



CABINET AGENDA

Wednesday, 25 November 2009

The Jeffery Room

6:00 pm

Members of the Cabinet:

Councillor: Brian Hoare (Leader of the Council)
Councillor: Paul Varnsvery (Deputy Leader)
Councillors: Sally Beardsworth, Richard Church,
Trini Crake, Brian Markham, David Perkins

Chief Executive David Kennedy

If you have any enquiries about this agenda please contact Jo Darby at
jdarby@northampton.gov.uk or 01604 837089

PORTFOLIOS OF CABINET MEMBERS

CABINET MEMBER	PORTFOLIO TITLE
Councillor B. Hoare	Leader Partnership and Improvement
Councillor P.D. Varnserry	Deputy Leader Community Engagement
Councillor S. Beardsworth	Housing
Councillor R. Church	Planning and Regeneration
Councillor T. Crake	Environment
Councillor B Markham	Performance and Support
Councillor D. Perkins	Finance

SPEAKING AT CABINET MEETINGS

Persons (other than Members) wishing to address Cabinet must register their intention to do so by 12 noon on the day of the meeting.

Registration can be by:

Telephone: (01604) 837101, 837089, 837355, 837356
(Fax 01604 838729)


In writing: The Borough Solicitor,
The Guildhall, St Giles Square, Northampton NN1 1DE
For the attention of the Democratic Services Officer

By e-mail to democraticservices@northampton.gov.uk

Only thirty minutes in total will be allowed for addresses, so that if speakers each take three minutes no more than ten speakers will be heard. Each speaker will be allowed to speak for a maximum of three minutes at each meeting. Speakers will normally be heard in the order in which they registered to speak. However, the Chair of Cabinet may decide to depart from that order in the interest of hearing a greater diversity of views on an item, or hearing views on a greater number of items. The Chair of Cabinet may also decide to allow a greater number of addresses and a greater time slot subject still to the maximum three minutes per address for such addresses for items of special public interest.

Members who wish to address Cabinet shall notify the Chair prior to the commencement of the meeting. Such addresses will be for a maximum of three minutes unless the Chair exercises discretion to allow longer. The time these addresses take will not count towards the thirty minute period referred to above so as to prejudice any other persons who have registered their wish to speak.

KEY DECISIONS

 denotes the issue is a 'Key' decision:

- Any decision in relation to the Executive function* which results in the Council incurring expenditure which is, or the making of saving which are significant having regard to the Council's budget for the service or function to which the decision relates. For these purpose the minimum financial threshold will be £50,000;
- Where decisions are not likely to involve significant expenditure or savings but nevertheless are likely to be significant in terms of their effects on communities in two or more wards or electoral divisions; and
- For the purpose of interpretation a decision, which is ancillary or incidental to a Key decision, which had been previously taken by or on behalf of the Council shall not of itself be further deemed to be significant for the purpose of the definition.

NORTHAMPTON BOROUGH COUNCIL

CABINET

Your attendance is requested at a meeting to be held at the The Jeffery Room on Wednesday, 25 November 2009 at 6:00 pm.

D Kennedy
Chief Executive

AGENDA


1. APOLOGIES
2. MINUTES
3. DEPUTATIONS/PUBLIC ADDRESSES
4. DECLARATIONS OF INTEREST
5. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES
 - (A) RECOMMENDATIONS OF OVERVIEW AND SCRUTINY COMMITTEE 1 (PARTNERSHIPS, REGENERATION AND SAFETY ENGAGEMENT) - CONCESSIONARY FARES APPRECIATIVE INQUIRY
 - (B) REPORT OF OVERVIEW AND SCRUTINY COMMITTEE 2 (HOUSING AND ENVIRONMENT) ON THE CALL-IN OF CABINET DECISION OF 14 OCTOBER 2009 - NEW TENANT PARTICIPATION STRUCTURE
6. CHOICE BASED LETTINGS - 12 MONTH REVIEW
Report of the Director of Housing Services
7. REGISTERED SOCIAL LANDLORDS (RSL) DEVELOPMENT PROCUREMENT FRAMEWORK
🔑 Report of the Director of Housing Services
8. PARKS AND OPEN SPACES STRATEGY - APPROVAL OF THE STRATEGY
Report of the Director of Planning and Regeneration
9. MEDIUM TERM FINANCIAL STRATEGY 2010 - 2013
🔑 Report of the Director of Finance and Support
10. PRUDENTIAL INDICATORS FOR CAPITAL FINANCE - MONITORING TO END OF SEPTEMBER 2009
Report of the Director of Finance and Support
11. PERFORMANCE
 - (A) GENERAL FUND AND REVENUE MONITORING

Report of the Director of Finance and Support

(B) HOUSING REVENUE ACCOUNT MONITORING PERIOD

Report of the Director of Finance and Support

(C) CAPITAL PROGRAMME (MONITORING REPORT)

 Report of the Director of Finance and Support

12. 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
Para No:-**

13. PRIVATE HOUSING SUPPORT - PROPOSED NEW SERVICE (1)

🔗 Report of the Director of Housing Services



OVERVIEW AND SCRUTINY VIEWS AND RECOMMENDATIONS TO

Cabinet – 25th November 2009

Report Title	RECOMMENDATIONS OF OVERVIEW AND SCRUTINY COMMITTEE ONE (PARTNERSHIPS, REGENERATION, COMMUNITY SAFETY & ENGAGEMENT) – CONCESSIONARY FARES APPRECIATIVE INQUIRY
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Agenda Status: PUBLIC

1. Purpose

- 1.1 To present to Cabinet the report of Overview and Scrutiny Committee One on the findings of the Concessionary Fares Appreciative Inquiry.

2. Recommendations

- 2.1 Overview and Scrutiny Committee One recommends:
 - 2.1.1 That Companion Travel for eligible disabled pass-holders, both within Northampton and for eligible disabled pass-holders from other Northamptonshire districts be introduced in Northampton from April 2010, in the Northamptonshire Concessionary Travel Scheme 2010-11.
 - 2.1.2 That, in view of the clear support for and priority given to the introduction of all-day weekday free bus travel in the public consultation undertaken, Cabinet be asked to consider the introduction of this discretionary element in the concessionary travel scheme for Northampton or selective elements of the proposal as set out in the report.
 - 2.1.3 That a charge for replacement bus passes be introduced as soon as practicable – the recommended charge to reflect administration and production costs being £10.

3. Background and Issues

- 3.1 The Appreciative Inquiry was tasked with the consideration, in conjunction with public consultation, of possible variations to the Concessionary Bus Travel Scheme currently operated by the Borough Council. The setting up of the Appreciative Inquiry followed representations on variations being made at Council in May 2008. Then, the matter was referred to Cabinet by full Council on 2nd June 2008 and on to Overview and Scrutiny Committee One on 25th June 2008.

3.2 The Appreciative Inquiry was focused on a number of possible variations to the current concessionary scheme. The purpose of the Appreciative Inquiry was to recommend, following consultation and investigation, variations to the Scheme, which should be the subject of further consideration by Cabinet and/or full Council.

3.3

The main possible variations to the Scheme, under considerations are:

- Late evening travel after 11pm – Mondays to Thursdays.
- Morning Travel before 9.30am – Mondays to Fridays
- The current statutory scheme in Northampton offers all-day free bus travel Saturday and Sunday. *Although the above possible variations have been identified separately with separate impacts and resource implications, the most practical means of introduction would be 24-hour free bus travel on weekdays by combining the two.*
- Free bus travel for companions to Disabled pass-holders
- Free companion travel for Disabled pass-holders from all Northamptonshire Districts (NBC bear the cost when the pass-holder boards the bus In Northampton). This would be reciprocated when Northampton pass-holders travel in other districts.

3.4

After all of the evidence was collated the following conclusions were drawn: -

- The Consultants Report on the impact of potential changes principally provides a forecast of resources required to implement the proposals. It has been modified in the light of changing circumstances and forecasts, particularly in respect of changes in policy in other districts in the County.
- The Consultation Survey of Bus Pass Users has indicated a strong preference for all the proposed changes to be introduced and this has been reinforced by further consultation with Forums.
- The limited consultation with other Concessionary Travel Authorities needs to be seen in the context of being a random cross-section of authorities without a detailed look at travel patterns and other factors within these areas. In this sense, although the cross section have largely introduced discretionary elements into their schemes, the need for comparison within Northamptonshire is seen as more important to the exercise.
- The Department for Transport consultation on possible administrative changes has provided an important context for planning the future of the service. Whilst it is still at the consultative stage, the most likely outcome is transfer of responsibility to the County Council and their desire to have a clear scheme conforming to one set of rules. This need for conformity would apply, possibly with greater emphasis, were responsibilities to be transferred to regional or national level. Any change in the Authorities responsible for Concessionary Bus Travel will be subject to further consultation with Local Authorities by the Department for Transport and depending on the outcome, Legislation being enacted by Central Government.'
- The need for a uniform scheme which is clear both to bus users and bus companies is emphasised by the introduction of an electronic recognition system on the buses, due to commence in Autumn 2009. The 'smartcard' technology is complex in its introduction and variations should be kept to a minimum
- The impact of introducing a charge for replacement passes has been set out, for members' consideration.
- A key preliminary study to this evidence is the Equality Impact Assessment, which has a fundamental influence on the forecasting of the impact of

proposals.

- In summary, the elements proposed can be assessed within the broad areas of the evidence presented – resource implications, results of consultation, the need for conformity within the County and the equality impact.

Introduction of Companion Travel for eligible disabled pass-holders within Northampton

Introduction of Companion Travel for eligible disabled pass-holders from other Northamptonshire districts

- The resource implication has been estimated at £40,000 if introduced in 2010-11
- A clear majority in the consultation survey (87%) were in favour of the proposal
- In terms of a uniform scheme within the County, 5 districts have this discretionary element in place and introduction in Northampton would reinforce this.
- The equality impact assessment has identified the non-inclusion of these elements of the scheme as a major barrier to achieving full equality within the scheme.

Introduction of All-Day Free Travel: Monday-Friday

- The resource implication has been forecasted as £386,000 if introduced in 2010-11. Lower estimates have emerged from consultation with other authorities outside the County but there is a strong likelihood that the above estimate will be reached and it needs to be quoted as a risk implication. In addition, the introduction of free all-day travel may attract claims for capital expenditure from bus operators, which could incur additional expenditure.
- A clear majority in the consultation survey (89%) were in favour of free travel before 9.30am.
- In terms of a uniform scheme within the County, 4 districts do not have this discretionary element in place and 2 further districts are reviewing a possible change away from the discretionary free all-day travel to the statutory position i.e. no free travel before 9.30am. The retention of the statutory scheme in Northampton would reinforce this majority of districts adhering to free travel only being offered after 9.30am.
- The equality impact assessment has identified the inclusion or non-inclusion of this element of the scheme as having no significant impact on achieving full equality within the scheme.
- The evidence from other concessionary travel authorities, which is a random cross-section, differs from the County situation and together with the strong lobby for the proposal from the bus user survey and other representations may prompt the need for further member consideration of the options.
- This further consideration could include the introduction within the scheme of selective 'all day travel' elements, as discussed later in the report (pages 9-11):
 - Free weekday late night travel 11pm-4pm
 - Free all-day travel for disabled pass-holders only

Possible Charging for Replacement Bus Passes

- The resource implication of introducing a £10 charge (which reflects real costs) is estimated as an income to the authority of £12,000 per annum.
- A clear majority in the consultation survey (59%) were in favour of introducing a charge.
- In terms of a uniform scheme within the County, all other districts have a charge in place and introduction in Northampton would reinforce this.
- It would also anticipate the possible administration of the scheme in future by the County Council.
- The proposal would not impact on equality within the scheme and would improve the service in helping to reduce any fraudulent use of passes

4. Options

- 4.1 Cabinet will need to consider the possible options as part of its response to the recommendations.

5.1 Policy

- 5.1.1 The report and its recommendations may have policy implications for Planning. Cabinet will need to consider these issues in detail.

5.2 Resources and Risk

- 5.2.1 Cabinet will need to consider the resourcing issues for the recommendations made, for example there will be resourcing implications that would arise from, in particular, recommendations 2.1.1 and 2.1.2.

5.3 Legal

- 5.3.1 Legal issues will need to be considered as part of full Council's response to the recommendations.

5.4 Equality

- 5.4.1 Equality issues will need to be considered. A full Equality Impact Assessment has been made and has been the subject of consultation with the Pensioners' Forum and the Disabled People's Forum.
- 5.4.2 The Consultation Monitoring Form, which was issued with the Bus Pass User Survey, recognised that pass-holders represent a cross-section of the Community with no significant concerns about exclusion from the scheme.
- 5.4.3 The assessment was closely related to the possible changes to the Concessionary Fares Scheme, which were the subject of this Appreciative Inquiry. The main implications, in terms of equal opportunities, to the possible changes proposed are: -
- 5.4.4 Free travel to companions of disabled pass-holders:
- Lack of free companion travel is a major discriminatory element in the scheme and represents an urgent priority for resolution.
 - In order that the proposed introduction, if approved, is fully effective, it is also recommended that free companion travel from pass-holders from other districts should be offered when they board a bus in

Northampton.

- High risk of non-implementation in equality terms

5.4.5 All bus pass-holders could be perceived, to be discriminated against, in comparison with residents of other districts where wider concessions apply, mainly, in respect of free bus travel before 9.30am.

- The differential with other Northamptonshire Authorities has changed since the setting up of the Appreciative Inquiry. This element is not in the Statutory Scheme prescribed by Central Government and many Local Authorities have retained this minimum free bus travel regime. Therefore, the Borough Council is no more or less discriminatory than legislation adopted by the Department for Transport and a large number of districts throughout England.
- The introduction of the proposal is seen as a low level risk. There are no major discriminatory elements but there is a prospect of improving the service for all users.

6. Consultees (Internal and External)

6.1 Comprehensive consultation work was carried out as part of the evidence gathering stage of the Appreciative Inquiry work. The Committee consulted and took evidence from a variety of sources: -

- Individuals making representations to the Appreciative Inquiry and Overview and Scrutiny Committee One
- Assistant Head of Customer Services, Northampton Borough Council
- Atkins – Consultants Report
- Members of the Pensioners' Forum
- Members of Disabled People's Forum
- Concessionary Travel Authorities responding to survey

7. Background Papers

- 7.1
- Minutes of full Council 2 June 2008
 - Minutes of the meeting of Overview and Scrutiny Committee One of 25 June 2008
 - Scope of the Appreciative Inquiry
 - Minutes of the meetings of the Appreciative Inquiry
 - Results of the Survey with Concessionary Travel Authorities
 - Equality Impact Assessment for this Review

Report Author and Title: Tracy Tiff, Overview and Scrutiny Officer, on behalf of Councillor John Yates, Chair, Overview and Scrutiny Committee 1.
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Telephone and Email: (01604) 837408, email: ttiff@northampton.gov.uk

Overview & Scrutiny Committee 1

PARTNERSHIPS, REGENERATION,
COMMUNITY SAFETY &
ENGAGEMENT



Concessionary Bus Fare Scheme - Possible variation to scheme

October 2009



NORTHAMPTON
BOROUGH COUNCIL

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Foreword

The Appreciative Inquiry into the Concessionary Bus Fares Scheme was established in 2008. The setting up of the inquiry followed representations on variations being made at Council in May 2008. Subsequently, the matter was referred to Cabinet by Council (2nd June 2008) and on to Overview and Scrutiny Committee 1 (25th June 2008).

In order to achieve a cost-effective exercise, the main evidence for the report – the bus pass user survey – was coordinated with mailing out to bus pass-holders for the National Fraud Initiative, requested by the Audit Commission. This necessarily lengthened the consultation process, together with the considerable data collation following a good response (20% of surveys sent out) and considerable interest from the participants in the consultation.

The Inquiry has highlighted a number of issues and it is anticipated that the findings and recommendations, if adopted, will contribute to major improvements in the Concessionary Bus Fares Scheme in Northampton.

I should like to thank all those people acknowledged below who gave up their time to contribute to this review.



Councillor Sadik Chaudhury

Chair, Concessionary Fares Appreciative Inquiry

Acknowledgements to all those who took part in the Review: -

Appreciative Inquiry Members:

- Cllr Sadik Chaudhury (Chair - 2009)
- Cllr Tony Clarke
- Cllr Ifty Choudary
- Cllr Paul Varnsvery (Chair –2008)
- Paul Lewin, Planning Policy and Heritage Manager, Planning and Regeneration
- Richard Holmes, Principal Planner, Planning and Regeneration

Mr Rashmi Shah – representations to Inquiry/Committee

Cheryl Doran, Assistant Head of Customer Services – Charging Review

Matt Gamble, Atkins – Consultants Report

Members of Pensioners Forum

Members of Disabled People's Forum

Lindsey Ambrose, Forums Officer, Policy and Community Engagement

Tracy Tiff, Scrutiny Officer, Policy and Governance

Concessionary Travel Authorities responding to survey

EXECUTIVE SUMMARY

- 1.1 The Appreciative Inquiry is tasked with the consideration, in conjunction with public consultation, of possible variations to the Concessionary Bus Travel Scheme currently operated by the Borough Council. The setting up of the inquiry followed representations on variations being made at Council in May 2008. Subsequently, the matter was referred to Cabinet by Council (2nd June 2008) and on to Overview and Scrutiny Committee 1 (25th June 2008).
- 1.2 The Inquiry is focused on a number of possible variations to the current concessionary scheme. The purpose of the Review is to recommend, following consultation and investigation, variations to the scheme, which should be the subject of further consideration by Cabinet/full Council.
- 1.3 The main possible variations to the scheme, under considerations are:
 - Late evening travel after 11pm – Mondays to Thursdays.
 - Morning Travel before 9.30am – Mondays to Fridays
 - The current statutory scheme in Northampton offers all-day free bus travel Saturday and Sunday. *Although the above possible variations have been identified separately with separate impacts and resource implications, the most practical means of introduction would be 24-hour free bus travel on weekdays by combining the two.*
 - Free bus travel for companions to Disabled pass-holders
 - Free companion travel for Disabled pass-holders from all Northamptonshire Districts (NBC bear the cost when the pass-holder boards the bus In Northampton). This would be reciprocated when Northampton pass-holders travel in other districts.
 - Possible charging for replacement passes when lost.

CONCLUSIONS AND KEY FINDINGS

A significant amount of evidence was assembled, details of which are contained in the report. After gathering evidence the Committee established that: -

After all of the evidence was collated the following conclusions were drawn: -

- The Consultants Report on the impact of potential changes principally provides a forecast of resources required to implement the proposals. It has been modified in the light of changing circumstances and forecasts, particularly in respect of changes in policy in other districts in the County.

- The Consultation Survey of Bus Pass Users has indicated a strong preference for all the proposed changes to be introduced and this has been reinforced by further consultation with Forums.
- The limited consultation with other Concessionary Travel Authorities needs to be seen in the context of being a random cross-section of authorities without a detailed look at travel patterns and other factors within these areas. In this sense, although the cross section have largely introduced discretionary elements into their schemes, the need for comparison within Northamptonshire is seen as more important to the exercise.
- The Department for Transport consultation on possible administrative changes has provided an important context for planning the future of the service. Whilst it is still at the consultative stage, the most likely outcome is transfer of responsibility to the County Council and their desire to have a clear scheme conforming to one set of rules. This need for conformity would apply, possibly with greater emphasis, were responsibilities to be transferred to regional or national level.
- The need for a uniform scheme which is clear both to bus users and bus companies is emphasised by the introduction of an electronic recognition system on the buses, due to commence in Autumn 2009. The 'smartcard' technology is complex in its introduction and variations should be kept to a minimum
- The impact of introducing a charge for replacement passes has been set out, for members' consideration.
- A key preliminary study to this evidence is the Equality Impact Assessment, which has a fundamental influence on the forecasting of the impact of proposals.
- In summary, the elements proposed can be assessed within the broad areas of the evidence presented – resource implications, results of consultation, the need for conformity within the County and the equality impact.

Introduction of Companion Travel for eligible disabled pass-holders within Northampton

Introduction of Companion Travel for eligible disabled pass-holders from other Northamptonshire districts

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- The resource implication has been forecasted as £386,000 if introduced in 2010-11. Lower estimates have emerged from consultation with other authorities outside the County but there is a strong likelihood that the above estimate will be reached and it needs to be quoted as a risk implication. In addition, the introduction of free all-day travel may attract claims for capital expenditure from bus operators, which could incur additional expenditure.
- A clear majority in the consultation survey (89%) were in favour of free travel before 9.30am.
- In terms of a uniform scheme within the County, 4 districts do not have this discretionary element in place and 2 further districts are reviewing a possible change away from the discretionary free all-day travel to the statutory position i.e. no free travel before 9.30am. The retention of the statutory scheme in Northampton would reinforce this majority of districts adhering to free travel only being offered after 9.30am.
- The equality impact assessment has identified the inclusion or non-inclusion of this element of the scheme as having no significant impact on achieving full equality within the scheme.
- The evidence from other concessionary travel authorities, which is a random cross-section, differs from the County situation and together with the strong lobby for the proposal from the bus user survey and other representations may prompt the need for further member consideration of the options.
- This further consideration could include the introduction within the scheme of selective 'all day travel' elements, as discussed later in the report (pages 9-11) :
 - Free weekday late night travel 11pm-4pm
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Possible Charging for Replacement Bus Passes

- The resource implication of introducing a £10 charge (which reflects real costs) is estimated as an income to the authority of £12,000 per annum.
- A clear majority in the consultation survey (59%) were in favour of introducing a charge.
- In terms of a uniform scheme within the County, all other districts have a charge in place and introduction in Northampton would reinforce this.

- It would also anticipate the possible administration of the scheme in future by the County Council.
- The proposal would not impact on equality within the scheme and would improve the service in helping to reduce any fraudulent use of passes

RECOMMENDATIONS

The above overall findings have formed the basis for the following recommendations:

- That Companion Travel for eligible disabled pass-holders, both within Northampton and for eligible disabled pass-holders from other Northamptonshire districts be introduced in Northampton from April 2010, in the Northamptonshire Concessionary Travel Scheme 2010-11.
- – That, in view of the clear support for and priority given to the introduction of all-day weekday free bus travel in the public consultation undertaken, Cabinet be asked to consider the introduction of this discretionary element in the concessionary travel scheme for Northampton or selective elements of the proposal as set out in the report.
- That a charge for replacement bus passes be introduced as soon as practicable – the recommended charge to reflect administration and production costs being £10.

Northampton Borough Council

Report of Overview and Scrutiny Committee 1 (Partnerships, Regeneration, Community Safety and Engagement)

Concessionary Bus Fares Scheme – Appreciative Inquiry into Possible Variations of the Scheme

1. Purpose

- 1.1 The Appreciative Inquiry is tasked with the consideration, in conjunction with public consultation, of possible variations to the Concessionary Bus Travel Scheme currently operated by the Borough Council. The setting up of the inquiry followed representations on variations being made at Council in May 2008. Subsequently, the matter was referred to Cabinet by Council (2nd June 2008) and on to Overview and Scrutiny Committee 1 (25th June 2008).
- 1.2 The Inquiry is focused on a number of possible variations to the current concessionary scheme. The purpose of the Review is to recommend, following consultation and investigation, variations to the scheme, which should be the subject of further consideration by Cabinet/full Council.

2. Context and Background

- 2.1 The Transport Act 2000 introduced a national minimum standard for local authority concessionary bus travel schemes of half-fare travel for older and disabled people. In 2002, this was extended to include all aged 60 and over.
- 2.2 Since April 2006, travel concession authorities (TCAs which are districts in shire areas or unitary authorities) have been required to provide their residents who are 60 and over, or disabled, with at least free off-peak local bus travel in their local area. Northampton Borough Council provided the statutory concession with free travel after 9.30am: this statutory provision has continued with the introduction of the national concession scheme.
- 2.3 The Chancellor announced, in the 2006 Budget, that the statutory minimum entitlement was to be further extended to free off-peak local bus travel anywhere in England from 1 April 2008. The Concessionary Bus Travel Act 2007 provided for this further improvement. Grant funding from the Department for Transport has been allocated to districts, in anticipation of the additional resources required as a result of greater bus usage by concessionary pass-holders. (The Borough Council reimburses operators for bus journeys where the pass-holder starts the journey in Northampton)

- 2.4 An annual concessionary travel scheme is provided jointly by all the districts in Northamptonshire together with the County Council, the latter administering the scheme and coordinating reimbursement to the bus companies. The Northamptonshire Joint Travel Concession Scheme for 2010-11 will commence on 1st April 2010. Any variations to the scheme currently being considered could be incorporated into the scheme, to commence in April 2010.
- 2.5 Reimbursement for the free bus travel is made to bus companies on the basis of detailed guidance and methods of calculation provided by the Department for Transport. The current budget prediction for 2009-10 is £2.9m and for 2010-11 the current forecast is £3.7m. These budget forecasts do not include allowance for any introduction of the variations to be discussed. The shortfall in allocated Central Government funding for many local authorities has been the subject of much discussion and representation, coordinated by the Local Government Association. The effect of the shortfall on Northampton is that the local revenue i.e. Council Tax element of the budget is predicted at £1m for 2009-10 and £1.8m for 2010-11.
- 2.6 The current scheme offers the concession to residents aged 60 and over and residents with eligible disabilities for free bus travel. The current scheme offers free bus travel between 9.30am and 11pm Mon-Fri and all day at weekends. At present, there is no provision for companions to travel free with disabled residents. The variations under consideration are:
- Late evening travel after 11pm.
 - Morning Travel before 9.30am

Although the above possible variations have been identified separately with separate impacts and resource implications, the most practical means of introduction would be 24-hour free bus travel on weekdays by combining the two.

- Free bus travel for companions to Disabled pass-holders
 - Free companion travel for Disabled pass-holders from all Northamptonshire Districts (NBC bear the cost when the pass-holder boards the bus in Northampton). This would be reciprocated when Northampton pass-holders travel in other districts.
 - Possible charging for replacement passes when lost.
 - Other arrangements required, to ensure the inclusion of all eligible residents in application procedures.
 - Other measures to ensure that the use of free travel and mobility benefits is extended to all eligible sections of the population.
- 2.7 The aim of the background legislation is:
- A) to encourage the use of sustainable public transport
 - B) to improve the social inclusion, mobility and well-being of the eligible groups through greater access to public transport and destinations

2.8 Council's Corporate Priorities

2.8.1 This Review links to the Council's corporate priorities as it demonstrates a commitment:

- A) to customer service and choice and equality of opportunity ('customers at the heart of what we do')
- B) to 'partnership working and engaging with our communities' by providing the service in partnership with Northamptonshire County Council and District Councils and addressing the needs of those residents eligible for free bus travel.

3. Evidence Collection

3.1. In scoping this Review it was decided that evidence would be collected from a variety of sources: -

3.2. Consultants Report on impact of potential changes to scheme

3.2.1 A scoping report for introducing discretionary elements into the existing Concessionary Fares Scheme has been commissioned from Atkins Transportation and Management. The work has been funded from the allocation for research within the Concessionary Fares Budget.

3.2.2 Key points of evidence

- The table below outlines the main points of the scoping report.

Number of Pass holders estimated at 31 March 2009 – basis for report findings	28,000
Current total mid September 2009	29,833 (increase accords with forecast in report)
Introduction of Companion Travel for eligible disabled pass-holders within Northampton	Estimated increase in number of disabled passes issued 22% with a medium resource implication £37,000
Introduction of Companion Travel for eligible disabled pass-holders from other Northamptonshire Districts	Estimated number of disabled passes in other Northamptonshire Districts 431 – low resource implication £2,000
Introduction of Free Travel from 23.00pm to 4.00am Mon to Fri	Disabled pass-holders – no resource implication 60 and over pass-holders – low resource implication £1,600

Introduction of Free Travel before 9.30am Mon- Fri – Disabled Pass-Holders only	Disabled pass-holders – medium resource implication – £20,000
Introduction of Free Travel before 9.30am Mon- Fri - 60 and over Pass-holders only	60 and over pass-holders – major resource implication <u>- Major resource implication £280,000</u>
Introduction of Free Travel before 9.30am Mon- Fri – ALL PASS-HOLDERS	<u>- Major resource implication £300,000</u>

- The report was produced in December 2008 in advance of the public consultation exercise undertaken. Several key aspects of the findings require revision in the light of changing circumstances and forecasts:
 - At the time of the report, Northampton was the only district not to offer companion travel to disabled pass-holders, to enable a companion to travel on the same pass, in order to assist the disabled person in their bus travel. Corby District has now withdrawn companion travel within their district. However, the majority of districts (5) still offer companion travel and the issue has been identified as a 'high risk' equality issue in the Equalities Impact Assessment, to be discussed later in this report.
 - At the time of the report, Northampton and South Northamptonshire were the only districts not offering all day weekday concessionary travel. With the impact of the recession and budget restraints, the balance has changed as detailed in the table below.

Comparison of discretionary policy with Northamptonshire districts

District	Free Companion bus travel for disabled pass-holders 2009	Free bus travel for all pass-holders pre 9.30am weekdays 2008	Free bus travel for all pass-holders pre 9.30am weekdays 2009-10
Corby	No (Recent change in response to budget considerations)	Yes	No – changed in April 2009
Daventry	Yes	Yes	No – from 1st Nov 2009

Kettering	Yes	Yes	Yes – Understood that reversion to 9.30 start (No) is under consideration
Northampton	No	No	No
South Northants	Yes	No	No
Wellingborough	Yes	Yes	Yes - Understood that reversion to 9.30 start (No) is under consideration
East Northants	Yes	Yes	Yes – Decision made to retain free pre 9.30am travel
Districts offering concession	Yes – 5 No -2	Yes – 5 No - 2	At present Yes – 3 (2 subject to change) No - 4

- The resource implications of the possible variations in the report were based on the budget forecast for reimbursement to bus companies for 2009-10. Applying the findings to the 2010-11 budget forecast shows a substantial increase. The major resource implication would be for the introduction of all day weekday travel – 2010-11 Budget forecast of £3.7m gives a resource implication for all day travel of £386,000.
- Regarding Late evening travel after 11pm and Morning Travel before 9.30am, separate introduction would be more confusing to drivers and bus users. Although the above possible variations have been identified separately with separate impacts and resource implications, the most practical means of introduction would be 24-hour free bus travel on weekdays by combining the two. However, separate elements could be considered:

Elements of free all-day weekday travel proposal

- ❑ *It can be seen that the resource implication of introducing free weekday late night travel from 11pm to 4am is very small in relation to the cost of pre 9.30am free travel and on that basis it could be introduced as an independent element. In view of the limited opportunity for bus travel at late night, this proposal is relatively easy to introduce at minimal cost in terms of the overall budget.*
- ❑ *Similarly, the introduction of free pre-9.30am travel for disabled pass-holders has a medium resource implication,(which is a small proportion of the cost, were the discretion to be extended to all pass-holders). However, there is potential for inequality in extending the scheme to a section of the bus users. Whilst the lobby by disabled bus users has been centred on the need to attend early hospital appointments etc, there will be many residents over 60 who are attending early*

medical/hospital appointments and many of them may be old and frail. So this selective introduction could have its problems.

- It was established in the report that the introduction of Companion Travel for disabled pass-holders living in Northampton would result in an estimated 22% increase in the number of disabled passes issued. This would result in a resource implication of approximately £40,000 per annum.
- The report also examined the introduction of Companion Travel for disabled pass-holders from other districts totally 431 in December 2008. These people are reimbursed by NBC when they board buses in Northampton – mainly to go home to surrounding districts. The introduction of this variation has an estimated modest resource implication of approx £2,000 per annum.
- In respect of the possible introduction of all day weekday free travel, the report recognises that the behaviour of passengers in the face of a move to an all-day scheme is uncertain. The shift of concessionary journey times to pre 9.30am inevitably involves the authority paying for reimbursement, when previously the pass-holder was paying a fare before 9.30am. The report uses Bedford as an example for prediction of the effects.
- The other town in Stagecoach East's operating area of a comparable size and with a comparable bus network to Northampton is Bedford. Bedford operates an all-day concessionary fares scheme and data was obtained from Stagecoach East for the report research. The data suggested that 10% of all concessionary trips were before 9.30am (Mon-Fri) and that a move from statutory minimum (as Northampton) to an all-day scheme would increase trips by 10.42%. This estimated increase has been used to predict the resource implication.

3.3 Consultation Survey of Bus Pass Users

- 3.3.1 Consultation with current concessionary pass holders was carried out in April/May 2009. The survey was in conjunction with a mailing out to all 28,000 residents holding a pass, which was required for the National Fraud Initiative exercise requested by the Audit Commission. 6,000 questionnaires were sent to a random sample of over 20% of current pass-holders. The response to the survey was very positive with over 21% of forms being returned (1267 returns). In addition, the consultation was available on the Council's web pages and 41 replies were received on-line.
- 3.3.2 A separate Consultation Monitoring Form was sent out with the 6,000 survey questionnaires and the results have provided an age and ethnic origin profile of respondents (as well as indicating their preferences for future consultation). The return of these forms has also been to a similar level to the main survey (1200 20%). This information has been

used to inform the Equality Impact Assessment, to be discussed later in this report.

- 3.3.3 The sample consultation of 20% of bus pass users gave a good cross-section of opinion on the issues and clear priorities emerged to inform further consideration. Also, the consultation exercise in conjunction with the Audit Commission requirement for mailing out represented a 'value for money' exercise.

3.3.4 Key points of evidence

- A summary of replies to the survey is outlined in the following table :

Bus Pass User Survey – Summary of Results

Question	Strongly Agree/Agree	Disagree/Strongly Disagree
<p>Q1. Include late evening travel?</p> <p>Never travel after 11pm 64%</p> <p>No late journeys by bus 79%</p> <p>If free after 11pm, would you use a bus more?</p> <p>Yes 24%</p>	59%	41%
<p>Q5. Include morning travel before 9.30am?</p> <p>Never travel before 9.30am 5%</p> <p>Daily/Weekly travel before 9.30am 49%</p> <p>All or some journeys made by bus before 9.30am 77%</p> <p>If free before 9.30am, would you use a bus more?</p> <p>79%</p>	89%	11%
<p>Q10. Include free companion travel for disabled pass-holders?</p>	87%	13%

<p>Bus travel restricted by companion not travelling free? Very/sometimes 18%</p> <p>Would you apply for a companion pass if introduced? 10%</p>		
<p>Q13. Include free companion travel between other Northamptonshire districts?</p> <p>Travel to other districts? Daily/Weekly -10%</p>	86%	14%
<p>Q17. Do you agree with a charge for replacement bus passes?</p> <p>Suggested charge £5 – 69% £10 – 8%</p> <p>Other – 23%: Of which (%age of total answers) 2% - no amount given 2% - no charge 4% - £1 11% - £2 or £2.50 4% - £3</p> <p>Lost a pass? – Never – 92% Yes – 8%</p> <p>Had a pass stolen? – 2%</p>	59%	41%

Q15. Which of the possible changes is most important?

Respondents putting the option first

Late evening travel (11pm +)	Early morning travel before 9.30am	Free companion travel
3%	88%	9%

Q21. Have you experienced any access issues applying for a bus pass?

Yes 2%

Q26. Employment Status?

Employed 13% Seeking work 1% Retired/not working 86%

- A variation to include free travel before 9.30am was strongly supported by 89% of replies and 88% identified this change as their first option, when asked which change was most important. 79% of respondents said that, if free early morning travel was introduced, they would use the bus more often at this time. At present, 77% of the replies indicated that, when they traveled before 9.30am, all or some of their journeys were made by bus paying a fare.
- When asked what journeys needed to be made before 9.30am, the purpose was:
 - Work 5%
 - Medical Appointment 42%
 - Voluntary work 7%
 - Leisure 22%
 - Social/visiting 14%
 - Shopping 5%
 - Other 5%

This reflects the employment status of respondents with 14% employed/seeking work and 86% retired/not working.

- The introduction of free companion travel for disabled pass-holders both in Northampton and the County was strongly supported, 87% agreeing with the change in both cases. 20% of respondents said that their bus travel was restricted by the lack of free companion travel and 17% said that, if companion travel were introduced, they would use a bus more often.
- 11% of replies said that they would apply for a companion pass if free companion travel were introduced. This reinforces the forecast of 'take up' in the consultant's report on the impact of proposals
- 59% of replies supported the introduction of a charge for replacement bus passes, when the original pass is lost. The majority (69%) felt that a £5 charge would be appropriate.
- A very small number of replies (2%) referred to any problems in obtaining a pass. This reflects the efficient and robust system in place, administered by Customer Services, following the initial contract delay problems in setting up the national pass in April 2008.

- A large number of comments accompanied the survey replies with many positive comments on the current scheme and much lobbying for the changes proposed. Many of the comments were informative to the exercise e.g. explaining the condition of certain disabilities and the need for free companion travel to give pass-holders greater independence (teenagers with disabilities being able to travel with their friends rather than their parents, for example).
- The results of the Consultation Monitoring Form established that pass-holders represented a cross-section of the community with no significant concerns about exclusion from the scheme. The results in terms of equality strands are attached at Appendix 1.

3.4 Consultation with NBC Pensioners Forum, NBC Disabled People's Forum and other local organisations, dealing with disability/equality issues.

- 3.4.1 Initial consultation at the start of the Inquiry took place with the Pensioners and Disabled People's Forums. The Pensioners Event held in September 2008 also involved a useful discussion of the issues and the return of 30 draft questionnaires, which aided the final design of the bus pass survey form. Mr Rashmi Shah has made several presentations on his concerns (as a blind bus pass-holder) to the Appreciative Inquiry and to Overview and Scrutiny Committee 1, which have helped to inform the process of the Inquiry.
- 3.4.2 Further consultation with the two Forums has recently taken place on the Equality Impact Assessment for the concessionary fares scheme and possible changes.

3.4.3 Key points of evidence

- Discussion at Forum meetings has centred on general agreement that the proposed changes to the scheme should be implemented, very much in line with the feedback for the user survey.
- The Pensioners Event held on 25th September 2008 was very helpful in promoting group discussion on topics. A summary of relevant issues raised is given in Appendix 2.
- A number of relevant organisations focused on residents with disability and the elderly were contacted for their views. The responses have been limited and most of these have been individuals or groups responding to the user survey – these have been included in the summary discussed earlier.

- The Northamptonshire Learning Disability Board was a principal point of contact. They have expressed their concern that people with learning disabilities have to pay to use buses before 9.30am and that carers must pay to travel with the person they support.
- Northampton Door to Door Service is a specialist non-profit bus operator, which has been supported by the Borough Council for a number of years. The service strongly supports the issue of companion passes to disabled residents. The staff are aware that people are more restricted in using the service because free travel is not available for essential companions/carers.

3.5 Consultation with/Information from other Concessionary Travel Authorities

3.5.1 A number of authorities were selected for consultation on the basis of locality and also similar population size and characteristics. The response has been positive and a summary of the results is given below.

3.5.2 Key points of evidence

- A small number of authorities replied to the selective consultation. However, it does provide a useful cross-section indicating that the majority of those replying include discretionary elements in their scheme. The variations introduced also provide possible options for consideration. The details are shown in Table 1 of Appendix 3.
- The consultation was also used as a means of assessing the cost of discretionary elements within the overall schemes. A range of 0.9% to 6.1% of the total concessionary fares scheme emerged from those authorities outside Northamptonshire, which sent a reply. The details are shown in Table 2 of Appendix 3. If the highest percentage is applied to Northampton's budget for 2010-11, the resource implication of introducing discretionary elements is £226,000. It should be stressed that the replies represent a very small cross-section of authorities and this must influence the validity of the exercise.
- Comparisons with local districts are also helpful. In 2008-09, in Corby, discretionary elements amounted to 11% of the budget for pre 9.30am free travel and 9% for companion travel. Both these elements have now been withdrawn in Corby. In Daventry, the discretionary part of the scheme budget was 13%. These proportions accord more closely with the detailed comparison with Bedford undertaken by Atkins, as discussed earlier.
- The exercise illustrates that as with so many aspects of concessionary fares forecasting, local travel patterns and patronages are difficult to

anticipate. However, in terms of a prudent risk and resource impact assessment, the Atkins forecast (£386,000 2010-11) remains a good indication of the impact of the scheme changes. The reality, if changes were introduced, could be less significant.

3.6 Department for Transport Consultation on possible changes to the administration of Concessionary Travel – April 2009

3.6.1 This consultation, which has been carried out since the commencement of the Inquiry exercise, has an important influence on decisions to change the scheme to discretionary elements.

3.6.2 Key points of evidence

- The Department for Transport carried out a consultation with all Concessionary Travel Authorities, which closed in July 2009. The consultation was to seek views on the possible transfer of Concessionary Travel responsibilities to upper-tier authorities – locally Northamptonshire County Council - regionally or nationally (England).
- In response to the consultation, the County Council has expressed a provisional preference for transfer to the County Level. District Councils in Northamptonshire, including Northampton, have expressed a preference for administration at County level.
- A fundamental issue is the changes which would take place in Central Government funding support with a reduction in the support grants to District Councils and a transfer of funding to the County Council. A further consultation will be carried out, by the DfT, on this central issue, to move the proposal forward.
- It is understood that the initial response from local authorities in England is:
 - 50% favour transfer to upper-tier : County Councils etc
 - 25% favour regional administration
 - 25% favour national administration
- The case for a transfer to the County Council has many advantages and implications. The current system has shortcomings in terms of often inadequate central government funding and this has been keenly felt in Northampton, with a substantial proportion of the budget coming from local Council Tax funding. The transfer would give efficiency savings through shared services and give a clearer focus for both bus operators and concessionary fares customers.
- Subject to further consultation and legislation, it is proposed that a change to the system would be introduced in April 2011, when the

current 3 year grant settlement to existing TCAs ends. This 3-year funding was introduced with the change to an England wide free travel system in April 2008.

- The main implication, should changes take place in 2011, on this investigation is that the County Council would be looking for a standard travel scheme for the whole County. The DfT stress one of the advantages of change as 'One set of rules for a wider area in relation to travel enhancements'. As can be seen for earlier discussion in this report, Northamptonshire Districts are moving towards a majority with the statutory minimum travel scheme with no free travel before 9.30am. This possible change therefore presents a strong argument for Northampton retaining the statutory minimum (in respect of peak time travel) in order to support a clear and uniform scheme at County level.
- It should be stressed that the ability for individual districts, should they no longer administer concessionary travel, to introduce discretionary elements, is likely to be retained. But these will necessarily be locally funded.
- Administration of the issue of bus passes is likely to remain at local level for the convenience of customers – Northampton Borough Council would still be involved in applications for passes, probably by means of a Service Level Agreement with the County Council.

3.7 Possible charging for replacement bus passes

- 3.7.1 A budget option appraisal was undertaken, by Customer Services, in 2008 following the introduction of the England wide national bus pass. This forms a useful basis to assess the impact of introducing a charge for replacement, where appropriate.

3.7.2 Key points of evidence

- An Option Appraisal was carried out in September 2008 to assess income from charging for replacement passes. All other districts in the County make a charge of either £5 or £10 for replacement : charges in other authorities consulted were similar.
- During the period from June 2008 to date (15 months), 1564 replacement passes were issued. This provides a useful basis for prediction and 1200 replacements a year is used for this purpose.
- Charging for replacements would need to be at the discretion of Customer Services staff. If a pass has been stolen at no fault to the owner, a charge may not be appropriate. If the pass has been lost, the responsibility is with the card-holder and a charge would be appropriate.

- Options for the level of charge:
 - A £5 charge was suggested, by the majority (69%) of pass-holders in the survey and this would represent an affordable sum bearing in mind that many pass-holders represent a vulnerable/lower income section of the community. This level would still incur a cost to the authority for a replacement.
 - £5 x estimated replacements of 1200 would give an incoming sum of £6,000 per annum to cover costs
 - A £10 charge would represent a more realistic cost to the authority of both production of the card and staff time involved. Certainly, if a transfer of responsibilities to the County Council took place, this could be an appropriate administrative charge within a Service Level Agreement.
 - £10 x estimated replacements of 1200 would give an incoming sum of £12,000 per annum to cover costs
- Certainly, advice from Customer Services staff is that a number of residents persistently lose their passes. A charge would encourage more responsible safe keeping of the pass. In addition, there is the potential for fraud if multiple passes are circulating. Duplicate 'old' passes are 'hot-listed' when replacements are issued but at present can still be used as 'show' cards to drivers. The introduction of smartcard readers onto buses in the latter part of 2009 will mean that 'hotlisted' cards will not register and will be confiscated by drivers, thus reducing the potential for fraudulent misuse.
- Again, the argument for conformity within the County should transfer take place, supports a charge being made, in line within all other local districts.

4 Equality Impact Assessment

- 4.1 A full Equality Impact Assessment has been made and has been the subject of consultation with the Pensioners Forum and the Disabled People's Forum:
 - 4.1.1 As discussed earlier in this report, the Consultation Monitoring Form, which accompanied the Bus Pass User Survey, established that the pass-holders represented a cross-section of the community with no significant concerns about exclusion from the scheme. The results in terms of equality strands are shown in Appendix 1.
 - 4.1.2 The assessment has been closely related to the possible changes to the Concessionary Fares Scheme, which are the subject of this review. The conclusions of the assessment are detailed in Appendix 4. Their

main implications, in terms of equal opportunities, to the possible changes proposed are as follows:

- **Free travel to companions of disabled pass-holders**
 - Lack of free companion travel is a major discriminatory element in the scheme and represents an urgent priority for resolution.
 - In order that the proposed introduction, if approved, is fully effective, it is also recommended that free companion travel from pass-holders from other districts should be offered when they board a bus in Northampton.
 - **High risk of non-implementation in equality terms**
- **All pass-holders could be perceived, to be discriminated against, in comparison with residents of other Districts where wider concessions apply – principally, in respect of free bus travel before 9.30am.**
 - The differential with other Northamptonshire authorities has changed since the setting up of the Appreciative Inquiry, as discussed above. This element is not in the statutory scheme prescribed by Central Government and many authorities have retained this minimum free bus travel regime. Therefore, the Borough Council is no more or less discriminatory than legislation adopted by the Department for Transport and a large number of districts throughout England.
 - **The introduction, or not, of the proposal is therefore a low level risk and subject to further Member consideration. In terms of this exercise looking at equality strands, there are no major discriminatory elements but there is a prospect of improving the service for all users.**

5 Conclusions and Key Findings

- 5.1 After all of the evidence was collated the following conclusions were drawn: -
- 5.2 The Consultants Report on the impact of potential changes principally provides a forecast of resources required to implement the proposals. It has been modified in the light of changing circumstances and forecasts, particularly in respect of changes in policy in other districts in the County.
- 5.3 The Consultation Survey of Bus Pass Users has indicated a strong preference for all the proposed changes to be introduced and this has been reinforced by further consultation with Forums.
- 5.4 The limited consultation with other Concessionary Travel Authorities needs to be seen in the context of being a random cross-section of authorities without a detailed look at travel patterns and other factors within these areas. In this sense, although the cross section have largely introduced discretionary elements into their schemes, the need for comparison within Northamptonshire is seen as more important to the exercise.
- 5.5 The Department for Transport consultation on possible administrative changes has provided an important context for planning the future of the service. Whilst it is still at the consultative stage, the most likely outcome is transfer of responsibility to the County Council and their desire to have a clear scheme conforming to one set of rules. This need for conformity would apply, possibly with greater emphasis, were responsibilities be transferred to regional or national level.
- 5.6 The need for a uniform scheme which is clear both to bus users and bus companies is emphasised by the introduction of an electronic recognition system on the buses, due to commence in Autumn 2009. The 'smartcard' technology is complex in its introduction and variations should be kept to a minimum.
- 5.7 The impact of introducing a charge for replacement passes has been set out, for members consideration.
- 5.8 A key preliminary study to this evidence is the Equality Impact Assessment, which has a fundamental influence on the forecasting of the impact of proposals.
- 5.9 In summary, the elements proposed can be assessed within the broad areas of the evidence presented – resource implications, results of consultation, the need for conformity within the County and the equality impact.

Introduction of Companion Travel for eligible disabled pass-holders within Northampton

Introduction of Companion Travel for eligible disabled pass-holders from other Northamptonshire districts

- The resource implication has been estimated at £40,000 if introduced in 2010-11
- A clear majority in the consultation survey (87%) were in favour of the proposal
- In terms of a uniform scheme within the County, 5 districts have this discretionary element in place and introduction in Northampton would reinforce this.
- The equality impact assessment has identified the non-inclusion of these elements of the scheme as a major barrier to achieving full equality within the scheme.

Introduction of All-Day Free Travel : Monday-Friday

- The resource implication has been forecasted as £386,000 if introduced in 2010-11. Lower estimates have emerged from consultation with other authorities outside the County but there is a strong likelihood that the above estimate will be reached and it needs to be quoted as a risk implication. In addition, the introduction of free all-day travel may attract claims for capital expenditure from bus operators, as discussed earlier, which could incur additional expenditure.
- A clear majority in the consultation survey (89%) were in favour of free travel before 9.30am.
- In terms of a uniform scheme within the County, 4 districts do not have this discretionary element in place and 2 further districts are reviewing a possible change to the statutory position i.e. no free travel before 9.30am. The retention of the statutory scheme in Northampton would reinforce this majority of districts adhering to free travel being offered after 9.30am.
- The equality impact assessment has identified the inclusion or non-inclusion of this element of the scheme as having no significant impact on achieving full equality within the scheme.
- The evidence from other concessionary travel authorities, which is a random cross-section, differs from the County situation and together with the strong lobby for the proposal from the bus user survey and other representations may prompt the need for further member consideration of the options.
- This further consideration could include the introduction within the scheme of selective 'all day travel' elements, as discussed earlier (pages 9-11)
 - ❑ Free weekday late night travel 11pm-4pm
 - ❑ Free all-day travel for disabled pass-holders only

Possible Charging for Replacement Bus Passes

- The resource implication of introducing a £10 charge (which reflects real costs) is estimated as an income to the authority of £12,000 per annum.
- A clear majority in the consultation survey (59%) were in favour of introducing a charge.
- In terms of a uniform scheme within the County, all other districts have a charge in place and introduction in Northampton would reinforce this.
- It would also anticipate the possible administration of the scheme in future by the County Council.
- The proposal would not impact on equality within the scheme and would improve the service in helping to reduce any fraudulent use of passes

6 Recommendations

- 6.1 On the basis of evidence submitted and the concluding summary, it is recommended that the following proposals are put forward:
- 6.2 That Companion Travel for eligible disabled pass-holders, both within Northampton and for eligible disabled pass-holders from other Northamptonshire districts be introduced in Northampton from April 2010, in the Northamptonshire Concessionary Travel Scheme 2010-11.
- 6.3 That, in view of the clear support for and priority given to the introduction of all-day weekday free bus travel in the public consultation undertaken, Cabinet be asked to consider the introduction of this discretionary element in the concessionary travel scheme for Northampton or selective elements of the proposal as set out in the report.
- 6.4 That a charge for replacement bus passes be introduced as soon as practicable – the recommended charge to reflect administration and production costs being £10.

Appendices

Appendix 1 - Bus Pass Survey : Equality Strand Profile

The sample survey of 20% of pass-holders attracted a positive response from 20% of those surveyed. This cross-section of pass-holders can be used for a comparison with the equality strand profile for the town as a whole. Any imbalances/issues can be identified from this exercise.

GENDER

GENDER	Bus pass user survey (Consultation monitoring form) 1097 - 100%	Northampton 194,458 – 100%
Males	425 – 39.2%	95,380 – 49%
Females	605 – 55.8%	99,078 – 51%
Both marked or not stated	55 – 5.1%	

Higher female to male ratio than town wide – explanation:

Not stated answers may skew

Males may have greater access to a private car/historically greater dependence of women on public transport

Better survival rate into old age of women

AGE

AGE	Bus pass user survey (Consultation monitoring form) 1097 - 100%	Northampton 194,458 – 100%
	Holding a 60 and over pass	Eligible 60 and over
	1135 – 93%	35,818 – 18.4%

The selective nature of eligibility for a bus pass (Aged 60 and over) means that there are no grounds for age comparison

DISABILITY

DISABILITY	Bus pass user survey (Consultation monitoring form) 1097 - 100%	Northampton 194,458 – 100%
	Holding a disabled peoples's pass	Eligible disabled people
	76 - 6%	15,959 – 8.2%

The selective nature of eligibility for a bus pass within the specified disability categories means that it is difficult to accurately define the eligible population. Inevitably, the proportion of disabled people is much higher amongst pass-holders.

The answers given on the survey for pass ownership have a similarity with town wide proportions. This could give cause for concern about under representation/low take up of passes.

However, the consultation monitoring form results show a much higher number of respondents with a disability –280 or 25.5%. The main explanation for this lies in the previous operation of issuing bus passes – disabled passes for 1 year duration, Aged 60 and over for 15 years. Inevitably, many disabled people aged 60 and over opted to obtain a 60+ pass – even though, the expiry period is now the same for both (5 years), this practice towards more 60+ passes is likely to persist. The application procedure for a 60+ pass is easier – the disabled people's pass generally requires a doctor's certificate being obtained, which is more complicated.

Therefore, the discrepancy does not appear to have an equality implication.

SEXUAL ORIENTATION

Not included in survey questionnaire (no relevance to exercise)

RELIGIOUS FAITH

Not included in survey questionnaire (no relevance to exercise)

ETHNICITY

ETHNICITY	Bus pass user survey (Consultation monitoring form) 1097 - 100%	Northampton 194,458 – 100%
	White 1013 – 92.4%	91.6%
	Indian 16 – 1.5%	1.7%
	Black Carribean 15 – 1.4%	1.5%
	Other 10 – 1%	

Ethnic groups in the survey very closely accord to town-wide proportions of groups

Appendix 2

PENSIONERS EVENT HELD ON 25TH SEPTEMBER 2008

GROUP LEADERS

Group 1	Cllr Jane Hollis
Group 2	Cllr Paul Varnsberry
Group 3	Cllr Pam Varnsberry
Group 4	Richard Holmes
Group 5	Paul Lewin

31 questionnaires were returned during and after the event.

GROUP 1 : MORNING TRAVEL & COMPANION TRAVEL

Hitchin has no time restrictions.

A lot of appointments start at 9.30am.

Poses a problem when leaving to catch more than 1 bus! So have to pay full fare.

Have to time medical appointments after 09.30am to allow travel time.

Restriction in choice

First class Age Concern 10.00am from Kingsthorpe means late arrival.

Only travel that early when absolutely necessary.

Move to 9am would help (graduated).

Companion bus travel exists countywide except Northampton. Strongly feel this should be rolled out in the town.

Countywide to be a companion you must be 16+. Strongly feel that this should be rolled out to under 16s who make up large % of carers.

(NOTE – No legal requirement for companions to be over 16 – this is being clarified with DfT since there is a concern that youngsters may not be able to deal with incidents involving the disabled traveller they are accompanying)

11pm anomaly should be removed.

GROUP 2 : MORNING TRAVEL & LATE EVENING TRAVEL

24 hours

7 days a week.

Taking money from charity.

Earlier.

Flexible.

Unreasonable (link it to trains and coaches).

Empty buses.

Limiting social life.

Less costs to Council, so able to extend use.

GROUP 3 : MORNING TRAVEL & COMPANION PASSES

Earlier start time.

People need to be able to travel at time of choice.

Some buses full after 9.30

Some buses empty before 9.00

Companion travel = 2 passengers.

No confusion (e.g. Eire, Scotland).

Should be issued automatically to all disabled pass holders.

Consistent application across the UK needed.

GROUP 4 : MORNING TRAVEL

Strongly agree to 9.30 restriction being lifted – 24/7 scheme.
'Rush hours' – plenty of space on buses for extra people before 9.30am.
This encourages better use of buses – keeps services going.
Blind persons had all day travel under old scheme.
Would travel before 9.30 much more if free.

Journeys required before 9.30am:
Early shopping/market
Church
Medical appointments
Voluntary work
Catching early trains/coaches for long-distance

GROUP 5 : MORNING TRAVEL

Morning travel.
Restrictions removed - ✓✓✓✓✓
Complicated – different rules in parts of County
Concession for specific journeys – E.g. health visits.
Safer to mix with other people – can feel isolated at times.

Appendix 3 – Consultation with other selected Concessionary Travel Authorities

Table 1 Discretionary elements offered by authority

Local Authority	Free Late Travel after 11pm	Free Morning Travel before 9.30am	Free travel for companions to Disabled Pass-holders – within authority	Other discretionary measures
Leicester City	Yes	60 and over – half fare Disabled - free	No	None
Canterbury	No	Yes	Yes	Park and Ride – pass holders can travel as foot passengers free
Chelmsford	Yes until 12pm	Yes 9am	Yes	Older Persons promotion days
Basingstoke	Yes	Yes	Yes	Promotion in Council magazine
Stafford	Yes	Yes	Yes	General publicity
Harlow	Yes until 12pm	Yes 9am	No	None
Stoke on Trent	Yes	Yes	Yes	Application Service at 5 local centres
Milton Keynes	Yes	Yes	No	None
SUMMARY	5 – YES 2- UNTIL 12PM 1-NO	5- YES 2- 9AM 1 –HALF FARE	5 – YES 3 - NO	

Table 2 Costs of Discretionary elements

Local Authority	Total annual cost of concessionary travel scheme	Annual cost of discretionary elements %age of budget	Free all-day travel or part (as above) %age of budget	Free travel for companions to Disabled Pass-holders %age of budget
Leicester City	-	-	-	-
Canterbury	£2.2m	£75,500 3.4%	£47,500 2.1%	£28,000 1.3%
Chelmsford	£2.3m	-	-	-
Basingstoke	£2.8m	£24,000 0.9%	£24,000 0.9%	Minimal
Stafford	£1.5m	£50,000 3.3%	£50,000 3.3%	-
Harlow	£1.7m	-	-	-
Stoke on Trent	£4.9m	£93,000 1.9%	£50,000 1%	43,000 0.9%
Milton Keynes	£2.1m	£129,000 6.1%	£129,000 6.1%	-

Appendix 4

SUMMARY		0.9% - 6.1% range	0.9% - 6.1% range	0.9-1.3% range
Appendix 4 Concluding Areas of Concern within Equality Impact Assessment	Recommended Measures/Actions	Risk in relation to Equality Impact	Timescale	Resource Implications
<p><u>Applications for a Bus Pass</u></p> <p>Disabled residents with mobility problems may need a more specialised service in applying for a pass – at present, there is potential for disadvantage.</p> <p><i>Residents from minority ethnic groups may be under-represented and may need a more specialised service in applying for a pass – at present, there is potential for disadvantage.</i></p>	<p>Further staff training in awareness of the issues and innovative consideration, to ensure that applications can be dealt with in a fair and equal manner for all sections of the eligible population of Northampton</p> <p>Further contact with appropriate local organisations to encourage take up and use of passes by these groups</p> <p>Further general publicity, possibly targeted, as appropriate, to encourage take-up</p>	Low	If introduced April 2010	Low Measures largely introduced to mitigate issues

<u>Appendix 4</u> Concluding Areas of Concern within Equality Impact Assessment	Recommended Measures/Actions	Risk in relation to Equality Impact	Timescale	Resource Implications
<u>Use of the Bus Pass</u> <i>Northampton does not offer free travel to companions of disabled pass-holders – all other districts in Northamptonshire do. The lack of this discretionary concession could be seen to discriminate against disabled residents.</i>	Free bus travel for companions to Disabled pass-holders	High risk of non-implementation	If introduced April 2010	Estimated increase in number of disabled passes issued 22% with a medium resource implication
<u>Use of the Bus Pass</u> <i>Northampton does not offer free travel to companions of disabled pass-holders – all other districts in Northamptonshire do. The lack of this discretionary concession could be seen to discriminate against disabled residents.</i>	Free companion travel for Disabled pass-holders from all Northamptonshire Districts (NBC bear the cost when the pass-holder boards the bus in Northampton). This would be reciprocated when Northampton pass-holders travel in other districts.	High risk of non-implementation	If introduced April 2010	Estimated number of disabled passes in other Nhants TCAs 431 - low resource implication

<u>Appendix 4</u> Concluding Areas of Concern within Equality Impact Assessment	Recommended Measures/Actions	Risk in relation to Equality Impact	Timescale	Resource Implications
<u>Use of the Bus Pass</u> <i>All pass-holders could be perceived, to be discriminated against, in comparison with residents of other Districts where wider concessions apply – principally, in respect of free bus travel before 9.30am.</i>	Free Morning Travel before 9.30am, weekdays Subject to further member consideration as a low risk proposal	Low risk in terms of equality implications	If introduced April 2010	Free travel from 23.00pm to 4.00am Mon to Fri Disabled pass-holders – no resource implication 60 and over pass-holders – low resource implication Free Travel before 9.30am Mon- Fri Disabled pass-holders – medium resource implication 60 and over pass-holders – major resource implication



OVERVIEW AND SCRUTINY VIEWS AND RECOMMENDATIONS TO

Cabinet – 25th November 2009

Report Title	<p>RECOMMENDATIONS OF OVERVIEW AND SCRUTINY COMMITTEE TWO (HOUSING AND ENVIRONMENT) – ON THE CALL- IN OF CABINET DECISION OF 14TH OCTOBER 2009:-</p> <p>NEW TENANT PARTICIPATION STRUCTURE</p>
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Agenda Status: PUBLIC

1. Purpose

- 1.1 To submit a report to Cabinet detailing the Committee's findings following the Call-In Hearing that took place on Wednesday, 28 October 2009.

Recommendations

- 2.1 That Cabinet be formally notified of Overview and Scrutiny Committee Two (Housing and Environment)'s findings following the Call-In Hearing of 28th October 2009:
- 2.2 That Cabinet reconsiders its decision on the new Tenant Participation Structure made on 14 October 2009, bearing in mind Overview and Scrutiny Committee 2's concerns about the decision outlined below:
- The leaflet used within the consultation was not fit for purpose
 - No end date was specified on the leaflet
 - No Equalities Impact Assessment was carried out
 - Those surveyed by telephone were 'self-selected'
 - The Council's Customer Engagement Toolkit was not adhered to appropriately.
 - Further consideration should be made to the script for the telephone canvassers
 - The options for tenants were amended part way through the consultation process
- 2.3 That on the grounds that Cabinet failed to ensure further pre-decision Scrutiny of the process, as noted by Cabinet at its meeting of March 18th 2009, Cabinet notes Overview and Scrutiny accepted reason 2 for the Call-In.
- 2.4 That Cabinet is recommended to carry out the consultation exercise again using a multi faceted communications approach, issued in appropriate language. The consultation exercise should be evidence based to show that it has been correctly carried out.

3. Background and Issues

3.1 The Cabinet decision: -

1. The Council is to adopt, at this stage, the 'selection' methodology for choosing Tenant Board members as indicated as the preferred option by 50% of the tenants responding to the consultation and it will promote further resident engagement in the process of establishing its new resident involvement structure.
2. The Council is to agree an initial Area Housing Partnership Board composition of two Members, three local senior staff and five tenants with an option for the Boards to further co-opt independent Board members.
3. During October to December 2009, the Council is to implement a programme to support the development of the Area Housing Partnership Boards by the promotion and provision of joint training and Board development sessions aimed at the relevant Members, Officers and tenants for each of the four Housing Areas.
4. The Council is to note the initial suggestions made by tenants during the consultation about what should constitute the elements of a Board member person specification.
5. The process of appointing tenants to the Area Partnership Boards will begin in accordance with the timetables outlined in the report
6. A further progress report is to be forwarded to Cabinet in March 2010.
7. Elected Member engagement as part of this process will commence.

was called-in for Scrutiny by Councillors Tony Clarke and Malcolm Mildren for the following reasons:-

- 1) Inadequate Consultation with Tenants
- 2) Failure of Council to ensure further pre scrutiny of the process as noted by Cabinet at its meeting of March 18th 2009

3.2 Councillors Clarke and Mildren expanded upon their reasons for Call-In: -

- They acknowledged that consultation has taken place, but questioned whether the consultation that took place was good enough. The report to Cabinet in October suggested that the initial consultation took place between June and July 2009, but the report states that it was carried out between June and September 2009. Subsequently there was another period of consultation, which was not part of the planned consultation.
- The Council and tenants have a good history of responding to surveys – the IPSOS Mori poll had a result of 46%, which was 942 responses from 2,061 Council tenants consulted. The Call In Authors questioned why IPSOS Mori can get a response of 46% out of 2061, and why can PEP only get a response of 0.5%?
- The Council's Consultation Toolkit that was adopted in 2008 and sets a minimum standard for consultation which had not been met in PEP's consultation. For example the Toolkit recommends a consultation period of 12 weeks. The PEP report states that the consultation period was for two months, which is not within the guidelines of the Consultation Toolkit.
- In respect of the lack of pre-decision Scrutiny, the Call-In Authors advised that Council collectively has a responsibility to ensure that its decisions are carried through, irrespective of decisions made. There had been a failure to pre-scrutinise the decision.

Evidence

4

4.1 The Committee heard evidence from four public attendees:-

- Mr Chris Swinn
- Ms Beverley Mennell
- Mr Norman Adams
- Mr Hewitt Smith

Internal Witnesses

4.2

- | | |
|--------------------------------|----------------------------|
| • Councillor Brian Hoare | Leader of the Council |
| • Councillor Sally Beardsworth | Portfolio Holder (Housing) |
| • Lesley Wearing | Director of Housing |
| • Brian Queen | Housing Advisor |

4.3

Councillor Brian Hoare, Leader of the Council, provided evidence advising that the Consultation Toolkit is generic, and when deciding upon the actual length of time needed to consult, the methodology being used to consult should be considered. 12,250 tenants were written to and asked to respond to the consultation. The nature of survey often dictates the response rate. A prize was offered in an attempt to encourage people to return the slip.

4.4

The Council had provided different methods for tenants to respond to the consultation. It is evident within other Local Authorities that they had similar response rates when comparable exercises took place. Cabinet took the view that it was a low response but decided that the Officer's recommendations should be accepted, with the process to be reviewed at a later date.

4.5

Councillor Sally Beardsworth, Portfolio Holder (Housing), provided evidence. Key points of evidence: -

- A report from PEP provides details of similar exercises it has undertaken which indicate that the highest percentage return was in Riverside – a two per cent response rate. The minimum response rate indicates less than one percent.
- A list of approximately twelve similar surveys had been received, all of which showed less than a two percent return rate.

4.6

Lesley Wearing, Director of Housing, provided evidence. The same process for delivery had been followed for this consultation exercise that is carried out for the delivery of rent statements and *My Home* magazine. A business reply card was included with the consultation questionnaire however, it is usual for there to be a low response rate for this type of consultation. There had been concerns regarding the expected response rate to the consultation due to a previous poor relationship with tenants. It is hoped that this could be addressed by a new structure and process for tenant participation. A threshold for responses had not agreed but it was the Director of Housing's understanding that the Consultation Toolkit had been followed. The decision was taken for external Agencies to carry out part of the consultation process so that questions could be put together independently with no internal officer influence.

