

## BOROUGH OF KETTERING

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<b>Report Originator</b>	Strategic Management Team	<i>Fwd Plan Ref No:</i> A15/012	
<b>Wards Affected</b>	All	9 <sup>th</sup> September 2015	
<b>Title</b>	<b>MAINTAINING A DURABLE BUDGET</b>		

**Portfolio Holder: Cllr J Smith**

### **1. PURPOSE OF REPORT**

The main purpose of the report is to:

- a. Provide Members with a further case study on the success of invest to save schemes;
- b. Provide a reminder of the Council's medium term financial strategy and associated guiding principles;
- c. Provide a revised medium term budget model illustrating the levels of savings that may be required over the coming years and highlight the significant financial challenges facing the Council.
- d. Provide a further update on the potential impact to the Housing Revenue Account following the announcements made in the Summer Budget.
- e. Remind members of the background to (and previous decisions in relation to) the operation of the current Council Tax Support scheme;
- f. Outline the estimated financial implications of the Council Tax Support Scheme (from next year);
- g. Outline the policy options that are available to the Council to ensure that the Council's medium term guiding principles are adhered to and seek endorsement of the options for consultation purposes.

### **2 CASE STUDY**

2.1 Members will recall that in previous budget reports we have identified case studies as examples of good practice. The previous examples related to the new arrangements for the following:

- ◆ Generic warden service
- ◆ Recycling pilots
- ◆ Kettering Borough Training

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- ◆ Partnership work with the Citizens Advice Bureau.
- ◆ VAT recovery
- ◆ Prevent Strategy funding
- ◆ Flexible Working
- ◆ Printing Function
- ◆ Market
- ◆ Managing homelessness
- ◆ Staff Sessions
- ◆ Attracting External Funding to the Borough

2.2 The case study in this report highlights the success the Council has achieved through the Kettering Markets operation.



In August 2011 Kettering Borough Council took over market operations implementing new operating procedures, rules, charges and branding resulting in pitch “sales” doubling in the first year. In addition to increased bookings from traders with their own rigs there was a high demand from start-up businesses and traders for market stalls to be supplied with demand for stalls reaching full capacity during December 2012.

The 15 stalls that were being utilised at the time were over 12 years old and had a life expectancy of no more than 12 months. In order to sustain the progress made and income generated, investment was made under the invest to save scheme.

The existing stalls were replaced and a further 5 stalls acquired, thereby providing 20 opportunities, instead of 15, for individuals and entrepreneurs to develop and grow their business.

In May 2013 £19,500 was invested into 20 new stalls and associated equipment. The income from this investment has been around £48,000.

This investment has enabled the Flea market to quadruple in size and has facilitated the growth of the existing general market and specialty markets such as the Teenage Market and Small Business Saturday.

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### 3. **BACKGROUND**

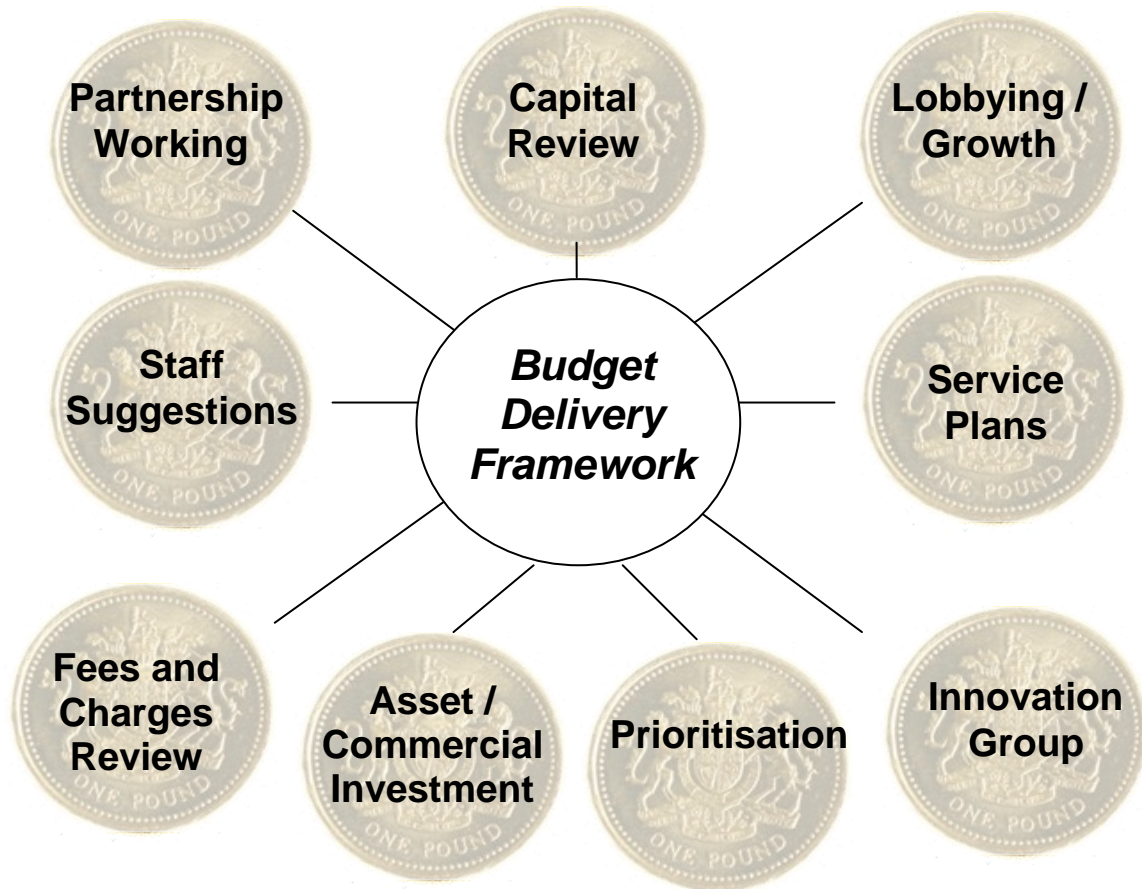
3.1 At the March Executive meeting Members approved that the budget delivery framework used in the five previous budget rounds be used for the preparation of the 2016/17 budgets. Specifically, members approved;

