

NORTHAMPTON BOROUGH COUNCIL

CABINET

Wednesday, 20 February 2013

PRESENT: Councillor Mackintosh (Chair); Councillor Caswell (Deputy Chair);
Councillors Bottwood, Eldred, Hadland and Markham

1. APOLOGIES

There were none.

2. MINUTES

The minutes of the meeting of the 13th February 2013 were agreed and signed by the Chair.

3. INTENTION TO HOLD PART OF THE MEETING IN PRIVATE

There were no items to be considered in private.

4. DEPUTATIONS/PUBLIC ADDRESSES

Mr Costello addressed Cabinet on Item 10 – General Fund Revenue Budget Setting 2013-16. He commented that he had concerns about the Local Government Shared Services (LGSS) and urged Councillors to rethink the proposal, as there was no evidence of savings and the set up cost of LGSS would be £470,000. He further commented that four Parish Councils had not reduced their precept and considered that there was no justification for a parish benefit grant.

5. DECLARATIONS OF INTEREST

There were none.

6. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES

There were none.

7. CORPORATE PLAN 2012-2015 (2013 UPDATE)

Councillor Mackintosh as Leader of the Council submitted a report. It was noted that it was an update for 2013.

RESOLVED:

That Cabinet recommended the refresh of the Corporate Plan to Full Council

That Cabinet delegated to the Chief Executive, in consultation with the Leader, the authority to amend if necessary, the:

- i) Corporate Plan for presenting to Full Council 25 February in line with the budget decisions, service plans and any other consequent changes
- ii) Associated set of corporate measures to underpin the Plan by 31 March to be developed alongside the service planning process.

8. CAPITAL PROGRAMME AND CAPITAL STRATEGY 2013-16

Councillor Bottwood as the relevant Cabinet Member submitted a report. He explained that he was pleased to see that Proposed Capital Programme included provisions for the Derngate Theatre Roof and for public toilet facilities at the skatepark. He further reported that the proposals included provisions for Car Parking and Visitor signage and that the proposed capital programme for the housing Revenue Account was in excess of £24 million.

Councillor Hadland commented that the skatepark had been very successful and that capital from the Business Improvement District (BID) had also been provided to improve the facility which was hoped would be in place by the summer. He further commented that the new signage would help visitors in the town centre and would also help with traffic flow in and around the town.

RESOLVED:

That Cabinet recommended to Council that they approve

- a) The capital programme for 2013-14, including future year commitments, as set out in Appendix A of the report.
- b) The capital financing principles to be applied in 2013-14, as set out in the approved Capital Strategy and attached as Appendix C of the report.
- c) The proposed financing of the capital programme for 2012-13 and future years, as set out at paragraphs 3.2.11 and Appendix B of the report.
- d) That authority be delegated to the Chief Finance Officer in consultation with the Cabinet Member for Finance, and where appropriate the relevant Director and Cabinet Member to update prudential indicators in both the Prudential Indicators report and Treasury Strategy report, prior to Council for any capital programme changes that impact on these.
- e) That Cabinet be authorised, once the programme has been set, to approve new capital schemes and variations to existing schemes during 2013-14, subject to the funding being available and the schemes being in accordance with the objectives and priorities of the Council.

9. TREASURY MANAGEMENT STRATEGY 2013-16

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and commented that it had been carried out in line with the CIPFA Code of Practice. The report dealt with all financial aspects and was a standard document, produced on an annual basis.

RESOLVED:

1. That Cabinet recommended to Council that they approve:
 - a) The Treasury Management Policy Statement at **Appendix C** of the report
 - b) The Treasury Management Practices (TMPs) Main Principles at **Appendix D** of the report.
 - c) The TMP Schedules for 2013-14 at **Appendix E** of the report.
 - d) The Treasury Management Strategy for 2013-14 at Appendix F, of the report, incorporating:
 - (i) The Capital Financing and Borrowing Strategy for 2013-14 including:
 - The Council's policy on the making of Minimum Revenue Provision (MRP) for

the repayment of debt, as required by the Local Authorities (Capital Finance & Accounting) (Amendments) (England) Regulations 2008.

- The Affordable Borrowing Limit for 2013-14 as required by the Local Government Act 2003.

(ii) The Investment Strategy for 2013-14 as required by the CLG revised Guidance on Local Government Investments issued in 2010.

- e) That authority be delegated to the Council's Chief Finance Officer, the Director of Finance and Support, in liaison with the Portfolio Holder for Finance, to make any changes needed to the Council's borrowing and investment strategy to enable the authority to meet its obligations.

2. That Cabinet recommended to Council that they note:

- a) Adherence to the Council's policy on reserves and balances (paragraph 3.2.13) of the report.
- b) Compliance with the requirement under the Local Government Finance Act 1992 to produce a balanced budget (paragraph 3.2.14 & 3.2.15) of the report.

10. GENERAL FUND REVENUE BUDGET SETTING 2013-16

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and explained that the report detailed the outcome of the consultation process on the 2013/14 General Fund Budget. It was noted that there was a balanced budget and that for a three consecutive years there had been no increase in Council tax, which was considered particularly relevant with the National introduction of Welfare Reform and Universal Credit. It was noted that there were numerous challenges to Local Authorities and therefore shared services, such as LGSS, had to be explored; by joining LGSS the Council were in a more positive position to safeguard jobs.

