savings on the running costs of the internal telephone system -£25k
22	Highways Revenue Account Non achievement of the budgeted income for the service due to the loss of trading activity with Atkins/County Council.
23	Domestic Refuse Collection and Recycling Increased costs of collection for green waste £200k within the Recycling service and reduced Domestic Refuse income of £50k due to unachievable bulky waste collection income budget. These additional costs have been partially offset by a savings proposal in relation to the Materials Recycling Facility of -£100k.
24	Trade Refuse Collection The base budget includes an income surplus which will not be achieved of £420k. In 2007/08 this is reduced by the potential receipt from the sale of the operation of £150k. This is a one off receipt.
25	Pay and Grading Review Savings arising from the proposed re-phasing of implementation of the Pay and Grading review.
26	Training Deletion of previously committed growth for the corporate training budget.
27	Homelessness Deletion of additional budget allocated in the Medium Term Financial Plan of £100k. Additional savings of £60k are proposed on the service due to the cessation of the use of Bed and Breakfast accommodation.
28	Additional Capacity Revenues and Benefits Cost of providing additional capacity within the service to maintain improved service levels.
29	Additional Debt Charges Cost of servicing additional borrowing required on a short term basis to fund the committed 2006/07 capital programme.
30	Excess Inflation - Principally Energy Additional inflation - principally energy costs impacting on leisure centres and car parks.
31	Contingency Provision See reference in main body of report.
32	Efficiency Savings Target Initial target of £1.115m as per medium term financial plan plus £0.35m to offset the estimated cost of implementing the Pay & Grading Review on a phased basis.

Appendix 2: General Fund Revenue Summary	Cash Limit 06/07 £'000	Forecast 07/08 £'000	Forecast 08/09 £'000
Funding			
Collection Fund Adjustments	147	0	0
Formula Grant	-17,889	-18,405	-18,902
Council Tax @ 4.9%, 3%, 3%	-11,652	-12,118	-12,627
Total Income	-29,394	-30,523	-31,529
Expenditure			
Cash Limits			
Customer Services	1,896	1,970	2,055
Performance & Improvement	2,883	2,994	3,086
Human Resources	1,141	1,156	1,190
Citizen Engagement	4,338	4,449	4,607
Planning, Environmental Health & Leisure	4,352	4,671	4,875
Finance & Asset Management	6,458	6,796	7,040
Regeneration & Growth	1,213	1,319	1,364
Street Scene & Property Maintenance	5,593	6,140	6,583
Housing Services	1,455	1,586	1,684
Legal & Democratic Services	2,441	2,571	2,664
Net Expenditure (Cash Limit)	31,770	33,651	35,150
Recharges to Other funds	-4,356	-4,842	-5,100
Net General Fund Cash Limit	27,414	28,809	30,050
Debt Charges	192	212	212
	27,606	29,021	30,262
Funding Gap Prior to Additional Items	-1,788	-1,502	-1,267
Current Budget Deficiencies			
Refuse Services	430	430	430
Land Charges	200	200	200
Property Income Reduction	300	300	300
Telephone System - Unachievable Savings	50	50	50
	-808	-522	-287
Inescapable Additions			
Recycling	-115	-115	-115
Recovery / Improvement	100	100	100
Single Status	60	800	800
Concessionary Fares Statutory Scheme	550	550	550
Occupational Health & Stress Management	40	40	40
Revenue Implications of Capital Projects	165	165	165
Community Centres	15	24	24
Research Assistants	63	118	118
Benefits Trainees	115	120	120
	185	1,280	1,515
Recovery Programme Required			
Training Budget	200	400	400
Regeneration & Growth	100	200	200
Building Maintenance	150	200	200
Homelessness Prevention - Invest to Save	100	200	200
	735	2,280	2,515
Optional Items			
Office Accommodation	-20	-50	-50
Street Cleaning	75	75	75
	790	2,305	2,540
Further Proposals			
Car Parks Income	-500	-500	-500
Leisure Income	-200	-200	-200
Parks Savings	-100	-250	-250
Bulky Waste	-50	-50	-50
Youth Provision	60	60	60
Efficiency Savings		-250	-250
Funding Gap	0	1,115	1,350



Northampton Borough Council

BUDGET & COUNCIL TAX CONSULTATION IN NORTHAMPTON – 2007/2008

Results

1.0 INTRODUCTION

BACKGROUND

- 1.1 Northampton Borough Council is committed to working with local people to improve the services that it provides and to deliver them in the most efficient way. One of the Council's priorities is to improve its interaction with the public and to listen to local people and provide the services they need. In that spirit, the budget consultation process for setting the budget for 2007/08 has been more wide reaching than in previous years. We will learn from our experiences this year and continue to improve our consultation techniques and how we use this information year on year.
- 1.2 Northampton Borough Council currently estimates a budget shortfall of £3.15 million for the services that it plans to provide in 2007/2008. This leaves the Council with some difficult decisions to make in order to address that shortfall.
- 1.3 The Council's Administration has produced a range of proposed savings totalling approximately £4 million. These proposals have formed the basis of the budget consultation process.
- 1.4 The results of the consultation process are contained within this report. They will be used to help guide the Council in setting a balanced budget.

AIMS OF THE EXERCISE

- 1.5 The aim of this consultation exercise was to gain an insight into local people's views so that the council can take them into account when setting a balanced budget.
- 1.6 The consultation exercise set out to find out opinion regarding which services, from a range of options local people would view as important to them and conversely those that were not.
- 1.7 The options were developed by senior managers and Councillors considering which non-statutory services could be cut, reduced or provided in a different way, in light of the strategic priorities that have been set for 2007-2008.

2.0 METHODOLOGY

2.1 The methods used to capture views were a questionnaire, workshops, open meetings and staff briefings. There are many methods of conducting research and in this instance we did not undertake this consultation exercise using sampling methods and therefore the results do not statistically represent the views of the population of Northampton. However, given the nature of the budget proposals and the number of responses, whilst the results may not be statistically significant they are indicative of the views of the people and organisations within Northampton.

WHAT DID WE DO?

2.2 The following groups of people were included within the process:

- General public
- NBC employees
- Business Community
- Local Strategic Partnership and other agencies
- Area Partnerships and Community Forums

2.3 A questionnaire was developed based upon the proposed policy options for budget savings and the possible impact on the community.

2.4 The questionnaire (Appendix A) and 'Policy Options for Budget Savings' document were available to download and complete on-line via the Council's website and intranet. An e-mail address, freepost address and consultation telephone hot-line were set up to receive comments/views etc.

2.5 The workshops, open meetings and staff briefing were designed to present the options and to note views, comments and questions. It was an opportunity for the Council to gather alternative ways of making savings.

2.6 Two workshops were conducted with the members of the Council's Area Partnerships and Community Forums. The Council's Community Forums include representation from old people, young people, disabled people, ethnic minorities, gay, lesbian and bisexual people.

2.7 Representatives from 26 groups, Council partners, businesses and agencies attended two meetings where their views were gathered.

- 2.8 The consultation exercise was well advertised through the media. The media attended both public open meetings.
- 2.9 The Chronicle and Echo newspaper ran a campaign to gather views. The results of that campaign have not been submitted to the Council, therefore they do not form part of the results.
- 2.10 The results from the questionnaire have produced quantitative and qualitative data, whilst the feedback from the various meetings in the form of support, non-support and comments has produced qualitative data. The results from both the quantitative and qualitative data are detailed within this report.

WHAT RESPONSE DID WE GET?

- 2.11 The following meetings were attended and responses made:
- Approximately 350 staff attended 5 information sessions.
 - Approximately 150 local people attended the public open meetings.
 - 377 completed questionnaires
 - 935 comments were made via letter, phone call and e-mail.
 - Petitions/campaigns were received from the following:
 - Lings Forum
 - Kingsthorpe Community College (supporting Lings)
 - Thorplands Primary school (supporting Lings)
 - Bellinge Primary school (supporting Lings)
 - Ecton Brook primary School (supporting Lings)
 - Royal & Derngate Theatres
 - Neighbourhood Wardens
 - Welfare Rights
 - Tourist Information Centre/N'pton Enterprise Ltd

3.0 KEY FINDINGS

3.1 The results and findings from the consultation exercise are presented in two sections:

1. Results from the questionnaire, and
2. What people had to say

RESULTS FROM THE QUESTIONNAIRES:

3.2 The results from the questionnaires are collated in two ways:

- those who responded that the services in question were very important to them, and
- those who ranked the service as not very important.

3.3 These two values viewed together enable an impression to be formed of their relative importance within each service category.

3.4 The values below are a numerical representation of how people ranked each service option. The ranking was not exclusive and people could rank any number of services as equally important or not, it is not possible to provide a meaningful percentage

Question 1:

3.5 We asked people to prioritise from a list of services identified for possible savings, the order of importance of those services to them.

3.6 The following table shows how those services were ranked. We have shown in bold type where there are strong views either way.

Housing Services & Money Advice	Most important	Least important	Street Cleansing & Grounds Maintenance	Most Important	Least important	Parks & Public Amenities	Most Important	Least important	Community Safety & Wellbeing	Most Important	Least important	Community Centre & Community Grants	Most Important	Least important	Tourism, Arts, Leisure & Sport	Most Important	Least important	Civic News-paper	Most important	Least important
	91	127		247	21		193	19		178	36		91	98		129	91		15	322

Points for noting:

- 3.7 People had a strong view about the importance of street cleansing, parks & public amenities and community safety. The scores above show that these areas were most importance to them whereas housing services & money advice, and community centres & community grants did not show a strong view either way, which may indicate that those who use the service valued it highly and that those who did not use the service did not value it greatly. Those using the service may also be thought of as vulnerable and as a group of people responding to the questionnaire, the proportion of people using the housing & money advice, and the community centres may well be lower than those who do not.
- 3.8 People had a strong view about discontinuing the civic newspaper.

Question 2:

- 3.9 We then went on to ask people to prioritise within service areas those areas most important to them. The following table shows how people responded for each service category. We have shown in bold type where there are strong views either way:

Housing Services and Money Advice	Most Important	Least important
Private Sector Housing	133	195
Environmental Health	289	55
District Offices	89	242
Housing & money Advice Centre	146	180
Street Cleansing and Grounds Maintenance		
Street Cleansing	328	29
Weed Spraying	107	228
Grounds Maintenance	211	131
Graffiti Removal	184	155
Parks and Public Amenities		
Park Ranger	149	190
Public Toilets	197	152

Community Safety & Wellbeing		
Community Safety	250	92
Anti-social Behaviour Unit	210	135
Health, Wellbeing & Access	114	220
Neighbourhood Wardens services	163	176
Community Centre and Community Grants		
Community Centres	222	123
Community Grants	93	243
Tourism, Arts, Leisure and Sports		
Leisure Centres	248	32
Arts Development	51	120
Events	74	50
Licensing & Supervision of Community Events	59	83
Tourism	76	71
Sports Development	128	55
Christmas Lights	40	219
Community Grants – Royal & Derngate	115	119

Points for noting:

- 3.10 People had strong views about the importance of street cleaning, environmental health, community safety, leisure centres and sports development.
- 3.11 People had strong views about support for the discontinuance of district offices, community grants, Christmas lights, the civic newspaper and arts development.
- 3.12 Almost equal numbers ranked the community grant for the Royal and Derngate either as very important to them or least important to them.
- 3.13 People completing this questionnaire may be from a cross section of the population of Northampton, who wish to express their opinions about the range of options for savings. The Royal and Derngate has passed onto the Council a petition containing 5,357 signatures in support of maintaining NBC funding. It should be noted that whilst the petition shows strong support to maintain NBC grant, amongst many users of the Royal and Derngate, the questionnaire completed by users and non-users does not show a clear result either way for the theatre.

3.14 A number of other petitions were also submitted, the most significant being that supporting Lings Forum. 2,855 signatures were received. The petition shows strong support amongst the many users of Lings Forum and the cinema to keep it open, the questionnaire completed by users and non-users mirrors this support.

Question 3:

3.15 We asked people about an increase to the Council Tax. We asked that they choose between a rise of 3% and 5%. The increase in Council Tax for 2007/08 is budgeted at 3%. Council Tax could be increased to 5%. Each additional 1% represents £130,000. Therefore raising the Council Tax by 5% could raise an additional £260,000. This would reduce the number of savings that we need to make.

3.16 The results were as follows:

Increase on Council Tax		
3%	198	53%
5%	153	40%
No response	26	7%

Points for noting:

3.17 People commented that they would not object to an increase in Council Tax if there were no cuts.

WHAT PEOPLE HAD TO SAY

3.18 People's comments are recorded in this report in three ways:

- Comments made from the questionnaires, workshops, public meetings, e-mails, letters and telephone calls that relate to the specific proposal contained within the Policy Options Budget Savings document.
- Comments made about savings in other areas.
- Petition and campaigns

3.19 The following tables show the comments that were made that related directly to the services areas within the questionnaire.

Service Area		Keep	Cut
Housing Services & Money Advice	Private Sector Housing	0	3
	Environmental Health	5	2
	District Offices	3	3
	Housing & Money Advice Centre	4	2

People also said:

- If District Offices are cut then alternative arrangements for vulnerable people would need to be made.
- Any move of the H&MAC to the OSS should be supported by alternative funding arrangements
- Any move may compromise the perceived independence of the service.
- Any cut in the service would need to be commissioned to the voluntary sector.
- If the Visitor Centre was moved then the H&MAC could relocate and Fish Street could be sold.

Service Area		Keep	Cut
Street Cleaning & Grounds Maintenance	Street Cleaning	21	3
	Weed spraying	5	1
	Grounds Maintenance	10	2
	Graffiti Removal	11	2

People also said:

- Increased enforcement
- Streamline/rationalise service
- Charge NHS/PCT for collection of clinical waste
- Increase bulk collection
- Increase refuse shift length
- Reduce grounds maintenance or fund privately
- Use probationers/community service for Graffiti removal
- Reduction in graffiti removal affects the perception of safety
- Adverse impact on Council priority 'Cleaner, Greener'

Service Area		Keep	Cut
Parks & Public Amenities	Park Rangers	5	2
	Public Conveniences	16	4

People also said:

- Keep Sheep Street loos open and close others
- Close underused toilets but keep the park ones open
- Make a small charge and keep open
- Private funding perhaps from shops
- Use probationers/community service to clean
- Park Rangers contribute to community safety and loss may increase crime and anti-social behaviour in parks

Service Area		Keep	Cut
Community Safety & Wellbeing	Community Safety	5	1
	ASBU	8	1
	Health, Wellbeing & Access	2	0
	Neighbourhood wardens	35	3

People also said:

- Parents should pay for anti-social children
- ASBU not effective
- NW need to enforce litter laws – not just report
- Partnership approach would be weakened
- Possible increase in anti-social behaviour
- Public confidence in crime reduction such as anti-social behaviour maybe weakened.
- Loss expertise in ‘designing out crime’.
- Adverse impact on Council priority ‘Safer, Stronger Communities’
- Loss of expertise to meet Disability Discrimination legislative requirement

Service Area		Keep	Cut
Community Centres and Community Grants	Community Centres	15	4
	Community Grants	41	6

People also said:

- Tender service
- Maintenance to be carried out by community members
- Charge for use
- Give centres to the community to manage
- Give support only to disabled people
- Impact assessment needed

- Welfare Rights is an invaluable source of information and help and is available to the most vulnerable in our town
- Loss of grants would mean loss of match funding which may result in closure of the service
- Loss of Community Grants would put most vulnerable at risk
- Adverse impact on the development of a strong and viable voluntary and community sector

Service Area		Keep	Cut
Tourism, Arts, Leisure & Sport	Leisure Centres	279	4
	Arts Development	224	5
	Events	108	14
	Licensing & supervision of Community Events	1	0
	Tourism	8	5
	Sports development	44	2
	Christmas Lights	4	11
	Community grants Royal & Derngate	257	16

People also said:

- Find alternate providers for Events, Festivals, Lings
- Get lottery funding
- Keep Lings open-close Mounts
- Increase charges e.g. pay for admittance to museums to raise revenue
- Consider efficiencies, e.g. reduce pool temperatures
- Lings is unique provider. E.g alternative cinema, affordable swimming lessons, facilities for special needs, only public squash courts in the town
- Closure of Lings would have a knock on impact on many clubs, the police service, NHS, & of the Royal and Derngate an impact on students/university
- Impact Assessment needed
- Impact on health e.g. tackling obesity, life-style diseases
- Impact on anti-social behaviour and youth offending
- Use Fish Market for Arts Development
- Use commercial sponsorship/tender out

- Private/ Self Funding
- Bring back Npton show (and charge entry fee)
- Loss would damage communities e.g. Lings seen as heart of the community, many can not afford private facilities, not able to travel.
- Leverage on other tourism partners would be damaged
- Think about the Olympics
- Impact on the cultural and sporting life of Northampton, beacon/oasis of culture
- Businesses to support the Royal & Derngate/Find sponsors for Royal & Derngate
- Theatres part of town regeneration, attracts tourists, supports employment
- Why was funding for Lings and Royal & Derngate refurbishment allowed
- Loss of grants would mean loss of match funding which may result in closure of the Royal and Derngate
- Once these facilities are gone they are difficult if not impossible to get back

Service Area		Keep	Cut
Civic news paper	Civic Newspaper	0	14

3.20 No support was received regarding the civic newspaper

3.21 The next set of tables shows the comments that were made about savings in other areas.

Topic Area	Comment	Frequency
Management – Chief Executive	▪ Remove/ resign	12
	▪ Reduce Support staff	1
	▪ Live in locality	1
	▪ Reduce income	4
Management – Councillors	▪ Work together and take responsibility	3
	▪ Trust your staff and support them – don't give contradictory orders	1
	▪ Get rid off all/ reduce/ do not stand for re-election	10
	▪ Proved 7 years of own accounts before elected (to show money management)	1
	▪ Slash expenses/ donate	15
Management – Senior Management	▪ Reduce their salaries and pay off clauses	16
	▪ Employ better supervisors	3
	▪ Use operational managers to deliver/ have more people on the ground	5
	▪ Reduce (Cost of 2 Corp. Managers = 1% Council Tax increase)	5
	▪ Sack/ restructure	2
	▪ Get rid of those who made financial decisions creating current problems/ employ people who can budget properly	5
	▪ Stop awaydays and expensive meals	2
	▪ Have proper financial plan/ have the guts to put things right without deferring responsibility	3
▪ Produce a full organisational tree for each area	1	
Management – Middle Management	▪ Reduce	1
Management – Communications	▪ Stop negative press and be open and honest	1
	▪ Stop talking and listen	2
Management – morale	▪ Boost	1
The Council	▪ Become a unitary Council	2
	▪ Transfer facilities/ ownership of Community centres to parish Councils e.g. Blacky More Community Centre (could produce savings of £9,000 in capital charges)	3
	▪ Downsize	1

Topic Area	Comment	Frequency
Management Consultants/ interim Managers/ Agency staff	<ul style="list-style-type: none"> ▪ Stop using consultants 	54
Parking	<ul style="list-style-type: none"> ▪ Provide free to shoppers ▪ Privatise (NCP) 	1 1
Council Cuts	<ul style="list-style-type: none"> ▪ Look at internal savings rather than public services ▪ Stop making people redundant ▪ Stop making people redundant and then re-employing them ▪ Stop bonuses for refuse workers 	3 1 1 3
Energy	<ul style="list-style-type: none"> ▪ Use substation ▪ Hire generates ▪ Use trade fuels (BIFFA) 	1 1 1
Contractors	<ul style="list-style-type: none"> ▪ Stop using 	1
Priorities	<ul style="list-style-type: none"> ▪ Only statutory 	2
Vision	<ul style="list-style-type: none"> ▪ Defer – concentrate on performance whilst planning for the future 	1
Housing – Voids	<ul style="list-style-type: none"> ▪ Reduce void properties to increase rent income ▪ Don't worry about government/ audit requirements 	3 1
Sell off the land	<ul style="list-style-type: none"> ▪ Dispose of depots ▪ Bus station ▪ Dispose of council house 	2 1 3
Staff/ Services	<ul style="list-style-type: none"> • Reduce Press and PR expenses as not working • Cut support services - not front line - contract legal/IT • Withdraw professional fees as individuals can offset against tax but council cannot • Reduce wages unless value for money • Improve website and online services (this would allow for staff reductions) • Administer only mandatory services • Freeze pay • Reduce publicity • Raise revenue options/Use industry to fund/ include waste contracts for waste removal from businesses • Use flexible hours to rationalise staffing levels • Reduce spending on homelessness 	1 2 1 1 1 2 1 1 4 1 2

Topic Area	Comment	Frequency
	<ul style="list-style-type: none"> • Cut revenues and benefits • Complete root and branch and reconsider usefulness • Cut Staff Counselling Services • Stop using Mears • Remove Political assistants • Make Customer Services a Corporate responsibility and mainstream • Charge for parking at Council Offices • Gauge interest in voluntary redundancy for all staff • Stop funding Christmas/Diwali • Stop minibus service for employees • Use better procurement • Cut frequency of office cleaning/ promote in-house cleaning • Get rid of essential car users allowance • Join up departments • Use approved suppliers 	<p>1</p> <p>4</p> <p>2</p> <p>5</p> <p>1</p> <p>1</p> <p>6</p> <p>1</p> <p>4</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>
Parking	<ul style="list-style-type: none"> • Lower fees • Allow free parking on set days to revitalise shops • Charge for illegal verge parking • Increase fees 	<p>1</p> <p>1</p> <p>1</p> <p>1</p>
In House facilities	<ul style="list-style-type: none"> • Stop bottled water/milk • Reduce/cut hospitality • Improve energy efficiency and cut waste (turn lights out and turn equipment off, etc) • Charge for rubbish bags • Better use of office space and sites to rent out free space created 	<p>3</p> <p>3</p> <p>4</p> <p>1</p> <p>3</p>
Printing	<ul style="list-style-type: none"> • Stop using glossy brochures/ print double sided 	<p>1</p>
Chewing gum	<ul style="list-style-type: none"> • Fine culprits 	<p>7</p>
Translating facilities	<ul style="list-style-type: none"> • Stop wasting money on this 	<p>1</p>
Statues	<ul style="list-style-type: none"> • Do not contribute to these 	<p>1</p>
Asylum seekers	<ul style="list-style-type: none"> • Stop housing 	<p>5</p>
Surveys	<ul style="list-style-type: none"> • Use only email versions to save money 	<p>3</p>
Services	<ul style="list-style-type: none"> • Capitalise on Raw Data regulations to cover costs (Ass. Land Charges Register) 	<p>1</p>
Environmental Health	<ul style="list-style-type: none"> • Explain why only £10k saving proposed out of £1.1m budget 	<p>1</p>

Topic Area	Comment	Frequency
Cobblers	<ul style="list-style-type: none"> • Stop funding them 	1
Suggestions	<ul style="list-style-type: none"> • Introduce a car levy to every car owner • Contract out maintenance • Subcontracting-defer until budget agreed • Cut out fraud and waste • Change boxes to bins to stop litter • Provide training using internal resources • Check with other councils who have balanced their books to see how they have done it • Join councils -become unitary • Close Cliftonville building • Covered market could be used for antiques • Organise own lottery scheme • Outsource accounting • Stop using corporate credit cards • Set up Budget Busters Team to investigate high expenditure 	1 1 1 2 1 1 1 4 1 2 1 1 1 1
Mayoralty	<ul style="list-style-type: none"> • Consider if this is needed • Mayor to drive himself • Sell off mayor's number plate 	2 1 2
Social Club	<ul style="list-style-type: none"> • Consider need 	1
Godwin Room chairs	<ul style="list-style-type: none"> • Sell to raise money • Exploit history 	1 1
Government	<ul style="list-style-type: none"> • Ask for more funds • Ask for intervention 	3 1
16/17 year olds	<ul style="list-style-type: none"> • Renegotiate with NCC 	1
Partnership working	<ul style="list-style-type: none"> • Second staff to 3rd sector agencies to assist in provision of solutions etc. • Check commitment to deliver LAA outcomes 	1 9
Telephones	<ul style="list-style-type: none"> • Review mobile phone/ all phones 	2

3.22 The following shows the number of signatures received from petitions and campaigns:

○ Lings Forum	2531 signatures
▪ Kingsthorpe Community College (supporting Lings)	16 signatures
▪ Thorplands Primary school (supporting Lings)	23 signature
▪ Bellinge Primary school (supporting Lings)	218 signatures
▪ Ecton Brook primary School (supporting Lings)	67 signatures
Sub total	2,855 signatures
○ Royal & Derngate Theatres	5357 signatures
○ Neighbourhood Wardens	77 signatures
○ Welfare Rights	44 signatures
○ Tourist Information Centre/N'pton Enterprise Ltd	85 signatures
TOTAL	9,752 signatures

4.0 PARTNERS AND KEY ORGANISATIONS

- 4.1 A meeting for the Council's partners and key organisations was held at the Guildhall on the 17th of January 2007. 26 organisations were represented. The minutes can be seen at appendix B
- 4.2 A meeting for the business community, arranged via the Northamptonshire Chamber of Commerce was held at the Guildhall on the 19th of January 2007. Unfortunately only two organisations were represented. The minutes can be seen at appendix C.

