



Cabinet Member Report for Finance

Northampton Borough Council

5th November 2018

Finance

The Council continues to suffer additional cost pressure around housing and homelessness the Corporate Management Board are seeking to manage and mitigate the impact on budgets in the current year.

Cabinet and the Corporate Management Board have met to consider the challenges for next year and future years. Officers are considering and developing proposals for Cabinet to consider to develop the budget for 2019/20 and the Medium Term Financial Plan. Our challenge is to develop new credible and sustainable income streams to reduce the need to cut services, however we will continue to seek efficiency gains and reduce costs where appropriate.

The key news recently has been the Government announcement that the cap on HRA borrowing is to be lifted. This will enable us to work with NPH to bring forward all of the schemes we would wish to proceed with at a pace.

The Statement of Accounts for 2016/17 have again been submitted by our Finance service provider, LGSS, to KPMG. Provided these accounts progress through audit OK, the team will then focus on the 2017/18 Statement of Accounts.

Revenues and Benefits

The demands on the Revenues and Benefits team remains high both in terms of the volume of work and the complexity of the work the service is supporting. Performance during the first 2 quarters of the financial year remains positive and the service continues to implement continuous improvements aimed at speeding up response times. This includes the implementation of a new suite of E forms within our Council Tax Service, alongside the implementation of Risk Based technology to improve the speed in which we can process benefits claims. A new digital platform to enable users to access their accounts will go live during quarter 4 and alongside supporting the national transition to Universal Credit we expect a busy end to 2018/19.

In readiness for 2019/20, a review is underway of the Key Performance Indicators within Revenues and Benefits. A focus on the collection of Council Tax and further proposed indicators aimed at measuring customer satisfaction will be finalised over the coming months.

Further work to increase collectable income over the long – term is also underway to ensure we continue to maximise the revenue due to the people of Northampton.

Treasury Management

Cash investment balances (excluding third party loans) have averaged £82m for the first part of the year, earning an average return of 0.64%. Investments are held in a mixture of on-call accounts to meet cashflow demands and tradeable term deposits.

External borrowing stood at £255m at the end of September, at an average rate of 3.07%. Scheduled repayment of £8m are due in the second half of the year and, with healthy cash balances, it is anticipated that the Council will not need to undertake any borrowing activity during the year.

Councillor Brandon Eldred
Cabinet Member for Finance