

Minutes of a meeting of the Executive

At 10.00 am on Thursday 9th February, 2023 in the Council Chamber, Corby Cube, George Street, Corby, NN17 1QG

Present:-

Members

Councillor Jason Smithers (Leader of the Council) (Chair)	Councillor Helen Howell (Deputy Leader of the Council)
Councillor Matt Binley	Councillor Helen Harrison
Councillor David Brackenbury	Councillor David Howes
Councillor Lloyd Bunday	Councillor Graham Lawman
Councillor Scott Edwards	Councillor Harriet Pentland

Also in attendance – Councillors Mark Pengelly, Wendy Brackenbury, Lyn Buckingham, Dorothy Maxwell, Mike Tebbutt, Robin Carter, Lora Lawman, William Colquhoun, John McGhee and Peter McEwan.

375 Apologies for absence

No apologies for absence were received.

376 Minutes of the Meeting Held on 22nd December 2022

RESOLVED that: The Executive agreed the minutes of the meeting held on 22nd December 2022 as a true and accurate record of the meeting.

377 Members' Declarations of Interest

A personal interest was declared by Cllr Harriet Pentland relating to a number of agenda items having attended meetings where the items in question had previously been discussed.

A personal interest was declared by Cllr Graham Lawman relating to Agenda Item 9, specifically the Development Pool item regarding the proposed expansion of Sir Christopher Hatton Secondary School.

378 Notifications of requests to address the meeting

The Chair, Councillor Jason Smithers reported that there were requests to address the meeting as set out below:

Agenda Item	Speakers
Item 6 – Maintained Nursery Supplementary Funding	Cllrs John McGhee and Dorothy Maxwell
Item 7 – General Fund Budget 2023-24 and MTFP	Cllr John McGhee
Item 6 – HRA Budget 2023-24 and MTFP	Cllr Lyn Buckingham

379 Finance and Resources Scrutiny Committee - Budget Scrutiny Submission 2023/2024

The Chair, Cllr Jason Smithers invited the Chair of the Finance and Resources Scrutiny Committee (F&RSC), Cllr Mark Pengelly to present the committee's budget consultation submission following the conclusion of the process to scrutinise the Council's draft budget for 2023/24.

Cllr Pengelly thanked all those who had taken part in the scrutiny process, noting that a significant period of time had been spent examining in-year spend and service performance for 2022/23 prior to undertaking more detailed scrutiny work for the 2023/24 budget. Pressures and uncertainties involved in the budget setting process were highlighted, with a number of factors such as New Homes Bonus, Business Rates and government funding referenced.

Cllr Pengelly thanked officers and Executive members for their assistance in providing detailed responses to questions raised by committee members during the scrutiny process. It was heard that obtaining relevant details from Northamptonshire Children's Trust to allow for effective scrutiny had been difficult, and it was critical this information was made available in future as the current overspend level for the trust was unsustainable.

Cllr Pengelly noted the concerns of Scrutiny in relation to home-to-school transport costs, although the recent disaggregation of the service would allow a greater level of control over these costs. He requested that this topic be the subject of a further review by the F&RSC in six months' time.

Cllr Pengelly made reference to the following specific areas of interest during the scrutiny process:

- Children's social care and out of county placements
- Special educational needs and disabilities (SEND) assessment timescales
- That revised Fees and Charges to be circulated to councillors
- Legacy council proposed income (crematoria, sports centres)
- That the Council's new contract with Kier be reviewed to ensure value for money
- Harmonisation of car-parking charges across North Northamptonshire
- The existing budget gap for Enabling Services
- Audit fee increases
- Reliance on agency staff, staff numbers and vacancies
- Adult social care provision
- The current housing repairs backlog
- Temporary accommodation availability

Councillor Pengelly noted that a significant amount of work had been undertaken during the scrutiny process and requested that the Executive take on board the comments raised by F&RSC in order to build a better council for all involved.

