

SUMMARY OF MAIN COMMENTS MADE ON THE DRAFT BUDGET PROPOSALS

1) STATUTORY BUDGET CONSULTATION MEETING – 26th JANUARY 2017

Item / Issue	Summary of Response Given
<p>The balanced budget is good and sets out how the Council will deal with the financial pressures next year. There is little ambition for services and residents and it will be important that the Council engages with people in the future.</p> <p>Thank you for putting on this Budget Consultation opportunity.</p> <p><i>(Cllr Mick Scrimshaw, Leader of the Opposition, Kettering Borough Council)</i></p>	<p><i>No Comment</i></p>
<p>If the Council has now reached the point in its budgeting where it needs to capture unplanned job vacancies, where will £4.4 m of further savings come from?</p> <p><i>(Cllr Nick Richards, Wilbarston)</i></p>	<p>In terms of vacancies we have tried to be realistic. We always encourage managers to look at the best way of replacing people when they leave. We are confident this is a realistic figure.</p> <p>In terms of future savings, the medium term is going to be tough and various frameworks need to fulfil our commitment to looking at schemes whereby we can generate income.</p> <p>If we are to do that, then every £1m borrowed is subject to both interest and a minimum revenue provision, so in essence the net return would have to produce a positive return after these costs.</p> <p><i>Officer Comment</i></p> <p>As an Executive and Officers we do scrutinise assumptions to ensure we can cover as much as possible.</p> <p><i>(Cllr Lesley Thurland, Portfolio Holder for Finance)</i></p>
Item / Issue	Summary of Response Given
<p>Fees and charges is something I find difficult. Where fees and charges are increased, will there be an in-depth scrutiny across the board? For members of the public using a service it is difficult to</p>	<p>The additional income from fees and charges is mainly where there has been an increase in usage. There are fees which have increased, but these are usually where there is a provision of service to a third party, eg Land Charges.</p>

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<p>understand when looking at the budget and can be seen as an extra tax on members of the public.</p>	<p>Officer Comment</p>
<p>(Cllr Eileen Hales, Northamptonshire County Council)</p>	<p>We will take on board your comments regarding transparency regarding Fees and Charges.</p>
	<p>We did carry out a scrutiny process some years ago and have guiding principles and a concessions policy. There is a proper framework, but we will note your comment.</p>
	<p>Officer Comment</p>

2) KETTERING TOWN FORUM – 30th JANUARY 2017

Item / Issue	Summary of Response Given
<p>At the public consultation meeting a question was raised about the £150,000 saving in the corporate management line by not filling vacant posts immediately. How is that calculated? Presumably you do not know who may leave their post or which posts will become vacant, with some needing to be filled on a temporary basis until the post is recruited to.</p>	<p>£150,000 broadly reflects 1% of the General Fund staffing budget. Turnover of staff is examined and each vacant post is looked at in turn before a decision is made as to whether to fill it. This provides an opportunity to see how a service can be provided going forward.</p>
<p>(Cllr Mick Scrimshaw, Leader of the Opposition, Kettering Borough Council)</p>	<p>Officer Comment</p>
<p>It would be useful to have a breakdown of fees and charges that are to increase. Some shops have learned that their rent will double. If rents go up that much, businesses may not be attracted or be able to afford to stay.</p>	<p>When we look to review charges for industrial and commercial premises, we monitor market rents to ensure we are achieving those and as such this fulfils part of the council's commercial strategy.</p>
<p>(Cllr Lee, Kettering Borough Council)</p>	<p>Officer Comment</p>
Item / Issue	Summary of Response Given
<p>Commercial premises are not recycling to the level of residential properties; there could be potential income there, why are they treated differently to residents?</p>	<p>This is an area that Environmental Care Services is looking into; An update on this will be obtained from the Head of Environmental Care Services to get full answer.</p>

