



Cabinet

Notice of a Meeting, to be held in the Council Chamber, Civic Centre, Tannery Lane,
Ashford, Kent TN23 1PL on Thursday, 8th December 2016 at 7.00 pm.

The Members of the Cabinet are:-

Cllr Clarkson – Leader of the Council

Cllr N Bell – Deputy Leader and Portfolio Responsibility for Government Policy Interface & Democracy

Cllr Mrs Bell – Portfolio Responsibility for Public Interaction and Borough Presentation

Cllr Bennett – Portfolio Responsibility for Planning, Development and Enforcement

Cllr Mrs Blanford – Portfolio Responsibility for Culture, Leisure, Environment and Heritage

Cllr Bradford – Portfolio Responsibility for Highways, Wellbeing and Safety

Cllr Clokie – Portfolio Responsibility for Housing and Home Ownership

Cllr Galpin – Portfolio Responsibility for Town Centres Focus and Business Dynamics

Cllr Knowles – Portfolio Responsibility for Information Technology and Communications

Cllr Shorter – Portfolio Responsibility for Finance, Budget and Resource Management

NB: Under the Council's Public Participation Scheme, members of the public can submit a petition to the Cabinet if the issue is within its terms of reference or ask a question or speak concerning any item contained on this Agenda (Procedure Rule 9 refers)

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| a) Disclosable Pecuniary Interests (DPI) | |
| b) Other Significant Interests (OSI) | |
| c) Voluntary Announcements of Other Interests | |
| See Agenda Item 2 for further details | |
| 3. Minutes – To approve the Minutes of the Meeting of the Cabinet held on the 10 th November 2016 | |
| 4. To receive any Petitions | |
| 5. Leader's Announcements | |

Part I – Matters Referred to the Cabinet

None for this Meeting

Part II – Consideration of Reports from the Overview and Scrutiny Committee

None for this Meeting

Part III – Ordinary Decision Items - Key Decisions Annotated*

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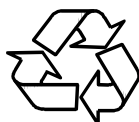
Part V – Cabinet Member Reports

None for this Meeting

Part VI – Ordinary Decision Items

None for this Meeting

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Declarations of Interest (see also “Advice to Members” below)

- (a) **Disclosable Pecuniary Interests (DPI)** under the Localism Act 2011, relating to items on this agenda. The nature as well as the existence of any such interest must be declared, and the agenda item(s) to which it relates must be stated.

A Member who declares a DPI in relation to any item will need to leave the meeting for that item (unless a relevant Dispensation has been granted).

- (b) **Other Significant Interests (OSI)** under the Kent Code of Conduct as adopted by the Council on 19 July 2012, relating to items on this agenda. The nature as well as the existence of any such interest must be declared, and the agenda item(s) to which it relates must be stated.

A Member who declares an OSI in relation to any item will need to leave the meeting before the debate and vote on that item (unless a relevant Dispensation has been granted). However, prior to leaving, the Member may address the Committee in the same way that a member of the public may do so.

- (c) **Voluntary Announcements of Other Interests** not required to be disclosed under (a) and (b), i.e. announcements made for transparency reasons alone, such as:

- Membership of outside bodies that have made representations on agenda items, or
- Where a Member knows a person involved, but does not have a close association with that person, or
- Where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position.

[Note: an effect on the financial position of a Member, relative, close associate, employer, etc; OR an application made by a Member, relative, close associate, employer, etc, would both probably constitute either an OSI or in some cases a DPI].

Advice to Members on Declarations of Interest:

- (a) Government Guidance on DPI is available in DCLG’s Guide for Councillors, at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/240134/Openness_and_transparency_on_personal_interests.pdf
- (b) The Kent Code of Conduct was adopted by the Full Council on 19 July 2012, with revisions adopted on 17.10.13, and a copy can be found in the Constitution at <http://www.ashford.gov.uk/part-5---codes-and-protocols>
- (c) If any Councillor has any doubt about the existence or nature of any DPI or OSI which he/she may have in any item on this agenda, he/she should seek advice from the Corporate Director (Law and Governance) and Monitoring Officer or from other Solicitors in Legal and Democratic Services as early as possible, and in advance of the Meeting.

Cabinet

Minutes of a Meeting of the Cabinet held in the Council Chamber, Civic Centre, Tannery Lane, Ashford on the **10th November 2016**.

Present:

Cllr. Clarkson (Chairman);
Cllr. Bell (Vice-Chairman);

Cllrs. Mrs Bell, Bennett, Mrs Blanford, Bradford, Clokie, Galpin, Knowles, Shorter.

Apologies

Cllrs Hicks, Michael, Ovenden

Also Present:

Cllrs. Burgess, Link, Smith, Wedgbury.

Chief Executive, Corporate Director (Law and Governance), Director of Development, Head of Finance, Accountancy Manager, Health, Parking and Community Safety Manager, Head of Housing, Principal Solicitor – Strategic Development, Senior Policy, Performance and Scrutiny Officer, Communications and Marketing Manager, Member Services Manager.

189 Minutes

Resolved:

That the Minutes of the meeting of the Cabinet held on the 13th October 2016 be approved and confirmed as a correct record.

190 Leader's Announcements

The Leader advised that he was pleased to report that the final meeting had been held to consider due diligence in terms of the Elwick Phase 1 Leisure Scheme and that the Council was now happy to proceed to the signing of the necessary legal documents. The Leader said that this would allow the construction work to commence in the New Year.

The Leader also said that he had started to receive favourable feedback on the work Aspire was undertaking in the Borough and advised that marked changes were already apparent. The Portfolio Holder for Public Interaction and Borough Presentation explained that Aspire had been making a special effort for the forthcoming Remembrance Services in the Memorial Gardens and in those Churchyards they had responsibility for in the Borough.

191 The Council's Approach to Compliance and Enforcement: One year on

The report set out the progress made on various enforcement issues by the Policy and Compliance Task Group following its establishment in 2015.

The Portfolio Holder explained that tightening the Council's approach to enforcement and anti- social behaviour was a major manifesto commitment of the Administration and considered that the issues outlined within the report demonstrated progress made to date.

The Portfolio Holder for Highways, Wellbeing and Safety reported that several Public Spaces Protection Orders were currently out for public consultation.

Resolved:

That the progress made by the Task Group and the proposed focus of the Board moving forward be noted.

192 Budget Monitoring – Quarter 2, 2016/17

The report presented an assessment of the outturn position for the financial year based on the first half of the year for the General Fund, the Housing Revenue Account and the Collection Fund. During this period the General Fund was projected to have a balanced budget after transfers to reserves and there was a forecast underspend of £89,000. The Housing Revenue Account was projecting an overall deficit of £1,578,000.

The Portfolio Holder said that the report presented a broadly balanced budget position and advised that despite the effects of Brexit the Council's investments were returning between 4% and 5% which he considered represented a fair return.

Resolved:

- That**
- (i) the Budget Monitoring position as at 30th September 2016 be noted.**
 - (ii) the approval by Management Team of the installation of a Beacon in North Park to celebrate future events be noted.**
 - (iii) the work done towards jointly procuring a cash collection contract be noted.**

193 Ashford Borough Council's Performance – Quarter 2 2016/17

The report provided a headline overview of performance against the Council's Corporate Plan for Quarter 2 - 2016/17. This included information on what the

Cabinet had achieved through its decision making, key performance data, and consideration of the wider Borough picture which impacted upon the Council's work.

The Portfolio Holder drew attention to the benefits of the new Performance Dashboard and encouraged all Members to view the various types of data on the system. He also advised that in due course elements of the data would be made available for access by the public.

Resolved:

That the Council's performance against the Corporate Plan in Quarter 2 of 2016/17 be noted.

194 Joint Transportation Board – 13th September 2016

Resolved:

That the Minutes of the meeting of the Joint Transportation Board held on the 13th September 2016 be received and noted.

195 Ashford Strategic Delivery Board – 30th September 2016

Resolved:

That the Notes of the meeting of the Ashford Strategic Delivery Board held on 30th September 2016 be received and noted.

196 Schedule of Key Decisions to be Taken

Resolved:

That the latest Schedule of Key Decisions as set out within the report be received and noted.

(KRF/AEH)

MINS:CAXX1645

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Agenda Item No: 6
Report To: Cabinet
Date of Meeting: 8th December 2016
Report Title: Review of Housing Staff Structure
Report Author & Job Title: Sharon Williams
Head of Housing
Portfolio Holder Cllr. Clokie
Portfolio Holder for: Housing and Home Ownership



Summary: The Housing Revenue Account (HRA) Business Plan submitted to members in November last year identified that the 1% reduction in social rents announced in the July 2015 Budget would result in an anticipated loss of income of £10million (across four years from April 2016). Members agreed to implement a significant cost reduction programme, including salary savings, in order to recover the HRA's financial position.

A comprehensive review of the HRA services has been conducted and this paper sets out the recommendations and impacts for staff arising from the review including improved working practices, an organisational restructure and a reduction in headcount from April 2017 (and in the 2017/18 budget) of 9.12 FTE posts.

Key Decision: NO

Significantly Affected Wards: N/A

Recommendations: **The Cabinet is recommended to:-**

- I. Endorse the findings of the review of housing**
- II. Approve the new staff structure for Housing shown at Appendix 3.**
- III. Recommend to Council that the redundancy costs and pension costs set out at Appendix 4 are approved and that the pension monies are released in the event that those staff at risk cannot be re-deployed, or if there are pension implications or redundancy costs in relation to voluntary redundancy applications that they may be granted.**

Policy Overview: The Council is required to have a 30 year business plan for the HRA. The business plan provides a financial model

which is a tool for testing existing priorities, the impact of changes in Government policies and changes in key business sensitivities such as inflation to ensure that Ashford's plans remain affordable. It also ensures that the HRA does not exceed its debt cap with its expenditure plans in line with Government rules.

Financial Implications:

The 2015 Budget Announcement by the Government imposed a 1% rent reduction to be applied to all social housing rents each year for a period of four years with effect from 2016/17, resulting in a potential loss of income to the HRA of £10m. A report to Cabinet in November 2015 reported the position and recommended a cost reduction exercise which included recommendations to consider staff reductions in order to regularise the financial position for 2017/18.