4.7

Brian Queen, Housing Advisor, provided evidence. Key point of evidence: -

- The decision was taken to go with PEP –
- Their instructions were to use the Consultation Toolkit, and the decision was made for the Consultation not to go out over August in order to avoid the summer holiday period. PEP is a Tenant Advisor Company approved by the department of Communities and Local Government and the Homes and Communities Agency. Its appointment had been an open tendered process. Interviews had taken place with members of NTACT Committee present.
- The Consultation Leaflet had been designed so that it did not look like a typical Council document and had been addressed to Council Tenants

- The response slips returned showed 31 in favour of election, which was approximately the size of the membership of the NTACT Committee. Discussions were held with PEP about obtaining a representative sample and the decision was taken to use the Tenant Sounding Board. All members of the Tenant Sounding Board were contacted, except those who had already attended meetings or returned a reply slip.
- The style of the questions was decided by PEP, and was based on their expertise and previous experience. Public meetings with tenants were held in order to enable people to understand and discuss the proposals and to voice their opinions.
- An Equality Impact Assessment (EIA) had not been completed, but all correspondence was issued in the same way as all other Council documentation.
- There had been no support for an Electoral College in the first two rounds of consultation, and therefore the decision was taken to remove this option from the final phase of consultation

5 Findings and Conclusions

- 5.1 Following the submission of all the evidence, the Committee concluded that the consultation exercise had altered towards the end of the process and the script used by the telephone canvassers had been unclear. The script was too long and difficult to understand. There had been inadequate consultation. The consultation leaflet was not fit for purpose; it had not detailed a date for the end of the consultation. The consultation leaflet was not targeted correctly to all tenants, communication should have been written so that it was accessible to all, with a reading age of thirteen. In the Committee's opinion the Council had appeared to have selected its own Telephone Panel. It appeared that the Council's Consultation Toolkit had not been taken into consideration fully during this consultation exercise. The Council is now a Level 3 Equality Authority and on the lack of an Equality Impact Assessment alone the consultation exercise was inadequate. The Committee questioned the competencies of PEP. Therefore, Cabinet should undertake this process correctly, adopting a multi faceted Communications approach to the consultation, which should be carried out in house and be fully evidence d. Records should be kept of those tenants who do not want to engage.
- 5.2 The Committee further concluded that due to timing issues, no pre-decision Scrutiny had been undertaken on this issue. Therefore, on account of the time constraints involved, the Committee will set up an Appreciative Inquiry in order to pre-decision scrutinise any further consultation and then consider the results of that further consultation exercise.
- 5.3 Following deliberation session, it was proposed and seconded that the Call-In be accepted as there had been inadequate consultation and Cabinet had failed to ensure further pre-decision Scrutiny of the process. Upon a vote, it was: -

5.4 Resolved:

- (1) That on the grounds that inadequate consultation took place with tenants, the Committee accepted reason 1 for the Call-In, specifically: -
 - The leaflet used within the consultation was not fit for purpose
 - No end date was specified on the leaflet
 - No Equalities Impact Assessment was carried out
 - Those surveyed by telephone were 'self-selected'
 - The Council's Customer Engagement Toolkit was not adhered to appropriately.
 - Further consideration should be made to the script for the telephone canvassers
 - The options for tenants were amended part way through the consultation process.
- (2) That on the grounds that Cabinet failed to ensure further pre-decision Scrutiny of the process as noted by Cabinet at its meeting of March 18th 2009, the Committee accepted reason 2 for Call-In.
- (3) That Cabinet is recommended to carry out the consultation exercise again using a multi faceted communications approach, issued in appropriate language. The consultation exercise should be evidence based to show that it has been correctly carried out.

6 Implications (including financial implications)

6.1 Policy

- 61.1 The work of Overview and Scrutiny plays a major part in the development of the Council's policy framework through its work programme.

6.2 Legal

- 6.2.1 The duties to undertake Overview and Scrutiny are set out in the Local Government Act 2000.
- 6.2.2 The Deputy Monitoring Officer advised the Call In Hearing.

6.3 Equality

- 6.3.1 Not applicable.

6.4 Resources and Risk

- 6.4.1 The decision cannot be implemented until Cabinet has resolved and made a decision upon Overview and Scrutiny Committee Two (Housing and Environment)'s report on the result of the Call-In Hearing.

7. Consultees (Internal and External)

- 7.1 Overview and Scrutiny Committee Two (Housing and Environment) held the Call In Hearing.
- 7.2 Internal witnesses as detailed at paragraph 4.1
- 7.3 The Call-In Authors, Councillors Tony Clarke and Malcolm Mildren, attended the Call-In Hearing to respond to the Committees questions.
- 7.4 The Call-In Hearing was published through the Council's usual channels and was attended by members of the public, of which four addressed the Committee.

8. Background Papers

- 8.1 The key papers are:-
- Cabinet report of 14th October 2009 – Item 11 – New Tenant Participation Structure
 - Cabinet decision and minutes of 14th October 2009 – Item 11 – New Tenant Participation Structure

Report Author and Title:	Tracy Tiff, Overview and Scrutiny Officer, on behalf of Councillor Christopher Malpas, Chair, Overview and Scrutiny Committee 2.
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Appendices

3



NORTHAMPTON
BOROUGH COUNCIL

Item No.

6

CABINET REPORT

Report Title	Choice Based Lettings review
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AGENDA STATUS:

PUBLIC

Cabinet Meeting Date:	25 th November 2009.
Key Decision:	No
Listed on Forward Plan:	Yes
Within Policy:	Yes
Policy Document:	Yes
Directorate:	Housing Directorate
Accountable Cabinet Member:	Councillor Sally Beardsworth
Ward(s)	All Ward Councillors

1. Purpose

- 1.1 The purpose of this report is to inform members of the outcome of the review of the first year of the Choice Based Lettings scheme.

2. Recommendations

- 2.1 To note the review and outcomes of the first year of the Choice Based Lettings scheme.
- 2.2 To note the list of potential improvements to the scheme a number of which will be brought to a future cabinet for approval.
- 2.3 To note that further changes to the Council's Housing allocation scheme may be required following revised statutory guidance from government due later this year.
- 2.4 To agree to consult key stakeholders, Registered Social Landlords, and partner agencies on the proposed contents of the amendments to the Housing Allocations scheme.

3. Issues and Choices

3.1 Report Background

3.1.1 The system of allocating affordable housing is complex and poorly understood nationally and locally. The demands and pressures locally and nationally for affordable housing continue to grow due to the current economic climate. This leads to the perception that the housing allocations system is inflexible and unfair and the mistaken view that much housing goes to those who have no legitimate right to it. It is therefore, important that all Councils should challenge these myths and misunderstandings.

3.1.2 Northampton Borough Council's Choice Based Lettings scheme has to achieve the following requirements:

- Providing support for those in greatest housing need, including people who have experienced homelessness
- Ensuring allocations policies comply with equality legislation
- Promoting greater mobility for existing tenants
- Making better use of the existing stock
- Supporting people in work or seeking work
- Delivering policies which are fair and considered to be fair

3.1.3 Central Government has over time prescribed which customers should be provided with reasonable preference when allocating affordable housing. These categories are:

- People who are statutorily homeless
- People occupying insanitary or overcrowded housing or otherwise living in unsatisfactory living conditions
- People who need to move on medical or welfare grounds, including grounds leading to disability
- People who need to move to a particular locality in Northampton where failure to meet that need would cause hardship

The Review

3.1.4 Central Government introduced a national target for all Council's in England to introduce a Choice Based Lettings scheme before 2010. Northampton achieved this target and introduced its own Choice Based Lettings scheme on the 31st July 2008.

3.1.5 Northampton Borough Council's Choice Based Lettings scheme is a mechanism that gives customers more choice over where they live. In turn this should enable greater commitment to their new home, area and build viable and settled communities. This will reduce homelessness; and customers will stay in their homes longer if they have more choice about the home they live in.

3.1.6 Since the launch of the Northampton Borough Council's Choice Based Lettings scheme in July 2008, over 1,400 properties have been allocated in its first year of operation, with very high customer satisfaction rates.

3.1.7 The housing allocation's policy of placing customers in priority Bands from Emergency, Band A, Band B, Band C and Band D allows customers to understand the housing allocation policy and process and replaces the previous complicated and confusing points based lettings approach to ensure a more transparent framework is now provided. The existing allocations scheme is attached to this report as Appendix A for guidance.

3.1.8 Northampton Borough Council has now conducted a 12-month review of the operational effectiveness of the Choice Based Lettings scheme introduced on the 31st July 2008. This review considered the outcome of the customer consultation of 100% of customers currently on the Housing Register and a further customer consultation of 100% of the customers re-housed through the Choice Based Lettings scheme.

3.1.9 Appendix C identifies the main findings of the review and are as follows:

To date

- 1,430 properties have been allocated through the Choice Based Lettings scheme
- 70,192 bids have been submitted by customers for these properties
- The average number of bids for each property advertised is 49 (ranging from zero bids to over 300 for specific properties) This is comparable to other local authorities with a similar size of stock
- 92.45% of bids submitted are via the web site
- There are 7,175 households on the Housing Register
- The Council is complying with best practice principles when allocating accommodation and there is no discrimination on grounds of age, gender, sexuality, ethnicity, religion or disability
- BME households are disproportionately represented on the housing register compared to overall population figures in Northampton. This is common nationally.

3.1.10 Northampton Borough Council's Overview and Scrutiny Committee also conducted an Appreciative Enquiry during 2009, and the findings of this enquiry provide the framework for this report. The main findings of this Appreciative enquiry are the need to undertake surgeries across Northampton for customers, appoint Choice Officers to provide support and guidance to customers who are vulnerable or unable to submit bids, advertise properties in the local newspaper ensuring the newspaper displays the Northampton Borough Council logo, to provide a text support service for customers, to ensure the Choice Based Lettings web site has the relevant community languages translation service available, that additional support is provided to customers with mobility needs, to produce weekly rather than fortnightly bidding cycles, to produce quarterly newsletters for customers providing information on various new initiatives to offer solutions to customers being re-housed and offering guidance on who has been housed to breakdown myths and barriers to re-housing and finally to provide daily feedback on which priority band customer has been housed.

3.1.11 The Housing Solutions service has also compared the operational effectiveness of the Choice Based lettings scheme against the recently

published Communities and Local Government consultation paper on the statutory guidance on social housing allocations for local authorities in England “Fair and Flexible” report. The findings of this analysis is that Northampton Borough Council’s Choice Based Lettings scheme and Housing Allocations policy complies with this recently published consultation document and the only weakness of the Northampton Borough Council scheme compared to this document is the feedback to customers of what type of priority needs customer has been housed and the average waiting time for re-housing from each priority needs band. These issues have now been addressed and will be implemented on the 1st December 2009.

3.1.12 Analysing best practice examples nationally and discussing Northampton Borough Council’s current Choice Based Lettings scheme with local and regional partners completed the review.

3.2 Issues

3.2.1 The statutory framework that governs the deliver of the Choice Based Lettings scheme and the Housing Allocations scheme allows Northampton Borough Council some flexibility to allocate accommodation to identified needs. However, the delivery of the Housing Allocations scheme is determined mainly by legislation and case law with limited flexibilities outside of this framework.

3.3 Choices (Options)

3.3.1 It is clear that much has been achieved since the introduction of the Choice Based Lettings scheme but even greater achievements are required in the next 12 months to further increase customer and stakeholder satisfaction. The following is a list of potential enhancements to the Choice Based Lettings scheme that Cabinet will consider in February 2010:

- Potential weekly Choice Based Lettings scheme adverts moving from fortnightly
- Producing weekly newsletters for customers and no longer advertising in the Chronicle and Echo newspaper to reduce the cost of the scheme
- Community Language translation services on the Choice Based Lettings web site
- Linking the Choice Based Lettings scheme web site with Northampton Borough Council’s employment creation and education/training development work for customers
- Under-occupation scheme re-launched to address greater needs
- Developing a sub-regional Choice Based Lettings scheme with Daventry District Council and Leicester City Council
- The introduction of a regular text messaging information service to customers
- The introduction of weekly out of hours surgeries for customers taking place between 6 to 8pm at the Guildhall
- Introduction of Mutual Exchanges on to the Choice Based Lettings scheme web site
- Linking the Home Improvement and Disabled Facilities Grant work with the Choice Based Lettings scheme

- Publication of a quarterly newsletter to all customers on the Housing Register breaking down the myths and false perceptions, but also providing news on new initiatives and possible options to provide solutions to customers re-housing needs.
- Conducting six monthly customer satisfaction surveys in place of the current annual satisfaction surveys
- Designing an accessible housing register that sits within the Choice Based Lettings scheme to have a single data base for Northampton of all adapted and accessible housing.
- Northampton Borough Council may need to develop closer links with sub-regional Choice Based Lettings schemes in London and the South East as part of the Growth Agenda for Northamptonshire, to ensure the maximum provision of the new accommodation is obtained.
- Develop clear and comprehensive service standards in partnership with customers
- Produce Annual lettings plans with targets and performance information
- Design an in house family mediation service to prevent homelessness
- Undertake a new Equality Impact Assessment following the completion of this work
- 100% for the reasons for refusal needs to be inputted on to the IT to allow consistent reporting by Officers to elected members
- That Band C is removed from the Choice Based Lettings Allocations scheme and these 39 customers are merged within Band B currently consisting of 3678 customers
- Consider suspending applicants from the housing register where they fail to disclose personal data.

4. Implications (including financial implications)

4.1 Policy

The review of the Choice Based Lettings scheme complies with the published Homelessness Strategy and the Housing Strategy.

4.2 Resources and Risk

The Choice based lettings scheme replaces the previous system of allocating properties and is fully resourced from within the Housing Solutions service. There is a potential risk in terms of the impact on void performance but this has not proved to be an issue during the first year of operation.

4.3 Legal

The review of the Choice Based Lettings scheme complies with the 1996 Housing Act, the 2002 Homelessness Act, the 2004 Housing Act, and the 2008 Housing and Regeneration Act, the 2002, 2008 and 2009 Code of Guidance on the Allocation of Accommodation.

4.4 Equality

The Choice Based Lettings scheme and the proposed improvements promote and comply with Equalities Bill, that is currently being considered by Parliament,

develops and takes forward the Equalities Standard work, and adopts national best practice principles and examples in the equality and diversity arena.

4.5 Consultees (Internal and External)

The following Directorates and Divisions within the Council have been consulted:

Director of Finance and Resources

Director of Housing

Head of Legal Services

Human Resources

Customer Services

4.6 How the Proposals deliver Priority Outcomes

Housing, Health and Wellbeing

4.7 Other Implications

None

5. Background Papers

5.1 Northampton Borough Council's Housing Allocations scheme Appendix A

5.2 The Communities and Local Government consultation paper Fair and Flexible Draft statutory guidance on social housing allocations for local authorities in England Appendix B.

5.3 Executive Summary of the Statistical Analysis of the Choice Based Lettings scheme Appendix C. The Head of Housing Needs and Support holds the main report if Elected Members wish to view the full analysis.

Fran Rodgers Head of Housing Needs and Support

Northampton Borough Council

Housing Allocations and Choice Based Lettings Scheme

30th July 2008

Amended April 2009



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Introduction

This is Northampton Borough Council's Choice Based Lettings and Housing Allocation Scheme as required under section 167 of the Housing Act 1996. It meets the requirements, which are set out in Part VI Housing Act 1996 (as amended by the Homelessness Act 2002) to have a scheme (their "allocation policy") for determining priorities and procedures to be followed in allocating accommodation giving reasonable preference to the following categories of people:

- People who are homeless (within the meaning of Part 7 of Housing Act 1996);
- People who are owed a duty by any local authority under section 190(2), 193(2), or 195(2) (Or under section 65(2) or 68(2) of the Housing Act 1985 or who are occupying accommodation secured by any such authority under section 192(3);
- People occupying in sanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions;
- People who need to move on medical or welfare grounds; including grounds relating to a disability; and
- People who need to move to a particular locality in their district of the authority where failure to meet that need would cause hardship (to themselves or others).

The scheme may also be framed so as to give additional preference to particular descriptions of people within the subsection (being descriptions of people with urgent housing needs), as in accordance with section 167(2) of the 1996 Housing Act.

The categories of reasonable preference are additional to each other, so if an applicant's needs mean that he or she falls into more than one category, the allocation scheme must ensure that all of those needs are reflected in the applicants relative priority on the housing register.

Section 167 (8) provides that the authority may not allocate housing accommodation except in accordance with its allocation scheme. The scheme shall include a statement of the authority's policy on offering people who are to be offered housing accommodation:

- (a) A choice of housing accommodation; or
- (b) The opportunity to express preference about the housing accommodation to be allocated to them.

The Council's aim in producing this scheme is to empower people to make decisions over where they live and exercise choice; to help create sustainable communities and encourage the effective use of the available affordable housing, giving customers as much opportunity as possible for their views to be taken into account when they are seeking a new home. Northampton Borough Council will also support prospective applicants to choose the

Housing Option which is best for them, including: promoting a wide range of options, including low cost home ownership, mutual exchanges, the private rented sector. Also providing information and advice about staying put options such as aids and adaptations, mobility schemes.

The demand for secure affordable housing in Northampton far outweighs the supply. In order to maximise the supply of affordable housing the Council work closely with a number of Registered Social Landlords or RSLs, (also known as Housing Associations). Registered Social Landlords provide the Council with nomination rights for a percentage of their homes.

Northampton Borough Council is committed to offering choice to all applicants seeking housing. This will be achieved by operating the Choice Based Lettings Scheme. This Housing Allocation Scheme will also make it as easy as possible for applicants to move between local authority, housing association and privately rented accommodation by encouraging the extension of choice based to cover low cost home ownership options and properties for rent from private landlords as well as affordable housing.

Objectives

In allocating its vacant properties the Council seeks to:

- Discharge the Council's statutory duties as contained in Part VI and VII of the Housing Act 1996, as amended by the Homelessness Act 2002
- Offer as much choice as possible to customers
- Offer customers information and advice to enable them to make informed choices about their housing options
- Create an easy to understand, fair and transparent system.
- House those in priority need as determined by the law
- Help prevent homelessness
- Make the most effective use of the local housing stock
- Support the principles of social inclusion, community cohesion and aim to meet customer expectations
- Respond to the circumstances of vulnerable individuals by joint working with other agencies
- Ensure equality of opportunity in accessing the housing register and in the allocation of properties
- Promote sustainable tenancies and communities by acknowledging the support needs where appropriate
- Promote low cost home ownership schemes to customers on the housing register.

The legal framework

As a result of the introduction of the Homelessness Act 2002 and the Code of Guidance 2002 and 2006, and the Allocation of accommodation: choice based lettings code of guidance for local authorities published August 2008, local housing authorities are no longer required to maintain a housing register

and accordingly sections 161 to 165 of the Housing Act (the Housing Register) cease to have effect.

The Council has however, determined to maintain a housing register of applicants who have applied for accommodation, or a transfer from existing accommodation from either within its own stock or that of a participating Registered Social Landlord. Applications on the housing register have been assessed as being eligible for accommodation and prioritised as set out within this document (The Council's "Allocation Scheme")

In determining the rules within this Allocation Scheme, the Council has to comply with The Housing Act 1996, as amended by The Homelessness Act 2002. Additionally, the Council will have regard to case law, relevant legislation (including any amendments) relevant codes of practice and local policies.

For example:

Adoption of Children Act 2002
 Anti-Social Behaviour Act 2003
 Asylum and Immigration Act (Treatment of claimants etc) Act 2004
 Children Act 1989
 Children (leaving care) Act 2000
 Civil Partnership Act 2004
 Crime and Disorder Act 1998
 Code of Practice for Racial Equality in Housing
 Code of Guidance on the Allocations of Accommodation
 Data Protection Act 1998
 Disability Discrimination Act 1995 and 2005
 Equality Act 2006
 The Equality Act (Sexual Orientation) Regulation 2007
 Freedom of Information Act 2000
 Gender Recognition Act 2004
 Homelessness Act 2002
 Homeless Code of Guidance
 Housing Act 1996, 1985, 1988 & 2004
Housing and Regeneration Act 2008
 Human Rights Act 1998
 Immigration and Asylum Act 1999
 Land Compensation Act 1973
 Mental Health Act 1983
 National Assistance Act 1948 Section (21)
 Northampton Borough Council Domestic violence strategy
 Protection of Eviction Act 1977
 Race Relations Act 1976 (as amended by the Race Relations Amendment Act 2000).
 Sex Discrimination Act 1975.

When anyone applies for an allocation of affordable housing or to join the housing register, the customer must be informed by Northampton Borough Council of the customer's relevant statutory rights Housing Act 1996 section 166 (2) as follows:

- The right to request such general information as will enable the applicant to assess how the customer's application is likely to be treated under the allocations scheme, including whether the customer is likely to fall within any of the groups entitled to a reasonable preference;
- The right to request such general information as will enable the customer to assess whether accommodation appropriate to the customer's needs is likely to be made available and if so how long it is likely to be before an offer is made;
- The right to be notified in writing of any decision that the customer is **not** to be given any reasonable preference and of the reasons for that decision;
- The right to ask Northampton Borough Council to inform the customer of any decision about the facts of the customer's case which has been, or is likely to be, taken into account when considering whether to allocate accommodation;
- The right to request a review of any decision that the customer is **not** to be given reasonable preference, any decision as to the facts of the customer's case, or any decision that the customer is not eligible for an allocation;
- The right to be informed of the review decision and the grounds for that review decision.

Choice Based Lettings

The Council have adopted a Choice Based Lettings Scheme called *HomeChoice @ Northampton*. This allows customers on the Housing Register to express their property and area preferences and also provides information about a range of other housing options.

Full details about the scheme and how to participate can be found in our *HomeChoice @ Northampton* user guide.

Equality and Diversity

Northampton Borough Council is committed to delivering on the general duty to promote all aspects of equality and has outlined this commitment in its Race Equality Scheme, Disability Equality Scheme and Gender Equality Scheme.

Our Housing Register will be accessible and sensitive to the needs of all taking account of age, disability, gender, race, religion and sexual orientation.

Data protection and freedom of information

The information that applicants provide may be personal and sensitive as defined under the Data Protection Act 1998. Data will only be shared with third parties with the applicant's permission and then only for the purposes of assisting with their re-housing. Applicants will be asked to sign a consent form on the housing application to enable the authority to share this

information. Personal data will also be treated in accordance with the Electronic Communications Act 2000. Applicants have the right to see the information held regarding their application for housing.

The Freedom of Information Act 2000 gives applicants a right to see information on how decisions were arrived at on the scheme.

Information on the Housing Register

Under section 166 of the Housing Act 1996 a person on the Housing Register of a local authority is entitled:

- a) To see the entry to him/herself and to receive a copy free of the entry free of charge, and
- b) To be given such general information as will enable him/her to assess how long it is likely to be before housing accommodation appropriate to his/her needs becomes available for allocation. This will be provided on the Choice Based Lettings website and vacant property advertisements.

Information will be provided to each applicant on request at no charge.

Who can apply to Northampton's housing register?

Anyone aged sixteen years or over can apply to Northampton Borough Council for accommodation.

How to apply

Applications must be made in writing on the 'HomeChoice @ Northampton' housing application form, issued by the council. Forms are available at **The Guildhall, St Giles Square, Northampton, NN1 1DE** or any local housing office, or can be downloaded at www.northampton.gov.uk

Completed forms along with all required supporting documentation (see below) should be returned to this address. Alternatively any local housing office will forward the form to the Guildhall. Applicants will be issued with a receipt and should keep this safe for future reference. Applications, which do not have the necessary supporting documentation, will not be accepted.

Whether an application is accepted and placed on the Housing Register is subject to the eligibility criteria and the provision of all supporting documentation.

If information is requested from the applicant and is not received within 28 days the application will not be registered. The applicant will be notified in writing, all original documents will be returned by registered post and the application form and photocopies of documents destroyed.

Forms of proof for supporting documents

The Council will accept as proof only original documents, which should be provided in person if possible. All documents will be returned by recorded delivery.

Photocopies will not be accepted in any circumstances.

The Council will accept proof from the following list:

Proof of identification (any **one** of the following for each applicant) will not necessarily prove eligibility, as may have more than one of the following:

- Birth Certificate
- Passport
- Proof of Age Identification Card (with photo)
- Employee Identification (with photo)
- HM Forces Identification (with photo)
- EU Identification Card
- Approved Immigration Status Documents.

If an applicant is subject to immigration control, a national of European Economic Area (EEA) or an Accession State National, additional documents are required.

For applicants accepted as a refugee or granted Indefinite, Exceptional, Discretionary or Limited leave to remain in the UK, please provide Home Office Documentation.

Accession State Nationals – please provide registration documents and proof of current employment, i.e. recent wage slips or contract.

Nationals of the European Union – Please provide proof of current employment, i.e. recent wage slips or a contract.

Proof of Residence (any **two** of the following for each applicant – documents provided must be recent):

- Household Bill (gas, electricity, water, Council Tax)
- Tenancy or Licence Agreement
- DWP Benefit Document
- Driving Licence
- Bank Statement, Credit Card Statement, Catalogue Statement or similar document with home address.

Proof of Present Tenancy (any **one** of the following for each applicant):

- Tenancy of Licence Agreement
- Rent Book
- Letter from Landlord.

Proof of Marriage:

- A recognised marriage certificate.

Proof of pregnancy:

- An EDC certificate.

Proof of residency of children included on the application:

- Child Benefit award letter, which confirms names of the children
- Custody Papers
- Residency Papers
- Birth Certificate for any child born in the last 8 weeks.

Proof of contact with children from a previous relationship:

- Birth certificate for each child.

And any **one** of the following:

- Letter of confirmation from a solicitor
- Letter of confirmation from a social worker
- Letter of confirmation from the other parent or guardian
- Court Order.

If you own or have owned a property

One of the following:

- Certificate of Sale
- Letter of confirmation from a Solicitor

- Letter of confirmation from a Building Society.

If you have previously owned a property:

- Letter from a Solicitor or Building Society confirming the assets realised from the sale or transfer of the property.

And **one** of the following:

- Certificate of Sale
- Letter of confirmation from a Solicitor
- Letter of confirmation from a Building Society.

Eligibility and Exclusions

Section 160A of the Housing Act 1996 sets out those applicants who are ineligible for the allocation of housing. The following subsections apply:

- (1) A person from abroad who is ineligible for an allocation of housing accommodation by virtue of subsection (3) or (5);
 - (a) A person who the authority has decided is to be treated as ineligible for such an allocation by virtue of section (7); or
 - (b) Two or more persons jointly if any of them is a person mentioned in paragraph (a) or (b)

(2) Except as provided in subsection (1), any person may be allocated housing accommodation by a local housing authority (whether on his application or otherwise).

(3) A person subject to immigration control within the meaning of the Asylum and Immigration Act 1996 (c.49) is (subject to subsection (6)) ineligible for an allocation of housing accommodation by a local housing authority unless he is of a class prescribed by regulations made by the Secretary of State.

(5) The Secretary of State may by regulations prescribe other classes of persons from abroad who are (subject to subsection (6)) ineligible for an allocation of housing accommodation, either in relation to local housing authorities generally or any specific housing authority.

(7) A local housing authority may decide that an applicant is to be treated as ineligible for an offer of housing accommodation by them if they are satisfied that:

- (a) He/she, or a member of his/her household has been guilty of unacceptable behavior serious enough to make him unsuitable to be a tenant of the authority; and
- (b) In the circumstances at the time of his application is considered, he is unsuitable to be tenant of the authority by reason of that behavior.

When a housing officer considers that an applicant is ineligible for an offer of housing accommodation by reason of 7(a) or 7 (b) above then the application will be referred to the Social Welfare Panel for decision.

The Social Welfare Panel will consist of 1 Chair and at least 2 other Senior Housing Officers comprised of the following posts:

Chair:

Head of Housing Needs and Support or
Housing Solutions Manager or
Housing Manager.

Panel Members:

Housing Options Team Leader
Home Choice Team Leader
Tenancy Services Manager
Tenancy Services Team Leader
Housing Benefits Team Leader.

The full terms of reference of the Social Welfare Policy are available.
(Appendix A)

Section 160A of the 1996 Housing Act prevents Northampton Borough Council from allocating housing to a person who is not eligible. Northampton Borough Council will consider an applicant's eligibility: a) at the time of he or she applies to join the choice based lettings scheme; and b) at the point at which he or she is considered for an allocation of particular accommodation.

False statements

Section 171 of the Housing Act 1996 as amended by the Homelessness Act 2002 makes it an offence for anyone seeking assistance from a local authority to:

- Knowingly or recklessly give false information to the authority or
- Knowingly withhold information which the authority has reasonably required him/her to give in connection with the exercise of their functions under Part VI of the Housing Act 1996 as amended by the Homelessness Act 2002.

A person guilty of an offence under this section is liable on summary conviction to a fine at the date of this scheme document of up to £5,000.

Reduced Priority

Anti Social behaviour or applicants who owe rent arrears

If an applicant's behaviour as a tenant, or the behaviour of a member of their household, has not been acceptable, the Landlord has taken action to address this and there are reasonable grounds to believe that the applicant will not, therefore, be a suitable future tenant they may either be given no

preference in the allocation scheme, or given less preference than others when determining priority between applicants.

An example of this might be where an applicant was previously evicted from accommodation because of serious anti-social behavior or rent arrears. Applicants in these circumstances may, however, sometimes be allowed to register on the Housing Register but are either given no preference in the allocation scheme, or given less preference than others when determining priority between applicants.

In exceptional circumstances the Council may consider applicants for an offer of accommodation where outstanding arrears exist. This may be where the tenant is the victim of domestic violence; racial harassment or other hate crime; or has urgent medical need.

The Housing Solutions Manager and Housing Services Team Leader (Tenancy Services) will make the decision whether to allow the applicant to move. Appeals regarding the Team Leader's decision can be made verbally or in writing to the Social Welfare Panel. If assistance is required please contact a member of the Customer Services Team who will advise you of the process.

In line with the Government's Respect Agenda, where an applicant or member of their family has had an anti-social behaviour order awarded against them by the Courts or a demotion order under the Anti-Social Behaviour Act 2003, then reduced priority will be given for an initial period of six months from application and will be actively monitored by the Council to encourage and support those applicants to address their behaviour or previous conduct. Thus the applicant will be given reduced priority until such time as they are able to demonstrate that the original issues are resolved.

In these circumstances, the applicant will be requested to provide accurate and recent information from the Police through the Data Protection Act 1998 to identify their previous conduct or give Northampton Borough Council written permission to request information from the Police. This will ensure that any decisions regarding eligibility, exclusion or reduced priority will be made taking account of factual and up to date information for the benefit of both the applicant and our communities.

Where an applicant is considered to be unsuitable to be a tenant due to unacceptable behaviour, the council will need to satisfy itself that the applicant is unsuitable at the time the application is considered. Each application will be considered on its merits and there will be no blanket policy.

Where an applicant has received a reduced priority, Northampton Borough Council will write to the applicant informing them of the decision and how it was reached. The applicant has a right to request a review of the decision. The review procedure is set out on page 29.

Transfers

Existing tenants of Northampton Borough Council or a Registered Social Landlord within Northampton can apply for a transfer to a different property. When considering transfer applications the Council will expect that tenants have complied with their conditions of tenancy and maintained their property in a satisfactory manner. A Housing Officer report will be requested for all transfer applicants to ascertain whether tenancy conditions have been met.

Transfer applications will be assessed on the same basis as new applications.

Transfer applicants will also be encouraged to register for a mutual exchange under the national HomeSwapper scheme as this may enhance their opportunity for re-housing.

Transfer applicants who hold an introductory tenancy and move to an alternative Northampton Borough Council property within the introductory period will continue to be an introductory tenant for the remaining period of their introductory tenancy.

Assessment and monitoring

The Banding assessment process, which is explained below, will be applied to all eligible applications and the applicant will be informed in writing of the assessment. We aim to assess complete applications within four weeks. The time taken to assess an application is monitored and published in our monthly service standard report which is available on our website at www.northampton.gov.uk

Where the Council decides that a person is not eligible to be allocated accommodation and to join the housing register for any reason stated above, the applicant would be informed of this decision and the reasons for it, in writing within 5 days of the decision being made. Applicants have the right to request a review of this decision. The process is set out on page 29.

Northampton's banding scheme

Applicant's circumstances are assessed and placed in either the emergency group or one of four bands. In line with legislation, the greatest priority is awarded to those assessed as having the highest housing need.

Registration date

The registration is the date a fully completed application with all supporting documentation is received by the Northampton Borough Council. This date affects priority within each band.

Change of circumstances

Where there is a change in an applicant's circumstances, their banding priority will be reviewed. This may result in the applicant moving up or down within the bands. Examples of changes in circumstances, which must be reported, are:

- A change of medical condition
- A change of address, for themselves or any person joining on their application
- Any additions to the family or any other person joining their application
- Any member of the family or any other person included in the application who has left the accommodation.

The onus is on applicants to inform Northampton Borough Council when there is a relevant change in the customer's circumstances.

Movement between bands

As a result of a change in circumstances, applicants may require a housing options interview. A change in circumstances may result in an application being moved up or down the banding scale. This will be decided by the Social Welfare Panel in accordance with the following criteria:

- When an application is moved down the banding scale the registration date will remain the date that the application was originally registered
- Where an application is moved up a band the date will be known as the application date and will be the date that the application was moved to the higher band
- Preference within bands will be given to the applicant with additional stars awarded (as set out below) and with the earliest registration or application date. For example, an applicant in Band C with two additional stars will receive higher priority than an applicant with one additional star
- Where priority is the same, for example where two applicants have Band C with two additional stars, the earliest registration date will determine the highest preference.

Multiple Needs

This group comprises of applicants whose households are entitled to reasonable preference in the allocation of housing on more than one of the reasonable preference grounds, which are:

- People who are homeless (within the meaning of Part 7 of The Housing Act 1996);
- People who are owed a duty by any local authority under section 190(2), 193(2), or 195(2) (or under section 65(2) or 68 (2) of the Housing act 1985 or who are occupying accommodation secured by any such authority under section 192(3);
- People occupying in sanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions;
- People who need to move on medical or welfare grounds; and
- People who need to move to a particular locality in their district of the authority where failure to meet that need would cause hardship to themselves or others.
- The scheme may also be framed so as to give additional preference to particular descriptions of people within the subsection.

In determining the multiple needs priority to be given to an applicant the following priority system will apply.

Homelessness

IF the household is homeless or owed a duty of homelessness and a decision has been made to accept a duty under provisions of the Housing Act 1996, Part VII, as amended and set out above.

AND the decision is that no suitable temporary accommodation is available

The applicant will score 1 additional star.

The assessment process will then go on to consider;

Unsatisfactory Accommodation

IF the household's current accommodation is statutorily overcrowded

OR subject to environmental health abatement action

The applicant will score 1 additional star.

IF the household's current accommodation is unsatisfactory accommodation

The applicant will score 1 additional star.

The assessment process will then go on to consider;

Housing Related Health

IF one or more members of the household have reasonable preference to move on medical grounds

1 additional star will be scored for each member of the household with a medical award.

The assessment process will then go on to consider;

Housing Related Welfare

IF the household have reasonable preference to move on welfare grounds

1 additional star will be scored.

The assessment process will then go on to consider;

Hardship

IF the household has a need to move to another part of the Borough to avoid hardship

1 additional star will be scored.

At the end of the assessment the number of stars will be added together to determine the priority level of the applicant within the band. The applicant with the highest number of stars within the Band will attract the highest priority and where two or more applicants have the same number of stars within a band then the application with the oldest registration date will have the greater priority.

Emergency Group (time limited)

Applicants will be placed in the emergency group for a period of 12 weeks (6 bidding periods). During this time they will be expected to bid for suitable properties in their area of choice. If the applicant has not bid for a suitable property at the end of 12-week period the applicant(s) will receive a direct offer of any suitable property within the borough. If during this 12-week period there has not been a suitable property available for the applicant to bid for, the emergency group period will be extended for a bidding period and will be reviewed on a fortnightly cycle. (For definition of suitable accommodation see page 19). This will also apply where an applicant has bid but not been successful in securing a property.

At the end of the 12-week period the Housing Solutions Manager will review all outstanding applications in the emergency group and will:

- Decide upon the suitable property to be offered to an applicant who has not bid during the 12-week period when suitable properties have been available.
- Decide if no suitable properties have been available for an applicant during the 12-week period or they had bid and been unsuccessful to extend the emergency group status for an additional bidding cycle. Such cases will be reviewed at the end of each subsequent bidding cycle to either offer a suitable property or to extend the status for an additional cycle as set out in this section.

Emergency group applicants include:

- Applicants whom the Council have accepted as being eligible homeless and in priority need (except those found intentionally homeless).

- Applicants who have been subject to a Multi Agency review (this includes MAPPA clients) and where immediate re-housing is required and an agreed support package is in place.
- Tenants who have to vacate their homes within six weeks due to a Compulsory Purchase Order or Northampton Borough Council tenant's who have to move permanently as their home requires major works within six weeks.

Applicants whom the authorities have accepted as being eligible homeless and in priority need (except those found intentionally homeless).

In order to allow applicants that the Council has accepted a duty to re-house under Part VII (s193 (2) or s195 (2)) a reasonable preference in the choice of areas, the applicant will be given a 12-week period to bid on properties of their choice as outlined above.

Applicants who fail to bid within the 12-week period where a suitable property in their area of choice has been available will no longer be able to participate in the Choice Based Lettings Scheme and Northampton Borough Council will make a direct offer of a suitable property anywhere within the borough.

If during this 12-week period there has not been a suitable property available for the applicant to bid for, the emergency band period will be extended for a further bidding period and will be reviewed on a fortnightly cycle as set out in section 21. If the applicant does not believe that a property is a suitable offer they retain the right under S202 to ask for a review of suitability and a Housing Options Team Leader who is independent from the original decision will make a decision on suitability. Northampton Borough Council will have discharged its duty, under the Homeless Persons legislation if the applicant fails to accept an offer of reasonable accommodation. The applicant's application will be placed in Band D. If an applicant is accepted on review through Section 193 (5) Part VII of the Housing Act, the time in the band will be dated from the original decision date, and not from the date of the review decision.

Suitable accommodation

For the purposes of suitable accommodation, an offer will be regarded as suitable where:

The accommodation is affordable having regard to the financial resources available to the applicant and the cost of the accommodation as determined under Homelessness (Suitability of accommodation) Order 1996.

The accommodation is of an appropriate size and type to meet the reasonable requirements of the household and satisfies the need for special features to meet any limiting illness or disability that exist within the household.

The location does not deny reasonable access to family support or a specialist medical or health facility where a member of the household has a severe long term limiting illness or permanent or substantial disability where their quality of life or health would otherwise be severely affected.

The location does not deny reasonable access to a specialist education establishment for a member of the household who has particular special educational needs which would otherwise result in a severe deterioration in that person's well being.

The location is not in close proximity to a perpetrator who has threatened or caused violence or domestic violence to a household member whose life or safety would otherwise be threatened.

Bands A-D**Band A – Urgent Need**

Applicants who have a severe medical, welfare award or disability where the current accommodation is unsuitable or it is unreasonable to remain in (This may include applicants who require an extra bedroom for a live in carer or medical equipment).
Applicants who have priority on welfare grounds and require to move urgently because of a risk to their well-being or health. (This includes victims of domestic violence & and hate crimes).
Applicants who are lacking one or all of these essential facilities – hot water, heating, a kitchen, internal toilet and bathroom.
Applicants who are statutorily overcrowded as defined by Council Environmental Health Department.
Applicants who are under occupying Northampton Borough Council three, four, five or six bedroom homes that wish to move to smaller suitable accommodation or NBC Tenants living in adapted homes who no longer require the adaptations.
Applicants who are freeing up a place in a specialist hostel such as the YMCA or Teenage Parent Unit and are ready for independent living. (Applications will only be actively considered once a notice to vacate has been issued until that date the application will remain deferred).
Tenants who have to vacate their homes due to a Compulsory Purchase Order or NBC tenants whose home requires major works.
Private sector tenants who are required to vacate their home as a result of enforcement action by the Local Authority.
Applicants who are in priority need who have been issued with an effective notice that the landlord requires possession, which has less than eight weeks to run.

Band B – Moderate Need

Applicants who are owed a duty under the Rent (Agriculture) Act 1976 and Northampton Borough Council service tenants who are due to retire or have their contract of employment terminated.
Applicants who are sharing facilities (bathroom, kitchen etc).
Applicants who require a move for less severe medical or welfare grounds where there is an acknowledgement that alternative accommodation would be beneficial but is not essential.
Applicants who require more bedrooms.
Applicants with children age under the age of 14 who are living in flats or maisonettes above the ground floor and who do not have access to a garden.
Northampton Borough Council tenants or Housing Association tenants who have been accepted by Social Services to adopt or foster and require a larger home.
Applicant who is being discharged from the Armed Forces within six weeks prior to those applications will be deferred.
Applicant who is being discharged from Prison within six weeks (prior to that applications will be deferred.
Applicants who are not in priority need and have received a Notice to Quit, this includes private rented tenants, tied tenants, lodgers or people residing with family.
Applicants whose private sector home has been assessed as having serious disrepair as defined by the Private Sector Housing Solutions Team.

Band C – General Need

Applicants who have a need to move, which is not within Band A, or B. This may include being nearer family and friends, schools or other amenities.
Applicants with access to children where regular contact can be demonstrated.
Applicants who are key workers such as Police, Fire Officers or Nurses who need to move into the area to take up employment.

Band D – People with no entitlement to reasonable preference

Applicants who are already adequately housed
Applicants who can afford to secure their own housing within the private rented sector or through house purchase. Current Owner-occupiers with no other need to move.
All other applicants including those without a local connection who do not have another identified housing need.
Applicants who do not have a reasonable preference need as identified through the 1996 Housing Act.

Advertising properties

Empty properties will be advertised on a fortnightly cycle, details of available properties are available for collection at various locations around the borough including at Council offices. Property details are also available on the Internet at <http://homechoice.northampton.gov.uk>

Within each advert the eligibility criteria will be set for the property.

The advert will also specify details of the property; its location and the rent to be charged together with the approximate date the property will be available to view.

First Come First Served.

On occasions the Council will advertise properties on a "First come, first served basis". These are properties, which have been advertised in at least advert cycle and have not received expressions of interest from eligible applicants.

The Bidding Process

Eligible applicants can make bids for properties up until the advertised deadline for that bidding round. Bids can be made by telephone or text bidding, online via the website or at the Guildhall One Stop Shop. Full details of how to bid are set out in the scheme User Guide, which will be sent out to all newly registered housing applicants. Bids received after the advertised deadline will not be considered.

Eligible applicants can bid for up to three properties each fortnight, during the open bidding cycle. Bids can be cancelled and reassigned to another property if desired.

All bids for a property are checked by the Rehousing Officer, against the eligibility rules. Ineligible bids are excluded from consideration. It may be necessary to restrict the bids of applicants who pose a risk, to certain properties, or reserve the right to reject their bid in certain circumstances. Where NBC decides to reject a bid on risk grounds, which would otherwise have been successful, the applicant will be informed of the reasons for the decision and informed of the properties they can bid for.

At the point of checking the bids, the Rehousing Officer will check whether the circumstances of the prospective successful bidder has changed in any

material way, which may make them ineligible.

The highest bidder is awarded priority in descending order between the Emergency Group and Bands A to D and within bands according to multiple needs and then registration date. However, there may be other reasons why it would be necessary or advisable to reject a bid that would otherwise have been successful: where for example the property would not be suitable for that particular applicant. However, Northampton Borough Council would not reject such a bid, unless, there are sound reasons for doing so, in accordance with the allocation scheme. Where Northampton Borough Council does pass over a bid which would otherwise have been successful, Northampton Borough Council will provide the applicant with the reasons for this decision.

Once an applicant has been advised by the Rehousing Officer that they are the highest bidder and that they will be offered the property they will not be eligible to bid in further bidding cycles whilst they consider accepting a tenancy for the property. A property viewing will be arranged at which the successful bidder will have an opportunity to fully view the interior of the property under offer and discuss any other details of the tenancy.

On occasions multiple viewings will be arranged and the top three to five short listed bidders invited to view. Should the top bidder decide to refuse the property following viewing the next highest bidder will be offered the tenancy.

Applicants who are invited to view a property will be required to bring proof of their identification.

At the viewing if the highest bidder expresses an interest in being offered the property they will be given 24 hours to consider their decision. If they fail to arrange to sign for the property after that time the offer will be withdrawn and offered to the next highest bidder.

Although the bidding process is straightforward, Northampton Borough Council are aware that some vulnerable applicants may need assistance in order to complete both the registration and bidding process. The process for addressing this is described in section 44 of our Access Strategy.

Feedback on Let Properties

All properties let will be listed in future advertisements showing the number of bidders for each property and the band, number of stars for multiple need within the band and date of registration of the successful bidder.

Management moves/direct lets

On very rare occasions Northampton Borough Council may find it necessary to make a direct allocation, this means that a property may either be withdrawn from a bidding round or not advertised.

Circumstances where this would happen are:

- A tenant has to be moved urgently as there is a severe threat of violence.
- Households in the emergency group who have failed to exercise choice through the bidding system within the timescale.
- Applicants/Households seeking a move under a witness mobility scheme; and MAPPA clients who pose a very serious risk to the community.

Council property not included in this scheme

This scheme does not apply to:

- A Council property used as Temporary Homeless Accommodation pursuant of Part 7 of the Act.
- Northampton Borough Council tenants who have to move urgently on a temporary basis because of fire or flood.
- The offer of a Service Tenancy.
- The letting/leasing of Council property to another agency for a specific housing purpose.
- Very sheltered housing and supported units.

Medical, Welfare and Disability grounds

The Housing Act 1996 states that reasonable preference on the housing register should be given to applicants who have a need to move on medical or welfare grounds.

This category includes an applicant, or member of that applicant's household, whose health is being affected by their current property, and where a move to another more suitable property would alleviate their condition or make it easier to manage.

Where it appears that there is a need to make enquiries into an applicant's medical condition the Council will refer the case to an independent medical advisor. The applicant can provide their own medical evidence if appropriate along with a medical/welfare assessment form, which will be sent to the independent advisor.

If the Medical Advisor considers that reasonable preference should be awarded then they will make a decision to award either:

- Severe medical award where it can be demonstrated that, due to an illness or disability, it is unacceptable for the applicant to remain in their current dwelling or
- Less severe medical award when it can be demonstrated that due to an illness or disability the applicant finds living in their current dwelling difficult and it is clear that remaining in that dwelling will contribute to deterioration in their health. Or it would be beneficial for the applicant to move to alternative accommodation but, at present, the applicant can manage in their present dwelling.
- Where appropriate, the medical advisor will also recommend the type of property most appropriate to the medical needs.

The medical award made will determine the Band the applicant is placed in and where two or more members of a household would qualify for medical priority the rules of multiple needs will apply.

Medical and welfare priority will be reviewed by the Housing Applications Officer prior to allocation if the assessment was made in excess of twelve months previously to ensure that the award is still appropriate.

Welfare grounds may apply to any member of the household and will include situations such as:

- Infirmary due to old age
- The need to give or receive care
- Behavioural difficulties
- The need to recover from the effects or threats of violence or physical or emotional abuse
- Young people at risk
- A mental or physical disorder
- A physical or learning disability
- Financial hardship.

Housing Options Officers will refer any application where the applicant's circumstances fall within the categories set out in this section to the Social Welfare Panel to determine the priority band to be awarded to the application.

The following is a non-exhaustive list of the type of assistance and support which Northampton Borough Council will make available to all customers:

- advising individual disabled applicants when suitable accessible property is about to or has been advertised
- making arrangements to enable applicants with disabilities to visit properties
- using symbols rather than words in adverts
- enabling text messaging for people who have hearing impairments
- providing documents in large or clear print, Moon or Braille on request
- making information available on computer disk or audiotope on request

- ensuring that advice and information is available over the telephone – for those who cannot use a website or cannot get to a property or the One stop shop easily
- mailing out literature to the housebound and physically disabled
- ensuring that people with learning disabilities who do not have support from any other source (e.g. friend, relative or social worker) are assigned a suitably trained member of staff to support them.

We are working towards ensuring that websites are accessible for people who have visual impairments or learning disabilities and providing large print maps on websites.

Northampton Borough Council Joint Tenancies

Joint tenancies are normally granted where applicants have a long-term commitment e.g. married and unmarried couples, civil partners, siblings, and unpaid live-in carers.

Ending a joint tenancy

One party giving notice has the effect of ending the joint tenancy for both parties. In some cases the council will consider allowing one tenant to remain as a sole tenant, for example where children reside at the property. Joint tenancy issues resulting from family /relationship breakdowns are covered in the Tenant Handbook.

Access to children

Where children are involved in residence and contact cases they will be considered as permanent household members for the partner having the primary residence and control of the child/children. Where an application is made to the Council or Registered Social Landlord from the other partner who has regular contact with the child/children it will not always be possible due to the demand on the Council's housing stock to consider the child/children as part of a housing application.

Local connection criteria

Applicants who do not live or work within the Borough will be placed in Band D with the exception of applicants who require to move into the Borough to provide care and support or to receive support for or be cared for. Applicants for whom a full housing duty has been accepted under the homelessness legislation need not have a local connection, but such cases may be referred to another local authority in accordance with that legislation.

Ensuring that where people are given reasonable preference because they have a need to move to a particular locality in Northampton, where failure to meet that need would cause hardship section 167(2)(e) would be granted Band A status. This applies equally to people who are not resident in Northampton.

Section 315 of the Housing and Regeneration Act 2008, establishes that a person serving in the Armed Forces can establish a local connection with a district or borough through residence or employment there, in the same way as a civilian person. Therefore, applicants who are serving in the Armed Forces and who are either employed or resident in Northampton will be able to establish a local connection with Northampton, and applications from serving or former members of the Armed Forces, who are not currently employed or resident in Northampton, but historically had this connection will be classed as having a local connection and will not be placed in Band D.

Owner-occupiers

Owner-occupiers will be placed in Band D. Applicants who have sold a property within the last five years will be asked to provide proof of sale as well as evidence of the proceeds of the sale. An assessment will be made as to whether the applicant can afford to purchase suitable accommodation locally.

Applicants may be moved to a higher band if there is a high medical, welfare need or are in a reasonable preference group set out on page 4 and the applicant is unable to purchase a suitable property.

Local lettings policies

Local Lettings policies or plans are a tool, which can be used to stabilise an area that has specific and particular issues. The Government's Sustainable Communities Plan states the key objectives of providing stable, settled, safe communities. This means that there may be rules around child density or number of lettings to key workers. The Council may decide to operate one or more Local Letting policies within areas of the town. The need for such schemes will be clearly defined and relate to specific areas or types of property that will benefit from this type of proactive initiative.

A Local Lettings policy may be introduced, as part of a multi-agency approach with existing local communities or in partnership with registered social landlords to take account of social factors.

Local Lettings policies will be reviewed on a regular basis and equality impact assessments undertaken.

Properties with age restrictions

Northampton Borough Council have a limited number of properties in various locations that have been designated as being suitable for applicants over the age of forty only. These properties are in close proximity to some of our sheltered housing residents. Applications will not be considered for these properties if they include a person under the age of 40 or if the Council has reason to believe that there may be a conflict of lifestyle between the applicant and the sheltered housing residents in the neighbourhood.

Single persons accommodation

The Council currently have single persons blocks of studio flats.

These are:

- Overslade House in Hunsbury.
- Caledonian House in St James.
- Woodstock in the Town Centre.
- Dover Court in St James.
- Paget House

These properties are subject to a Local Lettings Policy.

There are specific additional checks made on applications from young people wishing to access these blocks under the Crime and Disorder Act 1998.

Additionally, if the Council have reason to believe that an applicant's behaviour may have a detrimental affect on the management of these blocks or the health and safety of other tenants, then an allocation will be refused. Applicants will be informed of this decision in writing and will have the right to request a review of the decision (see page 35).

Sheltered Housing

The term Sheltered Housing applies to a range of accommodation and tenancy related support designed to meet the housing and support needs of older people (applicants over sixty) or younger people who are in receipt of Disability Living Allowance.

Before the applicant is accepted for a property that they have expressed an interest in or bid for, they will be visited and assessed to ensure sheltered housing can meet the support needs of the applicant and that the appropriate level of service can be provided.

The service is based around each individual's support needs. It provides three levels of service varying from once a month for those tenants who are active and independent, to three times a week for those with moderate support needs, to a daily visit for those who are frail and vulnerable. This service is provided by a team of sheltered housing co-ordinators who will ensure the appropriate level of service is maintained to meet the individual's needs.

Sheltered Housing Schemes consists of flats or bungalows, some of which are grouped around a community room where residents are able to enjoy social activities. All properties have an intercom system to enable residents to summon assistance in an emergency.

Northampton Borough Council has one very sheltered housing scheme; this is for more vulnerable older people who need a higher level of support.

It consists of twenty-six self-contained flats in one building, with a communal lounge, dining room conservatory and laundry room.

A warden provides tenancy support during the day, and each flat has an intercom system to summon assistance in an emergency.

A sheltered housing panel allocates very sheltered housing accommodation on the basis of the assessed needs of applicants; this is outside of the Choice Based Lettings policy.

The council also has nomination rights to another very sheltered scheme within the Borough, which is managed by a Registered Social Landlord.

Adapted/adaptable properties

Properties that have had major adaptations for tenants with a disability will be advertised as available for applicants who have a need for the adaptations. Advertised properties will include details such as whether they are suitable for a wheelchair user. The Housing Solutions team will liaise closely with the Occupational Therapy Service to ensure that applicants who require adaptations receive the priority that they require.

Where an applicant or another person on the application has a disability, which causes a mobility problem, then they will be prioritised on the following criteria:

Mobility 1- full wheelchair access. Property will include ramped or level access in and out of the property. Accessible kitchen and level access to the bathroom.

Mobility 2- partial wheelchair access. Property will include ramped or level access. Accessible bathroom facilities.

Mobility 3- assisted access. Property will include level access or shallow steps with handrail. Accessible bathroom facilities.

Where two or more members of a household would qualify the rules of multiple needs will apply.

Decisions on the level of mobility required will be decided by the Council's Medical Adviser or the Occupational Therapist dependant upon the individual circumstances of the applicant.

Introductory tenancies

Northampton Borough Council operates introductory tenancies.

All new tenants of the council will be introductory tenants for the first twelve months of their tenancy. Introductory tenancies can be extended for a further six months provided a Notice of Extension has been served no later than eight weeks before the tenancy ordinarily would become secure.

This will not apply to current Council tenants transferring, or to new tenants who were previously secure tenants of another authority or an assured tenant of a Registered Social Landlord.

A tenancy will remain introductory if proceedings for possession have been started but not yet resolved.

The rights of introductory tenants differ from those of secure tenants. Introductory tenants cannot:

- Take in lodgers.
- Exercise the right to buy (although the period spent as an introductory tenant will count towards the qualifying period).
- Sub-let.
- Carry out a mutual exchange.
- Vote on matters concerning changes in policy or practice concerning housing management.

Where action is taken to end a tenancy the council does not have to prove the facts in court only that it has followed the correct procedure particularly with regard to considering any appeal against the decision to go to court.

Priority for accessible accommodation is given to people who have access needs. This is consistent with the duty to promote disability equality.

While it would be lawful to provide that only disabled applicants can apply for accessible vacancies, it would **not** be lawful to provide that disabled people can only apply for accessible properties. However, where a disabled applicant applies for accommodation which does not meet his or her needs, Northampton Borough Council will need to take into account whether it is reasonable and practicable to adapt that property when assessing his or her bid (and will do so in accordance with our duties under the Disability Discrimination Act 1995, and the Housing Grants, Construction and Regeneration Act 1996).

Registered Social Landlords nominations

Registered Social Landlords, which are usually known as Housing Associations, are non-profit making organisations providing homes for people in housing need.

Northampton Borough Council has an agreement with the Registered Social Landlords that have properties in the borough that a negotiated percentage of their lettings will be to people on the Council's Housing Register, however as part of the Choice Based Lettings implementation the majority of Registered Social Landlords will participate in a common housing register and advertise their properties through HomeChoice @ Northampton.

Property Letting Criteria

The table on page 39 shows the type of property that you are eligible for, there may be some exceptions for example when an applicant requires an extra bedroom for medical equipment or a carer. Some properties will be advertised as only available to certain groups e.g. for pensioners or people over forty. You will be advised what type of property you can bid for when you receive your assessment letter.

This Housing Allocations scheme also follows section 170 of the 1996 Housing Act, to request that our Housing Association partners have a duty to co-operate to such extent as is reasonable on the circumstances in offering accommodation to people with priority need under this Housing Allocations Scheme.

Overcrowding

Statutory overcrowding as defined by Part X of Housing Act 1985 or a Court Order to re-house.

Bedroom deficiency

Property that has insufficient bedrooms to accommodate all the occupants as detailed below. Reception rooms will not be counted as being suitable to use as bedrooms.

Bedroom deficiency will be calculated according to the following separate bedroom requirements:

- Each couple living together
- A parent in a single parent family
- Each child over the age of 5 who would otherwise have to share with someone of the opposite sex
- No more than 2 persons per room
- A single adult of 18 years of age or over.

Bed size eligibility

The maximum number of bedrooms for which applicants are eligible to bid is determined by the size of their household but, as there is a shortage of large homes, applicants may be able to bid for smaller accommodation than they would prefer. Where this is possible this will be indicated on the advert for the property.

Women who are pregnant will be classed as having a dependant.

The maximum bedroom size that members can bid for or is allocated is set out in Appendix B.

Vulnerable people

A key requirement for ensuring the success and fairness of the Allocation and Choice Based Lettings Scheme is that all customers can access available homes and that relevant support is provided where appropriate.

The Council will ensure that vulnerable applicants and those disadvantaged by the Choice Based Lettings process will be provided with support and assistance in accordance with the Councils Access Strategy.

Review of Register

Applicants are not required to annually re-register their housing applications after first applying. They are however required to inform the Council of any changes in their circumstances, which affect their housing application.

However, Northampton Borough Council will monitor the bidding patterns of applicants and will be able to identify applicants who fail to bid. Periodically the Council will contact registered applicants who have failed to bid for more than twelve months. If the Council is unable to make contact the application will be cancelled. The Council will notify the applicant in writing of the date and the reason for the cancellation.

Northampton Borough Council will check periodically whether there has been a change of circumstances of applicants on the Housing Register. This offers Northampton Borough Council an opportunity to discuss broader housing options with those applicants who are unlikely to be allocated accommodation in the near future.

Annual Lettings Plan

The Council will produce an Annual Lettings Plan; this will set annual targets for property types across priority bands.

Northampton Borough Council operates a robust monitoring mechanism in order to demonstrate that overall reasonable preference is given to those in the reasonable preference categories.

The right to appeal / review

Section 167 (a) of the 1996 Housing Act gives applicants the following rights about decisions, which are taken in respect of their application:

- The right to be notified in writing of any decision not to give an application any preference under the scheme because of unacceptable behaviour serious enough to make an applicant unsuitable to be a tenant of the Council
- The right on request, to be informed of any decision about the facts of the applicant's case which has been, or is likely to be, taken into account in considering whether to make an allocation to the applicant
- The right to request to review a decision mentioned above, or to treat the applicant as ineligible because of unacceptable behaviour serious enough to make the applicant unsuitable to be a tenant of the housing authority. The applicant has the right to be informed of the decision on the review and the grounds for it.

Letters notifying an applicant that they have been refused access to the Housing Register or the band that they have been awarded will state that the applicant has a right to request a review of the decision.

A review should be requested within twenty-one days of the date of the letter advising of the decision. The council has discretion to extend the time limit if it considers this would be reasonable.

Request for reviews can be in writing or made verbally. The request for review should be made to the Housing Solutions Team Leader Northampton Borough Council, The Guildhall, St Giles Square, Northampton NN1 1DE. If you require assistance with the process please contact a member of the customer services team at the One Stop Shop at the Guildhall.

Procedure of review

Review of any decision will be undertaken by the Housing Needs Review Panel. An Officer involved in an original decision will not sit on the Panel.

The Panel consists of senior officers from Tenancy Management and Housing Solutions.

The review will be carried out and the decision and the reasons for it will be given to the applicant in writing within 28 days of the request being received. There is no right to request a review of the decision unless the member's circumstances change.

Any legal challenge to review decisions, or to any decisions that do not carry the right to request a review, can only be brought by Judicial Review, on the grounds that Northampton Borough Council has infringed administrative law.

Review of the Allocation Scheme

The Allocations Scheme is monitored to make sure that allocations made reflect the housing need, and meet with the requirements of legislation. This scheme will be reviewed regularly to ensure that its aims and objectives are met.

Appendix A

Terms of Reference for the Social Welfare Panel

Emergency re-housing status on social welfare grounds is authorised by a Social Welfare Panel, containing senior officers from the Housing Management and Housing Solutions services at Northampton Borough Council. The Social Welfare Panel will consist of one chair and at least two other Senior Housing Officers compromised of the following posts:

Chair:

Head of Housing Needs and Support or
Housing Solutions Manager or
Housing Manager.

Panel Members:

Housing Options Team Leader
Home Choice Team Leader
Tenancy Services Manager
Tenancy Services Team Leader
Housing Benefits Team Leader.

The criteria (one or more must apply) for emergency social welfare awards in this category are:

- Likelihood of admission to residential care of a family member if re-housing is not made
- Likelihood of a child being accommodated by the local authority if re-housing is not made
- Discharge from hospital or residential care is required and is prevented by the housing situation
- A child experiencing abuse needs to be moved away from the perpetrator
- The applicant, or member of their household, is at serious risk of harm either to themselves or to other people in their present accommodation
- The housing application does not fall within a single priority needs band and could possibly fall in to two priority needs bands.

In addition the following conditions also have to be met:

- The applicant has severe financial hardship
- The applicant's wellbeing is seriously affected by their housing situation
- The applicant cannot reasonably be expected to find accommodation for him or herself.

If the referring agency believes that a case does not comply with the above criteria but should be considered by the Social Welfare Panel, then a written submission explaining the urgency of the case should be made to the Housing

Solutions Manager, who will make a decision on this matter. The decision will be communicated to the agency on if the Social Welfare Panel will consider the case, and this will be communicated to the referring agency within 48 hours of receipt of the relevant correspondence.

The Social Welfare Panel will consider referrals directly from the customer, or from any support agency, any statutory agency, any voluntary agency, and a housing officer, any Officer from the Housing Solutions team and or from the customer's medical representatives.

At the Social Welfare Panel meeting, the Panel will consider the referral letter and the customer's file, plus a print out of the customers IT records to ensure a transparent and equitable decision is made on all cases. It is important that only written material is considered at the meeting, and if further information or clarification is required then no decision on that case will be made and the case will be deferred and additional written material sought to allow a correct decision to be made.

Minutes will be produced of each Social Welfare Panel meeting and the outcome of the Social Welfare Panel decision will be recorded on to the customers IT account within 24 hours.

The customer will be advised within 48 hours in writing of the outcome of the Social Welfare Panel's decision.

Social Welfare Panel meetings will be conducted every Monday morning at 11.00am.

The customer will have a statutory right to review the decision made by the Social Welfare Panel and this statutory review will be undertaken by the Director of Housing or a senior officer of the Housing Directorate who was not involved with the decision made by the Social Welfare Panel meeting.

Appendix B

Household Makeup	Bedroom Assessment
Single person	Bedsit/studio flat 1 bedroom flat or bungalow
Couple	1 bedroom flat or bungalow
Single pensioner or applicant who requires ground floor accommodation	1 bedroom flat or bungalow 2 bedroom bungalow
Couple pensioner or applicants who require ground floor accommodation	1 bedroom flat or bungalow 2 bedroom bungalow or flat
1 child family	2 bedroom flat, bungalow, maisonette or house
2 child family	2 or 3 bedroom flat, bungalow, maisonette or house
3 child family	3 bedroom flat, bungalow, maisonette or house
4 child family	3 bedroom flat, bungalow, maisonette or house 4 bedroom house
5 child family	4, 5 or 6 bedroom house
6+ child family	4, 5 or 6 bedroom house

Fair and flexible

Draft statutory guidance on social housing allocations for local authorities in England

Consultation



Fair and flexible

Draft statutory guidance on social housing allocations for local authorities in England

Consultation

Communities and Local Government
Eland House
Bressenden Place
London
SW1E 5DU
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Website: www.communities.gov.uk

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Foreword

Building more homes that people can afford to rent or buy is one of the highest priorities for the Government. *In Building Britain's Future*, we set out ambitious plans to invest a further £1.5bn in building thousands of new affordable homes over this year and next. In total we are committing more than £7.5bn over these years to deliver 112,000 affordable homes.

Together with more homes, we must enable local areas to respond to housing pressures in different ways. I want local councils to be more able to reflect the needs, demands and aspirations of their area in the way that they allocate housing. And I want the allocation system in every area to be better understood and seen as fairer.

I am reaffirming the Government's commitment to giving priority to those in the greatest housing need. I do not propose to change the 'reasonable preference' criteria which prioritise, among others, those with serious medical conditions, those who are overcrowded and those who have experienced homelessness.

However, I recognise that housing needs and pressures vary considerably from one area to another. This guidance reinforces councils' ability to meet local needs and priorities through their allocation policies. This guidance makes it clear that councils can choose not to give priority to those who fall into more than one reasonable preference category, removing the assumption of 'cumulative preference'.

It also strengthens councils' freedom to prioritise specific local needs alongside those households who are in 'reasonable preference'. In some areas this will mean giving more priority to people who have been on waiting lists for a long time or more priority for people with strong local connections. Elsewhere, there may be a greater need to attract workers with particular skills, or to support people in low paid work.

Councils should work closely with the housing associations in their area to meet local housing need. Registered social landlords need to be consulted on allocation policies at an early stage and councils should consider developing common approaches to allocations with them.

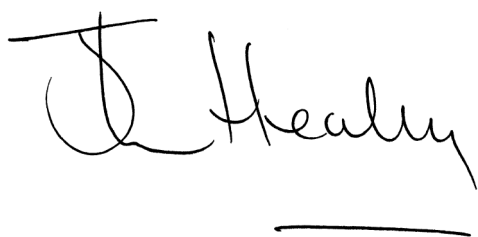
The system for allocating housing is complex and poorly understood. The demands and pressures on housing in an area are rarely well explained to local people. This helps give rise to the perception that the system is inflexible and unfair and the mistaken view that much housing goes to those who have no legitimate right to it.

By issuing new guidance I want to challenge such myths and misunderstandings. However greater understanding will only come if councils do more to inform their communities about who is getting housing and do more to consult tenants and residents on their policies. As part of this consultation I want local authorities to show that they have involved their residents in this debate.

Following this consultation period I will publish revised guidance in November. This will take immediate effect and I expect local authorities will review and revise their allocation policies in response. In doing so, councils should involve local people in setting the priorities. They can take full advantage of this opportunity to increase understanding about local allocations and involve people in the difficult decisions about who should have first call on the housing in their area.

By revising their allocation policies in light of this new guidance, councils will be able to make full use of the available freedoms to meet the specific needs of their communities. By consulting with their local communities in the process, they will have policies that are both better understood and likely to have greater legitimacy among their residents.

This new draft guidance is an important part of the Government's wide-ranging commitment to meet housing needs across the country. I look forward to receiving your views.

A handwritten signature in black ink, appearing to read 'J Healey', with a horizontal line underneath.

The Rt Hon John Healey, MP
Minister for Housing and Planning

The consultation process and how to respond

1. This is a public consultation and it is open to anyone to respond to this consultation. However, we would particularly welcome responses from:
 - local authorities
 - social housing tenants and applicants for social housing
 - Registered Social Landlords
 - those that represent groups likely to be affected.
2. We would expect local authorities to involve their local community in putting together their response.
3. Responses to the consultation questions, and any other observation or comment you wish to make, should be sent by email to: allocationconsultation@communities.gsi.gov.uk or by post to:

Frances Walker
Communities and Local Government
Zone 1/J6
Eland House
Bressenden Place
London SW1E 5DU
4. Your response must be received by 5pm on **23 October 2009**
5. Any enquiries about this consultation should be made to:
frances.walker@communities.gsi.gov.uk
6. It would be helpful if you could make clear in your response whether you represent an organisation or group, and in what capacity you are responding. Representative groups are asked to give a summary of the people and organisations they represent, and where relevant, who else they have consulted in reaching their conclusions when they respond.
7. The Department will take account of the responses received to this consultation before issuing the final statutory allocations guidance.
8. We will analyse the responses to the consultation and produce a summary of them which will be published on the Department's website within three months of the close of the consultation.
9. This consultation document and consultation process have been planned to adhere to the code of practice on consultation issued by the Department for Business, Innovation and Skills and is in line with the seven consultation criteria, which are:

- formal consultation should take place at a stage when there is scope to influence the policy outcome
 - consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible
 - consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals
 - consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach
 - keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained
 - consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation
 - officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.
10. Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).
 11. If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory code of practice with which public authorities must comply and which deals, among other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.
 12. Communities and Local Government will process your personal data in accordance with DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.
 13. Individual responses will not be acknowledged unless specifically requested.
 14. Your opinions are valuable to us. Thank you for taking the time to read this document and respond.
 15. Are you satisfied that this consultation has followed these criteria? If not or you have any other observations about how we can improve the process please contact:

CLG Consultation Coordinator

Zone 6/H10 Eland House

London SW1E 5 DU

email: consultationcoordinator@communities.gsi.gov.uk

Fair and flexible

Draft statutory guidance on social housing allocations
for local authorities in England

Summary

1. This statutory guidance covers a number of issues:
 - (a) It sets out the Government's strategic view of the objectives and outcomes which local authorities must, and those they should, seek to achieve in their allocation policies. These are:
 - providing support for those in greatest housing need, including people who have experienced homelessness
 - ensuring allocation policies comply with equality legislation
 - promoting greater choice for prospective and existing tenants
 - promoting greater mobility for existing tenants
 - making better use of the housing stock
 - supporting people in work or seeking work
 - delivering policies which are fair and considered to be fair
 - (b) It sets out the importance of local authorities' responsibilities under the Local Government Act 1999 (as amended by the Local Government and Public Involvement in Health Act 2007) to involve, inform and consult with local people; and it draws attention to the main legislative provisions governing the allocation of social housing, including the requirements to provide for reasonable preference.
 - (c) It emphasises the importance of communicating facts about allocations (including regular updates on how properties have been allocated), to tackle false perceptions which may arise about the way social housing is allocated.
 - (d) It highlights the implications of the House of Lords judgment in the case of *R (on application of Ahmad) v Newham LBC*¹, which, among other things, removes the requirement to provide for cumulative preference to be taken into account in prioritising applicants.
 - (e) It reinforces the flexibilities local authorities have within the allocation legislation to meet local pressures by:
 - adopting local priorities alongside the statutory reasonable preference categories
 - taking into account other factors in prioritising applicants, including waiting time and local connection
 - operating local lettings policies
 - (f) It emphasises the importance of close working between authorities and RSLs.

