

9. Appendix B

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>Flood defence budgets have risen from £0 to £2400 this year, what does that refer to?</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>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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<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>(Jerry Connelly – Kettering Resident)</p>	<p>It does cover other aspects of community safety expenditure, including paying towards the cost of 5 PCSOs.</p> <p>(Officer response)</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>(Officer response)</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>(Officer response)</p> <p>This refers to the transfer of the Scott Road garage site to the HRA account from the general fund</p> <p>(Officer response)</p>

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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>(Councillor Mick Scrimshaw, KBC)</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>(Councillor Lloyd Bunday Thurland, KBC)</p>
<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>

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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>
<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> <p>(Cllr Lesley Thurland – Finance Portfolio Holder)</p>

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

4) RURAL FORUM – 1st FEBRUARY 2018

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>(Cllr Jim Hakewill – Chair of Rural Forum)</p>	<p>In terms of the settlement we do not expect any changes.</p> <p>(Officer response)</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 ones to pay this increase?</p> <p>(Cllr Chris Smith-Haynes – NCC)</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 received make a balanced view. There are circumstances where we pay 100% Council Tax Support and there is a hardship fund available.</p> <p>(Cllr Lesley Thurland – Finance Portfolio Holder)</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>(Cllr Richard Barnwell – Cransley and Mawsley Parish Councils)</p>	<p>This changed before I was elected, I will get back to you.</p> <p>(Cllr Lesley Thurland – Finance Portfolio Holder)</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>(Officer response)</p>

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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>(Cllr Ian Jelley – Strategic Delivery & Portfolio Holder for Environment)</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>(Cllr David Howes)</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>(Cllr David Watson, Geddington, Newton and Little Oakley Parish Council)</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>(Officer response)</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>(Cllr Lesley Thurland – Finance Portfolio Holder)</p>

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Item / Issue	Summary of Response Given
<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>(Officer response)</p>

5) MONITORING AND AUDIT COMMITTEE – 6th FEBRUARY 2018

Item / Issue	Summary of Response Given
<p>As part of the notes relating to the Medium Term Financial Forecast on page 3 of the report, section 2a/2b in regard to the Revenue Support Grant, it appears that we will have to pay the government a sum of £250,000 in 2019/20?</p> <p>Cllr Mike Tebbutt</p>	<p>Yes, effectively we would have a negative Revenue Support Grant. There is likely to be a consultation on this with strong representation from local authorities in regard to this position.</p> <p>Officer Response</p>
<p>In respect of fees and charges income, what kind of increase to those charges can we expect? How are we working the detail of that out?</p> <p>Cllr Jonathan West</p>	<p>The additional £77,000 shown for fees and charges in the draft budget results from an increase in service usage, not from increased fees. Fees covered by this include trade waste, cemeteries and garage rental. There is no increase in fees themselves within that £77,000. There are some increases we are looking to make to fees and charges to bring the council more in line with the private sector and this has been discussed with the respective service areas. In future years, we can include an appendix showing changes in fees and charges, although there is nothing on a scale that would bring those increases into the frameworks in 2018/19.</p> <p>Officer Response</p>

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Item / Issue	Summary of Response Given
<p>I feel it is irresponsible at this stage, with all the warnings given by finance officers, only to plan for this year and next and not thereafter, a Council Tax increase of 2% would be more prudent Cllr Anne Lee</p> <p>Advice has been given that there is no incentive to freeze Council Tax, there is an opportunity to consider an increase this year that gives a base for future years. It could be in the Council's interest to raise Council Tax, but it is a political decision. Cllr Jonathan West</p> <p>I am opposed to a Council Tax increase because I went into politics to stop them. Cllr Paul Marks</p> <p>In light of having to pay increased Council Tax to NCC, I think it will be bad enough for everyone to find increases from other preceptors. At the moment, yes we could increase Council Tax, but we are not in dire straits so we can stay as we are. Cllr Jenny Henson</p> <p>It is looking as though Council Tax payers will be facing a large increase, for us to put an additional increase on would increase it further, it is a political decision. Cllr Greg Titcombe</p>	<p>In the Draft Budget reports we make reference to Council Tax setting as being a political decision, but we have put our views across as officers. The comments we have made in the January reports regarding Council Tax, will be similar in the February reports to the Executive and Council. Officer Response</p>
<p>Congratulations to officers on producing a superbly balanced budget and for the change in emphasis and structure of the organisation that is moving rapidly to self-funding Cllr Mike Tebbutt</p> <p>It is important that there is a continuation of cross-party working towards the investment strategy. Cllr Jonathan West</p>	

