

Press release: First progress report of commissioners at Northamptonshire county council published

- Report sets out action by Commissioners to stabilise the council
- Government grants council's request to use £70 million capital receipts

The [first progress report](#) from the Commissioners sent in to rebuild Northamptonshire county council after serious failings were uncovered has been published today (29 November 2018).

The document re-affirms the seriousness of the financial situation at the council following an independent report by the Chartered Institute of Public Finance and Accountancy (CIPFA), and the series of measures the Commissioners have implemented to restore balance to the budget, deliver savings and bring about cultural change.

In the report the Commissioners Tony McArdle and Brian Roberts outline their priorities to stabilise the council. This focuses on financial recovery, the re-creation of a corporate centre, engagement with residents and local partners and sets out the next steps they will take.

The Commissioners' findings include:

- the "dysfunction" at Northamptonshire council has resulted in some services lacking resilience and "active, engaged and capable leadership" is paramount in carrying the local authority through its difficulties
- positive cultural changes have started to take effect at the council as a result of the appointment of new senior staff, including a new Chief Executive and a new Finance Director
- local stakeholders including residents, councillors and MPs have been consulted on the changes they are implementing to restore the council to a "proper set of operating principles" which can continue into the potential new unitary organisations

Communities Secretary the Rt Hon James Brokenshire MP said:

Clearly, the situation in Northamptonshire is very serious. I am grateful to the Commissioners for uncovering the council's true financial position and the robust steps they have taken to improve its financial management and governance.

Since this report, Northamptonshire county council has taken the positive step of agreeing the Stabilisation Plan and made significant progress appointing a new Chief Executive and a new Finance Director which has instilled a positive cultural change.

There is still much to do, but I fully support their resolve to ensure the people of Northamptonshire receive the efficient, effective and sustainable services they deserve.

A [Stabilisation Plan](#), published last month, sets out the approach for addressing the £35 million unfunded deficit from the last financial year (2017/18) and a detailed plan on how to balance this year's budget (2018/19). Measures included freezing all non-essential spending with funding allocated against a 'hierarchy of need' in core spending areas.

The government has granted the council's request to use £70 million of capital receipts to help balance its books. This significant step – called capitalisation dispensation – will help the council to reduce its deficit and put it on a more sustainable financial footing.

The Commissioners are due to be in place until 31 March 2021 and will continue to update the Secretary of State every 3 months on progress.

View the [full report along with the Secretary of State's response](#).

The capitalisation direction allows Northamptonshire county council to use its capital receipts to rebuild its revenue reserves and manage the financial risks to the stabilisation plan presented by the Commissioners to the Secretary of State.