

CABINET

WEDNESDAY, 21  
FEBRUARY 2018



**NORTHAMPTON**  
BOROUGH COUNCIL

**DECISIONS**

|                 |  |
|-----------------|--|
| <b>PRESENT:</b> | Councillor Nunn (Chair); Councillor Larratt (Deputy Chair);<br>Councillors Eldred, Hadland, Hibbert, Hallam and King . |
|-----------------|--|

Set out below is a summary of the decisions taken at the meeting of the Cabinet held on Wednesday, 21 February 2018. The wording used does not necessarily reflect the actual wording that will appear in the minutes.

These decisions will come into force and then may be implemented on the expiry of three working days after the publication of this list.

If you have any queries about any matters referred to in this decision sheet please contact Emma Powley.

|  |   |
|--|---|
| <b>THIS LIST OF DECISIONS<br/>PUBLISHED:</b> | <u>22<sup>nd</sup> February 2018</u>          |
| <b>DATE OF EXPIRY OF CALL IN:</b>            | 27 <sup>th</sup> February 2018 AT 17:00 HOURS |

---

|                           |   |
|---------------------------|---|
| <b>Agenda<br/>Item No</b> | <b>Declaration/Conflict of Interests:</b><br>None |
|---------------------------|---|

**6. REPORT BY CHIEF FINANCE OFFICER ON ROBUSTNESS OF  
BUDGET ESTIMATES AND ADEQUACY OF RESERVES**

Cabinet recommended to Council to carefully consider the content of the report with regards to the General Fund and Housing Revenue Account prior to recommending the approval of the Council's Medium Term Financial Plan 2018/23, the Revenue Budget for 2018/19, Capital Programme 2018/23 and Treasury Management Strategy 2018/19.

---

|                           |   |
|---------------------------|---|
| <b>Agenda<br/>Item No</b> | <b>Declaration/Conflict of Interests:</b><br>None |
|---------------------------|---|

**7. GENERAL FUND REVENUE BUDGET AND CAPITAL  
PROGRAMME 2018/19 AND MEDIUM TERM FINANCIAL PLAN  
2018/19 - 2022/23**

- 2.1 Cabinet considered and welcomed the feedback from consultation with the public, organisations and the Overview and Scrutiny and Audit Committees (detailed at Appendices 9, 10 and 11 of the report).
- 2.2 Cabinet agreed the changes to the proposed budget (detailed at paragraph 3.2.14 of the report), in light of technical adjustments and

the Local Government Funding Settlement.

- 2.3 Cabinet recommended to Council the General Fund Revenue Budget for 2018/19 of £27.360m (excluding parishes) for its own purposes (detailed in paragraph 3.2.13 and Appendices 1 and 2 of the report).
- 2.4 Cabinet agreed that the Council be recommended to increase the Council Tax for its own purposes, i.e. excluding County, Police and Parish Precepts, by £6.37 (2.99%) per year per band D property for 2018/19.
- 2.5 Cabinet recommended to Council that they approve the General Fund Capital Programme and proposed financing for 2018/19, including the inclusion of schemes in the Development Pool, as set out in Appendix 4.
- 2.6 Cabinet agreed that Council be recommended to confirm a minimum level of General Fund reserves of £5.5m for 2018/19, having regard to the outcome of the financial risk assessment, and also noted the position on earmarked reserves (Appendix 7 of the report).
- 2.7 Cabinet delegated authority 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 prudential indicators in both the Prudential Indicators Report and Treasury Strategy Report to Council, for any budget changes that impact on these.
- 2.8 Cabinet approved the draft Fees and Charges set out in Appendix 8, including immediate implementation where appropriate.
- 2.9 Cabinet recommended to Council that they approve the Treasury Management Strategy for 2018/19 at Appendix 5 of this report: incorporating:
  - (i) The Capital Financing and Borrowing Strategy for 2018/19 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) (England) (Amendment) Regulations 2008.
    - The Affordable Borrowing Limit for 2018/19 as required by the Local Government Act 2003.
  - (ii) The Investment Strategy for 2018/19 as required by the CLG revised Guidance on Local Government Investments issued in

2010.

- 2.10 Cabinet delegated authority to the Council's Chief Finance Officer, in liaison with the Cabinet member for Finance, to make any temporary changes needed to the Council's borrowing and investment strategy to enable the authority to meet its obligations.
- 2.11 Cabinet delegated authority to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 26<sup>th</sup> February 2018, including changes to the Finance Settlement and change relating to Parish Precepts and Council Tax levels associated with those changes.

