

Kettering *Borough Council*

DRAFT BUDGET BOOKLET - 2019/20

**FOR USE WITH REPORT 14
EXECUTIVE MEETING 16th JANUARY 2019**

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Kettering *Borough Council*

DRAFT BUDGET BOOKLET - 2019/20

Section 1

General Fund Estimates 2019/20

General Fund - Medium Term Financial Forecast

MEDIUM TERM FINANCIAL FORECAST							
		Zone of "Predictability"		Zone of "Unpredictability"			
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
		£000	£000	£000	£000	£000	£000
1	Net Council Budget	10,893	11,118	10,388	10,107	10,482	10,364
2	Forecast Resources:						
	Government Grant						
2a	Revenue Support Grant	(171)	0	0	0	0	0
2b	Business Rates	(2,428)	(2,484)	(2,000)	(2,000)	(2,000)	(2,000)
	Total Government Grant	(2,599)	(2,484)	(2,000)	(2,000)	(2,000)	(2,000)
	Council Tax / Coll'n Fund	(300)	(350)	(100)	(100)	(100)	(100)
	Income From Council Tax	(8,621)	(8,722)	(8,823)	(8,926)	(7,030)	(7,135)
	Total Resources	(9,420)	(9,556)	(8,923)	(9,026)	(9,130)	(9,235)
3	Budget (Surplus) / Deficit	1,473	1,562	1,482	1,081	1,352	1,129
4	Efficiencies Identified	(1,473)	(1,562)	0	0	0	0
5	Efficiencies - To be Identified	0	0	(1,482)	(1,081)	(1,352)	(1,129)
6	Budget (Surplus) / Deficit	0	0	0	0	0	0
GENERAL FUND WORKING BALANCE							
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
		£000	£000	£000	£000	£000	£000
7	Estimated Opening Balance	1,415	1,375	1,335	1,295	1,295	1,295
8	Town Centre Initiatives	40	40	40	0	0	0
9	Estimated Closing Balance	1,375	1,335	1,295	1,295	1,295	1,295

Notes to Medium Term Financial Forecast

- 1** *Net Council Budget – This represents the net expenditure prior to the Budget Framework savings.*
- 2** *Forecast Resources – These are the Council's main funding streams (excluding fees and charges which are incorporated into Line 1). This illustrates the significant reduction in Central Government funding. To enable the total resources required to balance the budget to be identified, no assumptions have been made regarding future council tax increases. The small increase in revenue each year reflects anticipated housing growth in the borough.
The level of government grant is known for 2018/19 - the Government funding levels for 2019/20 is based on the provisional grant settlement and is the last year of the current four year settlement which covered the period 2016/17 - 2019/20.*
- 2a / 2b** *Revenue Support Grant / Business Rates - Following the introduction of the Business Rates Retention Scheme the local share of business rates will be uplifted by RPI each year until the system is reset in 2020 this is shown in line 2b. The Revenue Support Grant, which is detailed in Line 2a reduces to nil in 2019/20.*
- 3** *Budget (Surplus) / Deficit – This illustrates the gap between the budget and the total resources available before identifying budget framework savings.*
- 5** *Savings to be identified – This identifies the total resources that are required to balance the budget in future years after 2019/20*
- 8** *Town Centre Initiatives – This relates to parking incentives and / or other town centre related items. Due to the short term nature this is being funded from the General Fund working balance rather than forming part of the base budget.*

SUMMARY OF GENERAL FUND REVENUE ESTIMATES

Ref.		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	SERVICE EXPENDITURE			
1.	Public Services	760,870	561,490	825,250
2.	Corporate and Cultural	2,255,670	2,314,340	2,332,460
3.	Environmental Care	5,914,050	6,388,410	6,260,820
4.	Development Services	1,363,820	1,132,020	1,306,810
5.	Housing Services	474,900	1,168,800	831,400
6.	Customer Services	1,700,100	1,496,280	1,927,030
7.	Legal Services	977,300	1,099,020	1,041,550
8.	Resources	(604,070)	(488,570)	(806,610)
9.	Central Support Allocations	(2,072,130)	(2,103,710)	(2,061,370)
10.	General Contingencies / Invest to Save / RCCO	140,000	90,000	190,000
11.	NET COST OF SERVICES	10,910,510	11,658,080	11,847,340
12.	Transfers to/from Reserves	385,610	360,610	265,610
13.	Interest On Balances / Investments	(374,200)	(624,210)	(654,200)
14.	Depreciation adjustment	(1,414,360)	(1,500,500)	(1,925,500)
15.	Technical Accounting Adjustments (Including MRP)	(87,560)	(473,980)	23,160
16.	NET COUNCIL BUDGET	9,420,000	9,420,000	9,556,410

PUBLIC SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	RECREATION AND SPORT			
	Indoor Sports & Recreation Facilities			
PS1	Employees	35,650	35,660	31,060
	Premises	6,580	6,550	6,690
	Transport	550	550	550
	Supplies and Services	18,150	2,150	2,150
	Third Party Payments	327,700	320,700	321,500
	Total Expenditure	388,630	365,610	361,950
	Fees and Charges	(1,000)	0	(1,000)
	Total Income	(1,000)	0	(1,000)
	Net Expenditure to Summary	387,630	365,610	360,950
	Community Centres			
PS2	Employees	36,940	36,940	35,350
	Premises	30,590	31,070	31,320
	Transport	900	4,900	900
	Supplies and Services	2,350	2,350	2,350
	Total Expenditure	70,780	75,260	69,920
	Rents	(5,750)	(5,750)	(5,750)
	Fees and Charges	(29,250)	(29,250)	(29,250)
	Total Income	(35,000)	(35,000)	(35,000)
	Net Expenditure to Summary	35,780	40,260	34,920
	Sport Development/Community Recreation			
PS2	Employees	130,770	94,780	102,620
	Premises	430	430	430
	Transport	7,900	5,900	7,900
	Supplies and Services	40,750	40,750	40,750
	Total Expenditure	179,850	141,860	151,700
	Fees and Charges	(10,300)	(6,300)	(10,300)
	Total Income	(10,300)	(6,300)	(10,300)
	Net Expenditure to Summary	169,550	135,560	141,400

Variance Explanations

- PS1** The change in the 2018/19 revised and 2019/20 draft budget reflects a reduction in funding to external organisations.
- PS2** The change in 2018/19 revised budget reflects in year vacant posts, the change in 2019/20 draft budget is due to changes in the national pay policy and a realigning of staff allocations across the service to better reflect resources. *See also note PS3*

PUBLIC SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	OPEN SPACES			
	Community Parks/Open Spaces			
	Employees	30,420	30,420	31,090
	Premises	38,170	38,310	38,450
	Transport	560	560	560
	Supplies and Services	11,250	11,250	3,750
	Third Party Payments	1,500	1,500	1,500
	Total Expenditure	81,900	82,040	75,350
	Rents	(20,600)	(11,600)	(20,600)
	Fees and Charges	(12,880)	(41,880)	(12,880)
	Total Income	(33,480)	(53,480)	(33,480)
	Net Expenditure to Summary	48,420	28,560	41,870
	Allotments			
	Premises	20	20	20
	Total Expenditure	20	20	20
	Rents	(1,500)	(1,500)	(1,500)
	Total Income	(1,500)	(1,500)	(1,500)
	Net Expenditure to Summary	(1,480)	(1,480)	(1,480)
PS3	ENVIRONMENTAL INITIATIVES			
	Employees	45,840	36,840	72,890
	Transport	2,300	2,300	2,300
	Supplies and Services	100	100	100
	Total Expenditure	48,240	39,240	75,290
	Net Expenditure to Summary	48,240	39,240	75,290
PS3	Community Development			
	Employees	110,950	101,960	136,000
	Transport	7,000	3,000	7,000
	Supplies and Services	1,000	1,000	8,500
	Total Expenditure	118,950	105,960	151,500
	Net Expenditure to Summary	118,950	105,960	151,500
	COMMUNITY SAFETY			
PS3	Safety Services			
	Employees	57,360	53,370	69,130
	Transport	1,000	2,000	1,000
PS4	Supplies and Services	102,600	96,600	81,200
	Total Expenditure	160,960	151,970	151,330
	Net Expenditure to Summary	160,960	151,970	151,330

Variance Explanations

- PS3** The change in 2018/19 revised budget reflects in year vacant posts, the change in 2019/20 draft budget is due to changes in the national pay policy and a realigning of staff allocations across the service to better reflect resources. *See also note PS2.*
- PS4** The reduction in the 2018/19 revised budget and 2019/20 draft budget is due to a reduction in the PCSO contract. This is offset by an increase in the number of Wardens. *See also note PS5*

PUBLIC SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	Grants			
	Employees	23,000	20,010	25,380
	Transport	600	600	600
	Supplies and Services	306,800	306,800	306,800
	Total Expenditure	330,400	327,410	332,780
	Net Expenditure to Summary	330,400	327,410	332,780
	Crime Reduction			
	Premises	8,420	8,400	8,480
	Supplies and Services	184,750	184,750	184,750
	Total Expenditure	193,170	193,150	193,230
	Net Expenditure to Summary	193,170	193,150	193,230
	HIGHWAYS			
	PARKING SERVICES			
PS5	Employees	273,370	279,390	306,580
PS6	Premises	103,500	99,970	114,460
	Transport	1,800	1,800	1,800
	Supplies and Services	68,920	68,920	68,920
	Total Expenditure	447,590	450,080	491,760
PS7	Fees and Charges	(824,200)	(812,200)	(824,200)
	Total Income	(824,200)	(812,200)	(824,200)
	Net Income to Summary	(376,610)	(362,120)	(332,440)

Variance Explanations

- PS5** The change in 2019/20 draft budget is due to national pay policy and a planned increase in the establishment due to an increase in the number of Wardens. See note PS9
- PS6** The 2019/20 draft budget reflects an increase in National Non Domestic Rates (NNDR) for KBC owned car parks as a result of changes in the valuation.
- PS7** The 2018/19 revised budget reflects a projected in year decrease in car parking income, this is being closely monitored to understand longer term impact.

