

NORTHAMPTON BOROUGH COUNCIL

CABINET

Wednesday, 20 February 2019

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

1. APOLOGIES

Apologies were received from Councillors Hill and King.

2. MINUTES

The minutes of the meeting held on 6th February 2019 were agreed and signed by the Leader.

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

There were no items to be considered in private.

4. DEPUTATIONS/PUBLIC ADDRESSES

Mr Rob Purdie addressed Cabinet on Item 10 – *Amendments to the Off-Street Parking Places Order and Increasing Parking Tariffs* – on behalf of Northampton Town Centre BID. He stated that BID members did not agree that the proposed changes to parking charges would ‘support growth and encourage vitality and vibrancy within the town centre’. Additionally, BID members had not been consulted, and local media comments were overwhelmingly against the proposals. It was stated that the proposed changes would raise £625,000 for the Council. Mr Purdie believed parking should be a service, not a source of revenue.

5. DECLARATIONS OF INTEREST

Councillor Hadland declared an interest in respect of Item 11, being a Trustee of Delapré Abbey Preservation Trust. He stated that he would leave the meeting during discussion of this item.

6. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES

There were no issues arising from Overview and Scrutiny Committees.

7. GENERAL FUND REVENUE BUDGET AND CAPITAL PROGRAMME 2019/2020 AND MEDIUM TERM FINANCIAL PLAN 2019/2020 - 2022/2023

Councillor Eldred as the relevant Cabinet Member submitted a report and pointed out that £1 million had been added into the budget to address homelessness issues rather than using reserves. It was proposed to increase Council Tax by 2.99%, which equated to an increase of 13p per week for a typical Band D property.

Councillor Beardsworth expressed concern that only £1 million had been allocated to homelessness, when the overspend was £1.5 million. Councillor Eldred stated that the

growth and restructuring of the Housing Options and Advice Team should reduce numbers of homeless people, cutting back on temporary accommodation costs and reducing the funding required, although more money could be made available if needed.

Councillor Beardsworth pointed out that most respondents to the budget consultation had found it difficult to understand. Since this was likely to be the last NBC budget, Councillor Eldred stated that these concerns would need to be addressed by the new administration.

In response to requests, Councillor Eldred agreed to circulate a copy of the Equalities Report to all Members the following day.

Councillor Brian Markham referred to Appendix 9 (page 98-103) and stated that it was difficult to respond to a draft budget. There were proposals to increase parking charges, but no detail was given. He considered that information should have been shared earlier and a consultation carried out.

Councillor Stone stated that she had championed a strategy for investments for many years, but wondered about the timeliness of such a strategy in view of the likely end of NBC. For example, Albion House had been purchased – were there plans for this? Councillor Hadland pointed out that although the strategic purpose for which Albion House had been purchased had not come to fruition, the value of the property had increased significantly.

Councillor Stone also noted that one of the ameliorations for homelessness in previous budgets, the Social Lettings Agency, was not in the current budget and requested an update. Councillor Hibbert stated that there would be a report to Cabinet on this issue.

Councillor Birch noted the reference to Section 106 funding in the table on page 13 of the report. She queried where the funds were held and whether they could be used to help voluntary organisations sustain services. The Chief Finance Officer pointed out that a comprehensive review of Section 106 schemes had been conducted. There were constraints on how money could be spent, but funds were ring-fenced and would be protected throughout the move to unitary. It was confirmed that Councillors could be involved in discussions regarding use of funds in their area – although the amounts available were small and often designated for a specific purpose. Councillor Larratt advised that ideally Members should be involved at the pre-planning stage.

Councillor Ashraf addressed Cabinet and referred to the list of new schemes on page 29. She asked whether *St James Mill Area Improvements* included the proposed link road, and if not, why it had been removed from the budget. Councillor Eldred stated that the money for St James Mill related to tidying up the whole area. The link road had incurred additional costs, which were being considered in more detail. Councillor Nunn stated that factors such as levels of contamination in the ground and water run-off had resulted in extra costs which were currently unable to be funded.

Councillor Eldred pointed out an amendment to the report as follows:

Page 24, Appendix 3 – HRA Capital Funding – 4th Bullet point

READS – ‘Borrowing – there is some limited scope for prudential borrowing within HRA, although this is subject to a cap as determined by central government.’

SHOULD READ – ‘Borrowing – there is scope for prudential borrowing within HRA, this is no longer limited to the cap by central government.’