---

|                       |   |
|-----------------------|---|
| <b>Agenda Item No</b> | <b>Declaration/Conflict of Interests:</b> |
|                       | None                                      |

## **8. HOUSING REVENUE ACCOUNT (HRA) BUDGET, RENT SETTING, 2018/19 AND BUDGET PROJECTIONS 2019/20 TO 2022/23**

Cabinet recommended to Council to approve:

- a) An average rent decrease of 1% per dwelling, in line with the legislation and the government's national rent policy, to take effect from 2<sup>nd</sup> April 2018.
  - b) The HRA budget for 2018/19 of £52.1m expenditure detailed in Appendix 1.
  - c) The HRA capital programme for 2018/19, including future year commitments, and proposed financing as set out in Appendix 2.
  - d) The proposed service charges listed in Appendix 3.
  - e) That Cabinet be authorised, once the capital programme has been set, to approve new capital schemes and variations to existing schemes during 2018/19, subject to the funding being available and the schemes being in accordance with the objectives and priorities of the Council.
  - f) The Total Fees proposed for NPH to deliver the services in scope for 2018/19 detailed in Appendix 4.
- 2.2 Cabinet acknowledged the issues and risks detailed in the Chief Finance Officer's statement on the robustness of estimates and the adequacy of the reserves.
- 2.3 Cabinet agreed that the 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 Housing Revenue Account balances of at least £5m for 2018/19 having regard to the outcome of the financial risk assessment.
- 2.4 Cabinet delegated authority to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of

26<sup>th</sup> February 2018.

- 2.5 Cabinet agreed that the Council be recommended to delegate authority to the Chief Executive and Chief Finance Officer to implement any retained HRA budget options and restructures.
- 2.6 Cabinet delegated authority 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.
  - transfer monies to /from HRA working balances between the Council and NPH for cash flow purposes 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.

---

|                       |   |
|-----------------------|---|
| <b>Agenda Item No</b> | <b>Declaration/Conflict of Interests:</b> |
|                       | None                                      |

### **9. CORPORATE PLAN 2018-2023**

Cabinet recommended to Council on the 26th February 2018 that the draft Corporate Plan for 2018 to 2023 be approved, and that the Interim Chief Executive be authorised to finalise the document and publish this alongside the Council's Medium Term Financial Plan.

---

|                       |   |
|-----------------------|---|
| <b>Agenda Item No</b> | <b>Declaration/Conflict of Interests:</b> |
|                       | None                                      |

### **10. MAXIMISING THE SUPPLY OF NEW HOMES**

- (a) Cabinet approved the 3-track approach to housing development (described in Paragraph 3.1.32 of this report);
- (b) Cabinet approved the establishment of a charitable Community Benefit Society that will utilise grants, loans, land and 1-4-1 Right To Buy receipts to invest in or fund new affordable rented housing within the Borough of Northampton;
- (c) Cabinet approved the principle of the Council and/or Northampton Partnership Homes acquiring and/or building homes for market rent or sale;
- (d) Cabinet approved the expansion of Northampton Partnership Homes' role to include the delivery of new housing (including affordable rented housing, market rented housing and housing for sale) outside of the Housing Revenue Account and within the Northampton Related

Development Area (NRDA);

- (e) Cabinet instructed Officers to commence negotiations to set up a minority-interest Community Benefit Society, propose appointments for the initial members and trustees of the Community Benefit Society and prepare the necessary draft paperwork for approval by Full Council;
- (f) Cabinet recommended to Full Council that the appropriate funding (subject to detailed business cases, as appropriate), development agreements and governance arrangements be put in place to ensure that, when suitable sites are identified for development, the Community Benefit Society and Northampton Partnership Homes are supported to secure the necessary funding and decisions are made in a timely manner;
- (g) Cabinet noted that, in approving this 3-track approach, it would not preclude the Council from also pursuing other options such as forming a Housing Development Company itself or in conjunction with appropriate partners such as NPH (see Paragraph 3.1.39 of the report); and
- (h) Cabinet instructed Officers to bring regular reports back to Cabinet seeking approvals for the key documents required to implement the recommendations in this report and the governance arrangements approved by Full Council.