The proposed new structure for housing represents a salary saving of approximately £198,000 in the HRA for 2017/18 and a further saving of £68,000 for the general fund for 2017/18. The proposed savings regularise the financial position for the HRA and enables scope within the HRA Business Plan to continue to achieve the HRA priorities. A separate report on this Cabinet Agenda sets out the position for the HRA Business Plan in more detail as well as the amended priorities for the HRA moving forward.

A schedule of proposed redundancy and pension costs is shown at the exempt appendix at Appendix 4.

Legal Implications

The Council is required to have a HRA Business Plan setting out the financial position for a period of 30 years. During the review due regard has been taken to the Council's policies in managing redundancy.

Equalities Impact Assessment

An Equalities Impact Assessment is attached at Appendix 1.

Other Material Implications:

None

Exempt from Publication:

YES – Appendix 4 Only

[Not For Publication by virtue of Paragraphs 1 and 2 of Part 1 of Schedule 12A of the Local Government Act 1972.] and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Background Papers:

None

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Report Title: Review of Housing Staff Structure

Introduction and Background

1. Following the government's decision to impose a national 1% rent reduction on rents within the Council stock, announced in the July 2015 Budget, it was identified that this equated to a loss in revenue to the Housing Revenue Account (HRA) of £10m over four years with effect from 2016/17
2. The HRA is a ring fenced financial account which is self financing, funded from the rental income from Council tenants. The income covers the management, maintenance and repair of approximately 5,000 properties. The general fund is a separate account which cannot contribute to the HRA costs.
3. A report to Cabinet on 12th November 2015 updating the Business Plan for the HRA identified the need to deliver savings and a substantial cost reduction programme was approved. The report identified areas for savings: including significant cuts to the planned maintenance budgets and the shelving of the refurbishment / rebuild programme to sheltered housing stock, as well as a reduction in salary costs as part of the cost reduction plans to recover the HRA's financial position.
4. The measures identified in the report at that time were implemented to regularise the budget position for 2016/17 but it was identified that further salary savings would be required to be implemented with effect from 2017/18.
5. A comprehensive review of the HRA service was launched in May 2016 to take forward the cost reduction programme previously agreed by members and as an integral part of this, to consider the staffing structure required to deliver the HRA core activities.
6. This report sets out the recommendations arising from the review including a change to the staff structure, together with some recommendations for further work to streamline work flows.

Summary of the Approach to the Review

7. The scope of the review was agreed by Management Team, the Portfolio Holder for Housing and Home Ownership and the Lead Member for Housing and is set out below:
 - Review the asset management strategy and the approach to planned maintenance
 - Re-affirm the priorities for the HRA and set relevant standards such as the void property standard and response times for dealing with customer enquiries.
 - Identify core activities for the HRA
 - Identify income generators for the HRA

- Review structures, processes and structures to eliminate waste, streamline work flows and ensure resilience in front line services.
8. External scrutiny and challenge were key components of the review and have been at the forefront of our approach and a range of methods were utilised to achieve this as follows:
- Officers from outside Housing were identified to lead on desk top reviews within the Housing Services Team and the Resources Team.
 - A Scrutiny Group was formed representing Finance, Corporate Customer Services, Corporate Policy and Performance and Personnel to act as challenge agents to the review both in terms of process but also to ensure that the review was fair and robust. The Scrutiny Group met together to consider the scope of the review and also to consider the full reports and recommendations arising from the review. In addition members of the group met individually with the Head of Housing and John Young throughout the review period.
 - Internal Audit was asked to review the processes and key controls which were necessary to be maintained within Planned Maintenance and Responsive Repairs
 - External consultancy advice was provided in relation to Asset Management of the rented housing stock
 - The Corporate Procurement and Support Manager and the Head of Corporate Property are acting as a critical friend in relation to our Procurement Practice.
9. The Lead Officers carried out a desk top review of each service area within the HRA which focussed on the following:
- What we do now and how we do it
 - What we could do differently or stop doing
 - Channel shift and better use of technology
 - Performance measures
 - Good practice recommendations
 - Comparisons and reviews of other examples from other organisations
10. Whilst the main focus of the review was to identify ways to meet the savings targets previously identified, the Portfolio Holder and Lead Member for Housing and Home Ownership were keen that the review also identified the core activities essential for delivering the HRA priorities.
11. The desk top survey work undertaken has been used to inform the recommendations of this report both in terms of the proposed staff structure and in addition to further ongoing operational or procedural changes moving forward. These will form part of a programme of work once the proposed new structure is in place designed to make better use of technology, opportunities to introduce self help services for our tenants and to streamline work flow.
12. The Housing staff were formally notified about the review in May 2016 and were encouraged to feed in their thoughts and ideas throughout the process. Early work was undertaken with the key teams to identify what staff considered to be the core activities for the service and this information was

used to look at work activities and where they could be aligned to create a streamlined workflow.

13. A copy of both the existing staff structure and the proposed structure is set out in **Appendix 2 and 3**. Specific findings arising from the review work are set out below.

Housing Services Team

14. Due to budgetary requirements since 2011, there has been a 15% staff reductions within the Housing services Team (HST) which now operates with 7.9 FTE's. This has reduced the operational resilience within the team to deliver; call handling for housing enquiries, account, tenancy, lettings and housing administrative services, repairs call handling, contractor liaison and repair invoicing.
15. The HST had previously been able to balance the demands of the various work streams but have found that if one of more work streams generates additional volumes of work, all the services they provide degrade having the consequence of causing pressure in all areas of their responsibility.
16. The review identified that call handling for housing enquiries was a reactive work stream that significantly impacted the ability of the team to schedule and undertake administrative processes. Accordingly, the decision was made to evaluate moving call handling for housing enquiries and responsive repairs to the Council's Customer Services Team. It is suggested that this will provide a more consistent channel of communication for customers in terms of their access and it will remove the reactive component of the HST work.
17. It is proposed to remove this team from the establishment and therefore the posts of the Housing Services Team Leader and 6.9FTE Housing Services Assistants. The administration work associated with this team and the individual posts will continue, although it is proposed to complete this work in a more focused manner and in focused teams. Previously this work was completed generically. Should the proposal be accepted it is anticipated that the 7.9FTE members of the Housing Services Team will be positively redeployed across the service into reasonable, suitable alternative posts, according to their preferences and skill areas.
18. It is proposed that two new posts are created within the Customer Services team and that two FTEs from the HST team are redeployed to these roles.
19. The anticipated redeployment of these posts is referred to throughout this consultation document but in the interest of clarity they are defined as posts within;
 - Corporate Customer Services (not in Housing Service) x 2 FTE
 - Finance Pilot role focused on FPM in Exchequer x 1 FTE
 - Lettings Assistant x 1 FTE
 - Housing Management Support Officers x 4 FTE
 - Repairs Assistants x 3 FTE

Asset Management

20. The Housing Service currently manages the HRA's assets using an asset data set to plan the maintenance programme over the lifetime of the component parts of the asset.
21. During the scoping of this review, the requirement for an Asset Management Strategy was identified. A draft strategy setting out the Council's priorities and approach to maintaining and managing its HRA assets has been produced.
22. To provide an external and non-partisan view, we sought the assistance of an independent global property and construction consultancy called Gleeds, with over 1600 staff, across 59 offices and 6 continents.
23. Gleeds has undertaken a high level assessment of the current HRA arrangements within the Council. This review was intended to identify how, accounting for the issues specifically relating to the Council's own HRA, the Council may benefit from the strategies and structures developed by other Council's. Specifically the review has considered:
 - A high level assessment of the current HRA Business Plan.
 - A high level benchmarking exercise on key asset lines.
 - An assessment of wider housing development activity (whether within or outside of the HRA).
24. Gleeds also provided an overview of options for consideration which included:
 - Review of building condition information and lifecycle replacement programme.
 - Perform an area / estate review of key areas to establish relative need and potential efficiencies
 - Consider wider "commercialisation" opportunities through planned sales / development opportunities
 - Consider the potential betterment through creation of a Joint Venture for the development of new housing (social, affordable and market)
 - Consider the potential betterment through creation of a property company for non-social housing accommodation (affordable and market as well as other mixed uses as appropriate)
 - Explore the use of innovative financing solutions for the provision of specialist accommodation
25. We are continuing to work with Gleeds and plan to evaluate these options alongside the Asset undertaking leaseholder management Strategy and the 2017/18 responsive repair procurement process as part of an ongoing work programme following the review and implementation of the proposed new structure.
26. The current contracts for responsive repairs, void work and PVCu windows & door repairs are currently due to be retendered by 1st October 2018. Although only preliminary discussions have taken place and no firm decisions made regarding the above contracts, it is likely that the scope will combine responsive and void works and extend the contracts remit to include kitchen replacements, bathroom replacements and minor disabled adaptations.

27. Additionally, to improve the efficiency of the repair process contracts based on Price per Property (PPP) and Price per Void (PPV) will have serious consideration as they share the repair risk with the Contractor and allow for a more cohesive repairs reporting process directly with the Contractor and a significantly smaller administrative and invoice processing overhead.
28. Concern has previously been raised that the current method of delivering kitchen and bathroom refurbishments could result in perfectly acceptable components being replaced unnecessarily.
29. A number of options to address these concerns were considered and the recommended approach to address potential wastage is that pre-inspections prior to commencement of work should be undertaken to identify those that require work and those that can be deferred to a later date. This approach was also confirmed as a recommended key control in the internal audit that was undertaken.
30. Moving repair call handling to the Customer Services and RTB from the Resources Team has been considered with our existing responsive repair contracts in mind. The current repair budget is £2.1M and we typically issue around 12,500 orders per year to our main contractor and other specialist contractors. The existing contracts require the Council to specify and calculate the cost of each repair order and process an invoice for each repair.
31. Gleeds commented in their report that the Council has an average cost per property of £308 per annum for reactive repairs. This rate would appear to be very competitive, as Gleeds benchmark range is between £330 and £440 per annum, depending on the different contracting models (reimbursable, fixed price per property per annum, etc.) Gleeds identified this as further evidence the benefits of the Council's drive towards Decent Homes Plus over recent years and the one-off investments made having a positive impact on reactive spend. However, they consider that, current decisions to reduce and pushback planned maintenance spend will reverse this and believe this will lead to an increase in reactive spend per property.
32. With such high volumes of repairs requests budgetary control is challenging and accurately identifying who is responsible for the works, what work is required and which contractor to use requires experience and teamwork. If work is over specified by as little as 5% this could result in an annual overspend in excess of £100k.
33. In view of the above it is felt important to create a stronger synergy between the planned maintenance and reactive repairs teams and it is therefore proposed that both teams are aligned together within the structure.
34. When considering the likely operational changes that would be introduced with a new responsive repairs contract e.g. calls being handled directly by the Contractor, the operational and financial risk of moving repairs into a call centre dealing with generic enquiries and the resources required to move repairs call handling to the Customer Services Team for what would be an interim measure, appears to have the potential to deliver very little benefits. However, should the new responsive repairs contract retain repair call

handling within the Council, then this matter should be reconsidered at that time.