Councillor Eldred commented that the first night of 'Alive at Delapre' event had sold out and would attract a great number of people into the Town.

RESOLVED:

That the following be agreed:

1. That the feedback from consultation with the public, organisations and the Overview and Scrutiny and Audit Committees be considered and welcomed (detailed at **Appendices 1a, 1b, and 1c** of the report).
2. That the Council's representations on the provisional formula funding settlement be noted (**Appendix 2** of the report).
3. That the changes to the proposed budget (detailed at **Appendix 3** of the report), in light of the consultation responses, equalities issues and the final formula funding settlement be agreed.
4. That a General Fund budget for 2013/14 of £27.14m (excluding parishes) be recommended to the Council (detailed in **Appendices 4, 5, 6a and 6b** of the report) for its own purposes be agreed.
5. That the key medium term financial issues as set out at **Appendix 7** of the report be noted.
6. That the issues and risks detailed in the Chief Finance Officer's statement on the robustness of estimates and the adequacy of the reserves (**Appendix 8** of the report) be acknowledged.

7. That the draft Fees and Charges set out in **Appendix 9** of the report be noted
8. That authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 25 February 2013.
9. That Council be recommended to delegate authority to the Chief Executive and Chief Finance Officer to implement all budget options and restructures.
10. That authority be delegated to the Chief Finance Officer in consultation with the Cabinet Member for Finance, and where appropriate the relevant Director and Cabinet Member to:
 - transfer monies to/from earmarked reserves should that become necessary during the financial year.
 - update the budget tables and appendices, prior to Council should any further changes be necessary.
 - update prudential indicators in both the Prudential Indicators report and Treasury Strategy report, for Council for any budget changes that impact on these.
11. That Council be recommended to confirm the reserves strategy of protecting balances wherever possible to allow the option of supporting future years' budgets, aiming for a minimum level of unallocated general fund balances of at least £3.1m for 2013/14 having regard to the outcome of the financial risk assessment and remaining at this level over the medium term.
12. That Council be recommended not to increase the Council Tax for its own purposes, that is, excluding county, police, and parish precepts for 2013/14.

11. HRA BUDGET AND RENT SETTING

Councillor Bottwood, as the relevant Cabinet Member submitted a report. He commented that the budget incorporated the Government Rent Restructure Policy.

RESOLVED:

That Cabinet recommend to Council to approve:

- 1) An average rent increase of 4.41% per dwelling, in line with the Government's rent restructuring policy, convergence in 2015/16, to take effect from 1 April 2013.
- 2) The proposed service charges listed in **Appendix 5** of the report
- 3) The feedback from the Overview and Scrutiny Committee be considered and welcomed (detailed at **Appendix 1** of the report).
- 4) That the HRA budget for 2013/14 of £53.4m expenditure (including options) be recommended to the Council (detailed in **Appendix 3** of the report) for its own purposes.
- 5) That the Cabinet acknowledges the issues and risks detailed in the Chief Finance Officer's statement on the robustness of estimates and the adequacy of the reserves (**Appendix 6** of the report).
- 6) That Council be recommended to delegate authority to the Chief Executive and Chief Finance Officer to implement all budget options and restructures.
- 7) That authority be delegated to the Chief Finance Officer in consultation with the Cabinet Member for Finance, and where appropriate the relevant Director and Cabinet Member to:
 - a) transfer monies from earmarked reserves should that become necessary during the financial year.
 - b) update the budget tables and Appendices, prior to Council should any further

changes be necessary

- c) update prudential indicators in both the Prudential Indicators report and Treasury Strategy report, prior to Council for any budget changes that impact on these.
- 8) That Council be recommended to confirm the reserves strategy of protecting balances wherever possible to allow the option of supporting future years budgets, aiming for a minimum level of unallocated HRA reserves of £5.0m at the end of 2013/14 having regard to the outcome of the financial risk assessment and remaining at this level over the medium term and in line with the 30 year Business Plan.

12. PRUDENTIAL INDICATORS FOR CAPITAL FINANCE 2013-16

Councillor Bottwood, as the relevant Cabinet Member submitted a report and commented that the Prudential Indicators for Capital Finance had been conducted under the CIPFA code and noted that the matters to be considered when setting or revising the prudential indicators had been listed in section at 3.1.8 of the report.

RESOLVED:

1. That Cabinet recommended to Council that they approve the prudential indicators required under the CIPFA Prudential Code for Capital Finance in Local Authorities as set out at paragraph 3.2.3 below.
2. That Council approve the delegation of authority to the Section 151 Officer, in consultation with the Cabinet member for Finance, to make adjustments between the “borrowing” and “other long term liabilities” categories within the overall total of the indicators for the operational boundary and the authorised limit for external debt set out at paragraphs 3.2.3 (g) and (h) of the report.

13. EXCLUSION OF PUBLIC AND PRESS

The Chair moved that the public and Press be excluded from the remainder of the meeting on the grounds that there was likely to be disclosure to them of such categories of exempt information as defined by Section 100(1) of the Local Government Act 1972 as listed against such items of business by reference to the appropriate paragraph of Schedule 12A to such Act.

The Motion was Carried.

The meeting concluded at 18.10