The Chair, Cllr Jason Smithers thanked Cllr Pengelly and the Finance and Resources Scrutiny Committee members for the sterling work they had undertaken in supporting the Executive through their work and to ensure value for money for the Council.

Cllr Wendy Brackenbury, as Chair of the Scrutiny Commission was invited to address the meeting. Cllr Brackenbury thanked all members of the F&RSC and all the officers involved in the budget scrutiny process.

Cllr Scott Edwards made reference to the Children's Trust overspend and noted that the Council was doing everything possible to obtain the information required to hold the Trust to account. Cllr Edwards also noted that out of area placements for children in care were not beneficial for the children involved and were not financially viable. In addition, work was ongoing to improve the Council's SEND provision, and recognition of improvements made to date was welcomed.

Cllr Lawman made reference to home-to-school transport noting that new management was in place for the scheme and a consultation process regarding future provision of the service would take place in the Spring. Cllr Lawman also made reference to food waste collections, activities of the Asset Rationalisation group regarding the Council's estate and stated that a report would shortly be submitted to the Executive regarding the Council's Parking Strategy. The meeting also heard that updated Fees and Charges had been available on the Council's website since 1st January 2023.

Cllr Helen Howell made reference to the subsidy received for Chester House Estate while Cllr David Brackenbury spoke to reflect on increased utility costs impacting the Council's crematorium facilities.

Cllr Helen Harrison commented on recruitment and retention of staff in Adult Social Services with a report on the consultation for provider services due to be presented to Executive in the near future. Cllr Binley advised that Right to Buy receipts would continue to be monitored, with officers satisfied that the Council was on track to spend these receipts within the required timeframes. Reference was also made to out of area temporary accommodation placements and the positive work undertaken to reduce these.

The Chair concluded by stating that although the Council faced significant budgetary pressures, it had a good team of officers who had worked to put the authority on a strong trajectory going forward.

380 Maintained Nursery Supplementary Funding - Report from Finance and Resources Scrutiny Committee

The Chair, Cllr Jason Smithers invited Cllr John McGhee to address the Executive. Cllr McGhee noted the recommendation of the Scrutiny Task and Finish Group that officers should continue to work with Pen Green Nursery to support them in managing their funding gap moving forward by identifying internal and external funding sources. Cllr McGhee queried what meetings had taken place to date in this regard.

The Chair then invited Cllr Dorothy Maxwell to address the Executive. Cllr Maxwell noted that Pen Green was in receipt of greater funding levels from the Council than the other three maintained nurseries in North Northamptonshire and stated that all the maintained nurseries should be treated equally. It was heard that all children should receive access to good early years provision, and Cllr Maxwell hoped that such provision could be extended to other towns in the Council area, with specific reference made to Rushden.

The Chair then invited the Chair of the Finance and Resources Scrutiny Committee (F&RSC), Cllr Mark Pengelly to present the report of the Maintained Nursery Funding Review along with feedback from the Finance and Resources Committee.

Cllr Pengelly thanks all those elected members and officers that had been involved in the review process which had seen significant work undertaken including in-person visits to all four maintained nursery sites and meetings held with governors, head teachers, officers and the Schools Forum. As well as the above, a full audit report for all the nurseries had provided the Scrutiny Task and Finish group with the information required to form a view regarding the funding of maintained nurseries.

It was heard that both the Finance and Resources Scrutiny Committee and the Scrutiny Task and Finish Group supported the Executive's decision for 2022/23 to adopt a participation-based rate of funding for the Maintained Nurseries Supplement of the Dedicated Schools Grant. However, it was noted that a decision for future years was to be made by the Executive.

The Chair thanked Cllr Pengelly and those involved in the review, noting the challenging nature of the task and the level of work involved. Cllr Smithers stated that he was reassured that the conclusion was to support the Executive's recommendation in regard to funding.

The Chair of the Scrutiny Commission, Cllr Wendy Brackenbury spoke to thank the Finance and Resources Scrutiny Committee and those who had supported the review for a positive piece of scrutiny work, with the final recommendations being fair for families across North Northamptonshire and ensuring the ongoing sustainability of all four nurseries.

