

10. Appendix B

SUMMARY OF MAIN COMMENTS MADE ON THE DRAFT BUDGET PROPOSALS

1) STATUTORY BUDGET CONSULTATION MEETING – 24th JANUARY 2019

Item / Issue	Summary of Response Given
<p>This comment was made last year, too. It should be made clearer to local organisations and members of the public when their comments are going to be considered. The report suggests that the consultation period ends at the Full Council meeting in February. However, the Portfolio Holder for Finance has said that if people wait until the end of the consultation period, comments will not be considered by the Executive. The public must know that their comments will be considered. Please can it be made clear that the cut-off point is 12th or 13th February, so that all comments and suggestions made can be considered by the Executive. It has been said at this meeting that making a comment on 27th February is too late. This is very important.</p> <p>(Councillor Clark Mitchell, KBC)</p>	<p><i>The Council did take on board comments made last year on this subject. Between now and 27th February there is an opportunity for anyone to make a comment. However, the earlier someone comes forward with an idea, the better. In terms of the council's statutory responsibilities, the consultation ends when the council sets the budget and council tax. Ideally, people should make any comments before the Executive Committee meets on 13th February. It does not stop people coming along to the Council meeting and making a comment, but it does make it more difficult to take their comments on board.</i></p> <p>(Officer Response)</p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance)</p>
<p>With shared services and local government reorganisation is there going to be a natural wastage of people, with a consequent cutting back on services in rural areas, eg. grass cutting.</p> <p>Councillor Robin Shrive (Broughton Parish Council)</p>	<p><i>Joining with Corby in delivering a shared street scene service will give more capacity and allow for more investment in some areas of work, for example verge maintenance. Combining the two teams improves overall capacity, without increasing staff numbers, and any reductions in aggregate numbers of employees has not been at the expense of service quality; indeed, the intention is for service quality to improve.</i></p> <p>(Officer Response)</p>

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<p>I understand there will be no Council Tax increase this year and there has been none for the last eight years.</p> <p>From the parishes' point of view we have to increase our precept each year. We have also been advised by NALC we need to build up a contingency fund for jobs that we may have to do in future which will not be done by the borough and county council, such as street lighting, verge maintenance and highway repairs. We have put up our precept by £1k on the basis of this advice. If we don't have to do the work the precept can be reduced in 2020. As a Parish Council Chair I have to be able to explain why we have raised the precept.</p> <p>Kettering is not parished so there may not be an increase for people living in Kettering but parishes have to keep putting up their precept.</p> <p>It worries me about business rates. I am a farmer and know that farm buildings are let to businesses and those people pay no business rates. I hope something will be done under the new regime so that such people have to pay. I made the same points last year.</p> <p>(Councillor Richard Barnwell, Cransley and Mawsley Parish Councils)</p>	<p>In terms of business rates, this is an area that is being reviewed in terms of avoidance. There is a discretionary rate relief process for business start-ups, a relief scheme and a transition scheme which takes a number of businesses out of the rating system.</p> <p>In terms of towns and parishes, it is for each individual town or parish to make a decision on its precept, but there is no expectation that during the course of 2019/20 any services will be transferred to parish councils.</p> <p>No decision has yet been taken on the outcome of the government's consultation on local government reform in Northamptonshire, which ends on 25th January with a decision expected in March.</p> <p>There have also been no decisions as to what extent parishes may be affected in the future. One of the things any new Council will need to consider is what role towns and parishes would play. This cannot sensibly take place until at least the shadow authority is up and running and more likely it will be for the new councils themselves to determine after 2020.</p> <p>(Officer Response)</p>
<p>The presentation was very useful but I would like more details about income as I find it odd that it is described as efficiency savings. It needs to be clearer for members of the public. Are we taking more income as fees for people using our services or are we increasing the fees? People do contact me and say the Council is increasing its charges. Sometimes there is a hidden increase in costs to the public. It needs to be made clearer in the budget proposals what income actually represents, for example, an increase in fees and by what percentage.</p> <p>(Councillor Jonathan West, KBC)</p>	<p><i>There has been an increase in cremation fees (around £28k) Some fees have been adjusted to align with other charges. Other changes in fees reflects an increase in usage, rather than in price.</i></p> <p>(Officer Response)</p>