PUBLIC SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
PS8	ENVIRONMENTAL HEALTH			
	Licences (Incl. Hackney Carriages)			
	Employees	142,070	137,080	148,520
	Transport	4,350	4,350	4,350
	Supplies and Services	62,760	62,760	62,760
	Total Expenditure	209,180	204,190	215,630
	Fees and Charges	(165,000)	(165,000)	(165,000)
	Total Income	(165,000)	(165,000)	(165,000)
	Net Expenditure to Summary	44,180	39,190	50,630
	PS9	Pest and Dog Control		
Employees		161,210	165,220	181,160
Premises		20	20	20
Transport		1,800	1,800	1,800
Supplies and Services		13,950	13,950	13,950
Total Expenditure		176,980	180,990	196,930
Fees and Charges		(18,000)	(23,000)	(18,000)
Total Income		(18,000)	(23,000)	(18,000)
Net Expenditure to Summary		158,980	157,990	178,930
Pollution Reduction				
Employees	136,410	133,420	136,760	
Transport	7,100	6,100	7,100	
Supplies and Services	7,800	7,800	7,800	
Total Expenditure	151,310	147,320	151,660	
Fees and Charges	(25,000)	(25,000)	(25,000)	
Total Income	(25,000)	(25,000)	(25,000)	
Net Expenditure to Summary	126,310	122,320	126,660	

Variance Explanations

PS8 The change in 2018/19 revised budget reflects in year vacant posts, the change in 2019/20 draft budget is due to changes in the national pay policy and a full establishment.

PS9 The change in 2019/20 draft budget is due to national pay policy and a planned increase in the establishment due to an increase in the number of Wardens. See note PS5

PUBLIC SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
PS10	Food Safety			
	Employees	102,140	90,150	107,990
	Transport	4,600	3,600	4,600
	Supplies and Services	2,550	2,550	2,550
	Total Expenditure	109,290	96,300	115,140
	Fees and Charges	(20,000)	(20,000)	(20,000)
	Total Income	(20,000)	(20,000)	(20,000)
	Net Expenditure to Summary	89,290	76,300	95,140
PS10	Public Health			
	Employees	222,690	203,710	228,070
	Premises	770	820	840
PS11	Transport	9,850	8,850	9,850
	Supplies and Services	39,200	50,200	39,200
	Total Expenditure	272,510	263,580	277,960
	Fees and Charges	(10,000)	(10,000)	(10,000)
	Total Income	(10,000)	(10,000)	(10,000)
	Net Expenditure to Summary	262,510	253,580	267,960
	CEMETERY & CREMATION SERVICES			
PS10	Cemeteries			
	Employees	32,100	26,100	38,010
	Premises	15,510	14,210	16,360
	Transport	300	1,300	300
	Supplies and Services	500	500	500
	Total Expenditure	48,410	42,110	55,170
PS12	Fees and Charges	(163,000)	(180,000)	(173,000)
	Total Income	(163,000)	(180,000)	(173,000)
	Net Expenditure to Summary	(114,590)	(137,890)	(117,830)

Variance Explanations

- PS10** The reduced 2018/19 revised budget is due to in year vacant posts. The 2019/20 draft budget reflects changes to the national pay policy and a full establishment.
- PS11** The revised 2018/19 budget has been increased to take account of the in year costs arising from undertaking Domestic Homicide Reviews. Due to the nature of these it is difficult to anticipate future demand, therefore the 2019/20 draft budget remains the same as the 2018/19 original budget.
- PS12** The revised 2018/19 and draft 2019/20 budget reflects an increase in the number of services being provided by Bereavement Services.

PUBLIC SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	Crematorium			
PS13	Employees	241,710	226,730	243,000
PS14	Premises	163,150	161,490	185,690
	Transport	4,000	5,000	4,000
	Supplies and Services	144,020	140,020	145,020
	Total Expenditure	552,880	533,240	577,710
	Rents	(3,100)	(3,100)	(3,100)
PS15	Fees and Charges	(1,470,600)	(1,504,260)	(1,500,200)
	Total Income	(1,473,700)	(1,507,360)	(1,503,300)
	Net Income to Summary	(920,820)	(974,120)	(925,590)

Variance Explanations

- PS13** The reduced 2018/19 revised budget is due to in year vacant posts. The 2019/20 draft budget reflects changes to the national pay policy and a full establishment.
- PS14** The 2019/20 draft budget reflects an increase in National Non Domestic Rates (NNDR) for Warren Hill as a result of a change in the valuation.
- PS15** The 2018/19 revised budget reflects a higher number of services than originally estimated for 2018/19. The increase in the 2019/20 draft budget reflects an increase in price and assumes the same number of services as the 2018/19 original budget.

PUBLIC SERVICES SUMMARY	Original 2018/19	Revised 2018/19	Draft 2019/20
	£	£	£
Indoor Sports & Recreation Facilities	387,630	365,610	360,950
Community Centres	35,780	40,260	34,920
Sport Development/Community Recreation	169,550	135,560	141,400
Community Parks/Open Spaces	48,420	28,560	41,870
Allotments	(1,480)	(1,480)	(1,480)
Environmental Initiatives	48,240	39,240	75,290
Community Development	118,950	105,960	151,500
Safety Services	160,960	151,970	151,330
Grants	330,400	327,410	332,780
Crime Reduction	193,170	193,150	193,230
Parking Services	(376,610)	(362,120)	(332,440)
Licences	44,180	39,190	50,630
Pest and Dog Control	158,980	157,990	178,930
Pollution Reduction	126,310	122,320	126,660
Food Safety	89,290	76,300	95,140
Public Health	262,510	253,580	267,960
Cemeteries	(114,590)	(137,890)	(117,830)
Crematorium	(920,820)	(974,120)	(925,590)
PUBLIC SERVICES TOTAL	760,870	561,490	825,250
<i>Equal Global Summary Line 1</i>			

CORPORATE & CULTURAL SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	CULTURE AND HERITAGE			
	Art Gallery			
	Employees	108,940	110,950	115,390
	Premises	23,270	25,260	24,660
	Transport	1,000	1,000	1,000
	Supplies and Services	18,130	18,130	18,130
	Total Expenditure	151,340	155,340	159,180
	Grants and Contributions	0	(1,000)	0
	Fees and Charges	(6,500)	(10,500)	(6,500)
	Total Income	(6,500)	(11,500)	(6,500)
	Net Expenditure to Summary	144,840	143,840	152,680
	Museum			
	Employees	108,940	109,950	115,390
	Premises	25,010	22,910	25,180
	Transport	1,300	1,300	1,300
	Supplies and Services	23,200	23,200	23,200
	Total Expenditure	158,450	157,360	165,070
	Fees and Charges	(8,000)	(8,000)	(8,000)
	Total Income	(8,000)	(8,000)	(8,000)
	Net Expenditure to Summary	150,450	149,360	157,070
	Sport Development/Community Recreation			
	Employees	28,800	26,800	30,000
	Premises	0	450	460
	Transport	1,400	400	1,400
	Supplies and Services	46,300	43,300	46,300
	Total Expenditure	76,500	70,950	78,160
	Fees and Charges	(3,000)	(1,000)	(3,000)
	Total Income	(3,000)	(1,000)	(3,000)
	Net Expenditure to Summary	73,500	69,950	75,160
	TOURISM			
	Premises	40	40	40
	Supplies and Services	1,300	1,300	1,300
	Total Expenditure	1,340	1,340	1,340
	Fees and Charges	(500)	(500)	(500)
	Total Income	(500)	(500)	(500)
	Net Expenditure to Summary	840	840	840