Cllr Scott Edwards, Executive Member for Children, Education and Skills thanked the members of the Task and Finish Group for their work and their support of the Executive recommendations to ensure an open and transparent way of funding all four maintained nurseries. In response to Cllr McGhee, Cllr Edwards stated that a full list of meetings with Pen Green could be provided. In response to Cllr Maxwell's comment regarding equal funding, it was noted that grants were based on participation levels and as such Pen Green received additional funding to the other three nurseries.

RESOLVED

That the Executive:

- i) Noted the work undertaken by the Scrutiny Task and Finish Group as instructed by the Finance and Resources Scrutiny Committee.

- ii) Discussed and provided feedback on the “Maintained Nursery Funding Review” report attached at **Appendix A** to the report.
- iii) Noted the recommendations and comments in the report.

Reasons for Recommendations:

- i) The Scrutiny Task and Finish Group undertook a comprehensive review of the Executives decision in relation to this matter and have presented recommendations for consideration. It is a matter of good governance that Executive receive the report and provide feedback on the review.

Alternative Options Considered: The Council’s constitution clearly sets out the scrutiny procedure rules to be followed in reporting back recommendations to either the Executive or Full Council, therefore alternative options to those set out in the Council’s constitution have not been considered.

381 General Fund Budget 2023-24 and Medium-Term Financial Plan

The Chair, Cllr Jason Smithers invited Cllr John McGhee to address the Executive. Cllr McGhee queried whether the finances set aside for a 4% pay increase for staff would be sufficient and noted that additional finances may be required and asked the Executive to re-examine this figure. Cllr McGhee also referenced the staff vacancy rate within social care and noted the high cost of utilising agency staff.

The Chair thanked Cllr McGhee for his contribution and noted that setting a balanced budget going forward would be extremely challenging, however with the Council’s very experienced officer team it would be achievable.

The Chair then invited the Executive Member for Finance and Transformation, Cllr Lloyd Bunday to introduce a report that set out the final revenue budget (2023-24) and Medium-Term Financial Plan for North Northamptonshire Council. The draft budget proposals had been considered by the Executive on 22nd December 2022 along with an addendum to the main budget report which provided an update following the provisional Local Government Finance Settlement, published on 19th December 2022. The settlement set out the funding for individual councils following the Autumn Statement announced earlier on 17th November 2022. The final settlement figure announced had seen a £95,000 increase in funding and it was proposed to add this amount to the Council’s contingency fund for 2023/24.

The meeting noted that the draft budget had gone through a consultation period commencing on 22nd December 2022 and ending on 27th January 2023. The consultation had provided residents, local partners and other stakeholders with the opportunity to review the budget proposals and provide feedback during the five-week consultation period. A total of 449 responses had been received and Cllr Bunday thanked those who had taken the time to respond. The draft budgets had also been subject to extensive scrutiny by the Finance and Resources Scrutiny Committee.

The report set out the revenue budget for 2022-23 and the Medium-Term Financial Plan for North Northamptonshire Council, including the proposed Council Tax level for 2023-2024 with the Executive requested to recommend these proposals to Council for approval at its meeting on 23rd February 2023 having considered the results of the consultation, and the deliberations of the Finance and Resources Scrutiny Committee.

The meeting heard that during September 2022 each directorate had entered into Capital Programme challenge sessions, reviewing capital plans and aspirations to enable the Council to provide a better forecast of planned borrowing and serviceability of funding for the general fund going forward. Following these sessions, each directorate had embarked upon a budget challenge session with each one offering economies, savings and sharing the challenges envisaged over the next year and into the medium term. Forecasts for this were based upon the results for the financial year 2021/22 and the forecast as at Period 6 of 2022/2023. A further Scrutiny review for the current year also took place in November 2022 for each directorate.

