

SUMMARY OF MAIN COMMENTS MADE ON THE DRAFT BUDGET PROPOSALS

1) STATUTORY BUDGET CONSULTATION MEETING – 25th JANUARY 2018

Item / Issue	Summary of Response Given
<p>Is the consultation process itself on the council website as it was impossible to find, although there was a download for the meeting invitation?</p> <p>(Councillor Clark Mitchell, KBC)</p>	<p>We will take these comments away and make sure it is addressed for future years.</p> <p>(Officer response)</p>
<p>The is a lot of development happening in Desborough, I am looking at waste collection budgets but note that these do not mention an increase in those services due to increase in development, I am assuming it would have been budgeted for?</p> <p>(Helen Wood – Desborough Resident)</p>	<p>We will be trying to absorb that growth within existing collection rounds, and we have been quite successful in doing that to date. At some point may have to introduce an extra waste collection round, but we have avoided that so far by refining what we do. Getting into agreement with Corby Borough Council to extend collections to include Corby gives an extra opportunity to refine what we do. As far as possible we try to avoid adding additional rounds. Our pick up rate for the day is quite high compared to most authorities, and we have been absorbing additional collections for a while. It is one of the reasons our waste collection service received a national award this year.</p> <p>(Officer response)</p>
<p>Flood defence budgets have risen from £0 to £2400 this year, what does that refer to?</p> <p>(Helen Wood – Desborough Resident)</p>	<p>It is in relation to our own land, the balancing lake by Kettering Leisure Village and work required to keep the lake from flooding. The budget is unlikely to relate to new developments as these costs are picked up by developers.</p> <p>(Officer response)</p>
<p>I would like to offer my congratulations to those involved in producing a balanced budget. Will Small Business Rate Relief carry on from April onwards?</p> <p>(Councillor James Burton, KBC)</p>	<p>We understand that there will be no changes to Small Business Rate Relief set by Central Government and we will confirm this to Councillor Burton outside the meeting.</p> <p>(Officer response)</p>

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Item / Issue	Summary of Response Given
<p>Links to the consultation documents on the Council website were invisible, I am grateful to the officers who sent me the documentation.</p> <p>The public safety element of the budget, is that solely for CCTV and nothing else?</p> <p>The heading for homeless support is suggested to reduce by a significant amount next year from this year, although there is considerable evidence of homelessness pressures increasing, how can you justify a £300,000 decrease?</p> <p>Rateable income from commercial premises refers to a figure of £3.6m, that is remarkable, is it accurate?</p> <p>Payment of HRA interest into the general fund. Both accounts are ring-fenced, how could that arise?</p> <p><i>(Jerry Connelly – Kettering Resident)</i></p>	<p>It does cover other aspects of community safety expenditure, including paying towards the cost of 5 PCSOs.</p> <p><i>(Officer response)</i></p> <p>It is actually £150,000 compared to the 2017/18 budget. The council is putting additional funding into the preventative side and there are new initiatives to help manage that budget.</p> <p><i>(Officer response)</i></p> <p>Yes, it is accurate. The £3.6m gross income is offset by borrowing costs and MRP, you have to take the three components together to get to the net figure of £600,000 incorporated into the budget.</p> <p><i>(Officer response)</i></p> <p>This refers to the transfer of the Scott Road garage site to the HRA account from the general fund</p> <p><i>(Officer response)</i></p>

2) KETTERING TOWN FORUM – 29th JANUARY 2018

Item / Issue	Summary of Response Given
<p>It would have been useful for members of this forum to receive the detailed budget report especially also for members of the public present as well.</p> <p><i>(Councillor Mick Scrimshaw, KBC)</i></p>	<p>As stated in the report attached to the agenda, a copy of the Executive budget report, appendices and record of decisions can be found on the Councils website.</p> <p><i>(Councillor Lloyd Bunday, KBC)</i></p>

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Item / Issue	Summary of Response Given
<p>Are the fees and charged due to be increased? Section 2.9 stated that members need to seriously consider when it comes to the Council Tax for 2018/19. Any increase in fees and charges such as car parking will be seen as a form of tax for residents.</p> <p>(Councillor Eileen Hales, NCC)</p>	<p>Car parking rates have been reduced in the borough. When it comes to the setting of the Council Tax, careful consideration is given to the officer's recommendations and advice. Savings have already been identified for the next financial year so there is no need to increase the level of tax.</p> <p>(Councillor Lesley Thurland, KBC)</p>
<p>Additional income will come from the increase in planning fees; does this mean that the level of consultation that the Council provides for planning applications will also increase? Also will there be an increase in service for street cleansing based on the increase in fees & Charges.</p> <p>(Councillor Mick Scrimshaw, KBC)</p>	<p>The Budget reflects the government increase in planning fees and maintains current levels of service delivery.</p> <p>(Officer response)</p>
<p>I find it disappointing that the tax level for the most vulnerable in society has increased.</p> <p>(Councillor Anne Lee, KBC)</p>	<p>The level of Council Tax support was agreed two years ago and since then has been held and will be held for a further two years.</p> <p>(Councillor Lesley Thurland, KBC)</p>
<p>How much of the Capital budget will be allocated to businesses and the regeneration of the Town Centre?</p> <p>(Simon Cox, Kettering Business Network)</p>	<p>The reporting requirements are set out in legislation. Information will be provided when available.</p> <p>(Officer response)</p>