CORPORATE & CULTURAL SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
CC1	Office Accommodation			
	Employees	178,250	202,260	185,600
	Premises	247,160	245,820	246,720
	Transport	1,990	990	1,990
	Supplies and Services	22,980	22,980	22,980
	Total Expenditure	450,380	472,050	457,290
	Fees and Charges	(65,570)	(60,570)	(60,570)
	Total Income	(65,570)	(60,570)	(60,570)
	Net Income / Expenditure to Summary	384,810	411,480	396,720
	Printing and Photocopying Services			
	Employees	54,520	54,520	55,940
	Supplies and Services	87,500	87,500	87,500
	Total Expenditure	142,020	142,020	143,440
	Fees and Charges	(4,000)	(6,000)	(4,000)
Total Income	(4,000)	(6,000)	(4,000)	
Net Income to Summary	138,020	136,020	139,440	
CC2	Performance Improvement			
	Employees	294,260	274,290	303,270
	Transport	3,310	5,310	3,310
	Supplies and Services	23,430	23,430	23,430
	Total Expenditure	321,000	303,030	330,010
	Fees and Charges	(1,000)	0	(1,000)
Total Income	(1,000)	0	(1,000)	
Net Income / Expenditure to Summary	320,000	303,030	329,010	
CC3	IT Team			
	Employees	443,550	464,650	455,140
	Premises	0	1,690	1,740
	Transport	3,400	2,400	3,400
	Supplies and Services	25,660	25,480	25,660
	Total Expenditure	472,610	494,220	485,940
Net Income to Summary	472,610	494,220	485,940	

Variance Explanations

- CC1** The 2018/19 revised budget reflects agency cover to meet the operational requirement owing to long term sickness. The 2019/20 draft budget reflects changes in the national pay policy and a full establishment.
- CC2** The reduced 2018/19 revised budget is due to in year vacant posts. The 2019/20 draft budget reflects national pay policy and a full establishment.
- CC3** The increase in 2018/19 revised budget reflects a temporary requirement for additional resources as a result of one off in year pressures. The 2019/20 draft budget reflects national pay policy and a full establishment.

CORPORATE & CULTURAL SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
CC4	Central Telephones / IT / Postages	0	25,000	0
CC5	Employees	570,600	605,600	595,600
	Supplies and Services			
	Total Expenditure	570,600	630,600	595,600
CC4	Grants and Contributions	0	(25,000)	0
	Total Income	0	(25,000)	0
	Net Income / Expenditure to Summary	570,600	605,600	595,600
	Net Income to Summary	570,600	605,600	595,600

Variance Explanations

- CC4** The increase in the revised 18/19 budget is due to one off set up costs for the Street Scene partnership with Corby Borough Council. This is directly offset by additional income from Corby Borough Council.
- CC5** The changes in both the revised budget 2018/19 and draft 2019/20 budget are related to an increase in IT Software Licences, with additional one off pressures also being reflected in the 2018/19 revised budget.

CORPORATE & CULTURAL SERVICES	Original 2018/19	Revised 2018/19	Draft 2019/20
	£	£	£
Art Gallery	144,840	143,840	152,680
Museum	150,450	149,360	157,070
Sport Development/Community Recreation	73,500	69,950	75,160
Tourism	840	840	840
Office Accommodation	384,810	411,480	396,720
Printing and Photocopying Services	138,020	136,020	139,440
Performance Improvement	320,000	303,030	329,010
IT Team	472,610	494,220	485,940
Central Telephones / IT / Postages	570,600	605,600	595,600
CORPORATE & CULTURAL SERVICES TOTAL	2,255,670	2,314,340	2,332,460
<i>Equal Global Summary Line 2</i>			

ENVIRONMENTAL CARE

Street Scene

There are a number of areas within Environmental Care that are showing an increase in both the 2018/19 revised and 2019/20 draft budget as a result of the shared Street Scene service between KBC and Corby Borough Council (CBC). Where these relate to staffing the 2019/20 draft budget also reflects changes in the national pay policy. All relevant lines have been referenced as EC1.

Ref		Original 2018/19 £	Revised 2018/19 £	Draft 2019/20 £
	WASTE COLLECTION			
	Household Waste Collection			
EC1	Employees	1,025,740	1,232,180	1,529,940
	Premises	0	500	3,000
	Transport	17,350	11,350	17,350
EC1	Supplies and Services	228,600	274,430	421,650
	Third Party Payments	600	1,600	6,600
	Total Expenditure	1,272,290	1,520,060	1,978,540
EC1	Grants and Contributions	0	(62,560)	(370,210)
EC1	Fees and Charges	(490,700)	(548,030)	(804,700)
	Total Income	(490,700)	(610,590)	(1,174,910)
	Net Expenditure to Summary	781,590	909,470	803,630
	Recycling			
EC1	Employees	897,360	943,030	1,539,010
	Transport	7,900	7,900	7,900
EC1, EC2	Supplies and Services	563,100	1,118,630	1,463,520
	Total Expenditure	1,468,360	2,069,560	3,010,430
EC1	Grants and Contributions	0	(135,560)	(550,120)
EC1	Fees and Charges	(1,030,000)	(1,104,430)	(1,564,000)
	Total Income	(1,030,000)	(1,239,990)	(2,114,120)
	Net Expenditure to Summary	438,360	829,570	896,310
	STREET CLEANSING			
EC1	Employees	579,030	666,880	1,187,830
	Premises	0	330	2,000
	Transport	7,350	7,360	7,380
	Supplies and Services	78,280	78,070	78,060
EC1	Third Party Payments	12,700	15,380	28,800
	Total Expenditure	677,360	768,020	1,304,070
EC1	Grants and Contributions	0	(102,340)	(613,780)
EC1	Fees and Charges	0	(2,480)	(11,000)
	Total Income	0	(104,820)	(624,780)
	Net Expenditure to Summary	677,360	663,200	679,290

Variance Explanations

EC2 The increase in both the revised 2018/19 and draft 2019/20 budget not only reflects changes relating to the shared Street Scene Service it also reflects an increase in gate fees for the disposal of commingled waste.

ENVIRONMENTAL CARE

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	ENVIRONMENTAL HEALTH			
	Public Conveniences			
	Premises	2,700	1,400	1,420
	Total Expenditure	2,700	1,400	1,420
	Fees and Charges	(190)	(190)	(190)
	Total Income	(190)	(190)	(190)
	Net Expenditure to Summary	2,510	1,210	1,230
	FLOOD DEFENCE/LAND DRAINAGE			
	Premises	0	2,000	0
	Supplies and Services	500	500	500
	Third Party Payments	2,210	2,210	2,210
	Total Expenditure	2,710	4,710	2,710
	Net Expenditure to Summary	2,710	4,710	2,710
	HIGHWAYS AND ROADS			
EC1	Employees	38,030	42,600	57,850
EC3	Premises	21,100	43,300	43,100
	Transport	6,600	2,000	6,600
	Supplies and Services	27,000	30,000	27,000
EC1	Third Party Payments	36,500	42,930	47,500
	Total Expenditure	129,230	160,830	182,050
	Fees and Charges	0	(5,000)	0
	Rents	(500)	(500)	(500)
EC1	Grants and Contributions	(78,000)	(83,080)	(108,480)
	Total Income	(78,500)	(88,580)	(108,980)
	Net Expenditure to Summary	50,730	72,250	73,070

Variance Explanations

EC3 The increase in both the revised 2018/19 and draft 2019/20 budget reflects energy costs for village street lighting.

ENVIRONMENTAL CARE

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	CORPORATE & DEMOCRATIC SERVICES			
	Emergency Planning			
	Employees	172,540	174,940	173,000
	Transport	7,200	6,400	7,200
	Supplies and Services	500	1,300	500
	Total Expenditure	180,240	182,640	180,700
	Fees and Charges	(76,880)	(76,880)	(82,100)
	Total Income	(76,880)	(76,880)	(82,100)
	Net Expenditure to Summary	103,360	105,760	98,600
	PROPERTY MAINTENANCE			
EC1	Employees	145,870	210,630	218,320
	Premises	3,000	3,000	3,000
	Transport	5,310	5,310	5,310
	Supplies and Services	44,110	44,110	44,110
	Third Party Payments	85,060	85,060	85,060
	Total Expenditure	283,350	348,110	355,800
	Fees and Charges	(5,710)	(5,710)	(5,710)
	Total Income	(5,710)	(5,710)	(5,710)
	Net Income / Expenditure to Summary	277,640	342,400	350,090
	GROUNDS MAINTENANCE			
EC1	Employees	1,268,730	1,440,230	2,380,860
	Premises	3,260	3,250	3,320
	Transport	14,390	20,040	20,650
EC1, EC4	Supplies and Services	163,300	124,290	247,300
EC1	Third Party Payments	24,500	62,570	252,900
	Total Expenditure	1,474,180	1,650,380	2,905,030
EC1	Grants and Contributions	(53,000)	(273,540)	(1,504,450)
EC1	Fees and Charges	(40,000)	(42,000)	(51,970)
	Total Income	(93,000)	(315,540)	(1,556,420)
	Net Income to Summary	1,381,180	1,334,840	1,348,610

Variance Explanations

EC4 The reduction in 2018/19 revised budget reflects a lower bulking and transferring fee than anticipated, the increase in the 2019/20 draft budget reflects the shared service arrangements.