35. Currently the posts responsible for processing right to buy applications and dealing with Lease holder issues sit within the resources team, however the review identified that they would be better aligned with the property focussed functions and therefore it is proposed that they be moved to sit under the Asset Management Team, reporting into the Housing Performance Manager.

Income and Tenancy Management

36. Arrears management was subject to a review 18 months ago which resulted in the adoption of new IT processes to streamline arrears action processing. Following that review the Area Managers were split into two focus areas – the Income Management team and the Estates team. Accordingly, arrears processes are not being considered as part of this review as it remains a high performing function within the service and has shown performance improvements upon implementing the earlier reviews findings.
37. Universal Credit (UC) continues to represent a significant risk to our income stream as Tenants will receive their housing costs as part of their UC payment instead of the Council receiving a direct payment through the current Housing Benefit system. Although this is likely to put downward pressure on our collection rates and require additional officer time to offset this pressure, our current staffing levels are considered sufficient to maintain our collection performance within the current benefit framework subject to the creation of the Housing Support Officer posts referred to above.
38. Anti-social behaviour (ASB) incidents currently require significant staff time that creates a resourcing problem for the Estates team. Policy & Performance have researched how other Local Authorities and Housing Associations are planning to provide provisions to deal with ASB in the light of the 1% rent reduction.
39. It is proposed that the job description for the Senior Area Manager post is amended for the post holder to take a lead role in serious anti social behaviour cases as well as continue to provide day to day line management to the area managers. It is also intended that this officer will work closely with the CSU. A new team leader level post of Neighbourhood Services Manager has been introduced to strengthen operational day to day management support for the Income and Management Team. This post will take a lead in service planning and ensuring that we are placing our tenants at the heart of service delivery within the resources available. In order to facilitate this, the number of Area Manager posts in the structure will be reduced from 7 posts to 6 posts.
40. The government have identified further 1% rent reductions for supported housing which in Ashford BC relates to Sheltered Housing Schemes for older people. In addition there have been recent challenges to the levels of service charges to tenants. Although Ashford has tried to prepare for withdrawal of funding to provide support in the sheltered schemes by introducing service charges, it is important that we keep our service charges affordable and reasonable. In view of this the review looked at the structure for the supported

housing team. It is proposed to increase the Supported Housing Manager post to 1 FTE from 0.8 FTE and to delete the Senior Scheme Manager post. However, there is one vacant scheme manager post which has been held pending work to review service charge levels. It is proposed that the vacant scheme manager post is filled, which may offer a redeployment opportunity.

41. Tenant Participation (TP) has been identified as a problematic area that has proved challenging to achieve sustainable benefits to the Service and our tenants. The review looked at how Tenant Participation could be delivered more effectively.
42. Housing E–Newsletter and Tell Us can be organised by the Communications Team with the Senior Area Manager acting as the key point of contact for collating the relevant news items for publishing.
43. Moving forward, there is an opportunity to publish Housing news items on a daily or weekly basis via social media and either discontinue the Housing E-Newsletter or publish previously published news items as a compendium or, as a small number of news items considered in greater detail.
44. Although Housing no longer undertake Community days the Area Management team continue a schedule of ‘Chips & Chats’ events throughout the borough to make sure that there is a regular TP across a wide spectrum of ABC tenants.
45. The review considered the effectiveness of the Tenants Scrutiny Panel and concluded that it represents poor value for money due to the cost of providing staff resources required to organise, and host meetings.
46. The tenant scrutiny process has resulted in few new or impactful recommendations. Both tenants on the panel and officers have voiced their frustration of the scrutiny process.
47. The current TP delivery model relies heavily upon a designated Tenant Participation Officer. We have seen this model result in a tendency for staff to pass TP matters to this officer and fail to accept their responsibilities to engage with tenants.
48. The review concluded that TP is not best served by the current model. It is proposed that an integral part of the Area Managers role should include responsibility for TP and that we should move towards a position where involvement and empowerment is ingrained within the culture of the organisation and sits at the heart of the business. It is therefore suggested that the current Tenant Participation post is deleted.

Resources Team

49. This element of the review incorporated a comprehensive look at quantifying the capacity issues facing the Resources team with a focus on ways to reduce time spent on tasks resulting in a reduced workload for the team overall, and enable work to be appropriately delegated from the Accounts Manager to other members of the team.

50. Following the review work a range of recommendations were identified that will need further consideration to streamline workflows and reduce wastage, which will form part of an ongoing work programme following the review and implementation of the proposed new structure.
51. The report identified that corporately the areas of raising orders and FPM payments are particularly weak which makes it difficult finding cover when lead Officers are absent.
52. It is recommended that Finance operate a pilot to centralise order processing and FPM payments, which would include transferring one member of the Housing Administration Team to the Finance (Exchequer) team on a secondment for up to 6 months.
53. The review work identified that the Accounts Manager was routinely working longer hours than contracted for. Due to this and to align functions to the either the property or customer based divisions it was decided that the Leaseholder Officer and newly created Leaseholder Assistant post and the Right to Buy Administrative Assistant be realigned to report into the Performance Manager.

Chilmington Gypsy Site

54. The management of Chilmington Gypsy Site currently sits within the Housing Options Team and there is currently a 0.6 FTE Management Officer post who is responsible for this role, with other officers assisting the post holder as necessary. This post holder also provides a management function for 2 days per week in relation to Garages under the Corporate Property Team, making her post a full time post. It is proposed that the post holder reports into the Senior Area Manager post and that her role is amended so that she continues to be responsible for the management of Chilmington Gypsy Site but no longer provides the garage management and instead provides a visiting function to undertake viewings, sign ups and other low level management functions for the HRA. The Head of Property has confirmed that a review of the management of garages is due for completion and that he will be re-designing the staffing requirements for garages.

Proposed Revised Structure

55. Since the appointment of the Housing Operations Manager (Housing Options and Private Rented Sector) to the Head of Housing post in February 2016, the post had remained vacant. With this opportunity, it was decided to reconsider the management structure and align the functions to a customer facing or property focused organisational structure.
56. It was determined the revised structure would ensure reporting lines and functional responsibilities are aligned within the team to meet the relevant service objectives. The proposed new structure therefore reduces the number of senior managers from 6 managers to 2 Housing Operations Managers with one responsible for all of the 'Income and customer' facing functions and the other manager responsible for the property based or 'Asset Management' functions. This effectively creates two broad teams - **The Asset Management Team** and the **Income and Customer Team**.

57. To support the reduction in senior manager posts a series of Team Leader posts are identified in the structure. These posts will take responsibility for the day to day management of the functions which sit beneath them.

Other relevant Changes to the Structure

58. It is proposed to delete the post of Housing Resources Manager from the establishment following the post holders resignation earlier in the year. However, in order to ensure that there is sufficient resilience and focus on the HRA Accountancy and Business Planning process, it is proposed to create a new post of Trainee Accountant within the Accountancy Team and allow the HRA Accountant to cover the functions previously provided by the deleted Housing Resources Manager post.
59. With a significantly reduced management team within the Housing Service it is proposed to appoint a Business Support Officer who can provide specialised administration and co-ordination support to the newly created Housing Operations Manager posts and the Head Of Service.
60. It is proposed that the post of Housing Strategy Manager is moved to the Policy Team. Therefore, it is additionally proposed that the post of Housing Enabling Officer is moved to report to the Senior Property Manager.

Implications and Risk Assessment

61. The recommendations arising from the review will result in a reduction of 9.12 FTE posts from the structure. However, a number of these posts are already vacant and were not filled in anticipation of the review and the need to deliver savings. The proposals will however require that 5 additional posts are made redundant.
62. The Council's policies regarding minimising the need for compulsory redundancies have been adhered to and efforts will be made to redeploy staff to alternative posts. Whilst the new proposed structure does delete posts, there are also some new opportunities within the structure for those at risk to consider.
63. Any reduction in resources may be considered a significant risk, however the structure has been developed in order to try to ensure that front line staff have been provided with the resources they need to deliver the core functions of the role.

Equalities Impact Assessment

64. Members are referred to the attached Assessment. There are no specific impacts on those with protected characteristics as a result of the proposed new structure.

Consultation Planned or Undertaken

65. An extensive consultation exercise was undertaken with the staff primarily affected. This included the development of a consultation paper setting out the proposals and identifying how staff were likely to be affected. A series of meetings were held with staff in groups and individually and feedback was collated and fed into the JCC. The JCC met to consider the proposals on 3rd November and 22nd November 2016.
66. Further consultation is ongoing with staff regarding the implementation of these proposals should they be approved by members.

Other Options Considered

67. The review considered and implemented a range of cost reduction measures. These included reductions in budgets for planned and responsive repairs and the shelving of some planned capital projects, however despite these actions savings in ongoing revenue costs were required.

Reasons for Supporting Option Recommended

68. The proposed new structure for Housing represents a significant saving. The savings which can be achieved from the proposals have been incorporated into the review of the HRA Business Plan and would enable the Council to regain control of the financial position in the HRA and move forward with the delivery of the HRA priorities. A report regarding the HRA Business Plan appears as a later agenda item.

Next Steps in Process

69. Should the proposals be approved the position would be confirmed to those staff affected and consultation will continue regarding the implementation of the new structure. This may include the redeployment of staff into alternative posts within the structure. Where no suitable alternative post can be found for those at risk they will be consulted about the potential for compulsory redundancy.

Conclusion

70. The proposals set out in this report follow a comprehensive review of Housing, and if agreed will provide the potential for a strong financial position within the HRA Business Plan.

Portfolio Holder's Views

71. I am satisfied that the approach set out above has provided a thorough review of Housing, focussing on delivering a good quality landlord function.

