

West Northamptonshire Council
Draft Budget Summary

Appendix A

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Net Expenditure Budget B/Fwd (excl DSG Funded)	307,453	323,647	320,806	326,207
Base Net Budget (DSG Funded)	387,000	387,000	387,000	387,000
Total Base Gross Budget	694,453	710,647	707,806	713,207
Adjustments to Base Budget				
Covid Pressures	12,500	(7,072)	(3,888)	0
LGR - Transitional Costs	1,724	(160)	0	0
Budget Pressures	10,380	11,739	12,131	9,730
Savings and Efficiencies	(13,029)	(6,696)	(2,112)	(41)
Technical changes	(381)	4,348	(730)	1,110
General Contingency - funded from Reserves	5,000	(5,000)	0	0
Net Budget Movement	16,194	(2,841)	5,401	10,799
Net Expenditure Budget (excluding DSG Funded)	323,647	320,806	326,207	337,006
Net Budget (DSG Funded)	387,000	387,000	387,000	387,000
Net Budget	710,647	707,806	713,207	724,006
Funded By:				
Government Funding/Business Rates Baseline	(53,736)	(58,264)	(59,196)	(60,380)
Business Rates Growth	(7,824)	0	0	0
Business Rates - Section 31 Grant	(5,119)	(4,581)	(4,654)	(4,747)
New Homes Bonus	(6,777)	(2,953)	0	0
Social Care Grant	(7,990)	(7,719)	(7,842)	(7,999)
Improved Better Care Fund	(9,772)	(9,940)	(10,099)	(10,301)
Rural Services Delivery Grant	(393)	0	0	0
Lower Tier Support Grant	(461)	0	0	0
One off Covid Funding	(12,633)	0	0	0
DSG Grant	(387,000)	(387,000)	(387,000)	(387,000)
Council Tax Income	(215,167)	(222,740)	(233,988)	(242,224)
Collection Fund Deficit	5,845	2,798	2,798	0
Transfer to / (From) Reserves	(9,620)	(3,394)	(424)	(365)
Total Funding	(710,647)	(693,793)	(700,405)	(713,016)
Forecast Budget Gap	0	14,013	12,802	10,990

COVID Pressures

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Technical	Covid Contingency	Estimated COVID pressures that are likely to arise based on current modelling and analysis, such as additional costs of Leisure provision and lost income from Sales, Fees and Charges.	Covid pressures	7,114	(3,697)	(3,417)	0
Adults, Communities & Wellbeing	CCG Hospital discharges into adult social care care home placements packages as a result of the pandemic	Additional costs (volume and price) for the ongoing cost of the CCG discharges made during the pandemic	Covid pressures	3,596	(3,125)	(471)	0
Children's Services	Additional Demand	The forecast full year effect of 20-21 covid-19 additional demand pressures emerging from COVID lockdown.	Covid pressures	845	0	0	0
Adults, Communities & Wellbeing	Mental Health Pool demand	Additional costs on the Mental Health pool with the CCG due to increased volume of clients which has occurred during the covid 19 period.	Covid pressures	695	0	0	0
Corporate Services	Additional costs of remote working.	Additional telephone costs as a result of additional remote working requirements following national pandemic.	Covid pressures	250	(250)	0	0
		Net Position		12,500	(7,072)	(3,888)	0

LGR Transition Pressures

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Corporate Services	Disaggregation Costs - Additional Staffing	Additional staffing required as a result of splitting current NCC services in order to maintain skills, service levels and deliver income generating services to other Councils	LGR Transition	793	0	0	0
Finance	Closure of Accounts resources	Resources to ensure legacy Northamptonshire Council's prior year accounts can be closed	LGR Transition	500	(160)	0	0
Children's Services	Disaggregation Costs - Additional Staffing	Additional staffing required as a result of splitting current NCC services in order to meet statutory duties and maintain service provision	LGR Transition	278	0	0	0
Adults, Communities & Wellbeing	Disaggregation Costs - Additional Staffing	Additional staffing required as a result of splitting current NCC services in order to meet statutory duties and maintain service provision	LGR Transition	78	0	0	0
Finance	Disaggregation Costs - Additional Staffing	Additional staffing required as a result of splitting current NCC services in order to maintain skills and service levels	LGR Transition	75	0	0	0
		Net Position		1,724	(160)	0	0