Consequently, it was reported that the draft budget had been the subject of over 36 hours of scrutiny prior to the consultation period, with a further ten hours of scrutiny sessions by directorate during the consultation period.

The report before members focused on the General Fund, also noting the planned use of the Dedicated School's Grant, a ring-fenced grant allocated to the authority by the Government to support a range of education related services. The level of funding received for North Northamptonshire Council amounted to £354.936m.

Cllr Bunday referenced the Council's Reserves Strategy noting that it was a statutory requirement to hold reserves at a level needed for meeting estimated future expenditure. CIPFA and the Local Authority Accounting Panel did not accept that there was a case for introducing a generally acceptable minimum level of reserves and councils, on the advice of their Chief Financial Officers, should make their own judgements as to the level of reserves held. Given the financial pressures faced by the Council's demand-led services and external factors stemming from global and national events setting a contingency and holding healthy reserves would assist in mitigating against unexpected events, smooth peaks and troughs in expenditure requirements and help to mitigate risk.

The meeting received details of the Treasury Management Strategy Statement, Minimum Revenue Provision Statement and Annual Investment Strategy (2023/24). It was heard that treasury management appertained to authority's cash flows, borrowing and investments, and the associated risks. The Council had borrowed and invested substantial sums and was therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risks were therefore central to the Council's prudent financial management.

It was noted that the revenue account for the Council had five main income sources; Council Tax, Business Rates, Government grants, fees and charges and, where necessary, the use of reserves. Cllr Bunday stated that it was imperative that the Council did everything possible to maintain and grow local resources that were within its control. Council Tax revenue was the most stable form of income that the Council had and there was a very clear assumption by Government that councils would set their Council Tax to the maximum allowed.

Although there was a balanced draft budget for 2023/24, there was a forecast budgetary gap of nearly £18m for 2024/25, rising to nearly £54m in 2025/26. By not raising Council Tax, the Council would forgo £36m of income over the medium term to 2026/27. It was noted that the Council was in the bottom third of unitary councils when comparing Band D Council Tax, although the majority of properties within the Council area were Band A, which would result in a weekly Council Tax increase of £1.01.

Cllr Bunday made reference to the Council's revised strategy for the flexible use of Capital Receipts. It was reported that in December 2021 the Government had announced a three-year extension from 2022-23 onwards of the existing flexibility for councils to use capital receipts to fund transformation projects that produce long term savings or reduced the costs of service delivery and attention was drawn to a list of identified projects that were potentially eligible.

Cllr Bunday concluded by stating that the draft budget was the culmination of months of hard work and therefore there were no reasonable arguments for Full Council to accept any amendments to the recommendations on the day of the meeting had they not been brought forward during the consultation period, which elected members had been encouraged to take part in. The meeting heard that to be successful, the proposed budget would require the buy-in of every member, officer, employee and partner of North Northamptonshire Council and was offered not as the aspiration of the Finance department, but as the intentions of each directorate and as such the whole Council.

Cllr Harrison, referencing a comment made by Cllr McGhee regarding vacancies in Adult Social Care, noted that a percentage of these were being held over due to the transformation consultation process, with recruitment paused for posts that may no longer exist or be substantially altered in the near future. Cllr Harrison stated that it was positive that a difficult budget setting process had highlighted the importance of Adult Social Care with significantly increased budgets, and thanks were extended to the Finance Team for identifying this funding for North Northamptonshire's most vulnerable residents.

Cllr Harriet Pentland welcomed the extensive scrutiny of the balanced budget that would continue to deliver services for the residents of North Northamptonshire despite challenging financial times. It was also pleasing to see priorities relating to sustainable, greener environments being delivered as well as the maintenance of statutory duties.

Cllr Helen Howell noted the difficult financial climate the budget had been set in, with the leisure sector especially being impacted by increased utility costs. No-one wished to raise Council Tax rates, but it was considered to be a necessary course of action to maintain both a balanced budget and services for residents.

