



Cabinet Member Report for Finance

Northampton Borough Council

Monday 15th June, 2020

Finance

The Finance Teams are finalising the draft Statement of Accounts for 2019-20, whilst still working with the Auditors on the Accounts for 2018-19.

The final end of year budget position for 2019-20 will be considered at Cabinet on 10 June 2016, this continues to project a slight overspend.

Whilst the Finance Team will not be building a budget for NBC for 2021-22 they will be part of the new West Northants Council resource to construct the first budget for the new council, in respect of the elements that will be moving across from this council.

As per the Cabinet Report, 27 May 2020 on Covid Finance impacts, we continue as a Cabinet and in conjunction with the Corporate Management Board to regularly review the costs incurred, income lost and grant funding available. We await further news on whether there might be further tranches of funding forthcoming for specific areas, but at this time understand there could be an overspend risk to the Council of between £2M and £3M, through the year. July Cabinet will receive a further update and proposals that might be considered if cost savings must be made.

Revenues & Benefits

This service area is perhaps one of the most affected within my portfolio in respect of working to support the Covid19 solutions.

Ordinarily I would report on collection rates and benefits performance, whilst this data continues to be captured, the reporting focus has been on some key tasks and areas.

BEIS Business Grants Scheme One – NBC was initially provided with £37M, which after review is likely to be around £35M in terms of need for Scheme One, with £1.7M of the £37M now designated as being for BEIS Scheme Two – Discretionary Fund.

At the time of writing I am pleased to advise that our teams have distributed in excess of 2,500 grants to business in our Borough, with a value close to £32M. This has been a tremendous exercise, from a standing start. As Portfolio Holder I have taken a personal interest, with the Leader and received daily updates on progress and sought to motivate and support the teams undertaking the work. We continue to seek out the remaining businesses that may qualify for this grant.

We launched our second scheme on 1st June 2020 and anticipate making the first payments from 8 June 2020. Although this scheme will just be for £1.7M it will provide much needed support to another group of businesses.

This is addition to the £34M of Business Rates that will not be paid across the Small Business, Retail, Hospitality, Leisure and Nurseries sectors. Cancelling and adjusting all of these bills has consumed more of this service resource.

Furthermore for those that were in receipt of Council Tax Reduction Scheme discounts, their bills have also had to be readjusted with a Government Funded reduction of £150 per bill. This has seen in excess of 8,500 bills adjusted.

In respect of collection rates and debt management, the Management Board and service have complied with Government Guidance and sought to actively support those that cannot pay or are having difficulty paying, through moving payments schedules from 10 instalments to 12, signposting to benefits and use of the hardship fund in extreme cases.

We will recommence soft reminders in July to those that should be paying, but may have forgotten to.

Facilities Management

I would ordinarily report on the performance and commercial activities of the Facilities Team, however like many businesses, our income has been lost. However the teams have been working hard to support all services with deep cleaning, installed new security doors in the Guildhall, protective screens in the One Stop Shop, maintaining the full post room service, where scanning documents for electronic use is even more critical than normal.

Wider CFO Team

Whilst not all of the CFO areas fall under my Portfolio directly I have close working and discussions with CFO on the wider group and their activities and am very pleased at how these enabling services have performed, whether that is aching hundreds of new H&S DSE assessments for all our staff working from home and those supporting frontline services. Our IT functions both in house and from our LGSS partner have delivered innovative solutions, one of which enabled us to mobilise so many staff so swiftly, included a pre-emptive change/upgrade that allowed Wyse Terminals and screens to be moved from the office to homes, which was not previously thought possible and has saved us thousands in additional IT equipment.

Other teams include our HR function who continue to pay our staff (always reassuring), deliver new data and analysis at speed on staff availability, impact of Covid on sickness, isolations etc. With several of the wider team also playing an active role in the response itself through the various Groups and Cells.

I have been asked by the CFO to pass on his and his teams appreciation to Councillor Colleagues who have shown great restraint this past couple of months, with few enquiries and those that have been made have directly related to assisting with grants and other resolution of other issues. This has allowed this whole group and services to maintain a very focused approach to getting the work done.

Councillor Brandon Eldred
Cabinet Member for Finance