ENVIRONMENTAL CARE

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	DEPOT			
EC1, EC5	Employees	279,070	206,060	171,020
EC1	Premises	114,100	127,560	202,590
	Transport	2,000	2,500	5,000
EC1	Supplies and Services	85,600	98,890	162,650
EC1	Third Party Payments	21,000	25,610	48,680
	Total Expenditure	501,770	460,620	589,940
EC1	Grants and Contributions	0	(28,240)	(280,310)
	Fees and Charges	(30,000)	(30,000)	(30,000)
	Rents	(65,000)	(65,000)	(65,000)
	Total Income	(95,000)	(123,240)	(375,310)
	Net Income / Expenditure to Summary	406,770	337,380	214,630
	FLEET MANAGEMENT			
EC1, EC5	Employees	0	11,650	69,900
EC1	Transport	1,791,840	1,935,160	2,679,690
	Total Expenditure	1,791,840	1,946,810	2,749,590
EC1	Grants and Contributions	0	(159,190)	(956,940)
	Total Income	0	(159,190)	(956,940)
	Net Income / Expenditure to Summary	1,791,840	1,787,620	1,792,650

Variance Explanations

EC5 The reduction in the 2018/19 revised budget reflects vacant posts and a reallocation of staffing costs. The 2019/20 draft budget reflects the new shared service arrangement.

ENVIRONMENTAL SERVICES SUMMARY	Original 2018/19	Revised 2018/19	Draft 2019/20
	£	£	£
Household Waste Collection	781,590	909,470	803,630
Recycling	438,360	829,570	896,310
Street Cleansing	677,360	663,200	679,290
Public Conveniences	2,510	1,210	1,230
Flood Defence / Land Drainage	2,710	4,710	2,710
Highways & Roads	50,730	72,250	73,070
Emergency Planning	103,360	105,760	98,600
Property Maintenance	277,640	342,400	350,090
Grounds Maintenance	1,381,180	1,334,840	1,348,610
Depot	406,770	337,380	214,630
Fleet Management	1,791,840	1,787,620	1,792,650
ENVIRONMENTAL SERVICES TOTAL			
<i>Equal Global Summary Line 3</i>	5,914,050	6,388,410	6,260,820

DEVELOPMENT SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	PLANNING POLICY			
DS1	Employees	440,790	462,700	560,100
	Transport	12,900	13,100	17,900
DS2	Supplies and Services	77,810	2,196,840	651,810
	Total Expenditure	531,500	2,672,640	1,229,810
DS2	Grants and Contributions	(92,600)	(2,209,220)	(749,210)
	Total Income	(92,600)	(2,209,220)	(749,210)
	Net Expenditure to Summary	438,900	463,420	480,600
	DEVELOPMENT CONTROL			
DS3	Employees	1,249,010	1,085,910	1,197,700
	Premises	0	130	140
	Transport	30,400	30,400	30,400
	Supplies and Services	89,500	89,500	89,500
	Total Expenditure	1,368,910	1,205,940	1,317,740
DS4	Fees and Charges	(818,000)	(765,600)	(788,000)
	Total Income	(818,000)	(765,600)	(788,000)
	Net Expenditure to Summary	550,910	440,340	529,740
	BUILDING CONTROL			
DS5	Employees	222,330	178,810	181,290
	Transport	8,500	8,500	8,500
	Supplies and Services	10,350	10,350	10,350
	Total Expenditure	241,180	197,660	200,140
DS6	Fees and Charges	(163,000)	(152,000)	(163,000)
	Total Income	(163,000)	(152,000)	(163,000)
	Net Expenditure to Summary	78,180	45,660	37,140

Variance Explanations

- DS1** The 2018/19 revised budget is due to in year vacant posts offset by the movement of a post from Development Control. The 2019/20 draft budget reflects changes in national pay policy and a full establishment. See note DS3
- DS2** The change in the 2018/19 revised budget and 2019/20 draft budget reflects Kettering Borough Council being the lead authority for the Joint Planning Unit and includes Capacity Funding received from MHCLG along with the associated expenditure.
- DS3** The revised 2018/19 budget reflects in year vacancies and the reallocation of a post to Planning Policy. The 2019/20 budget is based on a full establishment less the post reallocated to Planning Policy and updated for changes in national pay policy. See note DS1
- DS4** The revised 18/19 and 19/20 draft budget reflects a reduction in S106 monitoring fees as these no longer form part of S106 agreements.
- DS5** The reduced 2018/19 revised budget is due to in year vacant posts. The 2019/20 draft budget reflects changes in national pay policy and a full establishment, plus the realignment of posts with Economic Development. See notes DS7 & DS8
- DS6** The revised 2018/19 budget reflects an in year reduction in income from building control fees. The draft 2019/20 budget has been set as per the previous year, this is an area that will continue to be closely monitored.

DEVELOPMENT SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20	
		£	£	£	
DS7	Local Land Charges				
	Employees	106,970	87,700	98,280	
	Premises	6,110	6,110	6,290	
	Transport	900	900	900	
	Supplies and Services	21,020	21,020	21,020	
	Total Expenditure	135,000	115,730	126,490	
	Fees and Charges	(100,000)	(102,000)	(100,000)	
Total Income	(100,000)	(102,000)	(100,000)		
	Net Expenditure to Summary	35,000	13,730	26,490	
DS8	ECONOMIC DEVELOPMENT				
	Support to Business and Enterprise				
	Employees	225,490	139,840	193,520	
	Premises	32,850	31,390	31,440	
	Transport	4,000	4,000	4,000	
	Supplies and Services	69,960	67,960	74,960	
	Total Expenditure	332,300	243,190	303,920	
	Rents	(55,000)	(55,000)	(55,000)	
	Total Income	(55,000)	(55,000)	(55,000)	
		Net Expenditure to Summary	277,300	188,190	248,920
	MARKETS				
	Employees	19,420	19,000	21,960	
	Premises	11,760	9,330	9,610	
	Supplies and Services	5,050	5,050	5,050	
	Total Expenditure	36,230	33,380	36,620	
Rents	(52,700)	(52,700)	(52,700)		
Total Income	(52,700)	(52,700)	(52,700)		
	Net Expenditure to Summary	(16,470)	(19,320)	(16,080)	

Variance Explanations

- DS7** The reduced 2018/19 revised budget is due to in year vacant posts. The 2019/20 draft budget reflects changes to national pay policy and a full establishment, plus the realignment of posts between Economic Development and Building Control. *See note DS5 & DS8.*
- DS8** The revised 2018/19 and draft 2019/20 budget reflects the movement of a post from Economic Development to SMT. *See note RE13.* The draft 2019/20 budget also reflects the realignment of posts from Building Control and Land Charges plus the changes in the national pay policy for the establishment. *see notes DS5 & DS7*

DEVELOPMENT SERVICES	Original 2018/19	Revised 2018/19	Draft 2019/20
	£	£	£
Planning Policy	438,900	463,420	480,600
Development Control	550,910	440,340	529,740
Building Control	78,180	45,660	37,140
Local Land Charges	35,000	13,730	26,490
Support to Business and Enterprise	277,300	188,190	248,920
Markets	(16,470)	(19,320)	(16,080)
DEVELOPMENT SERVICES TOTAL			
<i>Equal Global Summary Line 4</i>	1,363,820	1,132,020	1,306,810

HOUSING SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
HS1	HOUSING STRATEGY			
	Employees	84,800	61,810	85,860
	Transport	1,250	1,250	1,250
	Supplies and Services	9,340	9,340	9,340
	Total Expenditure	95,390	72,400	96,450
	Net Expenditure to Summary	95,390	72,400	96,450
	HOMELESSNESS & PREVENTION			
	Employees	254,690	446,830	493,310
	Premises	2,000	8,000	2,000
	Transport	7,500	17,500	7,500
Supplies and Services	534,050	1,404,650	833,940	
Total Expenditure	798,240	1,876,980	1,336,750	
Grants and Contributions	(303,200)	(684,940)	(529,330)	
Total Income	(303,200)	(684,940)	(529,330)	
HS2	Net Expenditure to Summary	495,040	1,192,040	807,420
	PASTURE CARAVAN SITE			
	Employees	5,460	5,460	5,530
	Premises	27,700	36,700	32,700
	Transport	100	100	100
	Supplies and Services	57,000	62,000	62,000
	Third Party Payments	0	3,000	0
	Total Expenditure	90,260	107,260	100,330
	Rents	(12,000)	(12,000)	(12,000)
	Fees and Charges	(74,000)	(78,000)	(74,000)
Total Income	(86,000)	(90,000)	(86,000)	
Net Expenditure to Summary	4,260	17,260	14,330	
HS3	HOUSING ADVICE			
	Employees	78,350	122,230	117,020
	Transport	1,600	1,600	1,600
	Supplies and Services	13,500	17,500	13,500
	Total Expenditure	93,450	141,330	132,120
	Fees and Charges	(11,000)	(12,000)	(11,000)
Total Income	(11,000)	(12,000)	(11,000)	
Net Expenditure to Summary	82,450	129,330	121,120	

Variance Explanations

- HS1** The reduced 2018/19 revised budget is due to in year vacant posts. The 2019/20 draft budget reflects changes to the national pay policy and a full establishment.
- HS2** The movement between the original and revised 2018/19 budgets reflects an increase in demand. The financial pressures are being mitigated by acquiring properties and reducing the reliance on B&B and nightly paid accommodation. The lower costs in the draft 2019/20 budget reflect the full year impact of this strategy.
- HS3** The increases in both the revised 2018/19 and draft 2019/20 budgets are as a result of the increased preventative work required following the introduction of the Homelessness Reduction Act. The draft 2019/20 budget also includes changes to the national pay policy and a full establishment.

