

## **BOROUGH OF KETTERING**

### **RURAL FORUM**

**Meeting held: 1<sup>st</sup> February 2018**

**Present:**

**Borough Councillors**

Councillor Jim Hakewill (*Chair*)

Councillor David Howes

Councillor Mark Rowley

Councillor Anne Lee (Kettering Town Forum Representative)

**County Councillors**

Councillor Allan Matthews

Councillor Chris Smith Haynes

**Parish Councillors**

Councillor Angela Beardsmore (Braybrooke)

Councillor Robin Shrive (Broughton)

Councillor Alan Garratt (Dingley)

Councillor David Watson (Geddington, Newton & Lt. Oakley)

Councillor Paul Gooding (Harrington)

Councillor Alan Durn (Loddington)

Councillor Frances Pope (Thorpe Malsor)

Councillor Paul Wharin (Warkton)

Councillor James Woolsey (Warkton)

Councillor Brian Peel (Weekley)

Councillor Nick Richards (Wilbarston)

**Also Present:**

Lisa Hyde (Kettering Borough Council)

Mark Dickenson (Kettering Borough Council)

Brendan Coleman (Kettering Borough Council)

Pina Patel (Kettering Borough Council)

Dean Mitchell (Kettering Borough Council)

David Pope (Forum Administrator-KBC)

Sgt Rob Offord (Police)

**Actions**

**17.RF.39 APOLOGIES**

Apologies for absence were received from Cllrs Fay Foster and Andrew Macredie of Pytchley Parish Council.

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**17.RF.40     DECLARATIONS OF INTEREST**

None

**17.RF.41     MINUTES**

**RESOLVED**     that the minutes of the meeting of the Rural Forum held on 30<sup>th</sup> November 2017 be approved as a correct record and signed by the Chair.

**17.RF.42     MATTERS ARISING FROM THE MINUTES**

17.RF.34 - Tour Of The New Police Facilities - Kettering

The forum heard that the tour of the new police facilities in Kettering on 23<sup>rd</sup> January had been interesting and insightful.

**17.RF.43     POLICE STATISTICS**

Sgt Robert Offord attended the meeting and detailed the reasons behind the cessation of monthly reports to parish and town councils. It was heard that data input was not always accurate by the publication date for a variety of reasons including alterations to crime classification, withdrawn complaints and date changes.

A presentation was then provided to the meeting outlining the crime information that could be obtained from the police.uk website, and how to access that information that included:-

- Local crime statistics down to street level
- Stop and search maps
- Neighbourhood team details
- Contact information
- Police performance statistics
- Nomination of projects to be included as part of Community Payback schemes

The forum was also reminded of the Neighbourhood Alert system which provided a wealth of user-defined information available via a variety of media. It was heard that to date 2,500 people had signed up to receive alerts from the system.

**17.RF.44**     **DRAFT BUDGET PROPOSALS FOR 2018/19 AND MEDIUM TERM FINANCIAL STRATEGY**

The Head of Resources and Principal Accountant attended the meeting and provided the forum with an overview of the budget setting process, the position with the 2017/18 budget, the budget for 2018/19 and the preparation involved in the Medium Term Financial Strategy (MTFS).

The meeting heard that the Draft Budget for 2018/19 had been presented to the Executive Committee at its meeting on 17<sup>th</sup> January, signalling the start of the consultation process. The draft budget would be considered by the Council's scrutiny committees, the Budget Consultation meeting and geographic forums, with questions and comments received as part of the process submitted to the Executive Committee on 14<sup>th</sup> February. A recommendation would then be made to Council for consideration and approval alongside the setting of 2018/19 Council Tax rates at its meeting on 28<sup>th</sup> February.

The Council had utilised the budget delivery framework to identify £1.38m of savings to realise and set a balanced budget for 2017/18. All the identified savings were being successfully delivered.