3) A6 TOWNS FORUM – 31st FEBRUARY 2018

Item / Issue	Summary of Response Given
<p>You are claiming eight unprecedented years of no Council Tax increases; this is not true for every member of the community with payments increasing from 20% to 45% for those on such low incomes they qualify for Council Tax Support. How do you think the poorer members of the community feel knowing they are the only ones to pay this increase?</p> <p>(Cllr Chris Smith-Haynes – NCC)</p>	<p>This was frozen two years ago and has been frozen for another two years. We have hardship funds available.</p> <p>(Cllr Lesley Thurland – Finance Portfolio Holder)</p>

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Item / Issue	Summary of Response Given
<p>The next lowest Council Tax support in the county is 30% with other areas being 5%. Has this impacted on homelessness figures?</p> <p>Northamptonshire County Council only froze Council Tax for three years, eight years is ridiculous. Retaining Council Tax at that level is absolutely crazy. Throughout the report officers recommend to raise Council Tax but this is a political issue. KPMG state that financial pressures are likely to increase. The Government assumes 3% rise and by not doing this we have forgone nearly £1 million of revenue.</p> <p>Car Parking charges have not risen since 2011. Council Tax revenue is being taken to subsidise car parking.</p> <p>Northamptonshire County Council has a balanced budget and will balance this year but they have raised Council Tax.</p> <p>(Cllr Jim Hakewill)</p>	<p>Our collection rates are some of the best around and we have an award winning Inclusion Team.</p> <p>(Cllr Lesley Thurland – Finance Portfolio Holder)</p> <p>There are a number of factors which contribute to homelessness. Direct correlation would be hard to prove. Our levels of homelessness are similar to other authorities.</p> <p>(Officer response)</p> <p>Kettering Borough Council and Northamptonshire County Council have had different strategies.</p> <p>(Cllr Lesley Thurland – Finance Portfolio Holder)</p>
<p>Homelessness in the borough has grown enormously which is going to involve more expense. It is worrying that it is working families going through hard times. I hope KBC can keep on top of this and make sure resources are available for more vulnerable people in the society.</p> <p>(Cllr Andrew Dutton)</p>	<p>This is dealt with by our frontline services. We continue to look at preventative and innovative ways to manage this service.</p> <p>(Cllr Lesley Thurland – Finance Portfolio Holder)</p>

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<p>The biggest problem in the budget is the Homelessness heading. Net expenditure £444,000 now £745,000 then back down to £495,000. The 2018/19 draft budget anticipates further preventative measures will reduce the cost but this is a big gap and homelessness is on the increase. We need an explanation of what will be happening.</p> <p>£100,000 is only a small part of the story. I do not believe it will come in at that level.</p> <p>(Councillor Chris Groome – Burton Latimer Town Council)</p>	<p>The 2018/19 budget includes a grant of £100,000 from the Government due to increases in pressures in this area.</p> <p>(Officer response)</p> <p>Bed and Breakfasts are costly and we are looking to take individuals and families away from this. It would reduce cost and provide a better environment.</p> <p>(Cllr Lesley Thurland – Finance Portfolio Holder)</p> <p>We will closely monitor this</p> <p>(Officer response)</p>
<p>Where is the New Homes Bonus included in the budget? A bonus should never be relied upon, originally to be taken on top of the budget. Can we have a separate line to reflect the New Homes Bonus?</p>	<p>This is shown in line 1 of the Medium Term Financial Strategy.</p> <p>(Officer response)</p>
<p>KBC are predicting £600,000 in rent effectively from the Capital Programme? Are commercial investments included? CIPFA are concerned about Local Government buying commercial buildings.</p>	<p>The base budget for Commercial Income for 2017/18 was £285,000 additional income of £600,000 has been included in the 2018/19 draft budget.</p> <p>A number of projects have been delivered and a number are currently live. It was agreed at the last Executive Committee to bring forward some of the capital budget to deliver these projects. The vast proportion are due to be delivered this financial year and around 25% will need to be delivered next year.</p> <p>There have been changes in government guidance for investments including purchasing commercial buildings but our policy does not currently require any further changes to be made.</p> <p>(Officer response)</p> <p>At the LGA meeting, the feeling was that the Government needs to let councils get on with commercial investments.</p>

