

## **Cllr Robin Brown**

Woodford & Weedon Division - Northamptonshire County Council

### **Annual Report 2017/18**

May 2017 the County Elections were held and I was re-elected to represent your village. I continued to take the responsibility of Cabinet Member for Finance.

Sadly this year has been the most traumatic I have ever experienced; many will have read the newspaper reports of the difficulties that the Council has faced in balancing its books; the Government Inspectors Report and my sacking from the Cabinet following the Leader, Cllr Heather Smiths' resignation, on March 15<sup>th</sup> 2018. I will now take this opportunity to give you my view of the Events.

Having set the budget in February 2017, by June it became clear the Social Services in both Children's & Adults were not going to stay within Budget and the demand in both areas was much more than forecast with the savings planned undeliverable. This failure which followed the same pattern as the previous three years was unacceptable and in consequence as Cabinet Member for Finance I asked the Finance Director (F.D.) to instigate a "Peer" Review via the Local Government Association (L.G.A.)

The review published in September was damning of the Services Budgetary Control, the short term nature of the overall budget and the need to take a longer term view of the forward plan. It also made clear the need to consider the Sale & Leaseback of the newly opened HQ, One Angel Square. Plus increasing the budgets for Social Care became a priority (actioned in the 2018/19 budget). In consequence the Budget Process was fundamentally changed and a Cabinet Paper in October was presented outlining £10 million savings across Libraries, Bus Subsidies, Trading Standards, Winter Gritting, Highway Maintenance and Empowering Councillor Grants to name but a few. The Chief Executive had left, the FD was appointed as an interim CExec and two days after that October Cabinet meeting three of the seven MP's in the County expressed for the very first time "no confidence" in the Leadership of the Council!

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During November many "Star Chambers" were held to review, and then propose a sustainable budget for 2018. The plans however required the continued use of "in year" capital receipts (Selling the Silver) to ensure end of year balance plus an increase of local council tax that would exceed the governments "cap".

The Secretary of State has the power to allow an increase and in December the Leader wrote to him making the case to allow a significant increase in Council Tax, we delayed the Cabinet meeting in December but there was no response. Albeit the Local Government funding settlement was published at the end of December allowing an extra 1% over the cap on the tax plus extending for three years the use of In Year Capital Receipts.

Early in January the Sec. of State, informed the Council he was sending in a Best Value Inspector to review the Finances and Culture of the Council. That Inspector, Max Caller, started mid January and published his report on the 15<sup>th</sup> March. He interviewed many Councillors and staff and appointed, as his deputy inspector, an officer who had been involved with the LGA Peer review six months prior.

I was the third person he interviewed after the Leader & CExec. It was clear to me that he was convinced the council did not need extra funding for Social Care, the peer report was referred to constantly and my insistence that "In Year Capital Receipts" was the bridge to moving to a sustainable budget via the "Fairer Funding" formulae from government was rubbish as never going to happen. The only way to manage a budget is to "cut your cloth" to suit your means! As if that was not the intention every year we had been in control!

The problems of balancing the budget became more difficult when during January the sale of land at Buckton Fields for £12 million was deemed as unachievable as planning was not granted within the time frame expected. That fact by the end of the month caused the Finance Director to issue a Section 114 notice, the first time since the year 2000. This notice originally legislated for in the "80's" was designed to allow the FD to stop all spending as there would be a risk that the authority would fail to balance their books which is illegal! That notice is issued without consulting elected members and caused all the MP's in the County to sign an open letter to the leader telling her to resign as they then wanted Commissioners to take over the council. There followed a six week period where individual MP's pressurised and harassed the Leader who

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made it clear she would stay until the Inspector's report was made public. The External Auditors became more critical of the budget being proposed for the 22<sup>nd</sup> February; to the extent they issued an official Audit notice requiring the Council to pause and reflect before setting the budget as they believed there was a risk it would be illegal.

The meeting was delayed by six days a further £10 million of cuts reinstated which was then passed at Full Council on the 28<sup>th</sup> February allowing the precept to go ahead and Tax bills to go out!

Suffice to say the Best Value Inspectors report heaps blame on the County Council for not managing its finances; wasting money on schemes to reduce costs that could not work and allowed a Culture within the organisation of Social Care where budget discipline was never exercised. Further that the reliance on the "In Year" Capital receipts was not sustainable oddly something I made very clear to our Council, our MP and the Inspector! Bottom line no fault of Government as funding must be adequate.

The issue of extra funding for growth was rubbish as apparently we had not taken into account the increases in council tax all the extra houses had provided!!! Never mind that Northampton Development Corporation started fifty years ago and the in County growth accelerated dramatically over the last fifteen years! Our County has the highest growth % of over 65's and the state of our two General Hospitals is only making matters worse. My solution of using all resources available to ensure Social Care bills were paid and the belief that there was underfunding have been trashed. I am wrong according to the Inspectors report.

What now .....

As from 15<sup>th</sup> March following the Leaders resignation the Deputy Leader Cllr Matt Golby became Acting Leader and his first act on Friday the 16<sup>th</sup> March was to phone me and ask that I resign; to my question why; he responded "because the conservative group and the MP's want you out" my response you can imagine --- he sacked me!

I am still your County Councillor and do not intend to resign, I will continue until the next Election which is currently May 2021. However the Inspectors Report makes the recommendation that the County Council and the Seven District and Borough Councils are abolished and two Unitary Councils are put in their place with the Elections brought forward

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to May 2020. This however will need agreement of all of the councils, as the Secretary of State does not have powers to impose the change without enacting new Primary Legislation and with Parliamentary time so busy with Brexit it is unlikely to be available!

My role as a "backbencher" will be quite a change having been part of the Executive since the Conservative Administration took over in 2005. I am disappointed that the County Council has failed to develop its funding arguments to ensure we provided all the Statutory and Non Statutory services as planned. The crisis in Social Care is in my opinion a National Issue and not purely local. The political decisions required need action now for there are a number of other County Councils facing the same pressures we have albeit twelve to eighteen months from the precipice we have now reached.

Many say I should apologise for my failings in managing the Finance Portfolio, my response has been that I firmly believed that the growth in the County plus the historic underfunding the County has endured required I use every effort to provide the maximum funding for the provision of vital services. Hence my persistence in using capital assets to balance the books; alongside that I question the motivation of some of our MP's who now believe that a two Unitary Council will solve all the funding issues when the current Leaders of Daventry & South Northants District Councils have said otherwise.

Finally I am very sorry that I was not successful in maintaining the services we all want but you have my promise you will have my commitment representing you to the best of my ability and helping where ever possible.

Robin WW Brown,

**April 2018**