

Welcome to the Budget Consultation Meeting



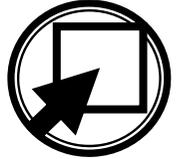
22nd January 2015

Kettering
Borough Council

| What | Why | Who |
|--|---|--|
| Welcome and Introductions | To welcome everybody and introduce Members and Officers | Cllr Ian Jelley |
| Budget Presentation – to include; <ul style="list-style-type: none"> a. Budget Context b. 2014/15 Budget Update c. 2015/16 Draft Budget d. The Medium Term e. Summary & Conclusions | To provide a briefing on the Council’s draft budget and the key issues. | Graham Soulsby Mark Dickenson Dean Mitchell |
| General Question and Answer Session about Council priorities, policies and ambitions for the area, including; | To provide an opportunity to debate with members on key policy issues | Members - to answer questions about objectives, policy, priorities Officers - to answer questions on any technical issues |
| Thank you for attending | To conclude the meeting | Cllr Ian Jelley |
| Close of Meeting | | |

How to work the keypad



- ◆ Turn on the hand set with the button in the bottom left corner 
- ◆ Wait till you see the battery symbol appear in the window at the top 
- ◆ When asked use the A,B,C or D buttons to select your answer
- ◆ The answer will briefly appear on the handset screen
- ◆ You can change your mind!

A. Budget Context



How we spend our money



**General
Fund
Account
£48.6m**



**Housing
Revenue
Account
£15.9m**

£70.4m



**Capital
Programme
£5.9m**

Approximately, how many services do KBC provide to residents?

A. Under 10

B. 50

C. 80

D. More than 100

What partners do not currently share our Customer Services Centre?

