

West Northamptonshire Council 2021-22 Budget Consultation

Group Facilitator's Feedback Form

Overview

The first draft budget for West Northamptonshire Council was approved for consultation by the Shadow Executive on 5 January 2021 and now we're seeking views on the proposals for when the council comes into existence in April 2021.

The 2021/2022 proposals maintain services and standards and propose no service reductions. We will take advantage of the efficiencies of running one organisation where previously there were four. Despite the challenges of Covid-19, we are recommending a balanced budget on the overall revenue account of £323.6 million.

While the wider transformation programme is on target to deliver in excess of £80m annual savings across all eight councils in Northamptonshire, in West Northamptonshire we plan to commence the longer term transformation of services as soon as possible.

The Shadow Executive also considered the 2021/2022 Housing programme. The council proposes to deliver up to 200 new homes at a cost of £34.1m financed from the £59.8 million capital programme.

A lot of budget savings proposals relate to decisions that have already been made in previous budgets, the continuation of projects and financial adjustments to budgets with no service impact.

This questionnaire focusses on the new proposals for draft budget 2021-22 that will likely effect residents and service users:

- Proposal to harmonise Council Tax rates for West Northamptonshire
- Proposal that the average Council Tax is increased by 4.99%, comprising 1.99% core tax and a 3% adult social care precept
- Draft Capital Programme 2021-25
- Draft Housing Revenue Account (HRA) Budget, Rent Setting 2021/22 and HRA Budget Projections 2022/23 to 2025/26

The appendix section of this form contains the explanatory information to the above proposals provided within the online consultation questionnaire, which is available on the following website. However, you can comment on anything with the Draft Budget.

This form is to help assist a group of respondents to record and provide their feedback as a collective group (for example a community group) to one or more of the consultation proposals.

If you would like to respond to the consultation as an individual, or if you are responding on behalf of an organisation, then we would encourage you to complete the [online questionnaire](#) (paper copies are available upon request).

Please read the related documents to gain a better understanding of the budget proposals before you comment on them.

All of the supporting documentation, including equality impact assessments, is available on West Northamptonshire Council Draft Budget 2021-22 Consultation page via the following link:

<https://futurenorthants.citizenspace.com/west/budget-2021-2022>

About you

Name of facilitator(s)	
Name of organisation/group	
Date of meeting	
Number of participants	

Which of the below customer categories best describes the participants?

(Please tick (√) all that apply)

Older People	<input type="checkbox"/>
Younger Adults	<input type="checkbox"/>
Learning Disability	<input type="checkbox"/>
Physical Disability	<input type="checkbox"/>
Mental Health	<input type="checkbox"/>
Carers	<input type="checkbox"/>
Black or Minority Ethnic Group	<input type="checkbox"/>
Prefer not to say	<input type="checkbox"/>

Other (please specify):	
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Individual equality monitoring forms completed? *(Please refer to page 6.*

(This is optional and if collected facilitators should allow participations to provide this information confidentially. Facilitators may wish to print and hand out individual sheets)

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>

Feedback on proposals

Please comment on the proposal/s that may affect/interest your group. Please duplicate the following sheet containing questions 1 to 3 if you wish to provide feedback about more than one proposal.

Question 1

Please tell us which proposal you wish to comment on?

Question 2

Overall, to what extent do you agree or disagree with the proposal, and why?

Please tick (✓) relevant answer

Strongly agree	<input type="checkbox"/>
Tend to agree	<input type="checkbox"/>
Neither agree nor disagree	<input type="checkbox"/>
Tend to disagree	<input type="checkbox"/>
Strongly disagree	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

2a) If you would like to tell us why you answered the previous question in the way that you did, please do so here:

Question 2a) continued:

Question 3

If you feel this proposal would have a negative impact, please tell us what you think that impact would be, along with any suggestions on how any potential negative impacts could be mitigated?

