



**SUPPLEMENTARY INFORMATION**

**Council**

**Wednesday 22 February 2023**

Agenda Item Number	Page	Title
6.	(Pages 3 - 14)	Final Budget 2023-24 and Medium Term Financial Plan <b>Budget Amendment from the Labour Group</b>

If you require any further information about this agenda, please contact Democratic Services via the following:

Email: [democraticservices@westnorthants.gov.uk](mailto:democraticservices@westnorthants.gov.uk)

Or by writing to:

West Northamptonshire Council  
One Angel Square  
Angel Street  
Northampton  
NN1 1ED

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# Labour Group Amendment to the West Northamptonshire Council Budget 2023-2024

**This amendment proposes to support the delivery of the Corporate Plan and contribute towards making WNC an excellent, clean, and green council.**

**The amendment utilises secure borrowing to fund growth, opportunity, and prosperity across WNC.**

**It maintains a prudent level of reserves whilst investing in our communities as a means to stimulate growth and reduce council expenditure.**

**We will**

- **Double house building targets allowing Northamptonshire Partnership Homes to build more homes every year.**
- **Transform WNC temporary accommodation using existing assets, to save residents money and look after our most vulnerable.**
- **Build state of the art youth centres and services in Northampton, Brackley, Daventry and Towcester.**
- **Save residents money through cost saving measures such as The Big Switch and capitalise on our expertise by providing advice to external stakeholders.**
- **Tackle air pollution in our towns by educating drivers about the damage of idling engines and encouraging more to cycle by installing pump and repair kits in our communities.**

## 1. Building a better West Northants

### a. Reducing housing waiting lists

We have an increasing housing waiting list of approximately 4000 residents and a yearly net loss of 155 homes from our housing stock, due to Right to Buy.

Without increased investment, our ability to reduce the housing waiting list is going to weaken over time – costing West Northamptonshire Council and its residents more in the long run.

Failure to adequately provide housing to residents, increases pressure on public services and restricts economic growth and prosperity in our communities.

Therefore, the Labour Group proposes WNC increases the agreed rate of new builds by 150 homes a year through the finance mechanisms afforded to the HRA.

Under normal market conditions the cost to build per home is approximately £225k x 150 additional homes = £33.75m repayable over a 40-year period.

This leaves WNC with an expanded portfolio of capital assets of value, credit repaid via the collection of rent, social value added to our services and communities.

UNDER REGULAR MARKET CONDITIONS: £33.75m borrowed via the HRA.

**COSTS: Feasibility Study from Contingency £150,000**

**b. Investing in Temporary Accommodation – Invest to save**

One of the primary sources of the budgetary pressures we are feeling as a Council has been the procurement of temporary accommodation from the open market.

WNC has a statutory duty to take care of its residents when they fall on hard times or are faced with crisis – the little provision we currently own, through NPH, is often at capacity. This leaves WNC with little room to negotiate when we go to the open market.

WNC is currently spending over £4m a year on temporary accommodation that does not allow for the full implementation of wrap around services and does not provide a building of expertise and knowledge within our services.

The Labour Group proposes the acquisition, conversion, and expansion of new and existing temporary accommodation – primarily by utilising underutilised/vacant property already sitting within the WNC portfolio such as Paget House, Albion House, and Lodge Road.

Under normal market conditions this would be an invest to save measure with a £5m investment from the general fund, resulting in the delivery of expanded and improved provision. This would save the revenue budget £3m in the first year and then £4m a year thereafter and providing an economic and social benefit to the Council and transforming how services are delivered.

UNDER REGULAR MARKET CONDITIONS investment of £5m from the general fund.

**COSTS: Feasibility Study from Contingency as above**

**c. Supported Housing – Invest to save**

Care leavers and adults with learning differences often require support when moving into independent living.

Currently WNC has a very limited supported living portfolio which is run at capacity, the rest of its provision, it procures on the open market.

The cost to WNC per week for a 16–19-year-old in supported lodging is between £500-£1500.

Many of these providers are owned and operated by hedge funds and venture capital, meaning that millions of pounds of residents taxes are going towards servicing the profit margins of companies outside of West Northants.

This situation is not only costly to our residents, but it is also economically inefficient with outcomes and care not being provided at the standard desired.