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<p>Efficiencies state £600k for investing. Is this £600k net of borrowing costs?</p> <p>(Councillor Nick Richards, Wilbarston Parish Council)</p>	<p>Yes.</p> <p><i>In next year's budget. The global total for income from commercial investments is a net £1.385m.</i></p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance)</p>
<p>There should be more detail around Table 8, in particular the composition of efficiencies and details of staff suggestions. £139k to £282k over the two years.</p> <p>We need more clarity so that suggestions can be made before full Council in February. Members of the public will be trying to understand the documents. We want them to come forward so that they can be engaged. We should try to make the details easier to understand, otherwise people will be reluctant to attend. We need to think about how we consult with people on the budget in future.</p> <p>(Councillor Linda Adams, KBC)</p>	<p><i>Each year is a distinct period in time. This year includes efficiencies around the shared services with Corby.</i></p> <p><i>The table referred to is a summary table. Table 7 shows the composition of the 2019/20 efficiencies of £1.562m and Table 4 shows the composition of the 2018/19 efficiencies of £1.473m.</i></p> <p><i>£110k of the total gain from the partnership working heading relates to the Corby and Kettering street scene partnership.</i></p> <p><i>Comments will be taken on board and we are happy to accommodate further comments.</i></p> <p><i>Income from Commercial investments were an additional £600k in 2018/19 and an additional £500k in 2019/20.</i></p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance) (Officer Response)</p>
<p>Is the number of employees at Kettering Borough Council the same as last year? Taking the shared service out of the equation, what is the number of full time equivalent employees?</p> <p>Expenditure on crime reduction in the public services summary remains the same. In view of rising crime isn't there scope to increase this?</p> <p>(Councillor Anne Lee, KBC)</p>	<p><i>The shared service adds approximately 80-90 employees, which takes the total number to over 600 staff There has been no other significant change in FTE employees over the year, or change in the balance between part time or full time working.</i></p> <p><i>The Council's crime reduction spending is largely on CCTV, PCSOs and variety of interventions, as well as one specialist officer. However, a good deal of day to day work, within for example, housing management and the warden team reflects a need to tackle crime and anti-social behaviour, but which is not reflected in the headline figures as it represents an unquantifiable proportion of people's time or role.</i></p> <p>(Officer Response)</p>

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<p>On commercial:</p> <ul style="list-style-type: none"> • What is strategy for mitigating lack of income if failure, for example if we have acquired retail units? • What scrutiny has there been amongst backbench councillors? <p>The Minister wrote to the Treasury asking for money to be put aside by local government (James Brokenshire) in relation to the situation after Brexit. What risk factors are built into budget in relation to this?</p> <p>(Councillor James Hakewill, KBC)</p>	<p><i>The Investment Strategy matrix provides for due diligence. In relation to the retail sector, we haven't invested in the retail sector for many years.</i></p> <p><i>We cannot remove all risks but we reduce risk as much as we can, by applying the adopted investment criteria. This criteria has been endorsed by the Council's external auditors. The Asset Management Board is cross-party and looks at a range of issues, risks, leases and aspects of business – which forms part of the due diligence.</i></p> <p><i>In relation to scrutiny, the Asset Management Board's cross-party membership is involved in the process and criteria. The Investment Strategy was approved by Executive and updates on the Strategy and acquisitions were presented to the Monitoring and Audit Committee.</i></p> <p><i>There is currently no funding for Brexit related interventions. We need to understand what the full risks are. We have not bid for any funding for Brexit related activity. The Council has a well-developed risk management plan which has factored in a variety of risks associated with BREXIT and this is under constant review.</i></p> <p>(Officer Response)</p>