HOUSING SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
HS4	HOUSING ASSOCIATIONS			
	Employees	23,610	19,610	23,900
	Transport	450	450	450
	Total Expenditure	24,060	20,060	24,350
	Net Expenditure to Summary	24,060	20,060	24,350
	PRIVATE SECTOR HOUSING RENEWAL			
	Employees	93,750	93,760	97,780
	Transport	3,200	5,200	3,200
	Supplies and Services	4,450	7,450	4,450
	Total Expenditure	101,400	106,410	105,430
Fees and Charges	(1,300)	(21,300)	(1,300)	
Total Income	(1,300)	(21,300)	(1,300)	
Net Expenditure to Summary	100,100	85,110	104,130	
HS5	INDUSTRIAL/COMMERCIAL PREMISES			
	Garages			
	Premises	5,600	5,600	5,600
	Total Expenditure	5,600	5,600	5,600
	Rents	(332,000)	(353,000)	(342,000)
	Total Income	(332,000)	(353,000)	(342,000)
Net Expenditure to Summary	(326,400)	(347,400)	(336,400)	

Variance Explanations

- HS4** The increase in the revised 2018/19 budget is a reflection of the change in the House in Multiple Occupation (HMO) Licence, which is now received every five years. This was introduced during 2018/19 therefore an increase has not been assumed in the 2019/20 budget owing to uncertainty over the numbers of licences that will be issued in 2019/20.
- HS5** The revised 2018/19 and draft 2019/20 budget reflects an increase in garage rental income owing to a lower void level.

HOUSING SERVICES	Original 2018/19	Revised 2018/19	Draft 2019/20
	£	£	£
Housing Strategy	95,390	72,400	96,450
Homelessness & Prevention	495,040	1,192,040	807,420
Pasture Caravan Site	4,260	17,260	14,330
Housing Advice	82,450	129,330	121,120
Housing Associations	24,060	20,060	24,350
Private Sector Housing Renewal	100,100	85,110	104,130
Garages	(326,400)	(347,400)	(336,400)
HOUSING SERVICES TOTAL	474,900	1,168,800	831,400
<i>Equal Global Summary Line 5</i>			

CUSTOMER SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	HOUSING BENEFITS			
CS1	Employees	538,050	598,090	559,920
	Transport	6,000	6,000	6,000
CS2	Supplies and Services	22,400	42,400	22,400
CS3	Transfer Payments	22,770,860	21,970,860	20,493,760
	Total Expenditure	23,337,310	22,617,350	21,082,080
CS3	Grants and Contributions	(23,046,210)	(22,452,210)	(20,744,110)
	Total Income	(23,046,210)	(22,452,210)	(20,744,110)
	Net Expenditure to Summary	291,100	165,140	337,970
	Local Tax Collection			
CS4	Employees	861,600	766,700	878,380
	Transport	11,750	11,750	11,750
	Supplies and Services	120,300	120,300	120,300
	Total Expenditure	993,650	898,750	1,010,430
	Fees and Charges	(587,500)	(587,500)	(587,500)
	Grants and Contributions	(209,950)	(202,950)	(209,950)
	Total Income	(797,450)	(790,450)	(797,450)
	Net Expenditure to Summary	196,200	108,300	212,980

Variance Explanations

- CS1** The change in the 2018/19 revised budget reflects additional expenditure on agency staff as a result of sickness and in year vacant posts. The 2019/20 budget reflects the full establishment and changes to the national pay policy.
- CS2** The increase in the 2018/19 revised budget is due to additional expenditure as a result of welfare reform changes, additional grants have been provided to fund these changes.
- CS3** The change in the 2018/19 revised budget reflects current caseload, for which we receive subsidy. The change in the 2019/20 original budget reflects estimated expenditure on housing benefits.
- CS4** The change in the 2018/19 revised budget reflects in year vacancies while the increase in 2019/20 draft budget reflects a full establishment and changes to the national pay policy.

CUSTOMER SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
CS5	Customer Services			
	Employees	1,002,010	982,120	1,041,980
	Transport	1,800	1,800	1,800
	Supplies and Services	18,680	18,680	18,680
	Total Expenditure	1,022,490	982,600	1,062,440
	Fees and Charges	(28,000)	(28,000)	(28,000)
	Total Income	(28,000)	(28,000)	(28,000)
	Net Income / Expenditure to Summary	994,490	954,600	1,034,440
	ECONOMIC DEVELOPMENT			
CS5	Kettering Training Services			
	Employees	368,070	337,100	377,300
	Premises	34,890	28,790	35,590
	Transport	16,300	16,300	16,300
CS6	Supplies and Services	202,050	120,050	105,050
	Total Expenditure	621,310	502,240	534,240
CS6	Grants and Contributions	(403,000)	(234,000)	(192,600)
	Total Income	(403,000)	(234,000)	(192,600)
	Net Expenditure to Summary	218,310	268,240	341,640

Variance Explanations

- CS5** The change in the 2018/19 revised budget reflects in year vacancies while the increase in 2019/20 draft budget reflects a full establishment and changes to the national pay policy.
- CS6** The reduction in both the 2018/19 revised budget and the 2019/20 draft budget results from the introduction of the Apprenticeship Levy which has reduced the number of apprentices and is consistent with the national picture. This also results in lower expenditure being incurred on external training costs.

CUSTOMER SERVICES	Original 2018/19	Revised 2018/19	Draft 2019/20
	£	£	£
Housing Benefits	291,100	165,140	337,970
Local Tax Collection	196,200	108,300	212,980
Customer Services	994,490	954,600	1,034,440
Kettering Borough Training	218,310	268,240	341,640
CUSTOMER SERVICES TOTAL <i>Equal Global Summary Line 6</i>	1,700,100	1,496,280	1,927,030

LEGAL SERVICES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	CORPORATE & DEMOCRATIC CORE			
	Democratic Representation			
	Employees	27,160	27,160	28,270
	Premises	0	130	140
	Transport	15,700	15,700	15,700
	Supplies and Services	371,010	366,010	371,040
	Total Expenditure	413,870	409,000	415,150
	Net Expenditure to Summary	413,870	409,000	415,150
	Elections			
	Employees	35,000	35,000	35,000
	Transport	900	1,400	900
DL1	Supplies and Services	8,000	62,500	18,500
	Total Expenditure	43,900	98,900	54,400
DL2	Grants and Contributions	0	(12,000)	0
	Fees and Charges	(4,000)	(1,000)	(4,000)
	Total Income	(4,000)	(13,000)	(4,000)
	Net Expenditure to Summary	39,900	85,900	50,400
	Legal and Democratic Services			
DL3	Employees	877,250	1,140,840	974,220
	Transport	5,200	7,200	5,200
	Supplies and Services	55,980	53,480	55,980
	Total Expenditure	938,430	1,201,520	1,035,400
DL4	Fees and Charges	(414,900)	(597,400)	(459,400)
	Total Income	(414,900)	(597,400)	(459,400)
	Net Income / Expenditure to Summary	523,530	604,120	576,000

Variance Explanations

- DL1** The revised 2018/19 and draft 2019/20 budget reflects costs for election IT equipment. The revised 2018/19 budget also includes one off IT costs and expenditure for Individual Electoral Registration, this is partially offset by a grant. See note DL2
- DL2** The 2018/19 revised budget reflects a one off grant from HM Cabinet Office for Individual Electoral Registration, partly offsetting additional expenditure in note DL1.
- DL3** The 2018/19 revised budget reflects the use of locums to maintain service delivery. The 2019/20 draft budget reflects a revised establishment inclusive of changes to the national pay policy.
- DL4** The revised 2018/19 and draft 2019/20 budget reflects increased contributions from the District Law partners, to fund the additional costs in providing the legal service.