The Labour Group proposes that NPH is given the ability to deliver 100 supported housing units, working in conjunction with trusted stakeholders.

For optimum service delivery this should be new build on existing HRA sites as part of planned regeneration projects (eg Drayton Walk).

UNDER REGULAR MARKET CONDITIONS: £22.5m borrowed via the HRA.

**COSTS: Feasibility Study from Contingency as above.**

Above we have included detail regarding the total expected expenditure and savings the Labour Group expects would be made under regular market conditions.

However, after discussions with the 151 Officer, through our work in our communities and in carrying out our duties on this council, the Labour Group accepts and acknowledges that we are not currently operating under normal market conditions.

A tight labour market, legal and regulatory congestion, construction material shortages and inflation mean that nationally and locally we are faced with unpredictable economic conditions.

As a Labour Group we believe that we must grow our economy by investing in our residents and our communities. Doing so will not only provide social justice, improved livelihoods, and better services but also a stronger economy, more jobs, higher wages, and personal freedom for our residents.

As demonstrated by the 2022 Minibudget, set by the former Chancellor of the Exchequer, it would not be financially responsible or prudent to ask council to approve HRA borrowing or expenditure without a full feasibility study and business case to be conducted.

We will never apologise for being ambitious in our desire for change and transformation, but many of us on this council know all too well the damage that can be done when budgetary and fiscal responsibilities are not taken seriously.

Therefore, the Labour Group proposes that £150,000 is moved from contingency to allow the 151 Officer to carry out a thorough feasibility study and assess the full business case for the Labour Group's proposals.

This amendment asks that a further report to be brought forward to Cabinet outlining the financial implications and business case for 'Building a Better West Northants' once completed by the 151 Officer.

**TOTAL: Feasibility Study from Contingency £150,000**

## 2. Investing in our Youth

Within WNC there has been cross-party acknowledgement that Youth Services are not being delivered at the level they should be.

The £4 million pound budget for youth services was removed from Northamptonshire County Council budgets from 2008 resulting in a saving of £60,000,00 over the last 15 years, had the budget been maintained at that level.

In that time, an entire generation of children that previously would have been in receipt of those services have reached adulthood.

In that time, the world has changed dramatically for young people – education, technology, culture, entertainment, fashion, art, and sport (things received and shaped primarily by young people) have been altered beyond recognition.

With that change comes new challenges and old challenges in new forms – climate change, social justice, mental health, bullying and loneliness.

We need to build back the trust, health and resilience of our youth and provide them with the confidence, skills, and ambition to go out into the world and thrive.

They need safe and well-maintained places for them to learn, socialise and express themselves and to be supported by well-trained professionals they can trust.

The Labour group proposes we work with OnSide, a national charity, who will partner us in raising the funds to build state-of-the-art, multimillion-pound Youth Zones.

Youth zones are brand new, purpose-built spaces fizzing with energy, and crammed with incredible facilities. They are staffed by skilled and dedicated youth workers who truly believe in young people.

Alongside the Youth Zone in Northampton, the Labour Group proposes £1m capital development for youth centres in Daventry, Towcester and Brackley, so that all of our young people are supported – no matter where they live.

**Cost £10m capital.** OnSide commit to bringing in £5 million Capital from sponsors. WNC will need to commit the same amount.

**Cost to WNC £5m capital.**

£1million ring fenced development fund will be allocated each for Daventry, Towcester and Brackley.

**Cost £3m.**

**Total Capital cost £8 million from Capitalised assets**



**Running Costs.** Running costs for the youth zone are given by Onside as £400,000 pa. Onside find sponsorship for 70% of that leaving us to find £120,000.

We propose to move an additional £400,000 from contingency into a ringfenced revenue fund for support for youth activities in Daventry and South Northants. This will bring the total spend on youth to £8 million Capital and £520,000 revenue. Borrowing will cost the general fund £300,000, to be found from contingency.

**Total from contingency £820,000**

£4 million pound for youth services was cut from NCC budgets in 2008 producing an accrued saving over 15 years of £60,000,000. In today's terms that annual budget would be £5.1 million.

This proposal is transformational and therefore can use capitalised assets. However, the cost of borrowing is within the contingency envelop.