5.0 TRADE UNIONS

- 5.1 The Trade Unions attended the staff meetings. Their collective comments can be viewed at appendix D.

6.0 QUESTIONS & ANSWERS

- 6.1 Two open meetings for the public were held at the Guildhall on the 18th of January 2007. In total approximately 150 people attended. The media was also present at both these meetings.
- 6.2 During these sessions members of the public requested that all the questions raised are recorded along with the answers and both made available in the final consultation results report. These questions and answers will be made available on the Council website along with this document.

7.0 EQUALITIES

- 7.1 From its inception the consultation process was designed to make sure that it was accessible to all local people, businesses, partners of the Council and the voluntary community (the third sector). The methods and groups of people included in the consultation plan are detailed in section 2 but specifically, we paid attention to those communities that may be adversely affected by the policy options for budget savings proposed by the Council.
- 7.2 In light of this, information on the proposals was circulated to the members of the Council's Area Partnerships and Community Forums. This included approximately 2000 organisations and individuals. Many of the members of these groups have their own

networks that they feed information onto therefore the ripple effect of this means that many more would have had access to the information.

- 7.3 Members of the Area Partnerships and Community Forums were also invited to attend two workshops held at the Guildhall on the 9th January 2007 in order to gather their views as to the impact that the proposals may have on them or their organisations. In addition written submissions were also received. The results of these workshops have been include with the section that deals with comments.
- 7.4 The public were made aware of the Council's proposals and the consultation process through invitations to specific vulnerable groups as mentioned above via the Area Partnerships and Community Forums, and through press releases. The media coverage to the proposals and various meetings has been and continues to be extensive. The local press has run its own campaign and this plus the very nature of the proposals means that people know about it and have access to the information being consulted upon.
- 7.5 Cabinet is due to meet on the 29th of January and they will be considering the results of the consultation process and then they will be making recommendations to Full Council. Equality Impact Assessments will be carried out on these recommendations as appropriate. The results of these assessments and any mitigation will be made available to Councillors at Full Council when the budget will be set on the 13th of February 2007.

8.0 LESSONS TO BE LEARNT

- 8.1 During the consultation process a number of comments were made about the way in which this exercise has been undertaken. In summary they are:
- People said that there was a need for Councillors to be present at all the consultation meetings to answer questions
 - People felt that there was not enough information available at the meetings
 - It was felt that there was not enough detail available about the various options being proposed.
 - Overwhelmingly people felt that the consultation period was not long enough.
 - People said that the public meeting were held too close to the consultation deadline
 - People were unclear about the decision making process
 - There was generally some wariness about how people's views would be captured and reported
 - Some people felt that the presentation of the proposals was difficult to understand
 - Some people said that they would like a draft budget to consider, that contained the Cabinet preferred choice and a number of alternatives.

- People said that they would like meetings to be spread across a number of different dates

8.2 At the start of this document it was stated that the Council is committed to working with local people and to listening to what they have to say. The views and opinions expressed about the process will be taken on board when we carry out all future consultation and in particular when we come to the budget consultation period again next year.

Report authors: **Simone Wade & Silvina Katz**
 Governance & Policy



Consultation on policy options for budget savings

We are seeking your views to guide the council in setting its budget for the next financial year (April 2007 to March 2008).

We have some very difficult decisions to make because currently there is an estimated budget shortfall of £3.15 million. In order to address the shortfall a range of budgetary options totalling approximately £4 million has been compiled. The options range from increasing council tax, cutting back on the frequency of services such as graffiti removal and street cleaning, reducing grants to external bodies, discontinuing some services and further centralising some customer services.

The causes of the shortfall range from a higher than expected take-up of the concessionary fares scheme, increases in energy prices through to some services achieving lower levels of income than expected.

The council has already taken action by reducing management staff costs saving £3 million and we are now looking for a further £1.1 million saving to be achieved through a value for money and efficiency initiative. This value for money drive includes improved procurement of necessary purchases, sharing costs with other councils and partners through more efficient partnership working and using technology to best effect.

This consultation process is more important than ever. Your views will help guide the council in making policy and setting a balanced budget on which to build a secure and sustainable future.

Thank you for taking part in the consultation. If you would like to express a view, put forward different ideas or make a suggestion as to how we might better deal with these issues, this is your opportunity. If you need more time and space to do so, then email us at budget@northampton.gov.uk or contact to us on (01604) 838569 or write to us at:

Northampton Borough Council, Governance office, 2nd floor,
Freepost MIDI 7237, Northampton, NN1 1WJ

Full details of the Budget Consultation Option Savings for 2007/08 can be found at www.northampton.gov.uk/budgetconsultation

**Thank you for your contribution to our budget setting process.
Please return by 22 January 2007**

Service Areas where proposed savings have been identified

Options for savings are being proposed in the areas below. Please prioritise the following services you receive in order of importance to you. Please use 1 (most important) to 7 (least important)

Areas where savings are being proposed/ ranking (1-7)

- | | | | |
|--|--------------------------|--|--------------------------|
| Housing Services and Money Advice Centre | <input type="checkbox"/> | Community Centres and Community Grants | <input type="checkbox"/> |
| Street Cleaning and Grounds Maintenance | <input type="checkbox"/> | Tourism, Arts, Leisure and Sport | <input type="checkbox"/> |
| Parks and Public Amenities | <input type="checkbox"/> | Civic Newspaper | <input type="checkbox"/> |
| Community Safety and Wellbeing | <input type="checkbox"/> | | |

We will have to make cost savings in some of the following service areas. To help us prioritise please indicate below which service areas are most important to you. (1 = most important)

1. Housing Services and Money Advice

- Private Sector Housing Environmental Health District Offices
Housing & Money Advice Centre

2. Street Cleaning and Grounds Maintenance

- Street cleaning Weed Spraying Grounds maintenance Graffiti removal

3. Parks and Public Amenities

- Park Rangers Public Conveniences

4. Community Safety and Wellbeing

- Community Safety Anti-Social Behaviour Unit Health, Wellbeing & Access
Neighbourhood Warden Service

5. Community Centres and Community Grants

- Community Centres Community Grants

6. Tourism, Arts, Leisure and Sport

- Leisure Centres Arts development Events
Licensing & Supervision of Community Events Tourism Sports Development
Christmas Lights Community Grants-Royal & Derngate

7. Civic Newspaper (please ✓ if you think we should continue to publish)

- Civic Newspaper

Increase on Council Tax

The increase in council tax for 2007/2008 is budgeted at 3%. Council tax could be increased to 5%. Each additional 1% represents £130,000. Therefore raising the council tax by 5% would raise an additional £260,000. This would reduce the number of savings we need to make.

Council Tax Increase: 3% 5% (please tick one option)

Your Ideas, Comments and Suggestions:

**NORTHAMPTON BOROUGH COUNCIL
BUDGET CONSULTATION 2007/08**

**NOTES OF MEETING HELD ON 17TH JANUARY 2007
8.30am – 10.00am**

PRESENT

Ian Thompson	NBC
Nicci Marzec	NBC
Cllr Brian Markham	NBC / Northampton Local Strategic Partnership
Ann Bodsworth	Northampton Womens Aid
Peggy Shelson	Northampton Womens Aid
Chris Starmer	Northampton Womens Aid
David Randall	Northamptonshire Enterprise Ltd
Jack Knowles	Ability Northants
Sandra Bell	Ability Northants
Dennis Attfield	Ability Northants (Northamptonshire Shopmobility)
Ann Gilbert	Northampton Volunteering Centre
Ruth Light	Northampton Volunteering Centre
Donna Munday	Royal and Derngate Theatres
Peter Storey	Northants YMCS / Northampton Voluntary & Community Sector Forum
Derry Miller	Age Concern N'ptonshire / N'ptv & CSF / Comm Member Welfare Rights
Rosemary Hadaway	Enterprise Training Project
Keith Goodwin	Northampton Door to Door Service
Mary Clarke	Doddridge Centre
Liz Carroll -Wheet	Northampton Irish Support Group & Northampton Carnival Consortium
John Nightingale	Manna House Counselling Service
Vic Winchcombe	Chair – The Manna House Trust
Paul Chaplin	CVS Northamptonshire
Martin Lord	Northampton & District Citizens Advice Bureau
Sue Hutchings	Doddridge Centre
Julie Silver	Welfare Rights Advice Service Northampton
Paul Phillips	Northants Police
Brian Mutlow	Northamptonshire CDA Ltd

1.	Presentation on Budget Consultation 2007/8 Presentation by Ian Thompson, Interim Finance Director at NBC, to provide an overview to attendees regarding the funding gap of £3m on a budget of £65m.	

2. A summary of points raised during the discussion following the presentation.

- Concern that there were no specific references to the actual grants that might be affected in the consultation document and the Public need to be aware of the potential service cuts they face as a result of the reduction in funding to Voluntary Services. It was suggested that a list of grants should be published, as people do not understand what “Community Grants” means and how cuts in funding to this area might directly affect them.
- The economic and social impact of reducing any Voluntary Sector services should be considered by the Council
- There was criticism regarding the consultation paper, which was put out for discussion too late.
- Councillors should have a strategy about what services they are looking to have in the Community and from that consider each service individually.
- Had the Council considered the detrimental impact on the revenue NBC would receive from parking if the Royal and Derngate Theatres closed as a result of a reduction in funding.
- The process that would be used by the Council to present the Consultation information to Councillors was questioned, and whether there would be procedures in place to ensure that Councillors see all the views that are received. [The response was that a summary of key themes emerging from the consultation would be presented as an appendix to the report for 29th January and that all detailed comments received would be made available as background documentation.]
- It was suggested that there is a lack of foresight regarding the impact that reducing grants to Voluntary Sector organisations would have on Northampton. Without the support of these organisations it is likely that Northampton will see a rise in anti social behaviour and, for example, problems such as graffiti – The YMCA advised that without the funding they would be unable to assist in helping the Council recover from such problems.
- It was questioned whether NBC had lost a significant amount of its’ customers in the town centre to Milton Keynes (and therefore seen reductions in Car Park revenue). It was requested that the Council consider the redevelopment of the town, or as a result of the funding problems it is likely that the town will deteriorate.
- Concern that if a Voluntary Organisation is forced to become insolvent as a result of a reduction in funding by NBC, that it would be impossible to get funding in the future; Organisations need to prove financial viability. The Council needs to ensure it considers the value attached to voluntary organisations that is the volunteer element. With reducing the funding available to Voluntary Organisations the Council may be able to make savings but in trying to provide these services internally would incur much higher costs.

- Paul Philips, Area Commander for Northamptonshire Police advised that while he empathises with the problems arising due to Budget issues, The Police can't easily promote and improve Community Safety without the help of all the organisations present at the Consultation meeting. It was also identified that the Police would experience greater pressure without the support and assistance of the Neighbourhood Wardens and Park Rangers.
- With regards to the strategy for recovery (to which NBC have given a 3 year time horizon) – it was put forward that 3 years is long enough to put an end to a voluntary service (maybe in some cases even 1 year), and it was argued that these services cannot be resurrected simply by re-starting the funding at a later date.
- It was requested that the Council considers the implications of reducing funding on the financial support that some of these organisations receive from other businesses. It was identified that NCC recognises this.
- Had the Council considered the implications on their customers if the Housing Money Advice Centre is moved to The One Stop Shop? The Council must consider that one of the benefits at present is its semi-independence, and in moving to the One Stop Shop it may not be able to maintain its' LSC quality mark. The Council should consider the potential savings that could be made if these services were passed to the independent sector.
- With regards to Corporate Regeneration, it was asked whether the Council had considered the credibility of this strategy and how other major partners would view it when they savings options affecting Arts and Culture, Tourism and Leisure. The Council needs to consider that it will affect funding with other partners in the future.
- Criticisms were expressed about the exclusion of Northampton Door to Door Service from the savings options; it was argued that it is totally inappropriate to exclude one organisation.
- It was contended that if these Organisations have to close and are not present within the community to help people through their problems then the progress that has been made so far will start to go backwards.
- The Council should consider looking at whether buildings are being used efficiently enough and whether there are savings to be made.
- Community centres have been identified as an area where savings could be made. However, it was argued that they are key to the community and there already isn't enough space at present.
- The Council needs to consider its statutory duty with regards to the Disability Discrimination Act and the Council's own Equality and Diversity Policy. Ability Northants (Shopmobility Northampton) advised that without funding they would contact the Disability Equality Commission and would be legally challenging the Borough Council 's consultation arguing that the consultation is flawed.

Further additional points made after the meeting:

“1. On several occasions the notes refer to the Voluntary Sector, when they should refer to the Voluntary and Community Sector (VCS).

2. At the meeting I pointed out that we had not been provided with enough information as to how the areas proposed had been chosen, as opposed to other areas, which could well have been less of a priority.

2.1 I gave previous examples of the £400k spend on redevelopment of the Cliftonville House reception area and also the £10m committed to capital spend with partners such as West Northants Development Corporation, which some might not have seen as priorities.

2.2 The reply was that this was capital and not revenue spend but my subsidiary point was that capital - based initiatives such as the Milton Keynes South Midlands Expansion would, in view of the increase in population, create a higher demand for community and voluntary sector groups and services, not a lower demand, making the proposed cuts even more short-sighted.

3. Another VCS representative asked who had drafted the proposals and was told that Officers had drafted them.

4. I raised the issue that the consultation exercise was flawed because people had not been given enough time or information to enable them to make informed decisions.

4.1 I read directly from a "Forums and Local Area Partnerships Budget Consultation 2006" invitation letter, quoting: " *There is no material to be sent out prior to the day and no preparation required from participants*".

4.2 Officers explained that Elected Members only had sight of the proposals on 8th January and in view of the fact that the first Consultation meeting was set for the 9th January, there had been no possibility of providing better consultation.

4.3 One of the VCS representatives countered that Elected Members were due to have met at a pre-Cabinet Meeting on 18th December to discuss the proposals, but had been prevented from doing so because the figures were not available to them; hence the fact that the public had been provided with only 2 weeks notice to comment on the proposals.

5. Several people expressed dissatisfaction that none of the Cabinet Members were present.”

**NORTHAMPTON BOROUGH COUNCIL
BUDGET CONSULTATION 2007/08**

**NOTES OF MEETING HELD ON 19TH JANUARY 2007
8.30am – 10.00am**

PRESENT

Ian Thompson
Nicci Marzec
John Peet

Pauline Henderson

NBC
NBC

Partner – Shoosmiths Solicitors and a
Director of Northamptonshire Chamber
Policy Adviser at Northamptonshire
Chamber of Commerce

1.	<p>Presentation on Budget Consultation 2007/8 Presentation by Ian Thompson, Interim Finance Director at NBC, to provide an overview to attendees regarding the funding gap of £3m on a budget of £65m.</p>	
2.	<p>A summary of Points raised during the discussion following the presentation.</p> <ul style="list-style-type: none"> • Concern regarding the number of people who shop and use leisure facilities outside of Northampton (primarily in Milton Keynes). Had the Council considered the detrimental effect this would continue to have on the revenue of car parks in the town. • Concern regarding the inertia in Northampton – this is worsened by the fact that Milton Keynes has improved significantly over the last 5 years. Development of the Grosvenor Centre is key to the town. • Had the Council looked at performance management and efficiency through its' staff? It was suggested that the Council should to think creatively of new ways to work and use office space in order to be more efficient – the current methodology needs to be looked at very critically. • Had the Council considered a reduction in the general use of temporary staff, as much this is an expensive means of providing staff. • Concern that businesses already find it difficult to attract staff to Northampton from areas like London; it was contended that Northampton is a town that lacks charisma. • Concern regarding cuts to leisure services – this is what people want and is crucial in making Northampton a more vibrant place. Areas like this need to be developed in order to gear up for further growth in the population in the future. • Had the Council considered sharing services with NCC or other district/borough councils to share back office services in order to save 	

money? It was identified that Kettering and Wellingborough Borough Council's share legal services in order to save money.

- It was suggested that the Council needs to do more work in order to attract people who stay in the town. While it was argued that development around the edges of the town is good, work needs to be done in order to ensure this isn't just town that people use 'as a place to sleep'. Brown-field developments may be beneficial but houses don't necessarily bring positive elements to the area if the service levels and local facilities/amenities are poor.
- Had the Council considered the image of the town and how it would look if the Royal and Derngate Theatres were forced to close, having invested money in its refurbishment.
- Concern that the Council should be giving people what they want in terms of local services and not take them away so that they are forced to travel outside the town.
- There was criticism regarding the way in which businesses were invited to the consultation meeting, not giving people enough notice and not publicising the meeting widely enough.

TRADE UNION COMMENTS ON BUDGET PROPOSALS

As Trade Unions representing a significant number of members across all services of the Council we find ourselves yet again in a position where, due to the operation of the Council's finances our members are facing insecurity and threats to their jobs.

We are concerned that this is becoming a regular cycle and recall that within the last 2 years Northampton Borough Council employees were issued with Redundancy Notices, which were subsequently withdrawn. Since that time employees have gone through a Root and Branch Restructure, which was difficult and painful for many, the ongoing uncertainty being a source of demoralisation.

Despite this we remain confident that our members will continue to expedite their duties in a professional manner. For some time, staff in the Council's Finance department, many of whom are Trade Union members, reported to the Council, issues relating to ongoing budgets. Included in this process were recommendations to address the financial deficits within the budgets. We were and are disappointed that the Council chose to largely ignore these recommendations.

We believe that before any strategic decisions are taken which could lead to cuts in services, there should be independent and robust examination of the Council's finances.

The Trade Unions have sought financial information to support the Council's analysis but are disappointed that the information received provides little more detailed information than that in the budget proposals.

The Trade Unions are opposed to any Compulsory Redundancies and will be demanding that immediate measures are considered to ensure that any subsequent decisions on savings can be taken without employees being dismissed.

Street Cleaning

This service deals regularly with broken glass and discarded needles it is felt that there is a risk of injury to the public and children in particular if these are left lying around for a number of weeks. A dirty town would fly in the face of Healthy Living and other corporate priorities, businesses would not want to operate here and visitors would not chose to shop here. The cost impact on the town far outweighs any saving.

Employees feel that there should be more enforcement against littering, graffiti and fly tipping, this would produce some income but would be a deterrent against such behaviour and allow Street Cleansing to improve their service.

Grounds Maintenance

The Grounds Maintenance program is currently being run at an absolute minimum necessary, a reduction in manpower could mean that some areas become unmanageable and unusable. In the growing season regular cuts are essential or the mowers will not cope with the grass length. The loss of sports pitches would be another detriment to the health of the people and the future of Northampton. The service is currently able to respond to some emergency

requests from Councillors but this would no longer be possible if proposed cuts were made. Bushes and shrubs not maintained to a low height could impact on crime within the town.

Graffiti Removal

If graffiti is not kept under control at its current rate and the image of the town deteriorates, businesses in the town may consider relocating and new businesses may not want to come here, the potential loss of jobs to Northampton far outweighs the savings.

Why do 2 mobile cleaners who are agency staff cost us £180,000? Can the toilets be retained but cleaned in a more economic way by employed staff?

Anti Social behaviour Unit and Sports Development

Many of the diversionary activities these teams carry out save NBC money by keeping some of our more challenging young people positively active. Hundreds of children in Northampton's most deprived neighbourhoods will be affected. It would be naive to think that some of these young people will not be the source of much of the damage to NBC housing stock and other ASB once they are not alternatively engaged.

Neighbourhood Warden Service

If the Warden provision is to be removed then Housing Management and Estate Management would need to be reviewed as wardens spend a great deal of their time chasing related works and issues. Housing Officers would need to work more with the local communities. Perhaps Housing Officers could be upgraded to Neighbourhood Managers/Officers who cover such cross-cutting issues; this may mean a higher grade for each officer but could serve to partially mitigate the loss of the wardens in a number of key neighbourhood management areas.

Community Grants:

The total value of Community Grants (if large grants and small grants programmes are added together) is approximately £682K. Some £630K for large grants and nearly £53K for small grants.

Impact:

Reducing the commitment by 50% to approximately £382K will impact on smaller front line organisations. This is because the reduced budget would have to go on the larger more strategic organisations. This may be no bad thing given the amount of Borough residents catered for but government statistics show that in the UK 140 general charities account for over 60% of the total income of the sector as a whole despite 70% of the voluntary sector being made up of small front line local organisations.

Northampton Borough Council currently funds approximately 23 general charities through the large grants pot which itself constitutes some 92% of the total budget whilst the remaining 8% is given to small grants to Community organisations of various kinds. I would argue, and so too would the logic of Neighbourhood Renewal and LAA's that engaging the public at the grass roots level through direct grants is at least as important as engaging the public indirectly through large grants to larger organisations. Therefore, if the budget is reduced by 50% then

the split in funding between larger and smaller organisations needs to be rebalanced from the existing 92/8% to 60/40% or similar.

The further proposal to reduce the budget to nil would simply decimate the voluntary and community sector in Northampton. I would like to make recommendations for efficiency measures that in my view would save a lot of money each year and speed up processes and services to the voluntary sector. At present the small grants budget is made up of Arts, Sports and Community elements. Arts and Sports Development Teams also have their own separate development budgets to disperse in the form of grants at their discretion. The grants I administer are subject to open and accountable criteria, none of the others are.

Lings

This proposal would not appear to deliver any savings and may in fact cost the Council as the proposal states "Improvement of other facilities across the Borough". Lings Leisure centre is located exactly where it is needed, at the heart of the Eastern District. It has just achieved yet another award for service – QUEST –the highest quality accreditation for leisure. It works closely with the Health Service on the health of the people of Northampton. It runs swimming lessons every evening and Saturdays. It is used by 20 schools and 52 different groups, pensioners and disabled people. The cinema is a source of education and culture. Combined, the two are a unique and valuable resource to a huge area of the town, its loss would have a very negative impact on a great portion of the population of the town, it is likely the Council could never afford to replace it. The deed covering the gift of the land to the Council states that it is to be used for Leisure purpose only.

Arts Development and Events

The cutting of arts development and events seems a bad idea to me. Events like the Balloon festival are time consuming and costly to put on but they also put Northampton on the map and bring income and people into the town. If events like this are cut, what will the tourist and economic result be? Also look at how much external funding has been brought into the town through the cultural departments?

In light of recent development and proposed cuts is that considering that the Cultural and arts development departments have come out of recent reports as strong and successful parts of the council, why is it being proposed that these departments should be completely cut? Apparently the county council is also cutting their arts posts so that there will be no arts development left in Northampton whatsoever. Surely looking at the recent vision for Northampton, this is going to leave Northampton as a town without any aspirations. I understand that statutory services have to be kept but it strikes me that if you have a council depleted of everything but statutory services, what will actually be left to inspire, motivate and allow our residents to trust and have faith in us?

The Royal and Derngate Theatre Trust:

According to Agresso the approved Budget is £641.580K not £640 as specified in the consultation paper. According to Financial services this budget is over spent by £25K.

Impact of Reduction:

The Theatres Trust would lose some money but given that its grant is almost 100% of the total value of all remaining grants to the Voluntary Sector it is right that it should shoulder a greater burden. I do not know what the audience demographics are but I would wager that the bulk of the audience is NOT made up of Northampton Residents. Therefore the per capita effect will be negligible. The paper recommends that such a reduction would be dependent upon other funders increasing their share. This is not very realistic. Why would other funders want to increase their share and allow NBC to reduce its share? What motivation is there? It should not be dependent upon this. The reduction should go ahead and then the Theatres Trust should worry about how it intends to make up the difference.