Contact and Email

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Equality Impact Assessment

1. An Equality Impact Assessment (EIA) is a document that summarises how the council has had due regard to the public sector equality duty (Equality Act 2010) in its decision-making. Although there is no legal duty to produce an EIA, the Council must have **due regard** to the equality duty and an EIA is recognised as the best method of fulfilling that duty. It can assist the Council in making a judgment as to whether a policy or other decision will have unintended negative consequences for certain people and help maximise the positive impacts of policy change. An EIA can lead to one of four consequences:

- (a) No major change – the policy or other decision is robust with no potential for discrimination or adverse impact. Opportunities to promote equality have been taken;
- (b) Adjust the policy or decision to remove barriers or better promote equality as identified in the EIA;
- (c) Continue the policy – if the EIA identifies potential for adverse impact, set out compelling justification for continuing;
- (d) Stop and remove the policy where actual or potential unlawful discrimination is identified.

Public sector equality duty

2. The Equality Act 2010 places a duty on the council, when exercising public functions, to have due regard to the need to:

- (a) Eliminate discrimination, harassment and victimisation;
- (b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it (ie tackling prejudice and promoting understanding between people from different groups).

3. These are known as the three aims of the general equality duty.

Protected characteristics

4. The Equality Act 2010 sets out nine protected characteristics for the purpose of the equality duty:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership*
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

*For marriage and civil partnership, only the first aim of the duty applies in relation to employment.

Due regard

5. Having 'due regard' is about using good equality information and analysis at the right time as part of decision-making procedures.

6. To 'have due regard' means that in making decisions and in its other day-to-day activities the council must consciously consider the need to do the things set out in the general equality duty: eliminate discrimination, advance equality of opportunity and foster good relations. This can involve:

- removing or minimising disadvantages suffered by people due to their protected characteristics.
- taking steps to meet the needs of people with certain protected characteristics when these are different from the needs of other people.
- encouraging people with certain protected characteristics to participate in public life or in other activities where it is disproportionately low.

7. How much regard is 'due' will depend on the circumstances. The greater the potential impact, the higher the regard required by the duty. Examples of functions and decisions likely to engage the duty include: policy decisions, budget decisions, public appointments, service provision, statutory discretion, decisions on individuals, employing staff and procurement of goods and services.
 8. In terms of timing:
 - Having 'due regard' should be considered at the inception of any decision or proposed policy or service development or change.
 - Due regard should be considered throughout development of a decision. Notes shall be taken and kept on file as to how due regard has been had to the equality duty in research, meetings, project teams, consultations etc.
 - The completion of the EIA is a way of effectively summarising this and it should inform final decision-making.
- The duty is a non-delegable one. The duty will always remain the responsibility of the public authority.
 - The duty is a continuing one so that it needs to be considered not only when a policy, for example, is being developed and agreed but also when it is implemented.
 - It is good practice for those exercising public functions to keep an accurate record showing that they have actually considered the general duty and pondered relevant questions. Proper record keeping encourages transparency and will discipline those carrying out the relevant function to undertake the duty conscientiously.
 - A public authority will need to consider whether it has sufficient information to assess the effects of the policy, or the way a function is being carried out, on the aims set out in the general equality duty.
 - A public authority cannot avoid complying with the duty by claiming that it does not have enough resources to do so.

Case law principles

9. A number of principles have been established by the courts in relation to the equality duty and due regard:
 - Decision-makers in public authorities must be aware of their duty to have 'due regard' to the equality duty and so EIA's must be attached to any relevant committee reports.
 - Due regard is fulfilled before and at the time a particular policy is under consideration as well as at the time a decision is taken. Due regard involves a conscious approach and state of mind.
- A public authority cannot satisfy the duty by justifying a decision after it has been taken.
- The duty must be exercised in substance, with rigour and with an open mind in such a way that it influences the final decision.

The Equality and Human Rights Commission has produced helpful guidance on "Meeting the Equality Duty in Policy and Decision-Making" (October 2014). It is available on the following link and report authors should read and follow this when developing or reporting on proposals for policy or service development or change and other decisions likely to engage the equality duty. [Equality Duty in decision-making](#)

Lead officer:	Sharon Williams
Decision maker:	Cabinet/ Full Council
Decision: <ul style="list-style-type: none"> • Policy, project, service, contract • Review, change, new, stop 	Review of Housing Staffing Structure
Date of decision: The date when the final decision is made. The EIA must be complete before this point and inform the final decision.	8 th December 2016
Summary of the proposed decision: <ul style="list-style-type: none"> • Aims and objectives • Key actions • Expected outcomes • Who will be affected and how? • How many people will be affected? 	<p>The review was identified as necessary following the governments' decision to introduce a 1% saving on social housing rents each year for a period of 4 years, resulting in a projected loss of potential income of £10m over the 4 years.</p> <p>The proposals set out in the Cabinet report for 8th December regarding the outcome of the review will regularise the financial position for the Housing Revenue Account.</p> <p>The review represents an overall reduction of 9.12 FTE's, however is likely to result in making 5 post holders redundant. The remainder of staff are affected to varying levels with some having their posts deleted but with the options of positive re-deployment, some affected because of changes to their job and some affected due to a change in who they report to.</p>
Information and research: <ul style="list-style-type: none"> • Outline the information and research that has informed the decision. • Include sources and key findings. 	<p>The scope for the review was agreed by the Council's Corporate Management Team and endorsed by the Portfolio Holder and Lead member for Housing.</p> <p>A scrutiny group was formed comprising of officers from outside of the service who acted as challenge agents for the review. A series of desk top surveys, statistical analysis and reviews were undertaken and in some instances external advice was sought as well as two internal audit reviews. The findings from this range of work underpins the review findings.</p>
Consultation: <ul style="list-style-type: none"> • What specific consultation has occurred on this decision? • What were the results of the consultation? • Did the consultation analysis reveal any difference in views across the protected characteristics? • What conclusions can be drawn from the analysis on how the decision will affect people with different 	<p>There has been a large consultation exercise with staff, including informal consultation and formal consultation. A consultation paper was produced and discussed with affected individuals. Formal one to one consultation meetings were also held with staff primarily affected in the review. Staff who were considered to be additionally affected were also consulted with.</p> <p>The results of the consultation were submitted to JCC on 3rd November and again on 22nd November 2016.</p> <p>One member of staff raised a point about a person in the structure with a protected characteristic who under the proposals is additionally affected in that their line manager will change. A number of staff who are primarily affected are on</p>

protected characteristics?	<p>maternity leave.</p> <p>Although the proposals will affect staff who may be considered to have a protected characteristic, steps have been taken to ensure that all staff have the relevant support and advice including representation from unions or Staff Side Representatives, access to information about the support line available for all staff. Anyone affected by the proposals was advised of their right to have representation throughout the process.</p> <p>Staff on maternity leave were communicated with and asked how they would like to be consulted.</p> <p>Personnel have advised staff about the approach to providing support to avoid redundancy where possible by identifying re-deployment opportunities.</p> <p>Our Managing Redundancy and Organisational Change policy has been followed and adhered to.</p> <p>Unison and JCC staff side have been involved and consulted with throughout the process.</p> <p>Staff have been provided with information regarding additional sources of support including ACAS, Unison, Staff side and our Employee Assistance Helpline.</p> <p>Staff have also been consulted with regarding the potential selection process which could be used in the event of a compulsory selection process enabling them to comments on any methodology that could adversely affect them on the grounds of a protected characteristic.</p>
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Assess the relevance of the decision to people with different protected characteristics and assess the impact of the decision on people with different protected characteristics.

When assessing relevance and impact, make it clear who the assessment applies to within the protected characteristic category. For example, a decision may have high relevance for young people but low relevance for older people; it may have a positive impact on women but a neutral impact on men.

Protected characteristic	Relevance to Decision High/Medium/Low/None	Impact of Decision Positive (Major/Minor) Negative (Major/Minor) Neutral
<u>AGE</u> Elderly	None	Neutral
Middle age	None	Neutral
Young adult	None	Neutral
Children	none	Neutral
<u>DISABILITY</u> Physical	none	Negative - minor
Mental	none	Neutral

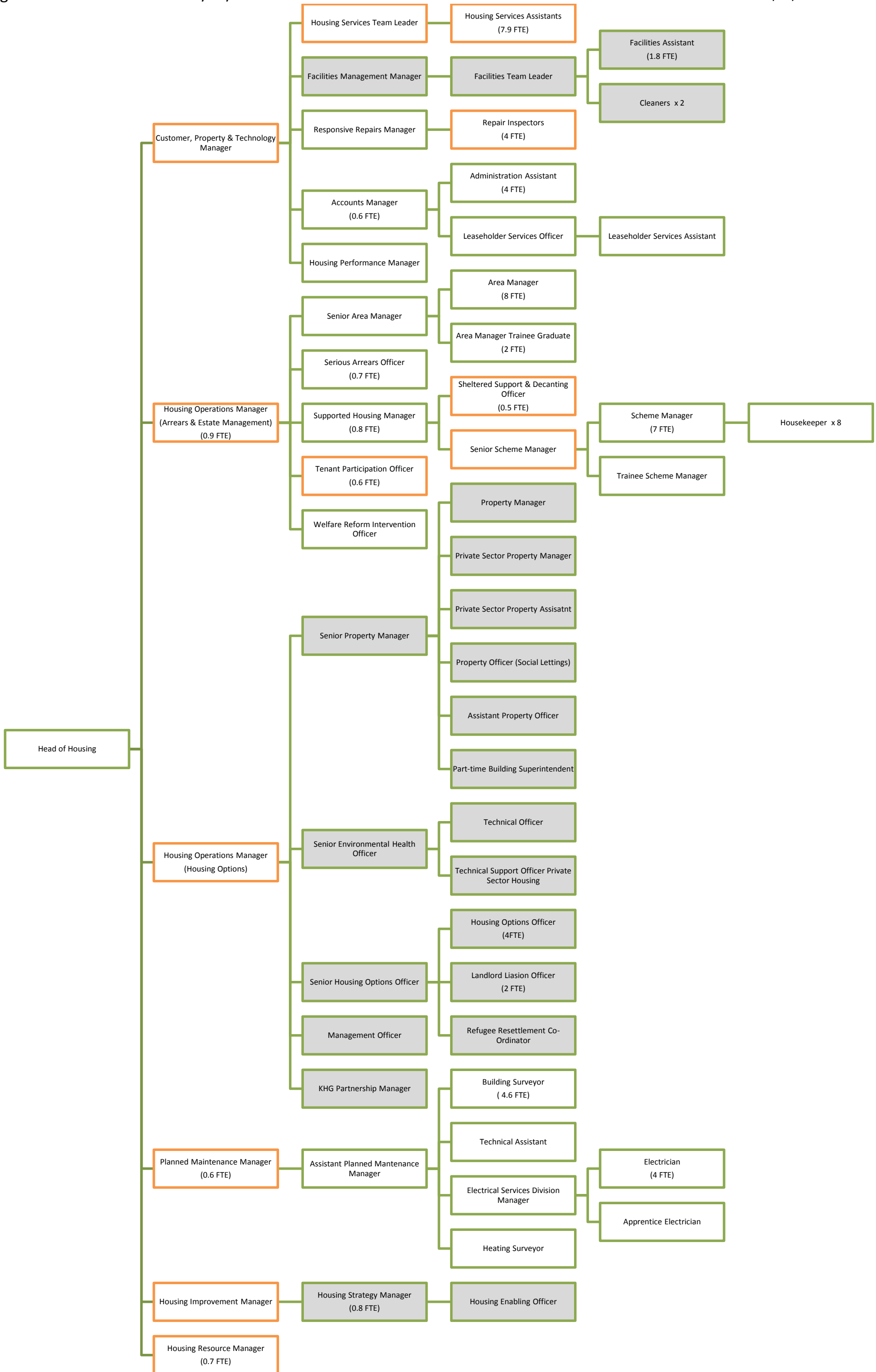
Sensory	None	Neutral
<u>GENDER RE-ASSIGNMENT</u>	None	Neutral
<u>MARRIAGE/CIVIL PARTNERSHIP</u>	None	Neutral
<u>PREGNANCY/MATERNITY</u>	None	Negative - minor
<u>RACE</u>	none	Neutral
<u>RELIGION OR BELIEF</u>	none	Neutral
<u>SEX</u>		
Men	none	Neutral
Women	none	Neutral
<u>SEXUAL ORIENTATION</u>	none	Neutral