1. [2009] UKHL

Scope of the guidance

2. This is statutory guidance provided under s.169 of the Housing Act 1996 (the 1996 Act). It applies to local authorities in England. Local authorities are required to have regard to this guidance in exercising their functions under Part 6 of the 1996 Act. In so far as this guidance comments on the law it can only reflect the Department's understanding of the law at the time of issue. Local authorities will still need to keep up to date on any developments in the law in these areas.
3. This guidance replaces the following parts of the Code of Guidance on the Allocation of Accommodation which was issued in November 2002² (the 2002 code):
 - Chapters 1, 2 and 6
 - Paragraphs 5.1 to 5.32 of chapter 5
 - Annexes 2, 4, 5, 6, 7, 8, 9 and 12
4. This guidance also replaces the following paragraphs of the Code of Guidance on Choice Based Lettings which was issued in August 2008³ (the 2008 code):
 - 4.1 to 4.49
 - 4.68 to 4.71
 - 4.79 and 4.80
5. Circular 04/2009: Housing Allocations – Members of the Armed Forces remains in effect.
6. This guidance is specifically for local authority Members and staff. It is also of direct relevance to registered social landlords (referred to as RSLs). On a local authority's request, RSLs have a duty under s.170 of the 1996 Act to cooperate with local authorities to such extent as is reasonable in the circumstances in offering accommodation to people with priority under the authority's allocation scheme.
7. For local authorities, developing their allocation scheme and carrying out their allocation functions often requires joint planning and operational cooperation between local authorities and other bodies. These are likely to include social services departments, health authorities, the probation service, children's services, other referral agencies and voluntary sector organisations, although this list is not exhaustive. This guidance will be of interest to these organisations as well.
8. We believe that local authorities will welcome the additional flexibilities which this guidance promotes and would encourage them to review their existing policies as soon as possible and to revise them, where appropriate, in the light of this guidance.
9. The Audit Commission will consider, through its agreed programmes of monitoring and inspection, which will be reflected in Comprehensive Area Assessment, how well local authorities allocate social housing and therefore its response to this guidance.

2. Allocation of Accommodation: Code of Guidance for Local Housing Authorities, ODPM, November 2002

3. Allocation of Accommodation: Choice Based Lettings: Code of Guidance for Local Housing Authorities, CLG, August 2008

Introduction

10. Social rented housing is an asset of great significance to the country, to local communities, to families and to individual people. It provides an essential part of the welfare safety net that supports many of the most vulnerable in our society. It provides a firm foundation, with the security and stability that can help people to overcome disadvantage and to build successful lives for themselves and their families. And it can help to create prosperous, healthy local communities, as part of a properly-balanced housing market.
11. In any circumstances, the way that social housing is allocated would be a matter of real importance. That importance is greatly increased by the pressure of demand that we currently face in all parts of England. Almost every local authority has experienced significant growth in applications for social housing over the past five or six years; and while the Government has put in place ambitious programmes to increase the supply of social rented housing, we can expect continued excess of demand over supply to continue for the medium term.
12. High levels of demand, often from families with pressing needs, mean decisions on the allocation of social housing need to be taken carefully. Because of the impact such decisions may have, people care deeply about how they are made. While many local authorities are responding positively to this increased demand, we must ensure not only that decisions taken achieve the best overall outcomes for our communities, but also that they are made fairly, and in ways that can be explained and justified to all concerned.
13. The Government takes the view that decisions on the allocation of social housing – having, as they do, profound impacts at national and at local level – should rightly be taken in a framework which balances national and local interests.
14. It is important that local authorities continue to play a strong role in housing. They are best placed to assess housing need across the district, in light of demographic and economic change. They should also be working with partners to address such needs, including ensuring that the best use is made of existing housing stock. Local authorities also have responsibility for framing local allocation policies within the context set by legislation and taking into account the reality of their local circumstances. It is only at the local level that many of the key decisions can be taken, and balances can be struck between competing priorities. Many people find allocation policies complex and confusing. While the Government has a role to play in defusing the myths which can arise around the allocation of social housing, the task of explaining local allocation policies to local people ultimately depends on effective communication and engagement by local authorities with their communities.
15. In recent years, many local authorities have felt constrained in their decisions on allocations and the way in which their allocation schemes are devised because of the way in which the legislation has been interpreted by the courts. A recent judgment by the House of Lords (see paragraph 56), which we strongly welcome, provides clarity on the allocation legislation and the extent of local authorities' discretion under the legislation. The Government's view is that this is an opportune time, as well as an important one, for local authorities to re-examine their allocation policies and to make changes which take full advantage of the scope for local decision-making.

Objectives and outcomes which allocation policies must achieve

16. There are a number of objectives and outcomes which local authorities must achieve when framing their allocation schemes.

Support for those in greatest housing need

17. We believe it is right that social housing – which brings with it the dual benefits of security of tenure and sub-market rents – should continue to provide a stable basis for those who are likely to have more difficulty finding for themselves in the private market. For this reason, we remain of the view that overall priority for social housing should go to those in greatest housing need. Those who should be given a head start for social housing are defined by the current statutory reasonable preference categories as set out in s.167(2) of the 1996 Act. These were rationalised in the Homelessness Act 2002 (and further refined by the Housing Act 2004) to ensure that they are squarely based on housing need. The reasonable preference categories are:
- (a) people who are homeless (within the meaning of Part 7 of the 1996 Act); this includes people who are intentionally homeless, and those who do not have a priority need for accommodation
 - (b) people who are owed a duty by any local authority under s.190(2), s.193(2) or s.195(2) of the 1996 Act (or under s.65(2) or s.68(2) of the Housing Act 1985) or who are occupying accommodation secured by any local authority under s.192(3)
 - (c) people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
 - (d) people who need to move on medical or welfare grounds, including grounds relating to a disability, and
 - (e) people who need to move to a particular locality in the district of the local authority, where failure to meet that need would cause hardship (to themselves or to others).
18. This means that a scheme must be framed to give reasonable preference to applicants who fall within the categories set out in s.167(2), over those who do not. While local authorities must demonstrate that, overall, reasonable preference is given to applicants in all the reasonable preference categories, this does not mean that they must give equal weight to each of the reasonable preference categories. Local authorities may wish to take into account local pressures. So, for example, where overcrowding is a particularly serious problem, they may wish to give more priority to overcrowded households in their allocation scheme.

19. In addition, s.167(2) gives local authorities the power to frame their allocation scheme so as to give additional preference to particular descriptions of people who fall within the reasonable preference categories and who have urgent housing needs. While there is no requirement for an allocation scheme to be framed to provide for additional preference, all local authorities should consider, in the light of local circumstances, whether there is a need to give effect to this provision.

Providing settled homes for people who have experienced homelessness

20. The Government places great emphasis on the prevention of homelessness and local authorities are generally responding very positively to this agenda. Through their housing options services, local authorities are increasingly helping people at risk of homelessness by intervening earlier to resolve their difficulties before they reach crisis point. This is reflected by the significant reduction in the number of households accepted as owed the main duty to secure accommodation under the homelessness legislation since acceptances peaked in 2003/4. Local authorities are increasingly harnessing the private rented sector to help meet housing needs and we are looking at how this work could be extended and made more effective. Nevertheless, there are people at risk of homelessness or living in temporary accommodation for whom an allocation of social housing continues to be the most appropriate option to meet their need for a settled home. It is right, therefore, that people who are homeless or placed in temporary accommodation under the homelessness legislation should continue to be entitled to reasonable preference for social housing.

Promoting greater equality, and clearly meeting equalities duties

21. In framing their allocation scheme, local authorities need to ensure that it is compatible with the requirements in the equalities legislation. In particular, as well as the other duties to eliminate unlawful discrimination, local authorities are reminded that they are subject to a duty to promote equality of opportunity and good relations between people of different racial groups, as well as a duty to promote equality of opportunity between disabled persons and other persons, and between men and women. Local authorities are strongly recommended to carry out an equalities impact assessment of any change to their allocation policies to ensure that it is compliant across the equalities strands; and to monitor lettings outcomes under the allocation scheme and ensure that this information is made regularly and publicly available. In this way, local authorities can demonstrate that they are meeting their duties under the relevant equality legislation.
22. Local authorities should also be aware of the provision in the Equality Bill which, subject to the approval of Parliament, will require all local authorities to give due regard to the desirability of tackling socio-economic inequalities, when making strategic decisions about how to exercise their functions. The Government believes that the way in which local authorities frame their allocation scheme will be significant in ensuring they discharge this duty.

Objectives and outcomes which the Government believes allocation policies should achieve

23. There are also a number of objectives and outcomes which local authorities should seek to achieve when framing their allocation scheme.

Greater choice and wider options for prospective tenants

24. The Government believes that allocation policies for social housing should provide for applicants to be given more of a say and a greater choice over the accommodation that they are allocated. This is the best way to ensure sustainable tenancies and to build settled, viable and inclusive communities. Research carried out for Communities and Local Government into the longer term impact of choice based lettings⁴ found that tenants who were offered a choice of accommodation were more likely to be satisfied with their home and remain in that home for a longer period. Satisfied tenants are more likely to meet their tenancy obligations and maintain the property in good condition.
25. Given this, it is also important that the allocation of social housing is set within a wider enhanced housing options approach, so that people receive joined-up advice and information about all the options open to them across sectors, including:
- renting in the private sector
 - low cost home ownership options
 - mobility schemes which enable applicants to move out of the district
 - mutual exchange options for existing social tenants
 - home improvement schemes or adaptations services which enable applicants to remain in their existing accommodation
 - supported/sheltered housing for older and disabled people.

Greater mobility

26. Providing social housing tenants with greater opportunities to move within the social sector can help to promote social and economic mobility, as well as meeting individual tenants' specific needs and aspirations. It can also help make the best use of social housing stock.

4. *Monitoring the Longer Term Impact of Choice Based Lettings*, Heriot-Watt University and BMRB, October 2006

27. One way of increasing the opportunities for mobility between local authority areas is to develop choice based lettings schemes on a regional or sub-regional basis and our aim is to expand choice based lettings so that people can move nationwide. However, even where local authorities do not participate in regional or sub-regional choice based lettings schemes, there are ways in which they can frame their allocation scheme to increase the opportunities for mobility across local authority boundaries. So, for example, authorities could use local lettings policies to allow for particular properties to be set aside to attract key workers into the district; or they could develop arrangements with other authorities or RSLs to make a proportion of their lettings available for cross-boundary nominations.

Making better use of the housing stock

28. Making better use of the social housing stock could mean giving existing tenants who are under occupying social housing appropriate priority to secure a transfer within an authority's allocation scheme and ensuring that scarce accessible and adapted accommodation is prioritised for people with access needs. This might be coupled with personal support, incentives and financial payments to encourage people who under occupy family-sized homes to downsize or vacate adapted homes they no longer need. Authorities may want to consider other approaches such as 'chain lets' – an approach under which a large property released by an under occupying household can be reserved for existing overcrowded social rented tenants, where the resulting vacancy is then used to house another household with priority under the allocation scheme. For overcrowded households waiting for an allocation of larger accommodation, authorities can assist in mitigating the impacts through a range of measures. Improvements can be made to existing properties in order to improve liveability: additional toilets or wash basins, partitions or space saving furniture can all contribute to alleviating the pressures of overcrowding.

Policies which are fair and considered to be fair

29. There are widespread perceptions that the current allocation system is unfair and favours certain groups (such as the unemployed or migrants). An Ipsos MORI survey carried out for Communities and Local Government in 2008 showed that less than a quarter (23 per cent) of the public agreed that the way social housing is allocated is fair. One in three (32 per cent) did not agree that it is fair. Just under half (45 per cent) said they did not know if it is fair or were unwilling to give an opinion and opted for "neither agree nor disagree"⁵. While these perceptions may not always be founded on fact, we recognise that they are strongly felt.
30. It is important that local authorities engage fully with their local community in developing their allocation priorities and drawing up their allocation scheme; and in providing regular, accurate, and generalised information on how housing is being allocated, working actively to dispel any myths and misperceptions which may arise. Policies which are easily understood and sensitive to local needs and local priorities are more likely to achieve acceptance across the wider community and to be, not just fair, but seen to be fair.

5. CLG (2009) *Attitudes to housing: Findings from Ipsos MORI Public Affairs Monitor Omnibus Survey (England)*.

Support for people in work or seeking work

31. Local authorities should consider how they can use their allocation policies to support those who are in work or who are seeking work. This could involve using local lettings policies to ensure that particular properties are allocated to essential workers or to those who have skills which are in short supply, regardless of whether they are currently resident in the authority's district. Alternatively, authorities may choose to give some preference within their scheme to existing tenants who are willing to move to take up training opportunities – where, for example, the authority has identified a need to address skills shortages and worklessness perhaps as part of their skills strategy.

Question 1:

Do you agree with the objectives and outcomes which local authorities should seek to achieve through their allocation policies?

Involving, consulting and raising awareness with local communities

32. For many people, the frustration engendered by long waiting times for social housing, the complexity and lack of transparency of many allocation policies, and poorly trained or supported frontline housing officers, can contribute to false perceptions of unfairness or generate myths about queue jumping by other groups. These myths and false perceptions need to be countered through effective, transparent communication.
33. Local authorities need to do more to help people locally understand how social housing is allocated. The public are more likely to accept that allocation policies are fair if they have a clear understanding of what those policies are and what the justification for those policies is. Clarity about why social housing is prioritised for certain groups is key. To give a specific example, if an authority provided information about the amount of housing they have which is, not only accessible, but capable of being made accessible, and explained why priority for this accommodation is given to those with access needs, it is likely that people would view it as a fair and sensible use of that stock.
34. That is why it is important to engage fully with the whole community in developing allocation policies. It is also why it is important to provide feedback on individual lettings⁶, and wider statistics about who is actually accessing social housing. Simple banding schemes play a role here too, since they can be more easily explained to applicants. Front line staff need to be properly trained and supported so that they provide accurate and consistent messages about how social housing is allocated, and elected Members need to take a leading role in explaining to local people how social housing is being allocated and managed in their district – and what their local authority is doing to help increase availability of social housing.

Question 2:

What can local authorities do to raise awareness and understanding of social housing allocation among local communities?

The requirement to have an allocation scheme

35. Local authorities must have an allocation scheme for determining priorities and for defining the procedures to be followed in allocating housing; and they must allocate in accordance with that scheme (s.167 of the 1996 Act).

6. Further guidance on feedback in the context of choice based lettings is provided at paragraphs 5.14 - 5.18 of the 2008 code.

36. The requirement to have an allocation scheme applies to all local authorities, regardless of whether or not they retain ownership of the housing stock and whether or not they contract out the delivery of any of their allocation functions. Authorities are prohibited from contracting out certain allocation functions, including adopting and altering the allocation scheme, which includes the principles on which the scheme is framed. 'Procedure' includes all aspects of the allocation process, including the people, or descriptions of people, by whom decisions are taken. It is essential that the scheme reflects all the local authority's policies and procedures, including information on whether the decisions are taken by elected Members or officers acting under delegated powers.

Involving and consulting about the allocation scheme

37. Part 6 of the 1996 Act imposes certain requirements on local authorities when consulting on changes to their allocation scheme, or before they adopt a new scheme. Authorities are required to consult with RSLs with which they have nomination arrangements (s.167(7)); while anyone likely to be affected by an alteration to the allocation scheme which reflects a major change of policy must be notified of it (s.168(3)).
38. Under s.3 of the Local Government Act 1999 (as amended by the Local Government and Public Involvement in Health Act 2007) an authority is under a general duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Under s.3A of the Local Government Act 1999, where authorities consider it appropriate for representatives of local persons to be involved in the exercise of any of their functions by being provided with information, consulted or involved in another way, it must take such steps as it considers appropriate to secure that such representatives are involved in the exercise of the function in that way. Statutory guidance published by the Government in July 2008⁷ sets out the issues which local authorities should consider under the "duty to involve".
39. Engaging with and involving local communities in the development of allocation policies will contribute to:
- better awareness among local people of the facts around social housing, including a clearer understanding of the amount of housing available
 - reduced opportunities for the circulation of misunderstandings and myths about the ways in which social housing is allocated
 - local allocation policies which better reflect local pressures and priorities
 - a greater sense among local people that housing is allocated fairly
 - stronger community cohesion.
40. Some local authorities currently make significant efforts to engage with local communities in the development of allocation policies, using techniques such as citizens' panels and focus groups. There is scope for all authorities to develop their approaches further, drawing on good practice from within the housing sector and more broadly⁸.

7. *Creating Strong and Prosperous Communities*, CLG, July 2008

8. *The Duty to Involve: Making it Work*, Community Development Foundation (2009) provides advice and examples of effective engagement

41. Anyone who is affected by or interested in the way social housing is allocated should be included when consulting on changes to an authority's allocation scheme. It will be important to engage with a wide range of stakeholders in the statutory and voluntary and community sector, as well as users and the general public. Consultation gives people the opportunity to have their views heard but it also gives local authorities the opportunity to engage the community, to raise awareness about the pressures on social housing, and to ensure that people have a better understanding of why certain groups are prioritised for social housing.
42. However, authorities should also engage with and involve the wider community before they produce their allocation scheme so that people are given the opportunity to contribute to the development of the allocation priorities. Only in this way can authorities ensure that the allocation scheme properly reflects local priorities and issues.
43. It will be important to take action to ensure that all groups within the area are engaged. Voluntary and community organisations can be useful here as they often have strong links with their particular communities and/or client groups. Authorities will need to give particular thought to how to engage those who can often be marginalised but for whom social housing may be particularly relevant. Again, the voluntary and community sector may be in touch with hard to reach groups and can help ensure that they are involved in the consultation process. For this reason, it is particularly important that third sector organisations are involved at an early stage in the consultation process.
44. Where local authorities involve individuals or groups in developing their allocation priorities or consult them on their allocation scheme, they should consider how they can feed back the outcomes of such involvement or consultation. In doing so they should make clear how the input to consultation and/or involvement has contributed to the published allocation scheme.

Question 3:

How can local authorities engage most effectively with local communities in order to shape local allocation policies?

Information about allocations

45. It is important that applicants and the wider community understand how social housing is allocated. Accordingly local authorities are encouraged to make appropriate information about allocations widely available in a way which is easy to access and to understand⁹. This is in addition to the duty in s.168 to publish the allocation scheme. However, to ensure that local people have access to as much information as possible, authorities are encouraged to publish their allocation scheme on their website as well as in hard copy.

9. Chapter 5 of the 2008 code provides detailed guidance on how to ensure that information is provided in a way which is accessible and that advice, assistance and support are available to those who need them in order to apply for social housing.

46. If applicants are to view the system as fair, they need to know how their application will be treated under the scheme, what their rights and expectations are under the scheme, and they need reassurance that the scheme is being complied with and applied consistently across all applicants.
47. Local authorities must ensure that advice and information is available free of charge to everyone in their district about the right to apply for an allocation (s.166(1)). This includes general information about the procedures for making an application; as well as information about how applicants are prioritised under the allocation scheme.
48. However, information about allocations should go beyond publication of the allocation scheme itself or information about how to apply for an allocation. Most applicants will want to know how long they are likely to have to wait to be allocated accommodation which meets their needs and aspirations (this is in line with their rights under s.167(4A)). Authorities can help applicants assess whether particular accommodation is likely to be available and how long they are likely to wait for it, by making available general information about the profile of their stock (type, size, location and accessibility); together with information about how often property of that type/size/location becomes available together with estimated waiting times. This information should be published and widely available as it may be of interest to people who may be considering applying for social housing as well as those who are already on the waiting list.
49. Applicants have the right to a detailed explanation of certain decisions in respect of their application and the right to a review of such decisions (s.160A(9) and s.167(4A)) and it is important that this is made clear when people apply for social housing.
50. Applicants should also be provided with information about the relevant complaints procedures which are available to them.

Question 4:

What is the best way for local authorities to provide information and facts about how the allocation process is working in their area?

Monitoring and evaluation

51. Monitoring and evaluation systems should be put in place and lettings outcomes published so that people can see that the allocation scheme is being complied with and is fair. Local authorities should give people the opportunity to feedback comments about how the allocation scheme is working. This might include periodically carrying out surveys of people on the waiting list to find out about their experience over time, or people who have bid for social housing through a choice based lettings scheme (both successfully and unsuccessfully).

Framing an allocation scheme

52. An authority's allocation priorities should be developed in the context of the authority's other housing functions. Consideration should be given to the wider objectives of meeting the district's housing needs, as set out in the strategic housing market assessment. The allocation scheme should also be compatible with the local authority's housing strategy and the relevant regional housing strategy. Furthermore, since the allocation of accommodation under Part 6 of the 1996 Act is one of the ways in which the main homelessness duty can be discharged, allocation policies and procedures should also be consistent with the local authority's homelessness strategy.
53. It is also important that the allocation scheme is compatible with and flows from the authority's Sustainable Community Strategy¹⁰ which sets the overall strategic direction and long-term vision for the economic, social and environmental well-being of the local area.
54. It is strongly recommended that local authorities put in place allocation schemes which, not only meet the requirements in the legislation to ensure that reasonable preference for an allocation goes to those in the reasonable preference categories, but also:
 - a) reflect the Government's objectives, and
 - b) take into account the particular needs and priorities of the local area.
55. We recognise that getting the balance right will be challenging, particularly given the constraints within which local authorities operate in terms of the supply of and demand for social housing. Nevertheless, we believe that there is considerable flexibility within the existing statutory framework, particularly following the recent decision in *Ahmad*.

R (on application of Ahmad) v. London Borough of Newham

56. In March 2009 the House of Lords gave judgment in the case of *R (on application of Ahmad) v. Newham LBC*¹¹. The case has significant implications for the way local authorities frame their allocation scheme. In particular the House of Lords found:
 - There is no requirement for local authorities to frame their allocation scheme to provide for cumulative preference, i.e. affording greater priority to applicants who fall into more than one reasonable preference category.
 - An allocation scheme which allows for priority to be determined between applicants in the reasonable preference categories on the basis of waiting time (alone) is not unlawful or irrational.
 - An allocation scheme is not unlawful if it allows for a small percentage of lets to be allocated to existing social housing tenants who wish to transfer and who do not fall within any of the reasonable preference categories.

10. S.4 of the Local Government Act 2000

11. [2009] UKHL 14

- Where a local authority's allocation scheme complies with the requirements of section 167 and any other statutory requirements, the courts should be very slow to interfere on the ground that it is irrational.
57. Through their judgment in the *Ahmad* case, the House of Lords have recognised the complexity of allocation policy and the need for local decision-making.
58. The following paragraphs consider the factors which local authorities should consider in developing their allocation priorities and the different tools and mechanisms available to them to allow for greater flexibility within their allocation scheme and to adapt their scheme to respond to local needs.

Removal of the requirement to provide for 'cumulative preference'

59. The House of Lords decision in *Ahmad* reverses a line of Court of Appeal authority that has held that allocation schemes were required to provide for cumulative preference. This means that it is no longer necessary to distinguish between degrees of housing need, or to provide that those applicants who fall within more than one reasonable preference category are given greater priority for an allocation than those who have reasonable preference on a single, non-urgent basis (indeed there is no requirement for any system of determining priority between those in the reasonable preference groups). In the light of the decision in *Ahmad*, what is important is that an allocation scheme makes an appropriate distinction between those applicants who are in the reasonable preference categories and those who are not. It is no longer necessary to make a detailed prioritisation of applicants within the reasonable preference categories (instead it is open to local authorities to determine between applicants in the reasonable preference categories by waiting time alone (see paragraph 64 below)).
60. Removing the requirement to provide for cumulative preference gives scope for local authorities to develop simpler, more transparent, systems of applicant prioritisation which are easier for applicants to understand and for housing staff to operate.

Determining priorities between households with a similar level of need

61. For practical purposes, allocation schemes will need to have some mechanism for determining priorities between applicants with a similar level of need, for example between applicants who are in the same band.
62. Section 167 (2A) provides that authorities may frame their allocation scheme to take into account certain factors for the purpose of determining relative priorities between applicants in the reasonable (or additional) preference categories. Examples of factors which may be taken into account are given in the legislation: local connection, financial resources and behaviour. However, these examples are not exclusive and authorities may take into account other factors instead or as well as these.

Local connection

63. Some local authorities may wish to give more priority to 'local connection', ensuring that, wherever possible, social housing goes to those people who live or work in the district, or to those who have close family associations with it. While local authorities cannot exclude people who do not have a local connection from applying for social housing, there is nothing to prevent them from framing their allocation scheme to include local connection as a policy priority, provided that overall the scheme continues to meet the reasonable preference requirements in s.167.

Waiting time

64. The simplest way of determining priorities would be to take into account the length of time which applicants have been waiting for an allocation (in the case of new applicants this will normally be the date of their original application or date into band, and in the case of transferring tenants, the date they applied to transfer).
65. Waiting time has the benefits of being simple, transparent, and easy to understand. It also accords with the view held by some sections of the public about how social housing should be prioritised¹². Of course, we recognise that waiting time will already play a role in most allocation schemes. However, authorities may wish to consider the scope for giving more weight to it in the light of *Ahmad*, where this is seen locally as the fairest means of distinguishing between otherwise similar applicants.

Banding schemes

66. Where local authorities continue to operate a points based system as a method of prioritising applicants, they should consider replacing this with a banding scheme. Banding schemes group applicants into a number of broad 'bands' which reflect relative priorities within a local authority's allocation scheme.
67. The House of Lords in *Ahmad* recognised that simple banding schemes could have a number of advantages over more nuanced systems. They are clear, relatively simple to administer and highly transparent. Whereas, banding schemes which involve a large number of bands, based on degrees of housing need, are likely to be more expensive and time consuming to operate, more based on value judgment, more open to argument, and more opaque. The House of Lords also considered that more complex banding systems may need to be monitored more closely to take account of the fact that applicants' circumstances are liable to change over time.
68. In addition to the benefits identified in *Ahmad*, simpler banding schemes may also make it easier for authorities to work together to put in place sub-regional and/or regional choice based lettings schemes.

12. An Ipsos MORI survey for Inside Housing shows that people consider the most important factors for prioritising social housing (where demand is greater than supply) as: how long someone has been on the waiting list (23 per cent); whether they are currently living in inadequate accommodation (22 per cent); how long someone has lived in the local area (15 per cent); and being a key worker (e.g. nurse or teacher) (14 per cent). Inside Housing, 6 June 2008, pp 22-25.

69. Authorities should bear in mind that a banding scheme must be consistent with and give effect to the principles in the authority's allocation scheme for determining priorities for an allocation. The greater the number and complexity of these principles, the more complex the banding scheme will normally need to be.

Determining local priorities alongside reasonable preference

70. An allocation scheme may provide for other factors than those set out in s.167(2) to be taken into account in determining which applicants are to be given preference under a scheme, provided they do not dominate the scheme and that overall the scheme operates to give reasonable preference to people in the reasonable preference categories. This means that an allocation scheme may include other policy priorities, such as promoting job-related mobility, or prioritising under occupiers.
71. The House of Lords in *Ahmad* accepted that local authorities are entitled to allocate to people who do not fall within the reasonable preference groups. For example, Newham's very favourable treatment of under occupiers was not unlawful, notwithstanding the fact that they were unlikely to fall within any of the reasonable preference groups. It was accepted that account could be taken of wider housing management considerations (as well as the needs of those in the reasonable preference categories), and the judgment made the point that encouraging people in larger homes to transfer to smaller ones could be to the advantage of those in housing need because it produces an overall increase in the accommodation available.

Existing tenants seeking a move

72. Part 6 of the 1996 Act extends to existing tenants of local authorities and RSLs who apply to transfer within the social rented sector. This means existing tenants applying for a transfer must be treated on the same basis as other applicants in accordance with the reasonable preference requirements in s.167. However, the House of Lords in *Ahmad* recognised that there could be good housing management reasons for enabling existing tenants to move, even where they do not have reasonable preference – provided that overall those in the reasonable preference categories continued to receive some preference. This is because such moves are broadly stock neutral (every transfer creates another void which can be used to meet housing needs). The House of Lords also recognised that people who are allowed to move to properties or locations which they prefer are likely to be happier and, as a result, better tenants.
73. In the light of *Ahmad* we consider that authorities have scope to provide within their allocation scheme for existing tenants to transfer to similar sized accommodation where they can demonstrate good reason for seeking a move, for example, where they want to move to take up an offer of employment. The extent to which there is scope to allow existing tenants to move within the stock will depend on the particular circumstances in the district, taking into account the demand from other applicants in greater housing need and the effect which this could have on lost revenue from increased void periods. In *Ahmad*, the House of Lords considered that setting aside a small proportion of lettings for transferring tenants was not unreasonable.

Quotas, targets and lettings plans

74. An authority may want to set targets for the proportion of properties which it expects to allocate to the various groups within the allocation scheme as part of an annual lettings plan. So, for example, this might set a target for the proportion of large family-sized accommodation to be allocated to overcrowded households, or for the proportion of lettings to be given to transferring tenants.
75. Authorities should avoid setting rigid quotas which cannot be amended in the light of changing circumstances. However, they may wish to set broad targets which should be published alongside the authority's allocation scheme. Targets should be published and monitored, and lettings outcomes against the targets should be published. Published targets, together with information about lettings outcomes, help make the allocation process more transparent.
76. In setting targets, authorities should take into account:
 - the size and composition of the waiting list
 - the profile of their stock and the vacancies which are likely to become available.

Local lettings policies

77. Section 167(2E) of the 1996 Act enables local authorities to allocate particular accommodation to people of a particular description, whether or not they fall within the reasonable preference categories, provided that overall the authority is able to demonstrate compliance with the requirements of s.167. This is the statutory basis for so-called 'local lettings policies'. This could mean setting aside houses on a particular estate, or certain types of property across the stock, for applicants who meet specified criteria.
78. A study carried out by Heriot Watt University¹³ for Communities and Local Government in 2008, based in two regions, found that about half of responding authorities (23 out of 52) operated local lettings policies. This would suggest that local authorities may not be making as much use as they could of the flexibilities which the allocation legislation allows them.
79. Local lettings policies may be used to achieve a wide variety of policy objectives. So, for example, they may be used to:
 - deal with concentrations of deprivation or create more mixed communities by setting aside a proportion of vacancies for applicants who are in employment or to enable existing tenants to take up an offer of employment.
 - attract key workers into the district by giving them priority for a small number of properties even though they may not fall within any of the reasonable preference categories
 - deal sensitively with lettings in rural villages by giving priority to those with a local connection to the parish and on s.106 exception sites

13. *Exploring local authority policy and practice on allocations* Hal Pawson and Anwen Jones, CLG, July 2009.

- ensure that properties which are particularly suited to being made accessible (eg ground floor flats) are prioritised for those with access needs
 - set aside a proportion of properties to help meet the housing needs of people whose employment requires them to be mobile, such as members of the Armed Forces¹⁴.
80. The proportion of stock or lettings which may be made available through a local lettings policy to people who are not in the reasonable preference categories will depend on the particular circumstances and factors at play in the district. Authorities will need to take into account factors such as: the size and composition of the waiting list (e.g. the proportion of applicants in the reasonable preference categories); the stock profile; and the number and type/size of vacancies which are available overall.
81. In the interests of transparency, local lettings policies should be published. Since they will often be time limited, it may not be practicable for the detailed policies to be included in the allocation scheme. One way to get around this would be for the allocation scheme to include a general statement about the intention to implement local lettings policies and to set out the detail in a separate published document or documents which could be revoked or revised as appropriate. Authorities should include an explanation of the local lettings policy which should be evidence-based wherever possible. Local lettings policies should also be monitored as to their effectiveness and reviewed regularly so that they can be revised or revoked where they are no longer appropriate or necessary.

Question 5:

Does the draft guidance provide sufficient clarity on the extent of flexibilities available to local authorities when formulating allocation policies?

14. For further information on the Government's commitment to ensure that Service personnel are not disadvantaged when accessing public services, authorities are referred to "The Nation's Commitment to the Armed Forces Community: Consistent and Enduring Support", Cmnd 7674, 16 July 2009

Partnership working with RSLs

82. It is important that local authorities take a strong strategic approach to meeting housing needs in their district. To do this, they will need to develop close working partnerships - both at the strategic and operational level - with RSLs, given their key role in the supply of social housing, to ensure that:
 - best use is made of the available social housing in the district; and
 - applicants are offered the widest choice of accommodation.
83. This will be important for all local authorities but for those who have transferred their stock it will be crucial.
84. RSLs should be involved at an early stage in developing allocation priorities and must be consulted on the allocation scheme. Allocation policies which are framed to take account of local needs and priorities are more likely to gain the support of RSL partners.
85. RSLs have a duty under s.170 of the 1996 Act to co-operate with local authorities – where the authority requests it - to such extent as is reasonable in the circumstances in offering accommodation to people with priority under the authority's allocation scheme.
86. Local authorities should ensure that they have nomination agreements in place with their partner RSLs and these should be updated regularly to ensure that they reflect changing housing markets¹⁵. Existing regulatory guidance¹⁶ for RSLs sets out specific minimum requirements in relation to local authority nominations. This provides that in areas where evidence of local housing need is reflected in local planning criteria for affordable housing provision, nomination agreements should provide for 50 per cent or more of true voids for nominations. The circular recognises that agreed percentages may be considerably higher in areas of housing stress. The Tenant Services Authority (TSA) made clear in its recent document, *Building a new regulatory framework* - a discussion paper (June 2009), that it views agreement locally between RSLs and local authorities on allocations as important for fairness and transparency within local areas. The TSA has also indicated that it intends to set a regulatory standard on allocations, and is due to consult on this (and other draft standards) in the autumn.
87. Authorities should also agree information sharing protocols with their partner RSLs. Information sharing between local authorities and RSLs is particularly important and failure to get this right could undermine the nomination process or the success of a joint choice based lettings scheme. The former Housing Corporation issued a national standard protocol for sharing information about applicants which authorities may wish to follow¹⁷.

15. *Effective Co-operation in Tackling Homelessness: Nomination Agreements and Exclusions*, CLG, November 2004, identifies good practice in co-operation between local authorities and RSLs in relation to nomination agreements and exclusions.

16. Housing Corporation Regulatory Circular 02/03, February 2003. SI 2008/2839 Article 6(2): Any document made before the coming into force of this Order has effect....as if any reference to the Housing Corporation (however expressed) were a reference to the Regulator of Social Housing or (as the case may be) the Homes and Communities Agency.

17. *Access to Housing: Information Sharing Protocol*, Campbell Tickell for the Housing Corporation, November 2007.

88. Local authorities should also consider the scope for developing common approaches to the allocation of social housing within the district, which could include the adoption of a common housing register and/or a common allocation policy, and local lettings policies which cover RSL as well as local authority stock. By providing a single point of access to social housing and one set of rules, this can help make the process of applying for social housing simpler and more transparent for applicants, and can reduce wasteful duplication of effort by social landlords and applicants. This may help remove some of the confusion and frustration which applicants currently experience.
89. Common housing registers and common allocation policies are particularly relevant in the context of choice based lettings. Developing common approaches requires trust between the partners which can be built by partnerships agreeing clear accountable governance structures and cost sharing arrangements and by delivering a high quality service which is viewed by applicants and by all partner landlords as an improvement on those delivered by local authorities and RSLs on their own¹⁸.

Question 6:

How effective, currently, is cooperation between RSLs and local authorities over the allocation of social housing? What further measures could help?

Additional questions for local authorities:

Question 7: How have you involved your local community in putting together your response to this consultation document?

Question 8: Do you intend to revise your allocation scheme in light of the new statutory guidance?

Question 9: If so, what changes will you be considering, and how might you engage local people and organisations in this process?

18. Further guidance on partnership working with both RSLs and private landlords is provided in chapter 6 of the 2008 code.

Impact assessment

90. We have undertaken a consultation stage impact assessment which analyses the costs and benefits of the policy options alongside the 'do nothing' baseline. It is published alongside this consultation paper. We are seeking views on this impact assessment as part of the consultation. In particular, responses to the following questions would be welcomed.

Question 10: Do you agree with the estimate in the impact assessment on the one-off familiarisation cost associated with this policy?

Question 11: Is there any further evidence or analysis relating to the initial assessment in the impact assessment of the wider costs and benefits of this new guidance which we should consider for the final impact assessment?

Question 12: Is there any further evidence or analysis relating to the initial assessment in the impact assessment of the impact on race, disability and gender equality which we should consider for the final impact assessment?

Question 13: Is there any further evidence or analysis we should consider for the full equalities impact assessment which we will be undertaking in light of this consultation in the autumn?

Question 14: What impacts, costs and benefits do you think might be associated with any changes to your policy which you will be considering in the light of this guidance?

Consultation questions

- Q1.** Do you agree with the objectives and outcomes which local authorities should seek to achieve through their allocation policies?
- Q2.** What can local authorities do to raise awareness and understanding of social housing allocation among local communities?
- Q3.** How can local authorities engage most effectively with local communities in order to shape local allocation policies?
- Q4.** What is the best way for local authorities to provide information and facts about how the allocation process is working in their area?
- Q5.** Does the draft guidance provide sufficient clarity on the extent of flexibilities available to local authorities when formulating allocation policies?
- Q6.** How effective, currently, is cooperation between RSLs and local authorities over the allocation of social housing? What further measures could help?
- Q7.** How have you involved your local community in putting together your response to this consultation document?
- Q8.** Do you intend to revise your allocation scheme in light of the new statutory guidance?
- Q9.** If so, what changes will you be considering, and how might you engage local people and organisations in this process?
- Q10.** Do you agree with the estimate in the impact assessment on the one-off familiarisation cost associated with this policy?
- Q11.** Is there any further evidence or analysis relating to the initial assessment in the impact assessment of the wider costs and benefits of this new guidance which we should consider for the final impact assessment?
- Q12.** Is there any further evidence or analysis relating to the initial assessment in the impact assessment of the impact on race, disability and gender equality which we should consider for the final impact assessment?
- Q13.** Is there any further evidence or analysis we should consider for the full equalities impact assessment which we will be undertaking in light of this consultation in the autumn?
- Q14.** What impacts, costs and benefits do you think might be associated with any changes to your policy which you will be considering in the light of this guidance?



Appendix C Executive Summary Statistical Analysis

Northampton Borough Council's Choice Based Lettings scheme has successfully let 1,430 properties so far with an average allocation time of 24 days within the current financial year, which is national top quartile performance. The system, which was first introduced in July 2008, offers more choice to people on the council's housing register.

In the past, housing applicants have had a limited say in where they live, with council housing officers matching people to properties as they become available. This new scheme allows householders to choose a number of properties they are eligible for and bid for them. Properties are then offered to bidders on a priority basis alongside the length of time the applicant has been on the register in a category.

Vacant council homes and housing association properties in the town are advertised on the web, in the local press and in council offices. 92.45% of all bids were made online showing that most customers are comfortable with this method of bidding for properties. Less than 1% of bids were made by housing staff on behalf of customers.

In a survey, 70% of customers thought the scheme was fair – well above the national figure of 23%. 87% of those customers housed thought the Choice Based Lettings scheme scored 'excellent' or 'good' overall, with only 1.92% thinking the overall system was 'poor'.

The borough council is committed to the urgent re-housing needs of customers categorised in 'Emergency' and 'Priority Band A'. As a result an average of 84% of lettings are provided to those customers who are placed in the top two bands with critical requirements. 5.98% of all bids were submitted by Emergency customers, 18.40% of these bids were made by Band A customers, 59.16% were made by Band B customers and 16.46% by Band C and D customers.

Successful bids by ethnicity demonstrate the following:

Ethnicity	Lettings	Bids	Register
White British	46%	42%	41%
Black and Minority Ethnic	19%	28%	19%
Not stating ethnicity	35%	29%	36%
Other	0%	1%	4%

Satisfaction scores, some of the highest recorded for Choice Based Lettings nationally, really illustrate the effectiveness and quality of service the borough council is providing in Northampton.

To help ensure that levels of customer satisfaction are maintained, the borough council will continue talking to its customers and carry out surveys every six months.

The economic downturn has meant that demand for social housing has grown across the country. Northampton's waiting list has increased from around 4,000 in April 2008 to 7,000 in April this year. In response, the council recently announced it was expanding the scheme to include private rented properties.

Appendices

2



NORTHAMPTON
BOROUGH COUNCIL

Item No.

7

CABINET REPORT

Report Title	Registered Social Landlords (RSL) Development Procurement Framework
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	25 th November 2009
Key Decision:	Yes
Listed on Forward Plan:	Yes
Within Policy:	No
Policy Document:	Yes
Directorate:	Housing
Accountable Cabinet Member:	Councillor Sally Beardsworth
Ward(s)	All

1. Purpose

- 1.1 This report proposes a new way forward for partnership working with RSL partners and a change to existing policy.

2. Recommendations

- 2.1 That Cabinet agree in principle to tender for a new RSL Procurement Framework, to address the future affordable housing requirements.
- 2.2 The final Procurement Framework Agreement to be reconsidered and approved by Cabinet at the end of the process.

3. Issues and Choices

3.1 Report Background

- 3.1.1 In the summer of 2007, Northampton Borough Council, Daventry District Council and South Northamptonshire Council jointly invited expressions of

interest from RSL's willing to create an affordable housing management partnership.

3.1.2 The agreement was not intended to create a legal relationship between parties. One of the main objectives of this agreement was to assist West Northamptonshire Development Corporation (WNDC) create a consistent approach to the delivery of affordable housing and the interaction with private developers.

3.1.3 Following the selection criteria used for the Partnership Agreement, Northampton Borough Council selected the following RSL's to be on their Preferred Partnership Agreement:

- East Midlands Housing Association;
- Metropolitan Housing Partnership;
- Guinness Midsummer Housing Association;
- LHA – Asra Housing Association;
- Orbit Heart of England;
- Bedfordshire Pilgrims Housing Association; and
- Home Housing Group
- Servite Houses

3.1.4 The success of the existing Partnership Agreement is highlighted in Appendix 1 to this report. This shows the level of performance that our RSL partners have achieved since April 2008, when the existing agreement was signed. The new Framework approach will certainly want to continue this excellent performance and partnership working, and build on it to ensure Northampton have the best possible opportunity to deliver the homes in the future that households in housing need require.

3.2 Issues

3.2.1 Looking ahead, the Borough Council have a big housing agenda to deliver, which includes priority areas such as:

- Central Area Action Plan;
- Northampton East PFI Area;
- Dallington Grange and Kings Heath area; and
- Future development opportunities with the Homes and Communities Agency (HCA).

3.2.2 The current Partnership agreement is a management agreement, with the existing 8 RSL partners. What this means, is other non-RSL partners who develop affordable housing in the Borough, have to hand over the management of the homes to one of the 8 existing RSL partners, something which RSL's are reluctant to do. This has caused some tension, as developing RSL's prefer to keep their own homes.

3.2.3 Despite the benefits and success to date of the RSL Partnership Agreement in Northampton, we will need to improve and expand on this, if we are to deliver the fundamental transformational change that is required in some of our communities. We will need to be able to react and respond quickly to funding

opportunities and potential scheme developments when they are brought forward. This will help in the delivery of more affordable homes.

3.3 Choices (Options)

3.3.1 Do Nothing

This option would mean that the Council remain working with the existing management partnership agreement, which covers the 8 RSL partners identified at the beginning of this report. Despite the improved relationship with RSL partners and the increased performance, this agreement is only a management agreement and lacks any formal monitoring of the success of RSL's on a consistent basis.

3.3.2 Tender for a Framework Agreement

This option would still ensure that there was a management agreement, but development would also be included. The framework would be performance managed better, with targets for RSL partners to achieve over the length of the framework agreement. This option would also provide the flexibility within the procurement process to act fast and bid for external funding at short notice as and when sites became available.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The proposals within this paper fully support the emerging Housing Strategy 2010-2015 and help achieve the following priorities:

- Manage Supply and Growth for the future of Northampton; and
- Deliver well designed, high quality homes, Neighbourhoods and Services

4.1.2 The proposed Framework is a change to existing policy, which is the Management Partnership Agreement, signed in April 2008.

4.2 Resources and Risk

4.2.1 Existing staffing resources will be used to co-ordinate the tender process, and costs for advertising in the Official Journal of the European Union (OJEU) will come from existing budgets within the Housing Strategy team.

4.3 Legal

4.3.1 Due to the nature of a proposed Framework approach, and the potential work involved over the next 5 years, the tender will have to be advertised through the OJEU process. Appendix 2 illustrates the timescales involved in working with this procurement route.

4.4 Equality

- 4.4.1 The aim of this report is to put in place a framework, which will improve and hopefully increase the number of quality, affordable housing for those most in need.

4.5 Consultees (Internal and External)

- 4.5.1 All RSL Partners within the existing Partnership Agreement
Overview & Scrutiny Committee 2 – Housing and Environment
Portfolio Holder for Housing – Councillor Sally Beardsworth
Housing
Legal
Finance
Planning

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 Priority 2 – Housing Health and Wellbeing
Priority 4 – Partnerships and Community Engagement

4.7 Other Implications

- 4.7.1 None

5. Background Papers

- 5.1 Overview & Scrutiny Committee 2 – Briefing Note – RSL Partnership Working Arrangements 21st October 2009

Gary Parsons, Housing Strategy & Policy Development Manager
X7970

Existing RSL Partnership Agreement Performance

The benefits of the partnership agreement have been very positive in Northampton and have generated a better working relationship with RSL partners. The following is a summary of some of the key achievements the partnership has provided to date¹:

Summary

- 261 dwellings put through Choice Based Lettings, of which 215 were new affordable homes developed;
- Support with the Mortgage Rescue scheme to help people remain in their own homes;
- Implemented Neighbourhood Management initiatives such as CASPAR+, which is helping the communities in Spring Boroughs
- Partnership working with NHS reprovision project to help 31 clients with severe learning disabilities in existing care homes;
- Development of a community engagement strategy for residents; and
- Building the first code for sustainable homes level 6 in England;
- Financial support for the Northampton Credit Union by providing them with funding to raise their profile amongst the residents of Northampton;
- Signed up to promoting the Horizons scheme to provide financial and agency support for disadvantaged single parent families;
- Signed up to the Sanctuary scheme to provide safe rooms within properties for customers experiencing domestic violence; and
- Launch of a Supported Lodgings service to provide host families and support for 16-25 year olds who are homeless or threatened with homeless.

East Midlands Housing Association

- Up to September 2009, put 142 dwellings through CBL
- Developed 35 shared ownership units and 23 social rented units
- New Neighbourhood Liaison Officer appointed to encourage annual estate walkabouts with residents and the police

Metropolitan Housing Partnership

- 21 dwellings put through CBL system, and prior to CBL worked in partnership with Northampton Borough Council on Upton Mill Scheme and Bloomsbury to pilot CBL.

¹ All Partner RSL's were surveyed, however Guinness Midsummer HA did not have enough time to reply, and therefore the summary does not reflect their information.

- Affordable Homes delivered include 12 rented units and 13 shared ownership units on Upton Mill site and 24 rented units, 17 shared ownership and 25 First Time Buyer Initiative dwellings on Bloomsbury House.
- Within the above affordable dwellings, developed the first dwellings in the country at Code for Sustainable Homes level 6 at Upton, which means zero carbon levels emitted.
- Work closely with residents at Upton, and hold resident meetings on a frequent basis. This includes starter visits to new tenants, to check everything is ok, and subsequent visits there after.
- Regular estate inspections and estate walkabouts with the local PCSO

LHA – Asra Housing Association

- Advertised 16 dwellings through CBL system and prior to this held a standard nominations agreement with the Council
- Contributed £5,750 along with CASPAR towards the expansion of Credit Union memberships in the Castle area.
- Work closely with CASPAR+ initiative to engage youth workers and community liaison staff to look at neighbourhood management strategies for the area.
- Have an active resident training programme that links specific training to the various roles that residents play in the governance structure

Orbit Heart of England

- Completed 6 affordable homes since April 2008.
- Advertised 29 properties through the CBL system since July 2008.
- Developed a Homelessness Strategy and Action Plan which prioritises a number of key actions in relation to the prevention of homelessness, especially joint working.
- Developed a local residents involvement strategy around community engagement, to allow residents to influence service delivery

Bedfordshire Pilgrims Housing Association

- Advertised 29 homes through the Northampton CBL scheme since July 2008, and continue to offer advice to the Council through the CBL review group.
- Taking part in the Mortgage Rescue scheme in Northampton and have already completed one sale with a further 22 cases being considered.
- Operate a money advice team that offer welfare, benefit and debt advice to all residents.
- Have a Family intervention officer that work with challenging families to help modify their behaviour in order to prevent homelessness through breach of their tenancies.

- Entered into a management agreement with Aldwyck to manage the completed development of 29 flats at St Pauls, Semilong Road.
- Have a dedicated Employment Support Co-ordinator who offers information, Advice and Guidance (IAG) with the aim of getting people back into employment.
- Framework agreement that committed to using local labour force in the construction of new developments.
- New development in Great Billing, is using the Ecodan air source heat pump system to provide each property with their heat and hot water. This will provide a more sustainable solution for low cost, low carbon domestic heating and hot water.
- Introduced a scheme called Cash 4 communities, where residents and community groups can bid for money to support the community.
- Currently developing 7 affordable homes in Billing area and involved with the County Council to transfer 8 care homes to BPHA to refurbish and create self contained flats and shared accommodation for 31 clients who have severe learning disabilities as part of the NHS reprovion project in Northamptonshire.

Servite Houses

- Advertised 24 dwellings through the CBL system since July 2008
- Developed 24 new affordable dwellings at Upton since April 2008
- Work closely with support providers, to ensure vulnerable clients have the right amount of support to sustain their tenancies.
- Starting to role out an Estate Champion Scheme

Home Housing Group

- In Northampton, have a dedicated Housing Income Management Officer who helps maximise people's income by providing assistance with Housing Benefit Claims and welfare benefit enquiries.
- Stonham are part of the Home Group that offer support and advice to vulnerable clients in Northampton.
- Home are supportive of the Council's own initiatives around prevention and attended the Council's 'recession day', where Stonham held a stall.
- Stonham are currently assisting the Community Law services, CAB and the Credit Union in their applications to access additional financial resources from Home's £250,000 'Supporting Communities' Grant Fund. The CAB bid has been successful and will part fund a Volunteer Support Worker for 3 years. This person will be responsible for recruiting 5 additional volunteers per year, which would assist in helping 900 new clients per year.
- Provided Northampton Credit Union with £5,000 for 2009/10 to raise the Credit Unions profile amongst the residents of Northampton through leaflet campaigns.

- Signed up to promoting the Horizons Scheme, which aims to provide financial support for disadvantaged single parent families. The scheme has three strands, Money, Budgeting and Education and work, and is geared towards helping parents make the transition out of debt and poverty.
- Part of the Sanctuary Scheme to provide safe rooms within properties for customers experiencing domestic violence.
- Recently set up a persistent prolific offenders service in-conjunction with probation, police, the prison service and CAN.
- Involved with a supported lodgings service which was operational on the 5th October 2009, to provide host families and support for 16-25 year olds in direct response to the finding that one 16/17 year old a week was identified as losing their tenancy.
- Help homelessness prevention agenda with structured SMART support plans for all of our Stonham clients.
- Signed up to the Northampton Data Sharing Protocol, providing the police with key information regarding ASB.
- Introduced Starter Tenancies in 5 of our largest schemes in Northampton and where possible refer customers to mediation services to assist in sustaining their tenancy.
- Through Stoneham's SMILE (Stonham makes independent living easier) programme, a group of clients meet on a monthly basis to provide feedback to Supporting People, Stonham and other agencies

Project Plan for the RSL Framework Agreement

Task	Milestones	Completion date	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
1	Complete Contract Notice	11 th December 2009							
2	Publish Notice in OJEU	14 th December 2009							
3	Prepare PQQ	18 th January 2010							
4	Expressions of Interest received	18 th January 2010							
5	Issue PQQ	19 th January 2010							
6	Receipt of PQQ	2 nd February 2010							
7	Evaluate PQQ	5 th February 2010							
8	Create a Shortlist	5 th February 2010							
9	Finalise Brief	12 th February 2010							
10	Issue Final Brief	12 th February 2010							
11	Tender period starts	15 th February 2010							
12	Receipt of Tenders	5 th April 2010							
13	Opening of tenders	7 th April 2010							
14	Evaluation of tenders	21 st April 2010							
15	Interviews	30 th April 2010							
16	Report to Cabinet	9 th June 2010							
17	Issue Notification of Decision Letters	16 th June 2010							
18	Framework Agreement commences	28 th June 2010							

Appendices - 5



NORTHAMPTON
BOROUGH COUNCIL

Item No.

8

CABINET REPORT

Report Title	Parks and Open Spaces Strategy – Consideration of Representations from Consultation and Approval of the Strategy, Planning Standards and Implementation Plan
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	25 th November 2009
Key Decision:	Yes
Listed on Forward Plan:	Yes
Within Policy:	No
Policy Document:	No
Directorate:	Planning and Regeneration /Environment and Culture
Accountable Cabinet Member:	Councillors Trini Crake, Richard Church and Paul Varnsberry
Ward(s)	All Wards

1. Purpose

- 1.1 For Cabinet to consider the representations received during the consultation phases, approve the Parks and Open Spaces Strategy for Northampton and the Open Space Quantity Standards outlined for Planning Policy purposes.

2. Recommendations

- 2.1 That Cabinet consider the outcome of the consultation on the Consultative Parks and Open Spaces Strategy and notes the key summary responses.

- 2.2 That Cabinet approves the Parks and Open Spaces Strategy for Northampton.
- 2.3 That Cabinet approves the use of the Accessibility, Quality and Quantity Standards as set out in Appendix B as the agreed standards for green space, as required for new development in accordance with Policy E19 in the Northampton Local Plan.
- 2.4 That Cabinet notes the process to develop an Action Plan from the workstreams identified, and to receive an annual briefing in respect of progress.

3. Issues and Choices

3.1 Report Background

- 3.1.1 On 13th January 2009, a full report outlining the timeframe and resources needed to develop a Parks and Open Spaces Strategy for Northampton was taken to Cabinet and approved. This report included the “Strategy Scoping Plan”, which set out the detailed stages for the development of the strategy. The Scoping Plan identified the need for public consultation on the Draft Strategy before being brought back to Cabinet for adoption in November/December 2009.
- 3.1.2 The Parks and Open Spaces Strategy was developed through:
- 3.1.3 **A crosscutting Steering Group** that included representatives from Northampton Borough Council Service Areas (Environment, Culture and Leisure and Planning), including other key partners (NCC, Wildlife Trust, RNRP (River Nene Regional Park) and WNDC (West Northamptonshire Development Corporation)) was established to take forward the development of a Parks and Open Spaces Strategy.
- 3.1.4 **An up-date of the Open Space, Sport and Recreation Needs Assessment and Audit 2006.** This has provided baseline evidence for the Parks and Open Space Strategy which:
 - Reaffirmed Surplus and Deficiencies in Open Space and up-dated local standards
 - Identified local needs and deficits in provision.
- 3.1.5 **An internal review of service provision using the “Towards An Excellent Service” process.** This process outlined a need for a cross directorate review of strategic policies and priorities relating to Planning Management, Leisure and Regeneration for Open Space and Parks.
- 3.1.6 Consultation was undertaken in line with NBC’s consultation toolkit, the main elements of this included:
 - Aims and Strategy for Consultation Process
 - A Stakeholder Analysis was completed

- An Engagement Plan developed
- An Equalities Impact Assessment completed
- Key Stakeholder Workshops held in July 2009
- Public Drop-In Surgeries held at the Guildhall on 15th September and 17th September 2009
- A Consultative Parks and Open Spaces Strategy being available for public comment on the Northampton Borough Council website from 13th August 2009 to 28th September 2009.

3.1.7 A significant allocation of CABA (Commission for Architecture and the Built Environment) advisory and support time was secured to assist in the development of the Strategy. CABA Advisors supported the facilitation of the workshops and reviewed the Consultative Strategy.

3.1.8 A series of workstreams (Appendix E) will be required to deliver the Strategy, these were developed in liaison with the Project Steering Group, Planning Officers and Service Heads for Regeneration, Leisure and Environment.

3.1.9 The workstreams will be developed into a three year rolling programme of deliverable actions, closely aligned to capacity and available resources and in accordance with priorities of the Strategy. Once developed by Officers, the Action Plan will then be agreed by the Portfolio Holders for Planning and Regeneration and Environment and Culture.

3.2 Issues

3.2.1 Following the completion of the updated Audit, Policy Review and Consultation with Stakeholders and the general public, a Parks and Open Spaces Strategy has been completed. This Strategy sets the framework for Parks and Open Spaces in Northampton and include a number of policies.

3.2.2 A set of Standards (Quality, Quantity and Accessibility) against Planning Policy Guidance 17 for Parks and Open Spaces in Northampton.

3.2.3 A set of Improvement Policies for the different types of Open Space.

3.2.4 A review of how Northampton Borough Council currently works with Partners, including Community Groups and “Friends of Groups” and recommends Policies for more effective partnership working.

3.2.5 Policies and workstreams for improving the sustainability of our Parks and Open Spaces.

3.2.6 The Parks and Open Spaces Strategy sets the Accessibility, Quality and Quantity Standards for the purposes of Open Space in new developments. These Standards set the requirements for adequate

provision in new developments. They have a material implication for Planning Policy and will ensure that the Council are able to achieve realistic allocations of Green Space Provision in growth areas and revenue contributions for Section 106 monies.

3.2.7 The Accessibility, Quality and Quantity Standards set out in the Strategy will, in the future, be formally incorporated into the Local Development Framework for the purposes of determining Planning Applications through the proposed West Northamptonshire Affordable Housing and Developer Contributions Development Plan Document (DPD). The adoption of this DPD is likely to be at least two years away. In the interim, it is considered necessary that the Strategy Standards in Appendix 2 be used to set out the appropriate Quality, Quantity and Proximity to Open Space that new development will be required to achieve. Cabinet are therefore asked to approve these Standards as interim policy for the purposes of Development Control, which will then provide the necessary clarity for Officers in dealing with Open Space associated with new development proposals.

3.2.8 Further work will be done between Neighbourhood Environmental Services and Planning Teams to establish a justified formula for the calculation of associated financial (revenue) contributions, as a commuted sum for the maintenance of Open Space.

3.3 Resources Required

3.3.1 Resources to deliver the Strategy are limited and finite.

3.3.2 It is expected that printing costs for the Strategy (Appendices) could be contained within £2,000. It is important that these resource requirements are shared between the lead Directorates of Planning and Regeneration and Environment and Culture.

3.3.3 The Action Plan, when completed, will identify which actions can be resources through base budgets and where additional external funding will need to be sourced. For example, major improvement works on specific parks.

3.3.4 The implementation of the Strategy will require significant Officer time from Environment and Culture to co-ordinate and deliver the Action Plan reflecting available capacities in its programme.

3.4 Choices (Options)

3.4.1 There are three choices available to the Council regarding the options:

3.4.2 Option A – (Preferred Option)

Adopt the Parks and Open Spaces Strategy and the Accessibility, Quality and Quantity Standards (to be used in association with Policy E19 of the Northampton Local Plan), subject to any minor changes. This would enable Northampton Borough Council to have an agreed Strategy for how it manages Parks and Open Spaces. Adoption will strengthen the Council's Planning position and provide a clear basis to support Bids to external funders to improve our Parks and Open Spaces.

3.4.3 Option B - Reject the Parks and Open Spaces Strategy, Implementation Plan and the Accessibility, Quality and Quantity Standards (to be used in association with Policy E19 of the Northampton Local Plan), as inappropriate documents for the management of our green spaces. Cabinet would need to give guidance on how Officers are expected to prepare a different approach to revising the documents. This option would delay the process considerably and risk creating discontent from Community Partners and other Stakeholders, who have been working on and are expecting a Parks and Open Spaces Strategy and Implementation Plan in 2009. This would have an impact on reputation. This would leave the Council in a weak Policy position and open to challenge on any Planning decision relating to Open Space. Funding applications to external funders will also be limited, as many require a Parks and Open Spaces Strategy and subsequent prioritisation.

3.4.4 Option C - Revise the current Parks and Open Spaces Strategy, Implementation Plan and the Accessibility, Quality and Quantity Standards (to be used in association with Policy E19 of the Northampton Local Plan), in their current form and suggest areas where the document should be improved, added to and redrafted. This option would delay the process and provide some risk of discontentment from Community Partners and other Stakeholders, who have been working on and are expecting a Parks and Open Spaces Strategy in 2009.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The adoption of a Parks and Open Spaces Strategy will establish a clear policy framework for the management, investment and rationalisation of Open Space in Northampton.

4.1.2 The Strategy and Policies replace any previous Strategies and Policies relating to Parks and Open Spaces.

- 4.1.3 The Council will have a robust, locally set Planning Policy on Standards for Accessibility, Quality and Quantity Standards for Open Space, as required for new development, in accordance with Policy E19 in the Northampton Local Plan.

4.2 Resources and Risk

- 4.2.1 There is an ongoing risk that if the Strategy and Standards are not adopted, then investment in Parks will continue to suffer, as both internal and external funding sources require clarity on strategic priorities.
- 4.2.2 The Strategy and associated document, along with the development of an Action Plan, will allow Northampton Borough Council to manage the expectations of Community Groups within the constraints of severe current funding limitations.
- 4.2.3 The implementation of the Strategy will require significant Officer time from the Environment and Culture Directorate to co-ordinate and deliver.
- 4.2.4 Officer time will be required to strengthen relationships with Community Groups to ensure maximisation of resources through partnership working.

4.3 Legal

- 4.3.1 None.

4.4 Equality

- 4.4.1 An Initial Equalities Impact Assessment on the Strategy has been completed. The Strategy will not impact adversely on any Equalities Group and there is no need to proceed to a full Equalities Impact Assessment.

4.5 Consultees (Internal and External)

- 4.5.1 The development of the Strategy has been discussed with Portfolio Holders for Environment and Culture and Planning and Regeneration. The Director of Planning and Regeneration, Director of Environment and Culture, Head of Regeneration and Development, Head of Planning, Head of Neighbourhood Environmental Services and the Head of Culture and Leisure have also been consulted, together with external groups/stakeholders as outlined in the report.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 Priority 1: We will help our Communities become Safer, Greener and Cleaner .** This project will maintain a range of good quality Open Spaces and Parks, and the provision of new facilities.
- 4.6.2 Priority 2: We will improve Housing and Health to enhance Wellbeing of our Communities.** This project could clearly help provide a range of leisure and cultural activities for young people, improve participation and access to cultural opportunities, promote healthy living initiatives for young people, contribute to improving the health of local people and encouraging vibrant neighbourhoods and engaged communities.
- 4.6.3 Priority 3: We will be a Confident, Ambitious and Successful Northampton.** This project will contribute towards creating place by ensuring adequate physical and social infrastructure in the town through Parks and Open Spaces to support sustainable growth for new and existing communities, whilst at the same time enhancing the unique history, heritage and culture of Northampton.
- 4.6.4 Priority 4: We will strengthen our Commitment to Partnerships and Community Engagement.** Improve partnerships to deliver joined up services, involve our voluntary and community sector in Planning, Decision Making and Delivery of Services.
- 4.6.5 Priority 5: We will be a well-managed organisation that puts our customers at the heart of what we do.** The Strategy will enable the Council to determine priorities and to focus resources within the current funding limitation.

4.7 Other Implications

- 4.7.1** Following the various reports to Cabinet in early 2009, there is an expectation from Partners (Funders, Key Agencies and the Voluntary and Community Sector) that the production of a Strategy and Action Plan will improve partnership working relationships.

5. Background Papers

- 5.1** Appendix A - The Parks and Open Spaces Strategy for Northampton.
- 5.2** Appendix B - Outline of Key Interim Planning Standards and Policies.
- 5.3** Appendix C - Feedback Summary from Consultative Draft Strategy, Questionnaire and Drop In Surgeries.
- 5.4** Appendix D - Summary feedback from the Consultation workshops.
- 5.5** Appendix E - Workstreams.

5.6 In turn, the following suite of documents support these papers:

- The up-dated, Open Space, Sport and Recreation Needs Assessment Audit (2009)
- Parks and Open Spaces Project Initiation Document (PID).

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DRAFT

Parks and Open Space Strategy for Northampton



November 2009

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(Related Documents)

Appendices

Appendix A – Quality Standards Report

Appendix B – Detail of categorisation of Parks and Open Spaces

Background Papers

- 1. A Review of national, regional and local policies affecting open space.**
- 2. Research Summary from OSSR Audit 2006 and Consultation Summary from 2009**
- 3. Report on Funding Issues for Parks and Open Spaces in Northampton**

Foreword

We are extremely fortunate in Northampton to have a wealth of parks and open space throughout the town. It is now accepted that parks and open spaces contribute to the quality of life of residents within their neighbourhoods, they provide a link to history of the area, contribute towards the culture, and attract visitors and overall the local environment affects the well-being of residents.

Whether it is formal gardens or woodland areas, parks, sports facilities, recreational open space or play areas; open spaces provide the venue and opportunities for a great range of activities for all ages.

Open space stimulates community spirit, boosts the local economy and promotes biodiversity. In other words they make important contributions to the Social, Economic and Environmental well being of the Borough and its people. Their role as the 'green lungs' of the Town is of increasing importance as the need to tackle the effects of climate change intensify. There is a need to make our open spaces attractive for everybody and make sure that in any new developments residents have access to high quality open space.

Since January 2009 – Northampton Borough Council has been working with CABE Space (The Commission for Architecture and the Built Environment), to produce this Strategy document. The Strategy sets out the framework of how we will manage and develop our open spaces.

It is anticipated that this strategy will act as a catalyst for significant improvements to our parks and open spaces through better design, development and management. We recognise that working in partnership will be vital to the success of this Strategy and we must build upon the good relationships that we have already forged.

Cllr Paul Varnserry
Cllr Trini Crake
Cllr Richard Church

Our Mission Statement:

‘In Northampton, through partnership working, we will provide attractive, enjoyable, safe and accessible open spaces, managed and maintained to meet the needs of our existing and future communities. This will contribute to everyone’s quality of life, the natural environment and social and sustainable economic prosperity.’

(Mission Statement developed as a result of group exercises during the Parks and Open Spaces Workshops in July 2009)

PART A – SETTING THE SCENE

Introduction

Parks and open spaces are integral to the cultural life of Northampton – they provide breathing space and are crucial to the successful functioning of our communities. People pass by open space, walk through it on the way to work or the shops, or stop to enjoy it. Parks offer places to relax and enjoy the natural environment away from the stresses of everyday life, for children to play, and for sport and recreation. In addition they play host to a range of events, festivals and educational activities on both a small and large scale, which attract local and regional audiences.

The unique geography and historic development of Northampton has created a legacy of parks, open spaces and green areas. The natural and man-made corridors following the Nene Valley its tributaries and the Grand Union Canal are a valuable asset (ref: Fig. 6) These corridors together with the legacy of its historical landscapes of Abington Park, Delapre Park, Becketts Park, Hunsbury Hill Country Park and the Racecourse provide a diverse collection of superb green assets, which

contribute to a sense of place, ever important in a changing town.

Northampton's open spaces include: 20 identified Parks, 496 Amenity Green spaces, of which over 50 are larger than 1 hectare, 111 Natural or Semi Natural areas, over 100 children or young peoples equipped play spaces, 178 Outdoor Sports Facilities, 23 Allotment Sites and 45 cemeteries and churchyards.