Use of Consultants

The use or rather the abuse of public money for some consultants is appalling. I appreciate that a number of consultants are carrying out essential change management within the organisation but too many are learning their trade at NBC's expense. It has become clear in some areas that some consultants charging NBC between £500 and £1,000 per day for front line roles require training on basic systems they themselves are trying to introduce to NBC. This results in Consultants training their fellow Consultants on how to use a system they recommend. Meanwhile NBC pays £1,000s per day for the privilege.

Now we need to make cuts in the budget but it is still acceptable to pay Chief Exec costs to front line gap fillers who stay for 7 or 8 months and more. In many cases senior managers justify this by saying they are struggling to recruit to the roles in question. Proper investigation will show that this is not proven. In some cases jobs have only been advertised on one occasion before this excuse has been given. Who is monitoring the validity of such reasons? Would NBC employ some of the individuals they have accepted as consultants on a full time basis in the same role?

Further Proposals for Consideration

Highways

The Highway dept is currently carrying out non-statutory work for Atkins on behalf of the County Council. This generates an external income of £4m. Approximately £300,000 of that contributes to the Borough Council's on-costs and is identified in the budget as a cost the Council would have to carry if this arrangement ceased. In addition, the DLO makes a net profit of between £150,000-200,000, which would also be a loss to NBC. In short, the cost of closing the current Highways arrangement in June is £550,000 plus redundancy payments for the 40 staff and any on-costs incurred due to the early termination of lease vehicles and equipment. In recent weeks Atkins has had its contract extended until March 2008 and as a result has offered to extend the existing arrangement with the Borough Council. Unfortunately, NBC is deemed to be trading illegally by its legal team and has continued trading under the 'well-being' act. This could be rectified at NIL cost to the County Council if they were to state that the work is being carried out directly for them, but is overseen by Atkins. We therefore ask that the political party involved in running the 2 councils enter into urgent discussions to rectify the situation and, if necessary, ask Central Govt for its support, through the MP. This would give a net saving to the budget of £800,000 and would enable a profit-making department to continue trading, with added-value to the people of Northampton with its emergency call-out service.

Use of Technology

By providing people with better technology and more pc memory, could there be a point when hard copies and paper filing could be obliterated. This would help to lower stationary and printing costs, whilst also improving employees' use of their time. Less contractors, consultants and temps should be used - we should be monopolising on the skills and knowledge that already exist within the council and its current workforce.

Office Cleaning

Review the contracts for office cleaning with a view to reducing the frequency and costs, at the same time encourage staff to keep their own areas tidy.

Indoor Market

Let the Indoor market to a business who will pay a commercial rent for the property even on a short term basis.

Contractors

Review the use of contractors in all areas, discuss with staff how to incorporate the work at lesser costs.

Derngate Theatre

We understand that the Derngate Theatre actually receives £640,000 in funding we feel that the people of Northampton would not see this as such a high priority as street cleaning, grounds and parks maintenance and a Leisure Centre.

We are very concerned at the huge costs currently incurred by the use of inefficient advertising of posts in the national press, e.g an advert for one post cost £13,000 and yet we failed to recruit and consequently the post is to be re-advertised. Similarly, a group of regeneration posts were advertised at a cost of £9,000 and it was only after this that it was realised that there were internal staff who had the necessary skills and the adverts were pulled. At this current time there should be a full freeze on all external recruitment until this process is over. In addition there should be an evaluation of the costs of recruiting to all posts, which should establish whether firstly internal applicants have the required skills, followed by a local recruitment campaign.

Is this the Future?

Cutting front line services will make it almost impossible for us to improve in the eyes of the CPA and the people of Northampton, our streets will be littered with rubbish, glass and needles, our parks and open spaces unused and uncared for and our Leisure Centres closed. Graffiti and fly tips will make our estates unsightly, with nowhere for the young to go and nothing to be proud of. Neighbourhood wardens would not be there to help improve our environment and the quality of life of our tenants.

We urge the Council then, not to be the Council that goes down in history as the one who started Northampton on the slippery slope to hopelessness and despair, but the Council who strives for that higher vision of what our town could be, a town of hope and optimism.

ADDITIONAL COMMENTS ON BUDGET CONSULTATION FROM UNISON BRANCH

- Public Conveniences - Correction to Page 9 of Budget Savings Options – The 2x Mobile Toilet Cleaners are employed by NBC. They are not agency workers.
- Public Conveniences - There are 2 FTE on mobile toilets. If they stop this service it will affect this group of workers. There is confusion over the difference between static/mobile toilets.
- Trade Waste Service – If this service is not cost effective ie. Not making profit, then why was it not included in the Options.
- District Offices – Could close Spring Boroughs Housing Office as residents could use Guildhall. Do not close Kings Heath Housing Office, as this is located within an isolated and deprived area already. There is no Post office, public house or bank in this area. The Housing Office is a key part of the community. Closing district offices could have a negative effect on residents paying rent, ctax, etc. Use some foresight - developers are soon to build 1000's of houses on Dallington Grange. A Housing Office is a vital resource and is not expendable.
- Abandoned Vehicles - Incorporate the abandoned vehicle duties into the Neighbourhood Warden Service. Wardens are trained on the inspection and removal of abandoned/untaxed vehicles.
- Housing & Money Advice Centre – This serves the most vulnerable people in the community. How will the reconfiguration of this service happen? How did they arrive at the financial figures?
- Where is the detail/source of the financial figures?
- Where is the detail on the impact of these service cuts?
- Why are there cuts to services that effect the most vulnerable (as with NCC cuts) – the poor, elderly, young, disabled.
- The Public Consultation exercise was a farce.
 - The public (Trades Council) called a motion of no confidence in the consultation process and there was a unanimous show of hands.
 - Councillors/officers not available to answer public questions.
 - No copies of budget documents available.
 - Some Councillors left early as BBC question time was more important, did not stay the full course, Cllr Hadland attended 2nd hour only
 - No answers given on what may happen to Lings land considering the covenant on it
 - Improved advertising of public meeting.
 - Members of NBC staff unable to take copies of questionnaires filled in by public as could not trust themselves to hand them to Governance
 - Media not allowed in
 - Leisure income is £2.2m divide this by the 3 centres means Lings bring in approx £669k, closing Lings would save £250k max. Have been adverts to employ staff at other leisure centres when staff at Lings could be at risk

- Questions could not be answered, instead were collated – how will these be responded to?
 - Poor advertising of consultation and short period advertising it, had it been better advertised more members of the public would attend
-
- Why has the budget deficit only just come to light?
 - Why are they rushing through such ill-thought out/ill conceived plans?
 - Finance – Interim Finance Director oversaw the decisions that created the problems. He has now been brought back to sort out his own mess.
 - Pay & Grading – Will this ever finish? Speed it up. When completed we will know where better savings can be made ie. Salaries/posts.
 - Modernise computer systems. Decrease expensive bureaucracy.
 - Look at efficiencies in offices ie. Recycle resources this could include stationery, office furniture, PC's, etc.
 - WNDC – Does this quango have the right to make a profit, is it a business? As NBC has now lost income from planning applications. Can or does NBC make a charge or claim for services that we have provided to WNDC?
 - Scrap expensive catering at meetings.
 - Make all Managers pay for parking like the rest of the workforce (Guildhall).
 - Closure of the theatres will lose income from parking.
 - Make far better use of the public space in the market. Hold events and raise money to create more trade.
 - Use other agencies such as Probation Service to carry out environmental work eg. removal of graffiti, flytipping, etc.
 - Less corporate propaganda ie. Glossy framed pictures with 'our priorities' cost £40 each.
 - Who came up with the financial figures? Corporate Managers/Corporate Accountants or Service Managers?
 - Can NBC sell unused land to developers? Ie. Rat Island an area of waste ground, a Town Centre eyesore that has been left to degrade for many years.
 - Training – Keep this in-house, cut down on expensive consultants.
 - Consultants – Are these really necessary, use in-house skills, knowledge, etc. Trust Your Employees.

- Use of green energy sources for NBC office and buildings – Could save huge amounts. Also Guildhall too hot, windows permanently open
- If they cut theatre funding, the Arts Council will follow suit and they will close.
- Is anyone within NBC actively/sufficiently applying for external funding/grants?
- Scrap the Mayor's vehicle/necklace/pomp and ceremony.
- Cut the use of temporary workers across the council. Employ people on proper contracts, short contracts if necessary, this would save money. Would also improve loyalty, team building and the ultimately the service.
- It is felt that there is no unity or sense of common purpose amongst the political parties. Too much silo working, divisiveness, we should all 'Pull together in tough times'.
- Derrnate – Members of the public have mentioned reducing the price of tickets and drinks to create more revenue so that the Derrnate are less reliant on our funding. Should be more accessible to the majority not the minority
- Leisure – Could look at increasing prices for hiring out of facilities e.g. squash court
- Employment, in certain areas more cost effective to employ permanent staff than temporary staff, some areas have temporary staff for very long periods
- Loss of school playing fields – Where will our children go if Lings close as playing fields are also being sold, could we invest in this and get extra income
- Mears – this should be looked at now rather than wait til end of contract when rush decisions need to be made
- Councillors and management should stop using hotel conference facilities. Furthermore bar bills should not be paid by tax payer
- Look at whether taxi service would be better for Chief Exec and Mayor. In considering a green strategy for the Council it would be a good set a good example if the Mayor travelled in an environmentally friendly vehicle than a Jaguar with an expensive number -plate. Furthermore the Mayor should be setting an example to the young that success is not measured by having an expensive car but by what you contribute to society
- Should have a recruitment freeze and if posts need filling out of necessity a transparent method should be used
- Catering within the Council – could savings be made
- Pay rises should be given at same time as employees
- Review of car parking charges

- Better use of hire cars, make people pool hire cars rather than individuals who are based in same building using several to a meeting in the same place
- Parks – training could be better delivered, waste of resources
- PCs – all monitors need replacing to flat screens due to energy costs
- Need to become more energy efficient to save electricity costs – pcs and photocopiers etc not turned off when not used
- Councillors broadband, should we be paying for all costs
- Re look at trade waste
- Swimming pools – heating – there are no covers so the heat evaporates at night
- Water coolers – remove and have a system where water is cooled from the mains
- Majority of Guildhall has no air conditioning – could the area that does have air con do without? Possible links with air con and sickness, better to have fresh air and to reduce heat by ensuring pcs are switched off at night and adequate shading used
- Debts (arrears and repairs) written off when tenants abandon properties is not properly prioritised for collection, more could be done to chase these debts
- Utilities – we are billed on void properties
- Mobile phones – could we have an amnesty

22nd January 2007



**NORTHAMPTON
BOROUGH COUNCIL**

Name of Committee	CABINET
Directorate:	Citizens, Finance, and Governance
Corporate Manager / Director:	Ian Thompson
Date:	29 th January 2007

Report Title	Housing Revenue Account Forecast Outturn 2006/07
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Key Decision	Yes
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1. Recommendations

- 1.1 That the anticipated Housing Revenue Account (HRA) outturn position be noted (detailed at Appendix 1);
- 1.2 That HRA earmarked reserves (detailed in Appendix 4) be transferred back into HRA working balances;
- 1.3 That the anticipated revenue impact of the financing of the HRA capital programme be noted and approved.

2. Summary

Cabinet approved the budgets for the HRA for 2006/07 on 16th February 2006. This report

- Indicates the anticipated outturn position for the HRA for 2006/07,
- Identifies the impact of capital financing on the HRA, and
- Identifies the level of HRA working balances anticipated to be available at 1st April 2007, and therefore the opening balance of HRA working balances to be considered in setting the HRA budgets 2007/08 considered elsewhere on this agenda.

3. Report Background

Rent Rebates Subsidy Limitation

Up to and including the 2003/04 financial year, rent rebates were accounted for within the HRA. Each year the Government set a maximum level of rent rise on which it would pay rent rebate subsidy. This was colloquially known as the 'rent cap'. Some Councils, including Northampton, raised rents above the level specified by the Government, thus limiting the amount of subsidy received. From the 2004/05 financial year, rent rebates have been accounted for in the General Fund. Subsidy payable by the Government in respect of rent rebates has continued to be limited. In order to negate the potential adverse financial effects to the General Fund, a transfer equal to the reduced subsidy is made from the HRA to the General Fund. The methodology for calculating this transfer is set down in regulations and is based on the levels of rent rebates paid, average rent charged to HRA tenants, and the capping level for that year. The actual cost of this transfer can only be finally determined after the Housing Benefit subsidy claim has been finalised. The claims for 2004/05 and 2005/06 have yet to be finally agreed by the Government, although based on the anticipated position there will be an additional payment required for previous years of £570,000 and a reduced transfer in respect of 2006/07, compared to the budget, of £556,000. The net effect for 2006/07 is £14,000.

Housing Repairs Account

From 2006/07 Northampton has operated a Housing Repairs Account. The Housing Repairs Account sits as a separate account within the HRA ring fence. The Housing Repairs Account is intended to equalise the effect to the HRA of Housing Repairs from year to year and can carry its own balance from one year to another.

In the original budget the transfer to the Housing Repairs Account was shown within the Street Scene and Property Maintenance service area. The transfer to the Housing Repairs Account is now under the control of the Corporate Manager for Housing Services. The Housing Repairs Account itself is under the control of the Corporate Manager for Street Scene and Property Maintenance. This arrangement will provide additional control over Housing Repairs expenditure. Details of the Housing Repairs Account projections for 2006/07 are shown at Appendix 3. Appendix 3 shows an indicative breakdown between different types of work. Also shown within this Appendix is the anticipated level of work to be capitalised and therefore financed through the HRA capital programme.

For 2006/07 the transfer to the Housing Repairs Account is anticipated to increase by £470,000 to cover the additional costs of voids and gas maintenance and other improvements in the delivery of Housing repairs. £225,000 is shown in Appendix 1 against the transfer to the Housing Repairs Account line and £245,000 is within the anticipated expenditure shown against the 'Improvement Fund' (detailed in Appendix 2).

Interest & Financing Costs

The HRA is anticipated to receive a slightly improved level of interest. This however has been netted off against additional revenue financing of the HRA capital programme. The Housing voids programme incorporates some substantial

improvement work which is undertaken on individual properties whilst they are empty. This work is capital in nature and therefore should be funded through the HRA capital programme. Appendix 3 indicates the anticipated level of capitalisation from the Housing Repairs Account. This work can then be financed from HRA Capital resources. As part of the financing of the HRA capital programme it is necessary to include an element of revenue funding which is anticipated to be in the region of £4m for the 2006/07 financial year. This is included as a source of financing in the report on the HRA capital programme shown elsewhere on this agenda.

Working Balance B/f

The final HRA position for 2005/06 was an improvement on the forecast position which was used for budget purposes. The level of balances brought forward in to 2006/07 was increased by £1,083,000 net.

Earmarked Reserves

The Council can earmark amounts of reserves for specific purposes. These purposes must be clearly identified and substantiated. Earmarked reserves are then set up to hold these specified balances to fund the identified future expenditure. This Council holds a number of earmarked reserves which have been set up for a number of different purposes, some of which are set up for HRA purposes. A breakdown of these is shown at Appendix 4. It is proposed that these earmarked reserves are brought back in to the HRA working balances for 2006/07 and that any new proposals to set up earmarked reserves for HRA purposes are brought back to a future meeting of Cabinet.

Improvement Fund

The budget for 2006/07 referred to an "Improvement Fund". This included an amalgamation of a number of budgets including any additional contribution to Housing Repairs in respect of improving voids and maintenance backlogs, and any Revenue Contribution to Capital Expenditure (RCCE). Appendix 3 shows the anticipated use of this budget for 2006/07. For 2007/08 onwards this budget will be included within relevant services and shown separately as proposed levels of RCCE within the Interest and Financing Costs budget.

4. Options and Evaluation of Options

N/a

5. Resource Implications (including Financial Implications)

Included above

6. Risk and Opportunity Issues

N/a

7. Consultees (Internal and External)

Internal	
External	

8. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan

N/a

Corporate Plan

N/a

B: Other Implications

Other Strategies

N/a

Finance Comments


None additional to the above.

Legal Comments

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9. Background Papers

Title	Description	Source

Name	Signature	Date	Ext.
Author	Bill Lewis Technical Finance Manager	23/01/2007	7167
Corporate Manager	N/a		
Director	Ian Thompson	24/01/2007	8744
Monitoring Officer or Deputy (Key decision only)		26/01/2007	7335
Section 151 Officer or Deputy (Key decision only)	Bill Lewis Technical Finance Manager	23/01/2007	7167

Housing Revenue Account - Forecast Outturn Variance 2006/2007

	2006/07 Annual Budget	2006/07 Forecast Outturn (Income) / Expenditure	2006/07 Forecast Outturn (Under) / Over Spends	Note
	£000	£000	£000	
<u>Housing Services</u>				
Rent, Rates and Taxes	133	88	-45	1
General Management	2,707	2,828	121	2
Communal Heating and Lighting	501	501	0	
Caretaking and Cleaning	307	322	15	3
Lifts	58	58	0	
Maintenance of Greens and Shrubs	145	105	-40	4
Environmental Enhancement	119	119	0	
Television and Wireless	89	59	-30	5
Single Persons Accomodation	69	53	-16	6
Improvement Fund	2,948	665	-2,283	7
Transfer To Housing Repairs Account	8,235	8,460	225	8
	15,311	13,258	-2,053	
Targetted Dwellings	101	101	0	
Sheltered Housing	1,732	1,732	0	9
Housing Rents and Other Income	-40,688	-40,688	0	
Rent Rebates Subsidy Limitation	2,457	2,471	14	10
HRA Subsidy	7,695	7,150	-545	11
	-13,392	-15,976	-2,584	
<u>Regeneration, Growth and Community Development</u>				
Community Development	82	82	0	
	82	82	0	
Revenue Account Forecast Outturn	-13,310	-15,894	-2,584	
Net Recharges to the General Fund	5,438	5,438	0	
Major Repairs Allowance	7,488	7,488	0	
Interest & Financing Costs	-278	3,701	3,979	12
Net Transfer From / (To) Working Balance	-662	733	1,395	
Working Balance B/f	-3,555	-4,638	-1,083	13
HRA Earmarked Reserves	0	-611	-611	14
HRA Working Balance c/f	-4,217	-4,516	-299	

Notes to Forecast Outturn Variance 2006/07

1	Rent, Rates and Taxes - The underspend on this budget of £45k relates to reduced costs that have been incurred for Council Tax on empty properties due to improvement in the speed of turnaround of Void properties (£20k) and a credit received from Anglian water (£25k).
2	General Management - The overspend is due to the cost of a team of staff that were previously accounted for in the General Fund and have been transferred to the Housing Revenue Account. Additional costs have also been incurred for future years pensions as a result of the Root and Branch process. This additional cost has been partially offset by vacancies within the service.
3	Caretaking and Cleaning - The overspend of this budget relates to the use of temporary staff in addition to the budgeted establishment as a result of increased demand on the service.
4	Maintenance of Greens and Shrubs - The underspend on this budget relates to the delay on the commencement of a weed spraying contract to the next financial year.
5	Television and Wireless - The underspend on this service is due to lower demand on the service than anticipated.
6	Single Persons Accommodation - The underspend on this budget relates to savings on Furniture, Equipment and Tools due to the delaying replacement of carpets at Robinson House.
7	Improvement Fund - This budget was intended to represent an Improvement Fund. As explained in the body of the report, much of this budget is actually required to finance the HRA Capital Programme. Appendix 2 identifies the expenditure that has been incurred against this budget.
8	Transfer to Housing Repairs Account - In the original budget this item was shown within Streetscene and Property budgets. From 2006/07 Northampton has operated a Housing Repairs Account. The background to this is detailed in the main body of the report.
9	Sheltered Housing - Sheltered Housing charges have recently been reviewed. The results of this review are considered in another report on this agenda. The effects of this review will not affect 2006/07 and have been built in to the HRA Budgets for 2007/08 considered elsewhere on this agenda.
10	Rent Rebate Subsidy Limitation - This variation includes anticipated adjustments relating to previous years and a change in the anticipated costs for the current year. The background to this item is detailed in the main body of the report.
11	HRA Subsidy - A lower payment to the Government is required than originally anticipated.
12	Interest & Financing Costs - The HRA is anticipated to receive a slightly improved level of interest. This however has been netted off against additional revenue financing of the HRA capital programme as detailed in the main body of the report and in the HRA capital programme report elsewhere on this agenda.
13	Working Balance B/f - The brought forward working balance is improved on that originally anticipated when the estimates were compiled. This relates to an improved outturn position for the HRA for 2005/06 than anticipated when the budgets for the current year were set.
14	Earmarked Reserves - This is detailed at Appendix 4 and in the main body of the report.

Forecast 'Improvement Fund' Expenditure 2006/2007

	2006/07 Forecast Expenditure £000
Preparation for housing inspection and HRA business planning	50
Choice Based Lettings Project Manager 18 months fixed term contract	13
Environmental Enhancements	210
Reward and Recognition Scheme	2
Tenants Initiative Scheme	10
CRE Code of Practice Assessment	10
Investment Planning and Asset Management Strategy	30
NBA Continuation of Stock Condition Survey	95
Additional Transfers to Housing Repairs Account	
Multi Skilled Training	40
Access Warrants	25
Gas Contract Uplift	180
Forecast Outturn	665

Forecast Housing Repairs Account Expenditure 2006/2007

	£'000	£'000
Original Budget		8,235
Forecast Expenditure		
Improvement Schemes	14	
Responsive Repairs	3,844	
Misc Communal Services	344	
Drainage	241	
External	35	
Voids	4,045	
Target Repairs	660	
External Decorations	202	
Planned Maintenance	336	
Gas Maintenance	1,405	
Fire Damage	233	
Estate Shops	49	
Operational Heat Lease	2	
	<hr/> 11,410	
Expenditure to be Capitalised	<hr/> 2,950	
		8,460
Additional Transfer from HRA		<hr/> <hr/> 225

HRA Earmarked Reserves	£
Stock Condition Survey	-8,210
Incentive Scheme	-108,860
Tenant Participation	-21,040
Environmental Enhancement Scheme	-429,000
Miscellaneous	-43,960
	<u>-611,070</u>



**NORTHAMPTON
BOROUGH COUNCIL**

Name of Committee	CABINET
Directorate:	Citizens, Finance, and Governance
Corporate Manager / Director:	Ian Thompson
Date:	29 th January 2007

Report Title	Housing Revenue Account Budgets 2007/08 to 2009/10
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Key Decision	Yes
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1. Recommendations

- 1.1 That an average rent increase of 4.76% per dwelling per week (on a 48 week basis), in line with the Government's rent restructuring regime, to take effect from 1 April 2007 be approved;
- 1.2 That Warden and Call Care charges (excluding Eleanore House) are increased in line with the Sheltered Housing Review (detailed on another report on the agenda) (as shown in Appendix 5);
- 1.3 That Heating and Eleanore House service charges are increased by 3.6% (as shown in Appendix 5);
- 1.4 That garage charges are increased by 5% (as shown in Appendix 5);
- 1.5 That the budgets for 2007/08 set out in Appendices 1 and 2 be approved subject to the results of the HRA re-basing exercise being brought back to a future meeting of Cabinet; and
- 1.6 That the potential re-prioritisation of services (detailed at Appendices 3 and 4) be considered.

2. Summary

This report requests that Cabinet agrees the HRA rent increases for 2007/08 and that Cabinet considers and approves overall HRA budgets for 2007/08 and the forecast budgets for 2008/09 and 2009/10.

3. Report Background

Background

The Housing Revenue Account (HRA) is a ring-fenced account that represents the costs of holding the Council housing stock. There are strict rules surrounding the costs and income that can be charged to this account. Much of the income and expenditure is dictated by legislation and regulation leaving the Council with direct control over a limited number of these budgets. Rental income, by far the largest single budget within the HRA, is calculated by applying the rent restructuring formula as defined by the Government.

Budgets within the HRA are currently being 're-based' (essentially re-evaluated from first principles) to reflect current service provision.