The Draft Budget for 2018/19 included a provisional reduction in central government grant of £304,000 (10.5%), broadly in line with what had been modelled. In total, it was estimated that £1.473m of savings would be required to achieve a balanced budget for 2018/19. As in 2017/18, savings had been identified using the Council's budget delivery framework. The major areas for savings were as follows:-

- £600,000 – commercial income
- £578,000 - Lobbying and growth, New Homes Bonus and planning fees
- £139,000 – Staff Innovation
- £143,000 – Increases in fees and charges

Details were provided of budgetary pressures involving recycling, homelessness and the crematorium.

When considering Council Tax for 2018/19 and going forward, members needed to seriously consider what represented a sustainable strategy. Council tax levels had been frozen by KBC for the previous seven years, although there was no longer any government incentive to continue this policy. Prior to considering changes to Council Tax levels, KBC would be required to make average savings of over £1 million a year up to 2022/23, in addition to the £11.3million of savings achieved since 2010. It was noted that KBC had closed this gap without increasing Council Tax, cutting frontline services or voluntary sector funding.

It was heard that levels of uncertainty and reductions in funding were significant.

Government was consulting on a Fair Funding formula that would determine future grant levels for local government and the potential impact of this review should not be underestimated.

It was noted that changes were also anticipated to the Business Rates Retention Scheme, whereby the local share would increase from 50% to 75% by 2020/21, although there remained a strong possibility that less growth would be retained locally. This was considered to be a major risk and the council continued to be involved in lobbying. Another area of uncertainty was the possible change to the New Homes Bonus (NHB) baseline which could result in less NHB funding in future.

Details were provided of the Capital Programme budget for 2018/19 and the Housing Revenue Account which remained on target to be delivered within budget. The Tenants' Forum would at its February meeting make a recommendation to the Executive Committee in regard to rent setting, although the draft budget assumed a 1% rent reduction as required by the government.

In summary, the savings identified as part of the budget for 2017/18 were on course to be delivered and savings had been identified in full for 2018/19. The medium term was much more uncertain as government changes could seriously impact any funding received.

The Portfolio Holder for Finance attended the meeting and thanked the team involved in preparing the budget for their hard work in delivering a balanced draft budget. Cllr Thurland also detailed the pressures involved in maintaining and delivering the council budget on an annual basis.

The forum asked the following questions:-

Item / Issue	Summary of Response Given
<p>Do you anticipate any changes to the final government grant settlement when it comes through next week?</p> <p><b>(Cllr Jim Hakewill – Chair of Rural Forum)</b></p>	<p>In terms of the settlement we do not expect any changes.</p> <p><b>(Officer response)</b></p>
<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</p>	<p>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</p>

<p>ones to pay this increase?</p> <p><b>(Cllr Chris Smith-Haynes – NCC)</b></p>	<p>received make a balanced view. There are circumstances where we pay 100% Council Tax Support and there is a hardship fund available.</p> <p><b>(Cllr Lesley Thurland – Finance Portfolio Holder)</b></p>
<p>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</p> <p><b>(Cllr Richard Barnwell – Cransley and Mawsley Parish Councils)</b></p>	<p>This changed before I was elected, I will get back to you.</p> <p><b>(Cllr Lesley Thurland – Finance Portfolio Holder)</b></p> <p>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.</p> <p><b>(Officer response)</b></p> <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><b>(Cllr Ian Jelley – Strategic Delivery &amp; Portfolio Holder for Environment)</b></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><b>(Cllr David Howes)</b></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</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</p>

<p>reduces?</p> <p><b>(Cllr David Watson, Geddington, Newton and Little Oakley Parish Council)</b></p>	<p>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><b>(Officer response)</b></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 statutory increases required.</p> <p><b>(Cllr Lesley Thurland – Finance Portfolio Holder)</b></p>
<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><b>(Cllr Hilary Bull – Broughton Parish Council)</b></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><b>(Officer response)</b></p>

**PHILIP HOLLOBONE MP – VIEWS ON THE FUTURE STRUCTURE OF LOCAL GOVERNMENT**

Cllr Philip Hollobone MP was invited along to the forum to provide his views on the possible future landscape for local government in Northamptonshire, with particular reference to the potential for the creation of unitary authorities in the county.