These make up over 1,670 hectares of green space. There is significant variation in distribution, quality and accessibility of green spaces, which this Strategy begins to address. Improvements are required to provide residents across Northampton with good access to good quality parks and open spaces. There are limited finite resources to manage and maintain our open spaces to a high standard and the Strategy will provide a criteria based approach to investment and retention decisions.

Benefits of open space

Open space contributes significantly towards the sustainable development of the Borough in the following ways:

- **Socially:** Provides improved quality of life, opportunities for social interaction, exercise, relaxation and community/cultural cohesion engendering a sense of community ownership and pride. They also offer a valuable educational role and can be used for lifelong learning about sustainable development and health awareness.
- **Environmentally:** They enhance sustainable transport, encourage biodiversity by providing wildlife migration corridors and ecosystems. This also provides pollution abatement and visual amenity.
- **Economically:** Quality Open space attracts investment if marketed appropriately, attracts development, attracts visitors and provides long-term local employment opportunities.

Why prepare a Parks and Open Spaces Strategy?

A strategy forms the framework for service delivery and the development of a comprehensive Action plan.

The four main areas that the strategy covers are:

1. How NBC will work with partners including voluntary and community groups.

2. The development of a set of standards for the provision of accessible open space across the Borough responding to Planning Policy Guidance 17 (PPG17).
3. A set of policies for service improvement and development and sustainability of open spaces.
4. Establishes the structure not only in the short term but also to take into account the medium and long-term management of parks and open space both physically and financially.

Scope

The Parks and Open Spaces Strategy for Northampton provides a framework that will help Northampton Borough Council and its partners protect, improve and sustain open space. It considers all land used formally or informally by the public.

The strategy does not consider open space that is not freely accessible to the public e.g. privately owned land and school grounds.

The Strategy builds upon the baseline data from the Open Space, Sport and Recreation Needs Assessment (2009),

which sets the standards and policies for our open space provision.

There is no set time frame for the Open Space Strategy but it will be reviewed on a five-year basis to keep it up to date and responsive to opportunities and circumstances.

The geographical scope conforms to the administrative boundaries of Northampton, i.e. the Strategy deals with the whole Borough.

With the agreement of partners in the West Northamptonshire Joint Strategic Planning Committee and West Northamptonshire Development Corporation its quality and quantity standards will be applied to any new development including the proposed urban extensions around Northampton.

Key aims of the Strategy:

1. Improve the quality, variety and accessibility of all types of open space.
2. Increase community use of all open spaces and improve community health.
3. Be aware of and take into account the effects of climate change and the effect green space can have on

climate change. Reduce the effects of climate change through biodiversity, conservation, education whilst protecting and enhancing the natural and cultural heritage of the Borough

Objectives of the Strategy

The **6** objectives of the Strategy are:

1. Justify and prioritise the improvement, management, maintenance and retention of open spaces.
2. Deliver diverse, multiple-use, high quality green spaces that reinforce the established Green Infrastructure network and contribute towards conserving and enhancing biodiversity.
3. Establish a framework for community, voluntary sector and other partner engagement in the future of our open spaces.
4. Provide the basis to secure appropriate and justified planning contributions in line with Planning Policy Guidance 17 (PPG17); Northampton will embrace the growth agenda to enhance existing spaces and to create new and exciting areas for relaxation, recreation and play.

5. Enable the Council and partners to respond strategically and invest resources in parks and open spaces.
6. Set out how Northampton Borough Council will monitor performance in parks and open spaces so that continuous improvement can be measured and realised through an Action plan.

Our Approach to Sustainable Open Space

When planning, developing and managing open space, the long-term social, environmental and economic benefits will be considered. Of these factors, one should not be improved at the expense of another. For example, social or environmental assets should not be lost in order to gain economic benefits.

In order to ensure the sustainability of open space in the Borough the following principles will be addressed in the long term:

- **Community ownership:** Achieve and maintain a sense of community 'ownership' and active involvement
This could be through using the facility, contributing to fund raising

and helping to manage and maintain in open space sites.

- **Managing for sustainability:**
Reflected in the core values of the Strategy in the day-to-day maintenance schedules and practices.
- **Sustainable finances:** Seek to ensure resources are available within limited council finances for the actions and ongoing future maintenance.

Further consideration to how Northampton Borough Council can improve the sustainability of our open spaces is given in Section C.

Summary Review of the Legislative and policy context at a national, regional and local level

National Context

A more detailed review of the Legislative and policy context at a national, regional and local level is included in Background Paper 1.

At a national level government has encouraged improvements to parks and green spaces with the appointment of CABE Space (www.cabespace.org.uk) who are an advisory body on green space. Four reports have specifically focused on the need for a strategic approach to be taken:

1. **Sustainable Communities Plan (ODPM, 2004)**
2. **Green Spaces Taskforce 'Green Spaces, Better Places'. Department of Transport, Leisure and the Regions (DTLR, 2003).**
3. **Living Places: Cleaner, Safer, Greener, (Office of the Deputy Prime Minister, 2003).**
4. **Planning Policy Guidance 17 - Planning for Open Space, Sport and Recreation, and its companion guide Assessing**

Needs and Opportunities (Communities and Local Government, 2002).

Other national initiatives that impact and influence the open space agenda are:

- Planning Act 2008
- Communities in control: real people, real power (Communities and Local Government, 2008)
- Healthy weight, healthy lives – a cross-government strategy for England (Department of Health, 2008)
- Fair Play – a consultation on the play strategy (Department for Children, Schools and Families, 2008).
- National Play Strategy (Department for Children, Schools and Families 2008)
- Building Schools for the Future (BSF) and the Primary Capital Strategy (Department for Children, Schools and Families, 2008)
- Lifetime Homes – Lifetime Neighbourhoods (Communities and Local Government, 2008)
- Skills to Grow: Seven Priorities to improve green space skills (CABE, 2009)

Regional Context

The East Midlands Regional Plan (EMRP) (2009) sets out the importance of high quality green spaces in:

Policy 1 - Regional Core Objectives:

Outlines the role of Green infrastructure in sustainable development, the need to protect and enhance the environmental quality of urban and rural settlements. The need to achieve a step change increase in the level of the Region's biodiversity, reduce the causes and impact of climate change and minimise adverse environmental impacts of new development and promote the provision of new optimum social and economic benefits through the promotion of sustainable design. Create infrastructure to enhance the attractiveness of the area and meet the needs of the population within the context of government requirements for Northampton to build 40,400 new homes by 2026.

Policy 28 - Priorities for environmental and green infrastructure:

requires that those responsible for planning and delivery of growth and environmental management should work together.

Milton Keynes and South Midlands Sub Regional Strategy (Government Offices for the South-East, East Midlands and East of England, 2005):

MKSM states that the two key requirements of sustainable communities are safe, healthy local environment with well designed public and green space, and urban areas that relate to the surrounding landscape and contribute to maintaining and enhancing assets as a cultural and recreational resource, and as resources for biodiversity.

Green Infrastructure – Making the Connection – Strategic Framework Study (RNRP, 2006) Identifies green infrastructure corridors of regional and sub regional significance and considers the countrywide network of green spaces as a whole. It evaluates biodiversity and movement networks and produced maps of particular importance to decision making on future development these include.

- Strategic Green Infrastructure Framework (map 1 - appendix)
- Sustainable Movement Network (map 2 - appendix)

Northampton Landscape Sensitivity and Green Infrastructure Study (Living Landscapes Consultancy, 2009)

- Identifies areas that would be challenging for new development and identifies that development needs site-specific consideration, justification and potential mitigation.
- The majority of Northampton Borough is classified as high or high – medium sensitivity.
- It also identifies key landscape sites, which impact on overall level of sensitivity.
- Highlights the Biodiversity Network, focusing on identified areas of habitat reservoirs and the opportunities to connect these core areas, for example along river corridors for all species.
- Highlights the Sustainable Movement Network, including provision for sustainable patterns of walking cycling, and horse riding. Linking the environmental and wherever possible, cultural and leisure assets for people.

The local planning context

The West Northamptonshire Joint Planning Unit established between Northampton Borough Council,

Daventry District Council and South Northants, is preparing a Local Development Framework. This includes a Joint Core Strategy and other development plans. These will replace the current Local Plans for the three Local Authorities. The Joint Core Strategy is currently programmed to be complete by January 2011. It will set policy on all aspects of planning in Northampton.

Emergent Joint Core Strategy (West Northamptonshire Joint Planning Unit, 2009) states that new development will be expected to contribute towards enhancing, restoring and creating new elements of the green network. The network will form part of the new growth areas, contributing to meeting West Northamptonshire's requirements for open space, sport and recreation, as well as biodiversity and accessibility. Development will not be permitted to compromise the integrity of the green infrastructure network.

The Local Plan 1993-2006, remains the main point of reference for policy in the transition period between the new and old planning systems.

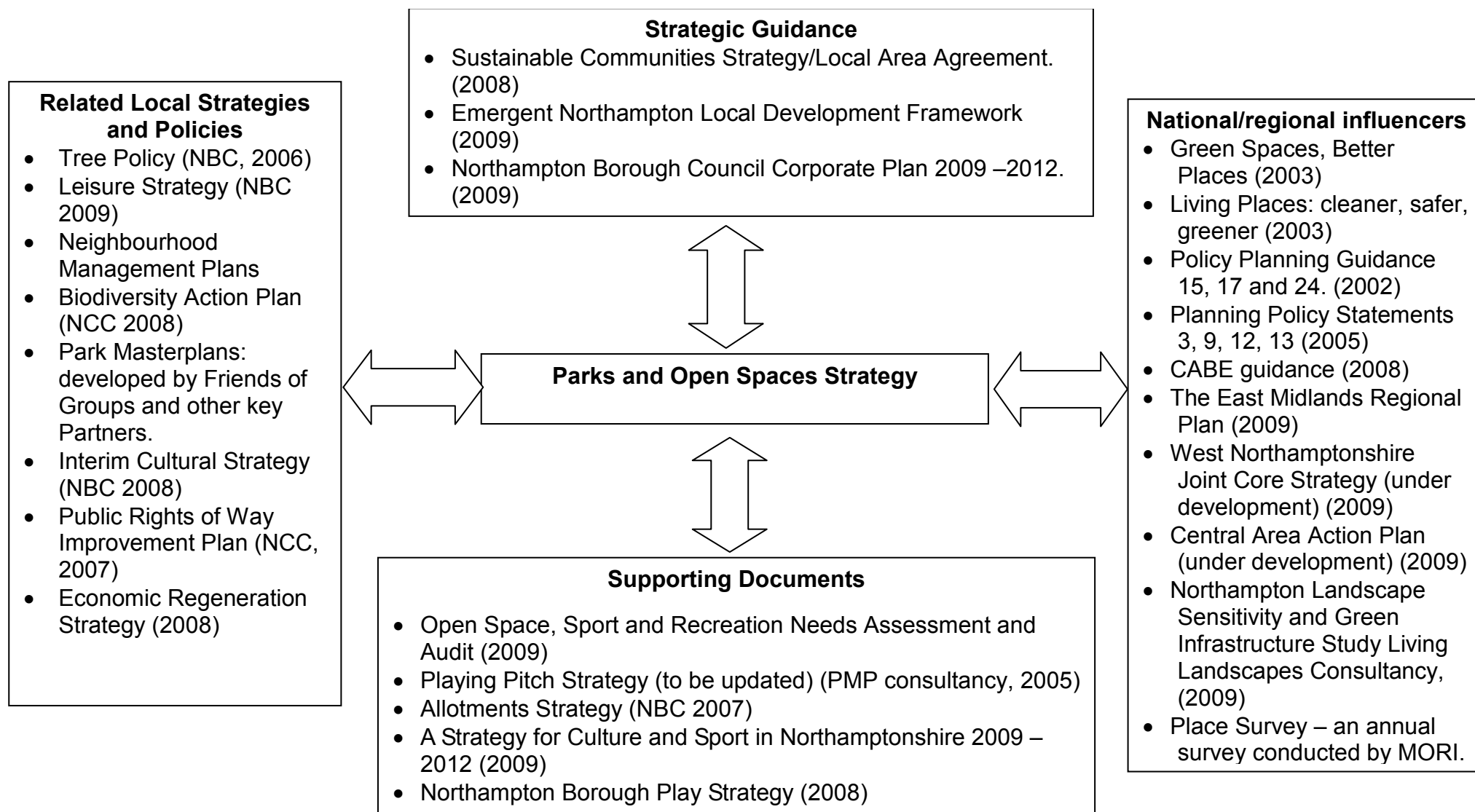
Local Policy Context related to open space:

- The Open Space, Sport and Recreation Needs Assessment and Audit (PMP consultancy, 2009)

**Other Relevant Local Documents
(See Diagram on page 10)**

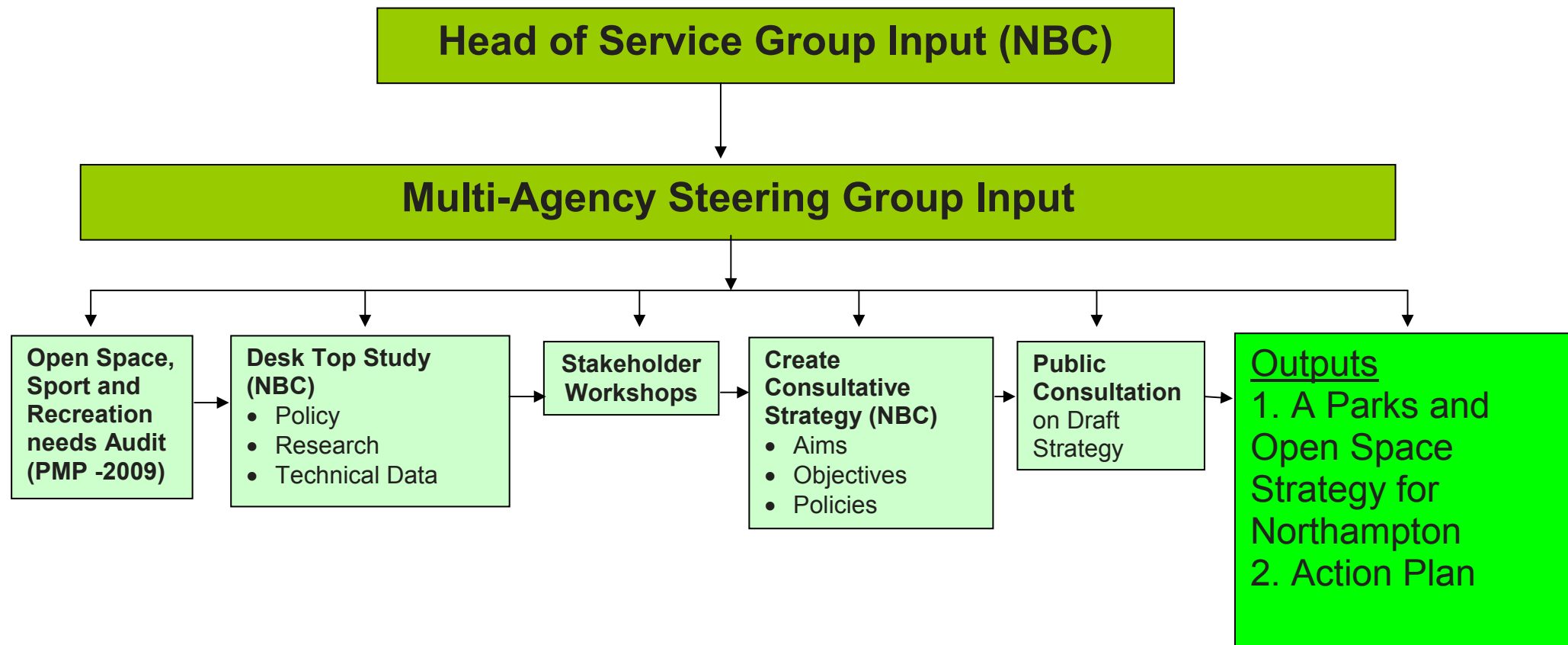
This summary review of strategic documents highlights the local importance of maintaining and improving open space sites within Northampton Borough for more detail see Background Paper 1. This strategy will contribute to achieving the wider aims of a number of local and national agencies.

Parks and Open Spaces Strategy for Northampton – Diagram Linking Strategies and Policies. (Fig.1)



How the strategy was developed (Fig. 2)

This diagram shows the process for developing the strategy:



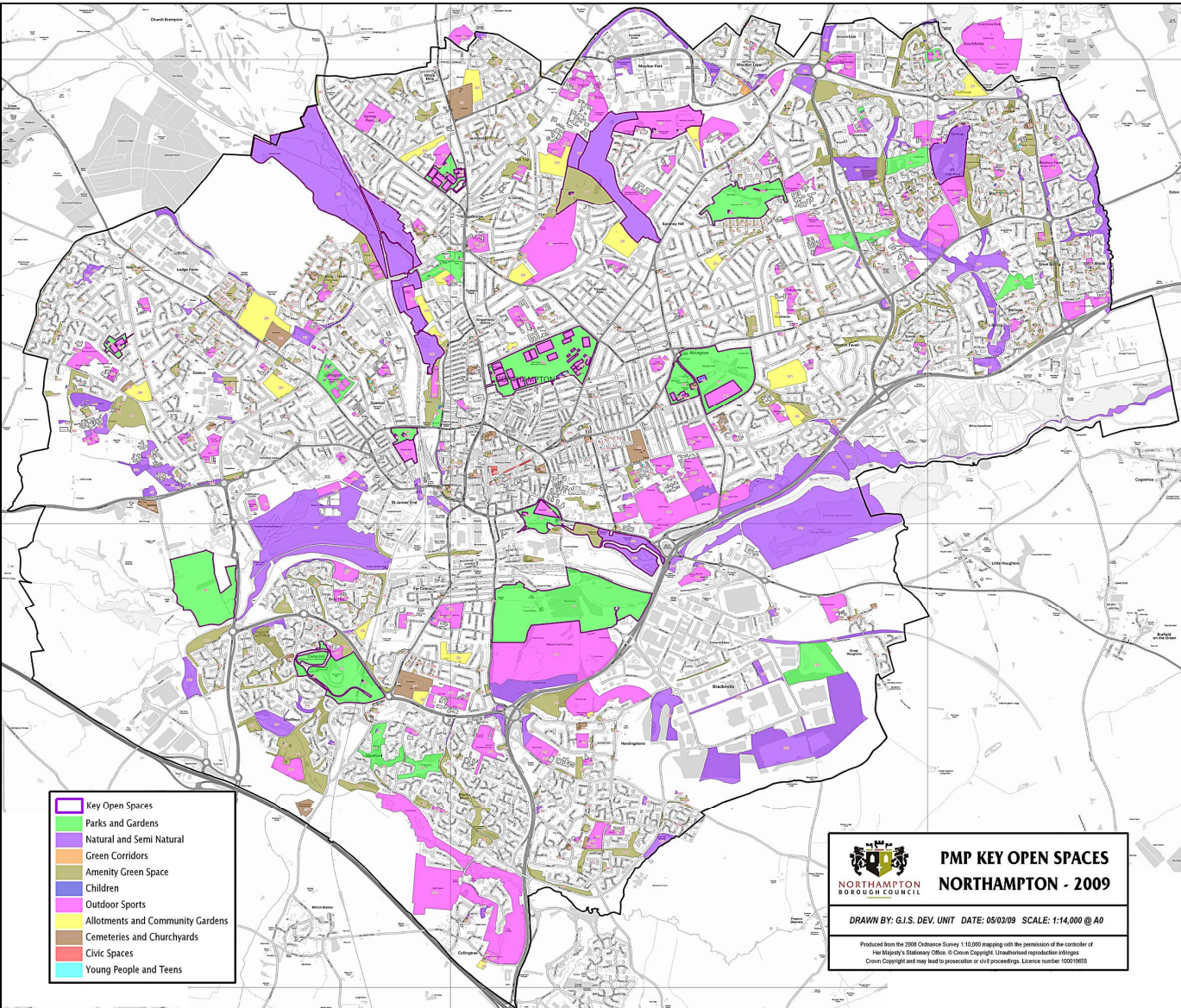
Open Space Categories

(Based on PPG17 guidance and local circumstances)

The strategy considers all open spaces for which there is legitimate public access and which provide recreational benefit. It considers 9 different types of space. The Borough owns almost all of these but there are areas where the land might be managed or owned by others. As well as setting out plans and policies for these types of space, the strategy proposes provision of standards.

Types of Space	Description
Parks and Gardens	Urban parks, country parks and formal gardens, open to the general public that provide opportunities for various informal recreation and community events. These have been put into four further sub groups as listed under “Categorisation of Parks and Open Space” on page 25.
Natural and Semi-Natural Open Space	Space includes woodlands, scrubland, orchards, grasslands (e.g. meadows and non-amenity grassland), wetlands and river corridors, nature reserves and brown field land with a primary purpose of wildlife conservation and biodiversity. These have been put into three further sub groups (Strategic, Premier and Neighbourhood) as outlined in Appendix B.
Amenity Greenspace	Commonly found in housing areas, they include informal recreation spaces and green spaces in and around housing, with a primary purpose of providing opportunities for informal activities close to home or work. These have been put into a further two sub groups (Premier and Neighbourhood) as outlined in Appendix B.
Play Provision for Children and Young People	Includes equipped play areas, ball courts, skateboard areas and teenage shelters with the primary purpose of providing opportunities for play, physical activity and social interaction involving both children and young people.
Outdoor Sports Facilities	Is a wide ranging category of open space, which includes both natural and artificial surfaces for sport and recreation that are either publicly or privately owned, they include playing pitches, athletics tracks, bowling greens and golf courses with the primary purpose of participation in outdoor sports.
Allotments and Community Gardens	Includes all forms of allotments including urban farms and gardens that provide opportunities for people to grow their own produce as part of the long-term promotion of sustainable health and social inclusion.
Cemeteries and Churchyards	These include private burial grounds, local authority burial grounds and disused churchyards. The primary purpose of this type of open space is for burial and quiet contemplation but allows for the promotion of wildlife conservation and biodiversity.
Green Infrastructure (GI)	This includes towpaths along canals and riverbanks, cycleways, rights of way and disused railway lines with the primary purpose to provide opportunities for walking, cycling and horse riding, whether for leisure purposes or travel and opportunities for wildlife migration
Civic Space	Includes civic and market squares and other hard surfaced community areas designed for pedestrians with the primary purpose of providing a setting for civic buildings, public gatherings and community events.

Fig 3: All Open Space Types in Northampton



Countrywide issues facing Parks & Open Spaces

Many issues Northampton faces, in relation to Parks and Open Spaces, are not unusual. There are nationwide problems associated with parks and open space, including the decline in the quality of green spaces. Key issues include:

Quality deficiencies in green space

Lack of investment, site management and maintenance are significant issues for Local Authorities.

Problematic site distribution

Levels of provision differ across urban areas. As provision is often historically based, it may be poorly located and not serve the present day concentrations of population.

Active community involvement

This is essential to ensure provision reflects community need, and historically this has not been managed well.

Consistency in strategic approach

There is often a history of *ad hoc* interventions and improvements in relation to parks and open spaces. Some of these were not sufficiently planned or resourced and so were often unsustainable.

These above issues are clearly linked, demonstrating the need for a coordinated and holistic strategic response. The Parks and Open Space Strategy is designed to meet the challenge and address these issues.

Heritage Conservation Areas influence parks and open spaces

There are currently 19 Heritage Conservation Areas in the Borough of Northampton, three of which cover Northampton's main parks, namely Abington, Delapre and The Racecourse. Each has been designated, following consultation with local residents and property owners, because of the distinctive conservation value, character and appearance of the areas

The designation of conservation areas aims to preserve or enhance the quality of the area. However, conservation areas are not open-air museums but living communities, which must allow some change appropriately over time in order to reflect their historic significance to communities. Consequently the emphasis is to guide development in the historic landscape setting.

Nature conservation areas

Poor management of biodiversity in public open spaces has led to isolation of sites

across the country contributing to breaking up the wildlife movement corridors which has undoubtedly led to higher local extinction rates.

Figure 6 shows the strategic and local green space. The Northampton Landscape and Green Infrastructure Study identified: 1 proposed Special Protection Areas (pSPA) 2 Sites of Special Scientific Interest (SSSIs); 6 Local Nature Reserves (LNRs); approx. 50 Local Wildlife Sites (LWS) and approx. 100 Potential Wildlife Sites (PWS).

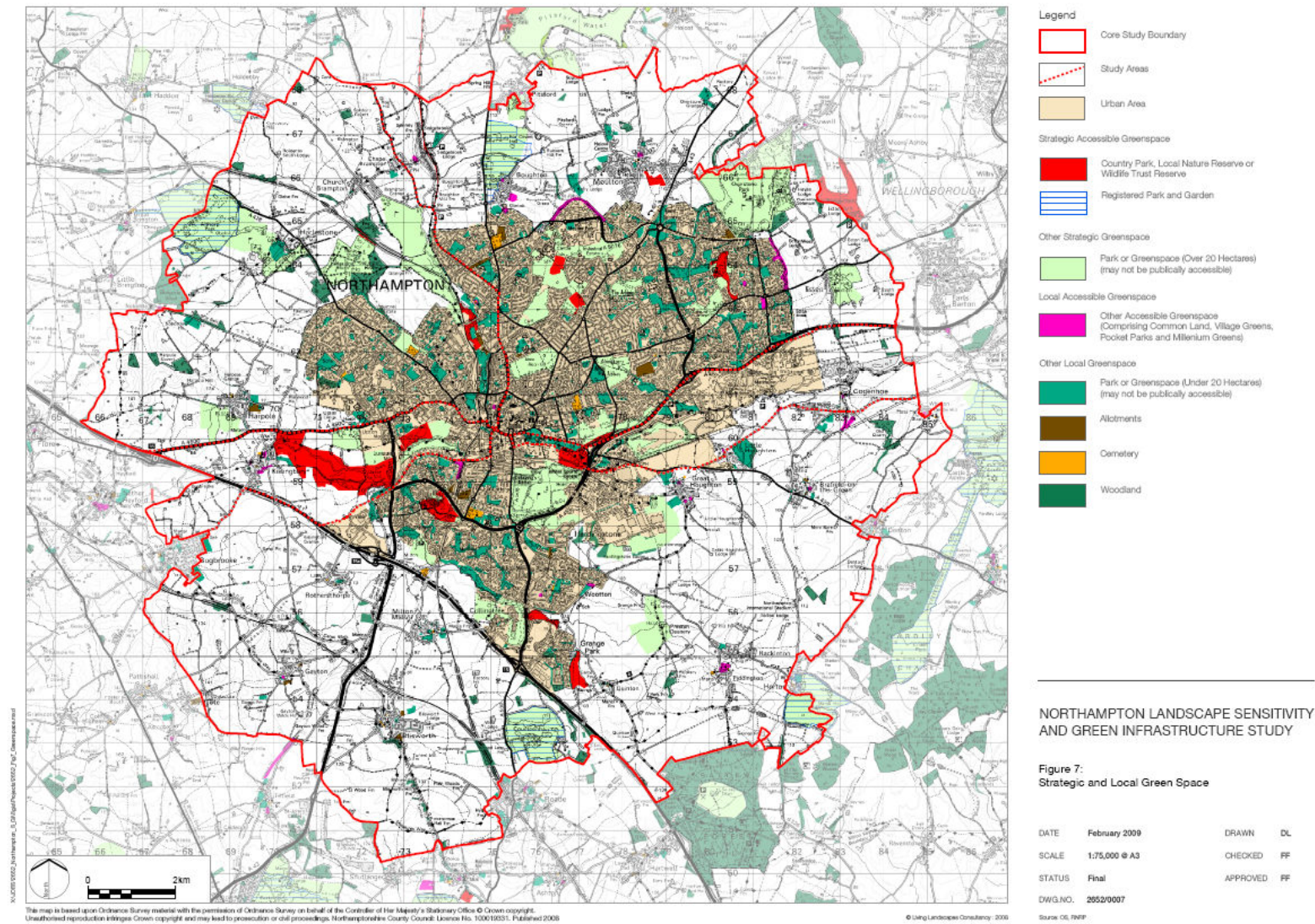
pSPA's and SSSIs are protected by European legislation, which places a duty on all public bodies to take reasonable steps, to conserve.

LNRs are nationally designated sites within the Borough chosen for special protection, from development or inappropriate change.

LWS's have no statutory protection but have been identified as being of locally significant nature conservation value.

PWS are sites that could be locally significant for nature conservation but this hasn't been confirmed yet by detailed site surveys.

FIG: 4 - Strategic and Local Green Space



(Map produced by Fiona Fyfe, Living Landscapes Consultancy Ltd, 2009)
http://www.westnorthamptonshirejpu.org/Portals/0/maps/2652_Fig7_Greenspace.pdf

Summary

- Green spaces are a key feature of Northampton with over 1,670 hectares of green space. There is significant variation in distribution, quality and accessibility of green spaces.
- Housing development driven by national planning policies and employment land allocations will have a direct impact on open space, sport and recreation provision. The expected population will place increasing demands on existing open spaces as well as generating higher needs for recreational open space provision.
- Northampton has a significant number of sites of geological or wildlife interest including two sites of special scientific interest.
- Northampton Borough Council recognises that open spaces are a distinctive resource and has ambition to improve the management of its parks and open spaces.
- Northampton Borough Council is not exceptional in having limited financial resources that have led to problems associated with park and open space management.

PART B – SETTING THE STANDARDS

What are the Northampton Standards for?

The standards are designed to ensure that everyone in Northampton has access to a range of good quality spaces and associated facilities. The standards will be used for planning new developments and prioritising future work for the council and partners in meeting this aim. It is intended that the key standards will be incorporated into the Local Development Framework and provide developers and the council with clarity over the future provision of green space in planning decisions.

The standards supplement planning policy protection for open spaces by ensuring that there will be adequate quantity, close enough to where people live.

How we set the Standards

A number of factors have been taken into account:

- The views of the community –through consultation
- An Audit of the Open Spaces and testing of potential standards
- Existing National Policy
- Benchmarking

Our Research

Local authorities are required to set standards for parks and open spaces that recognise both the present level of provision and local people's views and aspirations regarding the present and future provision.

Open Space, Sport and Recreation, needs assessment and audit – (PMP consultancy 2006 and 2009), (OSSR)

The Open Space, Sport and Recreation needs assessment and audit was carried out in 2006 and updated in 2009. The OSSR identifies local needs through a series of consultations.

The OSSR reviews national, local and regional policy and recommends standards in accordance with PPG17. It provides a comprehensive audit of existing provision of all types of open space, sporting and recreational facilities and examines current provision by:

Quality – a level of quality, which all spaces should attain

Accessibility – how far should people travel to reach a particular type of space and are there communities that are not well served by existing space?

Quantity – how much green space of different types there should be?

Consultation

Developing the audit in 2005 included an extensive consultation exercise where over 2,000 people from Northampton contributed their ideas. The outcome is a robust local assessment of provision at both a borough wide and local level. This is set out in the Open Space, Sport and Recreation needs assessment audit updated (2009).

Your ideas from the consultation have helped us understand:

- The needs and requirements of (local residents) the community.
- Good and bad points about existing provision
- The attitudes and expectations for open space
- How far people are willing to travel to different types of space.
- Existing open space, sport and recreation provision at a strategic level
- The key issues/problems facing different Council departments and agencies in regard to parks and open space.

What you have told us

Top line results

- The main barriers to use of parks and green spaces are issues associated with poor maintenance, fears for personal safety and anti-social behaviour, litter and dog mess.
- Quality is the overriding factor affecting satisfaction.
- Many people want a traditional multifunctional park.

The Standards (S)

When applying the standards they need to be considered together. However, it is clear from the consultation that **quality** is the overriding factor that affects people's satisfaction with a place. Therefore priority will be given to meeting the quality standards. Accessibility and Quantity are of next significance so these should also be taken into account in decision-making.

Quality

People use parks and green spaces in different ways, seek different experiences from them and look for different facilities and features. All of these factors affect whether an individual feels that he/she is visiting a good quality green space. As a result, defining and creating good quality open space, is challenging.

Public consultation indicates that a quality experience is broadly dependent on a number of factors such as maintenance, management, feeling of safety and cleanliness.

Quality is assessed with the aim of identifying areas of high quality for benchmarking and low quality so resources can be targeted towards improvement.

The OSSR sets out local quality visions for each type of open space typology. For example the Natural and Semi Natural standard is:

“A spacious, clean and litter free site with clear pathways and natural features including vegetation, ponds and flowers that encourage wildlife conservation, biodiversity, environmental education and awareness and act as opportunities for increased exercise and the improved mental health of residents.”

Quality Standards for Northampton have been devised which take into account safety and security, vegetation maintenance and facilities. For more detail on quality standards please refer to Appendix A.

Quality is on a percentage scale

- Poor, below 50%,
- Average, 50-69%,
- Good to excellent, 70% - 100%

The Quality vision sets a standard for each open space typology to meet as a minimum.

Open space type	Quality Vision Percentage	Current Average
Parks and Gardens	80%	74%
Natural and semi-natural green space	75%	68%
Amenity Green space	66%	61%
Provision for Children	80%	66%
Provision for young people	74%	59%
Outdoor Sports Facilities	80%	73%
Allotments	76%	76%
Cemeteries and Churchyards	70%	70%
Civic Space	70%	70%

Figure 7 – The highest quality and lowest quality Parks in Northampton

V good	90%and above	↑	
Good	70% to 89%		Victoria Park – 86%, Upton Country Park - 86%, Abington Park – 80%, Bradlaugh Fields – 80%, Errington Park – 80%, Kingsthorpe Park (Thornton Park) – 80%, Hunsbury Hill Country Park -80%, Millers Meadow – 80%, Kingsthorpe Recreation Ground – 75%, Lodge Farm Park - 76%, Becketts Park - 75%, Dallington Park - 75%, Brackmills Country Park – 75%, Delapre Park – 71%, Grangewood Park – 71%, Eastfield Park 71%, Great Billing Park – 71% and Southfields Park - 71%.
Average	50% to 69%		The Racecourse – 66%, Penn Valley Park – 66% and Thorplands Park – 60%.
Poor	30% to 49%		
Very poor	29% or below		

Value

Planning Policy Guidance (PPG 17) recommends that 'value' is taken into account in planning and land management. The open space value of a site is a measure of its potential to best fulfil an open space function.

This is not related to its value in economic terms and is also an entirely different and separate concept from quality. For example, a high quality site is of little value if it is unused due to being in a poor location. The value of an open space site can be assessed using the following criteria:

- Context. Such as nearby population concentrations and nearby similar provision.
- Level of use. Valuable sites are highly used.
- Wider benefits. Such as biodiversity and historical value.

Value will be assessed and given full weight in prioritising management, development and planning decisions involving change of use of individual sites.

NBC will use a 'value assessment' of each site to establish priorities for investment as shown in the table below.

The following factors will be included in the assessment:

Community Values	Strategic Values
Level of Use	Deficits in the areas
Levels of Anti-social behaviour	Contribution towards the local economy
Community views of the space	Importance to the Green Infrastructure
Heritage values	Quality standard
Overarching Levels of deprivation	Legal Status
Level of community involvement	Sustainability significance

Quality and value assessments will be used to:

- Identify high value sites as a priority for quality improvements. Drawing up a short-list of important open space sites that are of low quality as a priority for improvement.
- Produce detailed management plans for appropriate sites that outline improvement targets, against the agreed criteria.
- NBC will pursue accreditation for open space quality for a selection of parks and open space sites.

Accessibility

Public consultation revealed how far people travelled to different types of open space and by what means. This information has been used to derive catchment distances for the categories of open space. The catchment distance is how far residents can reasonably be expected to travel to each type of open space by foot.

Accessibility Standards for Northampton are shown in the table below:

Open space type	Distance (metres)	Estimated Time (mins)
Parks and Gardens	480	10 mins walking
Natural and Semi-natural open space	720	15 mins walking
Amenity green space	240	5 mins walking
Play provision young children	240	5 mins walking
Play provision young people	480	10 mins walking
Outdoor Sports Facilities	720	15 mins walking
Allotments and Community Gardens	720	15 mins walking
Cemeteries and Churchyards	Not set	Not set

Quantity

The amount of open space varies hugely between towns and cities. Historically Northampton has significantly more open space than other towns, with some very large open spaces, which include parks such as Delapre Park and large amounts of floodplain land along the River Nene and its tributaries. Currently the Borough has 8.19 hectares of open space per 1000 population, although the amount of open space per resident varies hugely across different areas. Central areas have proportionally less whereas areas on the west have significantly more.

Quantity standards

These guarantee adequate provision for use and are not a method for protecting open space. The planning system incorporates a range of policies – such as Natural England's Accessible Natural Greenspace Standard (ANGSt) and those for archaeology and flood plains to ensure protection. The quantity standards supplement these, but do not replace them.

Calculations of the Quantity Standards for Northampton take into consideration the current amounts of green space as well as residents satisfaction with the quantity and

quality of current provision. In order to calculate Quantity Standards in Northampton some of the larger open space areas have been excluded due to their tendency to skew figures. This ensures that Northampton is able to achieve realistic and achievable quantity levels. Sites excluded from the calculations include:

- Brackmills Natural Semi Natural open space (NSN)
- Delapre Park
- Duston Mill reservoir
- Flood Plain NSN
- Kingsthorpe NSN
- Upton Country Park

Although these sites are excluded from the development of the quantity standards, they remain important parks and open spaces for the town.

Minimum Quantity Standards

Open space Type	Hectares per 1,000 population	Current Provision 2009
Parks and Gardens	1.05	1.63
Natural and Semi-natural open space	1.57	3.25

Amenity green space	1.37	1.37
Play provision young children	0.04	0.016
Play provision young people	0.03	0.009
Outdoor Sports Facilities	1.62	1.51
Allotments and Community Gardens	0.42	0.42
Churchyards and cemeteries	0.013	N/a
Total	6.133	8.205

New Development

If new provision is not possible on site or within close proximity, financial contributions would be expected towards investment in other open space in the local vicinity within Northampton Borough.

More detailed information on distribution of open space can be found in the updated OSSR audit (2009). This will be used to inform where there are deficits or surpluses in provision and to inform decisions on disposal, especially when new development applications are being considered.

Any proposed development of open space will be in line with PPG17 guidance which

states that, 'development may provide the opportunity to exchange the use of one site for another to substitute for any loss of open space, or sports or recreational facility. The new land and facility should be at least as accessible to current and potential new users, and at least equivalent in terms of size, usefulness, attractiveness and quality. Wherever possible, the aim should be to achieve qualitative improvements to open spaces, sports and recreational facilities. Local authorities should use planning obligations or conditions to secure the exchange land, ensure any necessary works are undertaken and that the new facilities are capable of being maintained adequately through management and maintenance agreements'.

Improvement Policies

S1 – The standards will guide

Development Control decision-making with regard to planning applications for open space sites including the securing of S106 contributions for future management and maintenance.

S2 - The standards will guide

Development Control decision-making following a local area open space assessment and will determine

- i) How much open space provision should be made as part of new development.
- ii) Access links by foot, cycle and public transport needed (In association with Improvement Policy GI1)
- iii) Any contributions that should be made towards offsite open space
- iv) What typology of open space the planning contributions will be used for.
- v) Whether after a period of consultation open space or any assets within open space can be disposed or lost to development or whether they should be retained.

S3 - The standards will be applied as part of a holistic analysis of local resource in which quality, quantity and distance are considered together (as well as other relevant considerations such as other planning policy and particularly socially based values of the land).

Categorisation of Parks and Open Space

Many of our open spaces serve a variety of functions and it is useful to consider the sites by function in order to understand their differing roles. This will assist management and help understand how far residents are prepared to walk to the Borough's parks and other open spaces.

Northampton has categorised our Parks and Open Spaces into the following types:

1. Strategic Open Space(s) – These attract, or have the potential to attract, significant numbers of people from Northampton and its surrounding area. They are key to the Green Infrastructure (see fig. 1) and form important green linkages both for the Region and Northampton. They are an important part of the town and have significant potential for economic and developmental impact on Northampton. They offer features such as play, recreational, ecological, landscape, cultural benefits for local people and residents from across Northampton.

2. Premier Spaces – These are of a significant scale usually 15ha or more. A Premier space provides a broad range of

opportunities that include play, recreation, ecological, landscape, cultural and attract people from across Northampton. They have an importance on Northampton's green infrastructure network. They are easily accessible by public and private transport.

3. Neighbourhood Open Spaces -

These are areas of open space that can be variable in scale. They generally do not attract large numbers of people from across the town, but are significant in ensuring open space is accessible to Northampton's communities.

Neighbourhood open spaces will generally include features offering play, recreational, ecological, landscape, and cultural benefits to local people.

4. Town / Country Parks - A town and country open space (or park) typically over 15ha is an area serving a significant part of the borough. They are places that have a natural, rural atmosphere where visitors can enjoy a public open space with parking and other facilities in an informal atmosphere.

Categorisation and Accessibility

A significant number of residents live further than the recommended walk times

to open space. However consultation indicates that residents are willing to walk up to 30 minutes to strategic and 20 minutes to premier open space as they have more facilities to offer than a neighbourhood open space.

Quality Standards against each categorisation of Parks and open space

Typology	Functional Space Type	Quality Percentage Expectation	Current Average
Parks and Gardens		80%	74%
	Strategic	85%	71%
	Premier	80%	73%
	Neighbourhood	71%	75%
	Town / Country	75%	77%
Natural and semi-natural green space		75%	68%
	Premier	75%	77%
	Neighbourhood	60%	67%
Amenity Green space		66%	61%
	Premier	66%	69%
	Neighbourhood	60%	62%
Provision for Children	N/A	80%	66%
Provision for young people	N/A	74%	59%
Outdoor Sports Facilities	N/A	80%	73%
Allotments	N/A	76%	76%
Cemeteries and Churchyards	N/A	70%	70%
Civic Space	N/A	70%	70%

Accessibility Standards against each categorisation of Park

Open space Category	Functional Space Type	Distance (metres)	Estimated Time (mins)
Parks and Gardens		480	10 mins walking
	Strategic	1440	30 mins walking
	Premier	960	20 mins walking
	Neighbourhood	480	10 mins walking
	Town / Country	960	20 mins walking

Categorisation (of Parks)

Northampton Typology	Park Categories	Function of Space	Parks
Parks and Gardens	Strategic Park	Parks that: Have a strategic role in town centre development Have a historical and or heritage value Are used as a venues for events that attract people from across Northampton and the wider region Have a strategic importance on the green infrastructure and movement network Fit with the emerging Central Area Action Plan and West Northamptonshire's Emergent Joint Core Strategy Link with the Regional Strategy for East Midlands (RSS 8) Have a strong importance for other public bodies Offer a range of leisure, recreational and play opportunities Contribute to the Local Economy Have a high potential for increased numbers using space	Beckets Park and Delapre Park.
	Premier Park	Parks that: Have a strategic role in town centre development Have a historical and or heritage value Are used as a venue for events that attract people from across Northampton Act as Key Strategic green infrastructure. Fit with the West Northamptonshire's Emergent Joint Core Strategy and the Regional Strategy for East Midlands (RSS 8) Offer a range of leisure, recreational and play opportunities Contribute to the Local Economy Have a high potential for increased numbers using space	Abington Park and the Racecourse.

	Neighbourhood Parks and Gardens	<p>Parks that: Vary in Size Generally do not attract large numbers of people from across the town, but are Significant in ensuring parks are accessible to Northampton's communities. Generally include features offering play, recreational, ecological, landscape, cultural or green infrastructure benefits to local people. Are well placed to serve smaller local communities around the town. Can have the potential to become Premier Parks.</p>	Dallington Park, Eastfield Park, Errington Park, Grangewood Park, Great Billing Park, Kingsthorpe Park (Thornton Park), Kingsthorpe Recreation Ground, Lodge Farm Park, Lumbertubs Park, Millers Meadow, Southfields Park and Victoria Park.
	Town / Country Parks	<p>Parks that: Serve a significant part of the borough and are typically over 15ha. Are places that have a natural, rural atmosphere for visitors who do not necessarily want to or cannot go out into the wider countryside. Are public open spaces with parking and other facilities set in an informal parkland atmosphere.</p>	Upton Country Park, Brackmills Country Park, Bradlaugh Fields, Hunsbury Hill Country Park and Penn Valley Country Park.

Note: This table currently categorises Parks only and is therefore not inclusive of all open space in the Borough. Appendix B details the categorisation of all Parks and Open Spaces

PART C – Open space improvement and Policies

This section outlines key policies for delivering improved open space for the following categories:

Parks and Gardens - **P&G**

Natural and Semi-Natural open space - **NSN**

Amenity green space - **AGS**

Play provision for Children and young people - **CYP**

Outdoor Sports Facilities - **OSF**

Allotments and community gardens - **ALL**

Cemeteries and Churchyards - **CC**

Green Corridors/Green Infrastructure - **GI**

Civic Spaces - **CS**

Open Spaces defined on page 13

Parks and Gardens - P&G

Northampton has some outstanding Parks and public gardens. Parks and Gardens were seen as the key priority from consultation.

There are 319 hectares of parks and gardens in Northampton spread across

21 parks. The size of sites ranges from 0.56 hectares to 77.26 hectares. A high level of satisfaction with the quantity of parks and gardens is evident from responses to consultation, indicating sufficient quantity of provision.

The average quality score of a park or garden in Northampton is 74%. Respondents also perceive them as being of good quality. Scores vary from 60% to 86%. 7 of the 21 parks meet the 80% local quality standard:

- Abington Park
- Bradlaugh Fields
- Errington Park
- Hunsbury Hill Country Park
- Kingsthorpe Park
- Upton Country Park
- Victoria Park.

Vandalism and graffiti have been identified as the main problems affecting quality of parks. The highest rated aspirations for parks and gardens are to be clean and litter free, well kept grass, flowers and trees.

The population of Northampton is expected to grow. In order to ensure that parks are provided to meet the

demands for the future, it is important that provision and access to parks and open space is considered as part of any development.

Improvement Policies

P&G1 - Ensure that there is a good quality park with a range of facilities within reach of homes according to the set standards.

P&G2 - Restore, enhance and protect the historic and environmental context of Northampton's Parks and Gardens.

P&G3 – Where appropriate development should improve access links by foot, cycle and public transport and enhance entry points into our Parks and Gardens.

P&G4 - Maintain and manage a number of our Parks and Gardens to Green Flag standard.

P&G5 - Park area can only be lost to development where it is inappropriately sited and poor quality.

Natural and Semi-Natural open space - NSN

Natural and semi natural open spaces are one of the most frequently used

open space types in the Borough. There is a total of 660 hectares of NSN across the Borough. The sizes of sites vary from 0.06 hectares to 116 hectares.

NSN includes woodlands, scrub, grasslands, wetland, open and running water, pocket parks, orchards, wastelands and derelict land.

Natural and semi-natural open spaces generally provide the main linkages between green spaces. They are the key component in providing access to green corridors and therefore will create better access to countryside for residents and improved wildlife corridors improving biodiversity.

Northampton Borough contains many sites with particular designations in recognition of the wildlife present including 50 Local Wildlife Sites, a Site of Scientific Interest (SSSI) and 6 Local Nature Reserves (LNR).

The importance and significance of natural, semi-natural is shown within the Northampton Landscape Sensitivity and Green Infrastructure Study (2009). The Study recommends

key actions for all habitats found in Northampton.

Responses from residents emphasised the need to protect this type of open space.

There are a number of strategically important sites that are highly valued and well used, examples include:

Bradlaugh Fields, Lings Wood and Kingsthorpe Local Nature Reserve.

There is a larger quantity of natural and semi natural space across Northampton than any other typology, suggesting that there is more than adequate provision.

Nearly all residents are within the recommended 15 minute walking distance of natural / semi natural open space.

However the main concern for Natural / Semi Natural open space is that the quality is very varied.

Improvement Policies

NSN1 - Protect and enhance the natural and semi-natural urban green spaces through the Planning

system and by making appropriate designations of sites to protect them.

NSN2 - Where appropriate development should improve access links by foot, cycle and public transport between natural and semi-natural urban green spaces to enable all sections of the community to use and enjoy these areas.

NSN3 - Work with partners and local communities to manage these sites and raise awareness about them.

NSN4 – Manage all public spaces in our ownership, to protect and enhance their value for wildlife and habitats.

Amenity Green space - AGS

Northampton has a large amount of amenity green space with 495 designated sites. These range from the smaller amenity green spaces within housing estates, which are often less than a hectare in size, to large sites such as Ladybridge playing fields which is over 20 hectares. Amenity greenspace is generally informal with few or no facilities, but provides flexible space for recreation, play and events close to home.

Northampton has a significant amount of poor quality amenity green space perceived as unsafe and inaccessible. Consequently these have low levels of use, and detract from the local area. Spaces of this type can attract anti-social behaviour, particularly fly tipping and motorbikes. Some of the poor quality smaller spaces appear to have been left over from developments with little thought to how they fit within their neighbourhoods.

Tackling anti-social behaviour in some of these sites will be a priority in order to upgrade them to a good standard. In some cases such spaces, which offer low value, may be justified for disposal to invest in other local open space, or changed to other types of land use. When considering alternative uses, regard will be paid to standards of provision set out within this document.

The level of the existing grounds maintenance, limits the quality of Northampton's amenity open space. Focussing on improvements to basic grounds maintenance will make significant improvements. However, there are many cases where more

fundamental changes are needed to make informal spaces work to their potential.

The average quality score of amenity green space in Northampton is 61%; the quality vision standard is 66%. Of the 495 sites identified, 189 are at or above the local quality standard. The two highest rated requirements were clean, litter free and well-kept grass, reinforcing that for the space to be of value to the local community, it must be aesthetically pleasing. Considering the evidence base for amenity green space the priority focus should be improvement to the quality of existing sites.

Quantity levels of amenity green space are high throughout the Borough with only a few areas with deficiencies.

The majority of residents have access to amenity green space within the recommended 5 minute walk time.

Improvement Policies

AGS1 – Prioritise investment and agree a rolling programme to improve grounds maintenance including the basics of grass cutting, litter and dog fouling.

AGS2 - Where there is excess amenity green space, which is inappropriately sited, consider using it for alternative purposes, such as changing its use to another type of open space or for development.

AGS3 - Generate a more appealing and useful urban environment through better design of amenity green space.

Play Provision for children and young people - CYP

This typology encompasses a vast range of provision, from small areas of green space with a single piece of equipment, to large multi purpose play areas.

Creating diversity and stimulating imaginative play are essential for children to grow and learn. Northampton has a number of exciting and challenging play spaces such as Victoria Park, Becketts Park and Abington Park. However, Northampton also suffers from small, poor quality, poorly located and poorly equipped playgrounds, often developed through localised funding or as a requirement of housing development.

Children's play has traditionally been based on the provision of equipment in designated play space. However, national play policy for children has altered substantially since PPG17 was issued and is now defined by the Government Department for Children, Schools and Families, 'as requiring more focus on delivering innovative and stimulating equipment and landscaping, providing areas for natural play or free play in the landscape not just play equipped areas'. Well-designed spaces using natural materials or a mix of natural and traditional equipment will transform children's play opportunities. Development Control Officers need to have an awareness of this new approach so they can encourage better design of play spaces on new housing developments.

If NBC were to use the PPG17 criteria - designated sites using the boundaries of solely equipped areas it would show a deficit of accessible play space in Northampton. However if informal types of play space are included in calculations, as suggested in the Northampton Borough Play Strategy, children clearly have many

more opportunities for play in Northampton. These include children playing in Lings Wood, rolling down the sides of the valley area at the Racecourse, playing in the stream that runs through Victoria Park and similar activities.

The Council will introduce more natural play opportunities within a safe environment, instead of an over-reliance on equipment. Parks also need to be able to provide good facilities for young people. Northampton has a good network of Multi-use Games Areas (MUGA) spread throughout the town and gym exercise machines in Victoria Park and Abington Park, which all contribute towards creating challenging equipment for older children and young people. Research with young people shows that somewhere which is 'their' space to meet, such as swings designed for them rather than younger children, is sometimes all that is needed.

The average quality score of children's play provision is 59% and 66% for young people's play with the quality vision percentage at 80% for children and 74% for young people.

7 of the 88 children's play area sites meet the quality benchmark vision. In addition seven of the 35 facilities for young people/teenagers meet the quality vision.

Residents have indicated that the quantity of children's and young peoples play areas is insufficient. It is also recognised from the baseline audit that there is a shortfall of play areas particularly when accessibilities standards (5 minutes for Children and 10 minutes for young people) are applied. The highest shortfalls are in Abington, Billing, East Hunsbury, Headlands and Nene Valley wards.

Improvement Policies

CYP1 - Provide a diverse range of children's play spaces from fixed equipment to natural play spaces, which are designed to be, exciting, with elements of risk and challenging using both the natural landscape and the introduction of natural play materials into the wider open space environment.

CYP2 - Increase the area of play space, providing larger, better quality play opportunities, well distributed across the town.

CYP3 - Ensure that the equipment in play spaces and facilities is inclusive, appropriate and stimulating for a range of age groups and abilities and wherever reasonable accessible to all.

CYP4 - Ensure that children and young people have a continuous involvement in the design and management of play spaces and young people's facilities.

Outdoor Sports Facilities - OSF

The Council adopted a Playing Pitch Strategy (PMP consultancy, 2005), which provides the key proposals for formally organised sport across the town. The Strategy shows that the Borough has several key sites for formal organised outdoor recreation. There are 178 outdoor sports facilities of various types including football, rugby, cricket, tennis, bowls and golf. The total provision equates to 509 hectares, of which 203 hectares is taken up by golf courses.

There are 83 senior and junior grass football pitches available for community use, with an additional 5 mini pitches, there are several Multi-Use Games Areas around the Borough

that have organised use. Voluntary and private sports clubs provide tennis, rugby, football and bowls facilities. These are supplemented by more local provision, recreation grounds, education and voluntary sector provision. These are provided within some key public sites such as:

- Parklands Park,
- The Racecourse
- Lings Park
- Abington Park
- Kingsthorpe Recreation Ground

The Playing Pitch Strategy is used as a tool for determining requirement of sports pitches. This includes standards of quantity and accessibility.

The Playing Pitch Strategy found that a substantial number of sports pitches were inadequate for the amount and type of use made of them and that there is considerable unmet demand.

Open spaces have an important role in providing opportunities for informal sports such as jogging, softball and kick about and less formally organized games of cricket and football. NBC aims to improve parks to provide simple ways to aid sports activities such as fitness trails and goal posts as

well as sport and exercise related activities.

Improvement Policies

OSF1 - Enhance parks and open spaces to increase informal sport opportunities.

OSF2 - To regularly review the Playing Pitch Strategy and comply with its Policies to ensure that there is adequate provision for Outdoor Sports in Northampton.

Allotments and Gardens - ALL

Allotments provide for leisure, recreation, relaxation, healthy exercise and social contact. Like other open spaces they can be havens for wildlife and provide a visual amenity that changes with the seasons. A revival of interest in food growing has resulted in increased demand for allotment plots, particularly in densely developed areas where gardens are small or non-existent. There are over 1,700 plots on 17 sites (owned by NBC) across Northampton.

The sites are, on the whole well used and in demand but some are tired and in need of investment to ensure that they meet the expectations of the 21st

century allotment holder. Consultation has suggested that best practice allotments would be plots accessible to disabled users with facilities such as toilets, water supplies, fencing and security.

Allotments where community groups are integral to the management of the site have been particularly successful and NBC encourages self-management of sites.

Site assessments indicate that the quality of allotments is good, with the average quality score being 76%. Allotments have a vision quality standard set at 76%; of the 23 sites identified 18 are at or above the local quality standard expectation.

Allotments are unevenly distributed across the Borough with the majority of sites being located in North and the West of Northampton.

It has been identified in the OSSR (PMP consultancy, 2009) that NBC have a surplus of allotments in Northampton as a whole. This is based on actual area of allotments rather than actual areas that are usable as allotments.

Some allotment sites have large areas that are currently unusable for cultivation and either need investment to be brought back into use, or if they are surplus to requirements of the local community, used for other purposes. From an area-to-area perspective there are some areas that have deficits in provision and new allotment sites are required.

Improvement Policies

ALL1 - Work in partnership with local organisations to regularly review the distribution, protection and potential disposal issues.

ALL2 – Implement a prioritised programme of works to, improve security and the range and standard of facilities available on NBC owned allotment sites.

Cemeteries and Churchyards - CC

There are 45 cemetery and churchyard sites in the Borough. The size of these varies enormously from a churchyard, to a cemetery. Kingsthorpe Cemetery is the largest site covering an area of 7.7 hectares. Cemeteries and

churchyards are an important asset they offer a range of benefits, for example they provide sanctuary for wildlife and places for people to reflect undisturbed. They are cherished for the historic value they provide and often respected for their part in creating a historic landscape.

Such values were recognised within local consultations and a number of sites were highlighted as examples of good practice including Billing Road Cemetery and Holy Sepulchre.

The cleanliness and feeling of safety in local cemeteries and churchyards emerged from consultation as being particularly important. There were worries about the standard of care and feelings of being insecure in cemeteries.

Site assessments indicate that the quality of cemeteries and churchyards is good, with the average quality score being 70%. Cemeteries and Churchyards have a vision quality standard of 76%. Of the 45 sites identified 17 are at or above the standard.

It has also been highlighted that there is a shortage of burial grounds within the Borough.

Improvement Policies

CC1 - The Council will produce a Cemeteries and Churchyards Strategy. The strategy will include an action plan providing an approach to meeting future needs.

CC2 - Protect the Borough's cemeteries from inappropriate development, safeguard the nature conservation value of cemeteries and churchyards and begin to develop more awareness of ecological management of cemeteries and churchyards.

CC3 - Work with partners and local communities to manage these areas, to maintain and enhance their value and ensure they are secure.

Green Infrastructure - GI

Green infrastructure' (GI) is a network of multi-functional green space, provided across the sub-region. It is set within, and contributes to, a high quality natural and built environment.

GI consists of public and private assets, with and without public access and can be situated in urban and rural locations. With the exception of some outdoor sports facilities, all the PPG17 typologies, including green corridors, are considered to be GI 'assets'.

High quality and easily accessible green corridors provide free passage from one place to another for people and wildlife. Northampton has a number of strategically important green links, providing important traffic free cycling and walking routes, as well as acting as significant wildlife corridors.

The Sustrans regional Cycle Route passes north-south through Northampton, via the Brampton Valley Way, through the town centre alongside the River Nene, then south along country lanes through Great Houghton. In addition, there are proposed Sustrans Connect 2 routes and links between the Grand Union Canal and the centre of Northampton. The importance of the corridors have been highlighted in the Strategic Green Infrastructure Framework and figure 1 shows the key biodiversity, Public

Rights Of Way network and cycle routes combined.

There are 3 long distance routes / Country Walks within Northampton, including the Nene Valley Way, the Grand Union Canal Walk and the Brampton Valley Way. These offer long walks within Northampton and into neighbouring authorities. Other smaller routes can be found across the town. Northampton Borough Council will continue to support joint projects with neighbouring authorities to enhance these routes, and ensure their quality is improved and maintained to encourage an increase in cycling and walking within and through the town.

This Strategy will support Northamptonshire County Council and the Public Rights of Way Improvement Plan to maintain and improve routes. There is a need to balance the importance of green infrastructure and utilise potential development of sites such as country nature trails that already exist. Development will consider both the needs of wildlife and humans.

Appropriate green infrastructure networks are set out in the Making the Connection - A Strategic Green Infrastructure Framework (2006) as well as the Northampton Landscape Sensitivity and Green Infrastructure study (2009) as shown in Figure 5.

Improvement Policies

GI1 – New development will be required to improve linkages, open space corridors, riverside routes and cycle/walkways, bridleways through the town for recreation, biodiversity and safe commuting.

GI2 – Use opportunities to promote links such as dismantled railway lines and cross country nature trails that already exist.

Civic Space - CS

Civic spaces are an important asset for all, in particular in the denser urban areas where provision of open space is limited.

People in Northampton value civic spaces as meeting places and suggest they provide a "sense of belonging".

Increasing access to and enhancement of, the quality of these

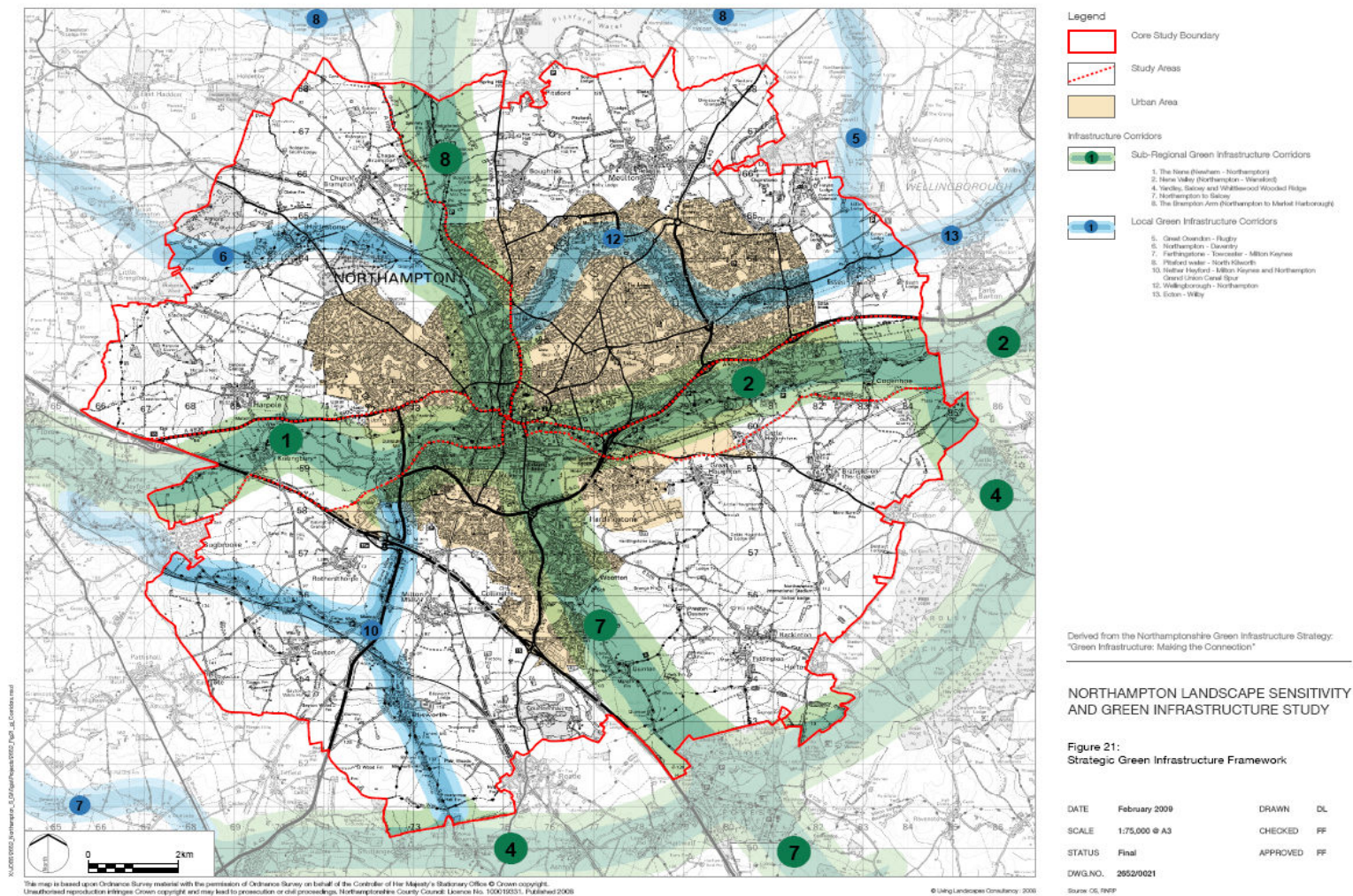
sites should be a priority. Northampton Borough Council and partner organisations are demonstrating increasing commitment to regenerating and improving civic space as can be demonstrated by recent developments in the Market Square and along Gold Street. The Northampton Public Realm Implementation Framework is a manual followed by WNDC, NCC and NBC and contains guidelines on how to improve public realm and has a commitment to the use of high quality design and materials to create a 'quality' feel for our town centre civic spaces.

Improvement Policies

CS1 - To raise the quality of civic spaces in Northampton by creating well designed, quality civic spaces that reflect and enhance the borough's built and landscape heritage.

CS2 - The design and planning of new neighbourhoods in Northampton should follow national and local guidance for example the current WNDC Design Code Manual.

FIG: 5. Strategic Green Infrastructure Framework



(Map produced by Fiona Fyfe, Living Landscapes Consultancy Ltd, 2009)
http://www.westnorthamptonshirejpu.org/Portals/0/maps/2652_Fig21_GI_Corridors.pdf

Sustainability of our Parks and Open Spaces

NBC Service Self Assessment

In early 2009 Northampton Borough Council undertook an internal review of its Parks and Open Spaces function using the TAES framework (Towards An Excellent Service).

TAES is a self-assessment process through which Northampton Borough Council has identified its strengths and weaknesses in relation to Parks and Open spaces. The key findings and improvement priorities identified include:

- A need to develop greater clarity of responsibility in all areas of strategic and operational activity
- Clearly linking strategy with service plans
- Effective documentation of changes in response to requests for change (A clear audit trail)
- The identification of key critical points of contact in relation to partners and stakeholders
- The identification and adoption of best practice from other authorities
- Directly linking expenditure to strategic priorities

- Developing cross service communication links
- Involving all employees in service planning
- Developing a culture of continuous improvement to encourage bottom up solutions to service improvement
- Need to develop a comprehensive set of service standards for all areas of strategic and operational delivery, and monitoring system.
- Improved systems for dealing with customer information and feedback
- Effective internal communications to ensure all employees are aware of the link between performance monitoring and service improvement.

Community Cohesion - Cco

Community cohesion is central to what makes a safe and strong community and encourages equality, inclusion and diversity. Open spaces comprise a major part of the public realm. By being such prominent local features they help define a community's sense of place. The opportunities for community engagement in, for instance, undertaking parks improvements, can demonstrate civic

pride and shared values. Furthermore the opportunities for people to come together around open space are known to be highly rewarding, creating lasting bonds and mutual understanding.

Community cohesion promotes greater knowledge, respect and contact between various groups within the community, building a greater sense of citizenship.

Many parks and open spaces have the potential to hold public events and festivals, which can bring together people from diverse backgrounds and cultures. Similarly, strong and positive relationships can be formed throughout the borough through participation in sport and other leisure activities, again bringing communities together.

Improvement Policies

Cco1 - Northampton Borough Council will maximise the potential of parks and open spaces to hold events that encourage social interaction between people of different cultures and backgrounds.

Safer Parks - SP

Anti-social behaviour reported during the consultation process in our open spaces included:

- Misuse and vandalism
- Litter and rubbish and fly tipping
- Dog fouling
- Motorbikes used illegally in specific areas

Despite there being relatively low reported crime levels, there is sometimes a perceived risk involved in visiting open space, with an escalating fear of crime amongst certain user groups. Different user groups can feel vulnerable for a variety of social and cultural reasons.

Open spaces must be safe to use and people should 'feel safe' when using them. NBC will seek ways to make open space sites more accessible places by addressing personal safety and the feeling of being safe. Sites in some cases are not in locations where community safety has been considered and can contribute to the likelihood of anti-social behaviour in a community area.

Northampton Borough Council in partnership with the police, Anti-social Behaviour Unit and 'experts' across Northampton already work together to focus on the issues of anti-social behaviour in our open spaces.

Improvement Policies

SP1 - Design all aspects of open space (including its relationship with surrounding development) to minimise the opportunity for crime and anti-social behaviour.

SP2 - Provide promotion and enforcement with appropriate facilities such as litter and dog foul bins – and empty them as required

SP3 - Promote pride and ownership of open space sites including Friends of Park schemes.

SP4 - Inappropriately sited open space will be considered for alternative purposes such as other open space functions or for built development following a period of public consultation.

Working in Partnership - WP

Northampton Borough Council owns, and has the responsibility for, maintaining the majority of the open spaces in the Borough. However it

will, wherever possible, seek to work in partnership.

There are considerable benefits to partnership working, both to the partners and the wider community. The Local Authority gains a greater understanding and connection with local people, and partners can be helped to achieve their objectives. Partners include:

- 'Friends of' groups
- Environmental organisations
- Local businesses and schools
- Parish councils
- Voluntary and community organisations
- Other statutory bodies

As part of development of the Strategy, NBC have reviewed how it works with partners and how it can improve its partnership working practises.