Rents and Rent Restructuring

Rents within the HRA are currently being restructured in line with the Government Rent Restructuring formula. The intention of this restructuring is to have a consistent approach to rental charges across the whole of the Public Sector housing stock.

The average rent increase and the methodology by which rents on individual properties move towards the calculated (formula) rent is determined by the Government Rent Restructuring formula, which has been allocated for 2007/08 in line with the DCLG's three-year review. The percentage change in rental charges will vary from property to property depending on the formula rent calculation. Revised rents will take effect from 1st April 2007. The table below shows the range of rent increases for 2007/08: -

Rent Increase	No of Properties	Percentage of Total
Above 7%	317	3%
6% to 7%	1,092	9%
5% to 6%	3,392	27%
4% to 5%	5,307	42%
3% to 4%	1,948	16%
2% to 3%	299	2%
Less than 2%	168	1%

Until the introduction of rent restructuring in the 2001/02 financial year, the Government set a 'limit rent' which defined the maximum amount of rent rise on which a Council would receive rent rebate subsidy. This was colloquially known as the 'rent cap'. Councils could therefore raise rents by more than the level set by the Government, an approach adopted by Northampton, but would receive a financial penalty for doing so. This had an impact in the year of the rent rise and continues to have an impact on into future years.

Through rent restructuring,

- the rent levels within the subsidy calculation,
- the limit rent for rent rebate subsidy purposes, and
- the actual rent charged to tenants are all being brought into line.

Councils which raised rents by more than the amounts specified by the Government

and benefited by doing so are now gradually seeing the corresponding benefit being removed through the rent restructuring process. This will continue to put additional increasing pressure on the HRA until the point at which all rents have been restructured.

HRA Subsidy

The subsidy budget is based on a determination received from DCLG. There are two major elements to the changes in subsidy between 2006/07 and 2007/08. These are: -

- Management and Maintenance Allowances which tend to decrease the amount of money paid to the Government. The calculation of these is formula based around types of properties and is intended to reflect the impact on HRA costs of different types of dwelling;
- Notional income from rents which tend to increase the amount of money paid to the Government. The calculation of this is formula based and forms part of the overall move to restructure rents towards a standard level for subsidy purposes and the actual rent charged to HRA tenants.

Also paid through the subsidy system is the Major Repairs Allowance which is used as part of the financing of the HRA capital programme.

The summary below shows the estimate for 2007/08 compared to 2006/07.

	2006/07	2007/08	Changes in Subsidy
	£'000	£'000	£'000
Management and Maintenance	-18,817	-19,241	-424
Major Repairs Allowance	-7,488	-7,611	-123
Capital Charges	-1,010	-1,041	-31
Allowances for Admissable Set Aside	-30	0	30
Interest on Receipts	7	5	-2
Notional Income for Rents	34,501	36,617	2,116
Rental Constraint Allowance	-13	0	13
HRA Subsidy Entitlement	<u>7,150</u>	<u>8,729</u>	<u>1,579</u>

HRA Budget

The Housing Revenue Account budget includes the effect of rent increases and charges increases outlined above. The detailed budget figures are contained in Appendix 1 to 2.

HRA Budget 'Re-basing' exercise

An HRA budget re-evaluation exercise is currently underway. Some effects of this have been built in to the budgets shown within this report and Appendices. For service areas where the re-basing exercise has not been fully completed, an allowance for the anticipated impact has been built in. It is anticipated that revised figures including the results of the re-basing exercise will be reported to the March

meeting of Cabinet.

The incidence of charges between the HRA and the General Fund is still under review and there may be some effects to budgets arising from this which will impact in future years.

Sheltered Housing

Sheltered housing charges have recently been reviewed. The results of this review are considered in another report on this agenda. The effects of this review will not affect 2006/07 and have been built into the HRA Budgets for 2007/08 onwards.

Un-pooling of service charges

The Government set a policy for social housing rents in the December 2000 policy statement, 'The Way Forward for Housing'. This policy included separating certain charges for service from the standard rent in order to make the charging policy to tenants clearer and fairer for the tenants of housing authorities. There are a number of these service charges which are still charged through rent including caretaking and cleaning. Work is currently underway to assess the effects of the un-pooling and it is currently anticipated that un-pooling will be implemented with effect from the 2008/09 financial year.

Housing Repairs Account

A Housing Repairs Account is used to keep a separate record of income and expenditure relating to the repair and maintenance – but not the supervision and management – of an authority's HRA houses or other HRA property. It operates within the HRA ring-fence and, as such, no transfers can be made to or from any accounts other than the HRA. Other key points are:

- (i) the account must be kept in accordance with proper practices;
- (ii) the account must be kept to **avoid a debit balance** in any year;
- (iii) authorities may make **transfers** to the account from the HRA and, in practice, will need to do so to avoid a deficit. They may also transfer some or all of any balance from the account to the HRA;
- (iv) the account must cover the **whole** of an authority's HRA stock;
- (v) if the account is closed, any balance must be transferred to the HRA.

From 2006/07 Northampton has operated a Housing Repairs Account. The Housing Repairs Account is intended to equalise the effect to the HRA of Housing Repairs and can carry its own balance from one year to another. The transfer to the Housing Repairs Account is now under the control of the Corporate Manager for Housing Services. The Housing Repairs Account itself is under the control of the Corporate Manager for Street Scene and Property Maintenance. This arrangement will provide additional control over Housing Repairs expenditure.

Contingency and Re-prioritisation

As identified above, there is an HRA re-basing exercise currently being undertaken. Since this budget report is being produced prior to completion of this exercise, a contingency against potential changes to budgets is required in order to ensure that a balanced budget is being set. For clarity this is shown as a separate line within Appendix 1.

Also included as a separate line are potential re-prioritisation items for 2007/08

which will also have an impact into subsequent years. This re-prioritisation is detailed at Appendix 3.

Summary of Overall Position

A summary of the overall position (shown in more detail at Appendices 1 and 2) is given below.

	2007/08	2008/09	2009/10
	£'000	£'000	£'000
Housing Services			
Housing Services	13,736	14,311	14,669
Targetted Dwellings	104	107	110
Sheltered Housing	1,812	1,869	1,916
HRA Subsidy	8,729	9,763	10,797
Housing Rents and Other Income	-42,050	-43,163	-44,179
Rent Rebates Subsidy Limitation	1,800	1,440	1,080
Community Development	85	87	89
Net Expenditure (Cash Limit)	-15,784	-15,586	-15,518
Net recharges to General Fund	6,015	6,165	6,320
Contingency	900	900	900
Potential Service Re-Prioritisation	187	62	62
Major Repairs Allowance	7,611	7,801	7,996
Interest & Financing Costs	1,772	1,772	1,772
Net Transfer From / To Working Balance	701	1,114	1,532
Working Balance 1st April	-4,516	-3,815	-2,701
Working Balance 31st March	-3,815	-2,701	-1,169

The financial pressure on the HRA is increasing over time. This arises from a number of factors, the main ones being: -

- Rents pressure through the rent restructuring process;
- The sale of council houses through Right to Buy whereby, broadly speaking, the better quality housing stock will be sold; and
- Repairs costs through the pressure to meet and maintain the decent homes standard.

Capital Programme

The budget for 2007/08 includes £7.6m for the Major Repairs Allowance. This can only be used to finance HRA capital expenditure. Also included within the HRA budgets within the Interest and Financing Costs budget for 2007/08 to 2009/10 is an amount of £2m Revenue Contribution to Capital Expenditure (RCCE). The use of this financing is reflected in the HRA draft capital programme considered in another report on this agenda.

4. Options and Evaluation of Options

N/a

5. Resource Implications (including Financial Implications)

Included above

6. Risk and Opportunity Issues

N/a

7. Consultees (Internal and External)

Internal	
External	

8. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
N/a
Corporate Plan
N/a

B: Other Implications

Other Strategies

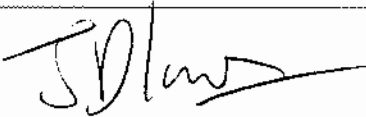
N/a

Finance Comments

None additional to the above.

Legal Comments**9. Background Papers**

Title	Description	Source

Name	Signature	Date	Ext.
Author	Bill Lewis Technical Finance Manager	23/01/2007	7167
Corporate Manager	N/a		
Director	Ian Thompson	25/01/2007	8744
Monitoring Officer or Deputy (Key decision only)		26/01/2007	7335
Section 151 Officer or Deputy (Key decision only)	Bill Lewis Technical Finance Manager	23/01/2007	7167

**Appendix 1:
Housing Revenue Account**

	2007/08 £000's	2008/09 £000's	2009/10 £000's
<u>Housing Services - Appendix 2</u>			
Rent, Rates and Taxes	139	144	148
General Management	3511	3587	3677
Communal Heating and Lighting	545	567	581
Caretaking and Cleaning	322	333	341
Lifts	63	65	67
Maintenance of Greens and Shrubs	146	150	154
Environmental Enhancement	119	123	126
Television and Wireless	94	97	99
Single Persons Accomodation	71	73	75
Transfer to Housing Repairs Account	8,726	9,172	9401
	13,736	14,311	14,669
Targetted Dwellings	104	107	110
Sheltered Housing	1,812	1,869	1916
Housing Rents and Other Income	-42,050	-43,163	-44,179
Rent Rebates Subsidy Limitation	1,800	1,440	1,080
HRA Subsidy	8,729	9,763	10,797
	-15,869	-15,673	-15,607
<u>Regeneration, Growth and Community Development - Appendix 2</u>			
Community Development	85	87	89
Contingency	900	900	900
Potential Re-prioritisation Items - Appendix 3	187	62	62
	1,087	962	962
Net Expenditure	-14,697	-14,624	-14,556
Net Recharges to the General Fund	6,015	6,165	6,320
Major Repairs Allowance	7,611	7,801	7,996
Interest & Financing Costs	1,772	1,772	1,772
<u>Net Transfer From / (To) Working Balance</u>	701	1,114	1,532
Working Balance b/f	-4,516	-3,815	-2,701
Working Balance as at 31st March	-3,815	-2,701	-1,169

Appendix 2
Housing Revenue Account
Housing Services

	2007/08 £000's	2008/09 £000's	2009/10 £000's
<u>Housing Services</u>			
H086 Rent, Rates and Taxes	139	144	148
H087 General Management	3,511	3,587	3,677
H088 Communal Heating	305	317	325
H089 Communal Lighting	240	250	256
H090 Caretaking and Cleaning	322	333	341
H091 Lifts	63	65	67
H092 Maintenance of Greens and Shrubs	146	150	154
H093 Environmental Enhancement	119	123	126
H095 Television and Wireless	94	97	99
H097 Single Persons Accomodation	71	73	75
Transfer to Housing Repairs Account	8,726	9,172	9,401
	13,736	14,311	14,669
<u>Targetted Dwellings</u>			
H102 Targetted Dwellings	104	107	110
	104	107	110
<u>Sheltered Housing</u>			
H098 Community Rooms	77	80	82
H099 Supporting People	1,706	1,759	1,803
H100 Wardens	29	30	31
	1,812	1,869	1,916
<u>Housing Rents and Other Income</u>			
H021 Dwelling Rents	-39,135	-40,170	-41,107
H024 Non Dwelling Rents	-1,366	-1,400	-1,435
H026 Charges for Services	-1,749	-1,793	-1,837
H029 Contribution to Expenditure	0	0	0
H108 Provision for Bad Debts	200	200	200
H420 Rent Rebate Subsidy Limitation	1,800	1,440	1,080
	-40,250	-41,723	-43,099
<u>HRA Subsidy</u>			
H031 HRA Subsidy	8,729	9,763	10,797
	8,729	9,763	10,797
Total Housing Services	-15,869	-15,673	-15,607

Appendix 2
Housing Revenue Account
Regeneration, Growth and Community Development

	2007/08 £000's	2008/09 £000's	2009/10 £000's
<u>Community Development</u>			
H083 Tenant Participation	85	87	89
	85	87	89

Appendix 3
Potential Service Re-Prioritisation

	2007/2008	2008/2009	2009/2010
	£000	£000	£000
Tenants Handbook	25	0	0
Service Training Budgets	20	20	20
NTACT Mystery Shopping	10	10	10
Satisfaction Survey	5	5	5
Advertising for Rent Income	15	15	15
Ombudsman Complaints	12	12	12
HRA Asset Management Strategy	100	0	0
Total Potential Re-Prioritisation	187	62	62

Potential Service Re-Prioritisation

Brief Explanations

1. Tenant Incentive/Reward and Recognition

As part of the housing services improvement agenda a range of incentives aimed at improving efficiency/performance and ensuring tenants adhere to tenancy conditions need to be introduced. These incentives will be joint developed with tenant representatives themselves (from N-Tact). Examples of incentives will be: -

- 25/25 incentive – allowing pre-termination access – this will significantly contribute to improved performance of key BVPI 212 (top priority for NBC). In addition the undertaking of a satisfaction/exit survey will allow us to collect and analyse qualitative data about reasons why people are leaving which will assist the service to plan future sustainment plans and also demonstrates commitment of a “spend to save” nature.
- Maximising “take –up” of Direct Debits - the new IBS system, which is due to go live in April 2007 provides the Housing Service with an opportunity to accept direct debit as a form of payment towards rent. Encouraging existing tenants to change their current preferred method of payment will require some form of initial incentive to obtain maximum “sign-up”. It is envisaged that the introduction of Direct Debits will significantly contribute to improving Rent income BVPIs which are currently in the bottom quartile, allowing staff to concentrate resources on other priority areas.
- “Golden Goodbyes” – it is generally considered as current best practice within the housing profession to have some form of “golden goodbye “ incentive. This is a one-off payment to a tenant who must satisfy certain conditions at the point when vacant possession is given to the Council as the landlord (e.g. property left clear and tidy, rent payments up-to-date etc). This incentive again links in with the “spend to save “ philosophy, as less expenditure at the time of the property inspection will result.
- Under-occupation incentives – There is a significant shortage of general family sized accommodation (i.e. 3 – 4 bedroomed properties), available to house an ever-increasing number of families on the housing register. Incentives will need to be offered to encourage single people/couples who are currently “under-occupying” their present property to move into smaller accommodation.

- Rent Payment/Community Chests – there are a range of other incentives that we will be looking to develop in 2007/08 to ensure tenants comply with their tenancy agreement and which will assist in various community initiatives – e.g. prize draws for those tenants with a clear rent account etc.

2. Housemark/Housing Quality Network

In order for the housing service to deliver improved outcomes and performance in addition to accelerating the pace of change required, it is essential that we keep abreast of current national and local good practice affecting our service provision and that we are able to benchmark our current services in terms of value for money, efficiency and performance. To achieve this, membership of professional benchmarking clubs provides a valuable tool in comparing a range of factors with peer organizations and the ability to learn and adopt good practice from better performing and more effective organisations is viewed as an essential element of the 'prospect for improvement' criteria outlined by the Audit Commission. The annual cost of Housemark amounts to 10k and other membership costs of additional professional bodies equates to 3-4k per annum.

3. Tenants Handbook (set-up costs)

The 25k projected for 2007/08 represents all costs associated with the publication of a Tenants handbook in April 2007. The handbook is currently 150-160 pages long will be sent to all 12,000+ tenants (in addition to new tenants after the publication date) and again is evidence of best practice within the profession. The continuing absence of a handbook for tenants has been an area of concern for the Audit Commission. There will be on-costs associated with the handbook after the publication and this will be in the form of regular amendments.

4. Service Training Budgets

Although there is a corporate budget for training it was felt that there should be a service specific budget for future training and development of staff. As part of our service improvement agenda it is imperative that we undertake a number of reviews which will result in re-engineering business processes in order to deliver change and a more effective / better performing service and the re-training and development of staff will be a key factor in achieving success. A specific housing service training budget will enable Service Managers to have more influence in determining the most appropriate training required to ensure that staff are equipped with the skills and knowledge to deliver a professional service that meets customer needs.

5. N-Tact Mystery Shopping

Following the recent publication of the Housing service standards to all 12,000 + tenants it is crucial to have a process of independent assessment and evaluation of the nature, quality and effectiveness of the standards that have been set. Mystery shopping is an ideal way for our standards and our ability to meet the targets contained therein to be assessed and the recipients of our service (i.e. our tenants) should be the people involved in the monitoring and assessment of our activities. The recent tenant Involvement strategy and the tenant involvement pledge both

contain numerous references to mystery shopping exercises. Again, this will be a plus point for any future Audit Commission inspection, as it constitutes best practice. The budget will include training and literature connected with this process.

6. Mediation Service

A mediation service was introduced in October 2006 for two-year period .The annual costs, as part of the current contract amount to 17.5 – 18 k per annum and we need to ensure that there is sufficient funding during 2007/08 and part of 2008/09. There has been a raft of legislation in recent years, which have given Local Authority Housing Depts more tools to deal with ASB in an effective manner. The use of a mediation service is widely acknowledged as a valuable preventative tool to assist with the reduction of ASB.

7. Translation Service

Current provision – to continue

8. Satisfaction Survey

Housing services need to know and values the views and opinions of its customers. In order to continually improve outcomes, we need to gauge views and opinions concerning a range of service issues and over the next 3 years there will a range of surveys and information-gathering exercises conducted in order to achieve this.

9. Advertising Rent Income

Current provision – to continue

10.Ombudsman Complaints

Required for compensation/"time and trouble" payments – Housing Services, as a major front-line service receive a high level of comments and complaints. A culture shift is required within the service area whereby complaints are used as an effective learning tool and pro-actively utilised to improve the service. Effective complaint handling also determines that you admit when the service has got it wrong but takes steps to ensure that similar incidents do not re-occur.

APPENDIX 5

SUMMARY OF PROPOSED RENT AND CHARGES INCREASES

	Present £	Proposed £
Garages (+VAT in some cases)	6.07	6.37
Commuter surcharge on garages (+VAT in some cases)	9.77	10.12
Communal Heating	7.09	7.35
Sheltered Charges per Review		
- Level 1 Low		5.53
- Level 2 Medium		12.01
- Level 3 High		17.64
Eleonore House - Category C Call Care		
- Prior to 31/3/03	8.72	9.03
- After 31/3/03	62.04	64.27
Lifelines		
- In Borough	3.52	3.65
- Outside Borough	3.82	3.96
Reduced Lifeline Environmental Health Monitoring Only	0.81 1.16	0.84 1.20
Lifeline Installation Charge #		
- In Borough	40.00	41.44
- Outside Borough	49.00	50.76

Notes

N.B The final charges may differ slightly due to roundings



**NORTHAMPTON
BOROUGH COUNCIL**

Name of Committee	CABINET
Directorate:	Citizens, Finance, and Governance
Corporate Manager / Director:	Ian Thompson
Date:	29 th January 2007

Report Title	Housing Revenue Account Capital Programme 2006/07 Onwards
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Key Decision	Yes
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1. Recommendations

- 1.1 That the revised Housing Revenue Account (HRA) capital programme for 2006/07 set out at Appendices A to B be approved;
- 1.2 That the draft HRA capital programme for 2007/08 and onwards set out at Appendix A be approved;
- 1.3 That the financing options contained within this report be noted; and
- 1.4 That the implications of Revenue Contributions to Capital Expenditure (RCCE) be incorporated into the HRA revenue budgets and forecast outturn position detailed in another report on this agenda.

2. Summary

A capital programme was brought to Cabinet on July 3rd 2006 which set the starting point for the capital programme for 2006/07 as the initial capital programme for the new structure of the Council. This report seeks to set the parameters and context for the Housing Revenue Account capital programme and the financing of the Housing Revenue Account capital programme for 2006/07 and onwards. Additionally it seeks to set the HRA capital programme for 2006/07 and the draft HRA capital programme for 2007/08 onwards.

3. Report Background

Anticipated position re 2006/07

The overall HRA capital programme for 2006/07 as set in the July Cabinet report has been allocated over a number of different capital schemes as shown in Appendix B. An anticipated level of slippage between financial years is also shown in Appendix B.

In addition to this there are a number of other proposed amendments to the programme. The major element of these changes for 2006/07 relates to costs built in to the Housing Repairs Account, which is a separate account that operates within the ring fenced HRA. There is a historic level of capitalisation relating to voids and other repairs work that is built in to the ongoing costs charged to this account. This work is of a capital nature and is largely work undertaken by the Council's in house workforce. An amount of £2.95m for 2006/07 and £2m in 2007/08 onwards has been included in the proposed amendments to the HRA capital programme shown in Appendices A and B. The effect of this on the Housing Repairs Account and the revenue side of the HRA has been reflected in the HRA forecast outturn 2006/07 report and the HRA Budget 2007/08 to 2009/10 report considered elsewhere on this agenda.

Draft Programme 2007/08 onwards

a) General

A draft programme for 2007/08 onwards has been prepared which shows indicative levels of capital expenditure which is anticipated to be achievable within each financial year and which can be financed from within the resources available to the Council for HRA capital financing. There is a capital budget of £4.6m in 2007/08, £5.3m in 2008/09, and £6m in 2009/10 which has not been allocated to specific schemes. The detail of this element of the capital programme will be informed by the stock condition survey and the decent homes standard. Proposed schemes for 2007/08 onwards will be assessed in accordance with the normal capital scheme appraisals mechanism and will be brought back to a future meeting of Cabinet for consideration prior to any expenditure commitments being made.

b) Disabled Adaptations

The management processes around adaptations of HRA properties and the allocation of those properties is currently under review. It is anticipated that any revised approach will result in reduced year on year costs and this is reflected in the proposed draft programme for 2007/08 onwards. Any changes to the management processes will be subject to further approval prior to implementation.

c) Housing Management System (IBS Open Housing)

It is anticipated that the new system will go live on an incremental basis starting in April 2007. It is anticipated that the overall cost of the system will be around £550k more than is currently in the capital scheme budget. There are a number of

reasons for this proposed increase in the budget:

- Additional hardware requirements;
- Project team costs which will be allocated to the capital project; and
- The purchase of an additional module, 'Open Contractor'.

It is anticipated that this latter addition will improve working practices and efficiency by allowing mobile working through the use of handheld technology and will improve management information by fully integrating data into the main Housing Management System. It is anticipated that efficiency savings and performance improvements will be made in the future arising from the adoption of this technology.

The additional amount of £550k has been incorporated within the capital programme for 2007/08 shown in Appendix A.

Financing

a) Revenue Contributions to Capital Expenditure (RCCE)

The indicative HRA Capital Financing shown at Appendix C includes a contribution from revenue resources. The impact of this on the HRA is reflected with the HRA Forecast Outturn 2006/07 report and the HRA Budget 2007/08 to 2009/10 report considered elsewhere on this agenda.

b) Major Repairs Allowance

The Major Repairs Allowance (MRA) is calculated by applying national estimates of the need to spend for specific types of work based on the categorisation of Council properties into different groups. This need to spend is based on newly arising needs and as such is not intended to cover the costs of financing any repairs backlogs carried by the Council. This allowance is paid to the Council through the Housing Subsidy mechanism and must then be placed into a special reserve for financing HRA capital expenditure.

Although the MRA is calculated on the basis of Council Dwellings, MRA funds can be used to finance capital expenditure on any HRA assets. The Council would, however, be expected to be able to demonstrate that it has a robust 30 year business plan that shows the achievement and the maintenance of the Decent Homes Standard. The use of MRA resources to finance the HRA Capital Programme is reflected in the indicative HRA Capital Financing shown at Appendix C.

c) Capital Receipts

The financing of the General Fund capital programme currently incorporates the use of Right to Buy (council house sales) capital receipts because the General Fund programme for 2006/07 onwards was originally set using these receipts for financing. This position may be unsustainable and will need to be re-assessed in the light of the revised Housing Revenue Account business plan (which is currently being written), the stock condition survey, and an assessment of the achievability of the decent homes standard.

d) Prudential Borrowing

There is the potential to borrow to finance the HRA Capital Programme. There are ongoing revenue implications of borrowing through loss of interest and potentially through principal repayment. This option is not currently being used to finance the currently proposed option. The use of borrowing to finance the HRA Capital Programme will need to be re-assessed in the light of the revised Housing Revenue Account business plan, the stock condition survey, and an assessment of the achievability of the decent homes standard.