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<p>In London 40% of ex-Council houses sold under the Right to Buy (RTB) Scheme are now in the private letting pool as they have been bought back by Councils to alleviate homelessness.</p> <p>Are we buying back former Council houses and what sort of deal are we getting? Are the increases in numbers of RTB properties connected to a reduced income in the Housing Revenue Account?</p> <p>Are more people buying homes under RTB at a time when we need more properties for homelessness?</p> <p>We may need to carry out some work on these issues and see whether they are linked.</p> <p>(Councillor Andrew Dutton, KBC)</p>	<p>As a local authority we cannot control how RTB operates, this is determined at a national level.</p> <p>We have acquired ex council houses to meet our need for temporary accommodation, and at market value. This is better value than putting people in B & B. The rationale is that we are able to acquire properties and use them to provide a service which increases the value of the Council's asset base and retains money in our business and this approach helps manage financial pressures and provides a better social outcome for those requiring accommodation.</p> <p>We are informing the wider lobbying strategy on RTB which is being led by the Local Government Association.</p> <p>When an individual acquires a property under Right to Buy they cannot re-sell it straight away without losing a part of their discount and the Council has not bought any former council houses which have been recently disposed of under RTB.</p> <p>(Officer Response)</p> <p>(Cllr Lloyd Bunday, Portfolio Holder for Finance)</p>
<p>Does relocation of homeless families from other areas affect the budget in the future?</p> <p>(Councillor Cliff Moreton, KBC)</p>	<p><i>There is some movement of homeless families out of London and the south east, but this tends to be to bigger cities rather than Kettering. We have had people relocated to Kettering by their host authority. The risk is that, long term, if they stay for two years, they are eligible to be re-homed by KBC if they are then homeless again. It is not a huge problem, but it is not something we can control. We monitor the situation as best we can.</i></p> <p>(Officer Response)</p>

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2) KETTERING TOWN FORUM – 28th JANUARY 2019

Item / Issue	Summary of Response Given
<p>In relation to DS8 (Economic Development expenditure) the budgetary outturn for 2018/19 was £243,000 and the draft for 2019/20 is up to £303,000. I presume that the underspend on this year's budget was due to staff shortages? What wasn't delivered in that area that is hoped to be delivered in the 2019/20 budget and how may this affect support for the town centre retail sector?</p> <p>(Councillor Mick Scrimshaw, KBC)</p>	<p>That team had been two members of staff down, with one post recruited to. A new Economic Development Officer is due to start their role in the next couple of weeks, so a proportion of that underspend related to staff vacancies in that period. The Economic Development and Regeneration Manager was a new post. An update on the town centre will be provided as part of Agenda Item 8.</p> <p>(Officer Response)</p>
<p>Northamptonshire has been successful in its application to be part of a pool for 75% Business Rates retention that would see £17m of additional funding brought in across the county. Do we have any idea of KBC's share and is it correct to assume any extra money is not accounted for in this budget</p> <p>(Councillor Mick Scrimshaw, KBC)</p>	<p>None of that has been accounted for in this budget. Future governance arrangements in the county will decide what the extra funding is to be spent on.</p> <p>(Officer Response)</p>
<p>It is a surprise that the budget for Crime Reduction was unchanged for the forthcoming year given the issues raised in relation to crime at the last meeting of the forum. Where are KBC wardens accounted for here, do we budget for more wardens or additional warden time given the stretched nature of that team?</p> <p>(Councillor Anne Lee, KBC)</p>	<p>Wardens are accounted for within Staffing within Public Services.</p> <p>(Officer Response)</p> <p>The warden team capacity had recently been increased with a successful recruitment to a warden position. This would return overall capacity for the team to 8 wardens and 1.5 team leaders.</p> <p>(Officer Response)</p>
<p>The Council had budgeted for a government grant reduction of £365,000. It was very prudent in doing that as we now had a have surplus of £250,000.</p> <p>(The Mayor – Councillor James Burton, KBC)</p>	