The revenue cost will be more than off-set by future savings on public health, mental health services, the NHS, policing, and other forms of remediation.

**TOTAL COST:**

**Capital: £8 million from Capitalised assets**

**Contingency: £820,000**

### 3. WNC – A Centre for local expertise

As a local authority we are experts in community, in public service, in getting value for money.

Often, we rely on the private sector for advice and guidance on issues of expertise or complexity.

The Labour Group proposes that we turn the tables and capitalise on the expertise we possess in local government. Not only will this produce revenue, but also allow us to upskill and train our staff to be the brightest and best.

To run this service, we need a new post, costed at £45,000 per annum, total cost £60K.

We will expect to make increasing amounts of money each year, to cover the salary and to add to our bottom line.

**COST: £60,000 to be covered in the first year from contingency and thereafter within an income generation target.**

#### 4. Tackling air pollution

Poor air quality increases the incidence of asthma, COPD and other air quality related ill health issues, resulting in our residents health being damaged in the short and long term.

Not only does this impact the quality of life of our residents but it also adds cost pressures to public services.

To tackle this issue the Labour Group proposes that WNC:

1. Creates no idling zones around schools, hospitals, and retail areas.
2. An awareness scheme run by WNC communications.
3. To run training for schools so they may involve their school councils in raising awareness with parents. Cost £1000
4. Provide 100 schools with RAC School Clean Air Zone banners, which urges drivers to 'show they care about our air' by turning off their engines. Cost £6000

**COST: £7000 from contingency**

## 5. Public Bike Repair Kits

More residents are using bikes as a means to get around. There are multiple benefits for this to be encouraged by WNC as it not only improves public health, but also reduces emissions and saves money.

The Labour Group proposes the installation of 6 bike repair columns, 1 in each town of Brackley, Towcester, Daventry and three in Northampton.

There are existing vendors such as LockItSafe who already provide these units throughout the country.

One unit Bike Pump unit plus Bike repair stand with installation is £2160.

**COST: £12,960 Capital**

## 6. The Big Switch

55% of people do not switch energy providers every three years meaning that many are automatically defaulted onto an energy tariff that is not as cost effective as it could be.

The Big Switch is a community project that enables residents to collectively switch to the cheapest energy tariff possible by inviting providers to underbid each other to provide a collective group of residents with energy.

Organisations such as 'the big community switch' have worked with other 160 local authorities to offer cheaper energy to residents and public bodies, at no cost.

This will help reduce costs of energy costs for our major public bodies and by encouraging households to join the scheme will contribute to our anti-poverty strategy.

**COST: £0 – will likely produce savings.**

Labour Group Amendment to the West Northamptonshire Council Budget 2023-2024

	<b>Revenue</b>	<b>Capital</b>	<b>Comment/Funding Stream</b>
<b>Proposal 1 - Investment in Housing</b>	150,000		Cost of initial feasibility study
New social housing	TBC	TBC	Feasibility study/business case required to consider overall financial implications.
Temporary accommodation	TBC	TBC	Feasibility study/business case required to consider overall financial implications.
Supported housing	TBC	TBC	Feasibility study/business case required to consider overall financial implications.
<b>Amendment 2 - Youth Investment</b>	820,000	8,000,000	Revenue implications includes the cost of borrowing. Revenue to be funded through base budget contingency.
<b>Amendment 3 - Monetise our expertise</b>	60,000	0	To be funded through base budget contingency
<b>Amendment 4 - Tackling Air Pollution</b>	7,000	0	To be funded through base budget contingency
<b>Amendment 5 - Bike stations</b>	0	12,960	Funded through Capital. Minimal impact on revenue.
<b>Amendment 6 - The Big Switch</b>	0	0	No additional impact on revenue. Officer time which can be contained within existing resources.
<b>Summary</b>			
Amendment 1 - Feasibility study	<b>150,000</b>	-	Feasibility study
Amendment 1	<b>TBC</b>	<b>TBC</b>	
Amendments 2 -6	<b>887,000</b>	<b>8,012,960</b>	Revenue funded through Base Budget Contingency
<b>Total</b>	<b>1,037,000</b>	<b>8,012,960</b>	