4. Options and Evaluation of Options

N/a

5. Resource Implications (including Financial Implications)

Included above

6. Risk and Opportunity Issues

N/a

7. Consultees (Internal and External)

Internal	
External	

8. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
N/a
Corporate Plan
N/a

B: Other Implications


Other Strategies
N/a

Finance Comments
None additional to the above.

Legal Comments

9. Background Papers

Title	Description	Source

Name	Signature	Date	Ext.
Author	Bill Lewis Technical Finance Manager	23/01/2007	7167
Corporate Manager	N/a		
Director	Ian Thompson	25/01/2007	8744
Monitoring Officer or Deputy (Key decision only)		26/01/2007	7335
Section 151 Officer or Deputy (Key decision only)	Bill Lewis Technical Finance Manager	23/01/2007	7167

Housing Revenue Account Capital Programme 2006/07 & Draft Programme 2007/08 onwards

	2006/07 Scheme Budget £	2007/08 £	2008/09 £	2009/10 £
HRA Programme				
Housing Management System (IBS Open Housing)	732,000	550,000	0	0
Uniclass Upgrade to Enterprise Version	30,270	0	0	0
Disabled Adaptations - Major Repairs	510,000	400,000	300,000	250,000
Disabled Alterations Capital Schemes	70,000	50,000	50,000	50,000
Voids Repairs	3,100,120	2,000,000	2,000,000	2,000,000
Residuals Capital Schemes				
Reroofing	36,000	0	0	0
Structural Surveys & Repairs (Red Criteria)	700,000	500,000	500,000	500,000
Disabled Access (Community Rooms & Shops)	150,000	0	0	0
Rewiring Capital Schemes	48,840	0	0	0
Electrical (Red Criteria)	600,000	0	0	0
Gas Appliance Replacement	490	0	0	0
Window Replacement (Partnership)	750,000	771,000	750,000	750,000
Ad-hoc Window Replacement	1,083,760	0	0	0
Health & Safety Capital Schemes	20,130	0	0	0
Barn Roofs	90,000	0	0	0
Flat Roof Works	10,000	0	0	0
Kitchen replacement	10,000	0	0	0
Decent Homes Rewiring	550,000	0	0	0
Responsive DPC	560,000	631,000	600,000	0
Door Entry Updates	50,000	0	0	0
Lift Refurbishment	15,000	0	0	0
Env Works Waste Collection	250,000	100,000	100,000	100,000
Env Works Safer Environment	5,190	0	0	0
Unallocated Capital Budget	241,700	4,600,000	5,300,000	6,000,000
Total Housing Revenue Account Programme	9,613,500	9,602,000	9,600,000	9,650,000

Housing Revenue Account Capital Programme 2006/07

	Programme Within July 2006 Global Sums	Proposed Adjustments	Identified Slippage	Revised Programme 2006/07
	£	£	£	£
HRA Programme				
Housing Management System (IBS Open Housing)	732,000	0	0	732,000
Uniclass Upgrade to Enterprise Version	0	30,270	0	30,270
Disabled Adaptations - Major Repairs	510,000	0	0	510,000
Disabled Alterations Capital Schemes	100,000	-30,000	0	70,000
Voids Repairs	500,000	2,600,120	0	3,100,120
Residuals Capital Schemes	30,000	6,000	0	36,000
Reroofing	700,000	0	0	700,000
Structural Surveys & Repairs (Red Criteria)	150,000	0	0	150,000
Disabled Access (Community Rooms & Shops)	30,000	18,840	0	48,840
Rewiring Capital Schemes	600,000	0	0	600,000
Balcony Refurbishment	50,000	-50,000	0	0
Electrical (Red Criteria)	0	490	0	490
Gas Appliance Replacement	1,200,000	-279,000	-171,000	750,000
Window Replacement (Partnership)	1,200,000	-116,240	0	1,083,760
Ad-hoc Window Replacement	0	20,130	0	20,130
Health & Safety Capital Schemes	130,000	-40,000	0	90,000
Barn Roofs	20,000	-10,000	0	10,000
Flat Roof Works	30,000	-20,000	0	10,000
Kitchen replacement	0	550,000	0	550,000
Decent Homes Rewiring	1,791,000	0	-1,231,000	560,000
Responsive DPC	50,000	0	0	50,000
Door Entry Updates	0	15,000	0	15,000
Lift Refurbishment	185,000	65,000	0	250,000
Env Works Waste Collection	0	5,190	0	5,190
Env Works Safer Environment	0	241,700	0	241,700
Total Housing Revenue Account Programme	8,008,000	3,007,500	-1,402,000	9,613,500

Indicative HRA Capital Programme Financing

	2006/07 £	2007/08 £	2008/09 £	2009/10 £
HRA Capital Programme	9,613,500	9,602,000	9,600,000	9,650,000
Capital Financing Adjustments	197,000	-	-	-
Total HRA Capital Financing Required	9,810,500	9,602,000	9,600,000	9,650,000

Indicative Financing

Major Repairs Reserve	5,789,500	7,602,000	7,600,000	7,650,000
External Finance	21,000	0	0	0
Revenue Contribution to Capital Expenditure	4,000,000	2,000,000	2,000,000	2,000,000
	9,810,500	9,602,000	9,600,000	9,650,000



**NORTHAMPTON
BOROUGH COUNCIL**

Name of Committee	CABINET
Directorate:	Citizens, Finance, and Governance
Corporate Manager / Director:	Ian Thompson
Date:	29 th January 2007

Report Title	General Fund Capital Programme 2006/07 and onwards
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Key Decision	Yes
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1. Recommendations

- 1.1 That a virement of £35,000 for Performance Management Software be approved;
- 1.2 That the virements and savings relating to Private Sector Housing Grants, as detailed in Appendix A, be approved;
- 1.3 That the principles relating to the movement of budgets between financial years for specific types of capital scheme ('slippage'), as outlined in this report, be approved;
- 1.4 That the criteria (shown at Appendix B) against which potential schemes for the Urban Enhancement programme are to be considered be approved;
- 1.5 That the potential schemes to be delivered as part of the Urban Enhancement programme (shown at Appendix C) be considered;
- 1.6 That the revised Corporate Capital Strategy (shown at Appendix D) be approved.

2. Summary

The General Fund Capital Programme 2006/07 – 2008/09 was submitted to the Cabinet meeting of 4th December 2006 and approved at the Cabinet meeting of 19th December 2006. This report considers some proposed amendments to that programme, proposes the approach to be taken relating to some items of slippage and considers schemes to be undertaken as part of the Urban Enhancement Programme.

3. Report Background

Urban Enhancement Programme

There is an approved budget for the Urban Enhancement Programme for 2006/07 of £57,000. For transparency it is important for Cabinet to consider the proposed projects to be delivered as part of this programme. Additionally it is important that there are agreed criteria against which any proposed projects can be measured. These criteria will, because of the nature of the Urban Enhancement Programme, be different to the criteria against which other capital schemes are measured. (approved by Cabinet on the 19th December 2006). The proposed criteria for the Urban Enhancement Programme are shown at Appendix B. The projects for consideration for 2006/07, which comply with the criteria set out, are shown at Appendix C.

Performance Management Software

Improved performance management, measurement and reporting of statutory Key Performance Indicators and also Local Performance Indicators is fundamental to the improvement programme of the Council. Currently the Council is operating software which is cumbersome and time-consuming to use and which does not provide the flexibility of reporting and integration with other Council systems which is necessary for improving the management of performance within the Council. There is an amount of £206,000 within the approved capital programme for 2006/07 for PC replacement. The Performance Management Software scheme falls within Category 3, Core Business Systems and Infrastructure, of the Approved capital scheme criteria. Any ongoing revenue relating to licence fees would be contained within existing budgets. It is proposed that a virement of £35,000 be made from the PC replacement budget to this capital scheme.

Private Sector Housing

An amount of new funding has been received from the Government Office for the East Midlands (GOEM) which must be targeted towards the delivery of decent homes within the private sector housing stock and towards vulnerable and lower income households. Some of this funding is capital in nature and the proposed changes to the Housing General Fund capital programme detailed at Appendix A reflects the changes that would be necessary to the capital programme to enable use of this funding. Additionally, due the statutory requirement to provide Disabled Facilities Grants (DFGs) and the non-statutory nature of Renovation Grants, it is proposed to shift resources between these schemes to reflect this. This would also manage the risk of any legal action being brought against the Council relating to compliance with DFG legislation. Officers are also investigating if additional central government resources can be secured if the Council increases its spend on DFGs.

The net effect of these proposals would be to increase the Housing General Fund Capital Programme by £384,000 in 2006/07 and 480,000 in 2007/08 but would reduce the use of the Council's own capital resources by £70,000 in 2006/07 and £260,000 in 2007/08. A bid for funding for 2007/08 has been submitted to GOEM and the budgets for 2007/08 for the Private Sector Decent Homes schemes are subject to approval of that bid.

Corporate Capital Strategy

A revised Corporate Capital Strategy, to link in with the updated Asset Management Plan, is shown at Appendix D.

Capital Project Budget Principles

The Capital Programme tends, by its nature, to be project based. Many of these projects straddle more than one financial year. The allocation of budgets between financial years is an estimate made at the time of project approval, based on the probable profiling of spend, to enable resource and financing planning. However, the approval of a scheme is based on the delivery of the whole scheme.

In order that the allocation of notional budgets over financial years does not cause unnecessary difficulties for scheme managers, it is intended that expenditure 'slippage' across financial years is closely monitored and that periodic updates are brought to Cabinet for monitoring and approval purposes on recommendation from the Chief Financial Officer.

It is therefore proposed that Cabinet approve the principle that slippage between years for capital schemes as detailed above should be more automatic, subject to the approval of the Council's Chief Financial Officer (or nominated representative). A report would then be brought to Cabinet after the end of each financial year detailing the capital outturn and reporting the approved slippage. If this principle is approved, it will be adopted for the 2006/07 financial year onwards and will be more explicitly detailed in the Council's Financial Management Framework which is currently under review.

4. Options and Evaluation of Options

N/a

5. Resource Implications (including Financial Implications)

Included above

6. Risk and Opportunity Issues

N/a

7. Consultees (Internal and External)

Internal	
External	

8. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
N/a
Corporate Plan
N/a

B: Other Implications

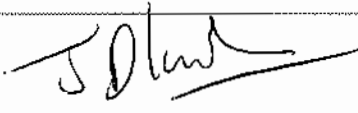
Other Strategies
N/a

Finance Comments
None additional to the above.

Legal Comments

9. Background Papers

Title	Description	Source

Name	Signature	Date	Ext.
Author	Bill Lewis Technical Finance Manager	23/01/2007	7167
Corporate Manager	N/a		
Director	Ian Thompson	24/01/2007	8744
Monitoring Officer or Deputy (Key decision only)		26/01/2007	7335
Section 151 Officer or Deputy (Key decision only)	Bill Lewis Technical Finance Manager	23/01/2007	7167

Housing General Fund Private Sector Housing Capital Programme 2006/07 onwards

	(a) 2006/07 Scheme Budget £	(b) 2006/07 External Funding £	(a) - (b) 2006/07 Internal Resources £	(c) 2007/08 £	(d) 2007/08 External Funding £	(c) - (d) 2007/08 Internal Resources £
Private Sector Housing Capital Schemes						
Approved Budgets						
Renovation Grants	500,000	0	500,000	500,000	0	500,000
Disabled Facilities Grants - Private Sector	540,000	324,000	216,000	540,000	324,000	216,000
Hot Property 3	10,000	0	10,000	10,000	0	10,000
Heatstreets	25,000	0	25,000	25,000	0	25,000
Empty Homes Strategy	0	0	0	80,000	0	80,000
Supported Housing Scheme	145,000	0	145,000	0	0	0
Total Approved for the above schemes	1,220,000	324,000	896,000	1,155,000	324,000	831,000
Proposed Budgets						
Renovation Grants	430,000	0	430,000	200,000	0	200,000
Disabled Facilities Grants - Private Sector	540,000	324,000	216,000	640,000	324,000	316,000
Hot Property 3	10,000	0	10,000	10,000	0	10,000
Heatstreets	25,000	0	25,000	25,000	0	25,000
Empty Homes Strategy	0	0	0	20,000	0	20,000
Supported Housing Scheme	145,000	0	145,000	0	0	0
Targetted Decent Homes (General)	104,100	104,100	0	440,000	440,000	0
Targetted Decent Homes (Roof / Electrical)	75,000	75,000	0	0	0	0
Targetted Decent Homes (Insulation)	175,000	175,000	0	200,000	200,000	0
Care & Repair	100,000	100,000	0	100,000	100,000	0
Total Proposed for the above schemes	1,604,100	778,100	826,000	1,635,000	1,064,000	571,000
Net Changes Proposed	384,100	454,100	-70,000	480,000	740,000	-260,000

Urban Enhancement Programme Criteria

This programme is intended to deliver low cost high impact projects which have a significant positive impact on the Northampton public realm. Any projects proposed for inclusion in this programme must comply with all of the following criteria: -

- 1. The work must be the responsibility of the Council**

- 2. The work must not commit the Council to additional revenue expenditure**

- 3. The work must support a specific Council priority**

- 4. The work must have a significant positive impact on the Council's public realm**

- 5. The impact of the proposed work must demonstrate value for money**

- 6. Each individual project must cost less than £20,000. Larger projects must be considered against the normal capital assessment criteria.**

Urban Enhancement Programme 2006/07

The projects are all in service areas which are the direct responsibility of the Council.

The projects will not result in additional revenue expenditure with the service areas identified.

The projects proposed concentrate on added value, sustainability and the achievement of an incremental improvement to the amenity, community safety and visual character of the town. These schemes are smaller value for money schemes with maximum impact.

The Urban Enhancement Programme Budget for 2006/07 has a remaining budget of £56,000. The schemes proposed below have an estimated total spend of £53,000.

Priority Outcomes

Recovery Plan

Helping local people to feel safer by tackling anti-social behaviour:
Reduced anti-social behaviour and crime

Delivering sustainable growth:
Increased investor confidence for successful economic regeneration

Corporate Plan

Values:

Deliver sustainable communities

Priorities:

Invest in the regeneration of the Town providing economic development and growth

Make Northampton a cleaner, safer and greener place to live

Schemes proposed for implementation by 31st March 2007

Francis Crick Memorial, Abington Street

The sculpture was erected in December 2005 and is now an established landmark in Abington Street which continues to attract interest. A condition of the funding of the memorial by the Wilson Foundation was that the setting of the sculpture should be enhanced by the removal of the redundant automatic toilet in the near vicinity. This is proposed to be carried out in March 2007 and involves the disconnection of all services on the site. Further funding is required to meet an outstanding commitment of a maintenance retention sum

and a budget deficit from the funding received. This funding commitment follows the substantial private leverage from the Wilson Foundation (£90,000) now fully expended.

The memorial will be maintained by the Borough Council from April 2007 within the existing Monuments and Memorials revenue budget .

Cost estimate £20,000

Enclosure of sports facilities, The Racecourse : Phase 1 (Tennis Courts)
Following incidents of play being disrupted on the bowling greens due to lack of enclosure, there is an urgent need to provide security before Summer 2007. Further investigation identified the additional need for security around the Racecourse Pavilion, the tennis courts to the north and the new changing facilities currently under construction. A wider perimeter of railings and tennis court fencing is therefore proposed. However, the railing enclosure cannot be implemented until May 2007 due to the site being occupied by the changing block construction and also because the works as proposed will be subject to Listed Building Consent (works within the curtilage of the Listed Pavilion building).

Phase 1 Works:

At present, the tennis courts to the north are subject to trespass due to the ageing mesh fencing. It is proposed to renew the fencing on the southern boundaries of the two courts with a gate to the existing footpath between them which will secure the northern boundary of the bowling greens. This work can be carried out as Phase 1 by March 2007, subject to approval. The new fencing will require no regular maintenance and will replace outworn fencing more liable to damage and maintenance.

Cost estimate £12,000

Provision of off-street car parking area, Greenfield Ave/Grange Road, Eastfield

The problems of the lack of off-street parking in this area due to the dated estate design were identified in the Urban Enhancement Programme in 2002 when a number of off-street parking areas were provided. Recently, a further area has been provided using Housing (HRA) funds in Broadmead Avenue. The current proposal for 6 spaces has £15,000 HRA funding which is inadequate; a requirement of its use is the need for matched funding to meet the cost. A recent environmental audit by Northamptonshire Police has identified off street parking as a key element in car crime reduction; in addition, the grass verges are badly damaged by vehicles. No ongoing maintenance will be required.

Environmental Enhancement Funding £15,000

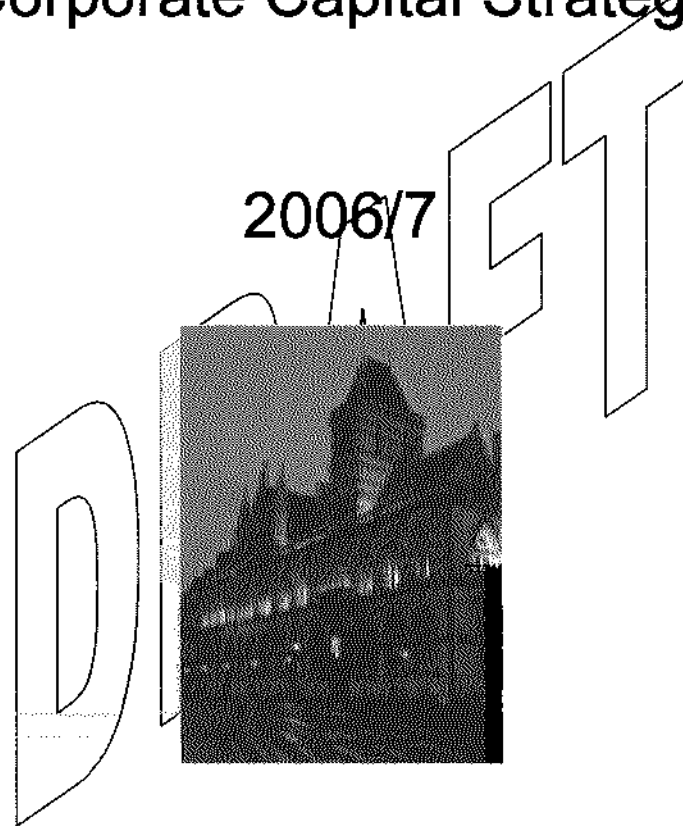
Community Safety provision, Far Cotton Learning, Leisure and Health Resource Centre, Far Cotton Recreation Ground

The Centre is a Northampton Alliance project funded by EMDA and NCC with a total project cost of £1.8m. During construction, vandalism has been identified as a major ongoing risk and CCTV and other measures are required

to protect the building on completion in February 2007. These cannot be accommodated within the allocated funding and £6,000 has been allocated from NBC Community Safety Fund to part fund these measures; it is proposed that matched funding is provided from the Environmental Enhancement Programme which will assist in ensuring that the centre is a safe and sustainable community asset. The business plan for the new centre identifies and makes provision for the maintenance of the site and building.
Cost estimate £6,000

Northampton Borough Council

Corporate Capital Strategy



NORTHAMPTON BOROUGH COUNCIL
CORPORATE CAPITAL STRATEGY 2006/7

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1 Introduction and Context

1.1 Demography

Northampton Borough council is the largest district council in Northamptonshire with a population of about 194,800 living in 87,000 households of which 12,147 are Council Housing. It is predominantly urban, but also comprises seven parishes.

The town is part of the Milton Keynes and South Midlands (MKSM) area identified for economic and population growth as part of the government's sustainable communities plan. The newly formed West Northamptonshire Development Corporation is planned to deliver economic, social and housing growth in West Northamptonshire with Northampton being central to the success of that growth agenda. The population grew by 20 per cent between 1982 and 2002 and it is expected to grow to around 300,000 by 2031.

The town has more than 500 listed buildings and structures because of their heritage value. There are 18 conservation areas, many archaeological monuments and areas of archaeological value, 159 historic parks and gardens and five nature reserves.

1.2 The Council

The Council comprises 47 Councillors elected every four years. The Council has a Leader and Cabinet system to govern the business of the Council. This consists of a leader, deputy leader and four other executive councillors each with an individual portfolio. This is still correct now Cabinet and check portfolios.

2 Corporate Capital Strategy (CCS)

This document sets out the Corporate Capital Strategy for Northampton Borough Council. It describes how the deployment of capital resources contributes to the achievement of the Council's Corporate priorities stated in the Corporate Plan and other relevant strategy documents.

The document covers all aspects of capital expenditure for the Council. It takes into account the revenue implications of capital investment and the comprehensive and coherent approach the Council has taken to the delivery of all capital projects. It also provides a framework for the effective management and monitoring of the capital programme and informs bidding for future capital resources and their subsequent management.

2.1 Corporate Planning Framework

Following the poor Corporate Performance Assessment in 2004 a new Corporate Planning Framework and Corporate Plan has been developed. Our priorities for 2006/2007 are to:

Listen to local people and provide the services they need

Improve Northampton's housing by focusing on & improving our weakest services

- Revenues and Benefits
- Void properties
- Decent homes standard
- Homelessness

Invest in the regeneration of the town, providing economic development and growth

Make Northampton a cleaner, safer and greener place to live

Manage the Council's finances effectively

Deliver better basic services

Be an accessible and responsive council by listening to local people and providing the services they need

Improve our performance to be fit for all our purposes

2.2 Prioritisation, Appraisal, Management, Monitoring and Review of the Capital Programme

In order to maximise the delivery of the corporate capital programme; the Council recognises the need to have a stringent prioritisation evaluation and monitoring procedure. The Council also recognises that the demands for capital resources to meet capital investment needs and aspirations will exceed the resources available to the Council. It is therefore essential that the Council have a robust mechanism to assess schemes against the six corporate objectives and the recently published strategic improvement plan.

The Authority has a structured approach to monitoring and evaluation. The approach takes into account:

- Appraisal – all projects will be evaluated for their inclusion in the corporate capital programme. The purpose of this process is to ensure all new projects are appraised on a consistent basis.

Early in the Budget process capital scheme bids are invited and pro-forma's are used to help capture all relevant information to allow a proper evaluation / project appraisal to take place. The scheme must normally meet at least one of the Council's key objectives and / or statutory, legislative or health and safety requirements. An example of the pro-forma is included at Appendix 2. The assessment process uses a number of steps to provide an initial ranking to assist further in the decision making process.

- Authorisation – each project receives the appropriate authorisation at the various stages of development.
- The scheme bids after initial evaluation and ranking by the appropriate management group are further reviewed by the Corporate Asset Board who recommend to Members a list of schemes for consideration (including the relevant financial and budgetary implications).
- After consideration, Members approve a capital programme.
- Responsibilities – Each individual capital scheme has a Project Manager assigned who is best able to manage the scheme and responsible for the successful delivery of the project – on time and on budget.
- Monitoring – Each month capital projects are reported through the appropriate service accountant to the various senior management groups and to elected members quarterly as identified in the Council's guidelines. Continuous monitoring, evaluation and assessment will enable the Council to review progress at an early stage in a project in order to maximise investment and the achievement of its goals. The Council will check that it is moving towards its identified aims and objectives, and ensure continuous improvement.
- Projects – all major projects will be monitored and evaluated on completion by Corporate Asset Board, with a sample of smaller projects also being evaluated on completion. This may include input from others such as customer satisfaction surveys, health and safety audits, and contract compliance.

Recommendations and subsequent action taken as a result of this process will ultimately result in service delivery improvements for the Council and will ensure that resources are directed at projects that support the Corporate Strategy and the Corporate Priorities.

3 Links to Partners

3.1 West Northamptonshire Development Corporation (WNDC)

WNDC is the most significant partner relevant to the Council's capital strategy and the body responsible for the development funds for projects in the area. WNDC's overall aim is:-

- To promote and deliver the sustainable regeneration and growth of West Northamptonshire, within the context of the national policy set out in the Sustainable Communities Plan, the plans for the wider Milton Keynes and South Midlands sub-region, and for the East Midlands region as a whole.

Other important partnerships relevant to the Corporate Capital Strategy include the Local Strategic Partnership, Town Centre Partnership and the Community Safety Partnership.

