

Appendix B

SUMMARY OF MAIN COMMENTS MADE ON THE DRAFT BUDGET PROPOSALS

5) MONITORING AND AUDIT COMMITTEE – 5th FEBRUARY 2019

Item / Issue	Summary of Response Given
<p>I have concerns that additional income arising from fees and charges is not laid out very clearly. We find that some charges have gone up a lot more than others, sometimes well above the rate of inflation. Can this be laid out a lot more clearly, especially the contribution from increased work and how much is a result of any increase to an individual fee?</p> <p>(Cllr Jonathan West, Chair of M&A)</p>	<p>We will feed those comments back to the Executive. In terms of fees and charges impacting on the budget, only one charge will be having a budgetary impact and that is in relation to crematorium fees.</p> <p>(Officer Response)</p>
<p>There is no incentive to freeze Council Tax next year, my personal view is that to be a prudent Council we do need to consider that carefully as this can impact on the Council's financial stability. I am minded to request that the ability to increase Council Tax by up to 3% without triggering a referendum should be seriously considered by the Executive Committee.</p> <p>(Cllr Jonathan West, Chair of M&A)</p>	
<p>Where are the reserves detailed and how much do we have in reserve?</p> <p>(Cllr Anne Lee, KBC)</p>	<p>Full details of the council's reserves form part of the Statement of Accounts and do not form part of this report.</p> <p>(Officer Response)</p>
<p>Sport Development has only used 72% of the allocated budget for employees due to vacancies. This seems to be quite a lot of vacancies?</p> <p>(Cllr Anne Lee, KBC)</p>	<p>Note PS2 as part of that budget line, provides narrative around in year vacancies. Additionally, we look at where staff are spending their working time to make sure it is correctly allocated to the service where that work is carried out.</p> <p>(Officer Response)</p>

Appendix B

6) RESEARCH AND DEVELOPMENT COMMITTEE – 6th FEBRUARY 2019

Item / Issue	Summary of Response Given
<p>Local government reorganisation; paragraph 3.5 of the budget book taken to the Executive Committee talks about additional funding needing to come from reserves on top of the £500,000 already approved. Which pot will that come from?</p> <p>(Cllr Mick Scrimshaw – Leader of the Opposition)</p>	<p>A report went to Council in August and approved £500,000 of earmarked reserves to fund part of the transition. PWC have undertaken high level costings of what the transition and transformation costs might be, this work is ongoing and there will be a report to Council in due course.</p> <p>(Officer Response)</p>
<p>Total staff wages, the original budget for 2018/19 was £15.5 million, this year we are looking at spending £16.3 million. Next year it looks to be £18.3 million, £2.8 million above the original budget for last year, a 17% rise in total. Why is that and what jobs are being created as a result?</p> <p>(Cllr Mick Scrimshaw – Leader of the Opposition)</p>	<p>Staff costs have increased significantly, largely as a result of taking on the shared Street Scene Service with Corby. We are the employing organisation and have taken on around 90 additional staff to provide that service. You will recall that the shared service is generating savings of £110,000 which is reflected in the overall efficiencies for 2019/20. Corby Borough Council will be charged for their contribution to the shared service.</p> <p>(Officer Response)</p>
<p>Parking Services; net income for 2019/20 is set to be £332,000, £30,000 less than the current year. There is an intention to spend more on staff and services, which I assume relates to extra residential parking schemes that come with extra income. What is the net cost of residential parking? Shouldn't scrutiny be scrutinising its effectiveness?</p> <p>(Cllr Mick Scrimshaw – Leader of the Opposition)</p>	<p>There has been a reduction in parking income of £12,000 between the original budget and revised budget for the current year. For 2019/20 we are modelling the budget on the original 2018/19 budget. There have been further changes around staffing costs, a part of that is due to the increase in the number of wardens.</p> <p>(Officer Response)</p>
<p>It is our duty as a scrutiny committee to pass judgement on the budget before us to inform the Executive's final recommendations. For scrutiny to perform its legal role this committee has to step up and I do not feel it is doing that.</p> <p>(Cllr Mick Scrimshaw – Leader of the Opposition)</p>	<p>We have a well-established budget setting process at this organisation. The way we deal with the process is relatively simplistic, with in-year monitoring reports being taken to the Executive on a monthly basis, any variances are used to inform the Medium Term Financial Strategy. Savings in 2019/20 have been identified in full as are the means for delivery, and this is a strategy we have used for a good number of years. The benefit to this is the ability to see early delivery of savings in advance of the forthcoming year and this is evidenced by</p>

Appendix B

	<p>our track record of delivering balanced budgets year on year.</p> <p><i>(Officer Response)</i></p>
--	--

7) TENANTS FORUM – 7th FEBRUARY 2019

RESOLVED that the members of the Tenants’ Forum agreed to the 1.0% rent decrease for 2019/20.

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>With regards to the upcoming unitary Authority in Northamptonshire, why is Kettering Borough Council forecasting the budget into the next few years when the authority will not exist?</p> <p><i>(Tenant Question)</i></p>	<p>It is important to note that members of Kettering Borough Council have a statutory duty to set a balanced budget for 2019/20 taking into consideration the medium term position. The loans taken out as part of the self-financing transactions do have repayment dates in the future – these loans were enacted in 2012. No decision has been made on future local government arrangements however, If Government decide to move forward with unitary proposals then it will then be the unitary authority’s responsibility to set budgets and provide services in the future.</p> <p><i>(Officer Response)</i></p>
<p>As government have given more freedom, are we going to use those freedoms?</p> <p><i>(Tenant Question)</i></p>	<p>I believe you are referring to the removal of the debt cap. This is just one of the barriers that exist in the HRA in order to deliver new build schemes. Any new build scheme will need to be affordable.</p> <p><i>(Officer Response)</i></p> <p>There are a number of barriers to new build – we are working on a pipeline of projects so that we can have a sustainable new build</p>

Appendix B

	<p>programme – this needs to be affordable for the HRA.</p> <p><i>(Cllr Response)</i></p>
<p>With regard to the self-financing budget does this include the borrowing for the new build projects?</p> <p><i>(Cllr Maggie Don)</i></p>	<p>Yes – the interest is budgeted in the 2019/20 proposals – The repayments will be reflected in the future once the loans are enacted. The majority of the expenditure on these projects is likely to take place in 2019/20.</p> <p><i>(Officer Response)</i></p>