Cllr Lawman spoke to welcome investment in his area, with reference made to home-to-school transport and the highways investment plan. Cllr Lawman thanked all officers involved in formulating the budget for their hard work.

The Chair concluded the debate by noting that the Local Government Association had worked to address national issues for local authorities struggling to recruit into Adult Social Services. The Council was also working to manage vacancy levels and it was anticipated that these should start to reduce, and a more balanced picture emerge as a result.

RESOLVED

KEY DECISION

That the Executive endorsed the contents of the report and recommended the budget proposals on to Council for approval. This included:

- a) the 2023-24 revenue budget for approval and adoption as set out in this report, which sets:
 - i. A budget requirement of £691.458m including Dedicated Schools Grant of £354.963m resulting in a net revenue budget requirement of £336.495m as set out in **Appendix A** of the report.
 - ii. A total Council Tax requirement for the Council's own purposes of £189.419m as contained in paragraph 5.27.
 - iii. An average Band D Council Tax of £1,657.51 for North Northamptonshire Council, representing a 2.99% increase in the 'core' Council Tax and a further 2% for the Adult Social Care Precept, noting that a separate Council Tax Resolution Report will be presented to Full Council.
 - iv. The detailed proposals of savings, pressures and income generation for 2023-24 as set out within the report and **Appendix B** of the report.
 - v. The provisional dedicated schools grant budget of £354.963m for 2023-24, as detailed in **Appendix C** of the report, and summarised in paragraphs 5.47 – 5.58.
 - vi. The draft planned use of, contribution to, and movement in, reserves as identified in paragraph 5.60 and section 9 subject to the final call on reserves after any changes are required to account for final charges etc.
 - vii. The corporate budget requirements as set out in paragraph 8.1, including a contingency sum of £3.651m as set out in paragraph 8.2.
 - viii. The Treasury Management Strategy for 2023-24 as set out in **Appendix H** of the report, including the Authorised Borrowing Limit of £798m, and to note a further update to the Strategy will be provided once the disaggregation of Northamptonshire County Council's Balance Sheet has been finalised, subject to the External Audit of the former County Council's accounts.
 - ix. That Council delegate authority to the Executive Member for Finance and Transformation in consultation with the Executive Director of Finance and Performance (Section 151 Officer) to agree any necessary variations to the budget prior to 1st April 2023.
 - x. That Council delegate authority to the Executive Member for Finance and Transformation in consultation with the Executive Director of Finance and Performance (Section 151 Officer) to agree the use of the following

reserves which will provide the flexibility to manage the overall budget during 2023-24.

- Social Care Reserve
 - Transformation Reserve
 - Public Health Reserve
 - Waste Management Reserve
 - General Risk Reserve
- b) the forecast financial position for 2024-25 and 2025-26, noting that this will be reviewed as further information becomes available and updated as part of the budget process for 2024-25 onwards.

That the Executive:

- a) Noted that the financial position has been based on the Provisional Local Government Finance Settlement announced on 19th December 2022 together with any further announcements as at the date of the publication of this report;
- b) Noted that the Final Local Government Finance Settlement is yet to be published and, therefore, some figures may be subject to change;
- c) Considered the consultation feedback as summarised in the report and attached at **Appendix E** of the report;
- d) Considered the outcome from the Finance and Resources Scrutiny Committee, as detailed at **Appendix G** and any subsequent representations to this Committee;
- e) Noted the Equality Impact Screening Assessment as at **Appendix F** as having been taken into consideration;
- f) Considered the Section 25 Report of the Executive Director of Finance and Performance (Section 151 Officer) as set out in Section 15, including her review of the robustness of the estimates and the adequacy of the reserves;
- g) Delegated authority to the Executive Member for Children, Education and Skills and the Executive Member for Finance and Transformation in consultation with the Executive Director of Children's Services and the Executive Director of Finance and Performance (Section 151 Officer) to approve North Northamptonshire's Schools Funding Formula and to finalise the funding allocation for schools, in line with North Northamptonshire's Schools Funding Formula and following confirmation of the funding allocation mechanism for Maintained Nurseries;
- h) Delegated authority to the Executive Member for Finance and Transformation in consultation with the Executive Director of Finance and Performance (Section 151 Officer) to draft the recommended budget resolution for Council in accordance with the necessary legal requirements and to take into account the decisions of the Executive and any final changes and other technical adjustments that may be required;

