

BOROUGH OF KETTERING

EXECUTIVE COMMITTEE

Meeting held: 6th December 2017

Present: Councillor Russell Roberts (Chair)
Councillors Lloyd Bunday, David Howes, Ian Jelley, Mark Rowley and Lesley Thurland

Also Present Councillors Andrew Dutton, Anne Lee, Mick Scrimshaw and Mike Tebbutt

17.EX.45 APOLOGIES

Apologies for absence were received from Cllr Mark Dearing.

17.EX.46 DECLARATIONS OF INTEREST

None

17.EX.47 MINUTES

RESOLVED that the minutes of the meeting of the Committee held on 15th November 2017 be approved and signed as a correct record.

17.EX.48 WORK PROGRAMME

The Council's draft work programme to be published on 13th December 2017 was noted.

17.EX.49 MAINTAINING A DURABLE BUDGET

A report was submitted which sought to:-

- a) Remind Members of the context / background to the council's budget and medium term financial strategy;
- b) Illustrate the latest budget model, the delivery of efficiency savings for 2017/18 and the estimated level of budget savings that may be required over the next few years;
- c) Request an increase in the Capital Programme for Commercial Investment Schemes.
- d) Provide an update following the Government's Budget Announcements

The meeting heard that as part of the Medium Term Financial Strategy (MTFS), efficiency savings of £1.064m were required to deliver a balanced budget for 2018/19. A total of £460,000 had previously been identified and reported to the Executive Committee at its November meeting. A further £500,000 of savings had now been identified, with £104,000 remaining to be identified to allow for delivery of a balanced budget. As these savings were identified and resilience tested, they would be reported to the Committee.

A number of national announcements affecting local government had been made in the Chancellor's formal Budget announcement on 22nd November. In addition, the Local Government Finance Settlement (LGFS) was due to be announced shortly. It was reported that KBC had previously agreed to accept a four year term of fixed settlements and was currently in the third year of this term. It was not expected that the forthcoming settlement would differ from that modelled in the MTFS.

In terms of New Homes Bonus (NHB), a baseline had been introduced by the government from 2017/18, whereby housing growth below 0.4% would not attract any NHB funding. The government retained the option to adjust this baseline and further details could be forthcoming as part of the LGFS. The results of a consultation exercise in relation to NHB payments for homes built following a planning appeal were awaited.

It was reported that the Council had a number of live investment opportunities that had been reported to and agreed by the Asset Management Board. If all of these opportunities were to be delivered, a £15m increase to the 2017/18 capital programme for such investments would be required. In order to retain the necessary freedom of movement, it was requested that the Executive Committee recommend to Full Council that £20m be brought forward to the current financial year from 2018/19, providing a total budget for capital investments for the year of

£42.3m up from £22.3m. It was noted that such investments contributed towards meeting challenging MTFS savings targets

RESOLVED that the Executive Committee noted the following:-

- a) The Council's Medium Term Financial Strategy and associated guiding principles;
- b) The Council's current Medium Term Financial Forecast and the progress being made for the delivery of efficiency savings for 2018/19 and future years;
- c) The key updates made in the Autumn Statement and the uncertainty in relation New Homes Bonus; and
- d) Recommended to December Council an increase of £20m to the 2017/18 Capital Budget for commercial investments as set out in Section 3.31.

17.EX.50 LOCAL COUNCIL TAX SUPPORT

A report was submitted which sought to:-

- a) Remind members of the background to the Local Council Tax Support (LCTS) scheme;
- b) Outline the findings from the public consultation undertaken;
- c) Outline the choices that are available to the Council following the consultation; and
- d) Requested that the Committee to make a recommendation to Council in relation to the changes in the Council Tax Support Scheme to be effective from 1st April 2018.

The Committee had unanimously agreed to freeze the Council Tax Support taper rate at 45% at its September meeting whilst making a decision to undertake a public consultation as to whether to freeze the taper rate for a period of one year or two.

A formal eight-week consultation had been undertaken with 9000 customers consulted and 302 responses received. Of these, 31 had opted for Option 1, a one year taper rate freeze

with a clear majority of 270 respondees opting for a two year freeze. One response had arrived incomplete and therefore could not be added to results.