6) RESEARCH AND DEVELOPMENT COMMITTEE – 7th FEBRUARY 2018

Item / Issue	Summary of Response Given
<p>We are a scrutiny committee and it is our duty to put comments forward to the Executive Committee. I propose we do recommend a change to the draft budget, no-one declared that they are under the application of a party whip, so we can send forward any concerns we have. All of us stood on a manifesto which sought to cut car parking charges in the Borough. What I would like to do is increase the funds for the Town Centre Initiative by £50,000 to £100,000 to go towards more town centre parking charge cuts.</p> <p>We have a number of reserves; we could take a small amount from each of these and put it towards that fund. There is a professional development reserve that stood at £750,000 last year, so take a few tens of thousand from that. Commercial investment receipts, we could take £5,000 to £10,000 from that to be allocated to Town Centre Initiatives. Revenue underspend is usually allocated to the Capital Budget and we can take some out of that. I would like to see something to satisfy that manifesto pledge on car parking charges and would like to see that taken as a recommendation to the Executive Committee.</p> <p>Cllr Mike Brown</p> <p>I second the recommendation about car parking charges. I agree about the remit of this committee, our job is to go through the budget and work out if the things suggested in it are deliverable, and to put forward our views as to whether things are desirable. Overall it is a steadfast budget, it is not imaginative and it is doing nothing to increase service provision locally or answer criticisms of the council from our residents. It is true that the administration had reducing car parking charges as a manifesto pledge and this has not been addressed. I do not care how it is funded, as there is plenty of flexibility in the draft budget. Cllr Mick Scrimshaw</p>	<p>Executive Committee reports and papers have already been published. Despite that, all comments emanating from Monitoring and Audit, this meeting and Tenants' Forum tomorrow will be documented and presented to the Executive on 14th February.</p> <p>Officer Response</p>

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<p>I would like to see a viability report from officers on reducing car parking charges as there is a knock-on effect whatever you do. Cllr Greg Titcombe</p> <p>In theory I would like to see car parking charges cut, but I would like to see the figures involved and know what it would be reduced to. Cllr Paul Marks</p>	
<p>Was the whole of the HRA self-financing loan taken from the Public Works Loan Board? Cllr Mick Scrimshaw</p> <p>Do we have any LOBO loans? Cllr Mick Scrimshaw</p> <p>Regarding the crematorium and the suggestion of weddings on a Saturday, are there any ideas of the capital costs for altering the facilities and the projected income? Cllr Mick Scrimshaw</p> <p>Under Culture and Heritage was there some kind of one-off equipment purchase of £8,000 for the art gallery, should that be capital spending? Cllr Mick Scrimshaw</p> <p>Under Environmental Health - Public Conveniences, there is a budget of £2700 for this year. Is that for Rothwell toilets and is that money just to check on the facilities? If that is the case are there any plans to sell it? Cllr Mick Scrimshaw</p> <p>Under Highways and Roads there is a one off expenditure, what was that for? Cllr Mick Scrimshaw</p> <p>There is a one-off staffing cost mentioned in line 68 of the budget under Finance and SMT, was this for consultancy fees? Cllr Mick Scrimshaw</p>	<p>The whole £72.9m loan was borrowed through the Public Works Loan Board. Officer Response</p> <p>We have no LOBO loans. Officer Response</p> <p>Work is ongoing at the moment. The main investment will be a pagoda-type structure outside. The capital programme has a global budget for Invest to Save and that is where the investment will come from. A business case is currently being worked up. Officer Response</p> <p>We would have to get back to you on that. We have offered explanations where the budget has moved by more than £10,000. Officer Response</p> <p>We will be undertaking a full review of all the assets we hold so we can rationalise and optimise our asset base to ensure assets fulfil their duties or whether they can be realised for sale. There are potentially some rates for the toilets themselves in that budget line Officer Response</p> <p>That line in the budget related to one-off works undertaken to street lights and columns Officer Response</p> <p>This is an amalgam of one-off staffing costs and one-off recruitment costs. Officer Response</p>

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<p>What sort of things would be a one-off within that budget line, consultancy fees? Cllr Mike Brown</p> <p>Would any of that extra spend be on payment related to the former Chief Executive's departure? Cllr Mike Brown</p>	<p>It would include one-off recruitment costs and also one-off costs associated with the Flexible Resources Review we undertook. Officer Response</p> <p>That would be recorded in this section of the budget. Officer Response</p>
<p>The budget is not particularly imaginative moving forward. Cllr Mick Scrimshaw</p>	

7) TENANTS FORUM – 8th FEBRUARY 2018

RESOLVED that the members of the Tenants' Forum agreed to the 1.0% rent decrease for 2018/19 and noted that service levels should be maintained.

These comments were duly noted by officers and would be forwarded to the Executive Committee alongside the recommendation.

8) ANY OTHER COMMENTS

Item / Issue	Summary of Response Given
<p>The amount of money that has been set aside for the new build houses at Scott Road seems very expensive when the figure is broken down to the price per house. Brent Woodford, Tenant</p>	<p>There are a number of other associated costs with the development; these include infrastructure enhancements at Scott Road. Dwellings at this development will include adapted properties; there are associated costs with the additional equipment needed. The Council does undertake benchmarking against other local Housing Associations. Officer response</p>