



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL

29 February 2016

Agenda Status: PUBLIC

Directorate: Management Board

Report Title	Housing Revenue Account (HRA) Budget, Rent Setting 2016/17 and Budget Projections 2017/18 to 2020/21
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1. Purpose

1.1 The purpose of this report is to:

- Approve the HRA 2016/17 budget and the HRA forecasts for 2017/18 to 2020/21, rent increases, service charges and other charges for 2016/17, including the Total Fee proposed for Northampton Partnership Homes (NPH) to deliver the services in scope for 2016/17.
- Provide a brief update on the ongoing work on the direction of the HRA.

2. Recommendations

2.1 That Council approve:

- a) An average rent decrease of -1% per dwelling, in line with the Government's national rent policy and proposed legislation, to take effect from 4th April 2016.
- b) The HRA budget for 2016/17 of £53.7m expenditure including options detailed in Appendix 1.
- c) The HRA capital programme for 2016/17, 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 2016/17, 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 2016/17 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.
- 2.4 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 2016/17 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 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.

3. Issues and Choices

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 24th 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)

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

5.1 See Cabinet report attached.

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