The Council is also a member of the Northamptonshire Partnership, recognised by the East Midlands Development Agency (EMDA), as a sub-regional strategic partnership. Such partnerships have an economic focus and are to be the main vehicles for the disbursement of EMDA funding in the future.

4 Details of Consultation

4.1 Area Partnerships

These meetings may discuss council services and they are attended by your local councillors from both Northampton Borough Council and Northamptonshire County Council. They also provide an opportunity to discuss issues and future plans for Northampton or particular wards with other organisations such as the Police who attend each partnership regularly providing an update on local law and order issues.

4.2 Northampton Tenants and Council Together

N-TACT is a tenant led group, of which all tenants and leaseholders are automatically members, and are welcome to attend open meetings held quarterly, and stand for the committee at the AGM. The Repairs and Investment Action Group (RIAG) is a sub-group of N-TACT, made up of Committee members who volunteer to help improve the Repairs and Maintenance Service of Northampton Borough Council.

4.3 Housing Strategy Steering Panel

This panel of Members and Corporate Managers has been established as a working group within the structure of the Council to enable member involvement in the production, review and delivery of the Northampton Housing Strategy.

5 Links to Other Relevant Strategies and Plans

5.1 Corporate Plan

The Corporate Plan sets out the Council's vision, values and priorities. The Corporate Plan is the Council's Business Plan and takes the aims and objectives from the Community Strategy and translate them into strategic objectives capable of delivery via the various Divisional Business Plans. The Corporate Plan, enables the Authority to match and allocate its resources against those service priorities and its development will be aligned with the Budget process.

5.2 Best Value Performance Plan (BVPP)

The Council has published its 2006/07 BVPP, making links to the visions, values, aims and objectives outlined in the Community Strategy.

5.3 Asset Management Plan (AMP)

In line with the Good Practice Guidelines the Council has appointed a Corporate Property Officer, responsible for developing the plan to reflect Best Value principles. The AMP continues to be developed alongside the Corporate Capital Strategy.

5.4 Housing Investment Programme

As part of the Housing Investment Programme process the Council produces a comprehensive Housing Strategy and Housing Revenue Account (HRA) Business Plan which outlines and identifies all potential sources of investment and identifies the steps taken in order to maximise these resources. These documents identify the key aims and objectives that have been agreed in consultation with stakeholders. They are integrated with the Council's core values and corporate aims.

5.5 Information Technology Strategy

The Information Technology Strategy is embedded with the aspirations of the authority's other Plans and Strategies.

5.6 Community Involvement Strategy – Policy Aims and Objectives

- Communication – it is the policy aim to provide effective communications both internally and externally with the community.
- Consultation – it is the policy aim to provide a broad framework for a co-ordinated corporate consultation with the community and guidance for officers and members on the most appropriate methods of consultation for their service areas. Work will be undertaken to bring the consultation process into the centre, managed through the Organisational Development and Improvement Division.
- Community engagement – it is the policy aim to promote transparent, accountable and open local government through community governance.

These policy aims and objectives are developed within the document and are reviewed on an annual basis.

6 **Expenditure**

6.1 Definition

All expenditure is to be treated as Revenue unless it passes the criteria below i.e. is used for

- The acquisition, reclamation, enhancement or laying out of land
- The acquisition, construction, preparation, enhancement or replacement of roads, buildings or other structures
- The acquisition, installation or replacement of moveable or immovable plant, machinery and apparatus and vehicles and vessels

The definition of "enhancement" covers work intended to either

- Lengthen substantially the life of the asset
- Increase substantially the open market value of the asset
- Increase substantially the extent to which the asset can or will be used for the purposes of, or in connection with, the functions of the authority

6.2 De minimis

If the capital conditions above are met then the value of the scheme has to exceed £6,000 which is the authority's de minimis for capital purposes. Multiple items of less than £6,000 can be aggregated together to exceed this amount eg. Personal Computer purchases.

7 Resources/Funding

The Council works to identify various sources of capital finance. Available resources include:-

- Borrowing – Either supported through the Government's Formula Grant calculations or Unsupported Borrowing which must be affordable prudent and sustainable in keeping with the Prudential Code
- Capital receipts – arising from the sale of surplus assets. Right to Buy (Sale of Council Dwellings) receipts are subject to pooling whereby 75% of the receipt must be paid to the Government. It is Council policy that the use of capital receipts is considered corporately against the Corporate Plan and Improvement priorities rather than ring-fenced to the service from which the asset was released
- Specific Grants/Contributions – Usually for specific projects and provided by the Government/Quangos or from partners and third parties
- Revenue – Contributions from the authority's revenue funds for capital purposes.

8 Evaluation

Through the completion of the Capital Scheme Bid Form (CCS1), see Appendix 2, each scheme is scrutinised by Legal, Health and Safety, Information Technology, Asset Management and Finance to ensure the bid is sound and in compliance with the representations made on the form. Further scrutiny is made by the Capital Accountant to ensure the Scheme is truly of a capital nature and he/she scores the scheme against a formal scoring system which includes the Council's Corporate Priorities, financial impact and risk. Schemes are then passed to the Corporate Asset Board for review and recommendation to Cabinet.

Capital Scheme Categories are detailed below:-

i. Health & Safety and Legislative

Schemes where there is a clear legislative requirement for the scheme or where there are clear breaches of Health and Safety legislation and regulations, which cannot be avoided through any other means, unless these schemes are implemented.

ii. Catch up repairs and maintenance

The Council has a backlog of repairs which have built up through historic underinvestment in core infrastructure. These schemes will address this issue and reduce the backlog of repairs.

iii. Core Business Systems and Infrastructure

Schemes where there is a clear need for expenditure to enable the Council's central business functions to continue to operate. The aim must be to improve efficiency, data flow, or management information.

iv. Spend to Save

Schemes where capital expenditure will give rise to ongoing revenue savings. These savings must be clearly identified and costed at the outset and will be built in to revenue budgets. Managers will be responsible for achieving those savings and will be held accountable for their achievement.

v. Other Council Priorities

These schemes are in line with the priorities of the Council as described in the Corporate Plan.

9 Revenue Implications

Many capital schemes have implications on future revenue expenditure for the Council. Capital schemes not within categories i, ii, or iii above will not be proposed for inclusion in future capital programmes unless they have nil or insignificant ongoing revenue implications or unless savings to the same value have been identified. These revenue implications and the identified savings will form a part of any capital scheme approval and will be measured alongside the capital budget. Managers will be responsible for delivering the proposed capital schemes within the capital and revenue constraints identified. They will also be responsible for delivering any identified savings and will be held accountable for this.

10 Monitoring

During the life on the scheme both financial and key milestone monitoring is undertaken by the Project Manager and the Scheme Monitoring Form is completed, see Appendix 3. This is discussed by the Project Manager and their Management Accountant during their monthly meetings and is then reviewed, along with all variations at the Corporate Asset Board for acceptance or clarification before moving to Cabinet.

11 Post Completion of Capital Scheme

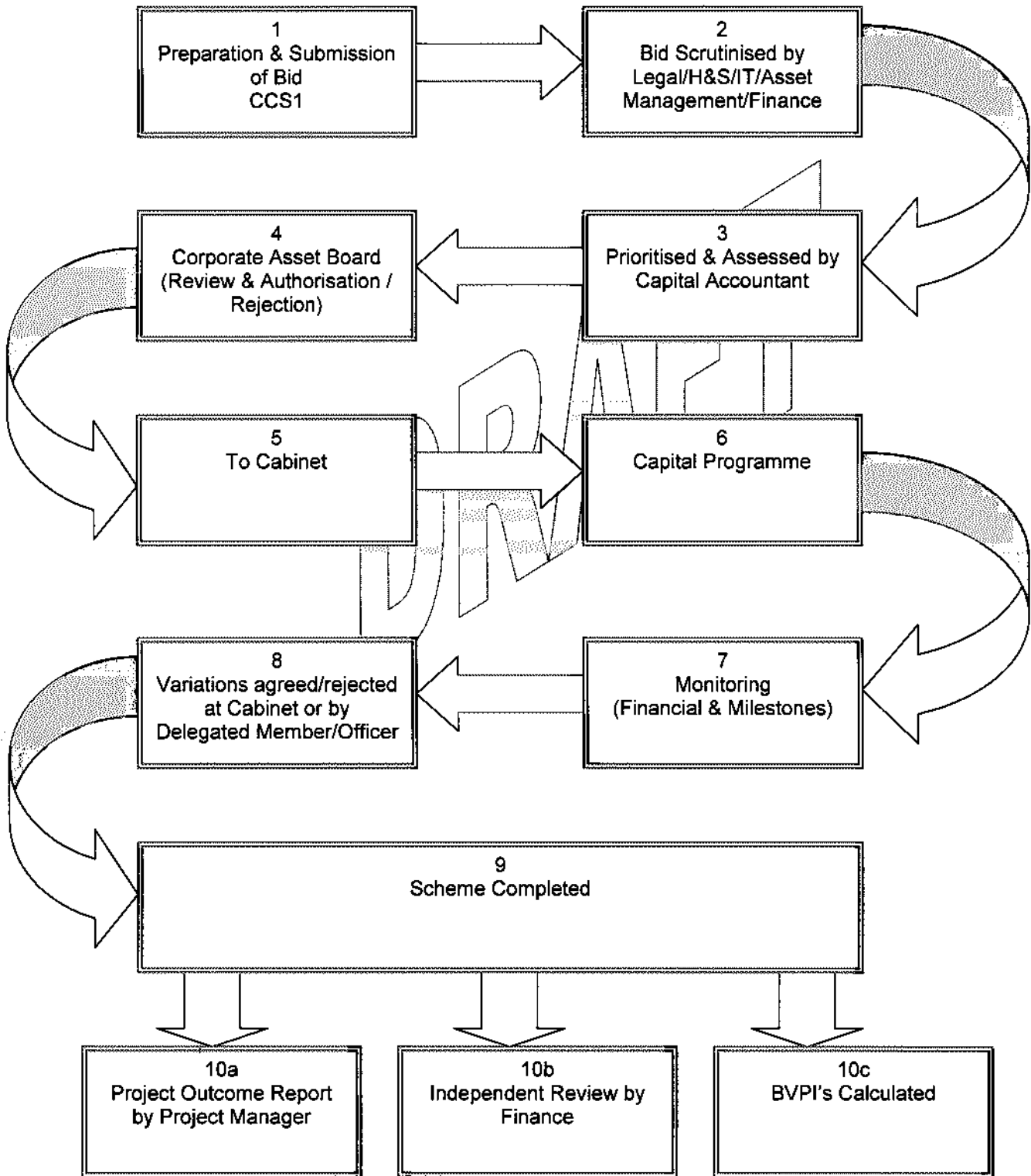
Once the scheme is completed the Project Manager completes a Project Outcomes report detailing the actual outcomes of those key targets that were identified at the inception of the scheme and contributed to it being accepted in the capital programme.

A selection of projects will also be subject of an independent review by Finance.

Both of the above reports can then be used for a lessons learned exercise.

Finally Best Value Performance Indicator data is collated measuring whether the scheme was completed on time and on price (BVPI 5), and this data is included in the Council's Performance Reports.

Capital Scheme Flow Chart



**Northampton Borough Council
Corporate Capital Strategy
Capital Scheme Bid Form CCS1**

Project \ Sponsor Details

Scheme Name	
Project Officer	
Directorate	
Project Manager	
Management Accountant	

Overview

Details of Scheme	
--------------------------	--

Reasons for Scheme

Type of Reason	Explanation
Legislative Requirement	
Health & Safety	
Corporate Priority	

Details of how scheme supports the Councils Corporate Priorities

Priority	Y/N	Explanation
Listen to local people and provide the services they need	Y/N	
Improve Northampton's housing by focusing on & improving our weakest services	Y/N	
Invest in the regeneration of the town, providing economic development and growth	Y/N	
Make Northampton a cleaner, safer and greener place to live	Y/N	
Manage the Council's finances effectively	Y/N	
Deliver better basic services	Y/N	
Be an accessible and responsive council by listening to local people and providing services they need	Y/N	
Improve our performance to be fit for all our purposes	Y/N	

Capital Costs

Type of Expenditure	Year 1	Year 2	Year 3	Total
Construction				
External Consultants				
Internal Salary Costs				
Software purchase				
Licence costs				
Grant				
Other				
Retention				
Totals (Including Retention)				

Capital Financing / Sources of Funding

External Funding	Year 1	Year 2	Year 3	Total
Totals				

Revenue Implications (codes must be specified)

Cost Centre	Account Code	Year 1	Year 2	Year 3

Milestones for monitoring

Milestones	Date	Narrative
Start Date		
Milestone 1		
Milestone 2		
Milestone 3		
Milestone 4		
Completion Date		

Approvals for accuracy

Approval Area	Name	Signature	Date
Project Officer			
Project Manager			
Legal			
Health & Safety			
IT			
Asset Management			
Finance			

Scheme Approval

Corporate Asset Board Chairman Signature	Approved / Declined	Date
	Approved / Declined	

**Northampton Borough Council
Corporate Capital Strategy
Capital Scheme Monitoring Form**

Project/Sponsor Details

Name of Scheme			
Project Manager			
UCRN		Capital Cost Centre	
Amount Year 1		Predicted Start Date	
Amount Year 2		Predicted Completion Date	
Amount Year 3		Status	
Total Amount			

Sources of Funding

Source 1 Yr1	Amount	Source 1 Yr1	Amount	Source1 Yr1	Amount
Source 2 Yr2	Amount	Source 2 Yr2	Amount	Source2 Yr2	Amount
Source 3 Yr3	Amount	Source 3 Yr3	Amount	Source3 Yr3	Amount

Financial Adjustments

Month	Year 1	Year 2	Year 3	Total	Explanation
June					
July					
August					
September					
October					
November					
December					
January					
February					
March					
Totals					

Other Adjustments

Month	Revised Start Date	Revised Completion Date	Explanation
June			
July			
August			
September			
October			
November			
December			
January			
February			
March			

11



**NORTHAMPTON
BOROUGH COUNCIL**

Name of Committee CABINET	
Directorate:	Governance and Resources
Corporate Director:	Ian Thompson
Date:	29 January 2007

Report Title	Adoption of Asset Management Plan - 2006/7
---------------------	--

Key Decision	YES
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1. Recommendations

That Cabinet agrees to adopt the Asset Management Plan – 2006/7 shown at Appendix 1.

2. Summary

- 2.1 The Asset Management Plan (AMP) is one of the key reference points for the Council's "Use of Resources" assessment.**
- 2.2 The existing AMP was formulated in 2003 and is outdated. The adoption of the AMP proposed would ensure the plan is updated to reflect current known corporate priorities. It will guide the management of the Borough's property assets in accordance with those objectives.**
- 2.3 Until service plans are prepared the AMP proposed can only reflect known strategic priorities. Thus, this AMP is necessarily an interim document that will need to be updated in light of those plans – once established.**

3. Report Background

The Asset Management Plan was previously a mandatory CPA requirement. It is now an important document setting out the direction of travel of the Council in the utilisation and management of its property assets.

4. Options and Evaluation of Options

It is essential to the proper stewardship of the Council's property assets that a new AMP is adopted, better reflecting current know priorities.

5. Resource Implications (including Financial Implications)

The adoption and application of the plan will help to inform and focus key capital and revenue resource decisions, regarding the Borough's property assets, around the identified key corporate priorities of the Council. Specifically, it will assist in ensuring a coherent, efficient and sustainable approach to use of occupational property by the Council. The AMP also records the approach of the Borough to the maintenance and management of its property. It sets out the direction of policy of the Council in relation to its investment portfolio and to the disposal of surplus assets. The AMP recognises the financial constraints of the Council, whilst identifying the substantial resources needed to bring the Council's property up to an optimum standard.

6. Risk and Opportunity Issues

The failure to adopt an updated AMP exposes the Council to the criticism of lacking clear policy direction in the management of its property assets and of a failure to demonstrate a coherent strategy for the efficient "Use of Resources".

7. Consultees (Internal and External)

Internal	Ian Thompson – Acting Finance Director Clive Thomas – Corporate Director – People, Planning & Regeneration Stuart Wright – Sustainable Development Officer Silvina Katz – Team Leader Policy - Legal and Democratic Services Corporate Asset Board
External	

8. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
N/A
Corporate Plan
Priorities for 2006/2007:
3. Invest in the regeneration of the town, providing economic regeneration and growth.
5. Manage the Council's finances effectively.

B: Other Implications

Other Strategies

Corporate Capital Strategy

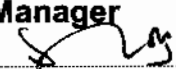
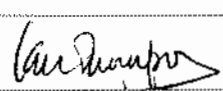
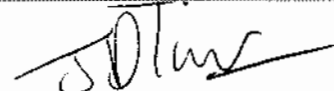

Finance Comments

Legal Comments

9. Background Papers

Title	Description	Source
Northampton Borough Asset Register		Finance Division

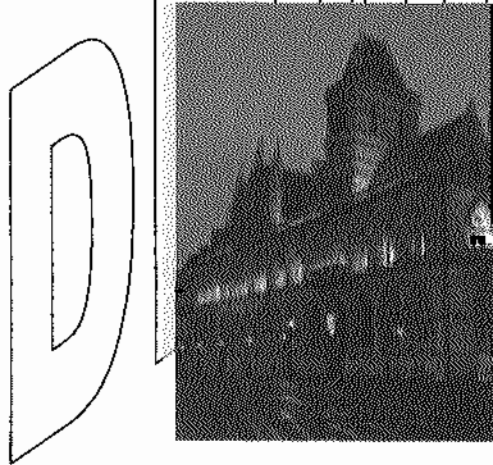
Simon Dougall, Asset Manager, ext 8177

Name	Signature	Date	Ext.
Author	Simon Dougall – Asset Manager 	23/1/07	8177
Corporate Manager	N/A	-	-
Director		23/1/07	8477
Monitoring Officer or Deputy (Key decision only)		24.1.07	7335
Section 151 Officer or Deputy (Key decision only)		23/01/07	7167

Northampton Borough Council

Asset Management Plan

2006/7



NORTHAMPTON BOROUGH COUNCIL
CORPORATE ASSET MANAGEMENT PLAN 2006/7

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Introduction and Overview

1.1 Overview

This document sets out Northampton Borough Council's Corporate Asset Management Plan for 2006/7. Its purpose is to provide a strategic plan covering land and property assets in which the organisation is seeking to optimise their utilisation in terms of service benefits and financial returns. It has been developed further from the 2003 Asset Management Plan as no plans were produced for 2004/5, to provide a sustainable short term strategy.

The Asset Management Plan is for one year only due to the absence of service delivery plans. However, once the plans have been written, the Asset Management Plan 2006/07 will be reviewed. The Asset Management Plan will then be updated to reflect the objectives and aims of those plans, and will align with Corporate Capital Strategy and funding issues.

Equality and Diversity Considerations: NBC is required to comply with the Race Relations (Amendment) Act 2000 and the Equality Standard for Local Government in line with its Equality and Diversity Policy and Corporate Equality Plan and to that effect it is required to carry out an Equality Impact Assessment to identify and eliminate any action which could be discriminatory to a disadvantaged equality group from our community in respect of all policy or function undertaken or adopted. Equality Impact Assessments will be carried out as actions are formulated and proposed.

1.2 The Council

Northampton Borough covers an area of 8080 hectares with a population of 194800 (census 2001) making it the largest district council. On a national level Northampton occupies a strategic central location within the country offering ready access to road, rail and air transport links. It provides the main urban centre at the heart of a rural county. The council currently employs 1246 (full time equivalent) people as at 30th September 2006 making it one of the largest employers in the area.

Northampton itself is a traditional market town with a history of shoe manufacturing. The town was enlarged significantly during the 1970s by the then Northampton Development Corporation with many new residents coming from the London area. The borough is now part of the Milton Keynes and South Midlands area identified for economic and population growth as part of the ODPM's sustainable Communities Plan. The newly formed West Northamptonshire Development Corporation has been created to deliver economic, social and housing growth in West Northamptonshire with Northampton being central to the success of that growth agenda.

The Borough is now largely built-up with the exception of Dallington Heath (north-east) and the southern edge of the town towards the M1 motorway. As Northampton occupies a central location with easy access to the M1 and A14, the town has attracted a large number of distribution/logistics companies together with small manufacturing businesses accommodated in a number of business parks around Northampton. In particular the Brackmills business development to the south-east of the town which also accommodates the Barclaycard HO and other multi national companies.

1.3 Corporate Planning Framework

Following the poor Corporate Performance Assessment in 2004, a new corporate planning framework and Corporate Plan have been developed. Our priorities for 2006/07 are to:

1. Listen to local people and provide the services they need
2. Improve Northampton's housing by focusing on and improving our weakest services
 - Revenues and benefits
 - Void properties

- Decent homes standard
 - Homelessness
3. Invest in the regeneration of the Town, providing economic development and growth.
 4. Make Northampton a cleaner, safer and greener place to live
 5. Manage the council's finances effectively
 6. Improve our performance to be fit for all our purposes

In addition we now have a three year Strategic Improvement Plan that represents our strategy for the improvement of the Council. The plan focuses on six priority improvements enabling the six Corporate Priorities to be delivered:

- Improving our weakest services
- Improving our interaction with the public
- Improving partnership to deliver better outcomes
- Ensure clear, decisive political leadership
- Strengthening our financial management
- Build management capacity to drive cultural change

The above in varying degrees of significance have a direct impact on the use of property assets.

A new service plan framework has recently been approved and is due to be rolled out shortly in order that new service plans can be written which will inform asset management planning. This Asset Management Plan will then be updated. In the interim, a short term Improvement Delivery Plan covers the remainder of 2006.

	Detail/Actions	Priority	By Whom	When
1	To provide a sustainable long term Asset Management Plan for the next 5 years	High	Co-ordinated by the Corporate Asset Board	After service plans completed
2	Develop service delivery/business plans for Asset Management Division	High	Head of Asset Management	Commencing April 2007
3	Alignment of Corporate property objectives to the new corporate Plan and Strategic Improvement Board	High	Head of Asset Management	April 2007

1.4 Organisational Framework and Property Framework

1.4.1 Fundamental to the successful implementation of the Council's Asset Management Plan is the need to have the appropriate mechanisms in place that facilitates the asset management process. Northampton Borough Council's overall aim in terms of asset management is to ensure that it optimises the use of land and property in terms of service benefit, financial return and value for money.

1.4.2 Following the recent root and branch review Northampton Borough Council has appointed an Asset Manager with responsibility for asset management and has established an effective management framework within which asset management issues can be progressed. This framework is essentially made up of the following elements, further described in the sections below:

- Cabinet
- Overview and Scrutiny

- Delegated powers of the portfolio holder for property, currently Cllr Hadland
- Corporate Asset Board
- Asset Management Division
- Project Board

1.4.3 The **Cabinet** is the executive decision making body within the Council and is therefore responsible for the majority of key decisions made by the Council. This includes any delegated decisions taken by the Corporate Asset Board. Compared with other Councils however, Northampton Borough Council has since 2004 focused significant decisions via the Cabinet – this was a deliberate decision to allow complete focus on the recovery activities.

1.4.4 The **Corporate Asset Board** meets six times a year. The membership of the Board needs to be flexible and is presently made up of the following :

1. Community Participation, Financial Strategy and Performance Portfolio Holder
2. Director of Governance and Resources
3. Director of Finance
4. Street Scene and Property Maintenance Corporate Manager
5. Performance, IT and Improvement Corporate Manager
6. Regeneration, Growth and Community Development Corporate Manager
7. Head of Asset Management

The terms of reference of the Board as at 14th December 2006 are summarised below.

- Oversees the Asset Management Plan and Corporate Capital Strategy to identify priority areas for action and ensure Best Value.
- Supports future needs of the Council and full integration with the Council's goals and objectives.
- Anticipates the impact of major corporate drivers on the Council's property portfolio.
- Monitors the overall performance of the Capital Programme and ensures monitoring reports are acted upon.
- Promotes the "shared use" of assets with stakeholders and partners.
- Ensures links with the Council's "Growth Agenda" are maintained including Major Projects, Regeneration and Sustainability.
- Complies with CPA requirements (especially "Use of Resources").
- Ensures compliance with statutory regulations relating to property assets
- Establishes and monitors office accommodation space standards.
- Promotes and monitors environmental and sustainability issues relating to property assets.
- Considers the overall financing and provision of assets, makes recommendations and monitors their implementation.
- Promotes best practice.