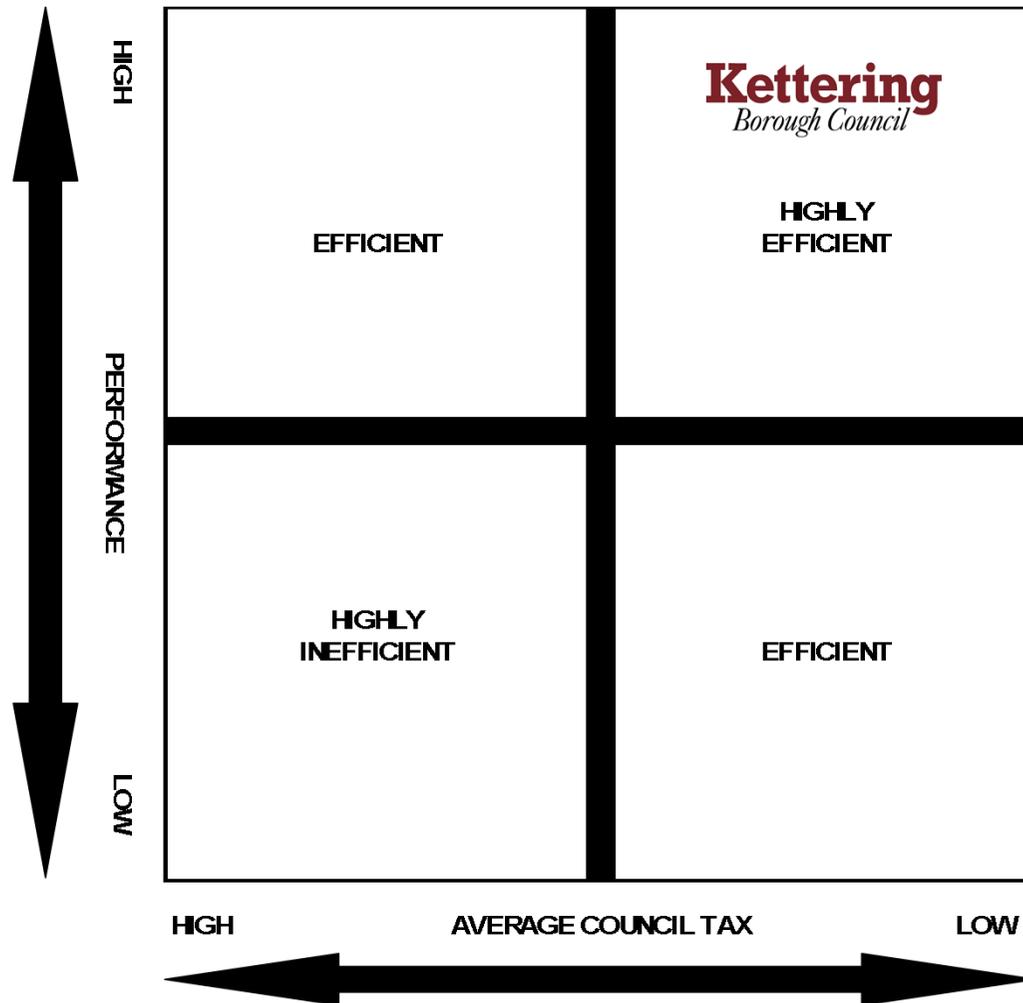
A. Citizens Advice Bureau

B. Police

C. Credit Union

D. NHS Phlebotomy Unit

Budget Context



Members are reminded that **before the efficiency programme** commenced a number of years ago, the Council was charging a level of **Council tax below the national average yet delivering a level of performance that was above the national average.** Despite having to deliver significant efficiency savings in the past five years, the Council's level of council tax charged remains below the national average and performance remains above average.

Approximately, how much is the average weekly Council Tax for Kettering Borough Council?

A. £3

B. £15

C. £20

D. £30

Council Tax: we keep how much?



£153.25 pa
£2.95 pw
14%

Kettering
Borough Council

£159.75 pa
£3.07 pw
14%



Northamptonshire
County Council

£815.55 pa
£15.68 pw
72%

Each 1% increase = 3p
per week for an average
household and generates
£60,000 for the borough

Figures based on Band B (the average property band in Kettering)

Kettering
Borough Council

When did the Council Tax for Kettering Borough Council last Increase?

A. 2010/11

B. 2012/13

C. 2013/14

D. 2014/15

B. 2014/15 Budget Update



Current Year (2014/15)

- ◆ **General Fund** (para 5.2 to 5.16)
 - ◆ Identified Savings = £1,329,000 – being successfully delivered
 - ◆ Included £439,000 Staff Suggestions / Innovation savings
- ◆ **Capital Programme** (para 5.17 to 5.21)
 - ◆ Current Capital Programme £7.2m
 - ◆ Some changes (outlined in 5.18)
- ◆ **Housing Revenue Account** (para 5.22 to 5.26)
 - ◆ Generally on budget

Efficiency Savings – Track Record

| Efficiency Savings | £000 |
|--------------------------------------|--------------|
| 2010/11 | 1,260 |
| 2011/12 | 1,910 |
| 2012/13 | 1,330 |
| 2013/14 | 950 |
| 2014/15 | 1,330 |
| Total | 6,780 |
| 2015/16 | 1,580 |
| Total | 8,360 |
| (%) Cash Savings (Net Budget) | 82% |

*The scale and delivery of this level of **efficiency savings** is **particularly impressive given that there has been no detrimental impact on the delivery of front line services** and when considering the increased costs of utilities and inflation levels. Over the six year period the efficiency savings will be equivalent to approximately **82%** of the Council's draft net budget (which stands at £10.1m for 2015/16).*

C. 2015/16 Draft Budget



Draft Budget (2015/16)

- ◆ **General Fund**
(para 6.3 to 6.22)
- ◆ **Capital Programme**
(para 6.23 to 6.28)
- ◆ **Housing Revenue Account**
(para 6.29 to 6.38)

Approximately, what savings does the Council need to achieve for 2015/16?

A. £0.5m

B. £1.3m

C. £1.6m

D. £1.9m

Over the period 2011/12 to 2015/16,
approximately how much has our 'core
government grant' been reduced by each year?

A. 10%

B. 13%

C. 40%

D. 80%

How much has our 'core government grant'
been reduced by for 2015/16 ?