Budget Pressures

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
All service areas	Provision for pay inflation and other employee related budget changes	This budget growth allows for national living wage increases, a provision for a staff pay award and other employee budget changes. At this stage no decision has been made on a pay award outside the NLW and increased contracted within staff Ts and Cs, but budgetary provision has been allowed for	Budget Pressures	2,680	2,319	2,360	2,310
All service areas	Contractual and other inflation related pressures	Provision for in-built contractual and other inflationary cost related pressures such as care package costs	Budget Pressures	8,198	6,802	7,154	5,710
All Service Areas	Changes in demographic service pressure	Budget adjustment to reflect the latest demand for services currently being projected for next year. Some services are seeing an increase in demand and therefore cost and some services are seeing a reduction in demand as a result of COVID . The net overall effect of this is a total reduction in the demand for services funded through the base budget for 2021/22 which then increases in the ensuing years and post COVID.	Budget Pressures	(498)	2,618	2,617	1,710
		Net Position		10,380	11,739	12,131	9,730

Savings and Efficiencies

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Technical	Service Aggregation savings	Savings as a result of the merging of four councils into one, including reduced senior management costs and other aggregation savings. To be allocated to Directorates following recruitment and implementation of new structure.	Savings and Efficiencies	(3,744)	0	0	0
Adults, Communities & Wellbeing	Strengths based working	Continued transformation of adult social care pathways and processes to ensure focus on client outcomes, increased independence, better decision making and best practice approaches to reduce delays, crisis decision making and long term care spend.	Savings and Efficiencies	(2,241)	(2,241)	(611)	0
Adults, Communities & Wellbeing	Admission avoidance service	Business rate pilot funded -A new service provided between health and Care within the frailty assessment unit is hospitals - providing support following falls in the home and reduced hospital admissions and likelihood of long term social care support being required.	Savings and Efficiencies	(1,763)	(594)	0	0
Corporate Services	Elections Base Budgets	Removal of existing base budgets as elections for 2021 and 2025 will be funded through the already established Elections reserves held across West Northants.	Savings and Efficiencies	(761)	0	0	0
Place and Economy	Additional Green Waste Income from Northampton Borough Residents	Increased income reflecting increased take up of Green Waste collection service in Northampton	Savings and Efficiencies	(750)	0	0	0
Place and Economy	Environmental Services Savings	Reductions in the costs of Environmental Services to West Northamptonshire	Savings and Efficiencies	(695)	0	0	0

Savings and Efficiencies

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Children's Trust	Improvement in capacity building in foster care	Ensuring that adolescents are not placed in residential home settings due to lack of in house fostering capacity, skill and abilities through the development of an in house specialist fostering service. Positive impact on children placed in a family setting, and savings will be delivered through reduced reliance on residential placements.	Savings and Efficiencies	(606)	(213)	0	0
Children's Trust	Improved children's outcomes	Ensuring that only children and young people who need to be in public care are placed, as a result of improved 'edge of care' support and intervention with families. Working towards minimising the amount of time a child is in care before they are united with their parents.	Savings and Efficiencies	(361)	(557)	(87)	0
Children's Trust	In-House Foster Carers	Increase use of in-house fostering through an improved recruitment and retention strategy for standard carers. This will reduce reliance on agency placement.	Savings and Efficiencies	(257)	(260)	(123)	0
Children's Trust	Reduction in Residential Care	Business rate pilot funded -Step down from high end residential places to Independent Fostering Agencies through reviews and joint working/incentives that drive better outcomes. This will drive reduced placement costs and more children will be cared for in a family setting.	Savings and Efficiencies	(237)	(339)	(162)	0
Technical	Reductions in Technical Finance Budgets	Removal of base budget relating to the cost of Commissioners at NCC.	Savings and Efficiencies	(230)	0	0	0
Place and Economy	Removal of one-off budget for externally commissioned Employment Appraisal	One off budget not required in 2021/22	Savings and Efficiencies	(200)	0	0	0
Adults, Communities & Wellbeing	Learning Disability Provider Framework efficiencies	business rate pilot funded -review activity to support progression for people with a Learning Disability, including implementation of new provider framework with improved pricing strategy, outcomes and incentivised step downs	Savings and Efficiencies	(193)	0	0	0

