

# NORTHAMPTON BOROUGH COUNCIL

## CABINET

Wednesday, 12 December 2018

**PRESENT:** Councillor Nunn (Chair); Councillor Larratt (Deputy Chair); Councillors Eldred, Hadland, Hallam, Hibbert and King

**APOLOGIES:** Councillor J Hill

### 1. APOLOGIES

Apologies were received from Councillor Hill.

### 2. INTENTION TO HOLD PART OF THE MEETING IN PRIVATE IF NECESSARY

There were no items to be heard in private.

### 3. DEPUTATIONS/PUBLIC ADDRESSES

There were none.

### 4. DECLARATIONS OF INTEREST

There were none.

### 5. COUNCIL TAX BASE -2019 -2020

Councillor Eldred, as the relevant Cabinet Member, submitted his report and elaborated thereon. It was explained that one of the most significant proposed changes was the recommendation that the long-term empty property premium of 100% is implemented for properties vacant for over two years.

In response to questions asked by Councillor Beardsworth, Councillor Eldred confirmed that the Council Tax Reduction Scheme would be kept at the current rate. He explained that some fees and charges may increase above the rate of inflation and reported that this may include car parking charges, taxi licenses and bulky waste charges, but a definitive figure had yet to be determined.

Councillor Stone commented that she was largely in favour of the recommendations but had two issues of concern. She stated that the Council were spending large sums of money on cleaning up after students and landlords, who were exempt from paying Council Tax and suggested that student landlords should be contributing something for the clean-up operations. The second issue raised was concerning care-leavers and asked if there could be a scheme whereby care-leavers could be given a reduction up until the age of 25 years old.

Councillor Eldred reported that they would continue to challenge Government on the funding provided. He commented that he would work with the Cabinet Member for Environment and explore ways to tackle the student landlord issue that were financially burdensome to the Council. Councillor Eldred stated that care-leavers could apply for Council Tax Reduction Scheme and the Chief Finance Officer explained that giving an exemption to Council tax to care-leavers would be financially untenable due to the Borough Council having to cover a much larger proportion of the costs compared to the County Council.

Councillor Hibbert commented he would discuss the issue raised by Councillor Stone at a future Landlord forum.

## RESOLVED:

- 2.1 That Cabinet recommend to Council to approve the tax base for 2019/20 at 68,418.55 Band D equivalent properties and associated parish tax bases within this report.

'Band D' is used as a denominator value and changes to discounts, exemptions and collection rates will impact on the calculated 'tax base', in addition to any gains or losses in the number of physical properties.

	2018/19	2019/20	Change
Billing	2,761.23	2,804.54	43.31
Collingtree	522.7713	528.47	5.70
Duston	5,521.83	5,562.62	40.79
Great Houghton	290.3029	294.81	4.50
Hardingstone	804.9904	816.31	11.32
Upton	3,015.72	2,723.61	-292.11
Wootton, Wootton Fields & Simpson Manor	2,958.24	2,980.14	21.90
East Hunsbury	3,462.75	3,510.44	47.69
West Hunsbury	1,650.38	1,661.73	11.35
Hunsbury Meadow	505.4516	888.34	382.89
Northampton (Unparished)	45,380.28	46,647.54	1,267.26
Total tax base	66,873.95	68,418.55	1,544.60

- 2.2 That authority be delegated to the Section 151 Officer in consultation with the Cabinet Member for Finance to make any technical adjustments necessary arising out of the Local Government draft settlement which impacts on the tax base, and to confirm, and inform the relevant authorities, the estimated surplus/deficit on the Collection Fund and how much would be attributable to each council, including NBC, after the statutory date of the 15th January 2019.
- 2.3 That the above figures include the movement of properties between Upton and Hunsbury Meadow as part of the boundary change be agreed.
- 2.4 That the detailed breakdown of how the tax base and the associated parish tax bases are calculated is shown as a band D equivalent in appendix 1 be recommended.
- 2.5 That it be recommended that the long-term empty property premium of 100% is implemented for properties vacant for over two years to Council, take effect from the 1<sup>st</sup> April 2019.

## 6. LOCAL COUNCIL TAX REDUCTION SCHEME

Councillor Eldred submitted his report and elaborated thereon and noted that he was content with the current rate being continued in to the next financial year.

Councillor Stone stated that she was relieved that the rate would be continuing but questioned the collection rate.

The Chief Finance Officer reported that in-year collections of Council Tax from the Council Tax Reduction (CTR) cohort as of the 31<sup>st</sup> August 2018 for CTR claimants was 39.93%. He explained that this figure was due to the fact that the Council had collected a little more than

initially anticipated.

**RESOLVED:**

1. That the recommendation for the Council Tax Reduction Scheme (CTRS) to remain at a 35% reduction in 2019/20 be approved.
2. That Cabinet recommend the CTRS for approval at Council on the 14th January 2019.

**7. DRAFT GENERAL FUND MEDIUM TERM FINANCIAL PLAN 2019/20 - 2022/23 AND DRAFT BUDGET 2019/20**

Councillor Eldred elaborated on his report and explained that the proposal was to increase Council Tax by 2.99% per Band D property. He noted that Councils were under financial pressures and the proposed increase would ensure the Council is prepared.

Councillor Stone stated that many of the financial pressures faced by the Council came from the increased cases of homelessness, which would continue to rise and questioned what precautions were in place to mitigate. She questioned the saving proposals and asked that they be more fully explained.

Councillor Birch questioned what a Parish Grant consisted of and what the cost was to the individual householder in the Parish.

It was explained to Councillor Birch that the grant was for Borough Council staff supporting Bellinge Community Centre for which they were charged.

Councillor Hadland noted that the budget for the Business Incentive Scheme had previously been £250,000 but as there had been a drop in demand, it was considered that a £50,000 reduction could be absorbed.

Councillor Eldred noted that he was looking at further savings to the Environmental Services contract through the introduction of additional charges. He further explained that with regards to Facilities Management, there were a number of events that were being contracted out which assisted the Council in generating money and protecting the positions of front line facilities staff.

**RESOLVED:**

- 2.1 That the draft General Fund Revenue budget 2019/20, as summarised in Appendix 1 (of the report), be approved for public consultation.
- 2.2 That the proposed growth and savings options set out in Appendix 2 (of the report) be approved for public consultation.
- 2.3 That the proposed Council Tax increase for 2019/20 of 2.99% per Band D property be approved for public consultation.
- 2.4 That the draft General Fund Capital Programme and Financing 2019/20 to 2022/23, as detailed in Appendix 4 (of the report), be approved for public consultation.
- 2.5 That the draft Capital Strategy as set out in Appendix 3 (of the report) be approved for consultation.

- 2.6 That the draft Treasury Management Strategy as set out in Appendix 5 (of the report) be approved for consultation.

**8. HOUSING REVENUE ACCOUNT (HRA) BUDGET, RENT SETTING -2019/20 AND BUDGET PROJECTIONS 2020/21 TO 2022/23**

Councillor Eldred, elaborated on his report and explained that the draft capital programme new build programme was expected to deliver over 400 new council homes in the next 3 years. He continued by noting that there would be future borrowing but that this would be a necessity. He reported that there was to be a further 1% discount for council rent-payers.

**RESOLVED:**

1. That the draft Housing Revenue Account (HRA) budget including charges and rents as detailed in Appendices 1 and 4 (of the report) be approved for public consultation.
2. That the draft HRA Capital Programme and financing, as detailed in Appendix 2 (of the report) be approved for public consultation.
3. That the draft Total Fees proposed for NPH to deliver the services in scope be noted.