<p>Mitigating negative impact: Where any negative impact has been identified, outline the measures taken to mitigate against it.</p>	<p>Consideration has been given to mitigating any negative impact via the following measures; (1) consultation has taken place with affected employees via one to one consultation meetings, (2) additional time frames have been built into the process with regard to meeting lengths, preparation time and response times (3) members of staff have been able to complete KIT days to attend consultation meetings and one employee with a young baby was able to bring her baby with her to a consultation meeting, at her request.</p>
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<p>Is the decision relevant to the aims of the equality duty? Guidance on the aims can be found in the EHRC's Essential Guide, alongside fuller PSED Technical Guidance.</p>	
Aim	Yes / No / N/A
1) Eliminate discrimination, harassment and victimisation	yes
2) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it	yes
3) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it	N/A

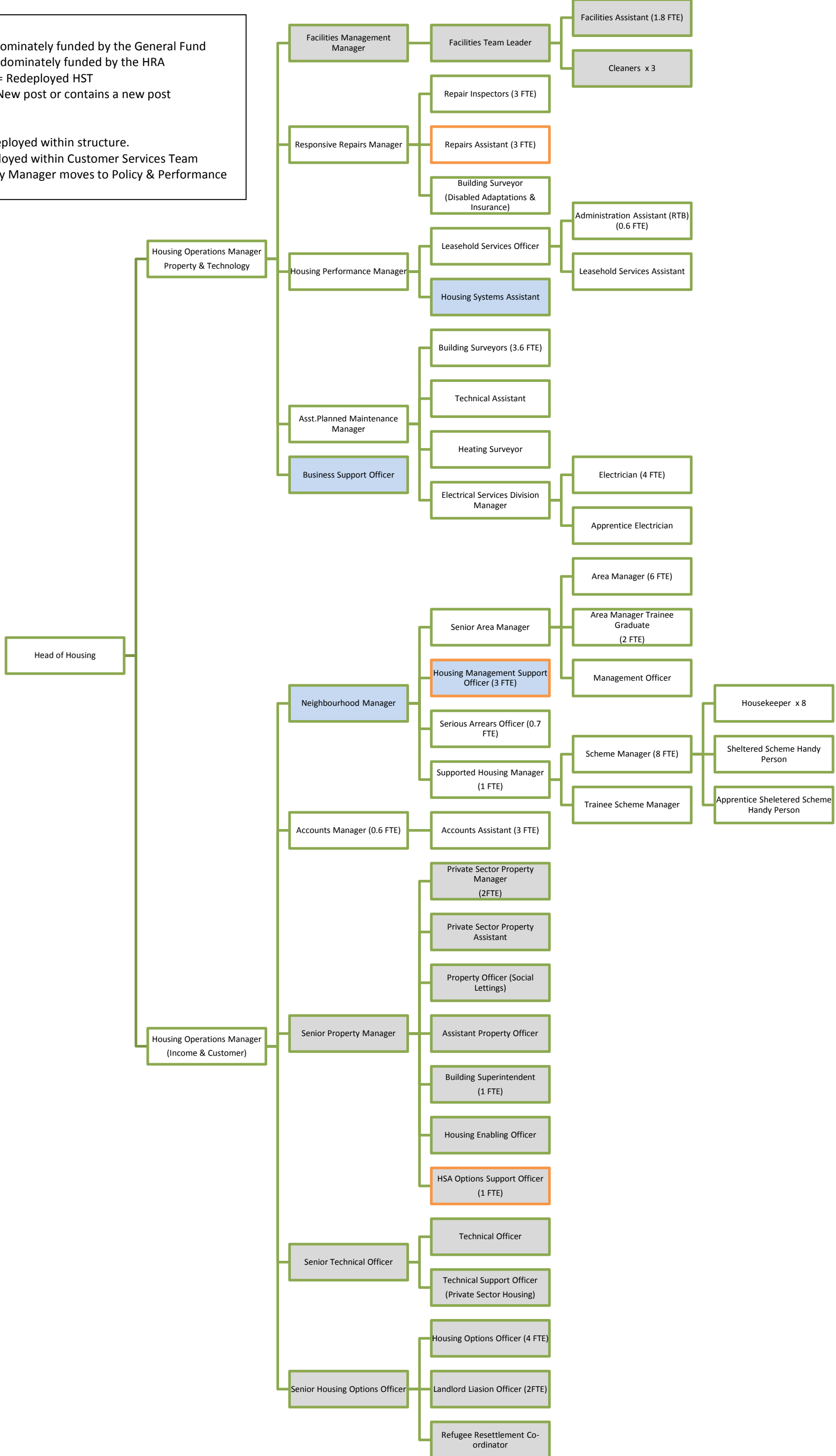
<p>Conclusion:</p> <ul style="list-style-type: none"> Consider how due regard has been had to the equality duty, from start to 	<p>There is no unlawful discrimination arising as a result of the Housing Review Proposals. Whilst there are individuals with protected characteristics affected by the review, every staff member was given the opportunity for representation throughout</p>
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<p>finish.</p> <ul style="list-style-type: none"> • There should be no unlawful discrimination arising from the decision (see guidance above). • Advise on whether the proposal meets the aims of the equality duty or whether adjustments have been made or need to be made or whether any residual impacts are justified. • How will monitoring of the policy, procedure or decision and its implementation be undertaken and reported? 	<p>the process. Decisions taken were not specifically directed towards those with protected characteristics.</p> <p>Relevant support networks were recommended to individuals throughout the process to ensure that they had access to independent advice and support.</p> <p>Adjustments have been made to the consultation process as detailed above.</p> <p>Our current Managing Redundancy and Organisational Change policy has been adhered to.</p> <p>A voluntary redundancy option has also been extended to all at risk staff.</p>
<p>EIA completion date:</p>	<p>22nd November 2016</p>



Key:
 Grey Box = Predominately funded by the General Fund
 White Box = Predominately funded by the HRA
 Orange Border = Redeployed HST
 Blue Shading = New post or contains a new post

Note:
 5.9 HST FTE's deployed within structure.
 2 HST FTE's deployed within Customer Services Team
 Housing Strategy Manager moves to Policy & Performance



Agenda Item No: 7

Report To: Cabinet

Date of Meeting: 8 December 2016

Report Title: Housing Revenue Account (HRA) Business Plan 2016-2046

Report Author & Job Title: Jo Stocks, Senior Accountant
Sharon Williams, Head of Housing

Portfolio Holder & Portfolio Holder for: Cllr. P N H Clokie & Cllr N J Shorter
Portfolio Holder for Housing & Home Ownership & Portfolio Holder for Finance, Budget and Resource Management



Summary:

This report provides an annual update to Members on the financial projections associated with the HRA Business Plan.

Work has been undertaken to review the cost base of the HRA and model for the life of the business plan. The Plan has been updated to allow for the latest planned maintenance schedule, newly approved capital schemes, and the outcome of the Housing Services Review.

Overall the plan remains affordable and there are no significant revisions from the version prepared in 2015 (Cabinet November 2015).

Key Decision: No

Significantly Affected Wards: None

Recommendations: **The Cabinet is asked to:-**

- I. Review and agree the updated HRA Business Plan and financial projections.**
- II. Agree the updated HRA priorities, set out at paragraph 11**
- III. Note that Overview and Scrutiny (O&S) are required to review the HRA Business Plan financial projections as part of the budget scrutiny process.**

Policy Overview: The Council is required to have a 30 year business plan for the Housing Revenue Account (HRA). With effect from November 2013 members agreed that Cabinet would receive an annual update of the business plan position.

Financial Implications: This paper provides an update to the financial position of the HRA over the next 30 years. The financial model

forecasts that the HRA business plan continues to be a robust and viable business and is able to deliver its key priorities.

The financial model is a tool for testing existing priorities, the impact of changes in Government policies and changes in key business sensitivities such as inflation to ensure that Ashford's plans remain affordable. It also ensures that the HRA does not exceed its debt cap with its expenditure plans in line with Government rules.

Legal Implications

Equalities Impact Assessment

As part of the final budget reported to Cabinet in February.

Other Material Implications:

Exempt from Publication:

No

Contact:

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Report Title: Housing Revenue Account Business Plan 2016-2046

1. This is the annual update of the HRA Business Plan financial projections. This report updates the position for the period 2016 to 2046. The Housing review proposals, also a report the agenda, are built into this plan.