Community Consultation and Involvement in our Open Space

Public consultation is essential in ensuring that decisions are influenced by the views of local people. Consultation is built into the Place Survey – an annual survey conducted

by MORI on behalf of Northampton Borough Council.

It is also a requirement that consultation is carried out for major improvements and changes proposed at specific sites. Special efforts will be made to reach children and young people and other groups.

Tackling Barriers to use

Northampton Borough Council will seek to ensure equality of access to our parks and open spaces. The Council will work alongside partners to challenge anti-social behaviour such as dog fouling, motorbikes and also tackle other issues that are identified as barriers to use.

Developing and Supporting Community Groups

Community groups contribute significantly to improving our Open Spaces.

Many successful groups exist across Northampton working to improve their local parks and open space, through fundraising for equipment, holding events such as fun days and days to make environmental improvements such as tree planting and litter picking.

Improvement Polices

WP1 – NBC will continue to support work with community groups to encourage a greater range of people to contribute to their local spaces and develop more opportunities for volunteering

WP2 - NBC will use the results of public consultation to ensure it informs prioritisation and improve parks and open spaces.

WP3 - NBC will develop structure(s) to ensure that partners are involved, including community groups to agree how parks and open spaces are improved through prioritising and targeting resources.

WP4 – NBC and partner organisations will establish a 'Friends of Parks' Forum to make better use of staff resources, share best practice and pool fund raising experience to ensure objectives are shared and better understood.

Funding for Parks and Open Spaces - FPO

Funding and Maintenance

An important issue is the ability to not only fund improvement projects, but to

ensure that funds maintain the quality of these improvements over time.

A key issue for the Strategy is to raise awareness of both the capital and revenue funding required to maintain and develop the Boroughs open spaces.

The traditional model for developing and maintaining open space is reliant on local authority budgets. As the provision of parks and open spaces is non-statutory, budgets are prone to be squeezed and reduced. In a changing financial climate other funding models need to be explored.

Capital projects

An array of grants are available for capital projects which could, in some circumstances, pay for refurbishments. Capital funding can be sought through planning obligations, or from external grants, and sponsorship.

Many of these grants are only available to the voluntary sector or community groups rather than Local Authorities. Many community groups have been successful in securing funding to support developments in their local areas. There is scope to

bring local groups together to ensure a more co-ordinated approach and maximise fund raising potential.

Grant aid and sponsorship will be sought in a prioritised way according to need.

Assets and Redundant Buildings

Northampton Borough Council will need to comply with HM Treasury arrangements 'for whole government reporting', which will require that local authorities assess the value of their assets including parks. Parks are difficult to assess in monetary terms, however the assets contained within parks can be given a value. The Council has many assets within parks that are redundant or underused. Some of these could be developed or transferred for community purposes, sold or leased for business purposes.

Revenue Costs

As landowner, the Council is responsible for the maintenance of a large proportion of the Boroughs open space. Maintenance regimes are linked to the function and type of provision. This means sometimes sites of the same type may be

subjected to different maintenance practices.

Works in parks and open space is limited by the availability of the appropriate budgets for maintenance.

The Council recognises that grounds maintenance is a critical issue, which is reinforced by responses from public consultation. Effective and efficient grounds maintenance is vital to deliver the objectives of this strategy. The council's approach to grounds maintenance is being reviewed, with the aim of improving quality and responsiveness of the service.

Improvement Policies

FPO1 - The Parks and Open Spaces Strategy and Action Plan will be used to support funding applications. Partnership and third party applications will be supported by NBC if they are in accordance with the strategic priorities highlighted by the Parks and Open Spaces Strategy.

FPO2 - Northampton Borough Council will promote the option of community management of some individual spaces in addition to

conventional ways of providing the service.

FPO3 – NBC and partner organisation will work with community groups to establish a mechanism for co-ordinated sharing of information and fund raising.

FPO4 - NBC will develop performance measurements to ensure that the Parks Service and open spaces continually improve.

FPO5 - NBC will ensure that there is strategic management to coordinate all aspects of parks and open space management.

FPO6 - Ensure Section 106 monies secured for parks and open spaces are used to greater effect in delivering improvement.

Skills and Training - ST

The successful planning, design and management of parks and the wider network of green spaces draws upon the skills of people working in a broad range of specialist occupations from horticulture to play. The green space sector also requires management expertise including skills such as advocacy and community engagement, to encourage the public, to use and enjoy parks and open spaces, and have the motivation and

confidence to influence local authority decision-making.

NBC and partners need to ensure that there continue to be the skills and expertise both within the Local Authority and within the wider community within the open space workforce.

The following are in line with the recommendations of 'Skill to Grow' (CABE, 2009)

Improvement Policies

ST1 - Ensure that annual training objectives include specialist training in green space skills

ST2 - Work with training providers to provide skills for workforce and volunteers (community groups)

ST3 - Work with partners to improve joined up working to ensure that there are cross-professional training opportunities.

Climate Change

Climate change is already occurring and further changes appear inevitable. In general it is predicted that summers will be warmer and drier, and winters milder and wetter, but there will also be more extreme weather events such as heat waves, intense downpours of rain

and storms. Unless habitats are large enough and sufficiently well connected to allow species to migrate and adapt, biodiversity will not be able to realise its full potential to lessen the impact of climate change. Greater weight should therefore be given to the conservation and enhancement of biodiversity, particularly through open space and the design of new development.

Parks and open spaces will be directly affected by the changing climate and also have a vital role to play in reducing the effects of climate change on Northampton's people and its wildlife.

Increasing temperatures are likely to result in greater, more intense use of public open spaces for longer periods of the year. An extended thermal growing season will require changes in management, such as more grass cutting and potentially increased costs. Decisions need to be taken in designing parks and open spaces for the future, for example in the choice of trees to withstand more extreme weather conditions and in water storage, recycling and efficiency measures.

Green spaces have a central role to play in reducing the effects of climate change, which includes their role in reducing the 'heat island' effect, capturing and storing water after heavy rainfall reducing localised flooding.

Among potential new uses for open space are their re-use as allotments, food production or woodland planting for both amenity and timber/biomass production.

Sustainability practices in the management of spaces – SM

The Borough Council and partners are obliged to include policies and proposals in their development plans, strategies and investment programmes to help reduce the Northampton's greenhouse gas emissions. This could include mitigation through green space provision. Northampton Borough Council already has developed sustainable approaches to its own management practices such as recycling materials (ensuring the amount of biodegradable waste going to landfill is reduced) and energy efficient transport. This could be supported further by actively recycling

through maintenance practices and provision of recycling facilities in parks.

Green space can also reduce the carbon footprint through carbon capture and increasing opportunities to cycle or walk.

By combining the use of open space to increase carbon capture, increase habitat enhancement and connectivity, with other goals such as providing accessible natural green space, pedestrian links and landscape mitigation, it will provide multi-functional landscapes and, as such, deliver the broader principles that are inherent in mitigation against climate change.

Trees

Trees, in particular, are important because they assist in the management of 'urban heat islands' by remove pollutants from the air, casting shade and creating cooler microclimates. Trees also reduce

noise, and provide shelter for wildlife. However they also require large quantities of water and many are already showing signs of stress in the increasingly hot, dry summers.

To improve our environment we need to conserve and plant more trees where space allows especially where there is a deficit.

Improvement Policies

These will all exploit opportunities to both mitigate and adapt to the worst impacts of climate change:

SM1 - Reduce the amount of biodegradable waste going to landfill from the management practices in parks and open spaces.

SM2 - Support the development of green infrastructure to act as carbon sinks.

SM3 - Require all new development to minimise resource demand and encourage the efficient use of

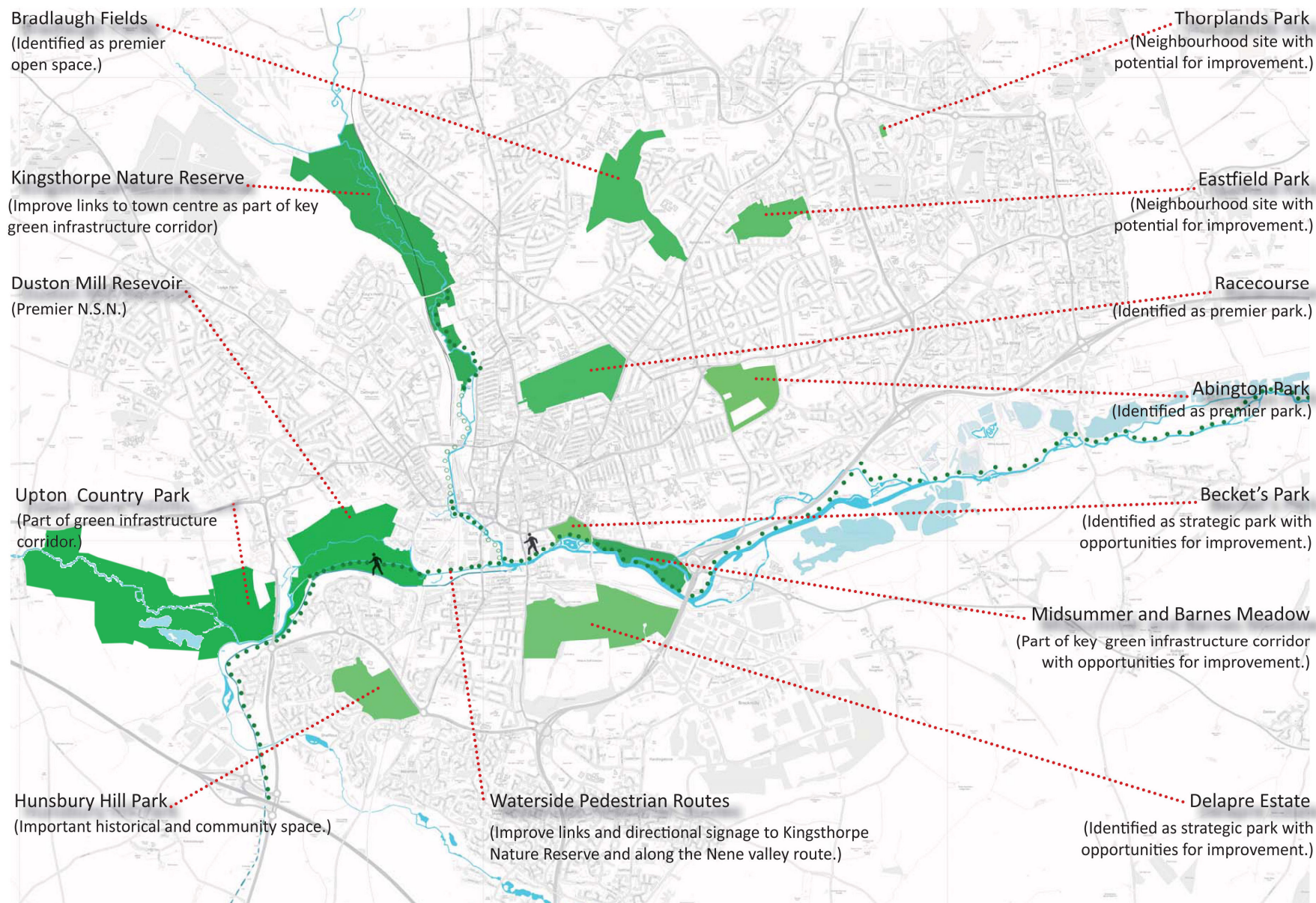
resources, especially water, energy and materials.

SM4 - Planting should be chosen with consideration to the climate change, therefore species resistant to water deprivation and higher average temperatures might be chosen. (This will be outlined in further work in an NBC Tree Strategy)

SM5 - Ensure that there is more proactive use of alternative and new technologies in the development, management and maintenance of parks and open spaces.

SM6 – Promote education and understanding about how parks and open spaces can help us manage climate change.

KEY GREEN SPACE AND IMPROVEMENT OPPORTUNITIES FOR NORTHAMPTON



PART D – Delivering the Strategy

The Action Plan is the key delivery agent for this strategy. It will be updated annually to take account of work completed and new works coming on-stream. It aims to document what is happening to deliver the Parks and Open Space Strategy, with partners and across the Council in the coming years. Projects and actions identified in the Plan will contribute to addressing the agreed priorities. Each project will have a timescale, and the programme will be used to help monitor performance.

Further Work/ research required

There are areas of work and issues raised in the Strategy where further work or research is required before some actions can be taken forward in the Action Plan. The list below identifies other work, which needs to be progressed:

- Tree Strategy including Street Trees
- Playing Pitch Strategy update
- Cemeteries and Churchyards Strategy
- Allotments Strategy update

Delivery and Monitoring

Leisure and Environmental Services will bring forward the delivery of the Action

Plan. A Parks and Open Spaces Core management group, envisaged to be made up of relevant owners, managers and partners, will provide steering and monitoring of progress on action plans, targets and outcomes on a regular basis.

Council officers will also continue to keep a close working relationship with other organisations that own, manage and maintain open space to champion the public's priorities for open space improvements where these fall outside the control of the Borough Council.

Strategic policies will be reviewed on a 5 year basis and updated accordingly.

Resources

Funding will come from a number of sources including contributions from developers, external funding sources such as the lottery, the council's core budget as well as expertise and additional technical support from council and partner organisations officers.

Priorities for Action

Delivering the vision for Northampton's Open Spaces is a long-term objective. It is not feasible, especially in the current economic climate, for all the Strategy's

outcomes to be achieved within short timescales.

There is a need to approach the development of our Parks and Open Spaces in a planned and systematic way.

Assessment of priorities for open space improvement must take into account both resident and user views together with council and regional policy and priorities.

The following themes have been identified as priorities for action from the consultation and a review of Parks and Open Spaces to be taken forward into delivery.

1. Improve the quality of our Parks and Open Spaces. With partners develop a prioritised rolling programme for Parks and Open Space improvements.
2. Encourage greater use of our Parks and Open Spaces to promote community cohesion, education, safety, health and activity
3. Increase opportunities for community empowerment and involvement with open space management
4. Develop methods of monitoring performance in parks and open spaces. (To inform future prioritisation of works)

5. Work towards overcoming deficiencies in open space, play space and wildlife provision
6. Consider the disposal / reallocation of open space sites; for other uses and development
7. Improve the biodiversity of key sites.
8. Make the most of the way in which our open spaces can help reduce climate change.

Prioritising Action in our Parks and Open Spaces Action Plan

There is a lot of enthusiasm and interest from all our partners in bringing forward options for improving our open spaces. In order to make sure that there are resources and funding to support the proposals there is a need to prioritise how to achieve these changes.

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Appendix B – Outline of Key Accessibility, Quality and Quantity Standards

These Standards will provide an appropriate level of open space infrastructure. As required for new developments in accordance with Policy E19 of the Northampton Local Plan adopted in 1997.

Policy E19

‘Planning Permission for residential, business or commercial development proposals will only be granted where any adverse effect or impact of the development is allowed for or mitigated and where the infrastructure, services and amenities made necessary by the development are in existence or will be provided by the developer or other agency’.

The Standards

The standards are designed to ensure that everyone in Northampton has access to a range of good quality spaces and associated facilities. The standards will be used to help plan new developments and prioritise future work for the council and partners in meeting this aim. It is intended that the standards will be incorporated into the Local Development Framework and provide developers and the council with clarity over the future provision of green space in planning decisions but due to the timescales to the Local Development Framework being adopted it is prudent to adopt the below standards in the interim.

Quality

Open space type	Quality Vision Percentage
Parks and Gardens	80%
Natural and semi-natural green space	75%
Amenity Green space	66%
Provision for Children	80%
Provision for young people	74%
Outdoor Sports Facilities	80%
Allotments	76%
Cemeteries and Churchyards	70%
Civic Space	70%

Accessibility

Open space type	Distance (metres)	Estimated Time (mins)
Parks and Gardens	480	10 mins walking
Natural and Semi-natural open space	720	15 mins walking
Amenity green space	240	5 mins walking
Play provision young children	240	5 mins walking
Play provision young people	480	10 mins walking

Outdoor Sports Facilities	720	15 mins walking
Allotments and Community Gardens	720	15 mins walking
Cemeteries and Churchyards	Not set	Not set

Quantity

Open space Type	Hectares per 1,000 population
Parks and Gardens	1.05
Natural and Semi-natural open space	1.57
Amenity green space	1.37
Play provision young children	0.04
Play provision young people	0.03
Outdoor Sports Facilities	1.62
Allotments and Community Gardens	0.42
Churchyards and cemeteries	0.013
Total	6.133

Improvement Policies for Standards

S1 – The standards will guide Development Control decision-making with regard to planning applications for open space sites including the securing of S106 contributions for future management and maintenance.

S2 - The standards will guide Development Control decision-making following a local area open space assessment and will determine

- i) How much open space provision should be made as part of new development.
- ii) Access links by foot, cycle and public transport needed (In association with Improvement Policy GI1)
- iii) Any contributions that should be made towards offsite open space
- iv) What typology of open space the planning contributions will be used for.
- v) Whether after a period of consultation open space or any assets within open space can be disposed or lost to development or whether they should be retained.

S3 - The standards will be applied as part of a holistic analysis of local resource in which quality, quantity and distance are considered together (as well as other relevant considerations such as other planning policy and particularly socially based values of the land).

Improvement Policies for Typologies

There are a number of Improvement Policies within the Strategy for each type of open space these also need to be taken account of by the Development Control Section these are outlined below:

P&G1 - Ensure that there is a good quality park with a range of facilities within reach of homes according to the set standards.

P&G2 - Restore, enhance and protect the historic and environmental context of Northampton's Parks and Gardens.

P&G3 – Where appropriate development should improve access links by foot, cycle and public transport and enhance entry points into our Parks and Gardens.

P&G4 - To maintain and manage a number of our Parks and Gardens to Green Flag standard.

P&G5 - Park area can only be lost to development where it is inappropriately sited and poor quality.

NSN1 - Protect and enhance the natural and semi-natural urban green spaces through the Planning system and by making appropriate designations of sites to protect them.

NSN2 - Where appropriate development should improve access links by foot, cycle and public transport between natural and semi-natural urban green spaces to enable all sections of the community to use and enjoy these areas.

NSN3 - Work with partners and local communities to manage these sites and raise awareness about them.

NSN4 – Manage all public spaces in our ownership, to protect and enhance their value for wildlife and habitats.

AGS1 – Prioritise investment and agree a rolling programme to improve grounds maintenance including the basics of grass cutting, litter and dog fouling.

AGS2 - Where there is excess amenity green space, which is inappropriately sited, consider using it for alternative purposes, such as changing its use to another type of open space or for development.

AGS3 - Generate a more appealing and useful urban environment through better design of amenity green space.

CYP1 - Provide a diverse range of children's play spaces from fixed equipment to natural play spaces, which are designed to be, exciting, risky and challenging using both the natural landscape and the introduction of natural play materials into the wider open space environment.

CYP2 - Increase the area of play space, providing larger, better quality play opportunities, well distributed across the town.

CYP3 - Ensure that the equipment in play spaces and facilities is inclusive, appropriate and stimulating for a range of age groups and abilities and wherever reasonable accessible to all.

CYP4 - Ensure that children and young people have a continuous involvement in the design and management of play spaces and young people's facilities.

OSF1 - Enhance parks and open spaces to increase informal sport opportunities.

OSF2 - To regularly review the Playing Pitch Strategy and comply with its Policies to ensure that there is adequate provision for Outdoor Sports in Northampton.

ALL1 - Work in partnership with local organisations to regularly review the distribution, protection and potential disposal issues.

ALL2 – Implement a prioritised programme of works to, improve security and the range and standard of facilities available on NBC owned allotment sites.

CC1 - The Council will produce a Cemeteries and Churchyards Strategy. The strategy will include an action plan providing an approach to meeting future needs.

CC2 - Protect the Borough's cemeteries from inappropriate development, safeguard the nature conservation value of cemeteries and churchyards and begin to develop more awareness of ecological management of cemeteries and churchyards.

CC3 - Work with partners and local communities to manage these areas, to maintain and enhance their value and ensure they are secure.

GI1 – New development will be required to improve linkages, open space corridors, riverside routes and cycle/walkways, bridleways through the town for recreation, biodiversity and safe commuting.

GI2 – Use opportunities to promote links such as dismantled railway lines and cross country nature trails that already exist.

CS1 - To raise the quality of civic spaces in Northampton by creating well designed, quality civic spaces that reflect and enhance the borough's built and landscape heritage.

CS2 - The design and planning of new neighbourhoods in Northampton should follow national and local guidance for example the current WNDC Design Code Manual.

Appendix C - Summary of Consultative Parks and Open Spaces Strategy Questionnaire and drop-in Surgeries.

The process for consulting on the development of the Parks and Open Spaces Strategy has followed the 8-step process as outlined in NBC's consultation toolkit. This summary outlines one of the key elements of step 6 on the process – planning and doing the consultation.

- The Consultative Parks and Open Spaces Strategy was available to the general public for comment on the NBC website from Wednesday 12th August 09 to Monday 28th September 09.
- The Consultative Parks and Open Spaces Strategy Document and consultation questionnaire was circulated to representatives of:

Public Organisations

Northamptonshire County Council
West Northamptonshire Development Corporation
The River Nene Regional Park
CABE Space
Northamptonshire Police
Primary Care Trust
Environment Agency
University of Northampton

Other Organisations

Northamptonshire FA
Age Concern
Northampton SSP
Northampton MIND
Groundwork North Northamptonshire
BTCV
Southcourt Environmental
Ability Northants
British Waterways
St John Ambulance

NBC:

Planning Policy - NBC
Development Control - NBC
All Councillors
Culture and Leisure
Environmental Services
Environmental Health
Asset Management
Neighbourhood Management
Joint Planning Unit
All Forum Groups

Community Representation of Organisations

Friends of Eastfield Park
Friends of Abington Park

Friends of Hunsbury Hill Park
Friends of Errington Park
Friends of Thornton Park
Friends of Delapre Abbey
Delapre Abbey Preservation Trust
Friends of Bradlaugh Fields
Friends of the Racecourse
Semilong Residents Association
Friends of Dallington Park
Kings Heath Residents Association
Westone Action Group
Bellinge Recreation Ground
Brookside Residents Association
All the Pocket Park Group Representatives in Northampton
All allotment Group contacts NBC have including NAN
Bowling Clubs
Ramblers Association
Northampton Urban Farm Project
Northants Cyclists Touring Club
Canal Partnership
Joint Action Groups for Thorplands and Lumbertubs, Billing and Ecton Brook, and Eastfield.

- Drop in sessions were held on the 15th September from 2pm to 8pm and on the 17th September from 10am to 1pm at Northampton Borough Council's Guildhall.

Responses were gratefully received from the following;

The River Nene Regional Park
CABE Space
Northamptonshire Police
Planning Policy - NBC
Development Control - NBC
University of Northampton
Northampton County Council (on play section)
Hunsbury Hill Park, 'Friends of Group'
Eastfield Park, 'Friends of Group'
Thornton Park, 'Friends of Group'
Wildlife Trust
Southcourt Environmental
Racecourse, 'Friends of Group' (on play section)
Mr Shah
Dr M Weavers

Summary of Responses

Comments	Response
<u>RNRP (Neil Monaghan)</u>	
A number of general comments -	Strategy amended accordingly
Referenced the GI Framework and how this can be used to justify actions in implementation plan	GI Framework has been taken on board through the categorisation of specific sites.
<u>CABE (Howard Price)</u>	
A number of small amendments	Strategy amended accordingly
Suggested a Strategic Framework Plan (similar to Sefton's BC)	An Opportunities Plan is being developed.
Some rewording (more positively) of the improvement policies specifically P&G 5, SP4; FP; policy should include a commitment to undertake a review of grounds maintenance? FP07 should include a period of consultation with local stakeholders	Alterations made to document to incorporate these suggestions.
Suggested including a policy on ensuring that if there is disposal of any NBC owned Parks and open spaces the income from the disposal is used to better Northampton's other green spaces.	Have highlighted this as an issue to management board awaiting response before Cabinet adoption of POSS.
<u>Northamptonshire Police (Sharon Henley)</u>	
A number of small amendments	.
Suggested a number of improvements to Improvement Policies especially highlighting effects on community safety CYP4 reference 'challenging, exciting and risky' play.	Strategy amended a number of Improvement policies accordingly
SM Reference the provision of recycling facilities in parks where cans and bottles are routinely littered.	Referenced
Priorities for action. Make some mention of <u>safe</u> spaces.	Included
<u>Northampton Borough Council (E Arklay, P Lewin)</u>	
A number of general comments and suggested improvements to formatting	Strategy amended accordingly
Some comments on terminology and conciseness of document	Most of suggested changes made
Lacks clear explanation of GI and the relationship to OS	Have tried to improve the linkages throughout
Less repetition of OSSR info	Have addressed need to share some info but have amended copy
Advised reducing the analysis of the consultation	
Consider how the terms 'sustainable' and sustainability are used	Altered text accordingly

Suggest Summary Policy review as appendix	Best practice suggests this is required in main document.
Link Policies to Existing Strategies	Have done this more
Need Implementation Plan	Draft developed
Improve Value Section	Have explained further and increased information in section
Suggested explain how Quality, Quantity and Accessibility Standards guide development	New Improvement Policies on standards incorporated. This work is being coordinated with Development Control and Planning Policy.
NBC Development Control Gareth Jones.	
A number of general comments and suggested amendments to Policy	Strategy amended accordingly
Queried how the policies would be the accomplished	Further discussions held. Development control and Planning Policy would be one of the main mechanisms.
Asked for a guide on circumstances in which facilities would be expected.	Have explained to him further suggesting use of Baseline data and updated audit. Suggested any development over 15 dwellings in line with cut off point to incorporate affordable housing.
Quality standards need explaining	Full explanation to be appended to the Strategy.
Exceptional criteria to allow POS / facilities to be lost	Removed from Policies
Safer Parks – felt there is a place for an improvement policy to ensure that new development provides good quality natural surveillance of new POS and of sustainable links to it, as well as taking any opportunity to secure similar improvements to existing POS / links.	SP1.
University of Northampton Prof. Peter Bush	
A number of general comments	Strategy amended accordingly
Suggests Strategy does not appear to recognise the benefits of parks and open spaces in education	References to education have been incorporated more into the document (refer to SM6
Outlines the need to encourage people to walk and cycle	A number of references have been incorporated (GI1 policy)
Northamptonshire County Council Carole Jones (Play Builder Coordinator)	
A number of general comments	Strategy amended accordingly
Its not clear from the action points in the interpretation plan how we will introduce more natural play opportunities	Made more explicit in the actions
Asked how we might prevent the KFC (kit, fence, carpet) approach to play being installed by developers	Have incorporated a reference in the Play Section

<u>Friends of Hunsbury Hill Country Park (Alan Brown)</u>	
A number of general comments suggesting	Strategy amended accordingly

inclusion of education, culture and historical impact and playing a role in tourism	
Also focussed on issues regarding Hunsbury Hill Park	Extra ref to this in introduction
Suggested the Implementation Plan actually be a Management Plan	Not changed this as Steering group and CABA suggested Implementation Plan designation
Wanted more information in the Summary of Policies section especially local policies	Summary and information suggested largely included in Background Paper – Policy Review
Included /changed consultative draft following suggestions for rewording	In excess of 10 instances
The Implementation Plan is the key delivery agent for this strategy” Alan suggested should be reworded to “The ‘initial’ implementation of a hierarchical Management Planning process cascading from a central overall Management Plan through to Management Plans for individual locations is the key delivery agent for this strategy. Management Plans will be renewed annually and reviewed bi-annually with stakeholders to take account”	We considered but felt this was making the process complicated
Comments on Improvement Policies P&G5, AGS2	Action taken advice from planning on and reworded accordingly
Friends of Eastfield Park (Victor Smith.)	
A number of general comments	Strategy amended accordingly.
Welcome some of the aims and objectives of the strategy particularly the idea of establishing a ‘Friends of Parks’ Forum.	
Concern raised about how the consultation process has not taken into account local people aspirations regarding present and future provision of space.	
Suggest that there is no quantitative information that outlines value of sites	We have added more information on the value section and described how we will value sites.
Suggests the Neighbourhood Park categorisation is a hotchpotch assortment containing parks that don’t fit into the other 3 categories. And concerned that Eastfield Park because of its categorisation as a Neighbourhood Park it will continue to be neglected.	We have suggested by placing Eastfield Park in the Opportunities Plan and in the current actions for the Implementation Plan, ‘Utilise the opportunity of existing S106 funding to raise the quality of Eastfield Park - focus on improving signage, footpath links and promotion of the park’. That Eastfield Park is seen as a key Park and at the forefront of Parks in the Neighbourhood Park category.
Suggests setting out a matrix in which various park functions or activities are listed (e.g sport, recreation, play, relaxation, wildlife appreciation, etc)	This could create a very subjective view of value. Leads to questions about resources available to make this process meaningful, which spaces do you assess 1900+ parks and open spaces sites in the Borough and what makes up the functions e.g. play score low currently for a space, but do you put in score for potential or higher score if a

	lack of play in the area. We did consider this but because of potential resource implications and potential for biases ruled out as option.
Wildlife Trust (Heather Ball)	
A number of general comments	Some of these prompting minor amendments to Strategy document.
Asked about Policy Section	Have explained that this is a summary and there will be a more detailed Policy review in the final document as a Background Paper.
Suggestions on description of natural and Semi-natural open space	Incorporated comments
Commented on map page 15	Removed from Strategy as others commented on this as well.
Suggested it would be worth reviewing the evidence regarding the effects of anticipated climate change on tree species	Agree with this but suggested this would part of a remit for Tree Strategy for the Borough not directly the Parks and Open Space Strategy
Southcourt Environmental (Peter Nalder)	
A number of general comments	Prompting amendments to Strategy document – some already addressed in the Strategy
Questions why no appendices	General comment doesn't require any amendments
Was unhappy with Figs. 3 and 4 as they are unclear	Changes made as others mentioned also
Was concerned that we had excluded orchards	Added in
Friends of Thornton Park (Christine Teulon)	
Suggested NBC have a management plan for maintenance of the main elements of Thornton Park, made available to the 'Friends' group	Implementation Plan action: Individual plans prepared and agreed for all strategic and premier open spaces.
A dedicated Officer to work with and support 'Friends' groups especially when applying for funding.	Implementation Plan action: Provide one point of contact at Northampton Borough Council for groups to access advice on open space and holding community events in local spaces.
Friends the Racecourse (Steve Summers)	
Strategy explains the emphasis on innovative play, but the implementations plan doesn't strike me as very extensive or creative.	Prompting amendments to Implementation Plan
Suggested any flagship young persons play facility should be developed in liaison with the Northampton Play Partnership	Made amendments to this effect in Implementation Plan
P Marsh (Resident)	
Queried about allotments	The query required clarification only no amendments needed to strategy
Resident	
Wanted History and Heritage included and also said Abington Park was a gem.	–It is now more extensively
Mr Shah	

General comment on how addressing DDA	(Pg 39 Tackling barriers to use - We will also promote disability equality and tackle issues that have been identified by disabled people about our policies and in our parks and open spaces.)
Dr M Weaver (Resident)	
Suggested referring to Historic and Archaeological sites more	History and heritage is referenced
Hunsbury Hillfort should be considered as an open-air museum	The Principal Conservation Manager confirmed that the Heritage Conservation Area summary provides the correct in text. Hunsbury Hillfort is not in a conservation area but is a scheduled ancient monument and any development/change to the site would be subject to the rigorous policies of its status as a scheduled ancient monument. Need to acknowledge the educational opportunities of this site.

Appendix D – Summary Feedback from the consultation workshops. on the 8th and 15th July 2009 - for the development of the Parks and Open Space Strategy

Location:

1. 10am – 1pm on the 8th July, Abington Park Museum, attendance 30. Council Officers 6, Councillors 5, Community Group members 9, Officers from non NBC organisations 5, Facilitators 5.
2. 12:30pm – 4pm on the 15th July, Northampton Museum, attendance 35. Council Officers 4, Councillors 4, Community Group members 15, Officers from non NBC organisations 6, Facilitators 6.

The Workshop events: Included a number of presentations and exercises.

Exercise One – Creation of a Vision.

10 of the 11 groups from the two workshops created a vision.

Exercise One - Input into Strategy Process:

The visions helped formulate a mission statement for the Consultative Parks and Open Spaces strategy as below, elements and words from all the visions are included in this statement:

‘In Northampton, through partnership working, we will provide attractive, enjoyable, safe and accessible open spaces, managed and maintained to meet the needs of our existing and future communities. This will contribute to everyone’s quality of life, the natural environment and social and sustainable economic prosperity.’

Exercise Two – Place the Space (Categorisation)

Totals - Combining both workshops results: (Numbers indicate respondents – many groups came to a consensus).

List of Open Space	Strategic Open Space	Premier Open Space	Neighbourhood Open Space	Town and Country Open Space	Majority type of Space	Other Possibilities
1. Abington Park	19	36	2	0	Premier	Strategic
2. Becketts Park Barnes and Midsummer Meadow	47	7	0	1	Strategic	
3. Delapre Estate	34.5	11.5	2	10	Strategic	Premier
Allotments at specific locations	0	0	28	0	Neighbourhood	
4. Eastfield Park	6	12	36	3	Neighbourhood	Premier
5. Kingsthorpe Recreation Ground	12	5	41	0	Neighbourhood	Strategic
6. Victoria Park	8	6	44	0	Neighbourhood	
7. The Racecourse	18.5	38.5	1	0	Premier	Strategic
8. Errington Park	0	0	58	0	Neighbourhood	
9. Upper Nene Country Park	9	6	2	41	Town / Country	
10. Hunsbury Hill Park	7	6	13.5	30.5	Town / Country	Neighbourhood
11. Bradlaugh Fields and Parklands Park	0	10	8.5	36.5	Town / Country	Premier
12. Lings Wood	6	0	19	29	Town / Country	Neighbourhood

13. Kingsthorpe NSN/Nature Reserve, Mill Lane NSN, Lyncroft Way Thornton Park	4	0	10	31	Town / Country	Neighbourhood
	0	0	6	0	Neighbourhood	

Exercise Two - Input into Strategy Process:

The results of this have gone into a categorisation of parks in the consultative strategy.

Exercise Three – Prioritisation

Total results combined from both workshops 8th and 15th July.

	Total	Rank
Importance on the Green Infrastructure Network (Strategic Importance)	41	2
Existing Masterplan	15	8
Level of Community Interest (Friends of Group)	47	1
Level of deprivation	21	5
Heritage value of space	39	3
Quality of amenities	39	3
Funding secured	15	8
Economic Potential	18	6
Bring up to minimum standard	2	16
Community Value	3	12
Protect and improve natural environment	9	10
Community/cultural events	4	11
What needs/deficits in the area	3	12
No and needs of people living/working in the area	18	6
Potential external funding	0	
Sustainability = longevity	2	16
Actual and potential users	3	12
Levels of ASB	1	18
Statutory/legal obligations (duty of care)	1	18
Good Design Layout	3	12

The top five criteria people believed were the most important for prioritising open space were:

1. Level of Community Interest (Friends of Group)
2. Importance on the Green Infrastructure Network (Strategic Importance)
3. Quality of amenities
3. Heritage value of space
5. Level of deprivation

Exercise Three - Input into Strategy Process:

The results will help us understand how we should prioritise action in the Parks and Open Spaces Implementation Plan.

Exercise Four - Accessibility

Overall Totals	Total		
Type of Space	Number	Minutes	Average
Strategic Open space	53	1490	28
Premier Open space	54	960	18
Neighbourhood Open space	51	500	10
Town and Country open space	55	1180	21

A significant number of residents live further than the recommended walk times to open space. However consultation indicates that residents are willing to walk further than the recommended standards to strategic and premier open spaces. Up to 30 minutes to strategic and 20 minutes to premier open space. As they have more facilities to offer than to neighbourhood open space, which the standards are based upon. This is significant to accessibility standards when considering the walk times to Parks is 10 minutes, to Natural Semi Natural 15 minutes and 5 minutes to Amenity Greenspace.

Exercise Four - Input into Strategy Process:

The main impact of this information is on the audit and findings/recommendations made by the audit. As the information is significant for park accessibility as we have 2 parks in the Strategic category, 2 parks in the premier category and 4 parks in the Town and Country category. For 8 of the 22 parks people are willing to walk longer and further distances too. Showing that when the audit suggests we have deficits in park accessibility in certain areas like the (based on 10 minutes walk time), Town Centre, Abington, Headlands, Far Cotton in reality when we explore further into residents willingness to walk to different functioning parks like premier, strategic or country and town park function these areas are covered by provision (accessibility - buffer zones), as can be shown by the map below.

Exercise Five – Ladder of Participation

The ladder denoted differing degrees of participation from direct community control at the top, to at the bottom of the ladder a relationship that involves receiving information.

Workshop participants put forward an array of different groups. Most groups felt they were lower down the ladder than they wanted to be (25) although of the 48 groups looked at 23 were happy where they were. Most groups were at receiving information level (23) or consultative relationship level (19) and wanted to move up. The most popular position groups wanted to be at was an equal partnership (15) with consultative relationship (12).

Exercise Five - Input into Strategy Process:

In the consultative Strategy (pg 35) we have suggested improvement policies to help improve NBC and partner participation with the community.

Exercise Six – Impact Implementation Matrix – How we can improve

High Impact, Easy implementation - or do now

Results from the Workshop in this category

- Mentoring Chairs of Friends Groups
- Prioritisation of when and where to work (agreed with friends, joint bidding)
- Ring fencing money for parks and allotments in an organised way
- Raising the awareness of the importance of parks/open spaces and allotments
- Capacity build groups
- NBC support in kind staff time
- Design for less maintenance
- Thematic Partnership Forum
- NBC commitment to local community
- NBC understand issues around partnership

Similar Suggestions

- Improve communication and information on funding, create central forum or website outlining green space funding.
- Friends Forum Central contact point
- One forum to improve communication with council and within council
- Council info pack

- Mentoring partnership funding applications (RNRP and NBC)
- Opportunities for funding, require information
- Need for capital investment, funding on webpages at a central location, groups to share information and funding expertise

Exercise Six - Input into Strategy Process:

Elements of the above are either as improvement policies in the consultative strategy or will be direct actions in the Implementation Plan.

1. Improve the quality of our Parks and Open Spaces							
Action Code	Policy Contribution	Area of Work	Work Streams	Timescale	LEAD organisation responsible for delivery	Resources needed	Performance Indicator
1.1	FP05	GENERAL	Establish cross-directorate / core management group for parks and open space issues, particularly including development investment and maintenance needs.	2010-2026	Culture and Leisure - NBC	Officer time	Group established with TOR
1.2	WP3	GENERAL	Establish quarterly theme group meetings with key local stakeholders	2009 - 2010	Culture and Leisure - NBC	Officer time	
1.3	FP01	GENERAL	Explore and prioritise funding opportunities for capital investment schemes in open spaces, including lottery and heritage funding through coordination with the core management group.	2010 - 2014	Regeneration, Culture and Leisure - NBC	Officer time	Nos of projects completed. Amount of additional funding secured
1.4	SP1 and CS2	GENERAL	Prepare design guidance for new and existing open space on housing land.	2010-2012	Planning	Officer time	Guidance produced
1.5	S2, S3 and FP06	GENERAL	Agree and implement developer contributions formula	2010	Culture and Leisure - Planning - NBC	Officer time	Developer contributions formula being used
1.6	FP05	GENERAL	Full management plans agreed for categories of open space. Individual plans prepared and agreed for all strategic and premier open spaces. Key action implementation programme carried forward.	2010 - 2014	Culture and Leisure - NBC	Officer time	No. of Management Plans for categories of space and specific sites agreed and implementation of management plan actions
1.7	SP2	GENERAL	Target enforcement of dog fouling, littering and flytipping at problem sites. Carry out promotion and education of the issues. Enforce against dog fouling and bring in measures for dog control, focusing on problem parks and open spaces.	2010 - 2014	Environmental Health	Environmental Wardens and Environmental Health time	
1.8	AGS2 and P&G5	GENERAL	Review NBC assets in Parks and Open Space and identify any which might be better used / disposed to ensure maximum income generation		Asset Management - NBC	Officer time	Implementation Plan Developed
1.9	P&G2	PARKS	Work with Partners to ensure that plans are developed and brought forward to improve Parks up to the quality standard Delapre Estate Beckets Park The Racecourse	2010	Culture and Leisure - NBC	Officer time	Investment in Parks (£'s)
1.20	P&G4	PARKS	Ensure that 2 Strategic / 2 Premier Parks - Delapre Estate, Beckets Park, the Racecourse and Abington Park are managed and maintained up to the level expected for Green flag status.	2010 - 2014	Environmental Services - NBC	Officer time	Quality Standards achieved
1.21	P&G1	PARKS	Improve Penn Valley Country Park and Thorplands Park up towards a quality vision of 71% concentrating on quality play, free from litter and vandalism, improving signage, lighting, benches and litter bins.		Environmental Services - NBC	Officer time	Quality Standards achieved
1.22	FP04 and P&G2	PARKS	Utilise the opportunity of existing S106 funding to raise the quality of Eastfield Park - focus on improving signage, footpath links and promotion of the park.		Culture and Leisure - NBC	Officer time	Quality Standards achieved
1.23	P&G3	PARKS	Improve linkages between Penn Valley Country Park and Grangewood Park and improve interpretation and promote the two parks as one recognised park in the communities of Merefield and Blacky More.		Culture and Leisure - NBC	Officer time	
1.24	P&G3	PARKS	Improve the signage and information for Kingsthorpe (Thornton) Park, Grangewood Park, Upton Country Park, Errington Park and Southfields Park.		Environmental Services - NBC	Officer time	Investment in Parks (£'s)
1.25	P&G1	PARKS	Improve the quality of Thorplands Park (60% quality standard) - into a well maintained, quality play, free from litter and vandalism up to quality vision of 71%.		Environmental Services - NBC	Officer time	Quality Standards achieved

1.26	NSN2 and G11	NATURAL AND SEMI-NATURAL OPEN SPACE AND GREEN INFRASTRUCTURE	Improve strategic NSN sites up to the vision standard of 75% including - Bedford Road NSN, The Island between River Nene and Nene Valley Way, Mill Lane NSN, Barnes Meadow, Lyncroft Way, Rushmere Road Greenspace (includes Wilsons' Orchard), Kingsthorpe Nature Reserve and Duston Mill Reservoir. Works may include better signage, improved footpath links between open space, improvements to public access provision of litter bins, benches, improved signage, cleaner sites, clear pathways and encouragement of biodiversity but these will be dependent upon specific site situation and on individual consultation.		LEAD: Culture and Leisure - NBC in Partnership with Sustrans - NCC, WNDC	Officer time	Quality standards reached for sites
1.27	NSN4	NATURAL AND SEMI-NATURAL OPEN SPACE	Improve quality to standard of 60% for neighbourhood NSN sites which are required in priority order: (388) Boughton Lane Linear Open Space, (1751) Delapre Wood NSN, (1104) Wooldale Road NSN, (1681) Lings Park NSN, (396) Ecton Park Road NSN, (337) Wooton Brook Ladybridge. Works may include better signage, improved footpath links between open space and improvements to public access but these will be dependent upon specific site situation and on individual consultation.		Environmental Services - NBC	Officer time	Quality standards reached for sites
1.28	AGS1	AMENITY GREEN SPACE	Improve the quality of South Arbours, Faramir AGS and Stonepit open space amenity greenspaces as they are sites of a significant size and high community interest that fall significantly below the standard quality of 60% for neighbourhood amenity greenspace.	2010-2014	Culture and Leisure - NBC	Officer time	Quality standards reached for sites
1.29	CYP3 and CYP1	PROVISION FOR CHILDREN AND YOUNG PEOPLE	As resources permit upgrade the poor quality sites of: Old Barn Court Play area, Mushroom Road Play Area, Medellin Hill Play Area, Ellfield Court Play Area, Parklands open Space (Devon Way Play area), Southfields Playing Field Ball Area and Blackthorn Park Play Area, particularly creating more exciting, risky and challenging play.		LEAD: Environmental Services	Officer time	Investment in sites (£'s)
1.30	CYP3 and CYP2	PROVISION FOR CHILDREN AND YOUNG PEOPLE	Capital Investment into areas of deficit quantity or poor quality facilities within Parks through the Playbuilders and Lottery for Play funding	2009-2011	LEAD: Environmental Services	Officer time	Investment in sites (£'s)
1.31	ALL2	ALLOTMENTS	Update the Allotment Strategy and implement new policies that promote and sustain allotments.		LEAD: Environmental Services, PARTNERS: NAN	Officer time	
1.32	ALL2	ALLOTMENTS	As resources permit implement a programme of works to, improve the range and standard of facilities available on allotment sites particularly including improvements to security, toilets and water supply.		Environmental Services - NBC	Officer time	Investment in sites (£'s)
1.33	CS1	CIVIC SPACE	Complete the programme of quality development improvements to the market square.		Regeneration and Development - NBC	Officer time	

2. Encourage greater use of our Parks and Open Spaces to promote community cohesion, education, health and activity.							
Action Code	Policy Contribution	Area of Work	Work Streams	Timescale	Section or organisation responsible for delivery	Resources needed	Performance Indicator
2.1	SP3	GENERAL	Develop a programme of marketing which highlights the value of Northampton's Parks and Open space		Culture and Leisure	Officer time	Number of marketing leaflets and events held
2.2	SP1 and WP3	GENERAL	Where there are sites with significant issues of ASB (need to identify specific sites) work with Police and Community Safety to carry out environmental audits and implement improvements		Community Safety Team - NBC	Officer time	No. of improvements implemented
2.3	Cco1	GENERAL	Continue and further develop partnerships between Northamptonshire PCT, the Community Health Development Team, and the Sports Unit in order to develop a programme of activities (e.g. health walks)		Events and Sports development	Officer time	No. of activities organised

2.4	SP3	PARKS	Promote Brixworth and Sywell Country Parks, by distributing leaflets to local centres		LEAD: NCC	Officer time	
2.5	CYP1, CYP3, CYP2, CYP4	PLAY PROVISION FOR YOUNG PEOPLE	Develop a flagship young persons play provision for Northampton in liaison with Northampton Play Partnership and any community group affected. This will incorporate natural play spaces as well as fixed equipment, using both the natural landscape and natural play materials accessible to all.	2010-2014	Culture and Leisure	Officer time	Flagship play provision implemented
2.6	ALL2	ALLOTMENTS	Create a flagship health related allotment site to demonstrate best practice		Environmental Services - NBC	Officer time	Flagship health related allotment implemented
2.7	CC3	CEMETERIES AND CHURCHYARDS	Enhance churchyards to increase public use (especially in the central area) whilst ensuring they are designed to deter anti-social behaviour		Environmental Services - NBC	Officer time	No. of enhancements implemented
2.8	GI1 and GI2	GREEN INFRASTRUCTURE	Improve access (linkages), signage and interpretation around the access points onto the Brampton Valley Way – former railway line from Northampton to Market Harborough		Sustrans - NCC	Officer time	No. of improvements implemented

3. Increase opportunities for community empowerment and involvement with open space management

Action Code	Policy Contribution	Area of Work	Work Streams	Timescale	Section or organisation responsible for delivery	Resources needed	Performance Indicator
3.1	WP3	GENERAL	Develop a partnership arrangement with Groundwork trust to assist in project delivery and bring in additional funding		Culture and Leisure	Officer time	
3.2	WP4	GENERAL	Establish 'Friends of' Forums and new friends networks for the parks and open spaces in Northampton.		Culture and Leisure	Officer time	Ensure agreed protocol for governance and engagement with NBC and partners.
3.3	FP03	GENERAL	Provide one point of contact at Northampton Borough Council for groups to access advice on open space and holding community events in local spaces.		Events	Officer time	Point of contact established
3.4	ST3	GENERAL	Securing funding and resourcing a package of training for improving community skills in relation to parks and open spaces.		Culture and Leisure	Officer time	No. of people benefitting from training
3.5	FP02	GENERAL	Pilot a scheme for a community group to take ownership of managing local green space.		Culture and Leisure	Officer time	
3.6	ALL1	ALLOTMENTS	Work towards the enabling/empowering of site associations to manage sites, with an independent organisation being the interface between associations		Environmental Services - NBC	Officer time	
3.7	CC3	CEMETERIES AND CHURCHYARDS	Develop a programme with partners and local communities/ parish councils to manage the biodiversity of closed cemeteries and churchyards to maintain and enhance their wildlife value sites could include dependent upon consultation - Billing Road Cemetery (261), St Edmunds Cemetery (1332) and a number of the Parish Churchyards. An example of positive project includes St John the Baptist Churchyard in Kingsthorpe (1002) (already a pocket park).		Environmental Services - NBC	Officer time	

4. Development methods of monitoring Performance in Open Space

Action Code	Policy Contribution	Area of Work	Work Streams	Timescale	Section or organisation responsible for delivery	Resources needed	Performance Indicator
4.1	FP04	GENERAL	Ensure a programme of monitoring and reviewing the current Quality Standards of Parks and Open Spaces – as part of a rolling programme of site assessment and performance improvement	2010-2014	Environmental Services - NBC	Officer time	
4.2	FP04	GENERAL	Implement a Service Improvement Plan - based on towards and excellent service principles (TAES)	2010 - 2011	Culture and Leisure	Officer time	

4.3	FP05	OUTDOOR SPORTS FACILITIES	Review charges for facilities and investigate and agree alternative payment structures for facilities and services on parks and open space assets. Identify efficiencies that can be made in staffing arrangements at NBC facilities.	2010 - 2011	Environmental Services - NBC	Officer time	Review complete and implemented
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5. Working towards overcoming deficiencies in open space, play space and wildlife provision

Action Code	Policy Contribution	Area of Work	Work Streams	Timescale	Section or organisation responsible for delivery	Resources needed	Performance Indicator
5.1	OSF1	GENERAL	Review the potential for improvements to, and multi-use of, school grounds particularly to provide out of hours facilities and activities for older children and teenagers.		LEAD: NCC	Officer time	Review complete and improvements implemented
5.2	OSF2	GENERAL	Review the Playing Pitch strategy - Standard requirements.		Culture and Leisure or Planning Policy?	Officer time	
5.3	CYP2	PROVISION FOR CHILDREN AND YOUNG PEOPLE	As resources permit provide new and innovative play spaces to fill the spatial gaps for children in areas of deficit which include Abington, Duston, Kingsthorpe, Delapre Estate, Dallington, East Hunsbury, Hardingstone, Wootton, Weston Favell, Billing, Little Billing, Great Billing, Kingsley Park and Spinney Hill and provide facilities for young people in Nene Valley, Abington, Duston, Dalapre, Dallington, Wootton, Hardingstone, East Hunsbury, Headlands, Weston Favell, Billing, Little Billing, Great Billing, Kingsley Park and Spinney Hill.	2010-2014	Culture and Leisure	Officer time	No. of new play areas implemented in areas of identified

6. Consider the disposal / reallocation of open space sites; for other uses and development

Action Code	Policy Contribution	Area of Work	Work Streams	Timescale	Section or organisation responsible for delivery	Resources needed	Performance Indicator
6.1	SP4	GENERAL	Review current open space provision and prepare preliminary options for potential use for other purposes, based on criteria identified in PMP's OSSR update and Potential Site Surplus Report (2009).		Culture and Leisure	Officer time	No. of sites used for other purposes
6.2	SP4	GENERAL	Link with the PFT Estate Regeneration programme to improve public realm open space design within Eastfield and other chosen housing estate		Housing	Officer time	
6.3	CYP4, SP4 and SP1	PROVISION FOR CHILDREN AND YOUNG PEOPLE	Investigation needed into the requirements and value of some of the current play sites that overlap each others catchments and either amalgamate these or remove them potentially creating natural play spaces, sites for consideration include: Vernon Walk Play Area, Elizabeth Walk Play Area, Bouverie Walk Play area, Melbourne Walk Play area, Woodford Street Ball Game Area, Market Street Play area, Margaret Street Play Area, Haydown Green Play Area, Ryehill Mordaunt Lane Play Area, Ryehill Perceval Close Play Area, Ryehill Montague Crescent Play, Ryehill Lennox Walk Play area, Ryehill Godwin Walk Play Area, Ryehill 29 to 32 Tresham Green Play Area, Ryehill 59 Tresham Green Play area, Ryehill Chadwick Gardens Play Area, Ryehill Siward View Play Area, Ryehill 17 Tresham Green Play Area.	2010-2014	Environmental Services or Housing? - NBC	Officer time	No. of sites removed an amalgamated

7. Improve Biodiversity of key sites

Action Code	Policy Contribution	Area of Work	Work Streams	Timescale	Section or organisation responsible for delivery	Resources needed	Performance Indicator
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7.1	GI1	GENERAL	In partnership with Environment Agency, WNDGs, RNRP, Wildlife Trust et al. Devise a programme for enhancing the biodiversity, attraction, and safety of the canals, river and waterfronts as a place to enjoy wildlife,		Culture and Leisure	Officer time	No. of improvements implemented
7.2	SM4	GENERAL	Update the Tree strategy		Environmental Services - NBC	Officer time	
7.3	SM2 and SM4	GENERAL	Identify areas of grassland that can be sensitively managed to encourage more meadow species which will increase biodiversity e.g. the margins of formal parks, sports pitches.		Environmental Services - NBC	Officer time	No. of new sites sensitively managed for biodiversity
7.4	CC1	CEMETERIES AND CHURCHYARDS	Produce a Cemeteries and Churchyards Strategy and Implementation Plan that will provide an approach to meeting future needs. This will need to ensure that there is adequate burial ground in Northampton for future generations it is suggested that 0.15 hectares (as outlined in the PMP audit of open space in 2009) is set aside per annum, this can be achieved through contributions from development (the quantity being created against need should be monitored)		Environmental Services - NBC	Officer time	

8. Create Opportunities to adapt/mitigate against climate change							
Action Code	Policy Contribution	Area of Work	Work Streams	Timescale	Section or organisation responsible for delivery	Resources needed	Performance Indicator
8.1	SM5	GENERAL	Instigate a rolling programme of actions to reduce the Carbon Footprint and address climate change. This may include a range of actions such as reducing fuel consumption of vehicles and machinery as well as planting more broad-leaved trees.	2010-2014	Environmental Services - NBC	Officer time	No. of projects carried out that reduce the effects on climate.

Appendices
1

Item No. 9



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	MEDIUM TERM FINANCIAL STRATEGY 2010-13
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	25 November 2009
Key Decision:	YES
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Finance and Support
Accountable Cabinet Member:	David Perkins
Ward(s)	Not Applicable

1. Purpose

- 1.1 This report presents the 2010-13 Medium Term Financial Strategy for Northampton Borough Council for approval. It includes the setting out of the key internal and external environmental factors that are likely to put pressure on the council's finances, that need to be considered by the council in its short and medium term financial and service planning.
- 1.2 Areas that can cause pressures of this sort include Government policy and new initiatives, economic climate, statutory changes, etc. Further information on such pressures can be found on page 17 of the Strategy.

2. Recommendations

- 2.1 Cabinet to approve the Medium Term Financial Strategy 2010-13 as set out in appendix A.
- 2.2 Cabinet agree that the Medium Term Financial Strategy is used as a guide to financial planning for the 2010/11 and medium term budgets.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The council faces significant financial challenges. The current tight financial settlement determined by Government is exacerbated by the impact of wider economic changes, which are affecting key income streams and cost inflation, particularly energy. In starting from behind the field of local authorities and wanting to be near the front, the demands on the council to invest to increase performance for the public are ever greater. Significant changes in the way the council provides services was planned and with the greater pressures arising from potential severe government cuts, this places greater emphasis on this approach.
- 3.1.2 The Council has made significant progress on its improvement journey. The Council is increasingly being assessed as in a better position than historically has been the case. It is expected that the Council will continue on its journey out of Government intervention.
- 3.1.3 The Council has made clear that its ambition is not just to be “not poor”, but rightly the Council aims to provide the public of Northampton with the best. It is therefore the council’s stated ambition to be amongst the best councils in terms of public service by 2013.
- 3.1.4 From 2009, the Council will be assessed under the new comprehensive area assessment (CAA) scheme, which will include an “organisational assessment” covering managing finance, governance, managing resources, and managing performance. This will be augmented by a countywide “area assessment” in which NBC will have a key role to play.
- 3.1.5 The Audit Commission will be looking under the organisational assessment for the council to exhibit high levels of community engagement, ambitious shared vision, productive relations with key partners, self-awareness and effective performance management, innovation and well-managed risk-taking. Overall, the Commission will be looking for sustainable improvements in outcomes for the public and in citizen satisfaction.
- 3.1.6 It is under this regime that the Council’s future improvement will be assessed, and the achievement of the Council’s ambition will be judged.
- 3.1.7 Such a major leap forward over the next few years requires strong leadership and management backed by committed people. Strengthened management arrangements are in place and the new senior management team has been leading the council since early 2009. It was also recognised in the Direction of Travel assessment 2008 that members are providing strong leadership and guidance to officers.
- 3.1.8 Strong motivation and supportive development of the people who deliver council services and improve Northampton is essential, particularly for those people employed by the council but also including members, contractors, partners, local business, the police, community groups, developers and others. The council’s performance is interdependent with the performance and commitment of many others.
- 3.1.9 Key activities will need to continue to develop including performance management, project and programme management, partnership activity, and community engagement and reputation management.

3.2 Issues

- 3.2.1 The 3-year financial statement highlights that there continues to be a gap between the Authority's spending pressures and the projected available resources. In order to meet this gap the following strategy will be adopted:
- a. An effective Medium Term Financial Strategy in place to drive forward the financial planning process and resource allocation. The financial strategy is determined by policies and priorities contained within the Corporate Strategy and other key internal Strategies, feeding through to and up from Service plans.
 - b. The Council recognises the pressures on its budget, and while seeking to protect and enhance front-line services as far as possible, will aim to contain these pressures within existing resources. Cabinet Members will examine all budget pressures and seek reductions where possible.
 - c. We will seek new funding and new ways of working with support provided by the regional efficiency partnership. Cabinet Members will continue to look at new methods of service delivery over the three-year budget period to improve services to the public and the value for money that they provide.
 - d. That Council recognises the need to improve efficiency and deliver value for money. Cabinet Members will seek to identify efficiencies that will not impact on service delivery, and to identify options that will improve the value for money services through improving performance, and/or reducing service costs.
 - e. That the Council has determined, that given the financial pressures faced by the Authority, growth can only be supported in priority areas, or where the Council is required to fund new items e.g. by new legislation.
 - f. That the Council will undertake a series of strategic business reviews enable the Council to move forward more rapidly within services to deliver ever better outcomes for the public and efficiency and effectiveness in organisation.
- 3.2.2 The 2009/10 Medium Term Financial Strategy (MTFS), as attached at Appendix A, sets out initial guidance for officers and members for the preparation of the 2010/11 to 2012/13 budgets.
- 3.2.3 The budget process for 2010/11 to 2012/13 is well underway. The continuation budgets have all had an initial challenge from the Director of Finance and Support and the Head of Finance & Assets. The continuation budget and the Medium Term Plan options have also now been reviewed/challenged by Management Board.
- 3.2.4 Whilst financial management has greatly improved, significant financial risks still remain. These are a mix of clear cost pressures, which are quantified in year as part of the normal budget monitoring process and other factors, which are much more challenging to quantify such as demand and economic factors (such as interest rates) being outside the authority's control or influence and therefore best estimates must be made.
- 3.2.5 A balance needs to be struck between areas where budget pressures need to be recognised within the medium term plan where they are quantifiable, and areas of risk where it is deemed that the level of balances held, derived through a robust risk assessment process will cover any potential realization of the financial impact of that risk.

General Fund

- 3.2.6 The strategy highlights the significant budget pressures facing the forthcoming budget round, taking the 2010/11 forecast budget from last years budget cycle and taking into account known key changes. On page 21 of the MTFS, it shows that in February 2009 when the 2009/10 General Fund budget was set, it was identified that savings of £3.104m were needed for the 2010/11 budget cycle.
- 3.2.7 Significant pressures are being identified that need to be managed within this budget process. The pressures fall broadly into three areas:
- Government Funding: At a time where inflation is rising rapidly, the overall increase in the government grant to the authority next year is 0.5%. The September RPI (retail price index) sits at 1.3%. This means that the Council's funding is not keeping pace with inflation.
 - Pressures directly relating to the current economic environment and credit crunch.
 - Pressures relating to service areas and changes to legislation and regulations, which the Council must recognise.
- 3.2.8 These pressures, along with the known budget gap of £3.104m need to be offset by efficiencies and service reductions to enable the Council to balance the 2010/11 budget.
- 3.2.9 This means that the Council, in line with the public and business, must make economies. We must look to make services more efficient, deliver better value for money, reign in expenditure and reduce service levels, where necessary, over this difficult period of time, to ensure that the authority remains financially viable and is able to improve its service offering when the economic climate improves. These will also need to be managed carefully in this financial year to ensure that there is minimal impact on reserves.
- 3.2.10 Examples of these pressures can be found on pages 17-18 of the MTFS.

Housing Revenue Account

- 3.2.11 Pages 25-26 of the Medium Term Financial Strategy addresses the HRA. 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 government's 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.
- 3.2.12 An overview of the findings of the HRA financial model was used to forecast the impact of major initiatives on the long-term viability of the HRA. The indications provided by this model are considered alongside the Housing Asset Management Strategy, which is to go to Cabinet in the Autumn/Winter 2009/10.
- 3.2.13 A baseline position forecast, which assumes no additional revenue contributions to capital from 2009/10 onwards, shows that the Housing Revenue Account revenue position remains with positive balances until

2021/22 but with an annual in year deficit from 2014/15. Additional revenue contributions to capital or unsupported borrowing to finance capital expenditure will worsen the position and will lead to deficits in earlier years.

- 3.2.14 The main pressure on the Council Housing service is in the capital area where there is a shortfall in the capital resources required to reach and then to maintain the decent homes standard. Without additional action being taken, the provision of additional capital resources through revenue financing or borrowing will have an impact on the revenue position.
- 3.2.15 In order to maintain the HRA position, the revenue impacts of the additional capital financing must be matched by efficiencies or savings from within the HRA.
- 3.2.16 Three principal housing areas needing significant attention have been identified as being likely to be subject to area wide regeneration programmes. These are:
- Dallington Grange / King's Heath / Northwest Northampton
 - Central Area
 - Eastern Northampton
- 3.2.17 The Council is currently progressing a bid for an HRA PFI scheme, which is proposed to concentrate on Eastern Northampton. This has the critical mass of around 4,000 Council owned properties, most of which require Decent Homes works.
- 3.2.18 This neighbourhood also presents significant potential for site development and the improvement of the public realm. A PFI project would also contribute to the social and economic regeneration of the wider area. Whereas the PFI scheme itself could not encompass all 4,000 properties, the PFI work is being undertaken in such a way that the findings will lead to proposals for the regeneration of the whole area owned by the Council.
- 3.2.19 Alternative options, around the delivery of the decent homes programme to the whole of the stock, will be reflected in the new 30-year financial model as and when appropriate.

Capital

- 3.2.20 Capital expenditure represents major investment in new and improved assets such as land, buildings, infrastructure, equipment and information technology. It therefore plays a key part in the development of the Council's services.
- 3.2.21 The Capital Strategy was presented to Cabinet on 19 February 2009 as part of the budget setting process. The three-year capital strategy is updated on an annual rolling basis and forms an integral part of the medium term financial strategy and is addressed at page 28.
- 3.2.22 The Council Decisions on capital investment are made against the background of constrained resources, and the Council is heavily dependent upon capital receipts and grants from central government to support its capital programme. Other available funding sources include prudential borrowing, capital receipts, third party contributions, and revenue contributions. These are all actively pursued to support capital investment with the exception of prudential borrowing.

3.2.23 The Council is allowed to undertake prudential borrowing, on the basis that it is affordable, as there is no government support to fund the interest and capital payments on the borrowing. Due to pressures on the revenue budget it is advisable to assume that prudential borrowing will only be undertaken where savings on a 'spend to save' scheme will cover the borrowing costs. However, in practice there may be priority schemes that members consider have to go ahead or items that have to be funded this way for affordability reasons (e.g. capitalisation directives).

Strategic Business Reviews

3.2.24 In recent years the Council has developed a greater ability to respond in a more innovative and flexible manner.

3.2.25 The Council's corporate plan and service plan process has begun to enable better decision-making about priorities and is developing further this year. This is underpinned by the corporate priorities and management aims set out in the Corporate Plan (see page 12 of the MTFS).

3.2.26 The council is now taking a consciously planned and step-by-step-building approach to development of the Council and its services rather than the previous practice of trying to make major leaps forward without the foundations to build upon.

3.2.27 The report accompanying the 2009-12 MTFS (Cabinet 15 October 2008) recommended that a new process be established in the Council, to be termed "strategic business review".

3.2.28 The purpose of these reviews is to ensure that every service has a high-level forward plan for its development over at least the next five years. Each plan will be geared to enabling the council to deliver more with every pound spent in real terms, deliver the best outcomes for the public possible within the resources available, and deliver on the Council's ambition and corporate objectives.

3.2.29 Strategic business reviews provide an opportunity to think beyond accepted norms. It is an opportunity to be innovative, and to set an overall direction in each service, to deliver more and better service on the ground.

3.2.30 This approach draws on much current thinking about efficiency and value for money at national level, which recognises that only so much can be achieved by "Gershon" approaches. The "Varney" approach, developed nationally, focuses more on how services are delivered and looking at how changing the mode or model of delivery can provide even greater efficiencies.

3.2.31 It is from this agenda, which is actively promoted by government, that the increased drive towards innovative ways to deliver has come. The government has backed this with funding for regional Improvement and Efficiency Partnerships. There is a Northamptonshire Improvement and Efficiency Partnership and the Leader is responsible at county level for the development of the Northamptonshire sub-regional improvement and efficiency strategy/plan.

3.2.32 It is not, however, the case that all services can instantly be subjected to a strategic business review. Capacity does not exist in the Council to adopt the process across more than a small number of services at any one time. Consideration has therefore been given by officers as to which services should be subject of a strategic business review initially with the result that four Strategic Business Reviews are currently underway looking at:

- Asset Management
- Leisure and Culture
- Waste Service
- ICT

3.2.33 It should be absolutely clear that none of these reviews precludes the need for all other services to look at ways in which each service can become more efficient through not just operational value for money but also through beginning to change the way the service is delivered. There are several other major change processes that will alter service delivery approaches, for example in waste management, and housing, which are not part of strategic business review at this stage.

3.2.34 Each of the three services has different timescales for the review process and these were agreed with the relevant portfolio holder/s according to the work considered necessary and the resources available.

3.2.35 Options to bid for regional improvement and efficiency funds to support this process have been considered.

3.3 Choices (Options)

3.3.1 Cabinet is invited to agree the Medium Term Financial Strategy.

3.3.2 Cabinet is invited to agree that the Medium Term Financial Strategy is used as a guide to financial planning for the 2010/11 and medium term budgets.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The annex to this report sets out the council's Medium Term Financial Strategy 2010-13 for approval.

4.2 Resources and Risk

4.2.1 Pressures are highlighted above are currently being quantified. Savings and efficiencies need to be identified, not just for 2009/10 but also for the medium term to enable robust, balanced medium term budget to be set.

4.3 Legal

4.3.1 The Council must set a balanced budget each financial year. The medium term financial strategy gives direction and guidance which helps underpin the budget process.

4.3.2 There are no specific legal implications arising from this report.

4.4 Equality

4.4.1 Equality Impact Assessments will be undertaken as part of the budgeting process. The capital appraisal forms and revenue budget options detail equalities as one of the criteria to review.

4.4.2 There are no specific equalities implications arising from this report.

4.5 Consultees (Internal and External)

4.5.1 The Heads of Performance, Landlord Services, and Head of Policy were consulted.

4.5.2 The Portfolio Holder for Finance has been consulted via e-mail.

4.5.3 The Director Of Finance and Support has also been consulted.

4.5.4 Management Board will be consulted as part of the callover process.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 Having a good Medium Term Financial Strategy is a key ingredient in effective financial governance, which contributes to the priority of being a well-managed organisation that puts the customer at the heart of what we do.

4.7 Other Implications

4.7.1 Not applicable

5. Background Papers

5.1 Council Report 26th February 2009 (General Fund Revenue Budget 2009/10 – 2011/12),

5.2 Cabinet Report 15th October 2008 (Medium Term Financial Strategy 2009-12)

Gavin Chambers, Head of Finance and Assets, ext 7194

Rebecca Smith, Assistant Head of Finance, ext 8046



NORTHAMPTON BOROUGH COUNCIL

Medium Term Financial Strategy

2010/11 to 2012/13

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OVERVIEW

Purpose of the document

The purpose of the Council's Medium Term Financial Strategy (MTFS) is to support the Council's corporate planning process and to provide strategic financial direction, which will shape the Council's annual budget development and medium term financial plans.