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3) A6 TOWNS FORUM – 30th JANUARY 2019

Item / Issue	Summary of Response Given
<p>On several occasions we have heard that recycling and homelessness are risk factors. What mitigating steps are being put in place to recover any recycling losses?</p> <p>(Councillor Maggie Don, KBC)</p>	<p>The Head of Environmental Care and his team, together with local providers, are looking at providing a more effective and efficient service. Where possible, this includes looking at tenders going out locally, working with other local authorities and partners in getting the best deal. We have included a recycling project in 2020/21 to 2022/23 in the capital programme and the purpose is to try to become more self-sufficient and provide a more effective service.</p> <p>(Officer Response)</p>
<p>When will the fair funding review come through?</p> <p>(Councillor Maggie Don, KBC)</p>	<p>The consultation closes on 21st February for the needs-based element, to be implemented by 2020.</p> <p>(Officer Response)</p>
<p>I would like to comment on the shared service with Corby. If there is a final budget for eight local authorities how much co-operation with between two authorities forms the nucleus of the new authority? If a shared service can operate in one aspect, it can work in other services too. How might this operate in other authorities? Are they waiting for the shadow authority?</p> <p>Northamptonshire County Council pointed out to its Leader that it would be advantageous to include the Boroughs and Districts in the County Council budgets, but there has been no meaningful effort. It will be left until the last minute and there are opportunities now for collaborative efforts to get things moving.</p> <p>(Councillor Allan Matthews, NCC)</p>	<p>It is for the members of Kettering Borough Council to set a budget assuming the Council will remain after 2020. However, we will continue to look at working with partners, for example Corby, wherever we can.</p> <p>Kettering Borough Council's Strategic Management Team is working with other authorities in readiness for local government reform and this type of thing will be looked at. Our statutory duties and legalities going forward are the most important consideration at the moment.</p> <p>(Officer Response)</p>

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<p>I am surprised local government reform is not on the agenda. One of my primary concerns is that it will not be until after April 2020 that town and parishes might get their say, because we are not looking at this yet. It worries me that the big budget items, for example children's services and adult social care, will get carved up and town and parish councils might be asked to pay for things such as grass cutting.</p> <p>(Councillor Jim Hakewill, KBC)</p>	<p>On 1st April 2020, we will not fall off a cliff. NCC services will continue and will take a while to become part of any new unitary authority. Services will be working together and precepts will also continue. Towns and Parishes will not suddenly be told they will have to provide their own street lighting and cut verges.</p> <p>The new shadow authority will make decisions on continuation of services.</p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance)</p>
<p>Homelessness and recycling takes up a large part of the budget. With regard to recycling and sorting by residents on the doorstep. I understand recycling is sold more easily if it is sorted rather than comingled.</p> <p>(Councillor Jim Hakewill, KBC)</p>	<p>We are taking action to mitigate homelessness and recycling. A fire at the recycling plant has caused pressures, which have been increased by China no longer taking plastics. I will talk to Portfolio Holder for Environment about the current position with recycling.</p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance)</p>
<p>When looking at the budget papers in relation to 2018/19 budgets, commercial investment is not an efficiency; new homes bonus and an increase in planning fees is also not an efficiency. The terminology is wrong because this is money we have coming in anyway, not by doing things better or differently.</p> <p>(Councillor Jim Hakewill, KBC)</p>	<p>I agree the word "efficiencies" is not quite the right word to use. At the budget consultation meeting we displayed pie charts comparing how we saved money in 2011/12 and how we save money today. We have to make ourselves self-sufficient over the coming years. Next year, the amount of money we will get from capital investments is £1.385m and this will go a long way to making sure we become more self-sufficient.</p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance)</p>
<p>In the budget we pay for two PCSOs. Who commands and directs PCSOs, given most residents are not in the town centre?</p> <p>(Councillor Jim Hakewill, KBC)</p>	<p>We do fund two PCSOs, and do have a say on where they are deployed in the Borough. There times the police put them in certain areas. They allocate about half their time to Kettering Town Centre. If there are issues in other areas they will allocate time to other places in the Borough, for example recently Desborough and Geddington. They can go anywhere within the Borough and are funded as such.</p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance)</p>