Introduction and Background

2. The Council is required to have a 30 year Business Plan for the HRA. To support this a 30 year financial model, sourced from the Chartered Institute of Housing, is maintained, which forecasts the financial position, capital requirements and cash flow for the HRA and allows the long term viability of the service to be modelled and tested.
3. As part of the national reform of the HRA subsidy system, in March 2012 the Council completed the buyout of the HRA from the housing subsidy system for £113.7m. This allowed the Council to take on a proportion of the national housing debt in return for the abolition of the Housing Subsidy System and keep all future income receipts. Total HRA debt is currently £123m, an average of approximately £25,000 per property.
4. The HRA buyout enabled the council to focus on its key priorities for council housing and at the July 2012 Cabinet meeting agreed the following HRA priorities:
 - a. Continue to build new homes for council tenants and consider that future new build by the council be funded from outside of the HRA where funding is not available.
 - b. Plan to rebuild/remodel the council sheltered accommodation across the borough over a 15 year period.
 - c. Decent Homes Standard to be maintained over the 30 year Business Plan cycle.
 - d. Additional sums to be set aside to spend on adaptations in accordance with the details of the debt calculation.
 - e. Develop specific and agreed neighbourhood improvements across the borough.
5. This report sets out a set of updated priorities to reflect the changing financial landscape and the council's aspirations in delivering additional units, improving and maintaining its housing schemes for older people.
6. The HRA is a ring fenced, self-financed operation funded by council tenants, through rent, not Council Tax. It manages, maintains and repairs just over 4,700 properties. It also monitors and funds the Private Finance Initiative (PFI) for the regeneration of Stanhope in South Ashford.

Significant changes

7. As a result of the 1% rent reduction imposed by Government, a cost reduction programme was implemented. Savings of £2.5m were achieved in 2015/16, many of which have been carried forward over the life of the business plan.

8. In addition to this, the Head of Housing has undertaken a service review of Housing to generate further savings and efficiencies. The outcome of this review has been incorporated into the Business Plan model, the detail of which is reported elsewhere on the agenda. If the revised structure in the Housing review has not been agreed then the assumptions in the plan cannot be delivered and officers would have to revise the model accordingly.

Modelling Assumptions

Reviewed Priorities for the HRA Business Plan

9. It is recommended that the priorities originally agreed in July 2012 are updated as follows:
 - a. Continue to build/acquire new homes for a range of tenures and needs, including shared ownership and homes for rent; utilising all available internal and external funding streams, as appropriate
 - b. Plan to rebuild/remodel the council sheltered accommodation across the borough to provide high standard accommodation for older and vulnerable persons, including ex-forces applicants, from the borough
 - c. Decent Homes Standard to be maintained over the 30 year Business Plan cycle
 - d. Provide an adequate programme of disabled adaptations to meet the needs of disabled tenants within a reasonable timeframe
 - e. Identify opportunities to remodel existing stock to cater for the needs of homeless people.

Projects

10. A number of projects have been incorporated into the plan, some of which have already received Cabinet approval, and others that are in the early planning stages, and will be reported to Cabinet in due course:
 - Farrow Court
 - Danemore
 - Affordable Homes (contracts 1&2)
 - Poplars
 - Oak Tree Road
 - Court Wurtin
11. Assumptions have also been included for the redevelopment/refurbishment of the sheltered housing schemes at East Stour Court and Oakleigh House, although these estimates are in the formative stages at this time.

Inflation Forecast and Impact

12. Movements in inflation are a key sensitivity in any financial modelling and the HRA financial model applies a number of inflation assumptions to costs and income items in the budget. Historically rent levels have increased by an inflation plus Government formula, however between 2016/17 to 2019/20

social housing rents are to be reduced by 1% per annum (excluding affordable housing).

13. From 2020/21 it has been assumed that rents will be increased by Consumer Price Inflation (CPI) +1% in line with Government guidelines. To date Government has not given any information on the position post 2020, if changes are introduced that affect the rent increase assumptions the model would need to be revisited at that time.
14. Inflation assumptions have been updated in the model to reflect August 2016 figures as reported by the Office of National Statistics.

Interest Rates and amount set aside to repay debt or invest in future capital projects.

15. Interest rates are a potential risk to the model if debt is not paid off in line with the Treasury portfolio timetable. However it has been assumed that rates will remain at 0.25% for the remainder of 2016/17, increasing to 0.5% partway through 2018/19, slowly increasing up to 3% by 2041/42.
16. The HRA debt repayment profile, which is part of the treasury portfolio, remains unchanged with the maturing fixed debt due between March 2017 and March 2021, which total £13 million. Members will be able to review this profile of debt repayment if and when new capital plans come forward for review.
17. If the debt repayment were to be extended, without investing in new projects there would be a significant risk that the HRA would hold significant cash balances, as well as continuing to have outstanding loans. This would create a cost of carry, whereby investment returns are lower than the corresponding cost of holding debt; this could become an issue if investment returns remain low for a significant period.
18. Provided that interest rates remain within forecast levels it is expected that any potential issues arising from interest rates will be manageable, however it may mean that some projects will need to be delayed in order to absorb the additional cost.

Rent Conversions

19. It was agreed by Members (Cabinet April 2014) that for three years from April 2015 void 2 bed flats and 2/3 bedroom houses (approximately 80 properties per annum) will be converted from social rents to affordable rents. The original forecast was conservative, however we have seen the revenue earned from conversions is higher than originally estimated, leading to an improved base budget position, and an increase in revenue over the life of the Business Plan, while keeping expenditure at the same level.
20. It should be noted that conversions from social rents to affordable rents can only be applied where the council is in receipt of grant funding, for new affordable housing, from the Homes & Communities Agency.

Welfare Reform

21. A continuing risk for the Business Plan is the impact of Welfare Reform even though Ashford's statistics to date continue to show high rent collection levels with low arrears. In developing the Business Plan the provision for bad debts has been revised to a lower level of 0.25%, to reflect actual collection rates. It is anticipated that the work officers are doing with tenants will minimise the impact of welfare changes, however it is important to

acknowledge potential issues as a result of the roll out of the reform agenda.

General Fund Recharges

22. The HRA is subject to a statutory ring fence which limits the costs that can be recharged into the Housing Revenue account.
23. Currently the HRA is charged approximately £2,067,000 of General Fund costs in accordance with CIPFA guidance which is included in the financial forecast. As part of the financial planning for both the HRA and General Fund the level and appropriateness of the recharges is examined and tested on a regular basis.

Other assumptions included in the model

24. The Government have now confirmed that the 1% reduction on social housing rents will also apply to sheltered housing, with effect from 1 April 2017.
25. The Supporting People funding received from KCC is expected to reduce by 80% from 2017/18 and remain at that low level for the remainder of the plan.
26. The capital maintenance costs have been increased by 10% from year two of the plan to allow for a contingency sum to address unforeseen major works, in the light of the significant reductions in the Planned Maintenance programmes.
27. Disabled adaptations were increased to £605,000 in 2016/17 to clear meet the high demand, this increased level of investment has been maintained for the life of the Business Plan with the aim that we can deliver required adaptations within six months .
28. The model continues to maintain a minimum reserve balance of £1 million, to meet approved priorities, and focuses any surplus resources to either invest in new income streams or to repay the housing debt and reduce the Housing Capital Financing Requirement (HRA CFR), which is a measure of indebtedness.
29. Right to Buys have increased during 2016/17, with 31 having taken place this year to date, it is expected that right to buys will continue at this level for the next few years.

Capital Receipts

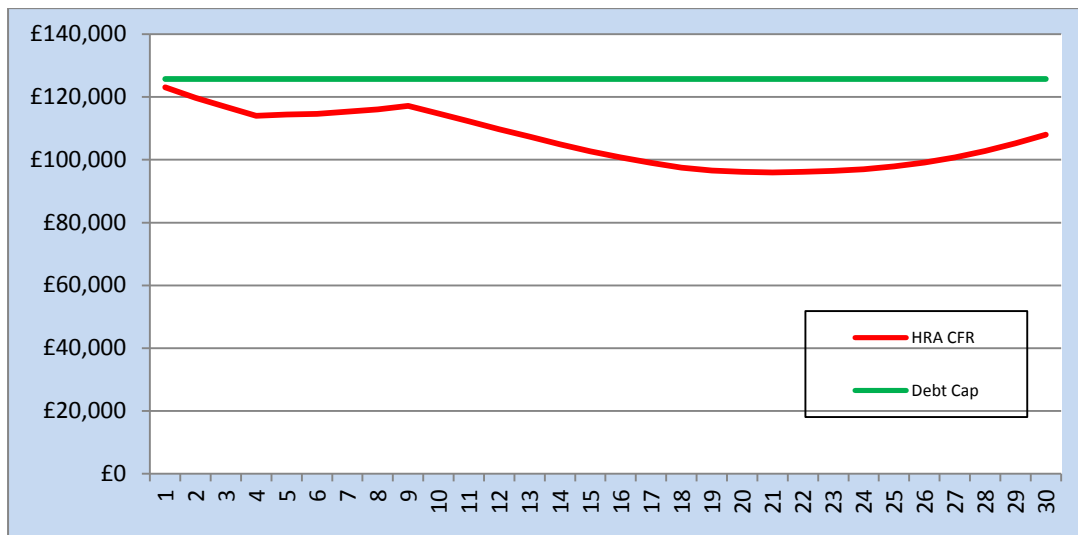
30. Capital receipts received for the sale of a council property, under the Right to Buy (RTB) scheme, have been built into the financial model. Going forward it is anticipated that any such receipts will be used to support existing capital programmes where funding becomes tight due to the loss of income growth.
31. With the announcement to extend RTB to Housing Associations the future treatment and pooling of capital receipts for both HRA's and Housing Associations is keenly awaited and will be reported in due course. As the detail has not yet been announced by Government no assumptions have been made in the model to reflect this. Officers will keep this under review as information becomes available.
32. It should be noted that capital receipts from RTB's are also applied to General Fund capital programme items, such as Disabled Facilities Grant (DFG) and community projects.
33. In May 2012 the authority was invited to sign an agreement to re-invest Right

to Buy receipts in affordable housing, known as 'One for One Replacement'. The agreement was signed on 20 June and the Council started to retain receipts from 1 October 2012. These receipts need to be used within three years for the provision of additional affordable housing through purchase and development of housing. If they are not used they need to be returned to the Secretary of State plus an interest charge of 4% above base.