Savings and Efficiencies

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Adults, Communities & Wellbeing	Specialist centre for – Step down Care Mental Health and Acquired brain injury	Moray Lodge development by Northampton Borough Council and Northampton Partnership Homes to provide specialist and step down supported living for people with an acquired brain Injury and mental health support needs.	Savings and Efficiencies	(188)	0	0	0
Adults, Communities & Wellbeing	Contract cessation and redesign	The new adult social care Target Operating Model has resulted in the decision to not renew historic contracts (following their termination dates expiring). These services will now be delivered through an overarching approach to service delivery.	Savings and Efficiencies	(175)	0	0	0
Children's Trust	Reducing reliance on agency staff	Business rate pilot funded -A proposal to increase the proportion of permanent staffing within the Children's Trust, reducing reliance on agency staff, through a refreshed Workforce Strategy and Quality Assurance Framework that creates a stable and effective workforce.	Savings and Efficiencies	(135)	(290)	(189)	(41)
Children's Trust	Transport optimisation	Review of transport requirements to reduce costs to ensure an efficient use of service.	Savings and Efficiencies	(128)	0	0	0
Place and Economy	Removal of one-off budgets for Council Offices	Fitting of solar panels and safety works scheduled to be completed in 2020/21. This is a one off budget that is not required in 2021/22	Savings and Efficiencies	(113)	0	0	0
Children's Trust	Supported Accommodation	A new model of progressive semi-independent accommodation to support the transition for young people to self-supported housing.	Savings and Efficiencies	(112)	(112)	0	0
Place and Economy	Environmental Services Savings	Adjustment to budget to reflect actual charges from Veolia to NBC in 2020/21	Savings and Efficiencies	(75)	0	0	0
Adults, Communities & Wellbeing	Sheltered Housing Contracts cessation/redesign	The new adult social care Target Operating Model has resulted in the decision to not renew historic contracts (following their termination dates expiring). These services will now be delivered through an overarching approach to service delivery.	Savings and Efficiencies	(65)	0	0	0
Technical	Other Business Rate Pilot Savings	Target for other LGR savings through the transformation of IT systems, reduction in costs and renegotiation on third party contracts.	Savings and Efficiencies	0	(1,530)	(1,500)	0

Savings and Efficiencies

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Place and Economy	Exploitation of Superfast Broadband	Increase the optimisation of Superfast Broadband to over 50%, which will trigger further sharing of one off benefits in 2022-23.	Savings and Efficiencies	0	(560)	560	0
		Net Position		(13,029)	(6,696)	(2,112)	(41)

Technical Changes

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Place and Economy	Place Rebaselining	Adjustment to the base budget to recognise the impact of financial and COVID related issues and the on-going changes in service demand identified in 2020/21	Technical changes	743	0	0	0
Technical	Interest Budget -reduced investment income	Adjustment to the base budget to reflect the loss of income due to very low interest rates and reducing cash balances	Technical changes	657	290	324	(69)
Children's Services	Central Schools Services Block DSG funding reduction	The Government have announced a 20% annual reduction in the historical funding element of the Central Schools Services Block. This funding supports expenditure on statutory education services which the authority are unable to reduce in line with the reduction in Central Government funding. This proposal therefore replaces DSG funding of these services with Council general fund.	Technical changes	621	538	430	344
Technical	PFI Rebaselining	Correction of the base budget to reflect the PFI inflationary costs still required in 21-22 for FM elements of the contract only. Previously inflation wrongly removed in full.	Technical changes	560	0	0	0
Corporate Services	Election May 2021	One off budget to cover estimated costs of Unitary Council elections in May 2021. To be funded by Elections Reserves already in existence. Therefore, net impact on the base budget is zero.	Technical changes	560	(560)	0	0
Technical	Technical Rebaselining	Correction of the base budget to more closely reflect some unachievable income that was factored into the base.	Technical changes	516	0	0	0
Children's Trust	Pension contributions	The passporting of revised pension contribution rates for the Children's Trust calculated by actuary, which is matched by a reduction in contributions from the Council	Technical changes	509	0	0	0
Technical	Highways Contract	Base budget adjustment to reflect a re-alignment of the Highways Contract overheads between Capital and Revenue	Technical changes	500	0	0	0
Place and Economy	Highways Contract Renewal	Additional budget required to cover the estimated cost of Highways contract re-procurement, (excluding demobilisation).	Technical changes	306	0	0	0
Technical	NCC Pensions Deficit Disaggregation	Additional provision to cover potential additional cost following actuarial review.	Technical changes	255	0	0	0
Adults, Communities & Wellbeing	Direct Payment High balance review	One-off savings proposal from 2020/21 which now needs to be removed from the base budget for 2021/22 in line with Council approval in Feb 2019.	Technical changes	253	0	0	0
Place and Economy	Asset Management	Base budget correction to reflect the increased costs of managing and maintaining the commercial property portfolio within the NBC area	Technical changes	200	0	0	0