A. nothing

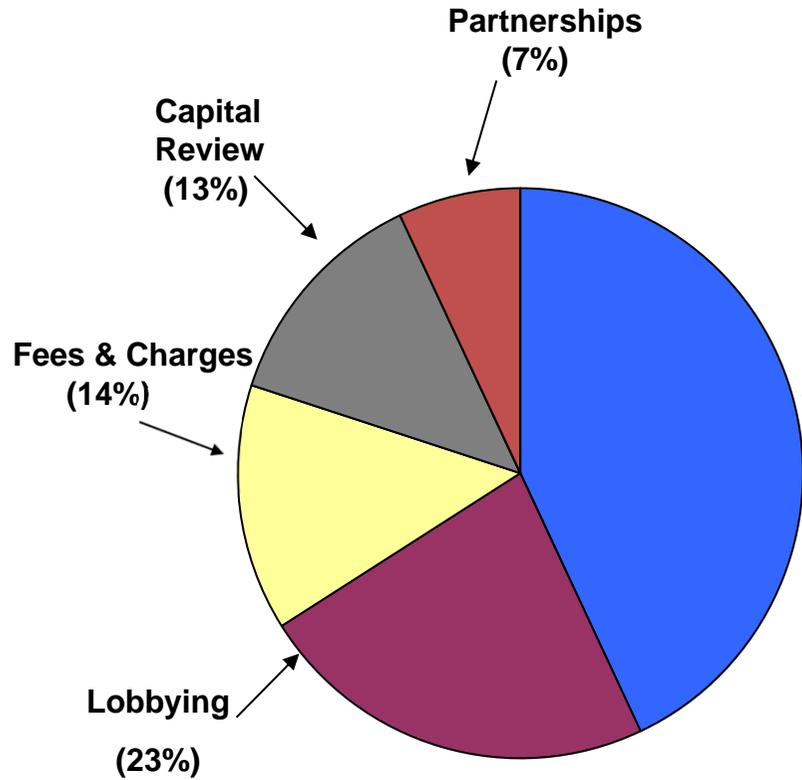
B. 10%

C. 15%

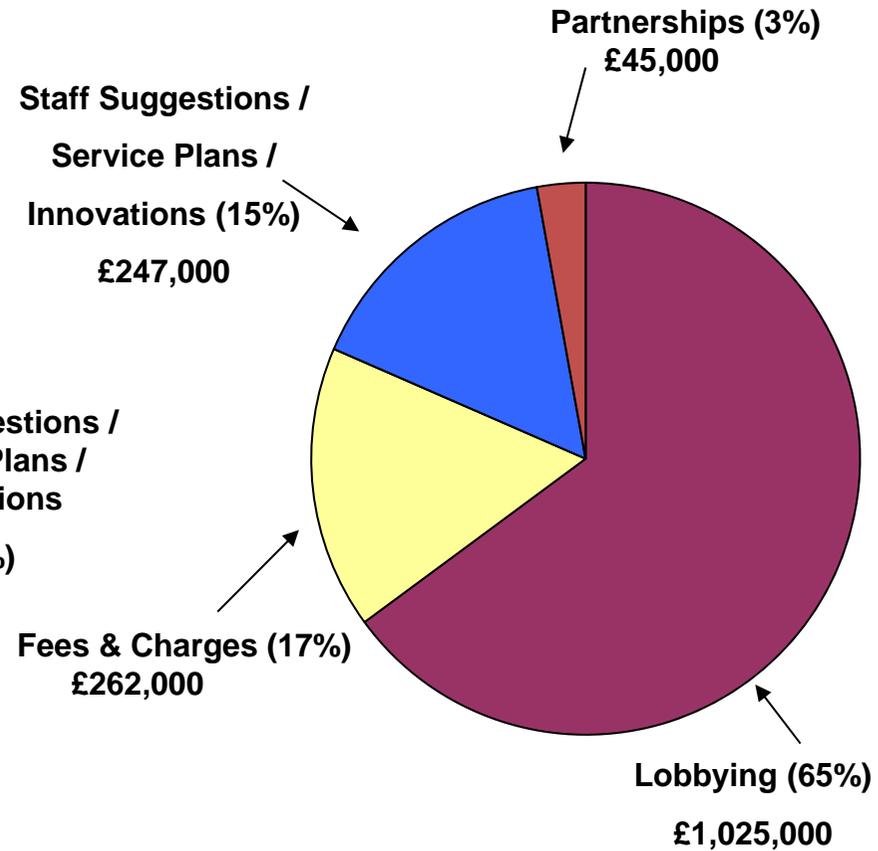
D. 20%

Framework Savings

Average to 2014/15



2015/16



For how many years does KBC receive New Homes Bonus for each 'New' Home?

- A. 1 year
- B. 4 years
- C. 6 years
- D. 8 years

How much New Homes Bonus does KBC
receive per 'New' Home?