It will help to identify external factors that are likely to put pressure on the council's finances in order that these can be properly taken into account in financial and service planning. Areas that can cause pressures of this sort include Government policy and new initiatives, economic climate, statutory changes, etc. Further information on such pressures can be found on page 17.

The MTFS provides a stable and sustainable financial framework against which the Council will plan and manage its priorities and resources to enable the effective delivery of its key plans and strategies aimed at delivering excellent and value for money services to its customers.

This document sets out the current and projected financial forecasts over a three-year planning period to March 2013 and is aimed at supporting the Council's 2010/11 to 2012/13 budget.

The Council approved its annual budget for 2009/10 in the February 2009. Council will approve the 2010/11 budget at its meeting in February 2010.

The strategy will be updated and rolled forward each year in preparation for the budget process.

Links to Key Corporate Plans and Strategies

The Council's Corporate Plan is a working document that exists to help elected Members, staff and partners work together to deliver our vision for Northampton"

"We believe Northampton will be a successful and confident town where people feel they belong, feel they have a future, feel they have financial stability and, where appropriate, business opportunities. It will also be a place that has vibrant cultures and lifestyle opportunities and where everyone who chooses to live here, work here or visit the town feels at home."

The Council's Corporate Plan details the Council's integrated planning process and the thread that links the Sustainable Community Strategy, the Council's ambition, aims and corporate priority areas through to service planning and individual staff performance. Our integrated process ensures we provide efficient and effective services that deliver value for money as well as securing continuous improvement in service delivery.

There is a clear line of sight between the Council's ambition and priorities and those of the Community Strategy. Developing the ambition and priorities involved consultation with many key stakeholders and analysis of current information available about residents' views. The priorities are refreshed annually with Councillors to ensure that they continue to be the right focus. They are then consulted upon as part of the annual corporate planning and budget consultation process. These shared ambitions were confirmed as being the most important for our communities in the last budget consultation process held earlier in the year and they merge seamlessly with national and local priorities. Consultation on the future priorities for the Council will commence in December and will continue alongside the budget consultation in January.

The Strategic linkage we aim for between the Corporate Plan and financial strategies is outlined in the following chart. This will ensure the entire planning process is integrated with a view to delivering value for money for all services delivered in accordance with the corporate ambition, aims and priorities.

REGIONAL SPATIAL STRATEGY

The Sustainable Communities Strategy for Northamptonshire

The Sustainable Communities Strategy for Northampton

LOCAL AREA AGREEMENT PRIORITIES

Stronger, empowered and cohesive communities

- Building Safer Communities
- Improved life chances for Children
- Improved adult health and well-being

• A stronger local economy

- Improved environmental sustainability
- Tackling exclusion and promoting equalities

Northampton Borough Council Corporate Plan

Our ambition is "To be recognised as one of the best Councils, in terms of public service, within 5 years"

NBC strategic plans:

- Customer Excellence Strategy
- Community Engagement Strategy
- People Strategy
- ICT Strategy
- Risk Strategy
- VfM Strategy
- Joint Core Strategy
- Central Area Action Plan
- Procurement Strategy
- All other overarching strategic plans

Medium Term Financial Strategy and Value For Money framework – The budget

Service Plan Priorities

Team and individual work plans

NATIONAL AND EXTERNAL INFLUENCES

1. General

Both national and local factors will affect the final outcomes of the MTFS, for instance:

- The general economy and inflation rates.
- Changes in interest rates.
- Impact of market forces on costs and resource availability particularly with regard to major contracts and local market rates.
- The raising of community expectations for better services.
- Increases in demand due to changing demographics
- General election 2010,
- Central Government changes in legislation,
- Financial implications arising from new technology, and
- Organisational changes arising from shared services agenda, particularly through contribution to the regional efficiency strategy

2. Comprehensive Spending Review

The conclusions of CSR 2007 are challenging for local authorities. Among the key features for Local Government were:

- Removing ring fencing from grants totalling over £5bn nationally by 2010-11 (but not removing the responsibilities that these grants are meant to fund).
- Streamlining performance management through a single set of 198 indicators.
- Focus on delivering value for money and efficiency savings.
- Revised LABGI – but only £150m available nationally over the 3-year CSR period compared to £1bn in the previous three years.

It is anticipated that the next spending review will take place in 2010, although there is a chance it could be postponed for 12 months due to the general election. There is a precedent for postponement.

Expected key features from the next CSR include:

- Significant real terms reductions in formula grant focussed on services that are of lower priority at the national level.
- Stronger focus on delivering value for money and even higher levels of efficiency savings.
- Further review of asset management and utilisation.

3. Budget Report 2009

In his annual budget the Chancellor announced that the 3% local government's efficiency target set in the CSR 2007 would increase from £4.9bn to £5.5bn. Councils are expected to find 4% efficiency savings in 2010-11. Councils will retain the additional £600m to reinvest in services.

Beyond CSR07, the government will seek additional £9bn per annum efficiency savings across the public sector by 2013-14. Local authorities' share of these savings is not yet clear.

4 Formula Grant Distribution

The draft formula grant settlement for 2010/11 was announced in January 2008. The settlement was generally poor for district authorities, and in particular for those authorities at the floor, such as Northampton Borough Council.

The formula grant accounts for approximately 60% of the Council's main funding streams, and for 2010/11 the authority is due to have a formula grant increase of just 0.5%. In addition to this the capping regime remains firmly in place, limiting the council's ability to raise funds through council tax, which is further curtailed by reduced housing completions due to the recent fall in the housing market and limitations on people's ability to pay where they have been impacted by the credit crunch.

This places a heavy burden on the authority to find still more efficiency savings (the Government target for 2010/11 is a minimum of 4% new cashable efficiencies) or, as a last resort, service reductions to balance the budget.

It is anticipated that formula grant may see cuts affecting councils (district authorities in particular) in the next spending review, although it is too early to know the precise pattern, the following tables give an indication of the potential impact on funding for NBC of different scenarios:

Illustration 1 – Assumes a 7% decrease in year 1 of the CSR followed by a 3% decrease in year 2 and stand still in year 3.

	2010/11 Provisional £m	2011/12 Estimate –7% £m	2012/13 Estimate –3% £m	2013/14 Estimate 0% £m
Projected Grant	18.936	17.611	17.082	17.082
Change on Previous		-1.326	-.528	0

Illustration 2 – Assumes a 5% decrease in year 1 of the CSR followed by a 3% decrease in year 2 and stand still in year 3.

	2010/11 Provisional £m	2011/12 Estimate –5% £m	2012/13 Estimate –3% £m	2013/14 Estimate 0% £m
Projected Grant	18.936	17.990	17.450	17.450
Change on Previous		-0.947	-.540	0

The settlement for 2010/11 will be confirmed by CLG in January 2010, while the draft settlement for 2011/12 is due to be published in December 2010 and the final will be confirmed in late January/early February 2011.

The authority continues to work closely with Northamptonshire County Council and other districts in the local area to lobby Government for improvements to the funding for authorities in the local area, particularly in view of the growth agenda and the inappropriate way in which population is built into the formula for distribution of the formula grant using out of date information.

5. Economic Environment and Credit Crunch

The general economic environment, and the credit crunch in particular, is already having a significant impact on a number of areas within the NBC budgets. These mainly relate to property and development related budgets, utilities and income. These areas are now a major influence on the medium term financial strategy and include:

- Car Parking
- Concessionary Fares (greater use of busses linked to reduced car park income)
- Investment Income (impacted on by low interest rates in the investment market)
- Debt Financing Costs
- Utilities and Fuel
- Building Control income (also impacted by greater private sector competition).
- Land Charges
- Planning
- Timing and negotiation of s.106
- Levels of income achievable for sale of council assets.
- Effects on council taxbase and collection
- Effects on sundry debt collection

There are also more generalised pressures arising from the effects of higher levels of inflation on the type of goods and services that the authority must pay for.

In addition there may be a medium term impact if the credit crunch leads to people losing their homes, thereby leading to a risk of increasing pressure on the homelessness service and on housing waiting lists.

Impact of the Credit Crunch on Government Funding

It is anticipated that there will be general reductions in Government funding for infrastructure through GAF, EMDA, etc. This will impact in particular on growth and regeneration authorities, both of which apply to NBC.

In 2010 there will be a general election, which will have an impact on the decisions taken at national level about local authority funding. It is too early to tell as yet what the effects will be.

The next comprehensive spending review (CSR) is due to take place in 2010, although there is a chance it could be postponed for 12 months due to the general election. It is expected that at least the next two CSRs will be very challenging for local government.

Impact of Local Factors

A number of local factors have an impact of service delivery and associated costs, as well as levels of demand:

1. Growth Agenda

Northampton has a diverse population that is increasing and is likely to continue to increase. Mid year population estimates 2008 indicate that Northampton's population has reached 205,200 with a projection to reach 235,800 by 2019. Northampton's youngest population between 0-15 make up 19.3% of the population (increasing) with people of working age 16 to 64 male/59 female 64.3% (decreasing) and older people 65 male/60 female 16.4% (increasing). In 2008 the number of people aged 65 or over was 14%. In 2007 the percentage of the population over 60 who live in households that are income deprived was 18.7%. In 2006, 11.3% of Northampton's population are from minority ethnic groups compared to 8.5% in 2001.

Northampton lies within the Milton Keynes South Midlands growth area as determined by government's Sustainable Communities Plan. The Council is supporting this growth that seeks to deliver 31,500 new homes in Northampton by 2021 and with a further target of 8,875 by 2026. There will also be a projected increase of 37,200 jobs in the region, coupled with this growth is a projected population increase to approx. 270,000 by 2021.

Impacts on Council's services include:

- Increasing need for leisure facilities infrastructure along with the urban development.
- Higher demand for planning services including enforcement.
- Planning policy requires that 35% of dwellings on developments of over 15 units are affordable. This figure is supported by the West Northamptonshire Housing Market Assessment.
- The number of new properties will increase pressure on the local tax collection service.
- Additional workload for the Corporate and Democratic core around increased Electoral Registrations and Local Land Charges searches as property development and purchases increase in the area.
- Development of new areas brings new legal work around development work generally including Easements, Wayleaves and Planning enforcement.
- Population growth will increase pressure on the benefits service in terms of caseload, which has already significantly increased.
- The growth agenda brings major challenges and opportunities for regeneration and a strategic overview of the towns regeneration and associated growth in its economy, and securing funding remains critical.
- Waste collection - the challenging growth agenda allied to financial constraints means this mandatory service has to be delivered without further expansion of resources.
- Parks and open spaces – we are currently taking on more adopted areas to maintain, within existing resource levels including commuted sums due to the current growth agenda.

2. Migration

A substantial, and increasing, migrant population are now residing in Northampton and thus we endeavour to cater for their needs:-

- Employment prospects within Northampton are high but average wages remain low and work is often of a temporary unskilled nature. This availability of work is resulting in a large migrant population as well as high local demand for affordable housing.
- The demographic make up is constantly changing, with Northampton town experiencing an increase in the number of residents from an Eastern European background, for example Poland. This has increased the number of contacts for individuals accessing the Council who do not speak English as their first language.
- Increase in inward migration is impacting on the enforcement activity of client departments such as Environmental Health, and Streetscene, leading to increases in legal work.
- Increased pressure on the benefits service in terms of variety of social interaction and language issues.

3. Deprivation

24 Super Output Areas in Northampton fall within the 20% most deprived areas nationally. 1 falls within the 5% most deprived.

Deprivation in Northampton is particularly a function of income, education, health and crime. Northampton is ranked in the most income deprived and employment deprived quartile of local authorities.

According to the 2007 IMD, Northampton is ranked slightly below average in relation to other local authority areas in England. Northampton has an overall rank of 140 out of 354 local authorities, with the most deprived ranked 1. It is hence in the most deprived 40% of authorities.

Northampton can be broken down into 129 LSOAs. The IMD indicates that 24 of Northampton's LSOAs (19% of the total Northampton LSOAs) fall within the 20% most deprived in the country. These fall within twelve of the Borough's wards: Billing, Castle, Delapre, Easfield, Lumbertubs, St David, St James, St Crispin, Old Duston, Spencer and Thorplands.

4. Urban/Size

Northampton is the county town operating with 5 other districts that are small in comparison. These other districts operate within mainly rural settings and do not offer comparable services to homeless/those at risk of homelessness. Specifically specialist services (for ex-offenders, drug and alcohol-related homelessness, hostel accommodation etc) are centred within the town. Clients from the 5 districts tend to gravitate towards these services.

The density of the housing planning area and the nature of the built environment places greater demands on the service than more rural areas. Affordable/social rented housing is in short supply and there is high demand from all competing sectors of the housing market.

We have a large amount of high density housing areas which require an increased sweeping frequency; around 1,400 kilometres of footpaths and channels are cleansed and the change to alternate weekly refuse collections has impacted on cleansing workloads particularly regarding issues with side waste.

Other service specific local factors result in unavoidable increased comparative costs including the Museums Service, Corporate Democratic Core, Legal Services, Concessionary Fares, and Parks/Open Spaces

Budget Priorities - Prioritising our activity to meet local people's needs

The Council has embedded a rigorous budget prioritisation process based on comprehensive engagement with our communities and residents. Identifying the views of our residents and stakeholders is vital to ensure the Council responds to the needs of local people. We have good intelligence on the needs both of the borough as a whole and of different communities within it and this supported development of the Corporate Plan. This intelligence has also recently been consolidated to provide a corporate statistical picture as well as to identify areas of consultation and engagement where there is duplication.

Comprehensive consultation with our customers is in place with feedback obtained through an annual Place Survey, quarterly consultation with our Citizens Panel and other service specific consultations. The budget and corporate planning consultation process includes consultation with a large group of stakeholders, customers and partners, using a variety of methods to encourage participation and feedback. The Council carries out targeted focus groups to enable local people to influence choices and have direct input into improving services.

The Council is committed to continually improving the way we engage with our communities. This forms part of our wider agenda of expanding methods of customer contact and encouraging communities to have a voice in how services are shaped and delivered. We are committed to personalising services to ensure they meet the needs of our customer by continuing to innovate and improve by giving individuals and communities a stronger voice in the design and transformation of services. Our community forums are an important source of feedback to improve access and design of services.

The Council is exploring the options for participatory budgeting as outlined in the Communities in Control, Real People, Real Power white paper (and the Community Empowerment, Housing and Economic Regeneration Bill). This sets out the CLG aim of having a form of participatory budgeting in every local authority by 2012 under the duty to involve (Local Government Act 2007).

On the basis of research undertaken we have distilled local people's views into five main priorities. The five priorities for our stakeholders, identified through recent consultations are:

- We will work to help our communities to be safer, greener and cleaner
- We will improve housing and health to enhance the wellbeing of our communities
- We will be a well-managed organisation that puts our customers at the heart of what we do
- We will promote economic development and growth in Northampton
- We will strengthen our commitment to partnership working and engaging with our communities to deliver better outcomes

The results of the focus group research have established that local people's needs and wants for the town have remained largely the same as last year.

Management Aims

The Council has adopted the following management aims, to enable the above priorities are delivered. The management aims are to:

- Provide excellent customer service
- Engage in meaningful dialogue
- Make best use of our resources
- Be a single effective team
- Work to make Northampton a better place

Service Planning

Our Service Planning process is driving performance improvements across the Council. The plans clearly set out what is to be achieved within the Corporate Plan, how this will be done and how it will be measured. Our Corporate Plan was developed to reflect the priorities contained within the Northampton Communities Strategy. Service Plans are a key component of our performance management framework. Individual performance plans and personal development plans are linked to Service Plans to help employees see how their own efforts contribute to delivering the Corporate Plan. Service Planning Guidance sets out how Service Plans should be developed and their content is reviewed annually and improved where necessary. Service Plans incorporate consideration of Value for Money (VFM) and VFM profiles are used to help identify where performance needs to be improved and efficiency savings could be made. The financial implications of the service plans are reflected in the annual revenue budget and capital programme. These budgets will separate out where specific elements link in with the Corporate Plan priorities.

Monitoring performance and Service Delivery

Performance management systems are clear, accessible, well co-ordinated and linked to service planning, with effective performance monitoring arrangements at all levels. Performance appraisals link personal and service performance to the skills and knowledge needed to help ensure that staffs are clear what they need to achieve and how their work contributes to the corporate priorities.

The Council's Performance Management Framework (PMF) ensures that comprehensive systems and processes provide timely performance information, which informs both our strategic and operational decision making processes and business objectives. The PMF system incorporates monthly reporting across all service areas using a consistent format. This approach ensures improvement actions and reporting extends through to team and individual staff performance management. Managers and councillors have been trained to support them in applying performance management principles and techniques through internal courses and central support.

The PMF sets out the flow of management information across the Council. Monthly performance reports detail progress against targets for services. Indicators collected monthly, quarterly or annually are reported on their own timelines. Updates against improvement plans, service plan actions, financial performance, risks and service specific issues are highlighted and communicated to senior managers on an exception basis. We use traffic light coding to clearly identify whether progress to meet targets is on track. Performance is discussed within service areas at three weekly Departmental Management Team (DMT) meetings with Directors, Heads of Service and Portfolio Holders.

Performance is monitored closely at both Cabinet and senior management level, including financial monitoring. The Leader works with the Portfolio Holder for Performance and Cabinet and the relevant Overview and Scrutiny Committee regularly reviewing performance.

Performance information is communicated widely and reports are also placed on the Council's website to enable public access. All Councillors are provided with the monthly performance reports, which are also presented to each meeting of Cabinet by the Portfolio Holder for Performance, advised by officers. These reports focus on performance against priority indicators. The reports set out an analysis of quartile performance so performance can be compared to the levels of the best performing Councils.

Performance and budget information is reported at the same time to provide monitoring information to Members, Management Board, and Service Areas.

We will continue to monitor the quality of our services by seeking the views and experiences of residents, service users and council staff in the following ways:

- Residents surveys which seek opinions on Council services
- Consultation and focus groups on particular issues
- User forums
- Analysis of complaints and comments received
- Staff surveys

The Leader, Cabinet, Chief Executive and Management Board and service management teams will examine our service and financial performance regularly.

Data Quality

We are committed to maintaining and improving the quality of the financial and non-financial data underpinning our medium term financial planning. We have integrated our financial and non-financial planning, so that we are using the same data for service and financial planning.

Standardising our budgeting processes and challenging the budgets at various stages will allow us to scrutinise particular areas of the council's activities and verify the accuracy of the underpinning data. For the 2010/11 budget process Heads of Service will have their respective service area budgets challenged by the Director of Finance and Support, the Management Board, Portfolio Holders and Members. The scrutiny of budget proposals with members has also evolved with further involvement from the Overview and Scrutiny Committees.

Equality

Equality and diversity themes are embedded into policy development and service planning, as well as the annual MTP capital and revenue options appraisals. We actively promote equality of opportunity and are committed to eliminating unlawful discrimination for all our residents, customers and employees. The Council values diversity and service plans include equality actions to ensure services meet the needs of all of the borough's people and communities. Therefore, mainstreaming equalities into all of our service activity is further enhancing service quality, improving access and delivering better value for money.

We have achieved level three of the Equality Standard for Local Government as at Autumn 2009. Outcomes from Equality Impact Assessments have been used to develop action plans incorporated in the service planning process. Community cohesion has been a developing theme and we are working with partners and stakeholders to promote positive relations between diverse communities. The Corporate Steering Group on Equalities, chaired by the Chief Executive, provides strategic direction.

The equality and diversity strategy is in place and there is substantial information on equalities online. We established a Single Equality Scheme to combine all equality standards. Newcomers to NBC (including councillors) receive equality training as part of their induction. All appraisal and performance plans include an equality and diversity section to test competencies.

Both the Medium Term Planning option appraisals and the Capital appraisals have sections on equalities for completion. These are reviewed and challenged by Finance when received and also passed to the Equalities Officer for an independent review. Where this information highlights equalities issues, positive or negative, this information is made available to members as part of the budget setting reports.

RESOURCES

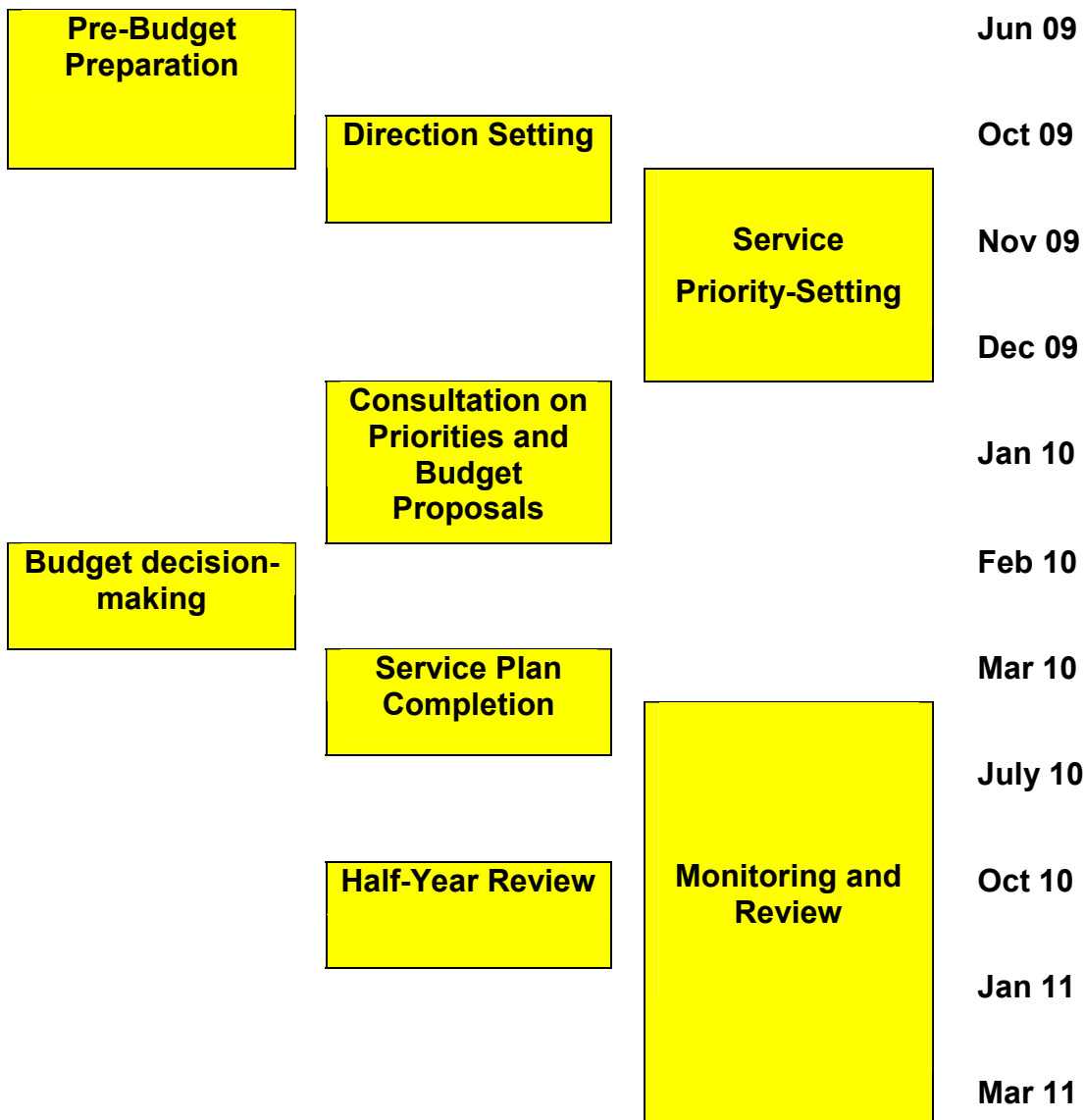
Council Tax and the taxbase

The Council has a strong commitment to keep levels of Council tax as low as financially prudent. Due to difficult financial circumstances, the Council tax increase will be modelled at different rates starting at 0% along with RPI as at September 2009, minimum pension increases guaranteed by government (2.5%). This will be for working purposes only. In order to deliver services within the overall financial envelope the Council will exercise strong control over performance, efficiency and value for money. The longer-term plan is currently not to increase council tax above 5%, however needs are assessed on an annual basis.

The taxbase set by Cabinet on the 22nd December 2008 for the 2009/10 budget and council tax was 66,166 Band D equivalents (65,443 in 2008/09). The taxbase is set using planning assumptions up to March 2009 and a non-collection percentage of 2.5%. A three-year council tax figure has not been set. The taxbase is reviewed on an annual basis.

A 1% increase in council tax for NBC would result in approximately £135k revenue.

Budget Setting (General Fund and HRA Revenue and Capital)



The Management Board, comprising of the Chief Executive and Directors, approved the timetable and process for the Medium Term Plan and budgets.

The key milestones were as follows:

- June – Budget and medium term planning process launch. Officers work up continuation budget including inflation and unavoidable growth.
- September – Phase 1 revenue continuation budget challenged by Head of Finance and Assets and/or Director of Finance and Support. Officers work up Medium Term Planning (MTP) options appraisals where required. Phase 1 capital programme takes place with short form bids being prioritised.
- October/November – MTP options reviewed and challenged by Management Board. Ongoing monitoring of Government announcements is undertaken.
- December – Provisional Formula Grant and supported borrowing announcements. Cabinet consider and agree proposals for consultation budgets.
- December/January – main public consultation on capital and GF revenue budgets and proposed level of council tax.
- End January/February – Final Formula Grant settlement announcement is announced by Government.
- February – Cabinet recommends budgets to Council. Council agrees budgets and council tax.

Fees and charges are also reviewed annually as part of the budget cycle.

Resource Allocation to Services - Methodology

The Medium Term Planning (MTP) cycle effectively links resources to Council objectives and priority areas. Our MTP budget option forms incorporate best practice and set out contribution to delivery of Council objectives and equality impacts.

Medium Term Planning Option and Capital Appraisal forms include a section for managers to explain how their proposal delivers value for money. These are used as part of the challenge process with members and Management Board during the autumn challenge phase of the budget process. At this point the challenge may also identify additional VFM options to be investigated and, where applicable, brought forward. Capital and revenue bids must also demonstrate contribution to the corporate plan priorities. The budget process, incorporating the Medium Term Financial Strategy (MTFS), ensures that the principles of improving VFM are an integral part and impact on equality is also now assessed for all savings options.

Resource allocation to individual service areas will be calculated by:

- Allowing for the impact of unavoidable demographic, inflationary and legislative impacts on the Council's cost base.
- Making sufficient service review savings to set a balanced budget.
- Providing funds for 'investment' in priorities identified in the Corporate Plan and LAA released by cross-cutting review savings.

Cost pressures

Whilst financial management has greatly improved significant financial risks still remain. These pressures are a mix of clear cost pressures, which are quantified in year as part of the normal budget monitoring process and other factors, which are more challenging to quantify. This is because some external factors are outside the authority's control or influence and therefore best estimates must be made.

A balance needs to be struck between areas where budget pressures need to be recognised within the medium term plan where they are quantifiable, and areas of risk where it is deemed that the level of balances held, derived through a robust risk assessment process will cover any potential realisation of the financial impact of that risk. The areas can be broken into three categories:

1. Quantifiable areas as a result of the economic down turn:

- **Car Park Income** – The general economic downturn and credit crunch have further impacted on car park usage in 2009/10. There is likely to be a direct link between reduced car use and the greater than anticipated uptake of the concessionary fares scheme. The impact is already putting pressure on the 2009/10 budget and may have an impact on income in future years although there is potential opportunity to offset this reduction in income through the implementation of a charging policy that maximises the income from these resources for the benefit of the town's council tax payers whilst at the same time ensuring that they contribute to maximum effect to the retail and business vitality of the borough.
- **Reduction in income levels** – this covers a number of categories such as investment income, licensing, building control and planning fees.
- **Collection Fund** - The Council is required to maintain a separate fund called the Collection Fund into which the Council Tax and Non Domestic Business Rates are paid into. Each year an assumption is made as to the number of new properties, which will be added to the register. Deficits arise in the tax base if the number of properties listed are less than the planning assumption. As at the 31st March 2009, there was an overall deficit for all preceptors of £803k on the Collection Fund.

2. Quantifiable areas as a result of service pressures:

- **Pay and Grading / Single Status project** – the authority has agreed project funding of £300k in 2009/10 and 2010/11. The anticipated date of implementation is 1 April 2010. Very few authorities have implemented single status on a cost neutral basis; therefore future plans will need to take this into account.
- **Food Waste Collection** - NBC will need to introduce food waste collection by 2012. The cost is currently not known but is likely to be in the region of £250k per year. Consideration will be given to introducing food waste as part the project to market test environmental services, which may provide an opportunity to do so without any net increase in the overall cost of waste collection.
- **Market Square** – The development of the Market Square will continue to have revenue consequences. However, once the work is completed it is anticipated that the position will improve.
- **Equal Pay Claims** – the authority has settled the majority of the equal pay claims with the remainder due to be settled in 2009/10, but there is a risk that further claims may be lodged. A capitalisation directive has been granted by the government, which will allow the authority to fund these costs incurred in 2009/10 either through prudential borrowing or capital receipts. If it is funded through borrowing then the ongoing revenue impact will be built into the budget. The authority will seek capitalisation directives for any similar costs in the future.

3. Unquantified areas of High Risk:

- **2010/11 and future years pay settlement** – The media has indicated that Government intend to freeze public sector pay in 2010/11 for one year. The budget will be set on this basis.
- **2010/11 and future years formula grant settlement** – All the political parties have stated that there will need to be cuts in the public sector to help recover the country's financial position. It is therefore generally expected that the formula grant settlement for the next few years will see a floor of less than zero, probably with a greater proportion of the reduction weighted towards district authority services as they exclude stated Government priority areas such as social care and education.
- **Commercial Rent and capital receipts:** Continuing impact of the recession on rent receivable from Council's commercial properties and the values obtainable from selling property assets that are no longer required.
- **Balance of Charges between the General Fund and Housing Revenue Account and Capital** – there have been changes in accounting regulations under the Best Value Accounting Code of Practice, the CIPFA Statement of Recommended Practice and best practice which needs to be applied. Combined with a significantly reduced capital programme, it is probable that this will have an impact on the General Fund.
- **Planning Appeals** – if more appeals take place this is likely to lead to additional costs being incurred.
- **Concessionary Fares** – the Government recently consulted on changes to administration arrangements for concessionary fares and, separately on alternative funding models. Due to the uncertainty as to whether this re-organisation will go ahead and how the resources will be re-allocated the timing and financial implications of this cannot be estimated. If it does go ahead it is likely that it will happen in the timescales of this strategy.
- **Fuel and Utility Costs** – the costs of fuel and utility costs have fluctuated sharply over the past two years. It is therefore difficult to assess with certainty the pattern these costs will take in the next few years. Work is ongoing to reduce the Council's carbon footprint, and this should generate related savings in fuel and utility costs.

Other Areas.

Other areas which need to be considered as part of the financial element of the medium term plan include:

1. Growth

The population served by the authority is growing swiftly under the Government's Sustainable Communities Plan. This, linked with the regeneration needs of the borough, leads to strain on both the revenue and capital budgets as well as the need to frequently work with the County and WNDG to deliver the necessary infrastructure.

Project development puts a financial strain on the authority – feasibility studies are normally revenue expenditure because there is no certainty that they will generate a positive outcome or a fixed asset. At its meeting on 26 February 2009 the Council decided to earmark the unallocated LABGI funds received to date for Regeneration purposes, including feasibility studies.

2. Capital Projects

The authority receives no supported borrowing allocation in most years other than for Housing. This means that any capital projects have to be funded by other capital funding sources including capital receipts, capital grants, Major Repairs Reserve (HRA only), section 106 planning obligations and third party contributions, unsupported (sometimes called prudential) borrowing, or revenue contributions.

Where projects are to be funded by s.106 there is often a timing issue due to the way in which payments under the agreements arise at trigger points during the development.

In ideal circumstances, due to pressures on the revenue budget it is advisable to assume that prudential borrowing will only be undertaken where savings on a 'spend to save' scheme will cover the borrowing costs. However, in practice there may be priority schemes that members consider have to go ahead or items that have to be funded this way for affordability reasons (e.g. capitalisation directives).

3. LABGI

One issue that has arisen from CSR2007 relates to LABGI (Local Authority Business Growth Incentive). This new scheme was introduced as part of CSR2004 for three years, during which funding of over £1 billion in total was awarded to local authorities.

It had been widely anticipated that the scheme would continue to provide similar funding levels in periods beyond the end of CSR2004. However CSR2007 saw a significant reduction in the funding to be made available for LABGI awards. In addition there has been a change in methodology for calculating LABGI allocations. It is unknown as yet whether LABGI will continue beyond 2010/11.

NBC received £1,007k in LABGI during 2007/08, whereas the 2009/10 allocation notified in September 2009 was just £124k. Prudently, the Council does not include LABGI funding within the budget setting process as it is not known how much will be received in future years. However in 2009/10 the practice has been to ring fence this funding to Regeneration and Development to lever in additional investment from external funding streams to enable regeneration projects to be delivered.

4. Supplementary Business Rates

The Business Rates Supplement Act 2009 was passed in July 2009 giving local authorities powers to raise a supplementary business rate. It would enable upper tier authorities in England and Wales to raise an additional business rate (up to a maximum of 2p in the pound) for funding local expenditure on economic growth (such as infrastructure).

It is not therefore be available to NBC.

REVENUE

Projections for Formula Grant 2010/11 to 2012/13

In January 2008 the Government announced the draft Local Government Settlement for 2010/11. Working estimates based on illustration 2 (above) for the following 2 years are shown in the table below:

	2010/11 £m	2011/12* £m	2012/13* £m
Redistributed Business Rates	15.385	14.616	14.177
Revenue Support Grant	3.374	3.374	3.272
Total Formula Grant	18.936	17.990	17.450

**The actual figures and split for years 2 and 3 has not yet been released; it has therefore been split pro rata based on the 2010/11 provisional split.*

Total Resources

The total resources available to the Council are estimated as shown below in table below.

	2009-10 £m	2010-11 £m	2011-12 £	2012-13 £m
Formula Grant	18,842	18,936	17,990	17,450
Council Tax	13,537	13,605	13,673	13,741
Total	32,379	32,541	31,663	31,191

At this stage it must be stressed that the Formula Grant projections are from the provisional settlement for 2010/11 and estimates for future years, as the final settlement announcement for each year is due in January of the preceding year and could differ from the provisional announcement.

The following table shows the 2009/10 budget agreed by Council in February 2009, and the projected budget for the next two years as at that time.

Since this was put together the effects of the credit crunch have become clearer, along with indications of the impact that managing the effects Government's response will have on future local authority funding. Revised forecasts for 2010/11 onwards, taking this into account, where possible, will be presented to Council in February 2010.

2009/10, 2010/11, and 2011/12 Proposed General Fund Revenue Budget as at 1st April 2009

	2009/10 Budget £'000	2010/11 Budget £'000	2011/12 Projected Budget £'000
<u>Service Expenditure - Continuation Budgets *</u>			
Director of Finance and Support	18,398	19,720	20,857
Director of Planning and Regeneration	3,208	3,598	3,725
Director of Environment and Culture	15,913	17,281	18,659
Director of Housing (GF Element)	1,889	1,966	2,078
Assistant Chief Executive	5,419	5,374	5,528
Borough Solicitor	1,295	1,399	1,647
Sub Total	46,122	49,338	52,494
Level 1 Medium Term Planning Options	(2,222)	(2,372)	(2,001)
Level 2 Medium Term Planning Options	(4,915)	(5,075)	(5,537)
Sub Total	38,985	41,891	44,956
Further Efficiencies to be Found	0	(3,104)	(5,232)
Debt Financing	1,083	1,420	1,137
Recharges to Other Funds	(5,853)	(5,853)	(5,853)
Parish Grants	21	22	22
Parish Precepts	904	931	959
Contribution to/(Use of) Reserves	100	150	0
Transfer to/(from) Earmarked Reserves	(844)	(462)	(243)
Total GF Revenue Budget Requirement	34,396	34,995	35,746
<u>Funded By</u>			
RSG/NNDR	(18,843)	(18,936)	(19,301)
Government Funding for Concessionary Fares	(693)	(713)	(716)
Net Area Based Grant	(504)	(279)	(279)
Collection Fund (Surplus) / Deficit	86	0	0
Council Tax: Parish Precept	(904)	(931)	(959)
Council Tax: Previous Years	(12,887)	(13,538)	(14,136)
Council Tax: Taxbase	(143)	(67)	(71)
Council Tax: 3.9% increase***	(508)	(531)	(554)
Total Revenue Support Grant, National Non Domestic Rates and Local Taxation	(34,396)	(34,995)	(35,746)
Contribution (To) / From Balances	0	0	0

The budget included the following:

1. **Efficiency savings** totalling just over £1.1m for 2009/10 including:
 - £114k on property related savings.
 - £199k saving due to better procurement and changes to contract arrangements.
 - £120k saving from more efficient staffing.
 - £73k saving on more efficient use of supplies and services.
2. **Additional Income** of £1.2m additional income, including:
 - Review of court costs £189k
 - Housing administrative fee income £216k
 - Income based business growth £308k
 - Changes in waste fees £148k
 - Sale of land charges data £72k
3. **Priority Growth** of £376k including:
 - Support to River Nene Regional Park
 - Funding to support Northamptonshire Enterprise Ltd
 - Investment in improving performance
 - European Election costs

Overall the Chief Finance Officer considered these items to be deliverable for 2009/10 onwards within the assumptions made.

Working Balances and Earmarked Reserves

As at the end of 2008/09, the General Fund working balance was £2.006m and the HRA working balance was £6.124m. The latest available figures will be taken into account during the budget setting process.

For 2009/10, the General Fund balance is expected to be approximately £2.1m. Due to the level of financial risk in local Government currently, the council aims to increase its balances over the next 3-5 years to at least £2.5m.

Earmarked reserves as at the end of 2008/09 and the estimated 2009/10 balances are detailed in the table below.

Reserve	Balance 31/03/2009	Estimated Balance 31/03/2010
	£000s	£000s
Insurance	1,976	1,976
Benefits Clawback	0	0
Subsidy Equalisation	500	500
Core Business Systems	169	0
Building Maintenance	500	0
Corporate Initiatives	351	219
Service Improvements	1,000	900
Debt Financing	460	200
General	3,212	3,017
Arts	23	23
HRA	8,175	8,175
	16,366	15,010

Of these reserves at the 2008/09-year end, £8.175m are HRA and £8.191m are General Fund. The figures for the 2009/10 year-end are estimated as at 30 September 2009. The levels of the earmarked reserves are reviewed on an annual basis.

The Revenue Budget Strategy to meet Pressures

The 3-year financial statement highlights that there continues to be a gap between the Authority's spending pressures and the projected available resources.

In order to meet this gap the following strategy will be adopted:

- an effective Medium Term Financial Strategy in place to drive forward the financial planning process and resource allocation. The financial strategy is determined in the context of policies and priorities contained within the Corporate Strategy and other key internal Strategies, feeding through to and up from Service plans.
- the Council recognises the pressures on its budget, and while seeking to protect and enhance front-line services as far as possible, will aim to contain these pressures within existing resources. Cabinet Members will examine all budget pressures and seek reductions where possible.
- We will seek new funding and new ways of working with support provided by the regional efficiency partnership. Cabinet Members will continue to look at new methods of service delivery over the three-year budget period to improve services to the public and the value for money that they provide.
- The Council recognises the need to improve efficiency and deliver value for money. Cabinet Members will seek to identify efficiencies that will not impact on service delivery, and to identify options that will improve the value for money services through improving performance, and/or reducing service costs.
- The Council has determined, that given the financial pressures faced by the Authority, budgetary growth can only be supported in priority areas, or where the Council is required to fund new items e.g. by new legislation.
- The Council will undertake a series of strategic business reviews enable the Council to move forward more rapidly within services to deliver ever better outcomes for the public and efficiency and effectiveness in organisation.

Council Tax Level

While addressing its priorities and setting a balanced and prudent budget, in view of the Capping regime, the Council will seek to keep any increase in the Council Tax to the lowest possible level. Therefore the planning assumption for the medium term is an annual 0% increase in Council Tax.

Customer Payment Changes

The customer access project, which involved moving our cash paying customers to using cash payment outlets such as Alliance and Leicester's Payzone facility and the Post Office in order to make cash payments, was implemented on 1 April 2009.

There has also been a significant drive towards getting our customers to pay by Direct Debit, as this is significantly cheaper.

With the availability of new technology payments can be made on-line and on the twenty-four hour payments line, meaning most customers do not have to leave the comfort of their own home to pay their council bills.

Of course there will always be a small percentage of customers who still want to pay by cash and the Payzone outlets will allow customers to pay up to £999.99 at a Payzone location. There are Payzone outlets located throughout the town. There is also a payment kiosk located at the Guildhall enabling customers to pay cash into the payment kiosk.

The final stages of this project are due to be completed in late 2009-10/early 2010-11.

Housing Revenue Account

Introduction

The two main revenue budgets of the Council cover the General Fund (which determines and is funded by the Council Tax) and the Housing Revenue Account (which contains the income and expenditure related to the provision of Council Housing including Housing Rents). The level of subsidy set by the Government determines the level of resources that the Council can use to provide services to tenants of its Council houses. The subsidy comes in two forms: the revenue subsidy comprises "Management and Maintenance allowances" (M&M) which are derived from complex formulae related to the make up of the stock; and a capital subsidy in the form of a "Major Repairs Allowance" (MRA) which again is formula based. As rent income exceeds the amount of M&M and MRA allowances, the balance is currently paid to Government in the form of a "Negative Subsidy", estimated for the current year 2009/10 at £10.7 million (£10,683,000). In recent years the Council has kept substantially within the M&M allowances for revenue expenditure and has been able to make contributions to repairs reserves, but that is unlikely to continue.

At its meeting on 26th February 2009, the Council approved the HRA budget for 2009/10 with projections for 2010/11 and 2011/12, including the charges in respect of council house and garage rents, heating and service charges.

In setting the HRA budget, due regard was given to the resources available within the context of achieving and maintaining the Decent Homes Standard, and to comply with the Government policy on rents.

The budget was constructed on the basis that it would contribute towards meeting the following key Corporate and Strategic objectives: -

- We will help our communities become safer, greener and cleaner
- We will improve housing and health to enhance the well-being of our communities
- We will be a well managed organisation that puts our customers at the heart of what we do
- We will promote economic development and growth in Northampton
- We will strengthen our commitment to partnership working and engaging with our communities to deliver better outcomes

Key Issues in the 2010/11 Budget

The Housing Business Plan states that over the next two years the new Housing Directorate will work for customers:

- To ramp up the Decent Homes programme to raise the energy efficiency of all council homes with an accompanying programme to address environmental concerns to achieve decent neighbourhoods.
- To reduce homelessness and to provide advice and support to homeless people and those in housing need
- To provide an excellent service to council housing tenants and leaseholders and to achieve top-quartile performance in resident satisfaction, rent collection, repairs and re-letting vacant housing (voids).
- To develop housing related care to enable more people to remain in their own homes in safety and security
- To deliver an effective tenant support and estate management service and combat Anti-Social Behaviour to enable council housing tenants and leaseholders to enjoy their neighbourhoods as well as their homes

- To involve service users in realistic assessments of the quality of services provided and in planning service improvements, fostering community pride and engagement
- To provide a repairs and maintenance service with a “right first time, every time” objective which demonstrates value for money
- To develop a variety of means to consult with service users including “hard to reach” groups and ensure that opportunities for involvement are maximise

Medium to Long Term Financial Projection

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 Government’s 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.

An overview of the findings of the HRA financial model was reported to Cabinet on 15th July 2009.. The model will be used to forecast the impact of major initiatives on the long-term viability of the HRA. The indications provided by this model will be considered alongside the Housing Asset Management Strategy (consultation draft, which was also approved for consultation at the 15th July 2009 Cabinet meeting.

On a baseline position forecast, which assumes no additional revenue contributions to capital from 2009/10 onwards, shows that the Housing Revenue Account remains with positive balances until 2025/26 but with an annual in year deficit from 2016/17. Additional revenue contributions to capital or unsupported borrowing to finance capital expenditure would worsen the position and will lead to deficits in earlier years

The main pressure on the Council Housing service is in the capital area where there is an estimated shortfall in the capital resources required over the next five years of £73 million (£72,955,000) to reach and then to maintain the decent homes standard. Without additional action being taken, the provision of additional capital resources through revenue financing or borrowing will have an impact on the revenue position. In order to maintain the HRA position, the revenue impacts of the additional capital financing must be matched by efficiencies or savings from within the HRA. For these reasons similar savings as applied to General Fund budgets of 7.3% of HRA revenue costs have been identified for 2010/11 and a review of the Housing Directorate staffing structure has been initiated in order to identify further savings These savings would be made with a view to re-directing resources to tenant services.

Review of Council Housing Finance

In July 2009 the Communities and Local Government (CLG) Department issued a consultation paper on possible reforms to the HRA subsidy system, with a favoured option being the scrapping of the subsidy system. This would apply to all local authorities with retained council housing and would involve a re-allocation of the national HRA debt. Whilst attempts have been made to model various levels of national HRA debt being allocated to Northampton, in practice there are too many variations in possible assumptions and timing for the full implications to be known at November 2009. It is likely that any changes would require primary legislation and would not take effect before 2012/13. In the meantime, therefore, the existing financial projection model will be updated on a regular basis as subsidy determinations are issued by CLG.

Future Options

At the housing strategy “visioning days” in 2008 facilitated the IDeA, three principal housing areas needing significant attention were identified:

- Dallington Grange / King's Heath / Northwest Northampton
- Central Area
- Northampton East

Feasibility work will commence early in 2010 on the central area, principally the Spring Boroughs estate, to tie in with progress on the Central Area Action Plan. With regard to Dallington Grange, the downturn in the housing market has put this scheme into abeyance and consideration may need to be given to other options for Kings Heath, which is an estate adjacent to the major planned housing development at Dallington Grange. The Council has bid for an HRA PFI scheme, which is proposed to concentrate on two estates in Northampton East. The area of Northampton East has a critical mass of around 4,000 Council owned properties, most of which require Decent Homes works and many of which have a need to address issues of dysfunctional lay-outs and improvements needed to the local environment. These neighbourhoods also present significant potential for site development and the improvement of the public realm. A PFI project would also contribute to the social and economic regeneration of the wider area. Whereas the PFI scheme itself could not encompass all 4,000 properties, the PFI investigatory work is being undertaken in such a way that the findings will assist in developing proposals for the regeneration of the other estates owned by the Council in that area. A report on a scaled down PFI programme valued at £100 million will be presented to cabinet on 16th December 2009.

Alternative options, around the delivery of the decent homes programme to the whole of the stock, will be reflected in the new 30-year financial model as and when appropriate.

It is expected that a revised housing strategy, reflecting the statutory strategic housing role of the authority, and a housing asset management strategy reflecting the landlord function, will be out to formal consultation in December 2009 and be ready for adoption by spring 2010.

CAPITAL, TREASURY & ASSETS

Capital Overview

Capital expenditure represents major investment in new and improved assets such as land, buildings, infrastructure, equipment and information technology. It therefore plays a key part in the development of the Council's services.

Capital Programme - Project appraisals were completed for all 2009-10 capital programme bids. Each project appraisal demonstrates how the scheme will contribute to the Council's corporate priorities as set out in the Council's Corporate Plan.

The project appraisals also outline the contribution of the scheme to statutory duties and legal commitments, partnership working, performance indicators, service strategies and plans, equalities, other corporate initiatives, national priorities and targets, and environmental impacts. These factors are all taken into account in formulating a proposed capital programme that, within the resources available, will best target the Council's corporate priorities.

Cabinet was asked to recommend to Council that Cabinet be authorised, once the programme was set, to approve new capital schemes, and variations to existing schemes, arising during 2009-10, subject to the funding being available and the schemes being in accordance with the objectives and priorities of the Council.

Financing - Decisions on capital investment are made against the background of constrained resources, and the Council is heavily dependent upon capital receipts and grants from central government to support its capital programme. Other available funding sources include prudential borrowing, capital receipts, third party contributions, and revenue contributions. These are all actively pursued to support capital investment. In ideal circumstances, due to pressures on the revenue budget it is advisable to assume that prudential borrowing will only be undertaken where savings on a 'spend to save' scheme will cover the borrowing costs. However, in practice there may be priority schemes that members consider have to go ahead or items that have to be funded this way for affordability reasons (e.g. capitalisation directives).

Project Management - All projects on the capital programme and all new bids for capital investment, are managed by a named budget/project manager, who is responsible for delivering the project according to the agreed budget and timescales. In some cases the operational responsibilities may be delegated, in which case the accountability remains with the budget manager, with the operational responsibilities being managed by the project manager.

The Capital and Treasury team provide financial support, advice to budget/project managers, capital strategy and reporting to members, including budget/project manager support and co-ordination of the building, monitoring and reporting requirements of the capital programme at a directorate level and for the Council as a whole.

Capital Strategy

The three-year Capital Strategy was presented to Cabinet on 19 February 2009 as part of the budget setting process and will be updated on an annual rolling basis. The strategy for 2010-11 to 2012-13 will be prepared during the summer and autumn of 2009, for agreement by the Council's elected members in February 2010.

The aim of the Capital Strategy is to provide a clear framework for capital funding and expenditure decisions. This is in the context of the Council's vision, values, objectives and priorities, financial resources, and spending plans. The Asset Management Plan is closely linked with both the revenue and capital budgets, so it is important that this is recognised in the capital strategy. The Plan is due to be updated shortly, and the capital strategy will be updated to incorporate any changes that are made as part of that review.

The development of an approved capital programme shows the Council's commitment to maintaining and improving its capital assets and infrastructure. This in turn underpins the delivery of high quality and value for money services and helps to secure a better environment for the people of Northampton. The strategy covers both the present position and future plans - the former setting the context for the latter.

The capital strategy also outlines the management and monitoring arrangements that the Council has in place for effective delivery of the strategy.

The Council's capital strategy is to deliver a capital programme that:

- Contributes to the Corporate Plan, and the Council's vision, values, strategic objectives and priorities
- Is closely aligned with the Council's asset management plan
- Supports other NBC plans and strategies
- Supports NBC service-specific plans and strategies
- Is affordable, financially prudent and sustainable, and contributes to improved value for money

Particular emphasis will be given to schemes that:

- Improve performance against national and local targets
- Promote diversity and address equalities issues
- Improve efficiency and effectiveness in service delivery
- Promote partnership working
- Involve local consultation

The capital strategy will be delivered through:

- Effective political and corporate leadership
- Adequate and effective performance management arrangements
- Clearly defined processes for building and monitoring the capital programme
- Clear policies on financing capital expenditure
- Adequate and effective risk management arrangements
- A clear purchasing protocol

Treasury Strategy

The Treasury Strategy for 2009-10 to 2011-12 (agreed at Council on 26 February 2009), incorporates:

- a) The Capital Financing and Borrowing Strategy for 2009-10 to 2011-12 including:
 - (i) The Council's policy on the making of Minimum Revenue Provision (MRP) for the repayment of debt, as required by the Local Authorities (Capital Finance & Accounting) (Amendments) (England) Regulations 2008.
 - (ii) The Affordable Borrowing Limit for 2009-10 to 2011-12 as required by the Local Government Act 2003.
- b) The Investments Strategy for 2009-10 to 2011-12 as required by the DCLG (formerly ODPM) Guidance on Local Government Investments issued in 2004.

The CIPFA Prudential Code for Capital Finance in Local Authorities, published in October 2003, introduced enhanced requirements for the manner in which capital spending plans are to be considered and approved, and in conjunction with this, the requirement for an integrated treasury management strategy. The Prudential Code requires the Council to set a number of prudential indicators for capital finance and a report setting out the prudential indicators for 2009-10 to 2011-12 was approved by Council on 26 February 2009. Regard is given to these prudential indicators when determining the Council's Treasury Management Strategy.

The main features of the Capital Financing and Borrowing Strategy are:

- The capital programme prioritises sources of finance other than borrowing, such as capital receipts, grants, third party contributions and revenue contributions.
- The Council makes limited use of operating leases to fund some types of expenditure that would otherwise be treated as capital. This policy is currently under review, and where operating leases offer better value for money these will now be considered as a financing source in place of capital outlay.
- Wherever possible, the Council's policy is not to enter into finance leases, which have to be treated as capital expenditure in the accounts, and generally do not offer any financial benefits to the authority.
- Previously the Council was required by statute to repay a minimum of 4% of debt principal each year. This debt repayment is known as the Minimum Revenue Provision (MRP).

The Local Authorities (Capital Finance & Accounting) (Amendments) (England) Regulations 2008, which came into force on 31st March 2008, now require local authorities to make instead 'prudent provision' for the repayment of debt. A number of options for prudent provision are set out in the regulations. The underlying principle is that the repayment of debt should be more closely aligned to the useful life of the asset or assets to which the borrowing has been applied.

As a transitional measure, authorities were able to calculate MRP for all capital expenditure prior to 1 April 2008 as if the previous regulations were still in force.

The authority is required, under the new regulations, to prepare an annual statement of their policy on making MRP for submission to Council.

The Council's policy is to use the transitional arrangements to continue to provide for MRP under existing regulations pending the development of a more detailed policy following the publication of the regulations (which are currently still only available in draft form). The detailed policy was approved by Council for consideration in February 2009.

- Under the Local Government Act 2003 local authorities are able to borrow in year for the current year capital programme and for the following two years.

Given the changes in the property market and impact on capital receipts, the Council is likely to take new prudential borrowing in 2009-10 and 2010-11.

- The Council's Borrowing Strategy for 2010-11 will be to use fixed rate borrowing where long-term rates are favourable. Where variable rate borrowing is used, short-term loans will be arranged in order that they can be replaced by long-term fixed rate loans at a later date when rates are more favourable in order to balance certainty with risk.

The main features of the Investment Strategy are:

- Under the Local Government Act 2003 the Council is required to have regard to the DCLG (formerly ODPM) Guidance on Local Government Investments issued in March 2004 and CIPFA's Treasury Management in the Public Services Code of Practice (2001) and updated Guidance Notes (2006). The Council has adopted these.
- All investments, with the exception of those to other local authorities, will be placed only with those banks, building societies and authorised deposit takers under the Financial Services and Markets Act 2000 and allocated a satisfactory colour rating by Sector Treasury Services, whose list is updated monthly. This list is based upon credit ratings issued by the three main rating agencies.
- The majority of the Council's investments in the medium term will fall into the category of specified investments.
- Prior to the start of each financial year officers will review which categories of non-specified investments they consider could be prudently used in the coming year.

The officer recommendation for new investments from 2009-10 onwards is that long-term investments (those for periods exceeding 364 days) should be avoided where possible in the current climate. This policy will be reviewed on a regular basis.

The maximum amount that the Council will hold at any time during the year as long-term investments is £6m. This is well within 10% of the forecast average level of total investments in 2009-10, which is around £65m. This could be undertaken without having an adverse effect on cash flow (see paragraph 3.2.9(a) below).

Advice will be taken from Sector Treasury Services before entering into any long-term investments.

- Most short-term investments are held for cash flow management purposes and officers will ensure that sufficient levels of short-term investments and cash are available for the discharge of the Council's liabilities. Investment periods range from overnight to 364 days as specified investments or longer as a non-specified investment.
- The majority of the Council's long-term debt is in the form of Money Market LOBO (Lenders Option, Borrowers Option) loans. Officers consider that the degree of risk on these loans attached to small variations in interest rates is low.

Carbon Trading Strategy

From April 2011, participants in Governments Carbon Reduction Scheme must buy one allowance for each tonne of carbon dioxide emitted, which must then be surrendered at the end of each accounting period (July each year).

A publicly available league table will rank participants according to their carbon reduction performance, and revenue from the sale of allowances will be recycled to participants with a bonus or penalty based on their position in the league table.

The latest timetable is laid out below:

Compliance Year	Financial Year	Purchase in Year (April)	Surrender in Year (July)	Recycling paid (Oct)	Performance in year	Bonus/Penalty percentage applied
1	2010/11	Reporting Only			N/A	N/A
2	2011/12	2011/12	2011/12	2011/12	2010/11	10%
3	2012/13	2012/13	2012/13	2012/13	2011/12	20%
4	2013/14	2013/14	2013/14	2013/14	2012/13	30%

This carbon trading strategy will be further developed between now and when the first allowances are due to be purchased in April 2011, and will continue to evolve as the carbon trading market matures. When any carbon trading decision is taken then as a minimum the following information will need to be considered:

- Carbon allowance forecasts
- UK trading scheme market prices & forecasts
- EU market price & forecasts
- Euro exchange rate & forecasts

The initial blind auction will be constructed using the above information and will also make use of a technique called a 'marginal abatement curve'. This will enable the Council to assess which carbon saving projects it might undertake depending on the financial incentive offered by the price awarded in the auction.

Standard approaches to carbon trading can be categorised in the following way:

Passive	Buy allowances at the end of the year from the secondary market when needed
Opportunistic	Aim to buy allowances when cheap
Cautious	Overbuy allowances at the start of the year
Commercial trader	Buy and sell to make profit
Balanced	Buy sufficient allowances at start of the year but monitor on a regular basis for opportunities

Source: KPMG, 2009

The responsible officer will adopt a mixture of these strategies depending on market conditions at the time, and the Council's own circumstances. The only exception being that the Council will not act as a 'Commercial Trader'.

The responsible officer will design, implement and monitor all arrangements for the identification, management and control of the risks inherent in carbon trading, and will report as a matter of urgency, the circumstances of any difficulty in achieving the Council's objectives in this respect. Below is a list of potential risks related to carbon trading, and how they could impact upon the Council.

The Council will ensure that all of its carbon trading activities complies with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities.

The Council recognises that future legislation or regulatory changes may impact on its carbon trading activities and will adapt these practices as necessary.

The Council will seek to ensure that its stated carbon trading policies and objectives will not be compromised by adverse market fluctuations, and will accordingly seek to protect itself from the effects of such fluctuations.

The 'safety valve' feature within carbon trading may be linked to products that are traded in Euros. This may lead to the Council relying on forecasts of foreign currency exchange rates. The Council will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

The Council will ensure that it has identified the circumstances that may expose it to risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

The Council is committed to the pursuit of best value in its carbon trading activities, and to the use of performance methodology in support of that aim.

Accordingly, carbon trading will be the subject of ongoing analysis of the value it adds in the support of the organisation's stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery, of the availability of fiscal or other grant subsidy incentives, and of the scope for other potential improvements. Carbon trading performance will be measured using benchmarks that will be set once the market has had time to develop.

The Council will maintain full records of its carbon trading decisions, both for the purpose of learning from the past, and for demonstration that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time.

Upon commencement of the carbon trading scheme the minimum reports that the Executive will receive are:

- an annual report setting out the strategy and plan to be pursued in the coming year
- an annual report on the outlining the effects of the decisions taken during the year

These reports may form part of a wider report, such as the medium term financial strategy or a wider carbon management plan. More frequent reports will also be made to a body such as the Carbon Management Board, or other senior management body.

The Council will approve and, if necessary, from time to time amend (in accordance with financial regulations), an annual budget for carbon trading, which will bring together all of the costs involved in trading carbon allowances, together with associated income. The final form that this budget will take will be set once there is more certainty over the carbon trading scheme.

There is currently ongoing discussion as to how organisations should account for assets and liabilities associated with carbon trading. Current proposals are not expected to create any complexities for the Council. Any further guidance will be considered nearer the time that trading takes place.

The council will ensure that its auditors, and those charged with regulatory review, have access to all information and papers supporting the activities of carbon trading as are necessary for the proper fulfillment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved policies.

The Council recognises the importance of ensuring that all staff involved in carbon trading are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The responsible officer will recommend and implement the necessary arrangements.

Asset Management

The current adopted Corporate Asset Management Plan relates to all physical land and buildings owned by the Borough, save for housing forming part of the Housing Revenue Account. The Plan identifies the expenditure (in 2006/7 terms) in both capital (£8.5m) and revenue (£5.7m) terms required to address the maintenance backlog of the Council. It also noted the planned and responsive maintenance revenue budget of approximately £1m per annum. There is an acknowledgement that this level of resources is insufficient to address backlog issues and to deal with the full range of ongoing maintenance activities that would be desirable from a good estate management perspective.

The Plan is shortly to be replaced with an updated Asset Management Strategy, which is at an advanced stage of drafting. There will be an acknowledgement that maintenance expenditure levels are unlikely to materially increase in real terms over the period of the MTFS. The emphasis will therefore be on the identification through an enhanced property review process and strategic business review of the rationale for the ownership and control of property presently forming part of the Council's operational and non-operational (investment) estate.

The Council has a budget for external rental income (including charges from the open market operation) of £2.623m in 2009/10. Further modest increases during the MTFS period are possible, although growth is predicted to be low given the present poor wider economic conditions. The rationalisation of the investment property portfolio, in the context of financial performance and building maintenance and other liabilities, may lead to a reduction in this overall income. The possible receipts from disposal of such property would be taken into account in the Council's Capital Strategy.

Balance Sheet Management

Balance sheet management is a comprehensive approach to managing assets and liabilities to ensure that resources are used effectively (both financially and operationally) and that appropriate governance arrangements are in place around the use of public sector assets and liabilities. Failure to do this could expose the authority to a range of operational, reputational and accounting risks.

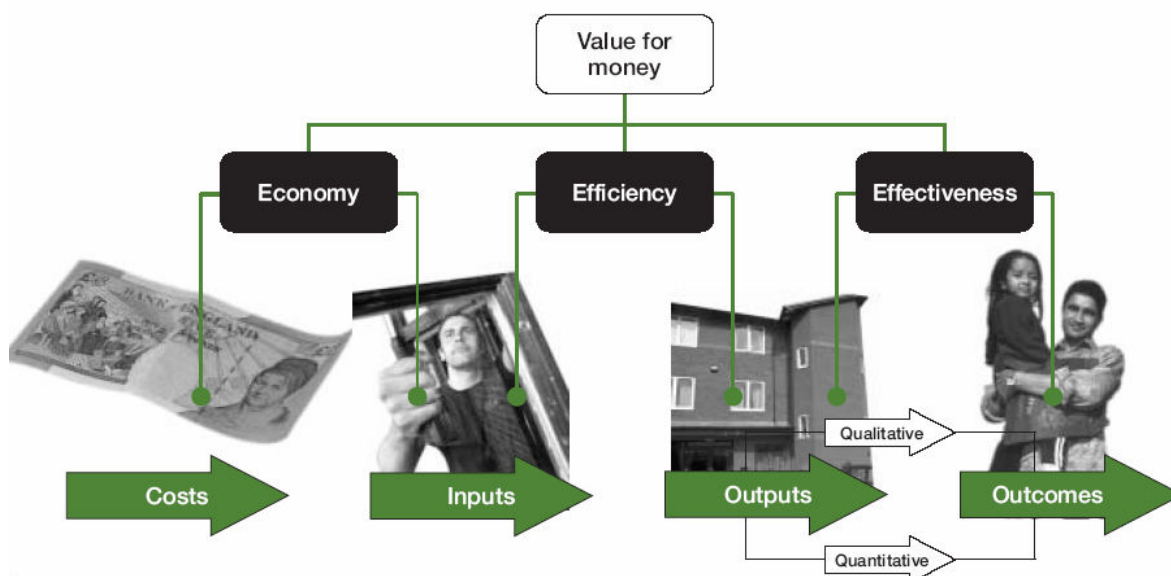
We already have embedded processes to review our fixed assets, strategies for treasury management and borrowing, and processes for managing and making provisions for outstanding debtors. The authority will undertake a self-assessment of our balance sheet management to ensure that it is effective and will implement any appropriate changes.

VFM STRATEGIC FRAMEWORK

Introduction

The Audit Commission defines Value for Money as the relationship between economy, efficiency and effectiveness. Value for money is high when there is an optimum balance between all three – relatively low costs or inputs (economy), high performance or outputs (efficiency) and successful outcomes or impact (effectiveness). Impact is generally seen as being measured on a community wide basis.

The diagram below links the relationships between economy, efficiency and effectiveness.



Key drivers for our VFM Strategic Framework:

- Comprehensive Spending review 2007 (CSR2007)
- Continued inflationary pressures and the general economic environment
- Ongoing best value requirements for all services and activities
- Increasing customer expectations of service quality
- Impact of the Gershon report and the more recent Varney report regarding efficiency and service improvement
- CLG efficiency targets of 4% per annum from 2010/11
- Significant changes to our demographic profile
- Local factors affecting levels of service costs
- Government pressure to keep Council Tax increases at an appropriate level and below the risks of capping
- Increased Government focus on LAA to deliver improvement
- CAA regulatory framework
- Increasing legislative frameworks within which the Council operates.

Corporate Strategy and Value for Money

Ensuring that our services are delivering value for money is a key priority for Northampton. Our Corporate Strategy makes it clear that we put the customer and community at the heart of what we do. There will be clear links between our VFM activity and key Council plans and actions, for example:

- Our budget strategy will be linked to the Council's priorities and supporting value for money services.
- Ongoing efficiency savings will be identified as part of our three-year planning and performance framework and subject to annual review and update. These efficiency savings will be used to fund new burdens, cost pressures and service improvements.
- Innovative methods of procurement will be explored and the value for money opportunities they present.
- Better procurement & partnerships will be sought through the implementation of electronic procurement and through an ongoing series of fundamental efficiency reviews of categories of spend.
- Our Asset Management Plan will be fully integrated with a Capital Strategy and will set out clearly how we will deliver effective asset management.
- Ensuring whole life costing principles and options appraisals are a key part of making investment decisions in our capital programme.

What We Will Do To Achieve VFM

With the introduction of Strategic Business Reviews (SBRs) the VFM framework is being reviewed and amended to take into account this significant VFM work.

To achieve VFM we have set the following objectives:

- integrate the VFM principles within existing corporate and service planning and review processes
- implement recognised good practice where appropriate
- establish a review programme that targets services and/or cross cutting areas identified as requiring improvement (e.g. high cost/low performance services).
- provide a robust framework to benchmark the Council's activities
- promote a culture of continuous improvement
- communicate to stakeholders that the achievement of VFM is sought in all activities undertaken
- ensure that all staff recognise their continuing obligation to seek VFM for the Council as part of their routine activities

2008/09 VFM Profiles

VFM profiles are reported annually to management board and members via a traffic light system and a cost/performance grid and this requirement has been extended to central services for 2008/09 – benchmarking is already in hand for financial services via CIPFA. Our VFM profiling system is also used to form a key part of the evidence for identification of VFM review work.

We have completed detailed VFM profiles for our frontline services and mapped these on a cost/performance grid shown below. There is clear overall trend compared to 2007/08 with more services positioned in the higher performance/lower cost areas.

Cost	High	Community Safety	Street Cleansing	Housing Benefits Economic Development
	Medium		<ul style="list-style-type: none"> Customer Services Other community housing Procurement Council Housing ICT 	Licensing
Low			<ul style="list-style-type: none"> Parking & Town Centre Planning services Corporate & Democratic Core Finance 	<ul style="list-style-type: none"> Environmental Health services Homelessness Local Tax/ Rates collection Culture & Heritage Concessionary Fares Parks & open Spaces Waste Collection Sports & Recreation
		Low	Medium	High
performance				

How We Can Demonstrate VFM

Achieving VFM is also described in terms of the “three Es” – economy, efficiency and effectiveness:

- Economy – minimising the cost of resources for an activity (doing things at a low price).
- Efficiency – performing tasks with reasonable effort (doing things the right way).
- Effectiveness – the extent to which objectives are met (doing the right things)

Using this model all Service Areas, through the service planning process, will demonstrate the test of Value for Money. These include:

- Evidence of cost management (e.g. streamlining processes, partnership and procurement).
- Setting VFM targets for improvement, including building efficiency targets into the budget.
- Comparing Service’s inputs, outputs and impact to others (*allowing for local context, performance and legitimate policy choices*).
- Evidencing that VFM is improving and efficiency gains are being made.