- i) Noted that the transfer of £3.879m from reserves relates to a timing issue in respect of Business Rates Reliefs. This is a timing issue which recognises that these reliefs were awarded and accounted for in the General Fund in 2022-23 but the reduced yield in Business Rates is not reflected in the Collection Fund until 2023-24;

Reason for Recommendations:

- To ensure that the Council complies with its Constitution and legislative requirements in setting the budget for North Northamptonshire Council from 2023-24.

Alternative Options Considered – The Budgets have been subject to a formal budget consultation and comments from the consultation have been considered as part of this process.

382 Housing Revenue Account (HRA) Draft Budget 2023-24 and Medium Term Financial Plan (MTFP) Proposals

The Chair, Cllr Jason Smithers invited Cllr Lyn Buckingham to address the Executive. Cllr Buckingham spoke to seek clarification on specific elements of the budget, querying why leaseholders were not mentioned as part of the Housing Revenue Account (HRA). Cllr Buckingham also referenced services charges for Corby tenants not being increased, queried what was involved with the Hidden Homes project and why the Decent Homes project was only undertaken in Corby and not Kettering.

The Chair then invited the Executive Member for Finance and Transformation, Cllr Lloyd Bunday to introduce the report, the purpose of which was to present the proposed housing revenue budget and medium-term financial plan to Executive. Cllr Bunday responded to Cllr Buckingham to note that leaseholder income was included within the HRA. Cllr Bunday clarified that non-increases in service charges for Corby tenants were historic and not planned for the future as suggested.

Cllr Bunday noted that Council tenants had been consulted on the proposals before members through a targeted consultation via their respective Tenant Advisory Panels.

Cllr Bunday further noted that the HRA did not directly impact on the Council's wider General Fund budget or on the level of Council Tax, with income to the HRA primarily received through the rents and other charges paid by tenants and leaseholders. The Council was required to run a single HRA, but for a short period continued to operate two neighbourhood accounts to reflect stock holding from the two legacy councils of Kettering and Corby.

The Council had commenced work on consolidating these two accounts into a single HRA, however this required a 30-year business plan that would be informed by the Housing Strategy for North Northamptonshire. This strategy was currently in development and due to be reported to members during 2023/24.

The meeting noted that the HRA formed a ring-fenced account within the Council for the income and expenditure associated with its housing stock. The Council owned

8160 properties ranging from one to four bed houses, bungalows and flats, with a further 893 leasehold properties. This amounted to a projected annual rental income in excess of £35m.

Details of historic Government guidelines regarding rent increases were provided to the meeting, who noted that the current formula was CPI plus 1%. CPI in July 2022 had been 10.1% meaning that rent increases for April 2023 would be 11.1%, however, after consultation it had been announced by the Chancellor in September 2022 that social housing rent increases for 2023/24 would be capped at 7%. In line with previous years, the proposed increase in rent for both Neighbourhood Accounts would be the maximum permitted helping to maintain and protect levels of service. Taking into account this proposed increase, the draft Neighbourhood Accounts for 2023/24 showed a balanced position.

The medium-term position showed the Corby HRA in deficit and the Kettering account in surplus, resulting from the structuring of the self-financing of loans associated with the housing stock. The medium-term position also assumed an annual rent increase of 4% going forward.

The meeting heard that the Council was required by law to avoid budgeting for a deficit on the HRA. In practice, the Council was expected to maintain a reasonable balance of reserves to cover contingencies, with the Chief Finance Officer reviewing the level of balances required to support the HRA spend annually as part of their risk assessment of the budget. It was proposed that the assessed minimum level of balances, taking all known risks into account, should remain unchanged at £800k for the Corby Neighbourhood Account and £650k for the Kettering Neighbourhood Account, around 4% of the total budget.