*“that the same methodology be applied to the formulation of the 2016/17 budget as it applied to the 2015/16 budget, with particular reliance on:-*

- the existing guiding principles*
- the existing modelling for recovery principles*
- the existing budget containment strategy*
- the existing eight workstreams”*

3.2 The opportunities for commercial investment were considered by the Executive at the March meeting and Members endorsed the adaption of our current financial strategy to embrace a systematic and measured approach towards developing a balanced portfolio of revenue generating assets. This approach is going to become increasingly important if the Council is to continue to deliver a balanced budget. The framework now consists of nine workstreams following the addition of the Asset / Commercial Investment Framework at the June Executive meeting – as illustrated in the following chart;

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3.3 The financial strategies key *'guiding principles'* supplemented by the *'Modelling for Recovery Principles'* the *'Budget Containment strategies'* and the prioritisation *'golden rules'* have provided a strong cornerstone for the Council's medium term financial strategy. For ease of reference, these are reproduced here:-

**Financial Strategy Guiding principles:**

- a. *Revenue balances should not fall below £1m and overall revenue reserves should not fall below 10% of net revenue expenditure;*
- b. *In setting the Council Tax, members should consider the medium term to ensure that a sustainable budgetary position is preserved (with due regard being given to any penalties that might apply);*
- c. *The level of household Council Tax to increase each year in line with inflation at least, where the budget is in deficit, to ensure resources remain consistent with budgeted costs;*
- d. *When setting the Capital Programme, consideration is given to allocating capital resources to schemes that are beneficial to the Council's overall revenue budget position;*

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- e. *To maximise the resources available to the Authority, the Council will actively lobby the Government on relevant issues (e.g. grant distribution/ planning fees).*

### **Modelling for Recovery principles:**

- 1. Wherever possible, continue with all planned investments and programmes, to protect the local economy and lever in other investments;*
- 2. Given the strength of our Treasury position we should consider debt funding as a means of programme delivery or stimulus – if this can be shown to be sustainable and have a wider economic benefit;*
- 3. Organise our fiscal structures and business models to attract and retain the maximum amount of revenue within the local economy;*
- 4. To ensure all possible avenues are used within procurement rules to source locally;*
- 5. Protect the performance of Council services which come under particular strain;*
- 6. Work closely with partners in the voluntary, public and private sectors, to ensure optimum efficiency*

### **Budget Containment Strategy:**

- 1. Where a specific grant which funds a specific service is withdrawn, the service stops;*
- 2. Where grant funding reduces, which Kettering Borough Council passports through to another organisation, the reduced sum continues to be passported, providing the end recipient organisation feels it can still provide a value-added service at that funding point.*
- 3. Where a function is transferred to another provider, the Council leaves all service-provision discussions, including any top-up funding, with the new provider;*
- 4. The Council would ordinarily neither seek to buffer nor profit from tax changes.*
- 5. The Council should not substitute itself as a provider / funder of services when another public provider cuts such a service.*

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### **Prioritisation 'Golden Rules':**