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	<i>(Cllr Lesley Thurland – Finance Portfolio Holder)</i>
Item / Issue	Summary of Response Given
Will Business Rates be going up? (Local business owner)	50-75% looks at growth generated from Business Rates retention but does not affect the amount of business rates that is charged. <i>(Officer comment)</i>

4) RURAL FORUM – 1st FEBRUARY 2018

Item / Issue	Summary of Response Given
Do you anticipate any changes to the final government grant settlement when it comes through next week? <i>(Cllr Jim Hakewill – Chair of Rural Forum)</i>	In terms of the settlement we do not expect any changes. <i>(Officer response)</i>
You are claiming eight unprecedented years of no Council Tax increases; this is not true for every member of the community with payments increasing from 20% to 45% for those on such low incomes they qualify for Council Tax Support. How do you think the poorer members of the community feel knowing they are the only ones to pay this increase? <i>(Cllr Chris Smith-Haynes – NCC)</i>	We are in this position after numerous consultations over many years. It was agreed by KBC that we do not passport money if a service is stopped by another authority. The consultation on Council Tax Support started last September and no-one commented at that stage. Those consultations went out to everyone, and comments received make a balanced view. There are circumstances where we pay 100% Council Tax Support and there is a hardship fund available. <i>(Cllr Lesley Thurland – Finance Portfolio Holder)</i>
It is within seven years that KBC stopped paying a grant to parishes who had to start precepting, leaving parish residents with a large increase in their Council Tax rate that used to be covered by the borough <i>(Cllr Richard Barnwell – Cransley and Mawsley Parish Councils)</i>	This changed before I was elected, I will get back to you. <i>(Cllr Lesley Thurland – Finance Portfolio Holder)</i> It is the KBC share of the Council Tax that we are referring to as being frozen. Each of the towns and parishes set their own precept levels. <i>(Officer response)</i>

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	<p>KBC did stop paying grants to town and parish councils based on the fact that the government said they would not fund town and parish councils going forward. The option was for town and parish councils to raise their own finances.</p> <p><i>(Cllr Ian Jelley – Strategic Delivery & Portfolio Holder for Environment)</i></p> <p>Prior to the end of the parish grant system the total grant figure for the borough was around £78,000. Parishes are now spending thousands undertaking projects locally. Under the old scheme certain parishes were merely existing and that grant fund was ever decreasing. When people talk about parishes paying more, it is true, but there is the opportunity to deliver projects locally that if you lived Kettering town you might not get.</p> <p><i>(Cllr David Howes)</i></p>
<p>We all know the mess NCC is in is due to not increasing Council Tax. There are no savings here, savings are reductions in costs, what you call savings are increases in fees and charges and New Homes Bonus. What is the strategy if calculations change and New Homes Bonus stops or reduces?</p> <p><i>(Cllr David Watson, Geddington, Newton and Little Oakley Parish Council)</i></p>	<p>The gap between expenditure and funding income is £1.473m. We are bridging that gap with reductions in expenditure and additional income such as commercial investments that provide revenue return and New Homes Bonus. The strategy on New Homes Bonus was reported to the Executive Committee in June and was re-aligned accordingly. If there are changes to New Homes Bonus we will look as to how best to realign the strategy. We have had to contend with the introduction of baselines and a reduction from six to four years of bonus for each house. It will be a decision for the Executive Committee at a future date if changes come forward.</p> <p><i>(Officer response)</i></p> <p>It has been suggested that if we do not increase Council Tax we will end up in same position as NCC. We have had different financial strategies over a number of years that have proven to be successful and have started the ball rolling on becoming self-sufficient. Officers advise on fees and charges, although sometimes there are</p>

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	<p>statutory increases required.</p> <p><i>(Cllr Lesley Thurland – Finance Portfolio Holder)</i></p>
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<p>I am slightly confused by the terminology for New Homes Bonus when it is taken as bottom line income but is a “bonus”.</p> <p>(Cllr Hilary Bull – Broughton Parish Council)</p>	<p>The New Homes Bonus is a grant given to authorities that is calculated based on the number of new homes delivered in an area over a number of years – an incentive to deliver growth. The terminology is derived from central government; it is a top-slice from the national funding pot and a means for redistributing existing funding. There are misconceptions around the terminology, but it is merely a redistribution of funding. We know what 75% of the funding will be, based on previous year’s performance; the remaining 25% is estimated on predicted growth.</p> <p><i>(Officer response)</i></p>

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

- **Monitoring and Audit Committee, 6th of February,**
- **Research and Development Committee, 7th of February,**
- **Tenants Forum, 8th February.**