Cllr Bunday stated that the numbers of Right to Buy (RTB) properties and the number of empty properties must also be taken into account. The number of RTB sales assumed during 2023/24 and the medium-term for the Corby Neighbourhood Account was 50, and for the Kettering Neighbourhood Account was 30. Void property levels were assumed at 0.9% of stock for Corby and 1.5% for Kettering.

The meeting heard that the current economic climate made provision of new social housing challenging, however it was envisaged that a further 18 homes would be added to the Corby stock at Cheltenham Road during 2023/24. Further schemes would be reflected in the Medium-Term Financial Plan when there was more certainty around the timed delivery of future housing schemes.

Cllr Bunday made reference to the Council's approach to the self-financing of the two neighbourhood accounts, with the Council holding a depreciation charge which was then used to support the capital programme. It was noted that holding social housing stock did come with risk, with provisions for bad debts due to rent arrears set out in the report and the cost of employment within the HRA also detailed.

Cllr Matt Binley, Executive Member for Housing, Communities and Levelling-up spoke to thank the team involved for its work in relation to the HRA budget. Cllr Binley highlighted the plan to address the backlog of inherited housing repairs and to provide a housing service aspired to by the Council for its tenants. In response to Cllr Buckingham, Cllr Binley noted that leaseholders were referred to within the report and made reference to the historic lack of service charge increases for Corby residents, stating that this issue would need to be resolved as the service moved towards a

unified neighbourhood account. Cllr Binley outlined the purpose of the Hidden Homes project, the definition of compliance and noted the two different names for similar projects between Decent Homes and Homes for the Future. Cllr Binley also noted the proposed plan to upgrade communal areas for sheltered housing in Corby.

Cllr Bunday concluded discussion by noting that the proposed 7% rent increase was lower than inflation, with every penny of rental income used towards the upkeep of the Council's housing stock.

RESOLVED

KEY DECISION

That the Executive recommended to Full Council the following:-

- a. The draft 2023/24 Housing Revenue Account Budgets consisting of the Corby Neighbourhood Account and the Kettering Neighbourhood Account as set out in **Appendix A** of the report.
- b. An increase in dwelling rents for 2023/24 of 7% which adheres to the Department for Levelling Up, Housing and Communities (DLUHC) amended Policy statement on rents for social housing for both the Corby Neighbourhood Account and the Kettering Neighbourhood Account.
- c. The draft Housing Revenue Account Medium Term Financial Plan consisting of the Corby Neighbourhood Account and the Kettering Neighbourhood Account, for 2024/25 to 2027/28 as set out in **Appendix B** of the report.

That the Executive

- d. Noted the forecast reserves for the Corby Neighbourhood Account and the Kettering Neighbourhood Account up to 2027/28 as set out in **Appendix C** of the report.

Reason for Recommendations: To ensure that the Council complies with its Constitution in setting the budget for North Northamptonshire.

Alternative Options Considered – The HRA Budgets have been subject to a formal budget consultation and comments from the consultation have been considered as part of this process.

383 Capital Programme 2023-26

The Chair invited the Executive Member for Finance and Transformation, Cllr Lloyd Bunday to introduce a report that set out the baseline Capital Programme for 2023-24 and the indicative Medium-Term Financial Plan for North Northamptonshire Council.

It was heard that the programme had been considered by the Executive on 22nd December 2022 and became part of the wider budget proposal consulted upon in the following weeks. Details of the consultation response were provided as part of the report.

During September 2022 each directorate entered into capital programme challenge sessions, with each required to revisit capital plans and aspirations for the coming years, with the desired outcome to review each one as to its deliverability and profiling. Projects were re-profiled or deferred into the development pool until further business cases could be considered as part of a wider North Northamptonshire scheme. This exercise provided a better forecast of planned borrowing and serviceability of funding for the general fund going forward. As a result of these sessions £43.8m of underspend and slippage from previous years has been reviewed or reprofiled into the capital programme or development pool of the General Fund for 2023/24.