1.4.5 The recently restructured **Asset Management Division** incorporates the key asset management functions within the council. The division is made up of the Estates and Asset Management (including Markets), Asset Development, and Maintenance and Facilities team. Asset Management Division aims to deliver a one-stop asset management service across the Council. The creation of this division is considered vital to the asset management planning process.

The Asset Management strategy function and the Facilities and Markets functions were merged into the existing structure in early 2006 under "Root and Branch" review, under an Interim Asset Manager, to create a single corporate contact point for all property matters. A new Asset Manager was appointed in December 2006 to lead the merged team.

Implementing new and better ways of managing assets is vital if we are to meet the local and national challenges of improving service delivery, delivering efficiency savings and attaining greater cost effectiveness. As well as helping the authority to meet service targets, good asset management will make a significant contribution to the way our Use of Resources is

assessed in our CPA.

The responsibilities of the Asset Management Division are summarised below:

- Writing and implementing the Council's Asset Management Plan.
- Providing expertise on asset management and property issues and providing advice to the Council and associated external organisations.
- Overseeing the programme of condition surveys of properties
- Supporting the delivery of capital schemes through good project management
- The efficient management of the property investment portfolio
- Liaising with the finance division to ensure that capital resources allocated to property are utilised effectively.
- Maintaining core property records – land ownership, lease records, asset register, condition and maintenance backlog data.

Maintenance services and smaller project works are delivered through a partnering arrangement with contractors Mears Group Ltd, which commenced in October 2003. Mears' core team are based in NBC's offices and work closely and co-operatively with NBC maintenance management staff.

	Detail/Action	Priority	By Whom	When
1	Corporate Asset Board - Membership of Board to be reviewed to include additional Regeneration representation	High	Corporate Asset Board	Future CAB meeting
2	Review Terms of Reference	High	Corporate Asset Board	Future CAB meeting
3	Asset Management processes are continuing to inform the Council's strategic decision making process	High	Corporate Asset Board, service delivery and business planning process	Ongoing

2. Corporate Asset Policy

2.1 Corporate Asset Objectives

The Asset Management Plan provides a clear picture of the current position of the Council in relation to the management of the property portfolio

The key asset objectives are to:

- Optimise the contribution of property to deliver Key Corporate Objectives, through property being well maintained, suitable, and sufficient.
- Maximise the contribution of property to the regeneration of Northampton
- Ensure our property meets the statutory requirements
- Helps to maximise the benefits of information and communication technology
- Generate capital receipts and rental income to support the Council's financial strategy
- Deliver Gershon efficiency gains and best value.

For the let (investment/non-operational) portfolio, the emphasis is somewhat different in that the delivery of financial returns is of higher importance, but the objectives themselves are the same.

2.2 Headline Performance Measures

The Comprehensive Performance Review and reporting framework, established in April 2004 as part of its priority improvement initiative on performance management (a CPA priority), ensures a systematic review of Performance Indicator target performance and key action plan progress across the Authority, at a strategic and service delivery level.

The Authority's Core Data report contains the performance measures the Council currently uses to provide information on its performance and with which it compares its performance against other organisations. Each indicator has a performance target that is challenging, but achievable. This sets the context in which the authority's performance is measured and creates a clear link to improving performance over time.

2.3 Performance Monitoring and Measurement

The Council recognises the need to establish a performance management framework for its property portfolio, to ensure that it is being utilised effectively. The performance is submitted to the Corporate Asset Board on an annual basis as a means of updating members and senior management.

The Council intends to improve the performance of its portfolio through:

1. The new voluntary national performance indicators approved by the DCLG. These have superseded the mandatory ones developed by the ODMP and are being introduced from 2006/07 on a phased basis, following COPROP consultation:
 - PMI A, B, C and D Condition & Required Maintenance
 - PMI A, B & C Environmental Property Issues
 - PMI A & B Suitability Surveys
 - PMI A, B, C, & D Building Accessibility Surveys
2. Local performance indicators
3. Best Value performance Indicator (BV156)
4. Suitability and Sufficiency Surveys

We intend to benchmark with similar Councils via the IPF Asset Management Network and Councils within our "family of Councils".

Detailed results of the National Property Performance Indicators 2005/06 see Appendix.4 1. and 4.2.

	Detail/Actions	Priority	By Whom	When
1	Formal structure to support the reporting and monitoring of agreed property portfolio PIs when confirmed	High	Asset Management	Commencing April 2007
2	Target the investigating of poorly performing assets, as identified by the performance measurement process. <ul style="list-style-type: none"> • Consider for property review • Joint use/partnership working • Disposal 	High	Asset Development Team Leader/ Estates and Asset Management Team Leader	Ongoing
3	Optimise the use of relevant Benchmarking opportunities to provide useful comparator information (e.g. via IPF Asset Mgt Network).	High	Asset Management	Ongoing

4	Ongoing monitoring and review of the asset management process	High	Estates and Asset Management Team Leader	Ongoing
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2.4 Stakeholder Views

The Council is committed to working in partnership with stakeholders. Its policy direction is prepared in close collaboration with key partners and the community, primarily through:
 The Local Strategic Partnership
 Crime and Disorder Reduction Partnership
 Area Partnerships.

The Council has in place established Citizens' Panel processes, area community planning processes and service delivery consultation processes with service users. These are strategically linked through the Council's new Performance Management Framework to ensure key messages from stakeholders drive policy direction.

The Asset Management Division is service driven and therefore consultation with stakeholders, including the public, takes place at the individual project level. Consultation at this level has influenced the form of projects undertaken.

The Council will be following with interest the progress of the proposed activities outlined in the Oct 06 Local Government White Paper "Strong and Prosperous Communities" which emphasises the role of community groups in managing and perhaps in future owning assets currently provided by local authorities.

2.5 The Resource Context

The Council in managing its assets, ensures that the capital programme is effective in terms of its contribution to the achievements of corporate and service objectives. To do this, our Capital strategy provides clear strategic guidance on capital objectives, priorities and spending plans.

It is Council policy that the use of capital receipts is considered corporately against the Corporate Plan and Improvement priorities rather than ring-fenced to the service from which the asset was released.

A capital option appraisal and prioritisation system has been developed (CCS1, 2 and 3) to ensure the capital programme meets corporate and service priorities. The process is corporate, objective and transparent with elected member involvement at Scrutiny and Cabinet.

2.5.1 Capital Programme and resources

The total capital investment commitments for the Council in 2006/07 are:

General fund	Housing Revenue Account	Total
£9.8m	£8.8m	£18.6m

Some capital projects are financed through external grants and contributions, which are specific to projects and cannot be used for other purposes. Some examples of these would include grants from Central Government, other agencies such as the Sports Foundation and contributions from private sector companies and developers.

The use of PPP (Public Private Partnership) has not been on the agenda for Northampton Borough Council as, like most second tier Councils, its projects are normally well below the financial threshold which would make them attractive to the private sector and worth the significant set-up cost.

In 2004 The Government introduced the Prudential Code, which gives Councils the freedom to borrow additional resources to finance capital expenditure. This form of borrowing is unsupported and the Council must ensure that decisions to raise additional resources from this source are prudent and affordable.

The Council's financing is based on current and anticipated levels of asset disposals and government grant support with the exception of Council house sales, which are expected to continue to reduce until levelling out in 2008/09. It has been assumed that Council Housing Right to Buy capital receipts pooling will continue at the current rate of 75% of all right to buy receipts.

The Council has agreed an asset disposal programme for 2006/07 and has identified further property for disposal in 2007/08. Disposal planning for 2008/09 onwards is being actioned. Subject to other corporate priorities capital receipts will be used in part to invest in retained properties.

As additional resources are identified new schemes will be considered according to the following criteria:

1. Schemes relating to the maintenance of essential assets.
2. Schemes that will allow the achievement of business transformation and/or value for money improvements – so called "invest to save" schemes.
3. Schemes that allow the achievement of capital receipts – where the projected receipt is at least sufficient to cover the original scheme or where an equivalent revenue benefit might be realised.
4. Schemes that are both funded externally and contribute to our corporate priorities.
5. Schemes that help us to achieve our corporate priorities.

2.5.2 The Balance Sheet

The Council has Fixed Assets of £667m of which £547m relates to council dwellings, £68m to operational land and buildings and £37m to investment properties and surplus assets (the investment portfolio generates gross rental income of approximately £1.51m). This should be set in the context of outstanding debt at the relatively low level of £26m. Debt charges, net of interest received, are £212,000 pa or 0.7% of net expenditure. See Appendix 2 and 3.

In overall terms, therefore, the balance sheet of the Council remains strong giving the potential to increase capital investment in services, subject to revenue affordability. Revenue constraints mean that the greatest scope for capital investment will be where there is an opportunity to reduce other revenue costs.

	Detail/Actions	Priority	By Whom	When
1	Asset Management to work with the Finance Division to provide the link between the Corporate Property Objectives and the Corporate Plan.	High	Finance Division	April 2007
2	Methodology adopted for the Corporate Option appraisal and prioritisation of schemes for approval onto the Council's Capital programme	High	Finance Division	April 2007
3	Establishment of a fully costed and supported Capital Programme using the option appraisal methodology <ul style="list-style-type: none"> • Incorporating property review 	High	Finance Division	Feb 2007

	requirements <ul style="list-style-type: none"> • Incorporating backlog maintenance requirements 			
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3. Changes to the External Environment and their Implications for Property

The way in which Northampton Borough Council manages its land and property is central to the Council's ability to support Best Value and deliver service improvement. A recent example of this has been the Council's Implementing Electronic Government (IEG) agenda. As part of this agenda the Council provided the public with access to land and property data via its website using a Geographical Information System (GIS). In moving from electronic government towards transformational government the Land and Property Gazetteer (LLPG) is central to the Council's new transformational programme. The LLPG underpins initiatives such as the current Customer Relationship Management (CRM) project and Housing system replacement project. With these and other initiatives, the quality and management of the Council's asset base is critical to the Council's operational effectiveness, its financial well-being, and the environmental and economic quality of the borough. The quality and management of the Council's asset base is also directly related to how effectively the Council can join up services both internal and also externally to partners and other service providers.

3.1 The Market for Property Services

Asset Management (Governance and Resources Directorate) is responsible for the development of policy and strategy for corporate asset management and for reviewing the use of property holdings to ensure best use of property assets, together with a disposals programme for forecasting and delivering capital receipts.

Property services are provided through a mixed economy approach, which includes partnering, design and build and external providers. For example, the Council uses contractor partners Mears Group PLC to provide non-housing maintenance services and some professional services where in house capacity needs topping-up.

Asset Management should act as corporate co-ordinator for property activities best managed centrally, but more especially should lead in development and management of the Council's increased interaction with the market place in the procurement of property delivery solutions. The current Mears partnership will come to an end in 2007/8, and it is likely that additional housing related work will be included in any future partnership, to improve economies of scale and share the partnership learning.

Key areas for future development are:

- To support better property procurement, better forward planning of property investment should be developed.
- Greater commitment should be given to advance property programme preparation.
- Crucially, the authority should improve interaction with the market place through developing new and better procurement techniques e.g. increased partnership working, design and build, letting programmes of work – across all parts of the Council including Housing.
- Capital programme monitoring should focus not just on financial and input monitoring but also on the achievement of outputs and outcomes.

3.2 Compliance with Legislative Requirements

The Council is focused on ensuring that it meets all its statutory requirements relating to buildings. Almost 25% of the current maintenance budget is used to deliver the testing programmes required by law, including

- Electricity at Work Act testing of fixed wiring and portable appliances
- Asbestos surveys and management of risk

- Legionella risk assessment and testing
- Gas appliance testing and servicing
- Lift testing
- Other specialist matters such as fall arrest equipment.

Additional budgetary pressures are created by the need to rectify faults highlighted by the testing/risk assessment process, but it is a Council priority to deliver health and safety related work on its buildings, even if other less necessary work has to be delayed in consequence. This has been the case in 2006/7 and is likely to be the case in 2007/8 as well.

3.3 Environment Accessibility

The Council resolved to make all public areas of buildings and public spaces accessible to visitors with mobility impairment and navigable by visitors with visual impairments. The buildings and public spaces were not always designed for the needs of people with disabilities and therefore create physical barriers preventing some disabled people from accessing services and access to arts and leisure facilities.

Access audits have been carried out on our operational buildings. The audits identified some non-compliance under the Disability Discrimination Act (DDA). As a result, a programme of physical remedial work has been implemented and is ongoing. The Best Value Performance Indicator "Access to and use of buildings" (BV 156) which measures performance is reported in the Best Value Performance Plan and the Council has now achieved performance of 90.14% for 2005/06 which is in the top quartile.

3.4 Energy and Sustainability

Climate change is now the world's greatest environmental challenge. By emitting a range of greenhouse gases into the atmosphere, we are effectively thickening a blanket of gases around the planet, blocking heat from escaping into space and causing temperatures to rise.

In the East Midlands, the Environment Agency has estimated that climatic change will bring about wetter weather in the winter and drier weather in the summer, increasing the risk of extreme events such as storms, floods and droughts. Northampton itself experienced a major flood nine years ago and remains at risk despite a programme of flood alleviation works. By 2080 the EA expects that average annual temperatures may increase by up to 5°C (little under the change that took us out of the last ice age), summer rainfall may decrease by as much as 60% and winter rainfall may increase by up to 30%.

The best way to eliminate our impact on climate change is to reduce the carbon dioxide emissions that result from our energy use. This is now a priority for all parts of society, but especially local authorities. However, it is key that this issue is viewed both as a threat and an opportunity. By reducing our energy and resultant carbon emissions, we can reduce our (sharply rising) energy costs while simultaneously mitigating our impact on our climate.

The Nottingham Declaration was originally signed by the Council in 2003 and re-affirmed in October 2006. This voluntary declaration committed the Council to develop a plan to combat the causes of global climate change, namely our greenhouse gas emissions – the most significant being carbon dioxide resulting from burning fossil fuels for our energy.

In the same year (2003) we produced an energy strategy detailing a number of targets and priorities to help us cut energy use both across the council's property portfolio and in the community. In-house and with the assistance of external consultants energy is being monitored and initiatives have been enacted to cut our energy usage and its associated greenhouse gas emissions.

3.4.1 Our carbon reduction initiatives are detailed below:

	Detail/Action	Priority	By Whom	When
1	The Council is currently revising its existing sustainable development strategy		Sustainability Officer	April 2007
2	The Council will initiate a Carbon Management Programme with the Beacon Councils for Sustainable Energy and the Carbon Trust. This programme will investigate the opportunities for greater energy efficiency across the NBC estate while reducing resultant carbon emissions. As part of this programme, a carbon baseline for all of NBC's activities will be established, new targets for energy reductions set and appropriate actions identified		Sustainability Officer	January 2007
3	The Council to continue to purchase green electricity from its suppliers. By doing this we ensure a proportional investment is made towards the production of energy from sources such as wind, wave and solar power.		Procurement	Ongoing
4	NBC operates a Combined Heat and Power plant that feeds high efficiency power to one of its swimming pools. Efficiency gains from the simultaneous creation of electricity and heat results in an overall reduction in energy demand while helping to reduce costs and carbon emissions.		Procurement	Ongoing
5	Eco champions award - this award scheme asks NBC staff to identify which officers have best exemplified sustainability ethics in their behaviour (e.g. by switching off lights, cycling to work, buying fair-trade goods) and their nominations result in an award presented by the mayor.		Customer and Development Coordinator, Environmental Health	Ongoing
6	Since 2004 we have had a sustainable purchasing guide in place which guides our purchasing staff to recognise the work of certain internationally recognised bodies and for the Council to require such certification when specifying those specific products (e.g. the energy efficiency recommended logo and FSC mark)		Procurement	Ongoing
7	To mirror actions taken within our estate, NBC has initiated a countywide 'Climate Friendly Communities' project. The aim of this project is to bring together regional partners to encourage and support local communities to reduce their environmental		Energy and Sustainability, Shane Conway (PSH)	April 2007

	<p>impact, with a particular focus on carbon dioxide emissions. The objectives are to:</p> <ul style="list-style-type: none"> • Raise community awareness of climate change • Encourage community action to reduce their greenhouse gas emissions 			
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3.5 Registration of Land

The Council as a major public sector landowner acknowledges the importance of delivering the registration of its many unregistered land holdings, as government wishes us to do by 2012. Registration has many advantages to the Council: it cuts the cost and complexity of future conveyancing, helps protect land against unauthorized occupation by "squatters", and improves accessibility and accuracy of ownership records for both Council and residents. The Council is therefore hoping to start the initial verification work on its electronic land ownership records in 2007/8, which will underpin the voluntary registration process.

	Detail/Action	Priority	By Whom	When
1	Achieve total Land Registration	High	Asset Management/Legal Services	Start 2007/08

4. **Service Delivery and Accommodation needs**

4.1 Service Delivery

The authority has a strategic need to transform itself to meet the Council's improvement agenda and the key goal is to improve organisational effectiveness and performance management. This agenda was developed to an outline established by Council Members through wide ranging process of presentation, discussion, and debate with the Department for Communities and Local Government (DCLG), other statutory and voluntary organisations and local businesses. The Customer Care Strategy is seen as a key driver to achieving the Council's aims.

The Customer Relationship Management (CRM) is an enabling technology that supports the delivery of business processes. Although the Council has the capacity to drive cost reduction programmes across the authority, and these programmes may use CRM to achieve corporate objectives, it will of itself not deliver cost reductions. It is the business redesign that will deliver these. In this respect the CRM and its effects on the efficiency and effectiveness of asset management are currently undefined. However CRM has the potential to transform our relationships with commercial tenants by being able to look holistically at the Council's interfaces with them.

	Detail/Actions	Priority	By Whom	When
1	Further development of CRM technology to support delivery of business processes	High	ICT	Ongoing

4.2 Service Priorities

The following priorities have been identified in 2006 by the major property-using services, ahead of the formal production of new service plans and subsequent service asset management planning.

The Council owns three Leisure Centres that are managed in-house. The setting of priorities for the leisure centre properties are hampered by:

- The uncertainty surrounding the future of service provision e.g. out-sourcing as opposed to being retained in-house.
- Continuing budget constraints
- The condition of some buildings used to deliver services need to be improved to a more acceptable standard to compete with external providers.
- Facilities provided do not necessarily meet current or future current customer needs or are of a lower standard than those provided by external providers.

4.2.2 Community Centres

The Council own 24 community centres of which 17 are self managed by management committees, and 7 are directly council managed. Future Community Centre service priorities may be determined by the outcome of the Local Government White Paper "Strong and Prosperous Communities", which emphasises the role of community groups in managing and perhaps owning the assets. Present service priorities are being directed at:

- Improving the buildings and facilities to a good standard and ensuring compliance with statutory requirements.
- Making sure community centres are located in areas where there is the need, taking into account the Growth Agenda and all the changes that will bring.

4.2.3 Parks and Open Spaces

Parks and open spaces cover a large area within the borough. Within those areas a number of pavilions and changing rooms exist. The maintenance of those assets is limited especially with the current budget constraints in place. For customers to continue using the facilities provided, resources need to be targeted at the high priority cases.

The Parks team are working on a "hierarchy of parks" which will describe the park types and set the maintenance standards (for landscape and buildings) – from major historic parks, to local dog walking spaces.

4.2.4 Car Parks

The Council manages 23 public car parks across the town with the majority being in the town centre. There are approximately 5,400 parking spaces, which are open 7 days per week.

The primary service priority is the provision of quality, safe and secure parking for visitors to the town.

In 2004, £3.1m was spent on the refurbishment of the largest multi-storey car park, the Mayorhold Shoppers' Car Park, when it changed from pay and display to pay on foot. Plans are in hand to extend this system to the St John's and St Michael's car parks in 2007. Most car parks are covered on a 24/365 basis by CCTV monitored at the Borough Council's CCTV centre and 56% of all spaces are to the National Parkmark Standard. Shortly two additional car parks will be added in the Sixfields area just southwest of the town centre, which will provide 1,800 spaces for match day parking for the rugby and football clubs. This has been achieved through working in partnership on a regeneration basis with English Partnerships, Northamptonshire County Council, the Police, Northampton Town FC, Northampton Saints RFC and Northampton Wildlife Trust.

4.3 Accommodation Needs: Offices

The challenge is to reduce permanently the total cost of accommodating staff in offices. To achieve this, the authority must adopt alternative ways of working that eliminate the need to provide a desk for every employee in a building owned by the Council. A flexible approach to the occupation of offices will realise a reduction in floor area staff use.

The technology to permit office-based staff to work alternative ways of working must be more widely used in the Authority, to relieve the need for all members of staff to have their own desk.

A space audit in Cliftonville House, one of the Council's major office bases, has highlighted that although some staff experience cramped conditions, in some areas spare capacity exists. This is due in part to the recently completed root and branch review, which has led to a re-prioritisation of service provision, and changes to employment levels. Other factors include under utilisation of workstations, because employees who spend most of their time out of the office are still allocated a dedicated desk space. A further space audit, on the Guildhall (the other major office base) is presently being undertaken.

The new space layout presently being carried out at Cliftonville House reflects broadly the Audit Commission's recommendations on space standards. The new office space standard allowances being used have been agreed internally. Space allocation has been defined as the space totally dedicated to the individual including desk, personal filing, and meeting area. Office space is being allocated on the function rather than the status.

To make the necessary changes to deliver authority-wide efficiencies and savings and fully benefit from the transformation agenda, the authority must re-engineer its back office functions. What is required is suitable and sufficient accommodation for the people and technology. It must be efficient in use, low maintenance and energy efficient. The Council must also consider alternative ways of working such as:

- Hot desking
- Home working
- Flexibly Working

	Detail/Actions	Priority	By Whom	When
1	Office Accommodation strategy to be completed in accordance with agreed standards	High	Maintenance and Facilities Team Leader	April 2007

4.4 New Working Practices within the Council

Named to reflect the emphasis on process reengineering and organisational change, the Customer Relationship Management (CRM) system will assist in reforming our business processes and procedures within all services to gain optimum benefit.

The One Stop Shop and the Customer Call Centre are transforming the customer interfaces of the Council. The Council recognises that accessing its services and information can be a complex process however the Council is committed to improving this access. Highly trained Information Officers are there to help and guide citizens with requests for information and access to services. This is an extensive project, which will impact on all areas of the Council, and in turn support planned improvements in the management of information in the future.

- The One Stop Shop is located at the Guildhall. It provides a face-to-face, one-port-of-call facility to access a range of Council Services. The One Stop Shop (OSS) is the building block on which the Council and its partners are beginning to deliver all of their services from one central point.

- The Customer Contact Centre is situated at Cliftonville House and went live in June 2006 incorporating Housing Repairs, Housing Customer Services and Cleansing, with further expansion planned during 2007. Calls taken at the Contact Centre are routed through the ACD (Automatic Call Distribution) software, which allows customers to queue and leave messages without losing their place in the queue. The ACD technology has meant that there has been a dramatic improvement in the quality of customer service provided by the Council, with an approximate 40% improvement in calls answered by services using the software since its introduction in March 2006.

A new fully integrated system for Housing will shortly be implemented which will provide efficient and effective management of the housing portfolio.

4.5 Other Relevant agencies and their possible Joint Accommodation Requirements

The shared delivery of services from the Council owned Kings Heath Complex has been ongoing for the past year. The property is shared with the PCT and consists of a doctor's surgery, community centre, and District Housing Office.

Due to the success of the Kings Heath Complex a new multi purpose building is being built in Far Cotton funded in part by EMDA and the Northamptonshire County Council, to provide a library, changing rooms and other facilities.

The Council are in the early stages of a feasibility study to assess the possibility of a joint approach to office accommodation with Northamptonshire County Council.

	Detail/Actions	Priority	By Whom	When
1	Fully explore joint/shared use opportunities With our LSP partners.	Medium	Asset Management	Ongoing

5. **Future requirements**

5.1 Asset management must reflect the Council's **corporate vision** and promote sustainable development. Fundamental in determining strategy is the Corporate Plan, Strategic Improvement Plan and the development of partnership working. Whilst due regard must be given to the key priorities of regeneration and the maintenance of community and investment assets. External agencies only contribute in a small way to meeting the Council's needs, but increasing emphasis on the "enabler" role and the trend towards partnership working will bring a change.