Technical Changes

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Children's Trust	Family Group Conferencing	Removal of one off funding in respect of DfE grant funding for the Supporting Families: investing in practice programme. The DfE are working with a number of local authorities, including NCC, to test a model of Family Group Conferencing to gather robust and usable evidence on the effectiveness in keeping children and parents together.	Technical changes	167	0	0	0
Adults, Communities & Wellbeing	Single Handed & Assistive Technology Project Equipment	Proposal to change the way Single Handed & Assistive Technology Equipment is funded from capital borrowing after successful pilot programme. Now proposed to be funded through revenue as part of business as usual as ongoing service	Technical changes	162	0	0	0
Place and Economy	Place-based Public Health Offer	End of alternative funding of projects with outcomes aligned with the Public Health Business Plan and Joint Health and Wellbeing Strategy.	Technical changes	134	0	0	0
Adults, Communities & Wellbeing	Shaw PFI Programme - Funded Nursing Care	Base budget correction reflecting reduced nursing placements utilisation and corresponding FNC income originally forecasted.	Technical changes	119	0	0	0
Adults, Communities & Wellbeing	New Learning Disability Service provision	Correction of the base budget to reflect the COVID related delay in the build project with Northampton Patnership Homes to build of eight specialist bungalows for clients to live more independently creating savings from less use of residential care. The build is funded from Homes England and contributions from the Health Service.	Technical changes	95	0	0	0
Adults, Communities & Wellbeing	Additional Legal Service Costs	Additional base budget growth for legal services demand based on existing and forecast requirement over the next 4 years.	Technical changes	88	0	0	0
Corporate Services	Coroner Service	Reversal of one-off saving for 2020-21 only, due to cost sharing agreement for staff with Northamptonshire Police.	Technical changes	54	0	0	0
Place and Economy	Waste	Budget for advance procurement work on new Waste contracts	Technical changes	50	0	0	0
Place and Economy	Management of Closed Landfills	Risk based approach to the management and reduced inspection of historic closed landfill sites during 2020-21 based on industry practice.	Technical changes	49	0	0	0