Other comments

The budget report sets out the latest estimated funding position, service budget pressures, key financial risks and challenges influencing the development of the new West Northamptonshire Council's financial plans for 2021-22 and the ongoing financial impact of those plans, together with the longer term estimates of funding and spending requirements.

Question 4

If we do not go ahead with any of these proposals, do you have any other ideas about how we could save the same amount of money or generate the same amount of income as outlined within the Draft Budget 2021-22?

Question 5

Do you have any other comments you would like to make about the savings proposals in this draft budget?

Thank you for comments.

Please return your discussion feedback to us by **2 February 2021**.

Email Address: futurenorthants@northamptonshire.gov.uk

Postal address: Budget Consultation Response
West Northamptonshire Shadow Authority
Consultation & Engagement Team
One Angel Square
4 Angel Street
Northampton
NN1 1ED

Optional About you (equality monitoring)

It would be really helpful for us to know about the participants who are responding to this consultation. This will help us to make sure that we are talking to a diverse range of people. Completion of this equality monitoring information is voluntary. Any information provided will be treated confidentially and in accordance with data protection legislation and regulations.

1) Are you: (Please tick the appropriate box)

Male Female Prefer not to say

2) Are you currently Pregnant or have you had a baby in the last 6 months? (Please tick the appropriate box)

Yes No Prefer not to say

3) How old are you? (Please tick the appropriate box)

0 to 9 10 to 19 20 to 29 30 to 49
 50 to 64 65 to 74 75+ Prefer not to say

4) Do you have a disability? (Please tick the appropriate box)

Yes No Prefer not to say

4a) If 'Yes', please tick the appropriate box(es) which best describes your disability?

Mental Health Physical Disability Hearing Impairment
 Learning Disability Sight Impairment Other

5) What is your religion or belief? (Please tick the appropriate box)

None Christian Hindu Jewish
 Muslim Sikh Buddhist Prefer not to say
 Any other religion (please write in)

6) How would you describe your ethnic origin? (Please tick the appropriate box)

White
 White British White Irish Indian Pakistani
 White Gypsy or Irish Traveller Other White Background Bangladeshi Chinese
 Other Asian Background
Mixed / Multiple ethnic Background
 White & Black Caribbean White & Black African Caribbean African
 White & Asian Other mixed / multiple background Other Black Background
Other ethnic group
 Arab Any other ethnic group (please state)
 Prefer not to say

7) If you are 16 or over which of the following options best describes how you think of yourself? (Please tick the appropriate box)

Bisexual Gay Man Gay Woman/ Lesbian
 Heterosexual Other Prefer not to say

8) Is your sex (called your gender identity) the same as the gender you were assigned at birth? (Please tick the appropriate box)

Yes No Prefer not to say

9) Are you: (Please tick the appropriate box)

Married Single Civil Partnership Co-habiting/Living together
 Widow/widower Other Prefer not to say

Appendix

This section contains the explanatory information to our main proposals, which is provided within the online consultation questionnaire.

All of the supporting documentation is available on West Northamptonshire Council Draft Budget 2021-22 Consultation page via the following link:

<https://futurenorthants.citizenspace.com/west/budget-2021-2022>

Proposed changes to Council Tax

Historically, across the West of Northamptonshire different levels of Council Tax were set in each of the borough and district areas. This came about because, whilst the proportion of the Council Tax bill that was set by the County Council was the same for all parts of the County, the rates set by the Districts and Boroughs were different.

With one new authority we need to set one single rate of Council Tax, doing this through a process known as Council Tax harmonisation. This is a process where the rates of Council Tax are adjusted over a suitable period to arrive at a single consistent rate across the new authority area.

The aim is to both maximise Council Tax yield while setting an acceptable level single rate of Council Tax for West Northamptonshire.