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<p>Central government has concerns about Brexit in terms of civil unrest, but we still don't have anything in our budget that makes provision for Brexit. Where will this money be coming from?</p> <p>(Councillor Jim Hakewill, KBC)</p>	<p>There is a contingency fund set up and there are plans, but I am not in a position to say what they are.</p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance)</p>
<p>Our financial golden rules state that the Council will not substitute funding for a withdrawal of services from elsewhere. How does provision of two PCSOs fit in with the Police Commissioner? This was never scrutinised.</p> <p>(Councillor Jim Hakewill, KBC)</p>	<p>The provision of two additional PCSOs for the Borough is an additional service paid for by Kettering.</p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance)</p>
<p>There are no plans for a Kettering Town Council. Burton Latimer has been told to increase its precept this year and other towns and parish councils have to increase what they charge too. This leads to unfairness for lots of people in a unitary council. Kettering would get its services delivered at a lower price than the rural area and A6 towns. Wellingborough are setting up a town council and will levy a precept. Rushden has a town council, Corby and Kettering are not tackling this subject. It is relevant to the A6 Towns Forum because we are adversely affected.</p> <p>Burton Latimer Library will double our precept.</p> <p>(Councillor Christopher Groome, BLTC)</p>	<p>The Council's Local Government Reform Advisory Committee discussed parishing of unparished areas of Kettering Borough. Nothing suggests that rural areas and towns and parishes should be increasing their precepts this year in relation to local government reform. There is no reason for cost bases to change.</p> <p>The Local Government Reform Advisory Committee will recommend to Council that we commence a Community Governance Review which will involve consultation around potential parishing of currently unparished areas.</p> <p>The future provision of library services in Burton Latimer was a decision of Burton Latimer Town Council.</p> <p>(Councillor Lloyd Bunday, Portfolio Holder for Finance)</p>

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4) RURAL FORUM – 31st JANUARY 2019

Item / Issue	Summary of Response Given
<p>Is there a synopsis available of the make-up of the efficiency savings? (Cllr Paul Gooding – Harrington Parish Council)</p>	<p>Within the report that went to Executive Committee (16th January), Table 6 provides an overview of where the 2019/20 efficiencies have come from and Table 7 provides further narrative in relation to those. (Officer Response)</p>
<p>What is an “efficiency”, is it the same as a saving? (Cllr Fay Foster – Pytchley Parish Council)</p>	<p>In terms of how efficiencies are described, one element is where we have looked at bringing in additional income and one is where we have looked at reducing expenditure. (Officer Response)</p>
<p>New Homes Bonus is a payment made based on the number of houses being built, although it is described as an efficiency in the budget. It is not. In the long term, the more houses we have, the more we will have to build and the more services the Council will need to be provide. In the long run it is an inefficiency. (Cllr David Watson – Geddington, Newton & Little Oakley Parish Council)</p>	
<p>I would regard a council that does the best it can to achieve its budget as a very efficient council, especially one that can make this amount of income. I think this council is very efficient in doing that. (Cllr Cliff Moreton – KBC)</p>	
<p>One of the reasons the balanced budget helps residents in the Borough is that there is no proposed increase in Council Tax for the 9th year running and we would not be able to achieve that if we were not generating income. (Cllr David Howes – KBC)</p>	

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

- **Monitoring and Audit Committee, 5th February,**
- **Research and Development Committee, 6th February,**
- **Tenants Forum, 7th February.**