34. In order to ensure 'One for One' money is utilised and not handed back to Government, with interest, the Affordable Homes Programme has incorporated the spend of these monies. This currently includes the purchase of existing street properties, Danemore and Poplars, One for One funding can account for up to 30% of the build cost per affordable unit, with the remainder funded by the HRA. Use of 'One for One' money is more favourable than using HCA funding, as HCA funding contributes less than 30%.

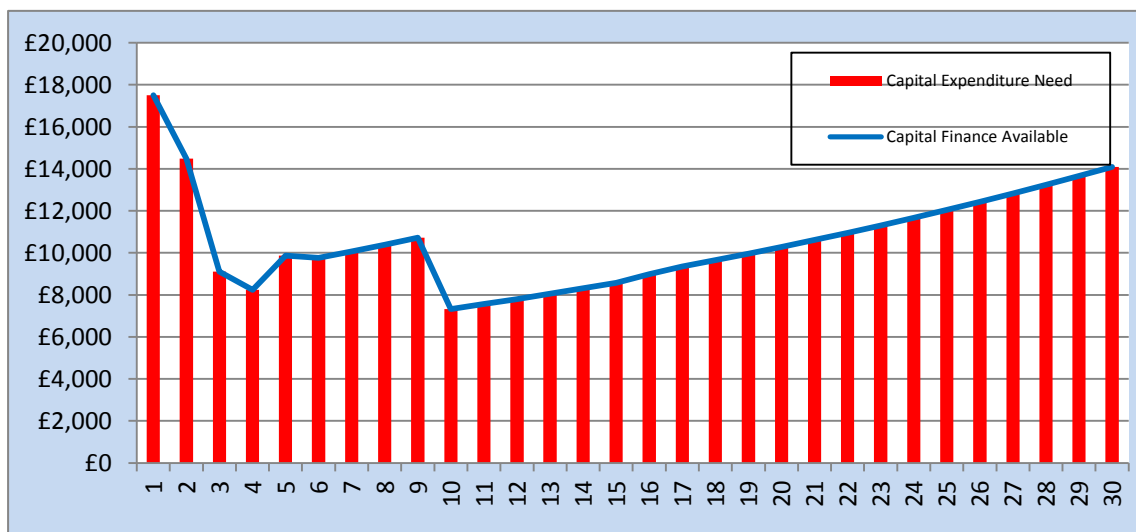
Modelling HRA Debt and Capital Resources

Graph 1: Amount of HRA Debt held (values shown in £000's, year 1 – 2016/17)



35. Graph 1 shows the HRA CFR outstanding for the life of the HRA Business Plan. The HRA CFR is defined as the amount of housing debt held by an authority.
36. The outstanding debt remains high due to the £38.7m of projects that have been included in the plan, such as the sheltered refurbishments and the affordable homes programmes.
37. The profile of the debt, as currently reported could change in future, depending on future proposals not included in the model or any changes in priorities, as agreed by Members. This is a flexible approach, that and will be monitored by officers as new projects are considered and approved.

Graph 2: Capital Expenditure and Resources (values shown in £000's, year 1 – 2016/17)



38. The model also tracks the levels of planned capital expenditure and the availability of resources, and highlights any years where there are insufficient resources available to meet the financial demands. The plan has been updated to allow for the cost recovery programme.
39. It should be noted that the updated plan has no years where the capital programme exceeds the available resources (see Graph 2 above). If spend did exceed the availability of funds then planned building projects would have to be delayed or postponed until the capital programme matched the funding available, and/or other large savings in planned maintenance or staff would have to be made.

Wider Policy context

40. Pay to Stay was expected to be introduced by April 2017, however the Government has decided not to proceed with the policy in its compulsory form. Officers will advise Members in due course on the options for the discretionary scheme.
41. The Housing and Planning Act sets out the framework to deliver the sale of higher value local authority housing. It is expected that each HRA authority will be required to make an annual payment to government in respect of vacant higher value properties. However, at the time of writing there is no information available in respect of this, as such no assumptions have been made, or included in the model.
42. Supporting People funding has been reducing in recent years and is very likely to be significantly reduced further in the coming years. Although Kent County Council advised of cuts in Supporting People funding during 2016/17 these have not yet materialised, and expected consultation with service users has not been started.
43. It is assumed that intended cuts in Supporting People funding will be after the Kent County Council elections next year, with the cuts very likely to take effect in 2017/18.
44. Our best assessment is that KCC are only likely to make Supported People

payments in future based on the actual assessed level of need for each sheltered tenant. If this proves to be the case we would lose most of the Supported People funding for scheme managers as currently only around 10% of tenants would be in this high level category. The alarm funding is likely to end completely in 2017/18.

45. In anticipation of these changes an intensive housing management charge was introduced, which is eligible for Housing Benefit. This provides the scope to increase the charge as Supporting People funding reduces or ends, so pressures on the HRA are able to be contained and scheme manager services can continue to be funded.

EU Referendum

46. The decision, on 23 June, to leave the European Union, may have an impact on growth forecasts and interest rates, the assumptions in the Business Plan are broadly in line with the Chancellor's Autumn Statement forecast. However the full potential impact of the vote will remain unknown for some time.

Implications and Risk Assessment

47. The Financial Modelling confirms the work completed at the time of the HRA reform and the associated buyout. It includes the latest financial plans for meeting service priorities
48. The business plan financial projections continue to be viable and include the current spending commitments (as set above), it has the resources to repay its debt by 2036/37 (year 21), alternatively the debt could be re-financed and invested into new projects.
49. If any new initiatives are developed and approved by Members they will be incorporated into the business plan financial projections and the impact on the viability of the business plan will be costed and measured and reported back to Members when those initiatives are reviewed.
50. Likewise, as new proposals and changes are put forward by Government these will be incorporated into the business plan financial projections and mitigating action taken, as appropriate, with guidance from Members.

Next Steps in Process

51. Members are asked to agree the latest updated HRA business plan financial projections which set out the long term financial plans for the Council's housing stock which has been set in conjunction with the detailed HRA budget for 2017/18 (also on this agenda).
52. Members are asked to note that Overview and Scrutiny (O&S) are required to review the HRA business plan financial projections as part of the budget scrutiny process.
53. Members are asked to approve the updated priorities.
54. Work will continue to review and further update the Business Plan financial projections in the light of forthcoming Government announcements.

Portfolio Holder's Views

55. Colleagues will be pleased to see that after the actions taken to review the Housing department structure, together with other cost reductions, we have been able to recover the financial position in relation to the HRA. The updated

business plan enables us to continue to deliver our new build programme and also allows us to revisit improvements to some of our sheltered schemes. The plan also identifies continuing and improved support for tenants requiring adaptations due to a disability. We will monitor the financial position closely to ensure that we stay on course and should further funds become available we will invest these in the delivery of the new business plan priorities.

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Appendix A – HRA Business Plan – Top level budget summary to 2025/26

Year	2016.17	2017.18	2018.19	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26
£'000	1	2	3	4	5	6	7	8	9	10
INCOME:										
Rental Income	24,113	24,695	24,998	24,798	24,593	25,170	25,783	26,410	27,052	27,708
Void Losses	-121	-123	-124	-123	-122	-125	-128	-131	-134	-137
Service Charges	808	827	854	881	909	938	968	999	1,031	1,064
Non-Dwelling Income	105	107	111	114	118	122	126	130	134	138
Grants & Other Income	3,200	3,040	3,041	3,042	3,044	3,045	3,047	3,048	3,050	3,051
Total Income	28,105	28,546	28,880	28,713	28,543	29,150	29,796	30,456	31,132	31,824
EXPENDITURE:										
General Management	-4,503	-4,506	-4,544	-4,689	-4,839	-4,994	-5,154	-5,319	-5,489	-5,665
Special Management	-798	-817	-844	-871	-898	-927	-957	-987	-1,019	-1,052
Other Management	-5,074	-5,196	-5,363	-5,534	-5,711	-5,894	-6,083	-6,277	-6,478	-6,685
Rent Rebates	0	0	0	0	-89	-92	-95	-98	-101	-104
Bad Debt Provision	-60	-62	-62	-61	-61	-62	-64	-65	-67	-69
Responsive & Cyclical Repairs	-3,318	-3,388	-3,401	-3,458	-3,528	-3,612	-3,779	-3,910	-4,035	-4,164
Total Revenue Expenditure	-13,754	-13,970	-14,213	-14,613	-15,127	-15,582	-16,131	-16,656	-17,188	-17,737
Interest Paid	-3,897	-3,915	-3,859	-3,843	-3,902	-4,080	-4,063	-4,141	-4,217	-4,185
Finance Administration	-58	-60	-62	-64	-66	-68	-70	-72	-75	-77
Interest Received	35	17	5	5	5	27	27	30	31	33
Depreciation	-5,543	-5,667	-5,810	-5,944	-6,086	-6,238	-6,400	-6,565	-6,735	-6,909
Net Operating Income	4,889	4,953	4,942	4,254	3,366	3,210	3,160	3,052	2,949	2,949
APPROPRIATIONS:										
FRS 17 /Other HRA Reserve Adj	0	0	0	0	0	0	0	0	0	0
Revenue Provision (HRACFR)	0	-3,342	-2,823	-2,942	0	0	0	0	0	-2,430
Revenue Contribution to Capital	-6,913	-6,512	-2,070	-1,391	-3,323	-3,321	-2,990	-3,043	-2,917	-416
Total Appropriations	-6,913	-9,853	-4,893	-4,333	-3,323	-3,321	-2,990	-3,043	-2,917	-2,846
ANNUAL CASHFLOW	-2,024	-4,901	49	-79	43	-111	169	10	32	103
Opening Balance	7,868	5,844	943	992	913	956	845	1,014	1,024	1,056
Closing Balance	5,844	943	992	913	956	845	1,014	1,024	1,056	1,159

Appendix B – HRA Business Plan – Top level summary of New Build, Sheltered Housing schemes and other items

Programme Name	HRA Revenue Contribution to Capital Projects	2016/17	2017/18	2018/19	2019/2	2020/21	2021/22	2022/23	2023/24	2024/25
Farrow Court	1,930,938	1,930,938	0	0	0	0	0	0	0	0
AHP Contract 1	879,303	800,554	78,749	0	0	0	0	0	0	0
AHP Contract 2	795,954	822,203	(26,250)	0	0	0	0	0	0	0
Danemore	5,661,392	4,066,000	1,595,392	0	0	0	0	0	0	0
Poplars	6,297,897	1,068,791	3,758,371	1,470,735	0	0	0	0	0	0
Buy backs - Poplars	750,000	750,000								
East Stour	7,886,771	0	1,925,000	1,925,000	1,986,600	2,050,171	0	0	0	0
Oakleigh	13,835,955	0	0	0	0	0	3,297,314	3,402,828	3,511,719	3,624,094
Court Wurtin	675,000	300,000	0	0	0	375,000	0	0	0	0
Total	38,713,210	9,738,486	7,331,262	3,395,735	1,986,600	2,425,171	3,297,314	3,402,828	3,511,719	3,624,094

Agenda Item No: 8
Report To: Cabinet
Date of Meeting: 8 December 2016
Report Title: Draft Budget 2017/18
Report Author & Job Title: Maria Seddon – Accountancy Manager
Ben Lockwood – Head of Finance
Portfolio Holder Cllr. Neil Shorter
Portfolio Holder for: Finance & Budget, Resource Management and Procurement



Summary: This paper presents the draft budget for 2017/18 for the General Fund and the Housing Revenue Account.