Just how we can go about this is determined by law but essentially there are two ways in which it can be done:

1. **Weighted Average Council Tax** approach – This approach uses a **weighted average of a Band D property of the current West Northamptonshire Authorities** to calculate new Council Tax Bands from A – H. Council Tax income is crucial to the viability of the new unitary, this option maximises income for the new West Northamptonshire Council and would ensure that there are no reductions in service provision as a result of reduced council tax yield from the alternative option. **This is our preferred option and the one used in the draft budget.**
2. **Individual Area Council Tax** approach – This approach would not maximise Council Tax yield for the new Council, this is because we would be limited to the referendum limit on the lowest Band D in West Northamptonshire. So, the current Authority with the lowest Band D in West Northamptonshire would only be allowed to increase Council Tax by the referendum limit, and the others would harmonise to that level. The demographics in the West means budget pressures are high and in order for the new Council to meet its budget demands and consider future budget pressures this option would be the least viable. For this reason, **this option has been dismissed.**

This proposed change will apply to all bands of Council Tax (all properties through from Bands A-H). **This will impact on all residents within West Northamptonshire who are eligible to pay Council Tax.** However, our examples below are based on Band D.

The weighted average Council Tax is calculated by taking the Council Tax currently charged in the three different areas of West Northamptonshire for the County Council and the relevant District or Borough and multiplying that figure by the number of chargeable properties in that area. This is known as the Council Tax yield.

The Council Tax yield for each of the three current areas are then added together and divided by the total number of chargeable properties across the whole of West Northamptonshire to provide a base calculation for the average weighted Council Tax across the new area.

The calculation is shown below:

Current areas within West Northamptonshire	Council Tax currently charged in 2020-21	Number of Chargeable Properties (Band D equivalents)	Council Tax Yield
Daventry District Council	£1,451.56	32,446	£47,097,316
Northampton Borough Council	£1,516.26	69,376	£105,192,054
South Northamptonshire Council	£1,481.75	37,012	£54,842,531
Total		138,834	£207,131,901

West Northamptonshire Council - Weighted Average Calculation

$$\text{Weighted Average Council Tax} = \frac{\text{Total Council Tax Yield}}{\text{Total Number of Chargeable Properties}}$$

$$\text{Weighted Average Council Tax} = \frac{£207,131,901}{138,834}$$

$$\text{Re-based calculation for 2020-21} = £1,491.94$$

$$\text{Council Tax Increase at 4.99\%} = £74.45$$

$$\text{Proposed Weighted Average Council Tax for 2021-22} = \mathbf{£1,566.39}$$

The Council has to make sure that Council Tax rates are harmonised but can take up to seven years for harmonisation.

The Council is proposing to increase Council Tax up to the level currently allowed by the government, without triggering a referendum – 4.99%. This increased rate includes a general increase of 1.99% and the allowable adult social care precept increase, which is 3%.

Example: What would this mean for a Band D property?

Data published by the Government for Council Tax for 2020/21 shows there are 58 Unitary Councils in England and the highest Council Tax Band D is £1,848.39, the average Band D for Unitaries is £1,542 therefore, the average for West Northamptonshire based on 2020/21 of £1,491.94 is well below the highest rate and the average rate in England.

The amount proposed in the Draft Budget for 2021/22 is £1,566.39 which includes an increase up to the referendum limit of 4.99%.

As an example, the Council Tax for 2020-21 levied for each of the individual areas (based on a Band D property) is set out below. The proposed Harmonised Rate for Band D (before any annual increase) is £1,491.94, the composition of this being the weighted average of sovereign councils as set out in the previous calculation.

- Daventry District Council £1,451.56
- Northampton Borough Council £1,516.26
- South Northamptonshire Council £1,481.75

It should be noted that these figures do not include the Council Tax for individual town and parish councils or the Council Tax set for fire and police by the Northamptonshire Police, Fire and Crime Commissioner.

These are not within the scope of this consultation and these amounts are added before people receive their final bills.