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(Cllr Hales, Kettering Borough Council)	Officer Comment
<p>Do we state things clearly enough so people can engage with the consultation on the budget, so residents understand what is going to happen in next twelve months? Are we consulting in meaningful way with the public?</p> <p>(Cllr Adams, Kettering Borough Council)</p>	<p>We do our best and put across to the public where budgets have changed. The Gross General Fund Budget is £50m and we provide explanations where budgets have changed by more than £10,000. At the budget consultation meeting we provided the context as to where savings had come from. We have a balanced budget and have not cut frontline services or funding to the voluntary sector. We will take these comments away to see whether we can communicate more easily with less detail.</p> <p>Officer Comment</p>
<p>When you are thinking about Business Rates and setting these, to what extent is consideration given to how to attract different retailers and businesses increasing diversity in the town?</p> <p>Jane Calcott – (Churches Together in Kettering District)</p>	<p>The government have come forward with initiatives linked to small business rate relief, but rates are predominantly determined by the Valuation Office. Business Rates are set by the Government not KBC.</p> <p>Officer Comment</p>

3) A6 TOWNS FORUM – 1st FEBRUARY 2017

Item / Issue	Summary of Response Given
<p>On page 26 of the full budget, there are a number of technical accounting adjustments, and Capital Charges, however Depreciation shows as a negative?</p> <p>What is the Refcus transaction?</p> <p>I do not understand how there can be capital expenditure with no capital asset.</p> <p>(Cllr David Watson, Geddington, Newton and Little Oakley Parish Council)</p>	<p>The Council is bound by legislative requirements to account for things in a certain way. The Technical Adjustments relate to items in the accounts that are reversed out and are not a cost to the taxpayer.</p> <p>MRP relates to budget that is set aside to pay for an asset over its life.</p> <p>Refcus (Revenue Expenditure Funded from Capital Under Statue) is Capital expenditure on an asset that is not ours. REFCUS expenditure is captured in the Capital programme but passes through the revenue account; it has no impact on the bottom line. The Council complies with best practice and the accounts are audited.</p> <p>Officer Comment</p>
Item / Issue	Summary of Response Given

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<p>Regarding the Policy of investments and generating income, how are we going to deliver the Commercial Investment Income?</p> <p>What is the progress on both 6 Station Road and Sheerness House?</p> <p>What is the progress with these assets and what is the position of paying staff through companies.</p> <p>(Cllr C Groome)</p>	<p>Work is ongoing with both assets and the Asset Management Board are determining a framework for investments.</p> <p>A report on 6 Station Road was taken to Executive in December and the property is currently being marketed. A report will be taken back to a future Executive meeting.</p> <p>Options are currently being considered for Sheerness house and a report will be taken to a future Executive meeting.</p> <p>We do use Agency workers where there are operational needs. The spend on Agency workers is reported to Monitoring and Audit monthly.</p> <p>Officer Comment</p>
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4) RURAL FORUM – 2nd FEBRUARY 2017

Item / Issue	Summary of Response Given
<p>On page 26 of the full budget, one of the technical accounting adjustments is for a capital expenditure of £777,000 for which no capital asset is created. I do not understand how there can be capital expenditure with no capital asset. What is in that £777,000 and why is added back to the budget as if it has never been spent in first place?</p> <p>(Cllr David Watson, Geddington, Newton and Little Oakley Parish Council)</p>	<p>That amount relates to disabled facility grants for capital expenditure on individual properties adapted to meet individual's needs. It is an anomaly with local government finances. The council is bound by legislative requirements to account for things in a certain way, this expenditure is called Refcus (Revenue Expenditure Funded from Capital Under Statue). REFCUS expenditure is captured in the Capital programme but passes through the revenue account; it has no impact on the bottom line.</p> <p>Officer Comment</p>

5) Comments from the following meetings will be circulated prior to the meeting.

- Research and Development Committee, 7th of February,
- Monitoring and Audit Committee, 8th of February,
- Tenants Forum, 9th February.