Cllrs Scrimshaw, Dutton and Lee addressed the Committee and criticised the scope of the consultation and suggested that there was a lack of understanding of the plight of the most vulnerable residents in the Borough.

Kirsty Woods spoke on behalf of Kettering Mind, noting that a letter and individual comments had been submitted as a result of the consultation document not including space for comments. In addition, had Kettering Mind chosen either of the available consultation options there would be an implication that the organisation agreed with the 45% taper rate, which was not the case.

Barbara Turner addressed the Committee and provided taper rate comparisons with other local authorities and asked the Committee to consider its decision at length.

John Turner spoke and noted that working parents on low incomes were struggling to meet Council Tax payments as well as other bills and also asked the Committee to consider its decision.

Mr Lockhart spoke and detailed the impact the taper rate had on disabled claimants. Mr Lockhart requested that the taper rate be brought more into line with neighbouring authorities.

Gareth Coe addressed the committee and noted that the taper rate would impact on the capability for a good standard of living for residents across the Borough and would place a major strain on public services and foodbanks.

The Chair thanked all the speakers for their attendance and for taking the time to present the Committee with their thoughts.

The meeting heard that the decision to freeze the taper rate at 45% had been made at the September meeting of the Committee, with the recommendation decision before members one of length of taper rate freeze rather than level of taper rate.

Details were provided of the level of support and assistance offered by KBC and its partner organisations in relation to budgetary advice and financial inclusion and it was noted that certain disabled residents retained full Council Tax remittance.

It was heard that the Council had to take the right decision for all of its residents in the face of extreme budgetary challenges and

that Council Tax rates has been frozen by the current administration for the previous seven years.

RESOLVED

that the Executive Committee:-

- a) Noted the comments that were submitted as part of the formal consultation process; and
- b) Having considered the responses from the public consultation and the information contained within the report, recommended to Council Option 2 as the preferred option

17.EX.51 NEW BUILD COUNCIL HOUSING – SCOTT ROAD AND ALBERT STREET UPDATES

A report was submitted which sought:-

- a) To provide members with an update (following the previous report on council new build housing that was considered by Executive in September 2017);
- b) Member commitment to invest in delivering the Scott Road development;
- c) Member approval to delegate responsibility for the delivery process for Scott Road to the Head of Housing in consultation with the Head of Resources and Head of Legal and Democratic Services.
- d) To advise Members of the next steps in terms of the Albert Street site.

It was noted that the outcome of feasibility studies relating to the developments had been reported to the September meeting of the Executive Committee. The report before members sought approval to proceed with schemes.

It was heard that the Scott Road site would deliver a total of 21 new homes comprising a mix of bungalows, flats and houses at a £2.7m total cost. Subject to approval, there was an intention to break ground in September 2018 and to complete by August 2019. The partnership with Westleigh Homes was seen as being very positive as each unit would attract a grant subsidy of £30,000, thereby providing good value for money.

The Albert Street scheme would deliver six bungalows to full wheelchair accessible standard on a site previously used as garaging. The intention was to invite competitive tenders for a fixed price design and build contract. This would provide good value for money and mitigate some of the risks that may arise if a more traditional form of building contract was followed. The scheme would cost a total of £750,000 met through a combination of borrowing and Right to Buy capital receipts.

Councillor Lee addressed the Committee and stated that the building of council housing was to be welcomed, as was the design and build option for the Albert Street scheme

RESOLVED

that the Executive Committee:-

- a) Endorsed the proposals within the report in terms of procurement and financing of the schemes and approved the use of the Blueskies Framework to work with Westleigh on Scott Road;
- b) Approved the appropriation of Scott Road from the GF to the HRA;
- c) Granted delegated authority to the Head of Housing in consultation with the Head of Resources and Head of Legal and Democratic to agree terms with Westleigh and progress the delivery of Scott Road;
- d) Noted the proposals for taking Albert Street forward; and
- e) Recommended the changes required to the Capital Programme (as outlined in section 5.2) to full Council.

(The meeting started at 6.30pm and ended at 7.17pm)

Signed

Chair

DJP