A. £1,100

B. £1,380

C. £6,600

D. £8,280

Service Pressures / Risks

- ◆ Other Public Sector Providers (para 6.16)
- ◆ New Homes Bonus (para 6.17 – 6.21)
- ◆ Business Rate Appeals (para 6.22)
- ◆ Homelessness (para 6.22)
- ◆ Council Tax Support (para 6.22)
- ◆ Recycling Commodities (para 6.22)
- ◆ Utilities Costs (para 6.22)
- ◆ Swing-o-meter (Appendix A – Page 30)

TABLE 14 - MEDIUM TERM FINANCIAL FORECAST

| | | Zone of "Predicability" | | Zone of "Unpredictability" | | | |
|----------|-----------------------------------|-------------------------|------------------|----------------------------|------------------|------------------|------------------|
| | | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
| | | Forecast £000 | Forecast £000 | Forecast £000 | Forecast £000 | Forecast £000 | Forecast £000 |
| 1 | Net Council Budget | 12,020 | 11,696 | 11,012 | 10,189 | 9,695 | 9,203 |
| 2 | Forecast Resources: | | | | | | |
| 2a | RSG | (2,367) | (1,736) | (1,070) | (441) | 153 | 716 |
| 2b | Business Rates | (2,137) | (2,244) | (2,311) | (2,380) | (2,451) | (2,525) |
| | Total Government Grant | (4,504) | (3,980) | (3,381) | (2,821) | (2,298) | (1,809) |
| | Council Tax / Coll'n Fund | (50) | (100) | (100) | (100) | (100) | (100) |
| | Income From Council Tax | (5,879) | (6,037) | (6,067) | (6,098) | (6,129) | (6,160) |
| | Total Resources | (10,433) | (10,117) | (9,548) | (9,019) | (8,527) | (8,069) |
| 3 | Budget (Surplus) / Deficit | 1,587 | 1,579 | 1,464 | 1,170 | 1,168 | 1,134 |
| 4a | Council Tax Grant | (158) | 0 | 0 | 0 | 0 | 0 |
| 5 | Budget Frameworks | (1,329) | (1,579) | 0 | 0 | 0 | 0 |
| 6 | Savings - To be secured | (100) | 0 | (1,464) | (1,170) | (1,168) | (1,134) |
| 7 | Budget (Surplus) / Deficit | 0 | 0 | 0 | 0 | 0 | 0 |

GENERAL FUND WORKING BALANCE

| | | 2014/15 | 2015/16 | 2015/16 | 2016/17 | 2017/18 | 2018/19 |
|----------|----------------------------------|---------|---------|---------|---------|---------|---------|
| | | £000 | £000 | £000 | £000 | £000 | £000 |
| 8 | Estimated Opening Balance | (1,415) | (1,505) | (1,530) | (1,530) | (1,530) | (1,530) |
| 4b | Council Tax Grant 2013/14 | (65) | 0 | 0 | 0 | 0 | 0 |
| 4c | Council Tax Grant 2014/15 | (65) | (65) | 0 | 0 | 0 | 0 |
| 4d | Town Centre Initiatives | 40 | 40 | 0 | 0 | 0 | 0 |
| 9 | Estimated Closing Balance | (1,505) | (1,530) | (1,530) | (1,530) | (1,530) | (1,530) |

Capital Programme (6.23 – 6.28)

- ◆ 2015/16 £5.9m Programme
- ◆ Programme 2016/17 – 2019/20 around £5.2m per annum