Proposed changes to Council Tax - Harmonise rates

It is a requirement to have harmonised Council Tax across West Northamptonshire by the start of the eighth year of the new organisation. The maximum period to achieve this is therefore seven years from Vesting Day.

If the weighted average Council Tax approach is used, as set out in the draft budget proposals, then the total amount of Council Tax received will not differ regardless of how long is taken to bring the Council Tax amounts into harmony.

However, the percentage that individual Council Tax bills increase by will vary depending on the harmonisation period and depending on the area where the taxpayer is currently living. For further details of individual increases in Council Tax under the different lengths of harmonisation please see [Appendix C - Council Tax Harmonisation Options](#) of the Shadow Executive Committee Meeting [Draft Budget 2021-22 and Medium Term Financial Plan report](#).

Proposed changes to Council Tax - Increased rate

As well as harmonising Council Tax, the Council is also proposing to increase Council Tax up to the level currently allowed by the government, without triggering a referendum – 4.99%. This increased rate includes a **general increase of 1.99%** and the allowable **adult social care precept increase, which is 3%**.

By law, Councils are required to have a scheme to help people on low incomes to pay their council tax this is called the Local Council Tax Reduction Scheme. Local Council Tax Reduction Schemes (LCTRS) were introduced from April 2013 when Council Tax Benefit was abolished and replaced by locally agreed schemes. Those of pensionable age are protected by the prescribed regulations set out by central government.

The Council has already consulted on the harmonisation of this scheme last year and details can be found on the [Future Northants Consultation Hub](#).

Example: What would this mean for a Band D property?

This 4.99% increase would result in a weighted average 2021-22 Band D Council Tax increase for West Northamptonshire Council of £74.45 per year, which is £1.43 per week.

- A 1.99% general increase would result in an increase of £29.69 per year (£0.57 per week) for 2021/22 for the average Band D Council Tax payer.
- A 3% adult social care precept increase would result in an increase of £44.76 per year (£0.86 per week) for 2021/22 for the average Band D Council Tax payer.

Draft Capital Programme 2021-25

The Council needs to optimise the use of its assets so they have a positive impact on costs and help to transform services so they are sustainable for the future.

The Council will need to make expenditure and investment decisions in line with service objectives and properly take account of stewardship, value for money, prudence, sustainability and affordability.

A Baseline Programme has been put together by taking the already approved schemes in year from each of the existing West Districts and Borough and the West share of Northamptonshire County Council's 2021-22 schemes including already approved slippage from the councils' 2020-21 programme. This has resulted in a General Fund Capital Programme of £63.9m over the four year period. Full details are set out in [Appendix E – West Northamptonshire Capital Programme](#), including the total programme for 2020/21, some of which may slip into 2021/22.

If you would like further details about any of the schemes please contact us at futurenorthants@northamptonshire.gov.uk

Draft Housing Revenue Account (HRA) Budget, Rent Setting 2021/22 and HRA Budget Projections 2022/23 to 2025/26

Local housing authorities are required by law to keep a Housing Revenue Account (HRA). This HRA shows the accounts for the council's housing provision, identifying the major elements of expenditure and how these are funded, mainly from rents.

There are strict rules surrounding the costs and income that can be charged to this account. Much of the income and expenditure is dictated by legislation and regulation leaving the Council with limited direct control over a number of these budgets.

A new national policy that came into effect in April 2020 allows annual rent increases on both social rent and affordable rent properties of up to the rate of inflation (CPI) plus 1 percentage point. We are proposing to increase rent by the maximum 1.5% on average across the Council's housing stock in line with national government policy and a 0.5% increase to general service charges.

In the HRA - the council is also proposing to spend £59.8million of capital money in 2021/2022, which will include £34.1m to deliver up to 200 new homes.

For further information please see the [Draft Housing Revenue Account \(HRA\) Budget, Rent Setting 2021/22 report](#), and its [appendices](#), including Appendix 3 – Schedule of Service Charges 2021/22 which shows the changes to service charges.