LEGAL SERVICES	Original 2018/19	Revised 2018/19	Draft 2019/20
	£	£	£
Democratic Representation	413,870	409,000	415,150
Elections	39,900	85,900	50,400
Legal and Democratic Services	523,530	604,120	576,000
LEGAL SERVICES TOTAL	977,300	1,099,020	1,041,550
<i>Equal Global Summary Line 7</i>			

RESOURCES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	CORPORATE & DEMOCRATIC CORE			
	Corporate Management			
RE1	Employees	(150,000)	0	(150,000)
RE2	Supplies and Services	1,764,390	1,284,410	2,287,200
RE3	Capital - MRP	846,000	716,130	1,374,400
	Total Expenditure	2,460,390	2,000,540	3,511,600
RE4	Grants and Contributions	(3,609,000)	(4,047,000)	(4,021,000)
	Total Income	(3,609,000)	(4,047,000)	(4,021,000)
	Net Expenditure to Summary	(1,148,610)	(2,046,460)	(509,400)
	INDUSTRIAL/COMMERCIAL PREMISES			
RE5/RE8	Employees	168,140	155,390	107,990
RE6/RE8	Premises	111,970	159,360	434,200
	Transport	0	310	0
RE7/RE8	Supplies and Services	101,190	99,490	250,420
	Third Party Payments	0	4,970	0
	Total Expenditure	381,300	419,520	792,610
RE8	Fees and Charges	(7,750)	(59,980)	(438,910)
RE9	Rents	(3,595,560)	(3,225,350)	(5,105,560)
	Total Income	(3,603,310)	(3,285,330)	(5,544,470)
	Net Expenditure to Summary	(3,222,010)	(2,865,810)	(4,751,860)

Variance Explanations

- RE1** The Council has budgeted for a vacancy factor in both 2018/19 and 2019/20. The revised budget shows a nil figure as vacancies are reflected in the Individual services.
- RE2** The reduction in the 2018/19 revised budget is a result of lower borrowing costs. The change in the 2019/20 draft budget reflects additional borrowing costs to deliver the commercial property strategy.
- RE3** Minimum Revenue Provision (MRP) is a statutory amount the Council must provide for future repayment of debt (both internal and external). This reflects the level of MRP required for the Commercial Investment Strategy. The revised 2018/19 budget is lower than anticipated due to timing differences on the general fund capital programme.
- RE4** The change in the 2018/19 revised budget reflects Business Rates growth. The change in the 2019/20 draft budget reflects a reduction in the New Homes Bonus grant.
- RE5** The change in the 2018/19 revised budget reflects in year vacancies. The change in 2019/20 draft budget reflects the decision to have a Shared Property Service with Corby Borough Council, as agreed at the Executive meeting on 11th July 2018.
- RE6** Both the 2018/19 revised and 2019/20 draft budget reflect NNDR charges for commercial properties.
- RE7** The 2019/20 draft budget reflects the Shared Property Service with Corby Borough Council property services and the removal of the one off costs for the 2018/19 stock condition survey. *See note RE5*
- RE8** The 2019/20 draft budget also includes the service charges for commercial properties which are recovered in full.
- RE9** The increase in the 2019/20 draft budget reflects the Commercial Investment Strategy. The decrease in the 2018/19 revised budget is offset by lower borrowing costs. *See note RE2*

RESOURCES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	Personnel Services			
RE10	Employees	199,780	217,680	269,170
	Transport	1,000	1,500	1,000
RE10	Supplies and Services	56,100	68,700	56,100
	Total Expenditure	256,880	287,880	326,270
RE10	Grants and Reimbursements	0	0	(33,000)
	Total Income	0	0	(33,000)
	Net Income / Expenditure to Summary	256,880	287,880	293,270
	Training			
RE10	Employees	129,710	134,820	109,560
	Transport	1,500	500	1,500
	Supplies and Services	1,000	1,060	1,000
	Total Expenditure	132,210	136,380	112,060
	Fees and Charges	0	(500)	0
	Total Income	0	(500)	0
	Net Income to Summary	132,210	135,880	112,060
	Payroll			
RE11	Employees	47,720	51,260	58,400
	Supplies and Services	6,700	6,750	6,700
	Total Expenditure	54,420	58,010	65,100
RE11	Grants and Reimbursements	0	0	(10,000)
	Total Income	0	0	(10,000)
	Net Income / Expenditure to Summary	54,420	58,010	55,100
	Finance and SMT			
RE12	Employees	1,229,560	1,354,700	1,409,570
	Premises	0	390	0
	Transport	15,980	16,880	15,980
RE13	Supplies and Services	92,820	115,600	75,850
	Total Expenditure	1,338,360	1,487,570	1,501,400
	Grants and Contributions	0	0	(3,000)
	Fees and Charges	(68,500)	(68,500)	(68,500)
	Total Income	(68,500)	(68,500)	(71,500)
	Net Income to Summary	1,269,860	1,419,070	1,429,900

Variance Explanations

- RE10** The revised 2018/19 budget includes one off costs associated with realigning the HR Service as a result of the shared street scene service with CBC. The draft 19/20 budget reflects the new establishment including changes to the national pay policy plus a reallocation of costs between Personnel and Training.
- RE11** The draft 2019/20 budget includes the additional costs to Payroll and corresponding funding from the Street Scene Partnership.
- RE12** The 2018/19 revised and 2019/20 draft budget reflect the movement of a post from Development Services to Finance and SMT. See also note DSB. The draft 2019/20 budget also includes changes to the national pay policy and a full establishment.
- RE13** The revised budget for 2018/19 includes one off costs for preliminary Local Government Reform work.

RESOURCES

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	Internal Audit			
	Supplies and Services	66,820	65,360	66,820
	Total Expenditure	66,820	65,360	66,820
	Net Income / Expenditure to Summary	66,820	65,360	66,820
	TECHNICAL ACCOUNTING ADJUSTMENTS			
RE14	Depreciation Charge	1,414,360	1,500,500	1,925,500
RE15	REFCUS	572,000	957,000	572,000
	Total Expenditure	1,986,360	2,457,500	2,497,500
	Net Income / Expenditure to Summary	1,986,360	2,457,500	2,497,500

Variance Explanations

- RE14** The change in the 2018/19 revised budget and the 2019/20 draft budget reflects changes to the depreciation charges taking account of the 2018/19 estimated capital expenditure and asset values, which includes commercial acquisitions. This has no impact on the Council's overall revenue budget. *See note TA1*
- RE15** The change in the 2018/19 revised budget reflects additional one off funding for specific grants. This has no impact on the Council's overall revenue funding. *See note TA3*

RESOURCES	Original 2018/19	Revised 2018/19	Draft 2019/20
	£	£	£
Corporate Management	(1,148,610)	(2,046,460)	(509,400)
Industrial & Commercial Premises	(3,222,010)	(2,865,810)	(4,751,860)
Personnel Services	256,880	287,880	293,270
Training	132,210	135,880	112,060
Payroll	54,420	58,010	55,100
Finance and SMT	1,269,880	1,419,070	1,429,900
Internal Audit	66,820	65,360	66,820
Technical Accounting Adjustments	1,986,360	2,457,500	2,497,500
RESOURCES TOTAL			
<i>Equal Global Summary Line 8</i>	(604,070)	(488,570)	(806,610)

CAPITAL FINANCING AND TECHNICAL ACCOUNTING ADJUSTMENTS

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
TA1	CAPITAL CHARGES			
	Surplus on Depreciation Charges	(1,414,360)	(1,500,500)	(1,925,500)
	Total Surplus on Depreciation Charges	(1,414,360)	(1,500,500)	(1,925,500)
	Net Income to Summary	(1,414,360)	(1,500,500)	(1,925,500)
	TECHNICAL ACCOUNTING ADJUSTMENTS			
	Non Distributed Costs	116,000	116,000	116,000
	HRA Support Services Adjustment	52,300	52,300	52,300
TA2	MRP	316,140	314,720	426,860
TA3	Surplus from REFCUS Account	(572,000)	(957,000)	(572,000)
	Total Movement to Summary	(87,560)	(473,980)	23,160
	INTEREST & INVESTMENT INCOME			
	Interest Payable to HRA	6,150	6,150	6,150
	Interest Receivable from HRA	(197,350)	(197,350)	(197,350)
	Interest - Car Purchase Account	(8,000)	(8,000)	(8,000)
TA4	Interest - General Fund	(175,000)	(425,010)	(455,000)
	Total Income to Summary	(374,200)	(624,210)	(654,200)