It was noted that Northamptonshire County Council (NCC) was in grave financial circumstances; indeed all seven MPs for the county had been so alarmed following the publication of a report produced by the LGA regarding the financial situation at NCC that they had attended a meeting with the Secretary of State (SoS) to express their concerns. The SoS had launched a Best Value Inspection of the County Council with a final inspector's report due to be submitted by 16<sup>th</sup> March.

The inspector would examine various criteria and analyse the situation at the county, identify the scale of the problem, the root causes and how these can be solved. The final report would also contain a series of recommendations aimed at resolving the situation at NCC and the SoS would make a final decision following receipt of this report.

It was suggested by Cllr Hollobone that the SoS could find NCC unfit for purpose and recommend that local government in Northamptonshire be reorganised. This could see the county and district/borough functions and authorities merged in some way to form one or more unitary authorities. It was further suggested that the SoS may recommend two unitary authorities as this could prove to be more cost effective, one for the North of the county and one for the West. Should unitary authorities be established, they would combine NCC functions along with those of district and borough councils, with Lords Commissioners sent in to operate the county council until the new authorities had been established. It was noted that this was only one potential scenario and the SoS could choose from a number of options for local governance going forward.

The forum heard that any restructure to local government may provide town and parish councils with a greater level of involvement in governance.

It was considered that communication between the various tiers of local government was of vital importance going forward so communities were kept informed of developments. It was hoped that a level of public consultation would be undertaken on any future plans for restructuring of local government in the county.

The forum asked questions in relation to social care, transitional funding, town and parish council funding and the potential role of parishes in any future governance arrangements.

The forum was reminded of the April 2016 resolution by Full Council in relation to the possibility of a future unitary authority as follows:-

*“This Council recognises and supports South Northamptonshire District Council’s bold ambition to form part of a greater Oxfordshire cluster of unitary authorities.*

*This Council recognises that people and places are more important than institutions and accordingly asks all Councils in Northamptonshire to recognise that the existing Council boundaries are not appropriate for future unitaries.*

*This Council supports a proposal that it should explore the creation of a unitary local government structure for the rest of Northamptonshire, and that work to evaluate the most effective options should be commissioned, ideally in conjunction with all other Councils in the county, to examine what would be most effective in terms of:-*

1. *Community Geographies*
2. *Economic Geographies*
3. *Comprehensiveness of proposals and their coherence with other neighbouring plans*
4. *The opportunities for deep service integration*
5. *Value for money – in particular new approaches to service delivery which provide less hand-offs and institutional boundaries*
6. *Partner and stakeholder support/commitment to options.*
7. *The track record of joint working*
8. *The cultural alignment between constituent authorities*
9. *The fiscal and performance profile of constituent authorities*
10. *Key service challenges*
11. *Ease of migration to any new arrangements*

*This Council currently believes a North Northamptonshire wide unitary will likely best meet these criteria, but will work with other councils on options which serve the rest of Northamptonshire and which ensure transparent, accessible, integrated and effective service delivery and local leadership.”*

The forum was advised that any developments including the publication of any reports relating to the situation at the county council would be communicated to town and parishes councils as soon as practicable.

## **17.RF.46 FUTURE AGENDA ITEMS**

The following items were noted for future meetings of the Forum:-

- An update on the various reports regarding the situation at NCC
- Solar Panels on Buildings update
- The Concept of Parishing for Kettering town
- Cransley Park Development update

A brief update was supplied in relation to the forthcoming public consultation on the planned works to return Eskdaill Street to a two-way road.

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An update was supplied in regard to the planning permission for a truck stop near Rothwell being activated close to expiry but the laying of kerbstones.

**17.RF.47**     **DATES OF NEXT MEETING**

It was noted that the date for the next meeting of the forum would be 28<sup>th</sup> June 2018. An offer was made by Warkton Parish Council to host the meeting.

(The meeting started at 7.00pm and ended at 9:10pm)

Signed .....

Chair

*DJP*