



**NORTHAMPTON**  
BOROUGH COUNCIL

# **COUNCIL**

## **23 February 2015**

**Agenda Status: PUBLIC**

**Directorate: Management Board**

<b>Report Title</b>	<b>Housing Revenue Account (HRA) Budget, Rent Setting 2015/16 and Budget Projections 2016/17 to 2019/20</b>
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### **1. Purpose**

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1.1 The purpose of this report is to:

- Approve the HRA 2015/16 budget and the HRA forecasts for 2016/17 to 2019/20, rent increases, service charges and other charges for 2015/16, including the Total Fee proposed for Northampton Partnership Homes (NPH) to deliver the services in scope for 2015/16.
- Provide a brief update on the ongoing work on the direction of the HRA.

### **2. Recommendations**

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2.1 That Council approve:

- a) An average rent increase of 2.2% per dwelling, in line with the Government's national rent policy, to take effect from 6<sup>th</sup> April 2015.
- b) The HRA budget for 2015/16 of £54.6m expenditure including options detailed in Appendix 1 and 2.
- c) The HRA capital programme for 2015/16, including future year commitments, and proposed financing as set out in Appendix 3.
- d) The proposed service charges listed in Appendix 4.
- 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.

- 2.2 That the Council acknowledges the issues and risks detailed in the Chief Finance Officer's report on the robustness of estimates and the adequacy of the reserves.
- 2.3 That the Council delegate authority to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 23<sup>th</sup> February 2015.
- 2.4 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 2015/16 having regard to the outcome of the financial risk assessment and remaining at this level over the medium term.
- 2.5 That Council be recommended to delegate authority to the Chief Executive and Chief Finance Officer to implement any retained HRA budget options and restructures.
- 2.6 That authority be delegated to the Chief Finance Officer in consultation with the Portfolio Holder for Finance, and where appropriate the relevant Director 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 prudential indicators in both the Prudential Indicators report and Treasury Strategy report, for Council for any budget changes that impact on these.

### **3. Issues and Choices**

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#### **3.1 Report Background**

- 3.1.1 In the event that there are changes made in accordance with the delegated authority to the Chief Finance Officer following Cabinet's meeting on the 18<sup>th</sup> February, updated appendices to the Cabinet report will be tabled reflecting these changes.
- 3.1.2 See also Cabinet report attached.

### **4. Implications (including financial implications)**

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#### **4.1 Policy**

- 4.1.1 See Cabinet report attached.

#### **4.2 Resources and Risk**

- 4.2.1 See Cabinet report attached.

### **4.3 Legal**

4.3.1 See Cabinet report attached.

### **4.4 Equality**

4.4.1 See Cabinet report attached.

### **4.5 Other Implications**

4.5.1 See Cabinet report attached.

## **5. Background Papers**

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5.1 See Cabinet report attached.

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