Variance Explanations

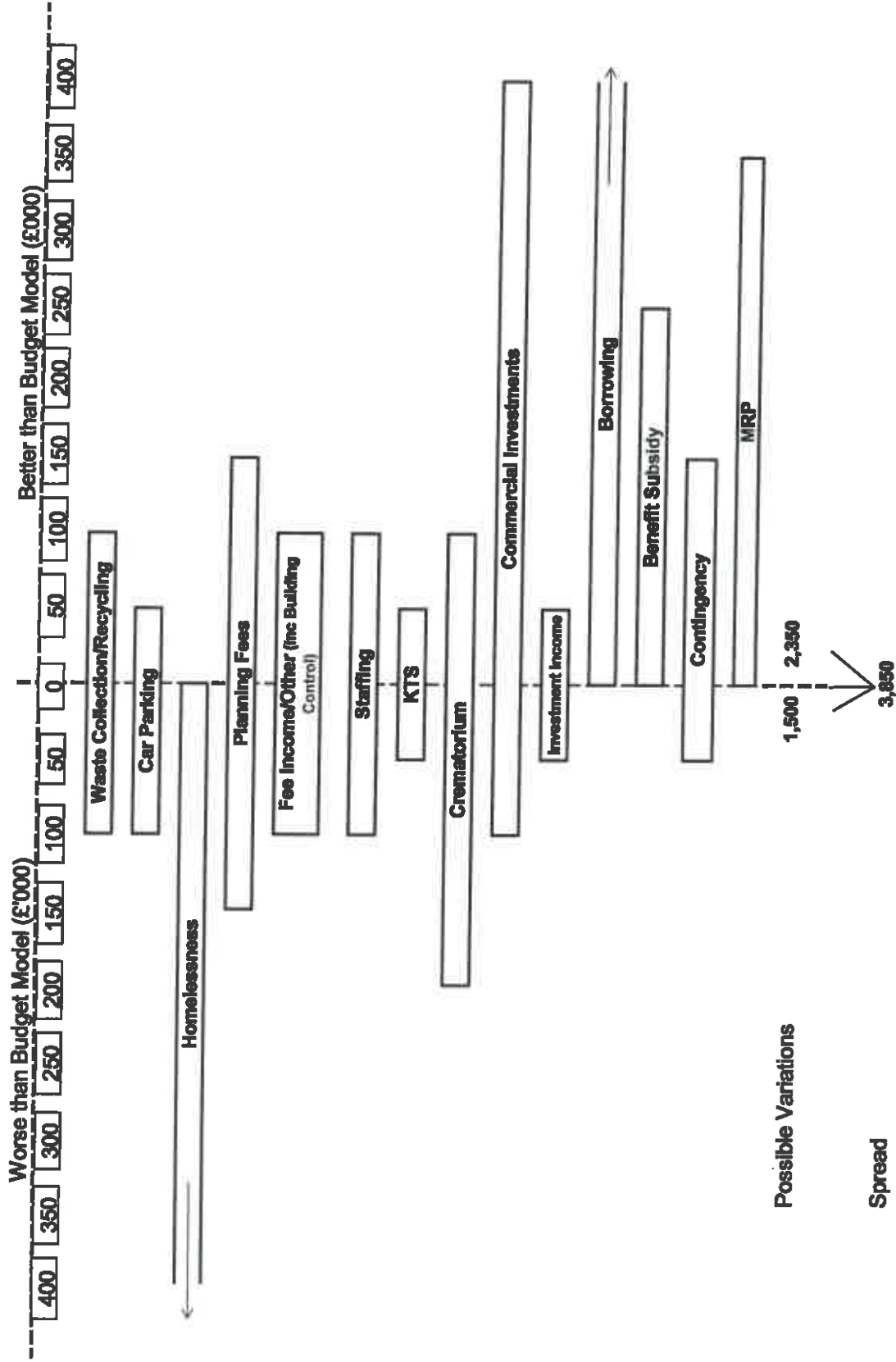
- TA1** The change in the 2018/19 revised budget and the 2019/20 draft budget reflects changes to the depreciation charges taking account of the 2018/19 estimated capital expenditure and asset values, which includes commercial acquisitions. This has no impact on the Council's overall revenue budget. *See note RE15*
- TA2** Minimum Revenue Provision (MRP) is a statutory amount the Council must provide for future repayment of debt (both internal and external). This has a "real" impact on the overall budget. The change in the 2019/20 draft budget reflects a higher estimated capital outturn in 2018/19 including spend on the Homelessness Prevention capital scheme as a result of the 2019/20 capital budget being brought forward to 2018/19.
- TA3** REFCUS relates to capital expenditure for which no capital asset is created, it reverses out costs in the Service revenue Accounts and has no impact on the Council's overall budget. The main change for the 2018/19 revised budget relates to various one off grants received in year. *See note RE16*
- TA4** The change in both the 2018/19 revised and 2019/20 draft budget reflects an increase in Investment Income, from Investing in to Property Funds.

CAPITAL FINANCING AND TECHNICAL ACCOUNTING ADJUSTMENTS	Original 2018/19	Revised 2018/19	Draft 2019/20
	£	£	£
Capital Charges	(1,414,360)	(1,500,500)	(1,925,500)
Technical Accounting Adjustments	(87,560)	(473,980)	23,160
Interest & Investment Income	(374,200)	(624,210)	(654,200)
CAPITAL FINANCING TOTAL <i>Equal Global Summary Line 13 - 15</i>	(1,876,120)	(2,598,690)	(2,556,540)

Central Support Allocations	(2,072,130)	(2,103,710)	(2,061,370)
General Contingency / Cont to Cap	140,000	90,000	190,000
Transfers to/from Reserves	385,610	360,610	265,610
NET COUNCIL BUDGET	9,420,000	9,420,000	9,556,410

POSSIBLE VARIATIONS TO THE BUDGET MODEL FOR 2019/20

MAJOR BUSINESS RISKS 'SWING-O-METER'



Based upon current approved Council policies the Council has sufficient resources in balances to cover the additional costs even in the worst case scenario.

Kettering *Borough Council*

DRAFT BUDGET BOOKLET - 2019/20

Section 2

Housing Revenue Account Estimates 2019/20

HOUSING REVENUE ACCOUNT ESTIMATES 2019/20

Ref		Original 2018/19	Revised 2018/19	Draft 2019/20
		£	£	£
	INCOME			
1	Rents - Dwellings Only	14,932,000	14,722,230	14,875,000
	Service Charges	420,000	416,000	436,000
	HRA Investment Income	6,600	6,600	6,600
	Total Income	15,358,600	15,144,830	15,317,600
	EXPENDITURE			
2	Repairs and Maintenance	3,909,040	4,087,800	3,803,760
3	General Management	2,466,850	2,534,970	2,692,130
4	Special Services	1,066,530	1,077,040	1,096,790
5	Rents, Rates, Taxes & Other Charges	110,000	150,000	130,000
6	Contribution to Bad Debt Provision	150,000	75,000	150,000
7	Revenue Contribution to Capital	2,634,160	2,549,000	2,598,900
8	HRA Self Financing	4,724,670	4,473,670	5,146,670
9	Interest Payable	197,350	197,350	199,350
10	Contingency	100,000	0	0
11	Transfer To/From Reserves	0	0	(500,000)
	Total Expenditure	15,358,600	15,144,830	15,317,600
	Net Operating Expenditure	0	0	0
	Net Change in Balances	0	0	0
	Balance Carried Forward	(850,000)	(850,000)	(850,000)

Variance Explanations

- 1** The Council continues to follow Government policy for rent setting. In 2019/20, KBC tenants face average decreases of 1% per week equivalent to £0.79, the average rent per week in 2019/20 being £78.64. The 1% rent reduction and the impact of higher voids and right to buy sales is partially offset by 2019/20 being a 53 week rent year. The reduction in the 2018/19 revised budget is due to the Council having more void properties and higher right to buy sales than anticipated.
- 2** This represents the cost of maintaining the council's housing stock to the expected Housing Standard and includes general maintenance, gas servicing and repair costs. The change in the 2018/19 revised budget reflects an increase in costs due to increased activity on standard voids and general maintenance works. The change in the 2019/20 draft budget reflects reduced expenditure on subcontractors and changes in National Pay Policy.
- 3** General Management represents the cost of managing the Housing services provided by the Council and includes the cost of running the department efficiently and effectively. The change in the 2018/19 revised budget reflects an increase in support costs, the increase in the 2019/20 original budget reflects changes in National Pay Policy.
- 4** This represents the cost of running the Council's Sheltered Housing Scheme for vulnerable residents and includes expenditure on maintaining the Scheme properties. The draft budget for 2019/20 reflects changes in National Pay Policy.
- 5** This reflects charges for Council Tax on void properties, the increased costs in the 2018/19 revised and 2019/20 draft budgets reflect void levels being higher than anticipated.
- 6** This represents the cost of Bad Debts to the Housing Revenue Account. The reduction in 2018/19 revised budget reflects a lower contribution to the bad debts provision. The draft budget for 2019/20 has been kept at the same level as the 2018/19 original budget due to the uncertainty of the impact of welfare reform.
- 7** This reflects the level of investment into the Capital Programme that is funded by rents. This is calculated based on the certified value of properties owned by the Council. The reduction in the 2018/19 revised budget and 2019/20 draft budget reflects lower increases in house prices than anticipated.
- 8** This reflects the borrowing undertaken by the HRA for the self-financing regime which came into effect on 1st April 2012, the Council's share of the national housing debt was £72.9m. The change in the 2018/19 revised budget reflects a reduction in the amount being set aside for the loan repayment of £3m, this reduction is being replaced by receipts from right to buy sales which do not pass through the revenue account. This is a technical adjustment and does not impact on the amount of loan repaid. The increase in the 2019/20 draft budget reflects the loan repayment increasing to £3.5m, this is financed by using monies set aside in a reserve in line with the HRA's medium term financial strategy. (See 11)
- 9** This relates to technical recharges between the General Fund and the HRA. The increase in the 2019/20 original budget reflects the annual charge for the appropriation of land between General Fund and HRA required for the new build projects at Scott Road and Albert Street.
- 10** The 2018/19 revised and 2019/20 draft budgets show a reduction in the contingency budget due to the continued pressures of the 1% rent reduction policy and inflationary increases. The Council proposes to reintroduce this budget in the medium term.
- 11** This line reflects transfers to and from reserves. The 2019/20 draft budget reflects the additional sum required to repay the 2019/20 self-financing loan set aside in a reserve. (See 8)