Efficiency drivers

Key features under the current efficiency regime: -

- Councils will now be expected to make incremental efficiency savings each year. For 2009/10 the target is 4% new efficiency savings (Budget 2009), and it is anticipated that these levels will continue to be required.
- The 4% is all cashable efficiencies so although non-cashable efficiencies count towards VFM, they do not count towards the efficiency target;
- This target is collective rather than individual (i.e. Councils do not have their own individual targets) unless a specific target is negotiated as part of the LAA;
- However underperformance by individual Councils will be scrutinised by local Government Offices (this may be due to longer term efficiencies having a lead-in time but this would need to be evidenced);
- The reporting mechanism will be October for a forward look and July for a backward look;
- Only one figure will be reported to Government rather than breaking it down over services;
- Each return will look at the period from April 2008, therefore the cumulative position will be reported each time;
- Reporting requirements will be reduced but it is anticipated that the figures will be audited as part of CAA.

Additional points: -

- Efficiencies must be reported net of investment and any ongoing costs;
- Only the element of the efficiency which is ongoing can be counted;
- Only efficiencies taking effect after 31st March 2008 may be used (except where cashable efficiencies achieved by the Council have exceeded the 7.5% under the previous regime where the excess may also be used).

A key message is that lack of performance on delivering sustainable efficiencies at an individual authority level will lead to Government action ranging from advice provision to intervention.

Northampton context

For 2010/11 a total of £1.801m deliverable efficiency savings need to be identified to meet the Government cashable savings target of 4% of budget requirement.

We have already integrated efficiency review into annual service and financial planning cycles via our Medium Term Planning (MTP) process. We comfortably exceeded the cumulative efficiency target of 7.5 per cent over the three-year period 2005/06 – 2007/08 with total savings of circa £9.28million of which £6.3million were cashable, well in excess of the 50% cashable target. In 2007/08 alone we reported £3.16million sustainable savings of which £1.73million were cashable and reported a further £2.265m cashable savings in 2008/09.

Options to meet efficiency targets are identified annually through the MTP process as well as through individual notifications of productivity/non-cashable savings from Services. Strategic procurement also plays a vital role and their direct contribution to securing savings is reported annually for our VFM position statement.

In 2008/09 a fund of £190k to finance projects which would save money and reduce carbon emissions. The Council provided £95k and a further £95k was contributed from Salix. So far £62k of works has been completed which is expected to save £26k a year, and a further £63k of works is committed which could provide savings of £24k a year. Some of the savings are paid back to fund future projects and allow for further savings, and the rest reduces the Council's budget requirement.

The Council also has in place a Carbon Management Strategy which will see greater reductions in CO2 emissions and future revenue savings.

Our VFM strategic framework was updated for the implications of CSR 2007 and the Chancellor's 2009 Budget Report. We have also implemented changes to generate forward efficiencies, which will be reported in the new VFM indicator established by CSR 2007.

East Midlands Regional Improvement and Efficiency Partnership (EMRIEP)

The strategy, which underpins this partnership, sets out the vision for driving efficiency and improvement across public services in the East Midlands region and to set out how the EMRIEP will support local authorities to achieve this ambition. This Strategy is the result of an inter-authority collaboration both at officer and member level as well as close working with the East Midlands Improvement Partnership (EMIP), the East Midlands Centre of Excellence (EMCE), the

Improvement and Development Agency (IDeA) and the Government Office for the East Midlands (GOEM).

The 4 strategic objectives, which underpin the EMRIEP vision are:

- Driving self improvement of authorities and partnerships
- Achieving efficiency savings through smarter procurement, business process improvement, shared services and better utilisation of assets
- Building capacity through enhancing leadership skills and sharing knowledge and expertise
- Supporting innovation and transformation of structure, processes and culture

Sub Regional Improvement and Efficiency Partnership

Creating Sub-Regional Improvement Partnerships at county level will be a priority for the EMRIEP. It is envisaged that the sub regional partnerships should have an expanded role to embrace oversight of the capacity and performance of the LSPs, the delivery of the LAAs and the integrated improvement and efficiency work programmes agreed with the EMRIEP.

Allocation of Resources

Confirmation is awaited of the sum to be allocated to East Midlands by CLG for the financial year 2009/10 and the proportion to be provided to public sector bodies for the following areas under the theme of Better Outcomes for People and Places:

- Driving Authorities' Service Improvement and Partnerships
- Capacity Building
- Innovation and Transformation
- Efficiency Programmes
- Support for Struggling Authorities
- Contingency

Clearly there is substantial external funding now available for collaborative projects with other public sector bodies and the Council will ensure, through close working with the sub regional partnership, that the potential to drive improvement and efficiency locally is maximised through this avenue.

Risk Management and Business Continuity

The Council's Risk Management Policy states that "Risk management is a positive tool that is incorporated into the management process to help achieve corporate and directorate objectives. The Council is committed to adopting a corporate, systematic and structured approach to the control of risk".

We see risk management as pivotal in supporting the achievement of our priorities and objectives. We are working towards embedding risk management in all day-to-day management processes across all business functions and activities.

Management Board has approved the changes to our risk management approach, and leads and supports the introduction of new monitoring functions and responsibilities.

The key developments in Risk and Business Continuity Management across the authority in the last year include:

- Cabinet approval of the revised Risk Management Strategy in January 2009. The Risk Management Strategy now incorporates Business Continuity Management as a function of managing risk.
- Improvements in the visibility and accessibility of risk and business continuity guidance and supporting documents by including a dedicated section on the Council's intranet site.
- Audit Committee taking an active role in risk assurance, routinely requesting updates on the risk management function.
- Undertaking risk reviews as part of the annual Service Planning Process, ensuring the risks identified are linked to service objectives and corporate priorities.
- The approval and introduction of a defined risk appetite.
- The introduction of new risk management software to facilitate closer linkages between performance management and risk.
- Undertaking a Strategic Risk Workshop, attended by Management Board, to refresh the Strategic Risk Register.
- Quarterly reviews of the Strategic Risk Register undertaken by Management Board.
- Undertaking a Councillor Training Session on Risk Management.
- An approved list of Business Continuity Critical Functions.
- All Service Areas with Critical Functions have well-developed Business Continuity Plans in place.

Procurement

Impact of Comprehensive Spending Review 2007 (CSR 2007) and Chancellor's Budget 2009

The Government, is forecast to allocate circa £150m nationally towards "improvement" and "efficiency" in Local Government over the 3 years commencing April 2008. Of this, some £15m is expected to be allocated in the East Midlands. In exchange the Government was expecting an annual 3% cashable efficiency or a 9.3% cashable gain by the end of the financial year 2010/11. In his 2009 annual budget report the Chancellor increased the efficiency target for 2010/11 to 4%, with corresponding increase in the cashable gain over the 3 year CSR period. The Government is expecting Procurement to make the most substantial contribution to the efficiencies required. Of the (now) £5.5bn worth of efficiencies expected nationally by the end of 2010/11, at least £2.8bn (51%) is anticipated to be from smarter procurement practices.

In addition, the budget sets a target for the next CSR period of a further £9bn efficiency savings per annum across the public sector by the end of 2013/14.

To this end, recommendations have already been made to NBC's Management Board to adopt a local 4% target. The Council has begun a series of Strategic Business Reviews whereby ultimately every service in the council will have been reviewed in detail for efficiency and appropriateness of service delivery with a view to driving out savings. For the 2009/10 financial year ICT, Leisure, Assets, and Neighbourhood Environmental Services are being reviewed.

A discussion paper for the purposes of identifying and developing a strategy for improving Local Government Procurement activities throughout the East Midlands was issued in October 2007 by the East Midlands Centre of Excellence. This paper identifies a number of key themes to be developed across the region.

Cabinet approved the Procurement Strategy 2008-11 on 3rd March 2008, following consultation with Management Board and Overview and Scrutiny.

Northamptonshire Area Procurement Service (NAPS)

All six councils involved in this collaboration (NBC, Daventry, Corby, Wellingborough, Kettering and South Northamptonshire) were consulted in December 2007 and January 2008 to establish levels of commitment to the shared service and to determine areas of commonality. Once commitment had been confirmed by all parties, work commenced on the formal shared services agreement, which is now in its final stages of negotiation. The shared service was launched on 1 November 2008. NBC has taken the lead with the role of host authority for the shared service.

Sustainable Procurement

The Council takes clear action to improve the quality of life of its residents and visitors, and to create and sustain a better environment. Wider social and environmental impacts are assessed as a matter of course for material procurement decisions, in particular, carbon footprint.

The Council was selected in 2007 to take part in The Local Authority Carbon Management Programme with the Carbon Trust. The Carbon Management Strategy and Implementation Plan was approved by the Cabinet on the 3rd of March 2008 and commits the council to a target of reducing CO2 by 35% by 2012. Ten energy/carbon reduction projects have been identified that will realise the Council carbon and cost savings and will be implemented during the course of 2008/9. Savings will be re-invested to fund future energy saving projects at the Council. We are also developing a programme of projects, which will help the Council achieve the 2012 target and will go a long way to achieving 'carbon neutrality' by 2020. There is clear support for carbon management from the Councillors, which has endorsed an aim to achieve carbon neutral status by 2020. Our sustainable development officer has a clear remit to support development and implementation of the Carbon Management plan.

Consultation & Partnership Working

The Council believes that its priorities, direction and decisions should be shaped above all by the needs of local people. It has recently adopted a Community Engagement Strategy, which sets out how it will work with its citizens to ensure that the Council is seen to be listening, involving and communicating with them effectively. The Strategy has an action plan, which lists the practical steps we will take to make this a reality. The allocation of limited resources is a key question for this engagement – including how budgets are aligned with the services and outcomes people want and need. The Council's budget will therefore be opened to wide consultation before decisions are made.

The Council is working with key stakeholders and partners to deliver VFM and improved outcomes for those who live and work in Northampton. This includes:

- Continuing to monitor the progress of the LAA
- Working and exploring with partners where joint initiatives could deliver improved outcomes and/or efficiency gains.
- Undertaking consultation of partners and users on key investment decisions and feeding back the outcomes of the consultation and our decisions in a timely and appropriate manner.

Our partnership vision for Northampton:

We believe Northampton should be a successful and confident town in which everyone who chooses to live here, work here or visit the town feels they belong, have a future, have financial stability and, where appropriate, business opportunities. It should also be a place that has a vibrant and diverse culture and welcomes a variety of lifestyles.

To achieve this the Northampton Local Strategic Partnership has developed a Sustainable Community Strategy for Northampton, which includes key themes from a similar county-wide strategy and focuses on key strategic objectives local to Northampton. Its vision is that by 2011 Northampton will be:

- Recognised for good quality, environmentally friendly housing
- Well served by modern and efficient public services
- Safer
- Cleaner
- Healthier

Partnership Involvement

The Council works with its partners and other key stakeholders to jointly deliver services within the Borough. The Council's Local Area Agreement also seeks to enable the Council, together with its partners, to deliver services differently and more effectively through the combination of partnership working, pooling of resources and negotiated flexibilities from Central Government.

We have analysed our major partnerships using "Sharing Success" (the Chesterfield BC and NE Derbyshire DC Partnership Development and Evaluation Toolkit). Particular focus was given to the LAA and LSP in view of their importance. As a result, we are establishing improved partnership arrangements around monitoring, performance and policy/guidelines for entering into from partnerships. In addition, we aim to establish a central depository of information relating to all partnerships. There has been external acknowledgement of our partnership working e.g. Charter Mark Accreditation for Leisure services with best practice rated Partnership Working as best practice. The council utilises extensive partnership working to deliver VFM via shared service and other collaborative arrangements.

Shared Services

We already operate a number of Shared Service arrangements. These represent innovative delivery options to improve service delivery to achieve lower costs through developing standardised process and systems with key partners. Current examples are

- Our business rates shared service with Wellingborough has resulted in top quartile performance at low cost, is considered an exemplar, and other Councils now wish to join
- The Procurement shared service (NAPs) – see Procurement section above for detail
- West Northamptonshire Joint Planning Unit is a joint planning service covering the districts of Northampton, South Northamptonshire and Daventry districts.
- 'Reaching Out' is a joint programme aimed at tackling hard to reach businesses across Northamptonshire.

There is also a NIEP cross county integrated back office services review that will include a number of support and front line services.

We aim to further drive the Shared Service agenda via the sub-regional response to the East Midlands Improvement and Efficiency Strategy, which may also lead to pump priming funding being secured.

Appendices

2



NORTHAMPTON
BOROUGH COUNCIL

Item No.

10

CABINET REPORT

Report Title	PRUDENTIAL INDICATORS FOR CAPITAL FINANCE 2009-10 to 2011-12 – MONITORING TO 30 SEPTEMBER 2009
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AGENDA STATUS:

PUBLIC

Cabinet Meeting Date:	25 November 2009
Key Decision:	NO
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	YES
Directorate:	Finance and Support
Accountable Cabinet Member:	David Perkins
Ward(s)	Not Applicable

1. Purpose

- 1.1 The CIPFA Prudential Code for Capital Finance in Local Authorities requires the Council, as part of the budget setting process each year, to set a range of prudential indicators for the forthcoming financial year and the two following years. The prudential indicators must then be monitored, and revised, as appropriate, during the year.
- 1.2 This report sets out:
 - The statutory and regulatory background to the prudential indicators
 - The Council's approved prudential indicators for 2009-10 to 2011-12, with a commentary to support the individual prudential indicators (Annex A)

- Monitoring information on the approved prudential indicators for 2009-10 as at 30 September 2009 (Annex B)
- A recommendation for Cabinet to recommend Council to approve revisions to a number of the prudential indicators for 2009-10.

1.3 To inform Cabinet of a change to the Council's investment counterparty limits approved by the Chief Finance Officer on 2 November 2009.

2. Recommendations

2.1 That Cabinet note the prudential indicators monitoring information attached at Annex B

2.2 That Cabinet recommend to Council that they approve revisions to the Council's prudential indicators for 2009-10 as set below.

a) Estimate of capital expenditure

	2009-10
Estimates of Capital Expenditure 2009-10	Estimate as at 30 September 2009
	£000
General Fund (Non HRA)	11,494
Housing Revenue Account (HRA)	14,736
Total	26,230

b) Estimate of capital financing requirement (CFR)

Capital Financing Requirement (Closing CFR)		
		2009-10
		31 March 2010 Estimate £000
General Fund (Non HRA)		26,205
Housing Revenue Account (HRA)		(6,675)
Total		19,530

2.3 That Cabinet note the following change to the Council's investment counterparty limits, approved by the Chief Finance Officer on 2 November 2009.

- That the maximum period for investments with counterparties on the existing counterparty list be extended from 3 months to 12 months, provided that this is within the Sector recommended time limit for the counterparty, and that a maximum of £10m is invested in this way. The £10m maximum is in addition to £6m already placed in 2-year investments in 2008-09 and due back in June 2010.

3. Issues and Choices

3.1 Report Background

Statutory and Regulatory Requirements

3.1.1 The CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) is a professional code of practice. Local authorities have a statutory requirement to comply with the Prudential Code when making capital investment decisions and carrying out their duties under Part 1 of the Local Government Act 2003 (Capital Finance etc and Accounts).

3.1.2 The key objectives of the Prudential Code are to ensure, within a clear framework, that:

- Capital investment plans are affordable, prudent and sustainable
- Treasury management decisions are taken in accordance with good professional practice, and in a manner that supports prudence, affordability and sustainability
- There is consistency with local strategic planning, local asset management planning and proper option appraisal

3.1.3 To ensure that local authorities have fulfilled these objectives, the Prudential Code sets out the indicators that must be used (the prudential indicators) and the factors that must be taken into account.

3.1.4 The Prudential Code requires the following matters to be taken into account when setting or revising the prudential indicators:

- a) Affordability - e.g. implications for Council Tax and Council housing rents
- b) Prudence & sustainability - e.g. implications for external borrowing
- c) Value for money - e.g. option appraisal
- d) Stewardship of assets - e.g. asset management planning
- e) Service objectives - e.g. strategic planning for the authority
- f) Practicality – achievability of the forward plan

- 3.1.5 The Prudential Code requires all local authorities to set prudential indicators for capital finance the forthcoming and the two following financial years. The prudential indicators must then be monitored, and revised, as appropriate, during the year.
- 3.1.6 The Prudential Code sets out a clear governance structure for the setting and revising of the prudential indicators. This must be done by the same body that takes decisions for the local authority's budget – i.e. by full Council
- 3.1.7 The Chief Financial Officer is responsible for ensuring that matters required to be taken into account are reported to the decision making body for consideration, and for establishing procedures to monitor performance

2009-10 to 2011-12 Prudential Indicators

- 3.1.8 Council approved the Council's prudential indicators for 2009-10 to 2011-12 at their budget-setting meeting of 26 February 2009.
- 3.1.9 Council also approved, on that date, the delegation of authority to the Section 151 Officer to make adjustments between the "borrowing" and "other long term liabilities" categories within the overall total of the indicators for the operational boundary and the authorised limit for external debt, as shown in Annex A paragraphs (g) and (h). This allows movements between borrowing and other long-term liabilities, should the Section 151 Officer deem that the use of finance leases for capital expenditure constitutes good and prudent financial management. In line with Guidance Notes to the Prudential Code issued by CIPFA
- 3.1.10 The approved prudential indicators are set out for information at Annex A. This replicates Annex A of the Prudential Indicators for Capital Finance 2009-10 to 2011-12 report to Cabinet 19 February 2009 and to Council 26 February 2009.

3.2 Issues

Prudential Indicators Monitoring to 30 September 2009

- 3.2.1 There are thirteen prudential indicators, covering between them the areas of capital expenditure, affordability, prudence, external debt, and treasury management, as follows:

Capital expenditure

- a) Estimate of capital expenditure
- b) Estimate of Capital Financing Requirement (CFR)

Affordability

- c) Estimate of the ratio of financing to net revenue stream
- d) Estimate of the incremental impact of capital investment decisions on the Council Tax

- e) Estimate of the incremental impact of capital investment decisions on average weekly housing rents

Prudence

- f) Net borrowing to Capital Financing Requirement

External Debt

- g) Authorised limit for external debt
- h) Operational boundary for external debt

Treasury Management

- i) Upper limit for fixed interest rate exposure
- j) Upper limit for variable interest rate exposure
- k) Principal sums invested for more periods of more than 364 days
- l) Upper and lower limits on the maturity structure of borrowing
- m) Adoption of the CIPFA code of Practice for Treasury Management in the Public Services

3.2.2 The monitoring information as at 30 September 2009 on each of the prudential indicators for 2009-10 is set out at Annex B.

3.2.3 Two of the prudential indicators require revision, as set out in the following paragraphs

Estimate of capital expenditure 2009-10

3.2.4 This prudential indicator requires reasonable estimates of the total of capital expenditure to be incurred. It is in the nature of capital expenditure to have variations to the capital programme as the year proceeds, for example as new grant or other third party funding becomes available, or to accommodate slippage from the previous year. This is acknowledged in the Prudential Code.

3.2.5 Revised estimates for capital expenditure for 2009-10 are shown in the table below:

	2009-10
Estimates of Capital Expenditure 2009-10	Estimate as at 30 September 2009
	£000
General Fund (Non HRA)	11,494
Housing Revenue Account (HRA)	14,736
Total	26,230

- 3.2.6 The estimates are consistent with the latest proposed capital programme for 2009-10 submitted to this Cabinet (Agenda Item 12C).
- 3.2.7 Forecasts for capital expenditure for future years are currently being worked up as part of the 2010-11 capital programme budget build. These will take into account any changes agreed during the course of 2009-10 that impact on 2010-11 and future years. For prudential indicator monitoring purposes the original approved forecasts remain in force until the 2010-11 capital programme is agreed.

Estimate of Capital Financing Requirement (CFR) 2009-10

- 3.2.8 In day-to-day cash management no distinction can be made between revenue cash and capital cash. External borrowing may arise as consequence of all the financial transactions of the authority, and not simply those arising from capital spending. However the Capital Financing Requirement reflects the local authority's need to borrow for a capital purpose.
- 3.2.9 Revised estimates for the Capital Financing Requirement for 2009-10 are shown in the table below:

Capital Financing Requirement (Closing CFR)		
		2009-10
		31 March 2010 Estimate £000
General Fund (Non HRA)		26,205
Housing Revenue Account (HRA)		(6,675)
Total		19,530

- 3.2.10 The revisions to the estimates of CFR are as a result of the impacts of actual capital programme financing in 2008-09 and forecast borrowing to fund capital expenditure in 2009-10. . The figures are consistent with the 2008-09 Statement of Accounts and with the borrowing requirements of the latest agreed capital programme for 2009-10.
- 3.2.11 The General Fund CFR forecast for 2009-10 has increased by around £886k from the estimate approved at February 2009. This is as a result of additional capital expenditure schemes funded by borrowing that have been approved by Cabinet during the year. These include improvement works at Grosvenor Centre car park; the bus station ANPR system; the CLG capitalisation directive; and improvement works at Ecton Lane travellers site.

3.2.12 Forecasts for the CFR for future years are dependent upon the borrowing requirements of capital expenditure in 2010-11 and future years that are being worked up as part of the 2010-11 capital programme budget build. They will also take into account any borrowing impacts from changes agreed during the course of 2009-10 that impact on 2010-11 and future years. For prudential indicator monitoring purposes the original approved forecasts remain in force until the 2010-11 capital programme is agreed.

Investment Counterparty Limits

3.2.13 The approved Treasury Strategy for 2009-10 gives discretion to the Chief Financial Officer to lift or increase the restrictions on the counterparty list and/or to adjust the associated lending limits on values and periods during the financial year should it become necessary to enable the effective management of risk in relation to investments.

3.2.14 External market conditions have evolved during the course of the year and are now such that the Chief Financial Officer is satisfied that the existing very tight controls on the maximum period for investments can be extended from 3 months to 12 months with counterparties on the Council's counterparty list to achieve an increase in investment return. A cap on the amount that can be placed on this way will reduce risk and ensure that the appropriate liquidity of investments is maintained.

3.2.15 Cabinet are therefore asked to note the following change to the Council's investment counterparty limits, approved by the Chief Finance Officer on 2 November 2009.

- That the maximum period for investments with counterparties on the existing counterparty list be extended from 3 months to 12 months, provided that this is within the Sector recommended time limit for the counterparty, and that a maximum of £10m is invested in this way. The £10m maximum is in addition to £6m already placed in 2-year investments in 2008-09 and due back in June 2010.

3.3 Choices (Options)

3.3.1 Cabinet are asked to recommend to Council that they approve the revised prudential indicators set out at paragraphs 3.2.4 to 3.2.12 above.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The approved prudential indicators for 2009-10 to 2011-12, together with any recommended revisions agreed by Council, constitute the Council's policy for 2009-10 and its plans for future years.

4.2 Resources and Risk

- 4.2.1 The prudential indicators provide the framework in which the Council conducts its treasury and capital financing activities, consistent with good treasury risk management. They are monitored throughout the year and reported to Cabinet on a regular basis.
- 4.2.2 The Code indicates that “in all cases, the process of setting prudential indicators for treasury management should be accompanied by a clear and integrated forward treasury management strategy, and a recognition of the pre-existing structure of the authority’s borrowing and investment portfolios.” The indicators take account of the existing structure of borrowing and all reasonable restructuring activity that might occur.
- 4.2.3 Officers have considered whether there are any significant risks that could potentially prevent the Council from achieving its plans at the desired levels of affordability and prudence. These are considered at Annex A at individual indicator level.
- 4.2.4 The changes to the counterparty limits set out at paragraph 3.2.13 to 3.2.15 have been made in the context of the Council’s Treasury Management Practices (TMPs). TMP1 Treasury Risk Management states at Section 5 Credit and Counterparty Risk Management:
- “The Council regards a prime objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 *Approved Instruments, methods and techniques* listed in the schedule to this document. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.”

4.3 Legal

- 4.3.1 Under the Local Government Act 2003 and the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 the Council must set prudential limits and indicators as part of the overall budget setting process. The CIPFA Prudential Code for Capital Finance in Local Authorities, which regarded as mandatory guidance associated with the statute, requires the authority’s Chief Finance officer to establish procedures for monitoring the Council’s performance against prudential indicators for the forthcoming and following two financial years, to report significant deviations from expectations, and to take any proposed revisions to Council for approval.

4.4 Equality

- 4.4.1 No equalities issues have been identified as a result of this report.

4.5 Consultees (Internal and External)

4.5.1 The capital investment plans that drive much of the capital finance activity that underpins the prudential indicators are subject to consultation, as follows:

- The capital project appraisals and project variations for the schemes in the capital programme are put together by project managers, in consultation with officers and members
- Consultation with stakeholders is undertaken as appropriate on individual capital schemes.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 Adherence to the Prudential Code is a statutory requirement and also represents best practice. It also contributes to improving the Council's CAA Use of Resources score. This supports the Council's priorities to be a well-managed organisation that puts customers at the heart of what we do.

4.7 Other Implications

4.7.1 There are no other specific implications arising from this report.

5. Background Papers

5.1 Legislative and Regulatory Framework

- CIPFA Treasury Management in the Public Services - Code of Practice and Cross-Sectoral Guidance Notes 2001
- Local Government Act 2003
- Local Authorities (Capital Finance and Accounting) (England) Regulations 2003
- ODPM Guidance on Local Government Investments 2004
- CIPFA Treasury Management in the Public Services - Guidance Notes for Local Authorities including Police Authorities and Fire Authorities (Fully Revised Second Edition 2006)
- The Local Authorities (Capital Finance & Accounting) (Amendments) (England) Regulations 2008
- CIPFA Prudential Code for Capital Finance in Local Authorities 2003
- CIPFA Prudential Code for Capital Finance in Local Authorities – Fully Revised Guidance Notes for Practitioners 2007

5.2 Cabinet and Council Reports

- Prudential Indicators for Capital Finance 2009-10 to 2011-12 - Report to Cabinet 19 February 2009 and to Council 26 February 2009
- Treasury Strategy 2009-10 to 2011-12 – Report to Cabinet 19 February 2009 and to Council 26 February 2009
- Capital Programme 2009-10 – Position as at end of September 2009 - Report to Cabinet 25 November 2009

Bev Dixon, Finance Manager – Capital & Treasury, ext 7401

Prudential Indicators 2009-10 to 2011-12

Copy of Annex A of the report to Cabinet 19 February 2009 and to Council 26 February 2009

Capital Expenditure Prudential Indicators

a) Estimate of capital expenditure

This indicator requires reasonable estimates of the total of capital expenditure to be incurred during the forthcoming financial year and at least the following two financial years.

The draft capital programme for 2009-10 to 2011-12 is included elsewhere on this agenda and the 2009-10 to 2011-12 figures below are taken from that report.

The 2008-09 figures, which are included for completeness, are taken from the latest proposed budget in the Capital Monitoring – Position as at 30 November 2008 report, which was approved by Cabinet on 4 February.

Estimates for 2010-11 and 2011-12 include continuation schemes from previous years. Outline proposals for new bids starting in those years are not included at this stage. The programme for will be adjusted as necessary in line with the actual bids submitted and the resources available when the annual programmes for the two years are agreed.

Capital Expenditure				
	2008-09	2009-10	2010-11	2011-12
	Latest Estimate £000	Estimate £000	Estimate £000	Estimate £000
General Fund	10,840	3,834	970	104
HRA	10,105	12,429	13,777	13,670
Total	20,945	16,263	14,747	13,774

Risk – There is a real risk of cost variations to planned expenditure against the capital programme, arising for a variety of reasons, including tenders coming in over or under budget, changes to specifications, and slippage or acceleration of project phasing. There is also the possibility of needing to bring urgent and unplanned capital works into the capital programme. The risks are managed by officers on an ongoing basis, by means of active financial monitoring, with monthly reports to Cabinet.

The availability of financing from capital receipts, grants and external contributions also carries significant risk. This can be particularly true of capital receipts, where market conditions are a key driver to the flow of funds, causing particular problems in

a rapidly changing economic environment. A prudent approach has been taken to this in the proposed capital programme for 2009-10 to 2011-12; in order to minimise risk the reliance on forecast receipts has been kept to an absolute minimum.

The financing position of the capital programme is closely monitored by officers on an ongoing basis and reported to Cabinet.

b) Estimate of capital financing requirement (CFR)

External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. The CFR can be understood as the Council's underlying need to borrow money long term for a capital purpose – that is, after allowing for capital funding from capital receipts, grants, third party contributions and revenue.

The council is required to make reasonable estimates of the total CFR at the end of the forthcoming financial year and the following two years thereafter. A local authority that has an HRA must identify separately estimates of the HRA and General Fund CFR.

The CFR has been calculated in line with the methodology required by the relevant statutory instrument and the guidance to the Prudential Code. It incorporates the actual and forecast borrowing impacts of the Council's previous, current and future capital programmes. The current years estimated closing CFR is also shown for completeness.

Capital Financing Requirement (Closing CFR)				
	2008-09	2009-10	2010-11	2011-12
	31 March 2009 Estimate £000	31 March 2010 Estimate £000	31 March 2011 Estimate £000	31 March 2012 Estimate £000
General Fund	25,386	25,319	24,183	23,064
HRA	(7,229)	(6,675)	(5,605)	(535)
Total	18,157	18,644	18,578	22,529

The forecast trend is for the GF CFR to decrease, as repayments of debt principal in the form of Minimum Revenue Provision (MRP) are expected to be in excess of planned borrowing in each of the forthcoming three years. Conversely the HRA CFR is expected to increase, moving from its negative position towards a positive figure, as new borrowing is used to support expenditure on the decent homes programme.

The changes to CFR for future years (2010-11 and 2011-12) are subject to future Council decisions in respect of the capital programme for those years. The Council currently has no plans to undertake further GF prudential borrowing in 2010-11 and 2011-12, and the forecasts have been prepared on that basis

Prudential Indicators of Affordability

c) Estimates of ratio of financing costs to net revenue stream

The Code requires separate indicators for the HRA and non-HRA element.

The indicator has been calculated as the estimated net financing costs for the year divided by the amounts to be met from government grants and local taxpayers for the non-HRA element, and by total HRA income for the HRA element. The objective is to enable trends to be identified.

The General Fund figures have increased from the 2008-09 equivalents, which were all below 1%, due to reduced income from investments in the prevailing interest rate environment, and to additional costs of capital financing in the early years following purchase under new MRP regulations discussed at (b) above.

The relatively high ratio for the HRA across all years (compared to General Fund) reflects the requirement to include depreciation in the financing costs, as represented by the value of the Major Repairs Allowance (MRA). This is not required in the General Fund figures.

The figures used for the net revenue stream for 2009-10 and onwards are dependent upon the General Fund and HRA revenue budgets to be agreed by Council and are therefore subject to change. If applicable, updated figures will be provided to Cabinet and Council at the earliest opportunity.

Ratio of financing costs to net revenue stream				
		2009-10	2010-11	2011-12
		Estimate	Estimate	Estimate
		%	%	%
General Fund		4.90%	6.68%	5.45%
HRA		17.26%	17.25%	17.27%

Risk – Debt financing costs relating to past and current capital programmes have been estimated in accordance with proper practices. Actual costs will be dependant on the phasing of capital expenditure and prevailing interest rates, and will be closely managed and monitored on an ongoing basis.

d) Estimates of the incremental impact of new capital investment decisions on the Council Tax

This indicator represents an estimate of the incremental impact of new capital investment decisions on the annual Council Tax (Band D). It is intended to show the effect on the Council Tax of approving more capital expenditure.

It is anticipated that General Fund capital expenditure of £828k will be financed by borrowing in 2009-10. This will generate repayments of interest and principal (MRP) to be charged against the debt financing revenue budget. Interest is estimated as starting from December 2009; MRP charges will commence from the year following the capital expenditure – i.e. from 2010-11.

New regulations that came into force in February 2008 require local authorities to make 'prudent provision' for the repayment of debt instead of using the 4% reducing balance basis that was formerly prescribed. A number of options for prudent provision are set out in the regulations. The underlying principle is that the repayment of debt should be more closely aligned to the useful life of the asset or assets for which the borrowing has been carried out.

The impact of the new regulations is an increase in the minimum revenue provision that has to be made for the early years following expenditure. This will affect the Council's revenue budgets from 2009-10 onwards, in respect of capital expenditure financed by borrowing from 2008-09 onwards. This impact is because of the nature of the Council's capital expenditure, which tends to be on short life assets such as IT hardware and software rather than long life assets such as buildings or infrastructure.

The costs shown below represent the incremental impact on Council Tax of the unsupported (or prudential) borrowing that is being met directly from revenue budgets (i.e. interest and principal repayments) from capital expenditure schemes starting in 2009-10.

Estimates of incremental impact of new capital investment decisions on the Council Tax	
	General Fund
	£ p
2009-10	0.14
2010-11	4.42
2011-12	4.38

e) Estimate of incremental impact of new capital investment decisions on average weekly housing rent

This represents an estimate of the incremental impact of new capital investment decisions on average weekly housing rents.

There are no plans to finance HRA capital expenditure in 2009-10 to 2011-12 from contributions from the HRA revenue budgets for 2009-10 to 2011-12. Prudential borrowing is planned as a funding source in 2010-11 and 2011-12, but due to the negative HRA CFR the costs of this are recovered through Housing Subsidy, and there is no direct impact on housing rents. There is therefore no impact on average weekly rents arising from the capital expenditure plans for these years.

Estimates of incremental impact of new capital investment decisions on the Council Housing Rents	
	HRA
	£ p
2009-10	0.00
2010-11	0.00
2011-12	0.00

Prudence

f) Net borrowing and capital financing requirement

This is the key indicator of prudence. It is intended to show that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital requirement for the current and new two financial years.

The Council's net external debt figure is a negative figure – ie investments are in excess of debt. The net external debt figure has therefore been presented as zero.

Net external debt at the end of three years is expected to fall below the forecast Capital Financing Requirement.

Net external debt less than CFR	
	2009-10 £000
Borrowing	31,077
Less investments	66,000
Net external debt	0
2008-09 Closing CFR (Forecast)	18,157
Changes to CFR:	
2009-10	487
2010-11	(66)
2011-12	3,951
Adjusted CFR	22,529
Net external debt less than adjusted CFR	Yes

External Debt Prudential Indicators

g) Authorised limit for total external debt

For the purposes of this indicator the authorised limit for external debt is defined as the authorised limit for borrowing plus the authorised limit for other long term liabilities for years 1, 2 and 3.

This requires the setting for the forthcoming financial year and the following two financial years of an authorised limit for total external debt (including temporary borrowing for cash flow purposes), gross of investments, separately identifying borrowing from other long term liabilities.

The authorised limit represents the maximum amount the Council may borrow at any point in time in the year. It has to be set at a level the Council considers is “prudent” and be consistent with plans for capital expenditure and financing. It contains a provision for forward funding of future years capital programmes, which may be utilised if current interest rates reduce significantly but are predicted to rise in the following year.

This limit is based on the estimate of the most likely but not worst case scenario, with in addition sufficient headroom over and above this to allow for operational management, for example unusual cash movements.

The Council is asked to approve these limits and to confirm the existing delegated authority to the S.151 Officer, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long term liabilities, in accordance with option appraisal and best value for money for the Council. Any such changes would be reported to the Council at its next meeting following the change.

Authorised limit for external debt				
	2008-09	2009-10	2010-11	2011-12
	Limit £000	Limit £000	Limit £000	Limit £000
Borrowing	41,000	41,000	41,000	41,000
Other long-term liabilities	2,000	2,000	2,000	2,000
TOTAL	43,000	43,000	43,000	43,000

Other long-term liabilities, shown above, relate to insurance reserves. Any future finance leases entered into would also be included in this category.

Risk – Risk analysis and risk management strategies have been taken into account in setting this indicator, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes.

h) Operational Boundary for total external debt

The proposed operational boundary is based on the same estimates as the authorised limit. However it excludes the additional headroom included within the authorised limit to allow for unusual cash movements.

The operational boundary represents a key management tool for in year monitoring by the S.151 Officer. Within the operational boundary, figures for borrowing and other long-term liabilities are separately identified.

The Council is also asked to confirm the existing delegated authority to the S.151 Officer, within the same operational boundary for any individual year, to effect movement between the separately agreed figures for borrowing and other long-term liabilities, in a similar fashion to the authorised limit. Any such changes will be reported to the Council at the next meeting following the change.

Operational boundary for external debt				
	2008-09	2009-10	2010-11	2011-12
	Boundary £000	Boundary £000	Boundary £000	Boundary £000
Borrowing	36,000	36,000	36,000	36,000
Other long-term liabilities	2,000	2,000	2,000	2,000
TOTAL	38,000	38,000	38,000	38,000

Risk – Risk analysis and risk management strategies have been taken into account in setting this indicator, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes.

Treasury Management Prudential Indicators

i) Upper limits on fixed interest rate exposures

This indicator sets the upper limits to which the Council is exposed to the effects of changes in fixed interest rates, and is calculated as borrowing that is at fixed rates less investments that are at fixed rates.

The prudential code guidance states that where in doubt borrowing and investments should be treated as being at variable rates for the purposes of this and the following indicator. With this in mind, borrowing in the form of LOBOs (Lenders Option,

Borrowers Option) has been treated as being at variable rates as the rates are reviewed at agreed intervals of typically 6 months or a year.

This limit can be in terms of principal sums or the associated interest, and it can be expressed as a percentage or as an absolute amount (i.e. a monetary figure). The Council has chosen to work to a limit represented as an absolute amount of principal sums. Officers consider this to be the most transparent and method and the more straightforward to monitor.

The 2008-09 indicator is shown for completeness.

The limit has been set at a level that allows for flexibility. It allows for all new long-term borrowing for 2008-09 and 2009-10 to be at fixed rates (e.g. PWLB loans) and for the option of rescheduling of existing LOBOs to fixed rate loans. All borrowing decisions will be taken in line with best practice and prevailing market conditions and in consultation with the Council's treasury management advisers.

The limit also allows for a range of possibilities in respect of the value of temporary investments at any one point in time, as this is dependant on the cash position of the authority, and also for all the Council's temporary investments at the budgeted level of £66m to be in the form of fixed rate investments; typically the figure is around 80% to 90%.

Since the Council has an excess of temporary investments over debt, the calculation should result in a negative figure. The upper limit has therefore been set at zero – i.e. a positive result representing an excess of fixed rate debts over temporary investment would exceed the limit.

Upper limits on fixed interest rate exposures	
	Upper Limit £000
2008-09	0
2009-10	0
2010-11	0
2011-12	0

j) Upper limits on variable interest rate exposures

This indicator sets the upper limits to which the Council is exposed to the effects of changes in variable interest rates, and is calculated as borrowing that is at variable rates less investments that are at variable rates.

The prudential code guidance states that where in doubt borrowing and investments should be treated as being at variable rates for the purposes of this and the following

indicator. With this in mind, borrowing in the form of LOBOs (Lenders Option, Borrowers Option) has been treated as being at variable rates as the rates are reviewed at agreed intervals of typically 6 months or a year.

This limit can be in terms of principal sums or the associated interest, and it can be expressed as a percentage or as an absolute amount (i.e. a monetary figure). The Council has chosen to work to a limit represented as an absolute amount of principal sums. Officers consider this to be the most transparent and method and the more straightforward to monitor.

The 2008-09 indicator is shown for completeness

The limit has been set at a level that allows for flexibility. It allows for all new long-term borrowing for 2008-09 and 2009-10 to be at variable rates or in the form of LOBOs. All borrowing decisions will be taken in line with best practice and prevailing market conditions and in consultation with the Council's treasury management advisers.

The limit also allows for a range of possibilities in respect of the value of temporary investments at any one point in time, as this is dependant on the cash position of the authority, and also for none of the Council's temporary investments at the budgeted level of £66m to be in the form of variable rate investments; typically the figure is around 10% to 20%.

The limit has been set in line with the Council's operational boundary for external borrowing (excluding long term liabilities) at (h) above.

Upper limits on variable interest rate exposures	
	Upper Limit £000
2008-09	38,000
2009-10	38,000
2010-11	38,000
2011-12	38,000

k) Principal sums invested for periods longer than 364 days

Under the Local Government Act 2003 and the DCLG (formerly ODPM Guidance on Local Authority Investments 2004, all Councils are now permitted to invest for periods exceeding 1 year (or 364 days). The Council is required to set a limit to the level of such investments it might wish to make.

This limit can be expressed as a percentage or as an absolute amount (i.e. a monetary figure). The Council has chosen to work to a limit represented as an absolute amount as officers consider this to be the most transparent and method and the more straightforward to monitor.

The limit has been set at a level that would allow for monies not anticipated to be spent in year e.g. capital receipts, to be invested for longer periods if interest rates are favourable.

A increase in the limit is proposed for 2009-10 and onwards, in order to allow more flexibility to take advantage of favourable long term rates when market conditions allow.

Upper limit on investments for periods longer than 364 days	
	Upper Limit £000
2008-09	6,000
2009-10	10,000
2010-11	10,000
2011-12	10,000

Risk – This upper limit has been set at a prudent level (approx 15% of forecast total external investments) in order not to compromise cash flow liquidity.

l) Prudential limits for the maturity structure of borrowing

This represents the amount of projected borrowing that is fixed rate maturing in each period expressed as a percentage of total projected borrowing that is fixed rate at the start of the period where the periods in question are:

- Under 12 months;
- 12 months and within 24 months;
- 24 months and within 5 years;
- 5 years and within 10 years;
- 10 years and above.

This sets both upper and lower limits for 2009-10 with respect to the maturity structure of the Council's borrowing.

Maturity structure of borrowing		
	Lower Limit %	Upper Limit %
Under 12 months	0%	25%
1-2 years	0%	25%
2-5 years	0%	50%
5-10 years	0%	100%
Over 10 years	0%	100%

Risk – The debt maturity profile is actively managed to ensure that debt maturity is prudently spread across future years. This ensures that the Council can properly plan for the maturity of its borrowings, and is not exposed to unmanageable risks.

LOBO loans of £15.6m currently due for repayment in 2014-15 will need to be rescheduled or repaid, in full or part, in order for the 2-5 year limits not to be breached in 2010-11 or 2011-12. Officers will be looking, during 2009-10, at optimum options to manage this.

m) Adoption of the CIPFA Code of Practice for Treasury Management

The Prudential Code requires that the local authority has adopted the CIPFA Code of Practice for Treasury Management in Public Services.

The Council adopted the CIPFA Code of Practice for Treasury Management in the Public Services following its publication in 2001. This was formally minuted as a decision at the meeting of 21 January 2008.

Treasury Management Practices (TMPs) and TMP Schedules, setting out the manner in which the Council will seek to achieve its treasury management policies and objectives and how it will manage and control those activities, were approved by Cabinet on 3 July 2006. Council approved a revision to the Schedule to TMP1 Treasury Risk Management on 8 December 2008. Fully updated TMPs and TMP Schedules are included in the proposed Treasury Management Strategy report brought to Cabinet on 19 February 2009.

Prudential Indicators 2009-10 to 2011-12

Monitoring Position as at 30 September 2009

Capital Expenditure Prudential Indicators

a) Estimate of capital expenditure

The prudential indicator requires reasonable estimates of the total of capital expenditure to be incurred. It is in the nature of capital expenditure to have variations to the capital programme as the year proceeds, for example as new grant or other third party funding becomes available, or to accommodate slippage from the previous year. This is acknowledged in the Prudential Code.

Revised estimates for capital expenditure for 2009-10 are shown in the table below:

	2009-10
Estimates of Capital Expenditure 2009-10	Estimate as at 30 September 2009
	£000
General Fund (Non HRA)	11,494
Housing Revenue Account (HRA)	14,736
Total	26,230

The estimates are consistent with the latest proposed capital programme for 2009-10 submitted to this Cabinet (25 November 2009).

Forecasts for capital expenditure for future years are currently being worked up as part of the 2010-11 capital programme budget build. These will take into account any changes agreed during the course of 2009-10 that impact on 2010-11 and future years. For prudential indicator monitoring purposes the original approved forecasts remain in force until the 2010-11 capital programme is agreed.

b) Estimate of capital financing requirement (CFR)

In day-to-day cash management no distinction can be made between revenue cash and capital cash. External borrowing may arise as consequence of all the financial transactions of the authority, and not simply those arising from capital spending. However the Capital Financing Requirement reflects the local authority's need to borrow for a capital purpose.

Revised estimates for the Capital Financing Requirement for 2009-10 are shown in the table below:

Capital Financing Requirement (Closing CFR)		
		2009-10
		31 March 2010 Estimate £000
General Fund (Non HRA)		26,205
Housing Revenue Account (HRA)		(6,675)
Total		19,530

The revisions to the estimates of CFR are as a result of the impacts of actual capital programme financing in 2008-09 and forecast borrowing to fund capital expenditure in 2009-10. . The figures are consistent with the 2008-09 Statement of Accounts and with the borrowing requirements of the latest agreed capital programme for 2009-10.

The General Fund CFR forecast for 2009-10 has increased by around £886k from the estimate approved at February 2009. This is as a result of additional capital expenditure schemes funded by borrowing that have been approved by Cabinet during the year. These include improvement works at Grosvenor Centre car park; the bus station ANPR system; the CLG capitalisation directive; and improvement works at Ecton Lane travellers site.

Forecasts for the CFR for future years are dependent upon the borrowing requirements of capital expenditure in 2010-11 and future years that are being worked up as part of the 2010-11 capital programme budget build. They will also take into account any borrowing impacts from changes agreed during the course of 2009-10 that impact on 2010-11 and future years. For prudential indicator monitoring purposes the original approved forecasts remain in force until the 2010-11 capital programme is agreed.

Prudential Indicators of Affordability

c) Estimates of ratio of financing costs to net revenue stream

This indicator is set before the start of the financial year, in the context of the wider budget setting process, which feeds into the setting of Council Tax and housing rents. Once these have been set, and the financial year is underway it is not appropriate or possible to adjust this indicator

d) Estimates of the incremental impact of new capital investment decisions on the Council Tax

This indicator is set before the start of the financial year, in the context of the wider budget setting process, which feeds into the setting of Council Tax and housing rents. Once these have been set, and the financial year is underway it is not appropriate or possible to adjust this indicator

e) Estimate of incremental impact of new capital investment decisions on average weekly housing rent

This indicator is set before the start of the financial year, in the context of the wider budget setting process, which feeds into the setting of Council Tax and housing rents. Once these have been set, and the financial year is underway it is not appropriate or possible to adjust this indicator

Prudence**f) Net borrowing and capital financing requirement**

The latest position is set out below:

Net external debt less than CFR – As at 30 September 2009	
	2009-10 £000
Borrowing	26,201
Less investments	61,616
Net external debt	0
2008-09 Closing CFR (Actual)	16,001
Changes to CFR:	
2009-10 (Updated forecast)	3,529
2010-11 (Existing forecast)	(66)
2011-12 (Existing forecast)	3,951
Adjusted CFR	23,415
Net external debt less than adjusted CFR	Yes

The Council's net external debt figure is a negative figure – ie investments are in excess of debt. The net external debt figure has therefore been presented as zero.

Actual net external debt as at 30 September 2009 is less than the forecast adjusted CFR.

External Debt Prudential Indicators**g) Authorised limit for total external debt**

	2009-10
Council Borrowing	Actual as at 30 September 2009
	£000
Borrowing	26,201
Other Long Term Liabilities	-
Total	26,201

The Council's total external debt as at 30 September 2009 was £26.2m. This was within the authorised limit of £43m.

h) Operational Boundary for total external debt

The table below shows the Council's borrowing position as at 30 September 2009, demonstrating that external debt has not exceeded the operational boundary of £38m.

	2009-10
Council Borrowing	Actual as at 30 September 2009
	£000
Borrowing	26,201
Other Long Term Liabilities	-
Total	26,201

The Council's total external debt as at 30 September 2009 was £26.2m. This was within the operational boundary of £38m.

Treasury Management Prudential Indicators**i) Upper limits on fixed interest rate exposures**

Fixed Rate Exposure	2009-10 Actual at 30 September 2009
	£000
Fixed Rate Exposure	(49,758)

The amount of fixed rate exposure is a credit amount of £50m, which is below the upper limit of zero.

j) Upper limits on variable interest rate exposures

Variable Rate Exposure	2009-10 Actual at 30 September 2009
	£000
Variable Rate Exposure	14,343

The amount of variable rate exposure is a debit amount of £14m, which is below the upper limit of £38m.

k) Principal sums invested for periods longer than 364 days

Principal Sums Invested for Periods of Longer than 364 days	2009-10 Maximum in period 1 April 2009 to 30 Sept 2009
	£000
Principal Sums Invested for Periods of Longer than 364 days	6,000

The maximum amount of principal sums invested for periods longer than 364 days at any point during the period 1 April 2009 to 30 September 2009 is £6m, which is below the maximum limit of £10m.

I) Prudential limits for the maturity structure of borrowing

The Council's limits for the maturity structure of borrowing are taken into account whenever any new borrowing or loan rescheduling is undertaken. The following table indicates the maturity structure of borrowing at 30 September 2009, demonstrating that the limits have not been reached or exceeded.

Maturity Periods of Council Borrowing	Lower Limit %	Upper Limit %	2009-10 Actual at 30 September 2009
Under 12 months	0%	25%	0.7%
12 months and within 24 months	0%	25%	0.1%
2 years and within 5 years	0%	50%	0.2%
5 years and within 10 years	0%	100%	60.6%
10 years and above	0%	100%	38.4%

The amounts maturing in less than 12 months include the monies invested by the Council by Billing Parish Council and Northampton Volunteering Centre, which are treated as temporary borrowing in the Council's accounts. As these can be accessed on demand by the bodies concerned, they are shown as maturing in less than 12 months.

The principal element of the HCA (Homes and Communities Agency) annuity comprises annual repayments that fall across all of the designated maturity periods.

The long-term borrowings undertaken to finance the Council's capital expenditure, in the form of LOBO (Lenders Option Borrowers Option) Loans, are due to mature in the five to ten years, and over ten years periods.

m) Adoption of the CIPFA Code of Practice for Treasury Management

The Council adopted the CIPFA Code of Practice for Treasury Management in the Public Services following its publication in 2001. This was formally minuted as a decision at the meeting of 21 January 2008.

Furthermore the Council's Financial Regulations, approved by Council on 19 November 2007, state at paragraph 5.9.1 that the Council has adopted CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), and specifically adopts the key recommendations as described in Section 4 of that code. Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:

- A treasury management policy statement, stating the policies and objectives of its treasury management activities.
- Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities. The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this Council. Such amendments will not result in the Council materially deviating from the Code's key recommendations.

Appendices

2



NORTHAMPTON
BOROUGH COUNCIL

Item No.

11A

CABINET REPORT

Report Title	REVENUE BUDGET MONITORING 2009/10 – POSITION AS AT THE END OF SEPTEMBER 2009
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	25 November 2009
Key Decision:	NO
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Finance and Support
Accountable Cabinet Member:	David Perkins
Ward(s)	Not Applicable

1. Purpose

- 1.1 This report identifies the projected outturn position for the current financial Year. Appendix 1 of the report provides further background information. The report also refers to management action being taken in response to the forecast and to minimise the impact on the Council's general fund reserves at the end of the financial year.

2. Recommendations

- 2.1 Cabinet to note the report and the forecast under spend of £295k net of management action.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Council approved the General Fund Revenue Budget on 26th February 2009. The 2009/10 budget preparation process identified a substantial gap in funding. This was bridged by a combination of policy, efficiency and base budget savings to the value of £9.42m. These savings are in addition to the £6.2m of savings that were approved and achieved as part of the 2007/08 and 2008/09 budget setting processes.
- 3.1.2 It is important that the savings built into the budget are achieved to minimise the impact on both the Council's general reserves at the end of this financial year and the impact on future year budgets. It is intended that all policy, efficiency and base budget savings that were built into the approved budget will be monitored and reported separately this financial year together with the regular monitoring of the revenue budget. Should any of the savings be unachievable, management action will be taken to identify alternative savings or income.
- 3.1.3 The Authority was notified of a revised provisional allocation of LABGI funding for 2009/10 of £124,425 on 29 July 2009. The grant determination for this was issued by CLG on 25 September. This allocation was based on the revised CLG methodology.

3.2 Issues

- 3.2.1 Budget Managers, in conjunction with Finance, have undertaken a review of the progress being made towards achieving the savings contained within the budget. Work has also been undertaken to identify any other emerging issues that cannot be contained within the approved budget with appropriate management action.
- 3.2.2 Appendix 1 presents the identified variations from the approved budget that are giving rise to a forecast net under spend of £8k for services before management action and proposed use of reserves.

3.2.3 Table 1: General Fund Provisional Outturn Summary (£,000)

RAG	Directorate	2009/10 Original Budget	2009/10 Additional Budget	2009/10 Revised Budget*	Projected Outturn Actuals - End September 2009	Projected Outturn Variance to Revised Budget - End September 2009 pre actions	Proposed Application of Reserves & other Management Actions	Projected Outturn Variance to Revised Budget - End September 2009 post actions
		£,000	£,000	£,000	£,000	£,000	£,000	£,000
R	Environment and Culture	12,227	11	12,238	12,953	715	(287)	428
G	Finance and Support	17,133	(73)	17,060	16,437	(623)	0	(623)
G	Planning & Regeneration	2,831	10	2,841	2,846	5	0	5
R	Assistant Chief Executive*	4,043	255	4,298	4,412	114	0	114
G	Borough Solicitor	1,171	4	1,175	1,117	(58)	0	(58)
G	Housing (GF)	1,472	(26)	1,446	1,285	(161)	0	(161)
	Total	38,877	180	39,058	39,050	(8)	(287)	(295)

Note small variations are due to roundings.

3.2.4 £1,213k of the projected position relates to policy and efficiency savings that Budget Managers have indicated still require further work. Appendix 2 contains details of the progress being made to achieve the savings.

3.2.5 Included within the forecast is a projected under spend of £491k relating to employee budgets. This is the position net of the corporate vacancy target.

3.2.6 The remaining £730k under spend before action and funding virements relates to emerging issues identified by Budget Managers.

3.2.7 Overall these items give a forecast under spend of £8k before management action.

3.2.8 Management action to the value of £287k has been identified to partially mitigate the forecast over spend. These actions give rise to a net forecast under spend of £295k.

3.2.9 The under spend of £295k includes the monitoring of the vacancy saving target. The position in relation to the employee budget is shown in a specific column on appendix 1 for clarity.

Environment and Culture Directorate

3.2.10 The RAG status for Directorate of Environment and Culture is Red as the Directorate is forecasting an over spend above £100k. The reasons for the variance are explained below.

Service Area	Forecast Variance before Action	Forecast Variance after Action	Narrative
	£,000	£,000	
Director of Environment and Culture	(2)	(2)	Various minor items below £50k
Head of Public Protection	19	19	Various minor items below £50k
Head of Neighbourhood Environmental Services	571	416	See below
Head of Leisure and Culture	134	134	See below
Town Centre Management	(7)	(7)	See below
Total	715	560	

Head of Neighbourhood Environmental Services

3.2.11 The service has indicated that it is unable to deliver savings to the value of £680k that were built in to the 2009/10 budget (see appendix 2).

3.2.12 Net employee variations show £79k under spend. The improvement of £75k in the forecast is due to a £46k reduction in overtime costs and the balance being mainly due to reduced agency staff, the effects of the 1% pay award and vacant posts.

3.2.13 In relation to recycling an over achievement of income £482k on green, plastic and metal waste has been partially offset by under achievement of income on paper and glass of £254k mainly due to price decreases in those markets.

3.2.14 A £50k saving on glass haulage costs due to fewer collections from bottle banks is offset by £270k overspend on additional haulage costs for green waste.

3.2.15 Offset by net under spend of £22k on items below £50k.

3.2.16 In addition the Head of Service is working in a number of areas to manage costs to deliver the service on budget overall.

3.2.17 As identified in Appendix two the following MTP options forecast an overspend at period 6 of £680k, part of an overall position on NES of £416k overspend after management action:

- Increase in Bulky Waste income
- Replace permanent staff with agency workers as and when they leave
- Reduce the level of service for grounds maintenance
- Introduction of wildflower areas
- Reduce frequency of mowing regime
- Re-provision of toilet facilities in the town centre utilising a Richmond type community facilities scheme involving local businesses.

3.2.18 In considering in detail the above MPT options, it is now clear that they are not achievable and that new savings plans need to be put in place to balance the budget for 2009/10 and bring about savings going forward in to future financial years. The following table gives the savings achieved to date against the above MTPs and the reasons for their reversal:

Description	Reversal Reason
Increased fee for bulky waste collection	This additional income of £90,000 will not be achieved due to a number of factors. First, the recession has impacted upon the number of new large goods that people are purchasing and therefore the number of lumbar items needing to be disposed of has reduced. Secondly, the retailers supplying white goods now provide a recycling service whereby they remove the old appliance upon delivery of the new one. During 2009/10 efficiencies have been identified through the rationalisation of this service and the consequent removal of a lumbar truck. It is anticipated that the current price increase may remain in place. Future savings plans include a sliding fees scale, however this requires further detailed financial modelling.
Replace staff with agency staff as and when they leave	<p>This MTP was to replace permanent staff with agency staff as they left the Council via natural wastage. A target of £300k was originally set. In addition MTP 40 & 41 were amalgamated at a later date adding £85,254 to the total. MTP 40 & 41 have now been achieved. In addition to the total savings target for this MTP (£385,254) there is a vacancy factor of £178K for the whole division of which £112,365 is the vacancy factor for the frontline. The vacancy factor can only be achieved through natural wastage due to the need to have all frontline staff in place. This equates to a total of £497,619 to be achieved through natural wastage.</p> <p>To date £326,619 has been achieved leaving £171k forecast as unachievable. This is due to the fact that people are now less likely to leave for new jobs due to the effects of the recession.</p> <p>There remains in place future plans to continue to replace leavers with agency staff however with a much reduced target that takes into account the vacancy factor of £112,365 for the division.</p>

Reduce level of service for grounds maintenance	This MTP was to make a number of changes to ground maintenance which included a reduction in grass cutting and a reduction of the operational staff by 7 posts. Also included was the removal of two Area Officer posts and a Recreation Officer. The total savings target was £332,533. The savings have all been achieved except for the removal of the two Area Officer and the Recreation Officer posts. This equates to £119k that will now not be achieved. This is because in considering the total impact that the removal of these posts would have on the service and the emerging plans for Neighbourhood Working etc, it was viewed that the removal of these posts in isolation to a review of the entire structure would be to the detriment of the total service.
Introduction of wild flower planting and reduction of mowing regime	<p>In order to achieve this savings target of £192k there would need to be a reduction in the number of frontline staff in grounds maintenance over and above the seven posts removed in the above savings plan. The removal of any further frontline staff at this time would be at the detriment of the service. Until the grounds maintenance schedules are realigned the service is currently running to capacity.</p> <p>In respect of the issue of the disparity between the number of cuts made to NCC land as apposed to the contracted number of cuts needs to be resolved. This will be by maintaining the verges to the contract specification as a result of the rescheduling of the service, or renegotiate/charge more for the service.</p>
Re-provision of toilet facilities in the town centre	Budget allocated allows for the toilets to be open for six months. Changes to shift working at Sheep Street has allowed the toilets to remain open for longer. The budget allocation has now run out and the toilets are due to be closed. Feasibility of the community toilet scheme will be given high priority to enable savings this financial year and going forward.

3.2.19 Work is currently underway to develop savings plans to replace the above MTPs with actions that will balance the budget 2009/10 and make savings going forward into 2010/11, and 2011/12 etc. These plans include a restructure of the division to reduce management costs, re-engineering the service to drive down costs and bring about efficiencies and potential savings as a result of the market testing of the service.

Head of Leisure and Culture

3.2.20 £172k overspend on staff costs in Leisure relating to non-achievement of vacancy factor of £80k within Leisure and Culture, £37k relating to a restructure, and £50k unmet agency staff savings.

3.2.21 £70k saving on utilities is offset by net overspend on items below £50k of £34k.

3.2.22 The MTP option to achieve a saving of £100k in salaries and wages will not be fully achieved. Although savings of approximately £100k will be achieved against this element of the budget other pressures on salaries and wages will offset these savings.

3.2.23 Management action to further increase income and tightly control expenditure will reduce the predicted overspend on salaries and wages to £40k. Further work still needs to be done to determine management action to address this predicted £40k overspend.

Town Centre Management

3.2.24 An overspend on rents payable in respect of change of contract on St Peters Way Car Park of £53k, which is offset by £108k additional daily ticket income.

3.2.25 These are offset by net over spend of £62k on items below £50k.

Finance and Support Directorate

3.2.26 The RAG status for Finance and Support is Green as the Directorate is forecasting an under spend. The reasons for the variance are explained below.

Service Area	Forecast Variance before Action	Forecast Variance after Action	Narrative
	£,000	£,000	
Director of Finance and Support	(51)	(51)	Employee savings net of the corporate vacancy target.
Head of Finance and Assets	(659)	(659)	See below.
Head of Revenues and Benefits	120	120	See below.
Head of Customer Services and ICT	7	7	Various minor items below £50k
Head of Human Resources	(46)	(46)	Employee savings net of the vacancy target £63k offset by various items below £50k
Head of Procurement	6	6	Various minor items below £50k
Total	(623)	(623)	

Head of Finance and Assets

3.2.27 Employee savings net of vacancy target give a £212k forecast under spend.

3.2.28 Loss of external rent income £66k due to properties becoming vacant. This is offset by £40k additional income from rent reviews undertaken.

3.2.29 £345k saving on Concessionary Fares due to reimbursement rate being lower than budgeted for and a decrease in trip activity.

3.2.30 There is a £111k under spend on property costs mainly due to a £77k saving from reduction in NNDR charges largely relating to a rebate on Thornton Park Depot and a £16k under spend on utility charges.

3.2.31 Additional income of £83k mainly due to successful business rates challenge and income relating to an insurance claim.

3.2.32 In addition there are net costs of £66k on various items below £50k.

Head of Revenues and Benefits

3.2.33 The value of rent allowances paid out by the council has increased as direct result of the recession. The council does not recover the full value of all rent allowances and therefore the increased payment of rent allowances has produced a variance to the budget of £120k.

Planning & Regeneration Directorate

3.2.34 The RAG status for People, Planning, and Regeneration is Green as the Directorate is reporting an over spend of less than £50k. The reasons for the variance are explained in the table below.

Service Area	Forecast Variance before Action	Forecast Variance after Action	Narrative
	£,000	£,000	
Director of Planning and Regeneration	(6)	(6)	Various minor items below £50k
Head of Planning	55	55	See below.
Head of Regeneration and Development	(44)	(44)	£73k employee savings net of corporate vacancy target offset by net over spend £29k on items below £50k.
Total	5	5	

Head of Planning

3.2.35 Planning has a net saving on employees of £105k net of vacancy factor mainly relating to changes in retention payments and the 1% pay award settlement.

3.2.36 The credit crunch continues to have an adverse impact on planning income, with a £95k under achievement of building control income and £47k on Development Control income.

3.2.37 In addition there is a net over spend of £18k on various items below £50k.

Borough Solicitor

3.2.38 The RAG status for the Borough Solicitor is Green as the Service is reporting an over spend of less than £50k. The reasons for the variance are explained in the table below.

Service Area	Forecast Variance before Action*	Forecast Variance after Action*	Narrative
	£,000	£,000	
Borough Solicitor	(58)	(58)	Net employee savings and income from recovery of court costs.
Total	(58)	(58)	

Assistant Chief Executive

3.2.39 The RAG status for Directorate of Assistant Chief Executive is Red as the Directorate is forecasting an over spend of more than £100k. The reasons for the variance are explained below.

Service Area	Forecast Variance before Action £,000	Forecast Variance after Action £,000	Narrative
Assistant Chief Executives	(69)	(69)	Various minor items below £50k.
Head of Policy and Community Engagement	192	192	The Community Centres saving of £190k will not be achieved in 2009/10. Negotiations are underway with savings to be achieved in future years.
Head of Performance and Improvement	(18)	(18)	Net employee savings.
Director of Local Strategic Partnership	1	1	Net employee over spend.
Chief Executives	8	8	Various minor items below £50k
Total	114	114	

Housing Directorate (General Fund)

3.2.40 The RAG status for the Directorate of Housing is Green as the Directorate is reporting an under spend. The reasons for the variance are explained in the table below.

Service Area	Forecast Variance before Action*	Forecast Variance after Action*	Narrative
	£,000	£,000	
Director of Housing	(5)	(5)	Various minor items below £50k
Head of Housing Strategy, Investment and Performance	10	10	Various minor items below £50k
Head of Landlord Services	0	0	N/A
Head of Housing Needs and Support	(166)	(166)	See Below
Total	(161)	(161)	

Head of Housing Needs and Support

3.2.41 A saving of £113k has been made on employees net of Vacancy Factor and incorporating the 1% pay award..

3.2.42 £97k of savings have been achieved within Home Choice & Resettlement supplies and services. This is mainly due to increased costs of grants spent £344k being offset by savings of £441k on Private Sector Leasing

3.2.43 The remaining £44k relates to a net overspend on items less than £50k.

Other Areas for Information

3.2.44 As indicated above, managers have already taken action to minimise the overall net impact on Council finances. This includes identifying where there is scope for efficiencies without detriment to public service delivery, seeking additional external funding and capitalisation of specific costs. Managers must continue to rigorously assess areas in which further efficiencies can be achieved. Particular attention should be given to management of the employee establishment.

Improvement Fund

3.2.45 The opening balance on the Improvements Reserve for 2009/10 was £1m. In September 2009 approval was given in line with the Council resolution of 26 February 2009 to draw down £150k of this earmarked reserve for a Programme Manager for SBR and other key change projects.

Corporate Initiatives (LABGI) Earmarked Reserve

3.2.46 The opening balance on the Corporate Initiatives Reserve for 2009/10 was £351k. The unearmarked element of this reserve has been ring fenced to Regeneration and Development by Council resolution of 26 February 2009.

	£,000
LABGI Balance as at 01.04.2009	351
Royal and Derngate Theatre Trust	-8
Earmarked in 2008/09 B/fwd:	
Fish Market	-26
Leisure Feasibility	-25
Leisure Feasibility – Conditional Element	-30
Car Parking Feasibility	-20
Market Square	-20
Links View Flood Investigation	-3
Total estimated LABGI balance at 31.03.2009	219

3.2.47 An amount of £8k has been drawn down from this Earmarked Reserve in line with the Council resolutions of 26 February 2009.

General Fund Balances

3.2.48 Following the completion of the closure of the year-end accounts 2008/09 the forecast opening General Fund Balance for 2009/10 was revised to £2,006k.

3.2.49 At the meeting on 14 October 2009 Cabinet agreed to appropriate the unclaimed increase in members' allowances 2008/09 from reserves to CEFAP for investment in communities. This would have been part of the 2008/09 movement in balances, so will impact on the General Fund balance.

Housing Revenue Account (HRA)

3.2.50 A separate report detailing the HRA position appears elsewhere on the agenda.

3.3 Choices (Options)

3.3.1 Cabinet is invited to note the report and the actions being taken to contain net expenditure to minimise the impact on the Council's reserves at the end of the financial year.

3.3.2 Consideration must be given as to whether further management action can be taken to achieve those savings that have been identified by Budget Managers as unachievable.

3.3.3 Options for further constraining expenditure without detriment to front line service delivery must be considered corporately to address the projected net overspend.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The table at 3.2.4 shows that the budget is forecast to be under spent by £295k after management action and proposed use of reserves.

4.2 Resources and Risk

- 4.2.1 This report informs the Cabinet of the forecast revenue budget outturn as at the end of September 2009.
- 4.2.2 There will be an ongoing impact on future year budgets of not achieving savings contained within the 2009/10 budget.

4.3 Legal

- 4.3.1 There are no specific legal implications arising from this report.

4.4 Equality

- 4.4.1 There are no specific equalities implications arising from this report.

4.5 Consultees (Internal and External)

- 4.5.1 Chief Executive, Directors, Heads of Service, and Budget Managers have been consulted.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 Monthly budget monitoring relates to improving the CAA Use of Resources score, which contributes to the priority of being a well-managed organisation that puts the customer at the heart of what we do.

