

Tabled Paper

Cabinet: 23 February 2023

Addition to Agenda item No.8 - Budget 2023/24

Responses to the 2023/24 Budget Consultation with Stakeholders.

The 2023/2024 budget was published for consultation between 21 December 2022 to 10 February 2023 using the Councils' social media channels and website

Overall the Council received five (four in 2022/23) responses which are shown below (including Tenterden Town Council – response 5) with responses provided in red italic.

Responses to 2023/24 Budget Consultation Exercise

Response 1

In ABC Budget Consultation doc at page 11, the estimates for Council tax for each district is given based on a 1.99% increase. As Councils now have permission to raise CT to 2.99% what do the new rates look like for each district?

Source: https://www.ashford.gov.uk/media/at0ia5do/budget_consultation_2023-24.pdf

Hope you can help

Reply to Stakeholder

In relation to the table on Page 11, this still shows Ashford as a £5 increase as per the draft budget and legislation at the time, for the other districts they are shown as increasing 2.99%, with the exception of Dartford that may possibly freeze (Tunbridge Wells is also a little subjective as it has a special expenses arrangement).

It should be noted that these are only our forecasts of what we think they might do, but clearly the decision will be made locally by each Council.

For information if Ashford did increase to the new limit of 2.99%, this would allow the Council to raise to £5.31 per average Band D Property.

Thank for taking the time to review the consultation document, and if you are interested in Council Tax rates the following website is a good source:- Live tables on Council Tax - GOV.UK (www.gov.uk)

Follow up

Many thanks for your clear and concise response much appreciated. Please pass it along to the compliments team, as this is exactly what it is.

Response 2

Dear sir

I am glad the energy crisis has been discussed here as it has such an impact on finances and good to hear there will be energy efficient upgrades being completed.

But I also think we live in a surrounding village and there is no street lighting which certainly feels unsafe, we are a cull de sac of disabled/age restricted bungalows.

Home improvements kitchen and bathroom we would like to see.

Reply to Stakeholder

Thank you for your response. In relation to Kitchen and Bathroom improvements these are done on a cyclical basis through housing capital programme. If you could provide further details such as street name then we will be able to see on our records when they are next due to be reviewed?

In relation to street lighting this is a KCC issue, I have looked on their website for contact details but could not find an appropriate contact, you could try the following page Report a Fault (kent.gov.uk), and maybe try the number, 03000 418181, appreciate not an emergency but they may be able to point you in the right direction.

Response 3

I have been having an initial look at the budget consultation document and had some questions, I wondered if you could help-

- There seems to be a significant rise in the amount expected from the New Homes Bonus compared to last year, and I imagine starts will be level or down. Could you explain the rise?
- The report breaks out Treasury investment and Commercial investment in income but does not break out debt servicing costs in expenditure. Could you let me know the expected cost of servicing the council's debt and how that compares to past years?
- Am I correct to understand that the Borough Council has consistently overestimated their ability to collect the council tax, and therefore distributed an excess amount to the others such as KCC/Police/Fire/Parishes and left the Borough with less than the expected amount of funds from the precept? I did work it out very roughly at one point and thought it amounted to a loss of revenue of about £8million over the last ten years (I am just recalling that from memory though, I don't know where my works are now). Does the Borough intend to be more cautious in this year?

Reply to Stakeholder

Thank you for taking the time to review the budget consultation document and please see below the responses to your questions.

Point 1 response:- There has been a reduction in the final amount being awarded based on last year's figures, although following the final figures and settlement announcement from government the amount we anticipated within the budget has increased, primarily due to the number of empty properties being brought back into use in addition to new build completions. The award of new homes bonus is on the completion of properties and empty properties brought back into use and captures data from October to October each year. It is anticipated that there will be a potential slowdown in completions and an expected dip where property development has been delayed with the Stodmarsh catchment area. In relation to new homes bonus figures the following government website provides useful information and data:- New Homes Bonus provisional allocations 2023 to 2024 - GOV.UK (www.gov.uk)

Point 2 response:- Please see the table below outlining the debt costs for the Council's general fund, as you can see debt expense is forecast to significantly increase following rises in interest rates over the past year, equally the debt within the portfolio has increased over this term through council investments.