The introduction of new **service plans** will provide a basis for officer and member consideration of the high level issues of suitability and sufficiency. Key themes will emerge in terms of delivery of core functions, attainment of standards/fitness for purpose, and orientation of the property portfolio to meet user expectations. Medium term financial planning will provide a more informed judgement on revenue and capital budget frameworks. To meet the needs of the customer and community there must be a strategic realignment of investment. However the Council is not in a position to fund improvement through traditional means and the mixed economy approach will have to be considered.

A pro-active and robust approach to identifying **surplus property** and the sale thereof is a key element in an effective capital strategy. The Council has a good record of disposal and through previous property reviews many sites have been, or are in the process of being sold. The Property Review process has been refocused in 2006/07 to emphasise outputs rather than process. The new draft Criteria for Exceptional Disposals at less than Market Value underpins the review activity, by ensuring that property is not disposed of at a discount unless corporate priorities cannot be effectively delivered in any other way.

The Growth Agenda and the work of the West Northamptonshire Development Corporation is going to have a profound effect on service provision in the future and the council will be required to work along side the WNDC to achieve the corporate priorities and aims.

	Detail/Actions	Priority	By Whom	When
1	Thematic property reviews are planned over the life of this plan: after the surplus property review, other priority areas for review (depending on the corporate priority allocated) may include depot accommodation, investment property, community centres, and office accommodation	High	Estates and Asset Management Team Leader	Ongoing
2	Approval of the Criteria for Exceptional Disposals at less than Market Value Policy	High	Head of Asset Management	Mar 07

6. Data Management

6.1 The maintenance and further development of a property database has been a key task for the Asset Management Division. The property database holds information relating to the entire property portfolio, whether the Council has a freehold or leasehold interest, with the exception of HRA dwellings and garages. The data is updated on an ongoing basis with the core data being tested bi-annually. The database also contains a link to the Geographical Information System (Cartology). The Corporate Property System has been rolled out to other areas of the Council, Health and Safety, Risk Management, Access Management, Legal Services, Finance and the Council's Direct Labour Organisation. It is intended to increase the roll out once the system is web enabled, following an upgrade of the operating system (subject to funding).

In addition to the property database the Council also manages:

- An Asset Register, which feeds directly into the core financial system.
- A Property Terrier held on the Corporate GIS system.
- An Internet mapping service has recently been introduced to enable the community to identify Council services and responsibilities.

Information from these sources has been used to inform this year's Asset Management Plan in terms of Property Performance Indicators, and property condition information.

The Council also has a direct link to the Land Registry database and work is shortly hoped to start on a programme of work to enable the Council to achieve total land registration (subject to budget approval).

	Detail/Actions	Priority	By Whom	When
1	Continue validation of "core" property data	High	Head of Asset Management and Estates and Asset Management Team Leader	Ongoing
2	Continue with agreed programme of data capture	High	Head of Asset Management and Team Leaders	Ongoing

3	Business rules (data maintenance procedures) to be updated for Corporate Property System	High	Estates and Asset Management Team Leader/Corporate Asset Officer	Ongoing
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7. Condition, Maintenance Backlogs and Budgets

7.1 The Council has a maintenance backlog of approximately £8.5 million of capital type works and £5.7m of revenue type works – total £14.2million – according to condition surveys first carried out in 2003 and now starting to be being fully updated. £1.545m capital was allocated in 2006/7. The current revenue maintenance budget of just over £1m pa is sufficient only to deliver a responsive repair programme of approximately £550k pa, plus £450k planned maintenance limited to statutory testing and servicing including remediation of high priority issues discovered. For example, there is no programme to redecorate any buildings, nor any programme to replace outdated equipment prior to its failure.

The Council acknowledges that this is not a desirable state of affairs, but present budgets do not permit better. The maintenance budget was increased by £150k in 2006/7 to its present level in recognition of the problems, The Council is aware that this sum was not enough.

The production of effective service plans in the near future should allow Asset Management to engage with the services on service based asset management planning, allowing decisions to be taken about problem properties and removing excess capacity in some services, which is overstressing maintenance and capital budgets.

	Detail/Actions	Priority	By Whom	When
1	To review the existing surveys and to develop the programmes of work for the next 12 months.	High	Maintenance and Facilities Team Leader	Ongoing
2	To update the condition surveys to provide an anticipated spend profile over the next 5 years.	High	Maintenance and Facilities Team Leader	Ongoing

8. Review and Challenge

8.1 Review of Asset Strategy, Property Objectives and Delivery Mechanisms

Following the CPA rating of "Poor" in 2004, the Council has undertaken a root and branch review of both services and resources. This has resulted in a major reprioritisation of services. A number of changes have been implemented which have had an impact on the Asset Management function. Partnership working is now high on the agenda, in particular, working with the Regeneration and Growth Division who have direct links to the West Northamptonshire Development Board and partnership working with English Partnerships

The Council's implementation of a corporate approach to asset management across the authority is ongoing. Considerable change has already taken place in that we are able to define the true position regarding the extent of our property portfolio and its condition. We are undertaking an assessment of the utilisation of our portfolio and how it matches our requirements both now and in the future through the property review process and service delivery questionnaires.

	Detail/Actions	Priority	By Whom	When
1	Continuing to raise the awareness of strategic asset management throughout the authority with both members and officers	High	Head of Asset Management	Ongoing
2	Developing a "Criteria for Exceptional Disposals at less than Market Value Policy" for our capital receipts, prior to potential update in line with new White Paper "Strong and Prosperous Communities".	High	Head of Asset Management	Mar 07
3	Alongside the planned strategic review of the investment portfolio, address the investment portfolio maintenance requirements and the funding available and to provide a longer-term sustainable solution.	High	Head of Asset Management and Estates and Asset Management Team Leader	Ongoing
4	Develop and implement a consultation plan for regular consultation and feedback processes with all stakeholders regarding operational property portfolio.	High	Head of Asset Management	April 07
5	Continue to ensure compliance with all health and safety issues and compliance with statutory regulations	High	Head of Asset Management and Maintenance and Facilities Team Leader	Ongoing
6	Continue to measure property performance and take action on outcomes	High	Head of Asset Management and Estates and Asset Management Team Leader	Ongoing

9. Option Appraisal

	Detail/Actions	Priority	By Whom	When
1	Explore more fundamental utilisation of our corporate office accommodation through introduction of new ways of working both internally, and with external partners and stakeholders.	High	Head of Asset Management	Once Service Plans become available
2	Through a continuing programme of property reviews, identify under performing non-operational properties. Those properties identified should then be considered for disposal.	High	Estates and Asset Management Team Leader	Ongoing

3	Examine the options available to the authority for future procurement of design services and building works on a Council wide basis (incl Housing).	High	Head of Asset Management and Task and Finish Group	Report to Corporate Asset Board in March 2007
4	Consider how the Council can use its freehold interest in the Grosvenor Centre and Greyfriars House in Northampton town centre to progress regeneration of this outdated part of the town centre.	High	Head of Asset Management and Corporate Manager Regeneration	Ongoing
5	Consider how the Council can use its ownership of one-quarter of the Dallington Heath farmland (allocated for development in the Local Plan) to not only create capital receipts but also influence the form of the development and its relation to older adjacent housing estates.	High	Head of Asset Management	Ongoing

APPENDICES

APPENDIX 1 - Projects recently undertaken:

1.1 New Build

Camp Hill Community Centre.

Far Cotton Community/Multipurpose Centre (County Library, Sports Changing Rooms, Community Hall, and other facilities.

15 St Giles St, The Volunteer Bureau – reconstruction of narrow derelict building in sensitive location next to Guildhall, to provide base for volunteers, and high quality improvement to street scene.

1.2. Refurbishment

Open Market – reduce underused stall area of market and create “plaza” for events and activities – French Market and Italian Market held, French Christmas Market in Dec 06.

One Stop Shop at The Guildhall – refurbished public access office.

Fernie Fields Community Centre – refurbished joint use community/Scout centre.

Kings Heath Complex (Community Centre/District Housing Office/Doctors Surgery).

Northampton Theatres Trust – repair of Royal and Derngate Theatre roof and contribution to ambitious rebuild funded chiefly by Heritage Lottery and Arts Council.

APPENDIX 2 - Summary of Fixed Assets 2005/06

Description	Number
HRA Dwellings	12417
Council Houses not used as dwellings	26
Shared Ownership Properties	99
Council Garages	3049
Other Garages	194
Guildhall	1
Local Area Offices	4
Central Administration Offices	5
Depots	1
Sub-Depots	18
Multi Storey Car Parks	5
Surface Car Parks	16
Sports and Leisure Centres	4 (includes Bradlaugh Fields Interpretation Centre)
Museums Art Galleries	2
Parks and Open spaces	887.45ha
Theatres	1
Community Centres	24
Markets – Open	1
Markets – Indoor	1
Cemeteries	6
Bus Station	1
Commercial Property	276
Public Conveniences	24
Allotments	62,88ha
Golf course	1
Gypsy site	1

APPENDIX 3

3

Movement on Long Term fixed Assets 2005/06

Operational Assets	Non Operational Assets						Totals			
	Council Dwellings £'000	Other Land & Buildings £'000	Vehicles Plant & Equipment £'000	Infrastructure £'000	Community £'000	Investment Commercial £'000		WIP £'000	Surplus Assets £'000	Intangible Fixed Asset £'000
Net Book Value of Assets 31 March 2006	532,902	82,220	4,927	351	3,138	37,099	2,456	973	3,615	667,681

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APPENDIX 4

4

**NORTHAMPTON BOROUGH COUNCIL
DETAILED RESULTS OF THE NATIONAL PERFORMANCE INDICATORS 2005/06**

4.1

KPI nos 4 A, B, C&D Repairs and Energy Efficiency			
Objective:			
<ul style="list-style-type: none"> To encourage efficient use of assets over time and year-on-year improvements in energy efficiency for Operational Buildings 			
Indicator:			
4A – Repair and maintenance costs per m ²			
4B – Energy costs m ² (gas electricity, oil and solid fuel)			
4C - Water costs per m ²			
4D – CO ² emissions in tonnes of carbon dioxide per m ²			
All floor space has been calculated using internal (GIA) in accordance with RICS Code of Measuring Practice.			
Indicator No	Details	Cost per m²) 2005/06 £'0	Cost per m²) 2004/05 £'0
4A	Repair and Maintenance	5.77	23.70 (incl £2.9m Mayorhold CP)
4B	Energy	4.79	3.78
4C	Water	0.54	0.40
Indicator No	CO² Emissions/Property Type	Total CO² Emissions/ Tonnes 2005/6 per m²	Total CO² Emissions/ tonnes 2004/5 per m²
4D	Occupied Office Accommodation (Guildhall/Cliftonville House)	0.0794	0.0959
	Car Parks (Multi Storey)	0.0164	0.0103
	Leisure Centres	0.1970	0.1822
	Museums	0.0574	0.0500
Total		0.0383	0.0332

NORTHAMPTON BOROUGH COUNCIL
KPI 5A & 5B – COST & TIME PREDICTABILITY – PROJECTS

5A – Cost Predictability

% of projects where outturn falls within +/- 5% of the estimated outturn, Expressed as a % of the total number of projects completed in the financial year.

(Comparison of estimated outturn project costs at “commit to invest” with actual outturn cost at end of defects liability period)

5B – Time Predictability

% projects falling within +/-5% of the estimated timescale, expressed as a % of total number of projects completed in that financial year.

(Comparison of estimated timescale against actual timescale)

Cost Predictability

	No of projects	Within Price	2005/06 %	2004/05 %
General Fund	13	5	38	45
Housing	8	5	63	38
Total	21	10	48	41
Time Predictability				
General Fund	13	2	15	9
Housing	9	7	78	63
Total	22	9	41	41

Comment-

The trend with regard to the General Fund for 2005/6 was very disappointing and needs attention to improve these results. During examination of these accounts it was noticed that there were a number of variation orders issued by the Service Client which did impact on the final result of the project both in cost and time. There needs to be more consideration by the Client in the design and development of the project in order to prevent changes during the actual construction stage. The only changes that should be allowed are those required to meet essential changes arising from work on site, such as extra foundations due to poor soil condition and adverse weather conditions. Unless this policy is adopted and adhered too the situation is not likely to improve.



**NORTHAMPTON
BOROUGH COUNCIL**

Name of Committee	CABINET
Directorate:	Customer and Service Delivery
Corporate Manager:	Fran Rodgers
Date:	29th January 2007

Report Title	Sheltered Housing Review
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Key Decision:	YES
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1. Recommendations

<p>That Councillors;</p> <p>1.1 Agree the proposed service delivery model for the sheltered housing service; structuring service provision to three service levels, being implemented from April 2007.</p> <p>1.2 Agree the proposed support charges for the three service levels, subject to final negotiation with the Supporting People Commissioning Body.</p> <p>1.3 Agree the proposals for achieving the target employee structure by April 2008.</p> <p>1.4 Agree that as part of the wider stock condition review and asset management strategy further work is undertaken during 2007/08 to determine future investment or decommissioning options for sheltered schemes.</p>

2. Summary

<p>2.1 Northampton Borough Council manages a stock of 2300 sheltered housing properties consisting a mix of flats and bungalows grouped into schemes. Residents in sheltered housing receive housing related support form a visiting warden and pay a support charge in addition to the rent for this service.</p> <p>2.2 An extensive review of the Sheltered Housing Service has been undertaken</p>
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aiming to ensure the service provides value for money and that it is effectively targeted to those with an identified need. Additionally the service is required to accommodate reduced levels of funding through supporting people grant from 2007/08.

- 2.3 The review recommends remodelling the Sheltered Housing Service to structure future service provision to residents around three levels of housing related support.
- 2.4 The three service levels are structured to provide a best fit to the varying needs of the client base and were arrived at following consultation with existing residents. All current residents have been assessed against the proposed service levels and future applicants for sheltered housing will be individually assessed to determine the level of service they receive.
- 2.5 Support charges to residents will vary depending on the level of support provided, however the majority of residents will qualify to have their support charges met through Supporting People Grant.

3. Report Background

3.1 Background

- 3.1.1 Northampton Borough Council manages a stock of 2300 sheltered housing properties. The properties consist of a mix of flats and bungalows grouped into schemes. The schemes are either, sheltered or semi-sheltered. Semi-sheltered residents receive a monthly home visit from a visiting warden and sheltered residents receive a daily visit Monday to Friday. All properties are individually connected to the 24-hour Call Care facility. In addition to the rent a support charge is payable by residents receiving these services.
- 3.1.2 Funding for the service is achieved through a combination of Supporting People Grant, resident's contributions and HRA provision. Supporting People Grant comes from the government but is administered locally by the County Council. Residents who qualify for Housing Benefit are eligible to have their support charge met by Supporting People Grant. Residents who are not eligible for Supporting People funding pay the support charge themselves. Currently around 83% of residents qualify for Supporting People Grant.
- 3.1.3 Support charges are at present £4.91 for semi-sheltered and £13.50 for sheltered. Additionally Northampton Borough Council currently gives transitional protection to 'self paying' residents who lived in our sheltered housing before April 2003 when Supporting People funding was introduced, the transitional protection being the difference between the sheltered housing support charge they paid then and the higher charge introduced in 2003. Self-payers benefiting from transitional protection currently pay £3.25 for semi-sheltered and £7.68 for sheltered.

3.1.4 Assessment for and allocation of the Council's sheltered housing primarily takes account of housing rather than support needs and the subsequent standard warden visits are not at present sufficiently tailored to the needs of the individual resident. The sheltered housing service needs to demonstrate it is providing value for money and therefore services must in the future be more effectively targeted to those who have an identified need.

3.1.6 The County Council's Supporting People Strategy has set out priorities for the supporting people programme for the five year period 2005 to 2010. One of the direct impacts of the strategy on Northampton Borough Council's Sheltered Housing Service is a reduced level of Supporting People Grant. As a consequence Northampton Borough Council is required to make savings against the cost of current service provision.

3.1.7 Against this background a comprehensive review of the Sheltered Housing Service was undertaken during 2005. The review aimed to address:

- The options for the development of a service based around individual support needs.
- The potential issues around a shortfall in the funding for the Sheltered Housing Service.
- The need to ensure that service provision is of good quality at an acceptable cost.

3.2 Future Service Delivery Model

3.2.1 The sheltered housing review was conducted in consultation with stakeholders and recommended the service be delivered through a needs based model structuring service provision around three levels of housing related support.

3.2.2 Consultation with existing residents identified a range of service levels that would provide the most appropriate fit for the mix of requirements the customer base presents. Proposed service levels have therefore been identified as:

- Level 1 (low support needs) – A monthly warden visit plus 24 hour intercom connection to Call Care.
- Level 2 (medium support needs) - Three warden visits per week plus 24-hour intercom connection to Call Care.
- Level 3 (high support needs) – A daily warden visit including weekends plus 24 hour intercom connection to Call Care.

3.3 Assessment

3.3.1 Applicants for sheltered housing will be individually assessed under the above categories to determine the level of support required. A trained assessor will carry out the assessment, which is based around a common assessment form, examining all aspects of potential housing support need.

3.3.2 Individual assessments have been undertaken with all current sheltered housing residents between May and September 2006. The assessments identified: 40% of residents with a level one need, 55.5% with a level two need and 4.5% with a level three need. Feedback from residents about the assessment process has been very positive.

3.4 Future Service Charging Levels

3.4.1 Financial modelling undertaken with Accounting Services has identified appropriate support charges for the three service levels based on service costs and eligible expenditure. Full equation and weighting mechanisms are recorded within the project plan. Recommended charging levels have been calculated at:

Service Level	Support Charge (48 weeks)
Level One	£5.53
Level Two	£12.01
Level Three	£17.64

3.4.3 Charges for residents in receipt of Housing Benefit, around 83%, will be met through Supporting People Grant. Initial discussions with the County Council Supporting People Team indicate that the charges are within the range they would expect, although sign off is subject final agreement of the Supporting People Commissioning Body.

3.4.2 Benchmarking with other local providers in the County indicates that the proposed charges compare favourably.

3.4.4 Analysis of the 17% of self-payers has been undertaken and the following table indicates the proportion those of residents where the new charge will represent either a reduction in payment or an increase in payment.

Analysis of Self Paying Sheltered Housing Residents	
New support charge is less than existing payment	30.92%
New support charge is less than £1.00 extra	27.30%
New support charge is between £1.01 and £2.50 extra	7.89%
New support charge is between £2.51 and £5.00 extra	26.64%
New support charge is between £5.01 and £10 extra	6.90%
New support charge is more that £10 extra	0.32%

It is intended that where self-paying residents face an increase in excess of £1 they be individually contacted to ensure any benefit entitlement is maximised and where appropriate residents are assisted to make a Fairer Charging Application. Some residents may be eligible to have all or part of their support charge paid by Supporting People Grant as a result of a Fairer Charging Assessment.

3.5 Service Structure

- 3.5.1 Statistical information from the individual assessment process identifies that the service will need an employee resource to undertake just under 240,000 individual home visits per year to sheltered housing residents. Some flexibility within this figure is required because customer needs will not remain static and there will be an element of stair casing between the assessed levels. This does however represent a substantial reduction against the visiting commitment for the existing service. This is achieved because visits are based on individual need rather than a standard number of visits regardless of individual requirement.
- 3.5.2 The identified visiting commitment largely determines the employee structure required to deliver the service. The proposed structure for the future sheltered housing service consisting twenty-nine FTE visiting wardens grouped into teams under three supervisory posts and one team leader is currently under consultation with unions and employees.
- 3.5.3 The proposed structure represents a reduction in the current establishment however it is projected that current vacancies and natural wastage can achieve the target workforce by April 2008. Analysis indicates that this approach is likely to provide the more cost effective route to the target structure when compared with potential redundancy costs. It is therefore recommended that, subject to consultation, new working arrangements be implemented from April 07, utilising the existing workforce, with the aim of achieving the target structure by April 2008.

3.6 Sheltered Housing Stock

- 3.6.1 Despite the relatively large stock of sheltered housing properties some of the properties used to provide the service are not particularly suitable, some have poor access, for example first floor flats with no lifts, others do not have local shops and facilities, this make them less attractive to older people. Linking to the wider housing stock condition review and asset management strategy it is proposed that further work be undertaken during 2007/08 to determine future investment or decommissioning options for some sheltered schemes.

4. Options and Evaluation of Options

- 4.1 The provision of sheltered housing is not a mandatory service however, as part of an overall strategy to deliver the services people need to enable them to live in their own homes, it provides an essential element. While the Council could decide it no longer wished to provide the service this is not considered an option given that the service provides support to more than 2000 older and vulnerable people to enable them to maintain independence in their own homes.
- 4.2 No change to the existing service is not an option given that the service must accommodate savings against supporting people funding, be able to

demonstrate value for money and ensure resources are effectively targeted to those with an identified need.

4.3 The proposed model for future service delivery provides an option that tailors services to individual requirements, provides what current sheltered housing residents and future applicants want from a sheltered housing service and supports NCC strategic objectives for the provision of housing related support.

5. Resource Implications (including Financial Implications)

5.1 Funding for the service through Supporting People Grant will reduce by 10 to 15% over the next 3 years. Additionally the service is required to make annual savings of £100,000 against Supporting People Grant funding from the commencement of the financial year 2007/08.

5.2 Adopting the proposed needs based service model ensures resources are effectively targeted through an identified level of need and the resulting charging arrangements proposed for the service achieve the required savings against Supporting People Grant.

5.3 The delivery of a needs based service is achieved with a reduced employee structure which will provide savings against the current establishment to off set the reduced funding through supporting people.

5.4 Savings against the current costs of transitional protection, around £63,000 per year, will be achieved by moving to the new charging levels.

6. Risk and Opportunity Issues

6.1 A risk management strategy has been developed and is contained within the project plan.

6.2 Once established, there is opportunity to offer the service to self-payers who reside in accommodation other than our current designated sheltered housing schemes. This approach has been adopted by other local authorities and provides additional income to set against the costs of the service.

7. Consultees (Internal and External)

Internal	Consultation with unions and employees is currently being undertaken. Accounting Services Human Resources
External	Consultation with service users has been undertaken through surveys, focus groups and a sub group of NTACTION. Northamptonshire County Council – Supporting People Team

8. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
Improvement Delivery Plan: Meeting the needs of vulnerable people – Undertaking needs analysis for sheltered housing. The implementation of a needs based service ensures the services are more effectively tailored to individual support requirements.
Corporate Plan
From the Corporate Plan 2006/7: Listen to local people and provide the services they need – Service delivery will be agreed with individual residents and tailored to their needs. Manage the Council's finances efficiently – Resources are directed according to identified need.

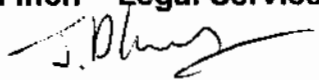
B: Other Implications

Other Strategies
Provision of sheltered housing is a key component of the supporting people strategy for Northamptonshire.
Finance Comments
The proposed charging levels will adhere to the financial targets set out in section five.
Legal Comments
None

9. Background Papers

Title	Description	Source
Review of Sheltered Housing Service – Final Report July 2005	Background report to the Sheltered Housing Review	Housing Services
Supporting People 5yr Strategy 2005-2010	Strategy for the delivery of a programme for the provision of housing related support services in Northamptonshire	Northamptonshire County Council

Authors: Fran Rodgers, Corporate Manager, ext 7595
Peter Haytack, Sheltered Housing Review Project Manager, ext 8105

Name	Signature	Date	Ext.
Author	Peter Haytack – Sheltered Housing Review Project Manager	03.01.07	8105
Corporate Manager	Fran Rodgers – Corporate Manager Housing Services	05.01.07	7595
Director	David Taylor – Director Customer and Service Delivery	10.01.07	7379
Monitoring Officer or Deputy (Key decision only)	Jim Inch – Legal Services 	19.1.07	7335
Section 151 Officer or Deputy (Key decision only)	Bill Lewis – Finance Manager	16.01.07	7167

Agenda Item 14

EXEMPT INFORMATION BY VIRTUE OF
PARAGRAPH(S)3 OF PART 1 OF SCHEDULE 12A
OF THE LOCAL GOVERNMENT ACT 1972.

Document is Restricted