4.7 Other Implications

- 4.7.1 Not applicable

5. Background Papers

- 5.1 Council Report 26th February 2009 (General Fund Revenue Budget 2009/10 – 2011/12),
- 5.2 Cabinet Report 29th June 2009 (General Fund Budget Outturn 2008/09)
- 5.3 Cabinet Reports 5 August 2009 Revenue Budget Monitoring Position as at End of May 2009
23 September 2009 Revenue Budget Monitoring Position as at End of June 2009
14 October 2009 Revenue Budget Monitoring Position as at End of July 2009
4 November 2009 Revenue Budget Monitoring Position as at End of August 2009

Rebecca Smith, Assistant Head of Finance, ext 8046
Isabell Procter, Director of Finance and Support, ext 8757

General Fund Controllable Service Revenue Budget - Forecast Outturn Variance 2009/2010

	2009/2010 Original Budget	2009/2010 Use of Reserves	2009/2010 Virements	2009/2010 Current Budget	Savings / Efficiency Target Included within 2009/10 Budget	Savings / Efficiencies Target (Over) / Under Achieved	Employees Forecast Net of Vacancy Factor	Other Emerging Issues	Forecast Outturn (Underspend) / Overspend before Mgmt Action	Management Action - Virement from Reserves	Management Action Plans in Place	Forecast Outturn following action plans & budget transfers
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<u>Director of Environment and Culture</u>												
Director of Environment and Culture	207	0	68	275	0	0	-5	3	-2	0	0	-2
Head of Public Protection	2,113	22	-2	2,133	-460	20	6	-7	19	0	0	19
Head of Neighbourhood Environmental Services	9,293	0	-109	9,184	-2,685	680	-79	-30	571	0	-155	416
Head of Leisure and Culture	2,060	0	171	2,231	-890	131	172	-169	134	0	-132	2
Town Centre Management	-1,446	0	-139	-1,585	-260	15	48	-70	-7	0	0	-7
	12,227	22	-11	12,238	-4,295	846	142	-273	715	0	-287	428
<u>Director of Finance and Support</u>												
Director of Finance and Support	291	0	127	418	0	0	-53	2	-51	0	0	-51
Head of Finance and Assets	8,075	0	55	8,130	-856	0	-212	-447	-659	0	0	-659
Head of Revenues and Benefits	-133	0	115	-18	-851	119	-5	6	120	0	0	120
Head of Customer Services and ICT	6,738	0	-121	6,617	-702	27	10	-30	7	0	0	7
Head of Human Resources	1,972	0	-258	1,714	-418	15	-63	2	-46	0	0	-46
Head of Procurement	190	0	9	199	-20	0	9	-3	6	0	0	6
	17,133	0	-73	17,060	-2,847	161	-314	-470	-623	0	0	-623
<u>Director of Planning and Regeneration</u>												
Director of Planning and Regeneration	201	0	44	245	0	0	-6	0	-6	0	0	-6
Head of Planning	1,869	0	-39	1,830	-462	13	-105	147	55	0	0	55
Head of Regeneration and Development	761	8	-3	766	-206	0	-73	29	-44	0	0	-44
	2,831	8	2	2,841	-668	13	-184	176	5	0	0	5
<u>Assistant Chief Executive</u>												
Assistant Chief Executive	505	0	18	523	-89	0	-41	-28	-69	0	0	-69
Head of Policy and Community Engagement	3,016	0	-65	2,951	-345	190	-4	6	192	0	0	192
Head of Performance and Improvement	378	150	-3	525	-45	0	-19	1	-18	0	0	-18
Director of Northampton Local Strategic Partnership	40	0	4	44	0	0	1	0	1	0	0	1
Chief Executives	104	0	151	255	-195	0	-20	28	8	0	0	8
	4,043	150	105	4,298	-674	190	-83	7	114	0	0	114
<u>Borough Solicitor</u>	1,171	0	4	1,175	-298	0	-29	-29	-58	0	0	-58
<u>Director of Housing</u>												
Director of Housing	172	0	10	182	0	0	-7	2	-5	0	0	-5
Head of Strategy, Investment and Performance	227	0	-1	226	-26	0	6	4	10	0	0	10
Head of Landlord Services	0	0	0	0	0	0	0	0	0	0	0	0
Head of Housing Needs and Support	1,073	0	-35	1,038	-617	3	-22	-147	-166	0	0	-166
	1,472	0	-26	1,446	-643	3	-23	-141	-161	0	0	-161
Total General Fund Controllable Revenue Budget	38,877	180	1	39,058	-9,425	1,213	-491	-730	-8	0	-287	-295

Key

A positive variance indicates a budget overspend and a negative variance indicates a budget underspend

Inachievable Savings and Efficiencies Contained within the General Fund Revenue Budget 2009/10

Portfolio Holder	Director	Directorate	Head of Service	Key Service Area	Saving Reference as per Report to Full Council	Nature of Saving	Detail	2009/10 Forecast Total Savings	2009/10 Forecast Savings Shortfall / (Excess)	Progress Achieved to Date	Agreed Future Management Actions	Key Risks Identified - For Detailed Information Refer to the Council Risk Register
Cllr Crane	J Seddon	Director of Environment and Culture	Head of Neighbourhood Environmental Services	Domestic Refuse	O14	Level 1 Income	Increase the bulky waste collection fee from £10 for 3 items to £25 for 3 items to cover the costs of delivering the service. This is in line with other councils.	0	90,000	Prices have been increased however Bulky Waste collection is reducing in comparison to the previous year. Many stores that sell white goods are now offering a service to take the old appliance away when the new one is delivered therefore impacting on the amount of NBC collections. The current economic climate may also be impacting on the purchase of new appliances to replace old ones. The increase in fees may also be a factor.	Monitoring of income and volumes collected against the predicted income stream. Other savings options are being looked into by the Head of Service.	Reduced income to the authority.
Cllr Crane	J Seddon	Director of Environment and Culture	Head of Neighbourhood Environmental Services	Public Conveniences	MTPS31/31b	Level 2 MTP	Reprovision of toilet facilities utilising the Richmond scheme of using local businesses in the town.	(14,730)	37,000	Richmond type scheme to be incorporated into the Northampton Town Centre Neighbourhood working project. Currently no plans have been implemented and the head of service is looking to close toilets. This forecast may reduce if toilets are closed.	The project will be closely monitored in it's development and implementation. The Richmond type scheme to be in place before existing toilets close.	Current budget allocation allows for the toilets to be open for six months, the project will need to be in place before this. Other risks include customer dissatisfaction.
Cllr Crane	J Seddon	Director of Environment and Culture	Head of Neighbourhood Environmental Services	Domestic Refuse	MTPS211	Level 2 MTP	Replacing permanent staff with temp staff as and when they leave	(185,254)	200,000	£185k has been achieved to date. The remaining £200k should be met through the replacement of vacant posts with agency staff however given the current economic climate staff turnover is low and it is unlikely the full saving can be met.	Monitoring the implementation by modelling the replacement of staff. Contingency plan to be put together in case the required level of leavers is not achieved. The Head of Service is currently looking into ways of achieving this efficiency saving.	The longer it takes to achieve the more staff we will need to replace.
Cllr Crane	J Seddon	Director of Environment and Culture	Head of Neighbourhood Environmental Services	Parks and Open Spaces	MTPS32	Level 2 MTP	Reduce level of service for grounds maintenance i.e. grass cutting, less flowers, hanging baskets etc Proposed reduction of 7 vacant posts.	(194,533)	138,000	£195k has been achieved. £19k which is currently unachieved is due to overtime worked in parks during the weekend. This MTP was to reduce staffing levels in the parks and grounds maintenance however the overtime is now increasing the staffing levels back up and therefore effects this MTP option. £119k relates to a reduction in management that has not happened. The Head of Service looking into ways of achieving this efficiency saving. These include restructure of the service.	The Head of Service is currently looking into ways of achieving this efficiency saving.	Potential redundancy costs.
Cllr Crane	J Seddon	Director of Environment and Culture	Head of Neighbourhood Environmental Services	Parks and Open Spaces	MTPS715	Level 2 MTP	Introduction of wild flower areas as opposed to mowing regime	0	23,000	Currently unachieved but plans in place to meet the saving.	The Head of Service is currently looking into ways of achieving this efficiency saving.	Potential redundancy costs to be found from within the service reducing the savings achieved.
Cllr Crane	J Seddon	Director of Environment and Culture	Head of Neighbourhood Environmental Services	Parks and Open Spaces	MTPS716	Level 2 MTP	Reduce frequency of mowing of grass on NCC land - i.e. verges- throughout the Borough, reducing the subsidy to NCC.	0	192,000	Currently unachieved.	The Head of Service is currently looking into ways of achieving this efficiency saving.	Potential redundancy costs to be found from within the service reducing the savings achieved.
								Total Unachieved Savings				
								Original Savings Target				
								Total Savings Achieved				

Appendices

2



NORTHAMPTON
BOROUGH COUNCIL

Item No.

11B

CABINET REPORT

Report Title	HOUSING REVENUE ACCOUNT BUDGET MONITORING 2009/10 – POSITION AS AT 30th SEPTEMBER 2009
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	25 November 2009
Key Decision:	NO
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Finance and Support
Accountable Cabinet Member:	Cllr D Perkins
Ward(s)	Not Applicable

1. Purpose

- 1.1 This report identifies the projected outturn position for the current financial year for the Housing Revenue Account (HRA). Appendix 1 of the report provides further background information. The report also refers to management action being taken in response to the forecast and to minimise the impact on the Council's HRA working balances at the end of the financial year.

2. Recommendations

- 2.1 Cabinet to note the report and the forecast overspend of £1,243k on the Net Cost of Services.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Council approved the 2009/10 HRA Budget on 19th February 2009. The 2009/10 budget preparation process delivered a balanced budget.

3.2 Issues

- 3.2.1 Budget Managers, in conjunction with Finance, have undertaken a review to identify any emerging issues that cannot be contained within the approved budget with appropriate management action. Appendix 1 presents the identified variations from the approved budget that are giving rise to a forecast net overspend of £1,243k for Net Cost of Services.
- 3.2.2 Working Balances - It should be noted that Working Balances carried forward from outturn are higher than the budget by £160k. This variance was detailed in the HRA Budget 2008/09 Outturn Report presented to Cabinet on 29th June 2009. There was an additional £2.493m moved into earmarked reserves.
- 3.2.3 Housing Restructure - A fundamental review of the structure of the Housing Service has been undertaken. There has been no overall net increase in the cost of services.
- 3.2.4 HRA Subsidy & Dwelling Rent Income – net forecast underspend of £203k. The forecast figures reflect the Council's decision to reduce the approved rent increase (5.65% average) and implement a lower increase (approx' 2.82% average) from May 2009 in light of the Governments announcements post budget setting. The impact is lower than budgeted rental debits due of £910k, offset by a reduction in the amount of HRA negative subsidy payable to CLG £1,113k. The net difference is also due to Right to Buy sales dropping off and lower void loss than budgeted. The Dwelling rent income and Void Loss count monitoring is attached at Appendix 2 in graphical format.
- 3.2.5 Repairs and Maintenance – forecast overspend of £1,400k. This forecast reflects the trend of the current level of expenditure on void properties and responsive repairs to housing stock. This forecast will be subject to further ongoing scrutiny to determine the level of capitalisation of costs and any other factors that can mitigate the projected overspend. In addition, Management are looking to address the potential overspend through a reduction in the Contribution to Earmarked Reserves. Also, this issue is currently being considered as part of the future years budget process in order to determine an appropriate level of budget required to deliver the repairs and maintenance service.
- 3.2.6 General Management – forecast underspend of £6k. This represents a reduction of £27k to the previously reported forecast overspend of £21k. This change largely relates to staff savings as a result of vacant posts.
- 3.2.7 Rents Rates Taxes & Other Charges – forecast overspend of £50k. This reflects the estimated increase in Council Tax due on empty properties, This is as a result of a change to the Council Tax rules that no longer allow relief to be claimed on properties that have been vacant for longer than six months.

3.3 Other Areas for Information

- 3.3.1 An emerging issue has been identified relating to the settlement of equal pay claims. Due to ongoing negotiations, no figures have yet been included in the budget forecasts for this issue.
- 3.3.2 As indicated above, managers are already taking action to minimise the overall net impact on HRA working balances. This includes identifying where there is scope for efficiencies without detriment to public service delivery, and capitalisation of specific costs. Managers must continue to rigorously assess areas in which further efficiencies can be achieved to manage forecast overspends within the overall budget. Particular attention should be given to management of the employee establishment.

3.4 HRA Working Balances and Reserves

- 3.4.1 The HRA Working Balances and Reserves are summarised in Table 1 below.

Table 1 – HRA Working Balances and Reserves

	Balance 31.3.09 £'000
HRA Balances on Account	
HRA Working Balance	6,124
HRA Capital Programme Earmarked Reserve	7,000
HRA Leaseholders Earmarked Reserve	1,000
HRA PFI Reserve	175
TOTAL HRA BALANCES	14,299

- 3.4.2 **Capital Programme Reserve:** The opening balance for 2009/10 is £7m. The Reserve has been set aside to fund future Capital Programmes and is considered prudent in order to support the delivery of the outcomes of the HRA Asset Management Strategy and the HRA Business Plan. The Cabinet meeting of the 5th August 2009, (Report Item 13), approved a further £100k to be made available from the HRA Capital Programme Earmarked Reserve to support the next stage of the PFI process. See 3.4.4 below.
- 3.4.3 **Leaseholder Capital Works Reserve:** The opening balance for 2009/10 is £1m. The Reserve was set up in 2007/08 (see Cabinet Report 26th June 2008), in anticipation of the requirement for a sinking fund or similar mechanism to account for changes made for capital works and the actual costs of Capital repairs. A Leaseholder charging review is being undertaken and will be subject to a separate report when complete.
- 3.4.4 **HRA PFI Reserve:** The opening balance for 2009/10 is £175k. The reserve was set-aside in 2008/09 to support the work towards the PFI bid to Government for PFI credits to enable transformational change to part of the HRA stock. This reserve has been increased to £275k, (see 3.4.2 above).

- 3.4.5 The opening HRA Balance for 2009/10 is -£6,124k. The forecast Outturn for the year is -£4,964k, showing a net decrease to the Working Balance of £1,083k. This represents a decrease of £1,243k from the budgeted increase of £83k (see Appendix 1). This is summarised in the table 2 below. The forecast Outturn position will be subject to continued and increasing scrutiny as the financial year progresses and more detailed analysis is possible.

Table 2 HRA Working Balances

	Revised £000	Forecast £000	Variance £000
Opening Balance	(6,124)	(6,124)	
Net Trnfer (to) / from wrk balances	(83)	1,160	1,243
Working Balance C/Fwd	(6,207)	(4,964)	1,243

3.5 Choices(Options)

- 3.7.1 Cabinet is invited to note the report and the actions being taken to contain net expenditure to minimise the impact on the HRA's working balances at the end of the financial year.
- 3.7.2 Options for further constraining expenditure without detriment to front line service delivery must be considered corporately to address the projected net overspend.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 Appendix 1 shows that the controllable revenue budget is forecast to be overspent by £1,243k.

4.2 Resources and Risk

- 4.2.1 This report informs the Cabinet of the provisional HRA budget outturn as at the end of September 2009.
- 4.2.2 There will be an ongoing impact on future year budgets of not delivering services or overspending budgets.

4.3 Legal

- 4.3.1 There are no specific legal implications arising from this report.

4.4 Equality

- 4.4.1 Not applicable

4.5 Consultees (Internal and External)

4.5.1 Chief Executive, Directors, Corporate Mgrs, and Budget Managers have been consulted.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 Monthly budget monitoring relates to improving the CPA Use of Resources score, which contributes to the priorities of continuing to improve our weakest services and continuing to strengthen our financial management.

4.7 Other Implications

4.7.1 Not applicable

5. Background Papers

5.1 Cabinet Reports

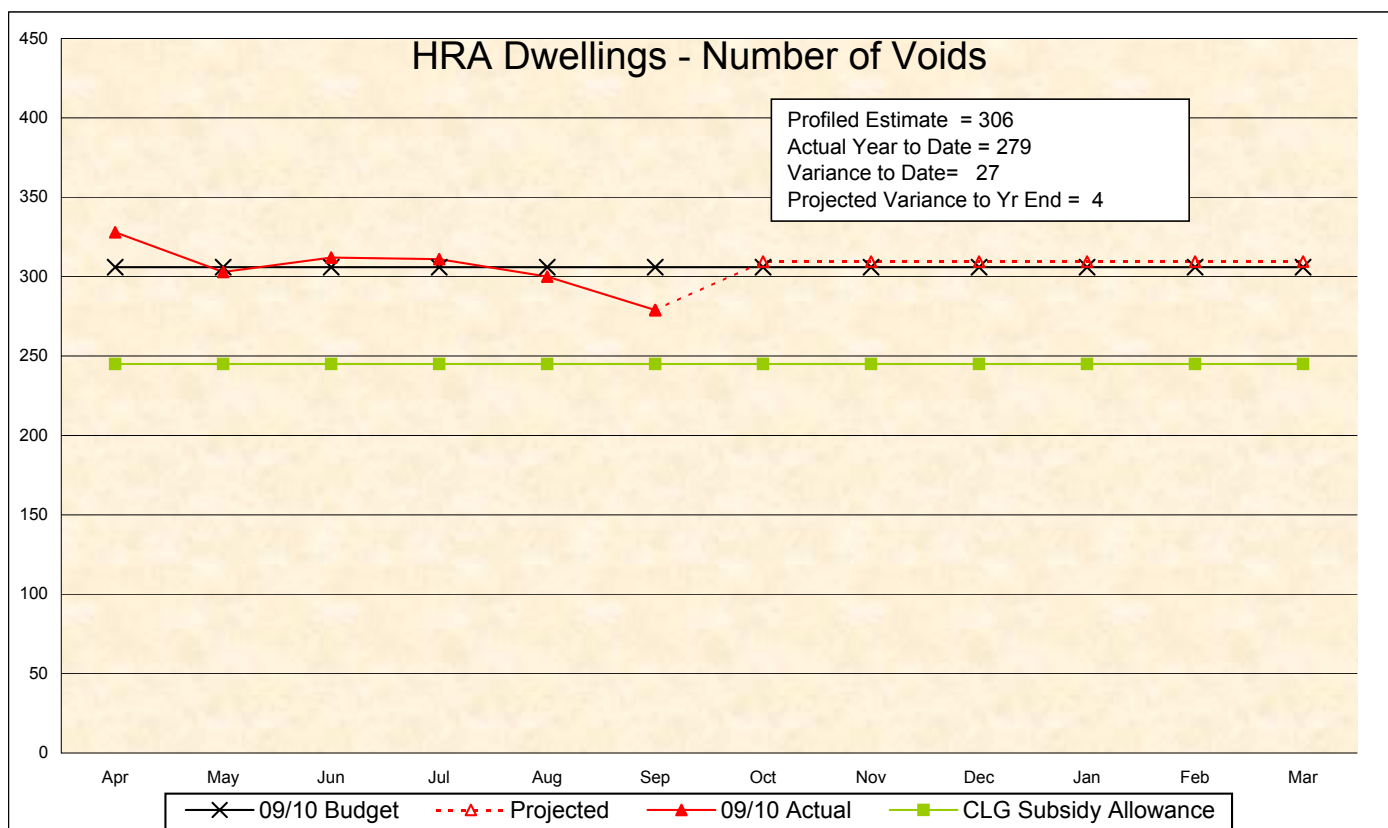
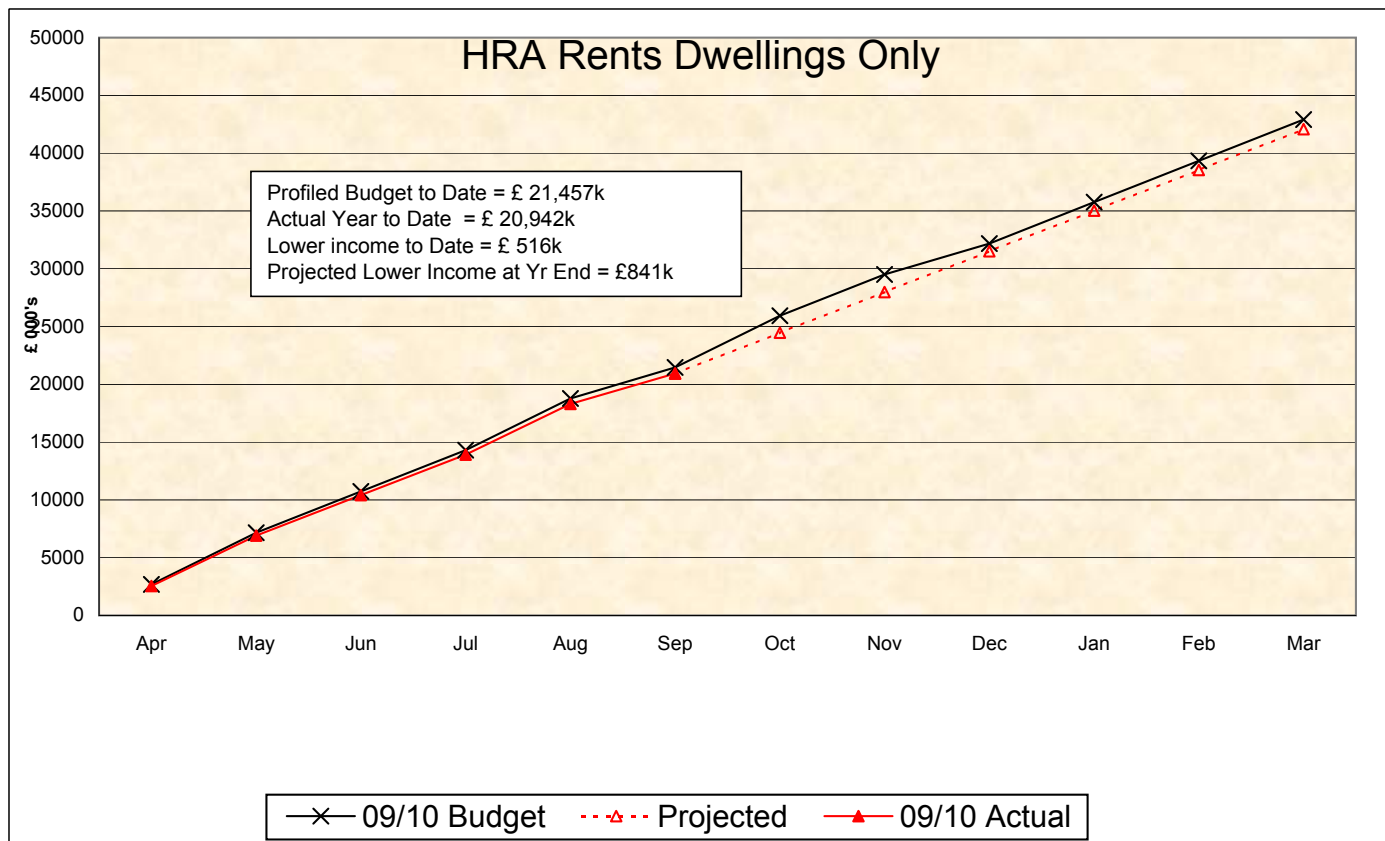
- 29 June 2009 HRA Budget Outturn Position 2008/09
- 05 Aug 2009 HRA Budget Monitoring 2009/10 – Position at 31st May 2009
- 23 Sep 2009 HRA Budget Monitoring 2009/10 – Position at 30th June 2009
- 14 Oct 2009 HRA Budget Monitoring 2009/10 – Position at 31st July 2009
- 04 Nov 2009 HRA Budget Monitoring 2009/10 – Position at 31st Aug 2009

Isabell Procter, Corporate Director, ext 8757

HOUSING REVENUE ACCOUNT
FINANCIAL YEAR 2009/2010

As at : 30th September 2009

	2009/2010 £,000's Base Budget	2009/2010 £,000's Actuals	2009/2010 £,000's Forecast Outturn	Variance
INCOME				
Rents - Dwellings Only	-43,080	-20,880	-42,170	910
Rents - Non Dwellings Only	-1,157	-576	-1,157	0
Service Charges	-1,471	-721	-1,471	0
Other Income	-205	-85	-205	0
Total Income	-45,912	-22,262	-45,002	910
EXPENDITURE				
Repairs and Maintenance	9,501	5,903	10,900	1,400
General Management	4,589	1,475	4,582	-6
Special Services	3,467	1,177	3,469	2
Rents, Rates, Taxes & Other Charges	45	53	95	50
Increase in Bad Debt Provision	400	0	400	0
Rent Rebate Subsidy Deductions	1,324	0	1,324	0
Housing Revenue Account Subsidy	10,683	0	9,570	-1,113
Total Expenditure	30,008	8,608	30,341	333
Net Cost of Services	-15,904	-13,655	-14,661	1,243
Net Recharges to the General Fund	5,392	2,696	5,392	0
Interest & Financing Costs	-28	-14	-28	0
Depreciation/MRA	7,957	3,979	7,957	0
Contribution to Earmarked Reserves	2,500	1,250	2,500	0
Net Transfer From / (To) Working Balance	-83	-5,744	1,160	1,243
Working Balance b/f	-5,964	-6,124	-6,124	-160
Working Balance Outturn	-6,047	-11,868	-4,964	1,083



Appendices

6



NORTHAMPTON
BOROUGH COUNCIL

Item No.

11C

CABINET REPORT

Report Title	CAPITAL PROGRAMME 2009-10 – POSITION AS AT END OF SEPTEMBER 2009
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	25 November 2009
Key Decision:	YES
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Finance & Support
Accountable Cabinet Member:	David Perkins
Ward(s)	Not Applicable

1. Purpose

1.1 The purpose of the report is to:

- Request approval for a capital scheme to be added to the Council's capital programme for 2009-10
- Request approval for variations to capital schemes in the Council's capital programme for 2009-10
- Advise Cabinet on the latest 2009-10 capital programme monitoring position, including forecast outturns and slippage into 2010-11.
- Advise Cabinet as to how the 2009-10 capital programme will be funded

2. Recommendations

2.1 That Cabinet approve the following scheme to be added to the capital programme for 2009-10.

Scheme Reference, Description & Directorate	Narrative	2009-10 £	Future Years £	Funding Source
2009-10/GF069 Market Square Lighting Planning & Regeneration	The market square is currently dark and unwelcoming in the evening. The recent addition of the events space in the market square has helped to alleviate this problem during the day, however, the market square is still lacking enough lighting to ensure people feel safe within the square at night. The lighting would extend the time that the square could be used. The project will use the latest LED technology and will: Improve street lighting on the Highway to create a safer environment, ensure sympathetic up-lighting to highlight the architectural features, mask less attractive buildings with blocks of colour, light or art and use text lighting to project lettering on the buildings such as 'Welcome to Northampton', or this can be tailored to events.	280,000	-	£30k LABGI, £250k WNDC

Further details of this appraisal can be seen at Annex A of this report.

2.2 That Cabinet approve the following variations to schemes in the capital programme for 2009-10.

Scheme Reference, Description & Directorate	Narrative	2009-10 £	Future Years £	Funding Source
Neutral Budget Impact				
2007-08/CS0012 V05 Kitchen Replacement Housing HRA	There are likely to be several additional kitchens in urgent need of repair that cannot be deferred until next year. It is therefore proposed to increase this budget by £28k.	28,000	-	MRA
2009-10/HRA001 V01 Disabled Adaptations (Council Stock) Housing HRA	Due to increased demand for this service it is necessary to transfer £300k to meet the growing waiting list for these essential works, to address customers' expectations and improve their quality of life.	300,000	-	MRA

<p>2009-10/HRA005 V01 Garage Roofs & Doors</p> <p>Housing HRA</p>	<p>The garage review may limit the amount of garages retained by the authority, therefore expenditure is to be restricted to a first tranche of garages, identified for retention and investment that require immediate works to make them useable. This is judged to be £30k in this financial year, therefore the budget will be reduced to this.</p>	(70,000)	-	MRA
<p>2009-10/HRA006 V01 Disabled Alterations (Minor Adaptations)</p> <p>Housing HRA</p>	<p>There are increased numbers of critical or substantial adaptation requests coming through from occupational therapy. In addition the cost of some adaptations, such as showers over baths and ramps have increased. It would appear that the ageing population is increasing need in this area and the budget needs to be increased to reflect this.</p>	50,000	-	MRA
<p>2009-10/HRA007 V01 Structural Repairs</p> <p>Housing HRA</p>	<p>The climatic condition this summer, which has been a long period of dry weather, has caused an increase in structural issues for council owned homes in a number of areas, which are frequently affected by clay shrinkage. Some of these problems are sudden and severe, therefore additional budget is required to rectify these problems.</p>	100,000	-	MRA
<p>2009-10/HRA009 V01 Environmental Enhancements</p> <p>Housing HRA</p>	<p>The budget for this project can be reduced by £288k. This reduction is due to a combination of reasons: 1) Issues with residents consultation. 2) Design of schemes. 3) Leaseholder consultation. This budget will be reallocated to other HRA capital projects to maximise spend this financial year.</p>	(288,000)	-	MRA
<p>2009-10/HRA013 V02 Adhoc Windows & Doors Replacement</p> <p>Housing HRA</p>	<p>A door and window contract has been let and urgent capital door and window replacements have been identified which exceed the existing budget by £80k. The additional budget will help address issues of poor condition, right to improvement, decent homes and poor security.</p>	80,000	-	MRA

2009-10/HRA014 V01 Door Entry Replacement Housing HRA	Door entry programme includes many properties which will affect leaseholders and consultation will be required under section 20 of the Landlord and Tenants Act 1995, and cannot be completed until late in financial year 2009-10. Therefore £100k is to be deducted from this project and moved to fund other projects within the HRA programme.	(100,000)	-	MRA
2009-10/HRA015 V01 Lift Refurbishment Housing HRA	£100k of this years budget was earmarked for the refurbishment of the existing lift at Eleonore House, however this will now not be completed until 2010-11. There is £100k budget for this project in 2010-11 and no other lifts to refurbish, therefore it is proposed to transfer £100k to other HRA capital projects this financial year and to use next years available funding to cover the refurbishment of Eleonore House Lift.	(100,000)	-	MRA
Movement Between Years				
2009-10/HRA016 V01 Woodside Way Housing HRA	The original spend profile for this project had the total HCA grant funding split equally between financial years 2009/10 and 2010-11. After some detailed work with our RSL Partners, Orbit, a new cashflow forecast has been produced which details the work incurred to date and the work that will be completed up to 31st March 2010. A much smaller amount of the grant is now required in 2009-10, therefore the remaining grant will be moved to 2010-11 to reflect when it is needed.	(188,387)	188,387	Homes & Communities Agency

Further details of these variations can be seen at Annex B of this report.

2.3 That Cabinet note:

- a) The capital programme monitoring position as at end of September 2009, including forecast outturns, revenue expenditure funded by capital and slippage into 2010-11, as set out at Annex C, D and E.
- b) The funding arrangements for the 2009-10 capital programme as set out at Annex F.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The latest approved capital programme for 2009-10 was approved by Cabinet on 4 November 2009.

3.2 Issues

Approval of Capital Projects and Project Variations

- 3.2.1 Approval is sought to add a scheme to the Council's capital programme for 2009-10, as set out at paragraph 2.1 above.
- 3.2.2 Approval is sought for variations to schemes that are already in the Council's capital programme for 2009-10, as set out at paragraph 2.2 above.
- 3.2.3 All proposals put forward for approval with this report have been submitted on capital variation forms, which have been signed off by, amongst others, the relevant Director, the Section 151 Officer and the appropriate Cabinet Portfolio Holder. Copies of the capital project appraisals and variation forms, which are listed as background papers, are available on request.
- 3.2.4 The funding implications of proposed programme changes are discussed in the capital programme funding section of this report at paragraphs 3.2.14 to 3.2.27 below.

Capital Programme position as at end of September 2009

- 3.2.5 In line with best practice and with CAA requirements, capital programme monitoring information is brought to Cabinet on a monthly basis. The information in this report relates to the period to the end of September 2009.
- 3.2.6 Annex C shows the position at summary level as at the end of September 2009. The information includes
- Latest proposed capital programme, incorporating the original programme for 2009-10, slippage from 2008-09, other agreed changes, and the further amendments and additions proposed in this report.
 - Actual expenditure to the end of September 2009
 - Planned expenditure to the end of the year
 - Forecast outturn for the year
 - Forecast slippage to 2010-11
- 3.2.7 Annex D provides a summarised narrative of project variances at service level.
- 3.2.8 The forecast outturn position and forecast slippage position on each project have been put together from information supplied by budget managers, who are each responsible for financial control of their projects.

3.2.9 Actual capital programme expenditure to the end of September 2009 is £6.050m. This represents 23.15% of the latest approved budget of £26.138m, and 25.47% of the forecast outturn figure of £23.759m.

3.2.10 Capital schemes naturally take time to get up and running due to the need, for example, for contract tendering and consultation; and invoices are not due for payment until goods are received or works are complete, or part complete in the case of staged payments. Therefore the percentage of spend is reasonable for this time of year, however it remains important to closely monitor the forecast outturn position to ensure that forecasts remain accurate. Each capital programme scheme will continue to be monitored through regular meetings with budget managers and the forecasts will be challenged where they do not appear realistic.

3.2.11 Included in the above figures are schemes that are now classed under accounting regulations as revenue expenditure funded by capital. The expenditure on these schemes to the end of September is £1.614m, the latest approved budget is £5.634m and the forecast outturn for these schemes is £5.633m. Further details of these schemes can be seen at Annex E of this report.

3.2.12 The above figure is likely to increase throughout the year, as there are a number of schemes that will have both capital expenditure and items of revenue expenditure funded by capital. These have not been included in the above figures.

3.2.13 Of the total forecast underspend of £2.380m at year-end

- £92k overspend will be covered through the approval of project appraisals and project variations brought to this Cabinet
- There is a forecast overspend of £46k on the Choice Based Lettings Sub-Regional scheme. DCLG have provided funding towards the cost of this project with the remaining being funded by Northampton Borough Council and Daventry District Council. A project variation will be brought to Cabinet once the scoping exercise is complete.
- There is a forecast underspend of £2.507m on the HRA capital programme that is not covered by project appraisals or project variations. £1.740m of this underspend relates to the Decent Homes project, £554k to the Lift Refurbishment project and £250k to the Cooper Street Heating project. As these projects have either not yet started or are on hold, the forecast is based on the best information available to date. These figures will be reviewed each month and project variations will be brought to Cabinet when appropriate.

Capital Programme Funding

3.2.14 All schemes in the capital programme, whether included in the original programme, arising from slippage, or added to the programme during the year, are fully funded, either from borrowing, internal resources or from external funding arrangements.

3.2.15 The financing of the programme for 2009-10 is set out at Annex F.

3.2.16 Increases or reductions in overall financing requirements resulting from the appraisal and variations brought to Cabinet with this report, excluding self balancing items are as follows:

Scheme	2009-10 Value	Future Years Value	Funding Impact
	£	£	
Market Square Lighting	280,000	-	£30k LABGI, £250k WNDG

3.2.17 Cabinet agreed the use of £30k LABGI funding for the Market Square Lighting project on the 4th November, as part of a separate report. An application has been submitted to WNDG for the remaining £250k, the outcome of this application will be known in December.

3.2.18 There is no reduction in the financing requirement due to the Woodside Way project variation, as the grant will be earmarked for use in 2010-11.

3.2.19 The value of useable RTB capital receipts received to the end of October is £69k. These will be placed in a capital reserve and used in the future to support the HRA programme.

3.2.20 The value of non-RTB capital receipts received to the end of October is £210k. £100k will be placed in a capital reserve, in line with the capital strategy, and £110k will be earmarked to support next year's capital programme.

3.2.21 Changes from the previously reported financing position are summarised in the table below.

Capital Programme 2009-10			
	Programme	Financing	In Year Financing Variance Excess/ (Shortfall)
	£000	£000	£000
Latest approved programme (4 th November Cabinet)	26,138	34,639	8,501
Appraisals brought to this Cabinet	280	280	-
Variations brought to this Cabinet (2009-10 impact only)	(188)		188
RTB Capital Receipts Received	-	5	5
Non RTB Capital Receipts Received	-	210	210
Latest proposed programme	26,230	35,134	8,904

3.2.22 The in year funding variance shown above can be broken down as follows:

2009-10 Capital Financing Variance			
	GF	HRA	Total
	£000	£000	£000
Earmarked pending project appraisals 2009-10			
Budgeted Prudential borrowing	30		
Grants and Contributions	62		
Revenue Financing	64		
Capital Reserve			
Non RTB Capital Receipts	100		
Earmarked carry forward to 2010-11			
Budgeted Prudential Borrowing	1,700		
Revenue Reserve		6,580	
Grants & Contributions		188	
RTB Capital Receipts		69	
Non RTB Capital Receipts	110		
Rounding	1		
Total	2,067	6,837	8,904

3.2.23 Changes to the carbon management projects have resulted in £125k of unallocated funding. This is the excess of the projects that have been removed from the capital programme and those put forward for inclusion. This money is ring fenced for the carbon management scheme and will be required for future projects to meet the terms and conditions of the external funding. The £125k is made up from the following: £30k prudential borrowing, £31k Salix funding and £64k revenue contribution.

3.2.24 Grant funding of £31k for the Choice Based Lettings sub-regional scheme remains unallocated pending the completion of the scoping exercise, and subject to agreement from Daventry DC could be used to part off set the overspend previously discussed in this report.

3.2.25 Detailed work on the cashflow for the Woodside Way project has highlighted that £188k of the HCA grant funding will now not be required until next financial year.

3.2.26 The re-profiling of the Grosvenor Centre Car Park project, over two financial years, has resulted in £1.7m of prudential borrowing not being required until 2010-11.

3.2.27 The amount of £6.580m shown above as being carried forward to 2010-11 is needed to fund continuations of the existing HRA programme in future years.

3.3 Choices (Options)

3.3.1 Cabinet are asked to approve the inclusion of the capital scheme at paragraph 2.1 into the Council's capital programme and to approve the variations to the agreed capital programme set out at paragraph 2.2.

4. Implications (including financial implications)

4.1 Policy

4.1.1 All schemes within the capital programme are within existing policy

4.2 Resources and Risk

4.2.1 All schemes included in the capital programme, or put forward for approval, are fully funded, either through borrowing, internal resources or external funding arrangements. The financing of the programme is set out at Annex F.

4.2.2 Schemes funded by prudential borrowing have an impact on the revenue budget arising from the repayment of debt principal and interest. Recent changes to regulations and guidance on the repayment of debt principal in the accounts – known as 'minimum revenue provision' or MRP, mean that the annual revenue cost of repayment of debt principal now varies according to the nature of the expenditure, as it is fixed according to the life of the asset. Thus, debt relating to short life assets may have to be paid back over as little as three years, whereas for long life assets it may be over fifty or sixty years. The interest charge is approximately 4% to 4.5% per annum (on current borrowing rates).

4.2.3 The revenue costs of all prudential borrowing in the approved capital programme are built into the Council's draft revenue budget for 2010-11 and medium term plans for future years

4.2.4 All other revenue budget implications related to the capital projects are set out in the capital project appraisals, and fed into revenue budget planning as appropriate (i.e. through revenue budget monitoring, budget build or medium term financial planning).

4.2.5 Financial and non-financial risks related to the capital projects are addressed in the capital project appraisals.

4.3 Legal

4.3.1 Legal implications related to the capital projects are addressed in the capital project appraisals.

4.3.2 There are no specific legal implications arising from this report.

4.4 Equality

4.4.1 Equalities implications related to the capital projects are addressed in the capital project appraisals. Many of the schemes in the programme are specifically targeted at addressing equalities issues. Project managers are responsible for ensuring that Equality Impact Assessments (EIAs) are completed for their schemes, and that any equalities issues associated with the project are correctly addressed.

4.5 Consultees (Internal and External)

4.5.1 Each capital project appraisal and project variation for schemes in the programme has been put together by the Project Manager, in consultation with other officers and the Cabinet Portfolio Holder.

In respect of consultation with stakeholders on individual schemes, details are contained within the capital project appraisals

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The extent to which each project meets the Council's objectives and priorities is described within the individual capital project appraisals.

4.6.2 The use of capital project appraisals to determine and agree capital schemes in accordance with the objectives and priorities of the authority, and the effective monitoring and reporting of capital programme activity both contribute to improving the CAA Use of Resources score. This supports the Council's priority to be a well-managed organisation that puts our customers at the heart of what we do.

4.7 Other Implications

4.7.1 There are no other specific implications arising from this report.

5. Background Papers

5.1 Cabinet & Council Reports – 2009-10 Capital Programme (Cabinet unless stated)

- 19 February 2009 - Capital Programme 2009-10 to 2011
- 26 February 2009 (Council) - Capital Programme 2009-10 to 2011
- 25th February 2009 – Capital Programme 2008-09 Position as at end of December 2008.
- 18th March 2009 – Capital Programme 2008-09 Position as at end of January 2009.
- 7th April 2009 – Capital Appraisal
- 20th May 2009 – Capital Appraisal
- 29th June 2009 – Capital Programme 2008-09 – Outturn Position.
- 5th August 2009 – Capital Programme 2009-10 Position as at end of May 2009.

- 5th August 2009 – Market Square Water Feature Project Appraisal.
- 23rd September 2009 – Capital Programme 2009-10 Position as at end of June 2009
- 14th October 2009 – Capital Programme 2009 – Position as at end of July 2009.
- 4th November 2009 –Capital Programme 2009 – Position as at end of August 2009

5.2 Capital Project Appraisals

- 2009-10/GF069 Market Square Lighting

5.3 Capital Project Variations

- 2007-08/CS0012 V05 Kitchen Replacement
- 2009-10/HRA001 V01 Disabled Adaptations (Council Stock)
- 2009-10/HRA005 V01 Garage Roofs & Doors
- 2009-10/HRA006 V01 Disabled Adaptations (Minor Adaptations)
- 2009-10/HRA007 V01 Structural Repairs
- 2009-10/HRA009 V01 Environmental Enhancements
- 2009-10/HRA013 V02 Adhoc Windows & Doors
- 2009-10/HRA014 V01 Door Entry Replacement
- 2009-10/HRA015 V01 Lift Refurbishment
- 2009-10/HRA016 V01 Woodside Way

Bev Dixon, Finance Manager – Capital & Treasury, ext 7401

Project Appraisals put forward for Cabinet Approval

A1

1	Project Title	Northampton Market Square LED Lighting Project					
2	Appraisal Reference	2009-10/GF069					
3	Directorate	Planning & Regeneration					
4	Service Block	Environmental, Protective and Cultural Services					
5	Outline description (including specific works)						
	<p>The market square is currently dark and unwelcoming in the evening. The recent addition of the events space in the market square has helped to alleviate this problem during the day, however, the market square is still lacking enough lighting to ensure people feel safe within the square at night. The lighting would extend the time that the square could be used. The project will use the latest LED technology and will: Improve street lighting on the Highway to create a safer environment, ensure sympathetic up-lighting to highlight the architectural features, mask less attractive buildings with blocks of colour, light or art, use text lighting to project on the buildings such as 'Welcome to Northampton' or be tailored to events.</p>						
6	Consequences of not undertaking the project and impact on the community or employees						
	<p>The main lights on the square are currently a string of bulbs and a few building lights which is inefficient in its energy use and in its light capacity. It does not have conventional street lights. The new lighting fits in with the aspirations with the Central Area Action Plan and the Retail Strategy of making the town a better place to live and visit. The current evening economy in the Market Square is aimed mainly at 18-30s and families and the older generation do not visit the town in the evening. If the project is not undertaken, the evening economy will continue to be limited and the chance for it to grow and diversify will be lost.</p>						
7	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
	Capital costs	280,000	0	0	0	0	280,000
	Revenue consequences	0	0	0	0	0	0
8	Source of capital funding	SCE (R) Single Capital Pot £	Prudential Borrowing £	Major Repairs Reserve £	Grant & 3rd Party Contribs £	Other £	Total £
		0	0	0	280,000	0	280,000
£250,000 from WNDC providing the funding application is successful. £30,000 from LABGI grant.							

Project Variations put forward for Cabinet Approval

B2

1	Project Title	Kitchen Replacement (Backlog)					
2	Original Appraisal Ref	2007-08/CS0012					
3	Variation Ref Number	2007-08/CS0012 V05					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>The kitchen backlog works identified to date meet the proposed budget, but there are likely to be several other kitchens coming to light before year end which are in urgent need of repair and cannot be deferred to next year. £28,000 should allow a further 6 to 8 kitchens to be dealt with. This will be funded by budget reductions to other HRA capital projects, separate project variations have been submitted for these.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		28,000	0	0	0	0	28,000
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		28,000	0	0	0	0	28,000
III	Funding source						
	MRA						

Project Variations put forward for Cabinet Approval

B3

1	Project Title	Disabled Adaptations (Council Stock)					
2	Original Appraisal Ref	2009-10 HRA001					
3	Variation Ref Number	2009-10 HRA001 V01					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>Due to increased demand for this service it is necessary to transfer £300,000 to meet the growing waiting list for these essential works, to address customers' expectations and improve their quality of life. This will be funded by budget reductions to other HRA capital projects, separate variations have been submitted for these.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		300,000	0	0	0	0	300,000
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		300,000	0	0	0	0	300,000
III	Funding source						
	MRA						

Project Variations put forward for Cabinet Approval

B4

1	Project Title	Garage Roofs & Doors					
2	Original Appraisal Ref	2009-10/HRA005					
3	Variation Ref Number	2009-10/HRA005 V01					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>The garage review may limit the amount of garages retained by the authority, therefore expenditure is to be restricted to a first tranche of garages identified for retention and investment that require immediate works to make them useable. This is judged to be £30,000 in this financial year. The £70,000 saving is to be directed to other HRA capital projects that are underfunded at this time, separate project variations have been submitted for these.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(70,000)	0	0	0	0	(70,000)
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(70,000)	0	0	0	0	(70,000)
III	Funding source						
	MRA						

Project Variations put forward for Cabinet Approval

B5

1	Project Title	Disabled Alterations (Minor Adaptations)					
2	Original Appraisal Ref	2009-10/HRA006					
3	Variation Ref Number	2009-10/HRA006 V01					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>There are increased numbers of critical or substantial adaptation requests coming through from occupational therapy. In addition the cost of some adaptations, such as showers over baths and ramps have increased. It would appear that the ageing population is increasing need in this area. The additional funding is being found from reductions in other HRA capital projects, separate variations have been submitted for these.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		50,000	0	0	0	0	50,000
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		50,000	0	0	0	0	50,000
III	Funding source						
	MRA						

Project Variations put forward for Cabinet Approval

B6

1	Project Title	Structural Repairs					
2	Original Appraisal Ref	2009-10/HRA007					
3	Variation Ref Number	2009-10/HRA007 V01					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>The climatic condition this summer, which has been a long period of dry weather has caused an increase in structural issues for council owned homes in a number of areas which are frequently affected by clay shrinkage. Some of these problems are sudden and severe. The additional funding is to be drawn from other HRA capital projects which have savings or reductions in project size, such as lifts, door entry and environmental enhancements. Separate project variations have been submitted for these decreases.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		100,000	0	0	0	0	100,000
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		100,000	0	0	0	0	100,000
III	Funding source						
	MRA						

Project Variations put forward for Cabinet Approval

B7

1	Project Title	Environmental Enhancements to Housing Land					
2	Original Appraisal Ref	2009-10 HRA009					
3	Variation Ref Number	2009-10 HRA009 V01					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>The budget for this project can be reduced by £288k. This reduction is due to a combination of reasons: 1) Issues with residents consultation. 2) Design of schemes. 3) Leaseholder consultation. This budget will be reallocated to other HRA capital projects to maximise spend this financial year, separate variations have been submitted for these.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(288,000)	0	0	0	0	(288,000)
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(288,000)	0	0	0	0	(288,000)
III	Funding source						
	MRA						

Project Variations put forward for Cabinet Approval

B8

1	Project Title	Adhoc Doors & Windows Replacement					
2	Original Appraisal Ref	2009-10/HRA013					
3	Variation Ref Number	2009-10/HRA013 V02					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>A door and window contract has been let and urgent capital door and window replacements have been identified which exceed the existing budget by £80,000. This will help address issues of poor repair, right to repair, decent homes and poor security. This will be funded by budget reductions to other HRA capital projects. Separate variations have been submitted for these.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		80,000	0	0	0	0	80,000
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		80,000	0	0	0	0	80,000
III	Funding source						
	MRA						

Project Variations put forward for Cabinet Approval

B9

1	Project Title	Door Entry Replacement					
2	Original Appraisal Ref	2009-10/HRA014					
3	Variation Ref Number	2009-10/HRA014 V01					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>Door entry programme includes many properties which will affect leaseholders and consultation will be required under section 20 of the Landlord and Tenants Act 1995, and cannot be completed until late in financial year 2009-10. Therefore £100,000 is to be deducted from this project and the work reduced. The £100,000 will contribute to increase to the following projects: door/window replacement, structural repairs and disabled adaptations. Separate project variations have been submitted for these.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(100,000)	0	0	0	0	(100,000)
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(100,000)	0	0	0	0	(100,000)
III	Funding source						
	MRA						

Project Variations put forward for Cabinet Approval

B10

1	Project Title	Lift Refurbishment					
2	Original Appraisal Ref	2009-10/HRA015					
3	Variation Ref Number	2009-10/HRA015 V01					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>£100,000 of this years budget was earmarked for the refurbishment of the existing lift at Eleonore House, however this will now not be completed until 2010-11. There is £100,000 budget for this project in 2010-11 and no other lifts to refurbish, therefore it is proposed to transfer £100,000 to other projects this financial year and to use next years money to deal with the refurbishment of Eleonore House Lift. The £100,000 is to be transferred to other HRA capital projects, separate variations have been submitted for these.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(100,000)	0	0	0	0	(100,000)
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(100,000)	0	0	0	0	(100,000)
III	Funding source						
	MRA						

Project Variations put forward for Cabinet Approval

B11

1	Project Title	Woodside Way (NBC Council Dwelling New Build Scheme)					
2	Original Appraisal Ref	2009-10/HRA016					
3	Variation Ref Number	2009-10/HRA016 V01					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>The original spend profile for this project had the total HCA grant funding split equally between financial years 2009/10 and 2010/11. After some detailed work with our RSL Partners Orbit, a new cashflow forecast has been produced which details the work incurred to date and the work that will need accounting for up to 31st March 2010. A much smaller amount of the grant is now required in 2009/10, therefore the remaining grant will be moved to 2010/11 to reflect when it is needed.</p>						
7	Summary of Budget Increases/(Decreases)						
I	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(188,387)	188,387	0	0	0	0
II	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(188,387)	188,387	0	0	0	0
III	Funding source						
	Homes & Communities Agency						

Northampton Borough Council

CAPITAL PROJECT VARIATION

2009-10 In Year

1	Project Title	Woodside Way (NBC Council Dwelling New Build Scheme)	For Finance Use				
2	Original Appraisal Ref Number	2009-10/HRA016					
3	Variation Ref Number	2009-10/HRA016 V01					
4	Directorate	Housing HRA					
5	Service Block	Housing Revenue Account					
6	Reason for variation						
	<p>The original spend profile for this project had the total HCA grant funding split equally between financial years 2009/10 and 2010/11. After some detailed work with our RSL Partners Orbit, a new cashflow forecast has been produced which details the work incurred to date and the work that will need accounting for up to 31st March 2010. A much smaller amount of the grant is now required in 2009/10, therefore the remaining grant will be moved to 2010/11 to reflect when it is needed.</p>						
7	Summary of Budget Increases/(Decreases) - See Section 9 for detailed analysis						
i)	Project budget	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(188,387)	188,387				
ii)	Project funding	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
		(188,387)	188,387				
iii)	Funding Source						
	Homes & Communities Agency						
8		Signature	Name			Date	
	Project Manager		Gary Parsons				
	Budget Manager		Gary Parsons				
	Head of Service		Brian Queen				
	Corporate Director		Lesley Wearing				
	Portfolio Holder		Sally Beardsworth				
	Taxations Accountant		N/A				
	Finance Manager - Revenue		Philip Morrison				
	Finance Manager - Capital		Bev Dixon				
	Section 151 Officer		Isabell Procter				

9	Financial evaluation						
9a	Proposed Budget						
i)	Project budget - Figures should be expressed in £	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
	Acquisition of land & buildings						
	New construction, conversion and renovation	37,570	1,146,423				1,183,993
	Vehicles						
	Plant, Machinery and Equipment						
	Grants						
	Total project budget	37,570	1,146,423				1,183,993
ii)	Project funding - Figures should be expressed in £	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
	SCE (R) - Single Capital Pot Element						
	SCE (R) - Separate Programme Element						
	Prudential Borrowing		600,080				600,080
	Major Repairs Reserve						
	Grant*	37,570	414,343				451,913
	Third party contribution*		132,000				132,000
	Revenue contribution*						
	Capital receipt*						
	Unspecified*						
	Total funding	37,570	1,146,423				1,183,993
iii)	* Describe specific source of capital funding (Planning Application Reference required for S106 funding)						
	Grant from Homes & Communities Agency, third party contribution is section 106 funding.						
9b	Latest Approved Budget	Date of approval			23-Sep-2009		
i)	Project budget - Figures should be expressed in £	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
	Acquisition of land & buildings						
	New construction, conversion and renovation	225,957	958,036				1,183,993
	Vehicles						
	Plant, Machinery and Equipment						
	Grants						
	Total project budget	225,957	958,036				1,183,993
ii)	Project funding - Figures should be expressed in £	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
	SCE (R) - Single Capital Pot Element						
	SCE (R) - Separate Programme Element						
	Prudential Borrowing		600,080				600,080
	Major Repairs Reserve						
	Grant*	225,957	225,956				451,913
	Third party contribution*		132,000				132,000
	Revenue contribution*						
	Capital receipt*						
	Unspecified*						
	Total funding	225,957	958,036				1,183,993
iii)	* Describe specific source of capital funding (Planning Application Reference required for S106 funding)						
	Grant from Homes & Communities Agency, third party contribution is section 106 funding.						

9c Budget Increases/(Decreases)							
i)	Project budget - Figures should be expressed in £	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
	Acquisition of land & buildings						
	New construction, conversion and renovation	(188,387)	188,387				
	Vehicles						
	Plant, Machinery and Equipment						
	Grants						
	Total project budget	(188,387)	188,387				
ii)	Project funding - Figures should be expressed in £	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	Total £
	SCE (R) - Single Capital Pot Element						
	SCE (R) - Separate Programme Element						
	Prudential Borrowing						
	Major Repairs Reserve						
	Grant*	(188,387)	188,387				
	Third party contribution*						
	Revenue contribution*						
	Capital receipt*						
	Unspecified*						
	Total funding	(188,387)	188,387				

Annex C

Capital Monitoring Programme 2009-10

Period 6

Division/Service	Approved Budgets				Proposed Budgets		Actuals			Forecasts			Slippage
	Original Approved Budget (19.02.2009)	Slippage	Approved Changes	Latest Approved Budget	Proposed Changes	Latest Proposed Budget	Exp to End of Prev Month	Exp Current Month	Exp to End of Current Month	Forecast Exp to End of Year	Total Forecast for Year	Forecast (Unspent Budget)/ Budget Overspends	Forecast Slippage
	£	£	£	£	£	£	Mth 1 to 5 £	Mth 6 £	Mths 1 to 6 £	Mths 7 to 12 £	Mths 1 to 12 £	£	£
General Fund													
Finance & Support													
Human Resources	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance & Assets	126,800	282,247	374,709	783,756	0	783,756	118,972	8,493	127,465	654,847	782,312	(1,444)	0
Revenue & Benefits	68,100	3,000	5,000	76,100	0	76,100	62,334	2,588	64,923	11,177	76,100	0	0
Northampton Area Procurement	0	0	0	0	0	0	0	0	0	0	0	0	0
Consumer Services & ICT	639,200	78,380	443,180	1,160,760	0	1,160,760	125,734	12,486	138,220	1,023,040	1,161,260	500	0
Total Finance & Support	834,100	363,627	822,889	2,020,616	0	2,020,616	307,040	23,567	330,607	1,689,065	2,019,672	(944)	0
Environment & Culture													
Public Protection	128,179	51,605	(55,757)	124,027	0	124,027	26,488	4,012	30,500	94,805	125,305	1,278	0
Neighbourhood & Environmental Services	100,000	47,750	147,297	295,047	0	295,047	87,136	(32,025)	55,111	239,936	295,047	0	0
Culture & Leisure	49,667	1,056,431	162,500	1,268,598	0	1,268,598	168	68,961	69,129	1,194,506	1,263,635	(4,963)	7,308
Town Centre Operations	0	0	30,000	30,000	0	30,000	0	0	0	30,000	30,000	0	0
Total Environment & Culture	277,846	1,155,786	284,040	1,717,672	0	1,717,672	113,792	40,949	154,740	1,559,247	1,713,987	(3,685)	7,308
Planning & Regeneration													
Planning	200,000	31,759	0	231,759	0	231,759	13,424	13,550	26,974	200,163	227,137	(4,622)	0
Regeneration & Development	977,915	2,006	129,930	1,109,852	280,000	1,389,852	71,012	160	71,172	1,318,679	1,389,852	280,000	0
Total Planning & Regeneration	1,177,915	33,765	129,930	1,341,610	280,000	1,621,610	84,436	13,710	98,146	1,518,843	1,616,988	275,378	0
Assistant Chief Executive													
Policy & Community Engagement	46,657	82,288	49,000	177,945	0	177,945	52,047	18,784	70,831	107,114	177,945	0	0
Communications & Consultation	0	0	0	0	0	0	0	0	0	0	0	0	0
Performance & Improvement	0	0	0	0	0	0	0	0	0	0	0	0	0
Northampton Local Strategic Partnership	3,100	494	88,212	91,806	0	91,806	38,000	23,500	61,500	29,173	90,673	(1,133)	(0)
Total Assistant Chief Executive	49,757	82,782	137,212	269,751	0	269,751	90,047	42,284	132,331	136,287	268,618	(1,133)	(0)
Borough Solicitor	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Borough Solicitor	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing GF													
Strategy, Investment & Performance	0	0	873,155	873,155	0	873,155	0	0	0	873,155	873,155	0	0
Landlord Services	0	47,305	322,000	369,305	0	369,305	405	0	405	368,900	369,305	0	0
Needs & Support	1,494,317	2,165,491	962,100	4,621,908	0	4,621,908	1,359,742	233,716	1,593,458	3,074,857	4,668,315	46,407	0
Total Housing GF	1,494,317	2,212,796	2,157,255	5,864,368	0	5,864,368	1,360,147	233,716	1,593,863	4,316,913	5,910,775	46,407	0

Annex C

Capital Monitoring Programme 2009-10

Period 6

Division/Service	Approved Budgets				Proposed Budgets		Actuals			Forecasts			Slippage
	Original Approved Budget (19.02.2009)	Slippage	Approved Changes	Latest Approved Budget	Proposed Changes	Latest Proposed Budget	Exp to End of Prev Month	Exp Current Month	Exp to End of Current Month	Forecast Exp to End of Year	Total Forecast for Year	Forecast (Unspent Budget)/ Budget Overspends	Forecast Slippage
	£	£	£	£	£	£	Mth 1 to 5 £	Mth 6 £	Mths 1 to 6 £	Mths 7 to 12 £	Mths 1 to 12 £	£	£
TOTAL General Fund	3,833,935	3,848,757	3,531,326	11,214,018	280,000	11,494,018	1,955,462	354,225	2,309,687	9,220,355	11,530,041	316,024	7,308
HRA													
Housing HRA													
Strategy, Investment & Performance	12,129,192	1,885,782	340,957	14,355,931	(488,387)	13,867,544	2,661,013	375,850	3,036,863	8,202,685	11,239,548	(3,116,383)	2,877,518
Landlord Services	0	0	0	0	0	0	0	0	0	0	0	0	0
Needs & Support	300,000	268,593	0	568,593	300,000	868,593	606,653	96,568	703,220	286,229	989,449	420,856	0
Total Housing HRA	12,429,192	2,154,375	340,957	14,924,524	(188,387)	14,736,137	3,267,666	472,418	3,740,084	8,488,914	12,228,997	(2,695,527)	2,877,518
TOTAL HRA	12,429,192	2,154,375	340,957	14,924,524	(188,387)	14,736,137	3,267,666	472,418	3,740,084	8,488,914	12,228,997	(2,695,527)	2,877,518
Total Capital Programme	16,263,127	6,003,132	3,872,283	26,138,542	91,613	26,230,155	5,223,127	826,643	6,049,770	17,709,268	23,759,039	(2,379,503)	2,884,826

Division/Service	Latest Approved Budget £	Actuals to Period 6 £	Total Forecast for Year £	Forecast (Unspent) / Overspend £	Forecast Slippage £	Detail
General Fund						
Finance & Support						
Human Resources	0	0	0	0	0	There are no capital schemes in this division.
Finance & Assets	783,756	127,465	782,312	(1,444)	0	There is a forecast underspend of £1,845 on the Fire Door Improvements project, this is to cover the overspend on the Lings Forum Wetside Changing Rooms project (Environment & Culture division).
Revenue & Benefits	76,100	64,923	76,100	0	0	All projects in this division are forecast to be fully spent.
Northampton Area Procurement	0	0	0	0	0	There are no capital schemes in this division.
Consumer Services & ICT	1,160,760	138,220	1,161,260	500	0	The forecast overspend relates to the One Stop Shop CRM project. The costs provided are estimates, therefore it is possible that this overspend may not materialise. Included in the forecast figure are two ICT projects totalling £537k that require further
Total Finance & Support	2,020,616	330,607	2,019,672	(944)	0	
Environment & Culture						
Public Protection	124,027	30,500	125,305	1,278	0	The forecast overspend on this division relates to the carbon management projects. Costs on these projects can change until the point that they are commissioned, therefore project variations will be submitted to Cabinet once the final costs are known. No
Neighbourhood & Environmental Services	295,047	55,111	295,047	0	0	All projects in this division are forecast to be fully spent.
Culture & Leisure	1,268,598	69,129	1,263,635	(4,963)	7,308	There is a forecast underspend and forecast slippage of £7,320 for the projects that are funded by the Big Lottery. This is in line with the terms and conditions of the funding as the funding timescales are from September to August. There is a forecast ov
Town Centre Operations	30,000	0	30,000	0	0	All projects in this division are forecast to be fully spent.
Total Environment & Culture	1,717,672	154,740	1,713,987	(3,685)	7,308	
Planning & Regeneration						
Planning	231,759	26,974	227,137	(4,622)	0	The forecast underspend in this division relates to the Urban Enhancement project. The amount of savings will be confirmed once the order has been placed.
Regeneration & Development	1,109,852	71,172	1,389,852	280,000	0	The forecast overspend on this division relates to the Market Square Lighting project. A capital appraisal form has been submitted with this report to include this project in the capital programme for 2009-10.
Total Planning & Regeneration	1,341,610	98,146	1,616,988	275,378	0	
Assistant Chief Executive						
Policy & Community Engagement	177,945	70,831	177,945	0	0	All projects in this division are forecast to be fully spent.
Communications & Consultation	0	0	0	0	0	There are no capital projects in this division.
Performance & Improvement	0	0	0	0	0	There are no capital projects in this division.
Northampton Local Strategic Partnership	91,806	61,500	90,673	(1,133)	(0)	The underspend on this division is due to the retention payment for the Spring Lane Victorian Annex project being less than original budget. A retention invoice for a previous year scheme of £2.6k has been received and requires payment. The saving on this
Total Assistant Chief Executive	269,751	132,331	268,618	(1,133)	(0)	
Borough Solicitor	0	0	0	0	0	There are no capital projects in this directorate.
Total Borough Solicitor	0	0	0	0	0	
Housing GF						
Strategy, Investment & Performance	873,155	0	873,155	0	0	All projects in this division are forecast to be fully spent.
Landlord Services	369,305	405	369,305	0	0	All projects in this division are forecast to be fully spent.
Needs & Support	4,621,908	1,593,458	4,668,315	46,407	0	There is a forecast overspend of £46k on the Choice Based Lettings Scheme. DCLG have provided funding towards the cost of this project with the remaining being funded by Northampton Borough Council and Daventry District Council. A project variation will b
Total Housing GF	5,864,368	1,593,863	5,910,775	46,407	0	
Total General Fund	11,214,018	2,309,687	11,530,041	316,024	7,308	

HRA						
Housing HRA						Annex D
Strategy, Investment & Performance	14,355,931	3,036,863	11,239,548	(3,116,383)	2,877,518	Following a review of the IBS Housing system there is a forecast overspend on this project of 186k. There is a forecast slippage of £188k on the Woodside Way project, which has been highlighted from detailed work with our RSL partners, Orbit. Project var
Landlord Services	0	0	0	0	0	There are no capital schemes in this division.
Needs & Support	568,593	703,220	989,449	420,856	0	The overspend on this division relates to the Disabled Adaptations (Council Stock) project. £135k is an actual overspend to date, the remaining £286k forecast overspend represents the outstanding commitments on the housing system, these being approved gra
Total Housing HRA	14,924,524	3,740,084	12,228,997	(2,695,527)	2,877,518	
Total HRA	14,924,524	3,740,084	12,228,997	(2,695,527)	2,877,518	
Total Capital Programme	26,138,542	6,049,770	23,759,039	(2,379,503)	2,884,826	

Revenue Expenditure Funded by Capital Under Statute (REFCUS)

As at the end of September 2009

Scheme Title	Budgets			Actuals	Forecasts			Slippage
	Latest Approved Budget	Proposed Changes	Latest Proposed Budget	Exp to End of September 2009	Forecast Exp to End of Year	Total Forecast for Year	Forecast (Unspent Budget)/ Budget Overspends	Forecast Slippage
Midsummer Meadow Bridge	41,043		41,043	0	41,043	41,043	0	0
Capitalisation Directive October 2009	300,000		300,000	0	300,000	300,000	0	0
Upton Country Park Pedestrian & Cycle Bridge	740,000		740,000	21,870	718,130	740,000	0	0
Environmental & Recreational Impr - Spring Lane Victorian School Annex	3,100		3,100	0	1,967	1,967	(1,133)	0
Disabled Facilities Grant (Private Sector)	1,713,679		1,713,679	785,281	928,398	1,713,679	0	0
GOEM Projects (Decent Homes)	1,978,057		1,978,057	796,029	1,182,028	1,978,057	0	0
Renovation Grants	95,997		95,997	3,905	92,092	95,997	0	0
Hot Property	9,509		9,509	6,033	3,476	9,509	0	0
Heat Streets	2,350		2,350	1,926	424	2,350	0	0
GOEM Warm Front Top Up	0		0	(27)	27	0	0	0
GOEM Falls on Level	0		0	(665)	665	0	0	0
Countywide Climate Friendly Communities	750,000		750,000	0	750,000	750,000	0	0
Total	5,633,735	0	5,633,735	1,614,352	4,018,250	5,632,602	(1,133)	0

Note: These schemes are included in the figures for the capital programme.

Annex F

Capital Programme Financing 2009-10

As at the end of September 2009

	GF Finance & Support £	GF Environment & Culture £	GF Planning & Regeneration £	GF Assistant Chief Executive £	GF Borough Solicitor £	GF Housing £	HRA Housing £	Unallocated £	Total £
Programme									
Latest Approved Budget	2,020,616	1,717,672	1,341,610	269,751		5,864,368	14,924,524		26,138,542
Proposed Budget Changes			280,000				(188,387)		91,613
Latest Proposed Budget	2,020,616	1,717,672	1,621,610	269,751	0	5,864,368	14,736,137	0	26,230,155
Funding									
Prudential Borrowing	3,369,056	274,001	5,000	3,100		1,729,689			5,380,845
Supported Borrowing							500,000		500,000
Capital Receipts	63,200	100,000				33,800	266,963	210,000	673,963
MRA							11,068,543		11,068,543
Grants		1,170,517	838,559	266,651		3,904,241	225,957		6,405,924
Third Party Financing	141,043	89,615	778,052			155,322			1,164,032
Revenue Financing	147,317	209,269				72,317	9,512,000		9,940,903
Total Funding	3,720,616	1,843,401	1,621,610	269,751		5,895,368	21,573,463	210,000	35,134,210
Unallocated Funding	1,700,000	125,730				31,000	6,837,326	210,000	8,904,055

Breakdown of unallocated funding

General Fund**Earmarked funding pending project appraisals**

Prudential borrowing		30,232							30,232
Grant		31,099				31,000			62,099
Revenue contribution		64,399							64,399

Earmarked carryforward to 2010-11

Prudential borrowing	1,700,000								1,700,000
GF Capital Receipt								110,000	110,000

Capital Reserve

GF Capital Receipt								100,000	100,000
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HRA**Earmarked carryforward to 2010-11**

Earmarked Reserve							6,579,919		6,579,919
RTB Capital Receipts							69,020		69,020
Grant							188,387		188,387

Unallocated Funding	1,700,000	125,730	0	0	0	31,000	6,837,326	210,000	8,904,055
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Agenda Item 13

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

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