1. *Revenue Impact – The item should have a positive **material and causal** impact on the Council's revenue budget over the medium term. The impact should be material in nature.*
2. *Fit with Key Priorities - There should be a direct and causal impact upon the achievement of the Council key priorities of;*
  - *Better Town Centres*
  - *Better Jobs*
  - *Better Educational Offer*
3. *Risk and Return Profile - The item / project should fit the Council's risk and return appetite and also complement the overall portfolio of investment / assets.*
4. *Investment Leverage - The item / project should ideally act as either an 'invest to save' type project or one that 'pump primes' other significant investment into the borough.*
5. *Self Sufficiency - Given the continuing trend of reduction in central government grants, priority will be given to projects that assist in the Council moving further towards financial self-sufficiency.*
6. *Strategic Partnerships - The item should generally have a positive impact on the Council's strategic partnerships and the Council's long term strategic ambitions for the borough – eg, town centre development. In particular – items that support and help develop 'scope' rather than 'scale' will be prioritised.*



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## Notes to Medium Term Financial Forecast

- 1 Net Council Budget** – This represents the net expenditure prior to the Budget Framework savings.
- 2 Forecast Resources** – These are the Council's main funding streams (excluding fees and charges which are incorporated into Line 1). This illustrates the significant reduction in Central Government funding. To enable the total resources required to balance the budget to be identified, no assumptions have been made regarding future council tax increases. The small increase in revenue each year reflects anticipated housing growth in the borough.

The following assumptions have been made about future levels of government grant; these assumptions are a combination of the average percentage and cash reduction over the past five years;

2016/17	Reduced by 6.50% plus a further £340,000
2017/18	Reduced by 6.50% plus a further £340,000
2018/19	Reduced by 6.50% plus a further £340,000
2019/20	Reduced by 6.50% plus a further £340,000
2020/21	Reduced by 6.50% plus a further £340,000

**2a / 2b Revenue Support Grant / Business Rates** - Following the introduction of the Business Rates Retention Scheme the local share of business rates will be uplifted by RPI each year until the system is reset in 2020 this is shown in line 2b. The full reduction in grant is therefore applied to the element that is provided through the Revenue Support Grant, which is detailed in Line 2a.

- 3 Budget (Surplus) / Deficit** – This illustrates the gap between the budget and the total resources available before identifying budget framework savings.
- 4a Council Tax Grant** – This is a grant the Council receives from central government for four years in return for freezing Council Tax in 2011/12. This is equivalent to the cash that would have been received if a 2.5% increase had been levied.
- 4b Council Tax Grant 2013/14** – This is a grant the Council receives from central government for two years in return for freezing Council Tax in 2013/14. This is equivalent to the cash that would have been received if a 1% increase had been levied.
- 4c Council Tax Grant 2014/15** - This is a grant the Council receives from central government for two years in return for freezing Council Tax in 2014/15.



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- 4d** *Council Tax Grant 2015/16 - This is a grant the Council receives from central government for one year in return for freezing Council Tax in 2015/16. A Council Tax Freeze has ongoing implications as an increase in Council Tax generates income year on year.*
- 4e** *Town Centre Initiatives – This relates to parking incentives and / or other town centre related items. Due to the short term nature this is being funded from the General Fund working balance rather than forming part of the base budget.*
- 5** *Budget Frameworks – This identifies the total savings required.*
- 6** *Savings to be secured – This identifies the total resources required to balance the budget in future years after 2015/16.*

4.2 Based upon the figures in the Council's Medium Term Financial Strategy (Table 1) it can be seen that the following levels of ongoing savings are predicted over the new few years (prior to the consideration of any increase in council tax);

<b>2016/17</b>	<b>£1,464,000</b>
<b>2017/18</b>	<b>£1,170,000</b>
<b>2018/19</b>	<b>£1,168,000</b>
<b>2019/20</b>	<b>£1,134,000</b>
<b>2020/21</b>	<b><u>£1,124,000</u></b>
<b>Total</b>	<b><u>£6,060,000</u></b>

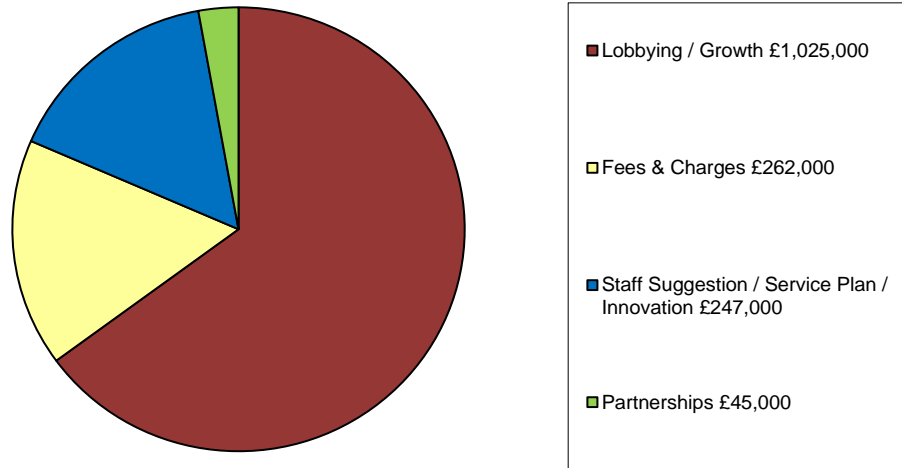
### **GENERAL FUND 2015/16**

4.3 As reported to the Council in the February 2015 budget report, The Council's budget delivery framework will need to deliver £1,579,000 of savings in 2015/16 to maintain a balanced budget. The savings have been identified in full and are in the process of being delivered. As previously reported to members, the Council remains confident that it can deliver the identified savings for 2015/16 – these are summarised in Chart 1:

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Chart 1 - Identified Framework Savings for next Year (2015/16)

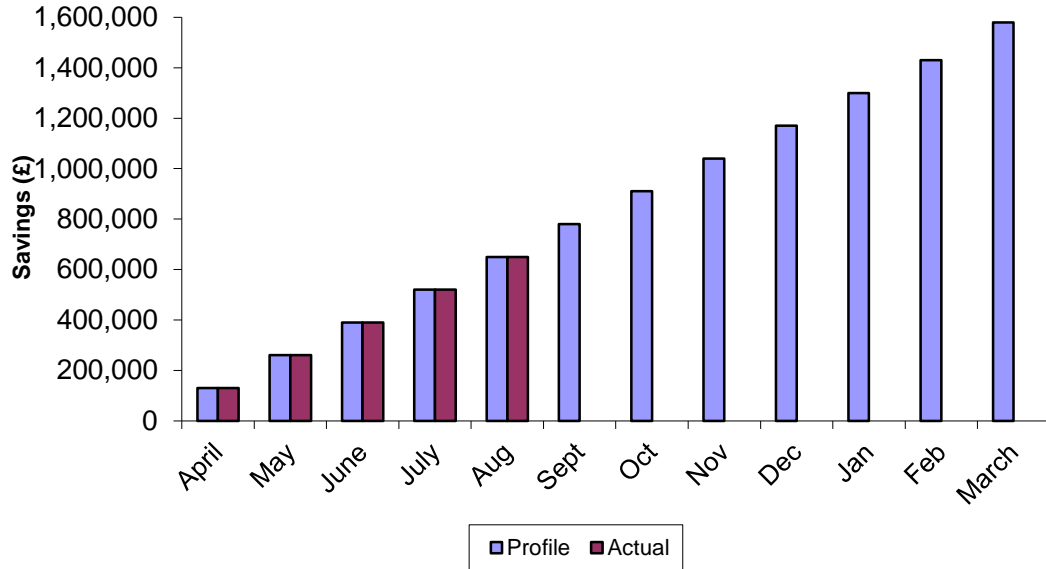


- 4.4 By reference to Table 1, it can be seen from line 5 that the Council has identified ongoing budget savings of £1.579m
- 4.5 Chart 2 shows the actual realisation of the 'cash' savings against the target for the year. It can be seen that as well as the £1.579m having now been identified and embedded into the budget it is also on schedule in terms of its cash delivery throughout the year.

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**Chart 2 - 2015/16 Savings Monitoring - Cash Realised**



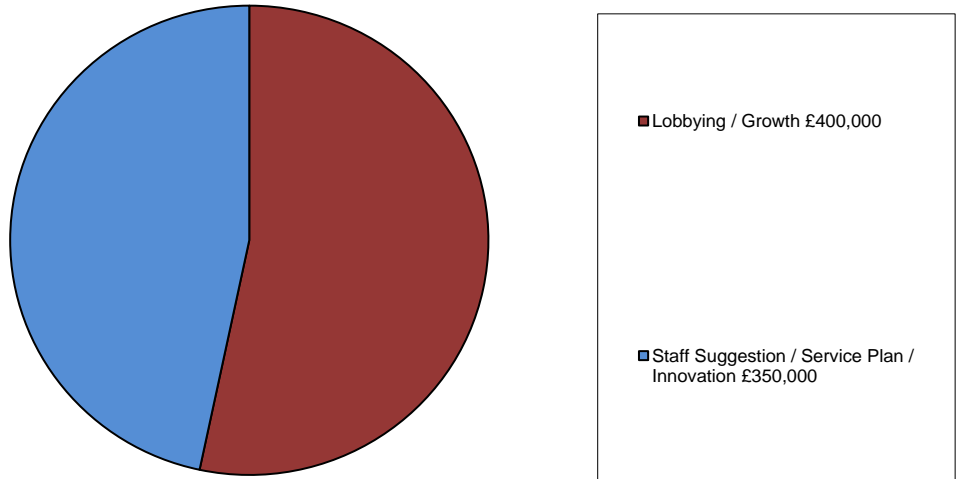
## GENERAL FUND – 2016/17

- 4.6 As well as monitoring framework savings identified for 2015/16 work continues on identifying savings for the following year – 2016/17. Members are reminded of the current Medium Term Financial Forecast which required an additional £1,464,000 of savings to balance the budget in 2016/17.
- 4.7 Savings of £400,000 had been previously identified (as reported to the July Executive) and a further £350,000 has been identified, therefore the identified savings total £750,000. A further £714,000 is required in order to deliver a balanced budget for 2016/17. Chart 3 illustrates how the identified savings are to be delivered:

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**Chart 3 - Identified Framework Savings for next Year (2015/16)**



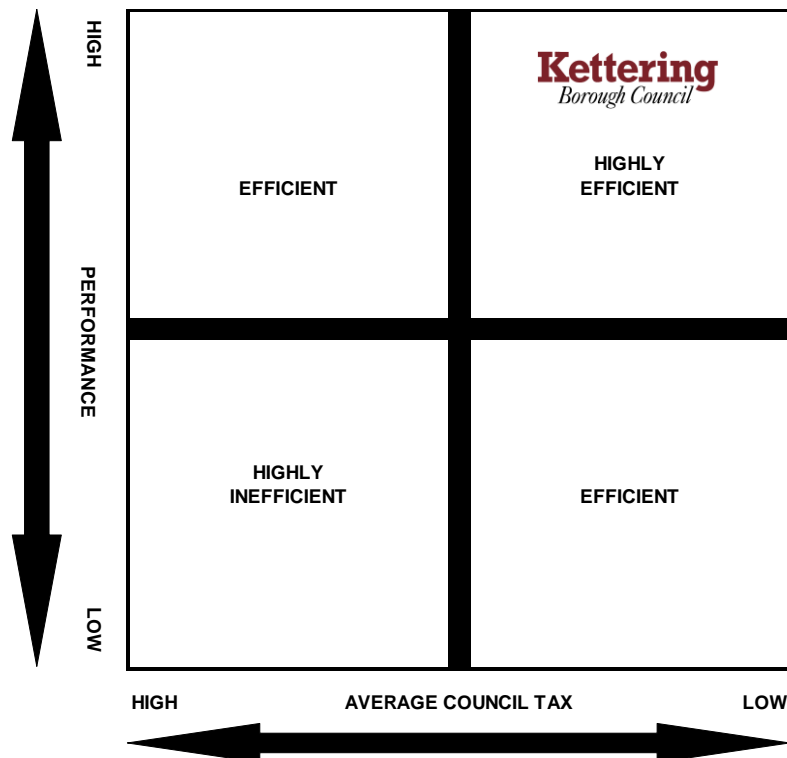
4.8 The Council's impressive record in identifying and delivering efficiency savings over the past six years, (including the current year - 2015/16), are around **£8.360m** - as illustrated in Table 2;

<b>Table 2 – Efficiency Savings</b>	<b>£000</b>
2010/11	1,260
2011/12	1,910
2012/13	1,330
2013/14	950
2014/15	1,330
<b>Total</b>	<b>6,780</b>
2015/16	1,580
<b>Total</b>	<b>8,360</b>
<b>% Cash Savings (Net Budget)</b>	<b>82%</b>

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- 4.9 The scale and delivery of this level of **efficiency savings is particularly impressive given that there has been no detrimental impact on the delivery of front line services** and when considering the increased costs of utilities and inflation levels. Over the six year period (as detailed in Table 2) the efficiency savings are equivalent to approximately **82%** of the Council's net budget (which stands at £10.1m for 2015/16).
- 4.10 Members are reminded that **before the efficiency programme** commenced a number of years ago, the Council was charging a level of **Council tax below the national average yet delivering a level of performance that was above the national average.** Despite having to deliver efficiency savings of £8.360m in the past six years, the Council's level of council tax charged remains below the national average and performance remains above average.
- 4.11 Members will recall the following illustration that summarises the Council's overall position as being a 'high performing / low cost' local authority.



- 4.12 The above position was achieved before the Council decided to have no increase in Council Tax in 2011/12 (and before any aspirations for subsequent Council Tax freezes). Members are reminded that despite having no increase in Council Tax in 2011/12 and despite having to deliver the level of efficiency savings (as outlined in Table 2), the Council's performance in key priority areas remains 'above average'. Given this context, to maintain the Council's position as a high performing whilst being a low cost local authority has been a significant achievement and has not happened by accident.