Borrowing Costs	Actual	Actual	Actual	Forecast	Estimate
	2019/20	2020/21	2021/22	2022/23	2023/24
Short Term	626,786	330,751	69,989	1,118,470	3,883,780
Long Term	0	0	165,889	225,000	213,500

Point 3 response:- In relation to the collection fund (Council Tax) the amount to be charged is based on estimates made during the budget setting process, and include a number of assumptions on property growth, movement in council tax support numbers, bad debt provisions etc. The estimated receipts are then scheduled to be paid to preceptors (KCC, Fire, PCC, Parish Councils) in the following year. Clearly there is some movement between estimates and actuals and this creates a surplus/deficit on the collection fund, however, the surplus or deficit in year is then factored into the following year's budget, so the surplus/deficit can be paid over to, or recovered from preceptors. The only preceptors that exposes the Council to risk are the Parish Council's as these fall outside of the collection fund arrangements, so the Council is prudent but fair in setting tax bands for parish Councils. Not sure the basis of your calculation but imagine this is more linked to surplus/deficits which as explained are recovered in the following year.

Hopefully the above answers your questions but if you require any further information please do not hesitate to contact me.

Response 4

Thank you for sharing the report for the 23/24 budget.

Yet again this report fails to explain what has had to be reduced/cut. We are aware hard decisions have had to be made by ABC for services and this document does not highlight these – As a resident that is what interests us so we know what impact cuts or increases will make on our community.

Reply to Stakeholder

Thank you for your feedback on the budget proposal. The current position is that the Council has a significant budget deficit as indicated in the report, and that the cuts/savings to bridge this gap and deliver a balanced budget are still to be identified.

Work is underway on identifying saving proposals some of which will not have visible impact on services, and are likely to be reported in the Final Budget report that goes to the Council's Cabinet meeting at the end of February. There are also some proposals that will need more work to understand the impact before being fully considered, these will then be subsequently reported if approved.

Thank you again for the feedback, and where possible we will ensure the type of information you refer to is provided where possible in future reports.

Response 5 (original email and response combined, response in red italics – TTC agreed not to redact sender)

Apologies, I realised that TTCs responses to the draft budget were sat in my drafts folder and had not been sent. I appreciate that the deadline has now passed, but wanted to let you know that councillors agreed that:

- (a) Although £500,000 has been allocated for Tenterden Leisure Centre, there appears to be no reference to funds coming forward towards projects in Tenterden.

Apart from Leisure Centre decarbonisation works and operational support package delivered in 2022/23 for Tenterden Leisure Centre, there are currently no 'specific projects' planned in Tenterden at present, clearly this could change if a project/opportunity is identified.

- (b) The pie chart on page 14 shows 22% of 'other income' but there is no reference to what this income includes. Does this percentage include parking fees and fines?

Yes, other income would be the Council's fees and charges which includes Parking fees and Penalty Charge Notice income.

- (c) The Town Council would like to see the portfolio holder's report on income from parking, with all elements broken down for transparency, i.e. parking payments, fines, whether cash, card or Ringo transactions.

The total income budgeted for parking income for 2023/24 is tabled below:- In relation to composition of payments, current figures indicate the following split 41.6% Ringo, 43.6% Coin and 14.8% Card (at machine), it should be noted though that cash and card payments are reducing each month by circa 2%.

Location	Description	2023/24 Budget
Off-Street Parking	SEASON TICKETS	(126,000)
Off-Street Parking	FEEES	(2,100,000)
Off-Street Parking	FINES	(90,000)
	Total Off-Street	(2,316,000)
On-Street Parking	SEASON TICKETS	(27,500)
On-Street Parking	FEEES	(70,500)
On-Street Parking	FINES	(360,000)
On-Street Parking	LOCK IN RELEASE FEE	(90,000)
On-Street Parking	RESIDENTS SCRATCH CARD PERMIT	(31,500)
	Total On-Street	(579,500)
	Total budgeted parking income	(2,895,500)

- (e) The Town Council would like to see money allocated to the gritting of ABC owned car parks.

The Council does not make provision for gritting car parks.

- (f) An explanation provided as to why the budget for environmental has been reduced, given that ABC are striving to be carbon neutral.

The movement largely relates to a reduction in Ashford Port Health costs of £3.4m following scaling down of requirements by Government, and an increase of circa £2m for increased costs to the refuse and waste recycling contract. In relation to carbon neutral two Officers have been appointed and have a significant earmarked reserves to bring projects forward.

- (g) Cllrs understood the need for briefness and clarity, but felt that there was insufficient detail to provide a full response to the consultation.

Noted, the draft budget report provided to Cabinet provides more granular detail (still fairly high level though), but we will take on-board your comments for consideration in next year's consultation.