D. The Medium Term



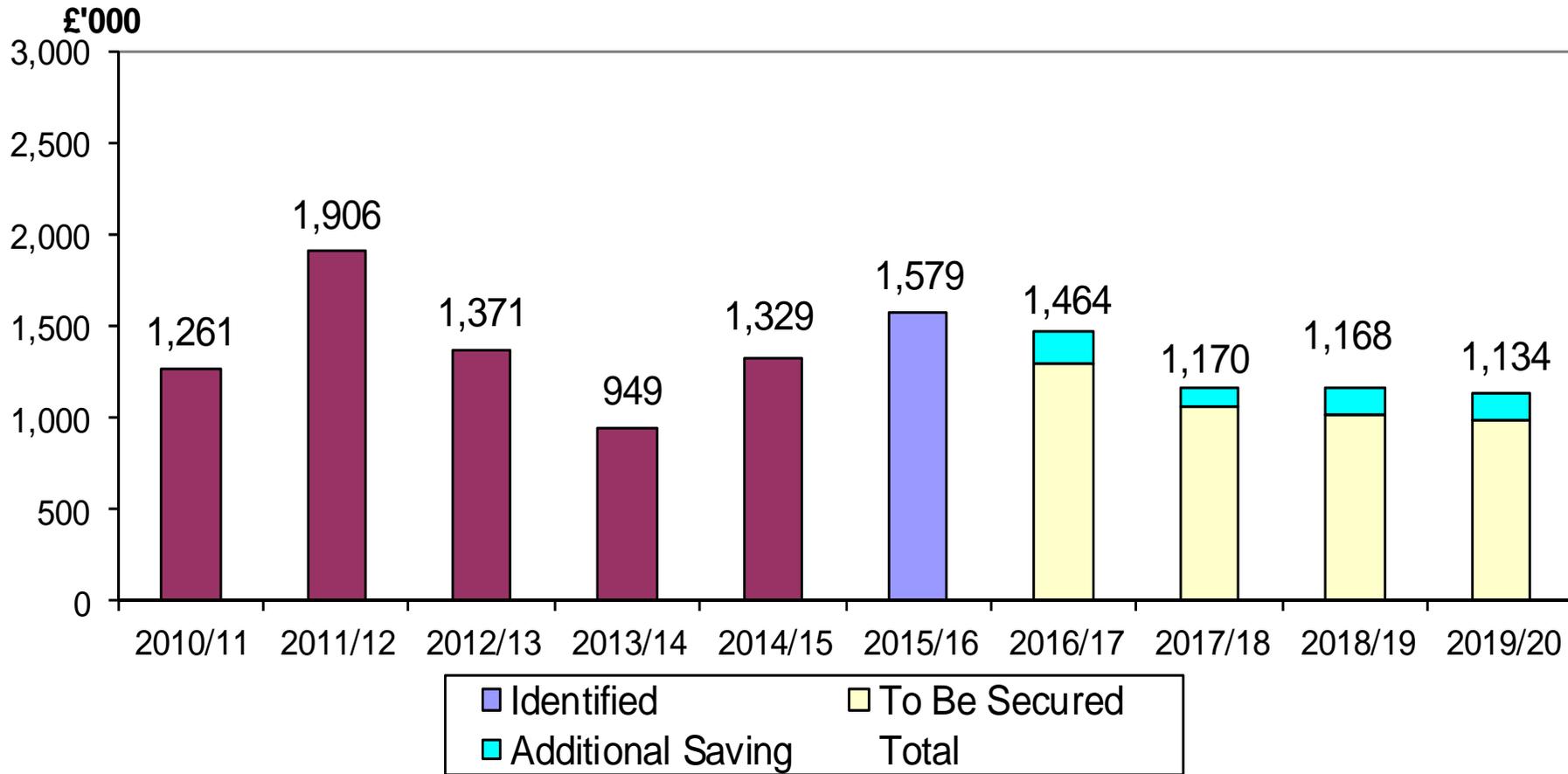
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| | Income From Council Tax | (5,879) | (6,037) | (6,067) | (6,098) | (6,129) | (6,160) |
| | Total Resources | (10,433) | (10,117) | (9,548) | (9,019) | (8,527) | (8,069) |
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GENERAL FUND WORKING BALANCE

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| 9 | Estimated Closing Balance | (1,505) | (1,530) | (1,530) | (1,530) | (1,530) | (1,530) |

Efficiency Savings



E. Summary & Conclusions



Financial Prospects

| | Summary | Risk | Difficulty |
|------------------------------------|--|---------------|-------------------|
| This Year (2014/15) | On track | Understood | High |
| Next Year (2015/16) | “Difficult but doable” – Different emphasis | High | Higher |
| Medium Term (2016/17 – 2019/20) | Alternative strategy will mitigate/help | Unprecedented | Highest |

Concluding Comments

Cllr Jelley

- ◆ Council Tax
- ◆ Zero cuts to front line services
- ◆ Zero cuts to voluntary Sector Funding

Concluding Comments

Cllr Jelley

- ◆ Town Centre
- ◆ Other Initiatives
- ◆ Capital Programme

Questions

Provide Feedback

By post



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Thank you for attending the Budget Consultation Meeting