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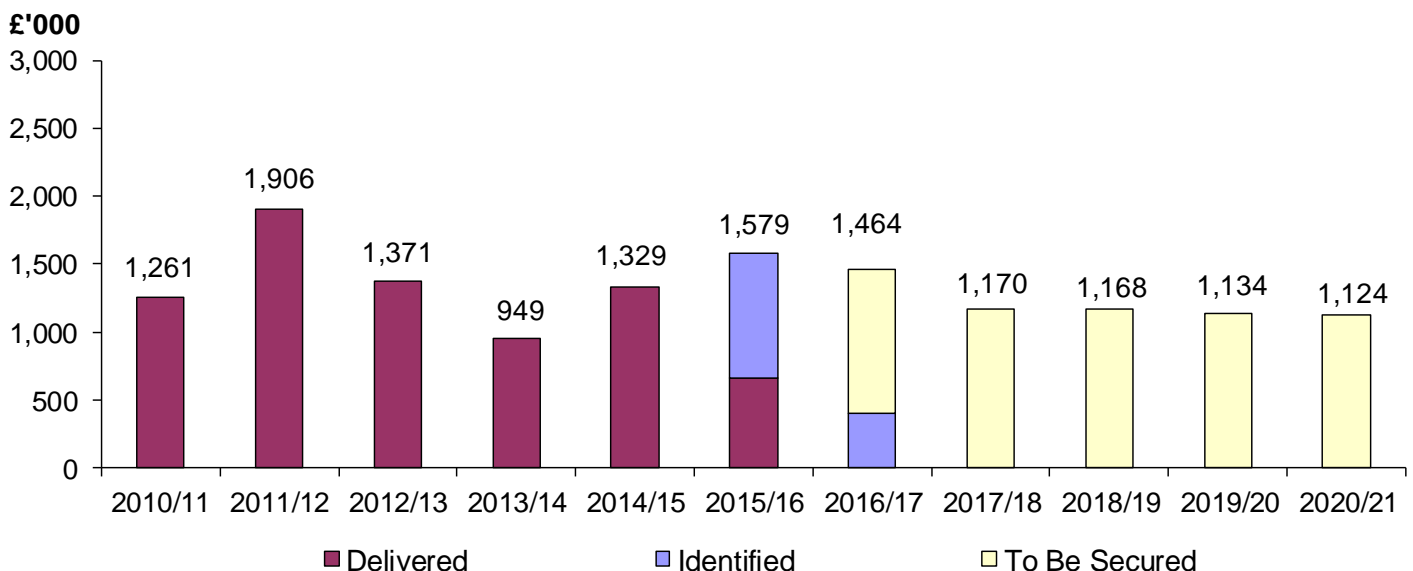
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4.13 During the budget process, members were informed of a number of ‘big ticket’ items. These are typically items of large value that could have a disproportionate impact on the Council's budget if they moved in an adverse fashion. Consequently these are monitored very closely and members and officers may occasionally try to influence (through lobbying) any changes that may take place especially when such changes are triggered through changes in national policy.

4.14 As clearly outlined in previous budget reports considered by the Executive and Full Council, the best estimates of the ongoing savings targets going forward are at least of a similar scale to those already met, the following chart has been updated to include 2020/21 and shows:

- Savings of £6.780m have been identified and delivered between 2010/11 – 2014/15;
- Savings of £1.580m have been identified but need to be delivered in 2015/16;
- Savings of around £6m need to be identified and delivered over the next four years (2016/17 – 2020/21).

### Efficiency Savings



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- 4.15 A summary of HRA monitoring at 31<sup>st</sup> July is shown in Table 3. The Housing Revenue Account is currently projected to come in on budget.

<b>Table 3 - HRA</b>	Current Budget	Projected Outturn	Variance
	£'000	£'000	£'000
Gross Expenditure	15,954	15,954	0
Gross Income	(15,954)	(15,954)	0
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 4.16 There is a separate report on this agenda that provides more information about housing finance and the possible implications of recent government announcements.

### CAPITAL 2015/16 – CURRENT FINANCIAL YEAR

- 4.17 A summary of the projected Capital Programme outturn monitoring statement as at 31<sup>st</sup> July 2015 is shown in Table 4 this now reflects the brought forwards following Executive approval at the July meeting.

<b>Table 4 - Capital</b>	Current Budget	Projected Outturn	Variance
	£'000	£'000	£'000
<b>Expenditure</b>			
HRA Schemes	4,537	4,537	0
General Fund Schemes	3,411	3,411	0
	7,948	7,948	0
<b>Financing</b>			
Government Grants	621	621	0
Prudential Borrowing	2,618	2,618	0
Revenue Contribution	3,912	3,912	0
Capital Receipts	797	797	0
	7,948	7,948	0
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 4.18 The capital programme is currently projected to be 'on' budget.

## 5 LOCAL COUNCIL TAX SUPPORT SCHEME

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## **Background**

- 5.1 Members will recall that from April 2013, Council Tax Benefit was replaced with Council Tax Support. The Council is required to undertake a public consultation which includes major precepting authorities (i.e., the County Council and the Police Authority), the voluntary sector and the public, prior to making changes to the scheme.
- 5.2 Members have previously endorsed a simple set of additional guiding principles that would help frame the discussion about which option was preferable, when setting the levels of support. These principles were;
- a) In the medium term, the cost of a local scheme must be contained within the grant made available from the Government (to comply with the existing budget guiding principles)
  - b) The scheme should incentivise work
  - c) The impact on working age claimants should as far as possible be minimised through considering changes to Council Tax exemptions and discounts.
- 5.3 In the run up to the 2016/17 budget process, Members will need to consider the financial implications of the current Council Tax Support Scheme and decide if they want to undertake further consultation and consider the principles (detailed above) that were used to develop the current scheme.
- 5.4 In previous submissions to the Government, the Council has made the point that schemes relating to Welfare / Benefits should be treated as a national issue and funded by Central Government. The Government have recently announced that they intend to undertake a national review of Council Tax support – the findings of this could be of significance to this issue.