RESOLVED:

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 3.2.10 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 2019/20 of £27.495m (excluding parishes) for its own purposes (detailed in paragraph 3.2.8 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 (excluding county, police, fire and parish precepts) by £6.56 (2.99%) per year per band D property for 2019/20.
- 2.5. Cabinet recommended to Council that they approve the general fund capital programme and proposed financing for 2019/20, including the inclusion of schemes in the development pool, as set out in appendix 4 of the report.
- 2.6. Cabinet agreed that Council be recommended to confirm a minimum level of general fund reserves of £4.0m for 2019/20, 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 Head of Service 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 of the report, including immediate implementation where appropriate.
- 2.9. Cabinet recommended to Council that they approve the treasury management strategy (and associated appendices) for 2019/20 at appendix 5 of this report.
- 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 25 February 2019, including changes to the finance settlement and change relating to parish precepts and council tax levels associated with those changes.

8. HRA BUDGET, RENT SETTING 2019/2020 AND BUDGET PROJECTIONS 2020/2021 TO 2022/23

Councillor Eldred as the relevant Cabinet Member submitted a report. Rents on council homes were being reduced by 1%, which resulted in lower costs for residents. There was also an opportunity to build more houses, which was good for the future.

RESOLVED:

- 2.1 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 1st April 2019.
 - b) The HRA budget for 2019/20 of £51.8m expenditure detailed in Appendix 1.
 - c) The HRA capital programme for 2019/20, 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 2019/20, 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 2019/20 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 2019/20 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 25 February 2019.
- 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 Portfolio Holder for Finance, and where appropriate the relevant Head of Service and Portfolio Holder 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.

9. ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES

Councillor Eldred as the relevant Cabinet Member submitted a report.

Councillor Stone referred to page 128 items 3.2.2 and 3.2.3 and considered that due to the enormous risks posed by Brexit, it was prudent to have a greater understanding of the likely impacts, and requested a Members' briefing on the issue. The Chief Finance Officer advised that there was a specific risk register for Brexit and weekly updates were received regarding the impact on NBC and local businesses. Councillor Larratt pointed out that there had been no request for a Brexit briefing at the Members' Training Development Group earlier in the

week, and given the timescales, it would be difficult to arrange. Councillor Hallam reminded Cabinet that the people of Northampton had voted to leave the EU and the opportunities needed to be considered as well as the risks.

Councillor Stone also expressed concern about the reliance on business rates uplift – what if this does not happen? Councillor Eldred pointed out that once the business rates uplift had been agreed, the funding was set for the year – there was therefore no risk in-year. The statement was for this financial year only, and future years could be different.

RESOLVED:

- 2.1 Cabinet recommended to Council to carefully consider the content of this report with regards to the general fund and HRA prior to recommending the approval of the Council's MTFP 2019/23, the revenue budget for 2019/20, capital programme 2019/23 and the treasury management strategy 2019/20.

10. AMENDMENTS TO THE OFF-STREET PARKING PLACES ORDER AND INCREASING PARKING TARIFFS

Councillor Hadland as the relevant Cabinet Member submitted a report and pointed out that a decision regarding parking charges would only be made after consultation. The report highlights the increased charges, but some charges remain unchanged. The new 2 - 5 hour tariff (note correction from 3 - 5 hours in report) should increase dwell time. Up to two hours free parking on weekdays was a significant benefit, not offered by many other towns. The proposed increased charges were necessary due to the increasing maintenance burden of the aging car parks.

Councillor Beardsworth had spoken to many people who considered that increasing parking charges would be detrimental to the town centre. She was also concerned that part-time workers would not be able to afford to park and urged consideration of other ways to raise money.

Councillor Stone stated that the proposals went against aims such as increased footfall, cleaner air and workers in poverty. She pointed out that shoppers could choose to go elsewhere, but workers had no choice. She suggested a free hopper bus.

Councillor Eldred pointed out that parking was not a statutory service. The budget was fragile and the costs had to be met from somewhere. It would be possible to sell the car parks to a private operator, but then all control would be lost. Councillor Nunn stated that this was a difficult challenge, but it was unfair for the taxpayer to fund the costs. Tough decisions needed to be made and a consultation was needed.

Councillor Hadland noted that the cost for all-day parking remained the same, so workers would not be paying an increased amount. Proposals were also being considered to make payment faster and more convenient.

RESOLVED:

Cabinet agreed to the following changes to increase in parking tariffs (see appendix 2 of the report) and amendments to the Off Street Parking Places Order.