The report set out the key principles underpinning the current Capital Programme to ensure that the Council delivered a capital programme that was affordable and sustainable. Member's attention was also drawn to the Treasury Management Strategy for 2023/24.

The meeting heard that the total Capital Programme amounted to £109.1m, consisting of the General Fund of £65.4m and the HRA Capital Programme totalling £43.7m across Kettering and Corby housing stock, together with significant investment of nearly £17.5m proposed for the Housing Development and New Build Programmes. There was also a Development Pool of £190.2m which included schemes awaiting formal business cases.

The Minimum Revenue Provision (MRP) that reflected the minimum amount a council must charge to the revenue budget each year to set aside a provision for repaying external borrowing was highlighted with members noting an increase in the MRP provision of £1.549m for 2023-24 to provide for this.

Members further noted that the disaggregation of capital assets, balances and debt were still to be finalised and subject to audit of the 2020-21 financial accounts for the former Northamptonshire County Council and Corby Borough Council and this may have implications for the current assumptions. The report also set out the policy of the Public Works Loan Board with regard to future funding.

Cllrs Brackenbury and Pentland spoke to welcome the ambitious projects within the development pool, noting that robust business cases were being developed to allow for external funding bids and the number of sustainable and environmental focussed projects due to come forward.

The Chair concluded the discussion by offering his thanks to the Finance Team for their efforts and support in producing the budget before members.

RESOLVED

KEY DECISION

That the Executive approved for recommendation to Council:

- a) The General Fund Capital Programme 2023-26 and HRA Capital Programme 2023-26.
- b) That Council delegate authority to the Executive Member for Finance and Transformation in consultation with the Executive Director of Finance and Performance (Section 151 Officer) to agree any necessary variations to the capital budget prior to 1st April 2023.

That the Executive noted:

- a) the Development Pool 2023-26 and that schemes within the pool will be subject to further approval prior to inclusion in the programme.

Reason for Recommendations: To ensure that the Council complies with its Constitution and legislative requirements in setting the budget for North Northamptonshire Council for 2023-24.

Alternative Options Considered - This is the start of the formal budget consultation for the Capital Programme and any comments from the consultation will be considered as part of this process.

384 Barnwell Neighbourhood Plan - Proposed Adoption

The Chair invited Cllr David Brackenbury, Executive Member for Growth and Regeneration to introduce a report that sought approval to formally make the Barnwell Neighbourhood Plan as part of the statutory development plan, following an independent examination and positive referendum result.

Cllr Brackenbury offered congratulations to all those involved in the process of getting the neighbourhood plan to this stage, and commended the work involved in its production. Cllr Brackenbury noted that North Northamptonshire now benefitted from a suite of such plans across the area, and this was to be welcomed.

RESOLVED

That the Executive agreed to make the Barnwell Neighbourhood Plan, so that it becomes part of the statutory development plan for the area.

Reason for Recommendation – The plan was approved through a public referendum, identifying a majority in favour verdict of making the Plan, in addition the Council is satisfied that the making of the Plan would not breach, or otherwise be incompatible with, any EU or human rights obligations. Therefore, the Council is procedurally required to “make” the Barnwell Neighbourhood Plan part of the statutory development plan for the Barnwell Neighbourhood Area within the timeframe set out by the Neighbourhood Planning (General) Regulations 2012 (as amended).

Alternative Options Considered – The Council is required by the Localism Act and provisions of the Neighbourhood Planning (General) Regulations 2012 (as amended) to ‘make’ a neighbourhood plan within 8 weeks of the day following a successful referendum. The only circumstance where the Council should not make this decision is where the making of the plan would breach, or would otherwise be incompatible with, any EU or human rights obligation. Failure to make the Plan would prevent it being adopted.

Chair

Date

The meeting closed at 11.37 am