## **Current Scheme**

- 5.5 The following paragraphs explain briefly how the current Council Tax Support Scheme operates.
- 5.6 From 1<sup>st</sup> April 2013, the Government replaced Council Tax Benefit with a new scheme called Council Tax Support. Previously, 100% of the cost of Council Tax Benefit payments was reimbursed to local authorities – under the new scheme the Government fixed the grant at a predetermined 'cash' level but also reduced the amount by 15%.
- 5.7 A separately identifiable grant for Council Tax Support was received from the Government in 2013/14 but since 2014/15 this grant was rolled into the formula grant. Whilst it is not possible to identify the level of grant being received the



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approach taken by many authorities has been to assume the grant is being reduced at the same rate as the formula grant. The Council in line with the assumptions used in the Medium Term Financial Strategy are modelling reductions of around 13% per annum

- 5.8 To comply with the Council's budget guiding principles, overall the cost of the new Council Tax Support Scheme had to be maintained within the overall funding envelope made available from the scheme. The funding comprised the annual cash grant paid by the Government and also funding secured through the operation of the various council tax discounts and exemptions. In deciding how the scheme would operate, the Council made a number of changes to the discounts and exemptions (to effectively dampen the impact) but there was still a funding gap remaining that had to be met from making a charge to those individuals who previously paid 0% council tax (because they were in receipt of benefit).
- 5.9 It was estimated that a 15% charge (commonly referred to as the 'taper') would have to be made to those individuals – this was phased in over two years (as a result of a government one-off grant scheme) resulting in those affected having to pay 8.5% in the first year (2013/14) which subsequently increased to 15% in the second year (2014/15). In order to recover the cost in the medium term the 'taper' was increased to 25% in the third year of the scheme (2015/16).
- 5.10 The changes that the Council made to the various council tax discounts and exemptions effectively used up all the options that were available in that area to help balance the budget. There could be further room created but it would require changes to national policy (such as single persons discounts or the protection provided to pensioners) which is widely considered unlikely.

### Options Moving Forward

- 5.11 **Looking forward, the 25% taper will be insufficient to balance the budget for 2016/17.** At the December 2014 Executive Committee the Executive were minded to note that the baseline taper from April 2016 will need to be 35%, plus or minus other factors that emerge during the period.
- 5.12 The Executive is presented with possible options to address the projected shortfall and is being asked which options it wishes to undertake a public consultation exercise upon. To comply with the law, any changes that the Council is considering to the operation of the scheme must be subject to an eight week consultation process – as such the Executive are not being asked to make a final decision at this meeting, they are being asked to confirm the options being presented for consultation.
- 5.13 The 25% taper will be insufficient to balance the budget for 2016/17 - this is because the annual grant is being reduced every year in line with the reductions in the headline revenue grant that the council receives from the government.

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5.14 Members will recall that when debating the introduction of the ‘new’ scheme in January 2013, the need to keep the scheme under constant review was highlighted.

5.15 The following table outlines the actual and estimated costs of the scheme (prior to the consideration of any further changes) and shows the annual cost and the cumulative cost if no further changes were made to the current scheme.

<b>Table 5</b>			
Financial Year	Net Annual Cost of LCTS Scheme (£)	Cumulative ‘cash’ Impact (£)	
2013/14	-92,000	-92,000	Actual
2014/15	-13,000	-105,000	Actual
2015/16	28,000	-77,000	Estimated
2016/17	114,000	37,000	Estimated
2017/18	177,000	214,000	Estimated
2018/19	232,000	446,000	Estimated
2019/20	280,000	726,000	Estimated
2020/21	321,000	1,047,000	Estimated

*\* Table 5 illustrates the cash impact to this Council. Any decisions on the Taper level impact on both the Police and the County Council. The cash impact is based on the respective share of the overall Council Tax Bill. The impact to the Police & Crime Commissioner Northants (PCCN) will be similar to KBC as the PCCN accounts for around 14% of the overall bill. The cost to the County Council will be somewhat greater as their share of the Council Tax Bill is around 72%.*

5.16 The only significant variable the Council has at its disposal (to keep within its budget guiding principles) is to adjust the ‘taper’ to ensure that the budget is in balance. There are two options available for changing the Taper that adhere to the current policy position these are:

**Option 1** – Adjust the level of the Taper based on the ‘annual cost’ of the Council Tax Support Scheme

**Option 2** – Adjust the level of the Taper based on the ‘cumulative cost’ of the Council Tax Support Scheme over the medium term (4 years)

5.17 It can be seen that a surplus was created at the end of 2013/14 of £92,000 – this was due to two reasons (a) the Government paid a one-off cash grant to help mitigate the impact, and (b) the budget sums included a small contingency sum.