Council's surface car parks:

- 2.1 Introduce minimum 2 hour parking with a tariff fee of £2

- 2.2 Introduce 2 - 5 hour parking with a tariff fee of £4

- 2.3 Increase evening parking tariff (17.00 – 23.59 hours) to £3
- 2.4 Increase overnight parking tariff (17.00 – 10.00 hours) to £3
Council's multi-storey car parks
- 2.5 Maintain free two-hour parking (Monday – Friday only)
- 2.6 Introduce a 2 – 5 hour parking with a tariff fee of £4
- 2.7 Increase evening parking tariff (17.00 – 23.59 hours) to £3
- 2.8 Cabinet delegated to the Chief Executive in consultation with the Lead Member for Regeneration and Enterprise authority to implement changes to the proposals contained in this report, including amendments to the Off Street Parking Places Order, undertaking the statutory public notices, consultation and dealing with any responses.

11. GRANT OF LEASE ON DELAPRE STABLE YARD

Councillor Hadland left the room for this item.

Councillor Nunn as the relevant Cabinet Member submitted a report and stated that this had been a complex project which had exceeded expectations. Heritage Lottery Fund money had been used, which would need to be repaid if the project failed. Granting of the lease would enhance the sustainability of the project.

Councillor Birch declared a personal interest as a Trustee of Delapr  Abbey Preservation Trust. Since she was not a decision-maker, the Monitoring Officer advised that she could continue. Councillor Birch was delighted that NBC were supporting this project, which had been compromised by delays and urged prompt signing of the lease to enable funds to be released.

The Head of Economy, Assets and Culture confirmed that once the lease for the Stable Yard had been agreed, the trustees would be able to sign the main lease, thus releasing the £1,392k capital funding from the Heritage Lottery Fund.

Councillor Larratt noted that an issue with planning had led to the railings around the gate lodge not being replaced. Councillor Nunn agreed to provide an update.

RESOLVED:

Cabinet agreed:

- 2.1 To grant a 25 year lease (the "Lease) to Delapr  Abbey Preservation Trust (DAPT) for the area outlined in red on the plans at annex 1 and annex 2;
- 2.2 That the annual rent payable to the Council by the Trust shall be one peppercorn;
- 2.3 That the terms of the Lease shall be as outlined in the draft Heads of Terms at annex 3;
- 2.4 That authority be delegated to the Head of Economy, Assets and Culture in consultation with the Borough Secretary, the Chief Financial Officer, and the Leader of the Council to finalise the terms of the lease in accordance with the draft Heads of

Terms, and to take any other actions necessary to complete the Lease.

- 2.5 To authorise the advertisement of the proposed disposal of public open space in accordance with s.123 (2A) of the Local Government Act 1972 (as amended)

12. LOCAL GOVERNMENT REFORM IN NORTHAMPTONSHIRE PROPOSED JOINT COMMITTEE - EXECUTIVE FUNCTIONS - TERMS OF REFERENCE

Councillor Nunn as the relevant Cabinet Member submitted a report, and advised that Councillor Stone was to be the Labour Member on the Joint Committee.

RESOLVED:

- 2.1 Cabinet agreed to the delegation of executive functions, in so far as these relate to the proposed terms of reference for the Joint Committee, attached at appendix 1.
- 2.2 Cabinet agreed such delegations outlined in 2.1 above to become effective if council approves the establishment of the Joint Committee, outlined in the attached report to Full Council at appendix 1.
- 2.3 Cabinet noted and recommended to council the establishment of a Joint Committee.

13. CORPORATE PERFORMANCE ALL MEASURES REPORT QUARTER 3

Councillor Larratt as the relevant Cabinet Member submitted a report and advised that the Key Performance Indicators (KPIs) relating to environmental issues were currently reported four-monthly rather than quarterly and so were not in line with the main KPIs. They had therefore been removed and would be reported again in due course.

Although there had been a 7% increase in the red indicators, this actually only related to two indicators.

The average number of days lost to sickness had increased. This was partly due to the fact that the first day of sickness was now paid. Whilst unpaid it had not been included in the total days lost.

The footfall in the town centre had decreased by 15.87%, with the closure of Marks and Spencer thought to have had a significant impact.

Councillor Hallam pointed out that the environmental statistics, although not reported, had been good. For example, recycling had increased in both October and November.

Councillor Birch expressed concerns regarding the level of long-term staff sickness (about 3%). She also questioned how many staff were being lost and replaced, since this resulted in a loss of expertise.

Councillor Larratt stated that staff churn was not currently reported, but the unreported indicators could be examined to see whether any information could be obtained. He also pointed out that sickness was an HR issue, and not addressed by the current report.

The Head of HR commented that HR were dealing with the staff sickness issues appropriately. Staff churn was likely to increase due to the uncertainties surrounding the move to unitary.

RESOLVED:

- 2.1 Cabinet reviewed the contents of the performance report (Appendix 1) and recommended actions to be taken, if any, to address the issues arising.
- 2.2. Cabinet agreed that the Annual Performance Report will be presented in June of each year to the Audit Committee.

The meeting concluded at 19.32