Technical Changes

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Finance	Insurance Premium Adjustment	Insurance Split adjustment - provisional and subject to final premiums	Technical changes	47	0	0	0
Children's Services	Investment in community resilience	Reversal of one off Public Health Reinvestment Fund contribution.	Technical changes	30	0	0	0
Place and Economy	Enterprise Zone Admin Budget Changes	Adjustments to budgets, funded from increased Business Rates income via the Enterprise Zone reserve.	Technical changes	28	(167)	(70)	(59)
Corporate Services	Emergency Planning	Base budget correction to realign historic income target	Technical changes	15	0	0	0
Adults, Communities & Wellbeing	Service provision following one-off funding reduction	Budget growth to fund the ongoing cost of permanent staff from 2022-23 of the rapid response service following the cessation of the pilots and end of the one-off transformation investment funding from Business Rates Retention.	Technical changes	0	431	0	0
Adults, Communities & Wellbeing	Capitalisation of equipment (Adult Social Care)	Proposal to change the way Community Equipment is funded from capital borrowing (previous years), now proposed to be funded through revenue from 2022/23 reflecting the asset life.	Technical changes	0	1,078	0	0
Adults, Communities & Wellbeing	Capitalisation of equipment (For whole Sustainability and Transformation Plan (STP))	Proposal to change the way Community Equipment is funded from capital borrowing to revenue from 2022/23.	Technical changes	0	1,078	0	0
Children's Services	Schools capitalisation	Reversal in 2022/23 of prior year refinancing of schools revenue contributions to capital through prudential borrowing.	Technical changes	0	214	0	0
Technical	MRP Increase	Annual increase in MRP to bring it in line with MRP Policy once over-provision is exhausted	Technical changes	0	1,250	1,250	1,250
Technical	Standardise vacancy factor at 2%	Vacancy factors are included in different budgets at different rates, this is the saving from standardising at 2% consistently in line with actual workforce and relevant adjustments	Technical changes	(117)	0	0	0
Children's Trust	Family Group Conferencing	Removal of one off expenditure in respect of DfE grant funding for the Supporting Families: investing in practice programme. The DfE were working with a number of local authorities, including NCC, to test a model of Family Group Conferencing to gather robust and usable evidence on the effectiveness in keeping children and parents together.	Technical changes	(167)	0	0	0
Adults, Communities & Wellbeing	One-off items removed from budget - Refurbishment of Towcester Centre for Leisure	Revenue costs in relation to the refurbishment of Towcester Centre for Leisure in 2020/21, not required in 2021/22	Technical changes	(200)	0	0	0
Place and Economy	Recycling & Trade Waste - Harmonise Income & Expenditure	Removal of differences between NCC expenditure and District & Borough Income in 2020/21 Baseline	Technical changes	(262)	0	0	0
Technical	Removal of legacy Daventry District Council contingency from the Budget	Existing contingencies removed and replaced by a single centrally held contingency	Technical changes	(321)	0	0	0
Children's Trust	Unaccompanied Asylum Seeking Children	Changes to the Council subsidy required due to changes in Home Office funding.	Technical changes	(367)	122	11	0
Technical	One-off items removed from budget - Interim Resources	Additional one-off costs of interim resources not required going forward (SNC)	Technical changes	(385)	0	0	0

Technical Changes

Directorate	Proposal Title	Proposal Description and service impact	Category	2021/22 £k	2022/23 £k	2023/24 £k	2024/25 £k
Technical	Minimum Revenue Provision (MRP) Policy alignment	Future repayments of debt inherited from NBC can be reduced when MRP policy is revised.	Technical changes	(391)	74	91	81
Place and Economy	One-off items removed from budget - Towcester Co-op Demolition	One off costs in 2020/21 not required in 2021/22	Technical changes	(416)	0	0	0
Technical	Pension contributions	Reduction in Council secondary contribution payments to the Pension Fund following transfer of staff to Children's Trust	Technical changes	(509)	0	0	0
Adults, Communities & Wellbeing	Public Health Grant Allocation	Public Health Grant spending aligned to West Northamptonshire Grant allocation	Technical changes	(612)	0	0	0
Technical	Community Infrastructure Levy Repayments	Repayment over 4 years of forward funding of infrastructure required to facilitate development, through the consequent CIL receipts (£789k/£289k/£155k/£592k - total £1,825k)	Technical changes	(789)	500	134	(437)
Technical	Remove LGR Budgets	Removal of one off budget included in the aggregated base position not required in 2021/22 (Daventry DC)	Technical changes	(866)	0	0	0
Technical	Reduce NCC Contingencies in Base Budget	Existing contingencies removed and replace with a single centrally held contingency	Technical changes	(2,397)	0	0	0
Technical	Removal of Direct Revenue Financing from Base	One off costs of forward funding infrastructure in Daventry district in 2020/21 removed for 2021-22	Technical changes	(2,700)	0	0	0
Corporate Services	Transformation Team	The transformation team will be fundamental to the delivery of the savings built into the draft budget. Funding will be from the Transformation Reserves brought forward or Flexible Use of Capital Receipts as appropriate.	Technical changes	2,900		(2,900)	
Corporate Services	Transformation Investment Fund	To fund investment that makes processes more efficient and can also be used as 'seed funding' for projects that will go on to deliver savings greater than the initial funding requirement. Funded from Reserves.	Technical changes	500	(500)		
		Net Position		(381)	4,348	(730)	1,110