5.18 It is estimated that the annual budget will be in surplus of around £77,000 by the end of this financial year (2015/16) but will be increasingly in deficit in future years.

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- 5.19 If option 1 was the preferred option, indicative calculations suggest that the current 25% level would have to increase to around 55% in order for the Cost of Council Tax support to remain cost neutral in 2016/17.
- 5.20 If option 2 was the preferred option the Council would instead be looking to address the cumulative deficit of £37,000 (see Table 5). This would result in a taper of around 35% for 2016/17 (rather than 55%).
- 5.21 Whilst both option 1 and 2 adhere to the existing principles and whilst the collection rates have not been significantly adversely affected by moving to a taper rate of 25% collection rates would need to be closely monitored to ensure these are not adversely affected by increasing the taper.
- 5.22 Whilst both options result in an increase in the Taper Rate and would enable the cost of Council Tax Support to remain cost neutral in 2016/17 it is unlikely that this is a position that could continue to be maintained into the medium term or indeed into 2017/18 without adversely impacting on the collection rate.
- 5.23 If there are no changes to Single Person Discounts or protection provided to pensioners Council Tax Support is going to become an additional cost pressure to local government. The Council has effectively maximised discounts and exemptions to close the funding gap and the only significant variable is to adjust the Taper, however this needs to be managed carefully so as not to have an adverse impact on collection rates.
- 5.24 Further lobbying work is required at a national level if Council Tax Support is to remain cost neutral as without further changes the cost of Council Tax Support will become an additional pressure to local government.
- 5.25 To summarise, the committee will need to decide their preferred course of action in relation to the following two options. The following table brings together the main considerations;

<p><b>Option 1</b> Taper based on the 'annual cost' of the Council Tax Support Scheme</p>	<p>The taper would need to increase from its current level of 25% to 55% to address the estimated funding shortfall of £114,000 for 2016/17.</p> <p>Such an increase in the Taper rates could adversely impact on the Collection Rates</p> <p>A taper of 55% would require lower increases to the taper rates compared to Option 2 in future years if the current policy position is to be maintained</p> <p>This would constitute a change to the current local scheme and would require a formal consultation exercise and is ultimately a decision of Full Council.</p>
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<p><b>Option 2</b> Taper based on the 'cumulative cost' over the medium term of the Council Tax Support Scheme</p>	<p>The taper would need to increase from its current level of 25% to 35% to address the estimated four year rolling funding shortfall of £37,000 from 2016/17.</p> <p>A lower increase in the Taper rate is less likely to adversely effect the Collection Rate</p> <p>A taper rate of 35% would require higher increases to the taper rates compared to Option 1 in future years if the current policy position is to be maintained</p> <p>This would constitute a change to the current local scheme and would require a formal consultation exercise and is ultimately a decision of Full Council.</p>
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5.26 Further information about the two Consultation Options (based on 2015/16 levels for a Band B property - being the average property banding within the borough) are provided in the following table;

Scheme	Reduction (Taper)	Annual Amount	Weekly Amount
Current scheme	25%	£286.88	£5.51
<b>Option 1</b> Taper based on the 'annual cost' of the Council Tax Support Scheme	55%	£631.13	£12.14
<b>Option 2</b> Taper based on the 'cumulative cost' over the funding envelope of the Council Tax Support Scheme	35%	£401.63	£7.73

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### **6 CONSULTATION AND CUSTOMER IMPACT**

- 6.1 None as a direct consequence of this report. However members are reminded that the formal budget consultation period is from 13<sup>th</sup> January 2016 to 24<sup>th</sup> February 2016 when the Council sets its Council Tax for 2016/17. Comments from the consultation process will be reported to the Executive for consideration at its meeting on 17<sup>th</sup> February 2016.

### **7 POLICY IMPLICATIONS**

- 7.1 None as a direct consequence of this report.

### **8 USE OF RESOURCES**

- 8.1 As detailed throughout this report.

### **9. RECOMMENDATIONS**

That the Executive Committee;

- 9.1 Note the following;
- a. the success the Council has achieved in partnership working;
  - b. the Council's Medium Term Financial Strategy and associated guiding principles;
  - c. the Council's current Medium Term Financial Forecast and the progress being made for the delivery of efficiency savings for 2016/17 and future years;
  - d. the key updates relating to the Housing Revenue Account made in the Summer Budget Announcement
- 9.2 That the Executive Committee agrees to consult on the two options (outlined in this report) for the future operation of the Local Council Tax Support Scheme (as outlined in this report).

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