Kettering *Borough Council*

DRAFT BUDGET BOOKLET - 2019/20

Section 3

Capital Programme 2018/19 - 2023/24

CAPITAL PROGRAMME 2018/19 - 2023/24

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Latest Estimate	Draft Budget	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate
	£000	£000	£000	£000	£000	£000
1. EXPENDITURE SUMMARY:						
A. HOUSING SCHEMES (HRA)	7,386	3,822	4,159	4,430	4,500	4,260
B. GENERAL FUND SCHEMES:						
Private Sector Housing Improvement	846	500	500	500	500	500
Investment & Repair Programme	428	758	360	260	260	260
Community Project Schemes	195	1,280	32	482	182	32
E-government investment programme	265	310	220	220	220	220
Commercial Investments	32,256	20,000	20,000	20,000	20,000	20,000
Town Centre Delivery Plan	690	100	0	0	0	0
Invest To Save Projects	5,235	2,520	2,800	4,300	2,800	300
	39,915	25,468	23,912	25,762	23,962	21,312
Total	47,301	29,290	28,071	30,192	28,462	25,572
2. FINANCING ANALYSIS:						
Capital Receipts	2,213	1,324	1,478	1,689	1,698	1,396
Prudential Borrowing	41,309	23,460	23,272	25,122	23,322	20,672
Revenue Contribution	2,589	2,728	2,821	2,881	2,942	3,004
Grants and Contributions	1,190	1,778	500	500	500	500
Total	47,301	29,290	28,071	30,192	28,462	25,572

CAPITAL PROGRAMME 2018/19 - 2023/24

Scheme	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Latest Estimate	Draft Budget	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate
	£000	£000	£000	£000	£000	£000
HOUSING REVENUE ACCOUNT						
Kitchen & Bathroom Renewal						
Decent Homes - Kitchen & Bathroom Renewal	375	200	350	350	420	420
Sheltered Accommodation Upgrading						
Door Entry Systems	100	100	100	0	0	0
Window Renewal Programme						
Window Renewal	29	0	200	175	175	175
Central Heating						
Central Heating Renewal	357	300	300	400	400	400
New Build / Major Refurbishment						
Homes for the Future : Hampden Crescent A	745	0	0	0	0	0
Homes for the Future : Hampden Crescent B	184	1,920	0	0	0	0
New Build - Scott Road	2,904	0	0	0	0	0
New Build - Albert Street	862	0	0	0	0	0
Stamford Road land acquisition	210	0	0	0	0	0
Other Schemes						
Roof Renewals	156	157	250	250	250	250
Brickwork Repairs	0	0	70	70	70	70
Improving access for disabled people	250	200	150	150	150	150
Decent Homes - Electrical Upgrades	58	150	350	400	400	400
Decent Homes - Fire Precautions (Fire Doors)	25	20	20	20	20	20
Decent Homes - Fire Precautions	30	25	0	0	0	0
External Door Replacements	80	10	135	150	150	150
Structural Improvements	4	0	50	50	50	50
Voids Repairs and Improvements	849	650	625	620	620	620
External Insulation	0	0	250	250	250	250
Environmental Improvements	60	0	100	100	100	100
Homes for the future	0	0	104	340	340	100
Sheltered Housing - "Sparkle" Programme	53	40	50	50	50	50
Lift Renewals	0	0	70	70	70	70
Hidden Homes	0	50	0	0	0	0
Housing Association Grant	55	0	985	985	985	985
Sub Total	7,386	3,822	4,159	4,430	4,500	4,260

CAPITAL PROGRAMME 2018/19 - 2023/24

Scheme	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Latest Estimate	Draft Budget	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate
	£000	£000	£000	£000	£000	£000
GENERAL FUND						
<u>Private Sector Housing Improvement</u>						
Disabled Facilities Grants	732	500	500	500	500	500
Private Sector Decent Homes Project	98	0	0	0	0	0
Social Housing Grant	16	0	0	0	0	0
Sub Total	846	500	500	500	500	500
<u>Investment & Repair Programme</u>						
Parkwood Leisure Renewal	60	30	30	30	30	30
SCW - Small Capital Works	50	50	50	50	50	50
Community Fund	40	40	40	40	40	40
Borough Wide - Recycling Project	80	80	80	80	80	80
Car Parking	28	20	20	20	20	20
Car Parking Machine Replacement	64	0	0	0	0	0
Residential Zones / CPE	25	25	0	0	0	0
Municipal Offices - Major Works	0	200	100	0	0	0
Depot Improvements	30	0	0	0	0	0
Corporate Property - Stock Condition Works	0	100	0	0	0	0
Cemetery Works	11	35	0	0	0	0
Desborough / Rothwell Chapel	0	75	0	0	0	0
Mausoleum	0	35	0	0	0	0
Desborough Leisure Centre Floor Replacement	0	20	0	0	0	0
Corn Market Hall Boiler Replacement	0	8	0	0	0	0
Health and Safety Improvements	40	40	40	40	40	40
Sub Total	428	758	360	260	260	260
<u>Community Project Schemes</u>						
Grants - Village Halls	32	32	32	32	32	32
Conservation Area Enhancement Schemes	4	0	0	0	0	0
Desborough Green Space Lighting	8	0	0	0	0	0
Burton Latimer FUGA	21	0	0	0	0	0
Paddocks	10	0	0	0	0	0
Churchill Way Public Realm	0	248	0	0	0	0
Burton Latimer Community Leisure	0	900	0	0	0	0
Community Centre Schemes	22	100	0	0	0	0
Warren Hill Works	0	0	0	150	150	0
Rockingham Road Pavillion	0	0	0	300	0	0
Improving access to FE/HE	98	0	0	0	0	0
Sub Total	195	1,280	32	482	182	32

CAPITAL PROGRAMME 2018/19 - 2023/24

Scheme	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Latest Estimate	Draft Budget	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate
	£000	£000	£000	£000	£000	£000
<u>E-government Investment programme</u>						
Replacement IT System	0	90	0	0	0	0
Infrastructure / Flexi & Remote Working	265	220	220	220	220	220
Sub Total	265	310	220	220	220	220
<u>Town Centre Delivery Plan</u>						
Meadow Road Urban Park	300	0	0	0	0	0
GLaM	15	0	0	0	0	0
Public Realm 5	43	0	0	0	0	0
Town Centre Improvements	132	100	0	0	0	0
Pre Contract Works	200	0	0	0	0	0
Sub Total	690	100	0	0	0	0
<u>Invest To Save Projects</u>						
Chesham House - Major Works	169	0	0	0	0	0
Commercial Properties	32,256	20,000	20,000	20,000	20,000	20,000
New Depot	0	0	2,000	1,500	0	0
Recycling Project / Facility	0	0	500	2,500	2,500	0
Canteen Block	8	0	0	0	0	0
Target Hardening	40	0	0	0	0	0
Industrial Units - Energy Efficiency	0	50	0	0	0	0
Grounds Fleet	322	170	0	0	0	0
Housing and Homelessness Prevention	4,500	2,000	0	0	0	0
Invest to Save Projects / Contingency	196	300	300	300	300	300
Sub Total	37,491	22,520	22,800	24,300	22,800	20,300
CAPITAL PROGRAMME TOTAL	47,301	29,290	28,071	30,192	28,462	25,572

BUDGET PROCESS 2019/20 TIMELINE

Appendix B

Month	Date	Meeting	Comments
January	16	Executive	Receive initial draft budget proposals for the General Fund, Capital Programme, and Housing Revenue Account. This will constitute the beginning of the formal budget consultation process.
	24	Budget Consultation Meeting	The annual Budget Consultation Meeting with stakeholders of the Borough.
February	28	Kettering Town Forum	Opportunity for the Forum to comment on specific budget proposals / issues.
	30	A6 Towns Forum	Opportunity for the Forum to comment on specific budget proposals / issues.
	31	Rural Forum	Opportunity for the Forum to comment on specific budget proposals / issues.
	5	Monitoring & Audit	To perform the scrutiny role in relation to the draft budget proposals. Comments to be submitted back to the Executive for the February Meeting.
	6	Research & Development	To perform the scrutiny role in relation to the draft budget proposals. Comments to be submitted back to the Executive for the February Meeting.
	7	Tenants Forum	To consider the draft budget proposals for the Housing Revenue Account and make any comments to the February meeting of the Executive.
	13	Executive	Consideration of comments that have come back from the consultation process and formulation of final budget proposals for submission to the Council.
	27	Council	Budget and Council Tax debate and the formal setting of the Council's Revenue and Capital budgets for 2019/20 including setting the Council Tax.

Formal Consultation Period

