

NORTHAMPTON BOROUGH COUNCIL

CABINET

Wednesday, 18 February 2015

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

1. APOLOGIES

Apologies were received from Councillor Markham.

2. INTENTION TO HOLD PART OF THE MEETING IN PRIVATE

There were no items to be heard in private.

3. DEPUTATIONS/PUBLIC ADDRESSES

Doctor Dickie addressed Cabinet in respect of Item 9 – Corporate Plan 2015 and commented that as a member of the ‘Friends of Northampton Castle’ consideration need to be given to whether the plans of the administration could be a reality and deliverable. She asked for the Council to continue to work with English Heritage to share heritage funding and to invest in the heritage and culture of the Town.

The Leader commented that he shared some of the frustrations aired by Doctor Dickie and that they would continue to work with the Friends of Northampton Castle.

4. DECLARATIONS OF INTEREST

None.

5. ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES REPORT

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and elaborated thereon. It was noted that the report was a statutory requirement under Section 25 of the Local Government Act 2003.

RESOLVED:

That it be 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 2015/20, the Revenue Budget for 2015/16, Capital Programme 2015/20 and Treasury Management Strategy 2015/16.

6. GENERAL FUND, REVENUE AND CAPITAL BUDGETS 2015-16

The Leader commented that a further recommendation and commented that Northampton Borough Council would be introducing new guidance to those who have recently suffered a bereavement and were in the process of selling an empty property. The Council had listened to the feedback from members of the public and understood the financial pressures that any immediate demand for payment could cause. As a result the Council were keen to work within current Council Tax Regulations to provide support to those under financial stress during this period. This support would provide clear guidance on the options available during the period before the sale of a property and would be available in time for the start of the new financial year.

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and commented that since 2011 there had been unprecedented funding reductions to local government and significant changes made as a result with improved management positions and that the Council were now faced with better prospects than when they were elected. It was also noted that they had been able to put £2 million into reserves.

The Leader commented that vast improvements had been made since 2011 such as sharing back office services through LGSS. He further noted that he had met with the Prime Minister and the Secretary of State for Communities and Local Government whilst they were visiting Northampton today to discuss the success of the Cosworth and other developments in the Enterprise Zone.

RESOLVED:

1. That the feedback from consultation with the public, organisations and the Overview and Scrutiny and Audit Committees (detailed at Appendices 1, 2, and 3 of the report) be considered and welcomed.
2. That the changes to the proposed budget (detailed at paragraph 3.57), in light of the consultation responses, equalities issues, technical adjustments and the Final Formula Funding Settlement be agreed.
3. That a General Fund Revenue Budget for 2015/16 of £29.1m (excluding parishes) be recommended to the Council (detailed in paragraph 3.47 and **Appendices 4, 5 and 6**) for its own purposes be agreed..
4. That the Council be recommended not to increase the Council Tax for its own purposes that is, excluding County, Police, and Parish Precepts for 2015/16.
5. That it be recommended to Council to approve the General Fund Capital Programme for 2015-16, including future year commitments, and proposed financing as set out in **Appendix 7**.
6. That the Council be recommended to confirm the outcomes of the Reserves Strategy Review. Aiming for a minimum level of unallocated general fund balances of at least £4.9m for 2015/16 having regard to the outcome of the financial risk assessment and also note the position on earmarked reserves (**Appendix 8**).
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:
 - Transfer monies to/from earmarked reserves should that become necessary during the financial year.
 - Establish criteria linked to return on investment & payback for the use of the new Invest to Save Earmarked Reserve.
 - Update prudential indicators in both the Prudential Indicators Report and Treasury Strategy Report, for Council for any budget changes that impact on these.

8. That the key medium term financial issues as set out in Appendix 9 be noted.
9. That the draft Fees and Charges set out in Appendix 10 be noted.
10. That authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 23 February 2015, including changes relating to Parish Precepts and Council Tax levels associated with those changes.
11. That it be recommended that Council delegate authority to the Chief Executive and Chief Finance Officer to implement all budget options and restructures.
12. That a supplementary estimate for forward funding from the New Homes Bonus Reserve for the Enterprise Zone as set out in paragraph 3.55 be noted.
13. That it be agreed that Council would establish a clear Policy for those cases where there has been a bereavement and would be liable for Council Tax on an empty property. The establishment of this Policy would be delegated to the Chief Finance Officer, in conjunction with the Cabinet Member for Finance, and would come into effect from 1st April 2015.

7. HOUSING REVENUE ACCOUNT - RENT SETTING, REVENUE AND CAPITAL BUDGETS 2015-16

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and elaborated thereon. He explained that there had been significant changes, specifically with regards to transfer of the Housing Stock to Northampton Partnership Homes. It was further noted that they now had the facilities to build 100 new council homes.

RESOLVED:

1. That it be recommended to Council to approve:
 - a) An average rent increase of 2.2% per dwelling, in line with the Government's national rent policy, to take effect from 6th April 2015.
 - b) The HRA budget for 2015/16 of £54.6m expenditure including options detailed in Appendix 1 of the report.
 - c) The proposed service charges listed in Appendix 4 of the report.
 - d) The HRA capital programme for 2015/16, including future year commitments, and proposed financing as set out in Appendix 3 of the report.
 - e) That Cabinet be authorised, once the capital programme has been set, to approve new capital schemes and variations to existing schemes during 2015/16, 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 2015/16 detailed in Appendix 5 of the report.
2. That the issues and risks detailed in the Chief Finance Officer's statement on the robustness of estimates and the adequacy of the reserves be acknowledged.
3. 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 Housing Revenue Account balances of at least £5m for 2015/16 having regard to the outcome of the financial risk assessment and remaining at

this level over the medium term.

4. That authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 23rd February 2015.
5. That Council be recommended to delegate authority to the Chief Executive and Chief Finance Officer to implement any retained HRA budget options and restructures.
6. 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.
 - 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.
7. That the technical funding virement between HRA Revenue contributions and the HRA Repairs and Maintenance budgets for 2014/2015 as per paragraph 3.4.1 of the report be approved.

8. TREASURY MANAGEMENT STRATEGY - 2015/16

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and elaborated thereon and noted that the Council remained in firm control of their finances.

RESOLVED:

1. That Council be recommended to approve the Treasury Management Strategy for 2015-16 at Appendix A of this report: incorporating:
 - (ii) The Capital Financing and Borrowing Strategy for 2015-16 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 2015-16 as required by the Local Government Act 2003.
 - (ii) The Investment Strategy for 2015-16 as required by the CLG revised Guidance on Local Government Investments issued in 2010.
2. That authority be delegated 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.

9. CORPORATE PLAN 2015

The Leader submitted a report and elaborated thereon.

RESOLVED:

1. That the refresh of the Corporate Plan be recommended to Full Council;
2. That authority be to the Chief Executive, in consultation with the Leader, the authority to amend as necessary, the:
 - i) Corporate Plan 2015 Update for presenting to Full Council on 23 February 2015 in line with the budget decisions, service plans and any other consequent changes;
 - ii) An associated set of corporate measures to underpin the Plan by 31 March 2015 to be developed alongside the service planning process.