The MTFP was presented at the October Cabinet meeting at which time approval to accept the four year funding settlement and are included in the draft budget.

The Autumn statement was presented to Parliament on 23 November 2016; as expected the statement showed lower levels of growth and higher levels of borrowing and inflation. It included announcements to support growth in housing numbers and the investment in key infrastructure projects. The announcement included a further rural business rate relief which is explained in the business rate section.

The draft budget outlined in this report will form the basis of budget scrutiny and budget consultation processes. Overall the General Fund draft budget has a variance deficit of £31,000 against the Medium Term Financial Plan to be funded from general fund reserves.

The report also includes the draft Housing Revenue Account budget which incorporates the Housing review proposals and the 30 year business plan assumptions, both reports are elsewhere on the agenda.

Key Decision: YES

Significantly Affected Wards:

Recommendations: **The Cabinet is recommended to:-**

- I. Note the budget context (Section 1 Context)
- II. Approve the draft budget for 2017/18.
- III. Approve the draft Housing Revenue Account budget

for 2017/18 (Section 3 Housing Revenue Account).

- IV. Agree that this report will be used as the basis for budget consultation with the public, the business community, parish councils and staff.
- V. Agree the draft budget as set out in the report should now be submitted to the Overview and Scrutiny Committee's Budget Task Group for formal scrutiny.

Policy Overview: The council's revenue budget is intended to support the priorities set out within the Business Plan and flows through from the Medium Term Financial Plan (MTFP).

The Business Plan is geared to ensuring that priorities are delivered and that the council's service activities are managed within the constraints of the forecast cuts in government funding.

Financial Implications: The council has a requirement to produce a MTFP and a balanced budget. This report contains the four year settlement levels of government funding.

The HRA budget has been prepared on the basis of the 30 year business plan and the HRA review, reports that are also on this agenda. The plans for maintaining investment in housing stock are affordable within the current resource forecasts.

Equalities Impact Assessment No not at this stage, however an assessment will be included in the February report.

Other Material Implications: Consultation will be undertaken with the Joint Consultative Committee and business community, with findings reported back in February.

Exempt from Publication: **NO**

Background Papers: **The Corporate Plan including the MTFP – October 2016 Cabinet**

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Report Title: Draft Budget 2017/18

Introduction and Background

1. This report sets the scene for the Cabinet to consider its draft budget for 2017/18. The report explains the important background and contextual information to the medium term financial plan (MTFP) and next year's budget.
2. The Council agreed the corporate plan covering the period 2015-20 outlining the four proposed priorities for the Council during 2015/16. The underpinning Medium Term Financial Plan has also been approved (Cabinet October 2016) and is in line with the Council's business plan. This draft budget has been built based on the MTPF and reflects the corporate plan priorities.
3. The corporate plan sets the broad context for financial planning over the short and medium term.
4. The MTFP, reported to the October Cabinet meeting included a recommendation to accept the four year provisional settlement and the forecasts have been built into this draft budget. The Department for Communities and Local Government have now written to the Council confirming that this application for the current year settlement has been accepted.
5. The detailed budget for 2017/18 has now been drafted which is broadly in line with the targets established within the MTFP. The budget is based upon a 2.67% (£4 for a Band D) increase in Council Tax which will see still the Council maintaining its position as the lowest in Kent.
6. The report includes the draft budget for the Housing Revenue Account (Section 3 Housing Revenue Account) that is in line with the HRA business plan that was reported to members in November.
7. The forecast for the Council's capital reserves (Section 4 - Capital Resources) is included and shows that these resources remain scarce, as a consequence borrowing will need to be used to fund the majority of capital investments which carries a higher revenue budget cost.
8. This report seeks Cabinets approval to the draft budget that will then form the basis of the budget scrutiny and consultation processes with the final budget due to be reported to the February Cabinet for approval and recommendation to Full Council.

Structure of the report

9. For ease of consideration this report is split into sections;
 - i. Context
 - ii. draft budget
 - iii. Housing Revenue Account
 - iv. Capital resource forecast and capital programme implications
 - v. Next steps

Section 1 Context

10. In October 2015 the council agreed the Corporate Plan that contained the key themes as areas of important focus over the period 2015 - 2020. These are:
 - a. Enterprising Ashford
 - b. Living Ashford
 - c. Active and Creative Ashford
 - d. Attractive Ashford
11. Since then the Council has developed a Programme Management Plan with a number of priority projects many of which are underway or nearing completion such as Ashford International College, commercial quarter and the Elwick Place development, including a multiscreen cinema, hotel and restaurants.
12. This budget and medium term financial plan has been set to enable key priorities to be the focus over the next five years.

The Autumn Budget Statement

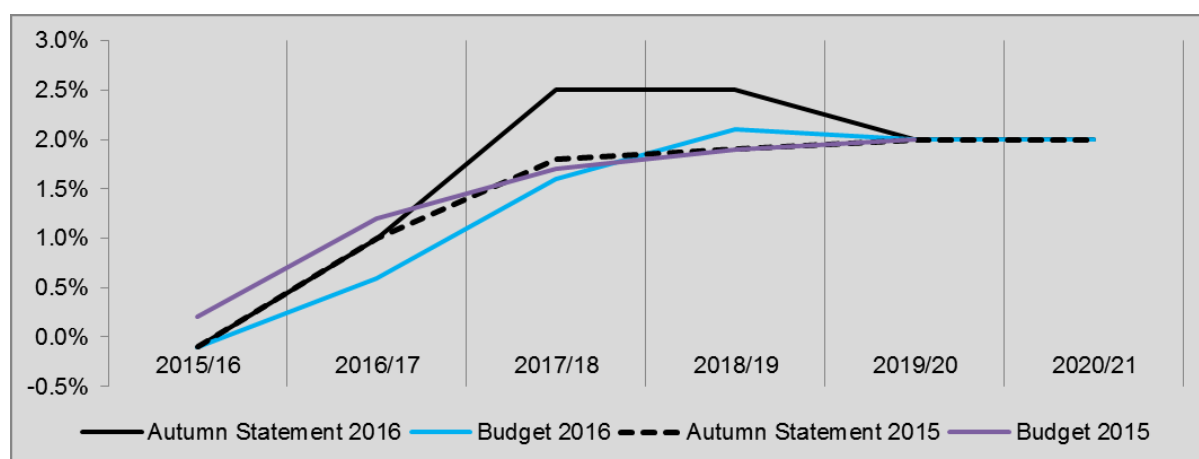
13. The national context for this budget is complicated by the outcome of the EU referendum and the uncertainty over the timing and shape of any BREXIT arrangement forming and perhaps becoming the biggest risk to the national and European economies.
14. In the forecasts supporting the Autumn Statement the Office of Budget Responsibility said the referendum result meant potential growth in the current Parliament would be 2.4% lower than forecast in March. Government finances are forecast to be £122bn worse off than in the spring. The Chancellor has built in additional borrowing that is now expected to be required over the remainder of this parliament however the Chancellor stated that the government is committed to the overall plans for departmental resource spending until 2019/20, which were set out at Spending Review 2015. Departmental resource spending will grow with inflation in 2020/21 and 2021/22.
15. The Chancellor announced a new draft Charter for Budget Responsibility, with three fiscal rules:
 - Borrowing should be below 2% by the end of this Parliament;
 - Public sector net debt as a share of GDP must be falling by the end of this Parliament;
 - Welfare spending must be within a cap, set by the government at as 2016 and monitored by the Office for Budget Responsibility (OBR).
16. The Chancellor announced additional investment in the productive capacity of the UK economy; the National Productivity Investment Fund (NPIF) will provide £23 billion of spending between 2017/18 and 2021/22. This fund aims to:
 - Accelerate new housing supply this will include a Housing Infrastructure Fund of £2.3bn by 2020-21, to be allocated to local government on a competitive basis. It is intended that this will deliver up to 100,000 new homes
 - Tackle congestion on the roads;
 - Support the market to roll out full-fibre connections and future 5G communications;
 - Enhance the UK's position as a world leader in science and innovation

17. The government will increase the National Living Wage (NLW) by 4.2% from £7.20 to £7.50 from April 2017, and no further changes to welfare benefits are proposed.

The Economy

18. In October the Medium Term Financial Plan report included a commentary on the state of the national and international economies. The UK inflation rate registered a surprise fall in October, although there were signs that the pressure on consumer prices is starting to build. Consumer Prices Index (CPI) inflation fell to 0.9%, from 1% in September, the Office for National Statistics said. That was below the 1.1% predicted by economists, who said sterling's fall would push October's CPI higher. However, the ONS said factory gate prices and the costs of raw materials rose much faster in October. The price of goods leaving factories rose by 2.1%, suggesting that inflationary pressures are building in the economy as a result of the weakening of sterling. The Bank of England forecast that inflation would rise to about 2.7% by this time next year. The Retail Prices Index (RPI) - a separate measure of inflation, which includes housing costs - was 2% in October, unchanged from September.
19. More recently data shows that retail sales grew at the fastest annual pace in 14 years in October. Total sales volumes jumped 1.9pc in October compared with September, driven by clothing and footwear sales. Official figures this week showing unemployment fell to an 11-year low in the first full quarter after June's referendum result.
20. In the autumn Statement the forecasts suggest that there will be a marked increase in the level of inflation that will potentially create an additional pressure in the medium term financial plan. However the increase in inflation may also see some income streams that are linked to inflation to also grow to help offset the pressure.

CPI inflation forecasts



The Medium Term Financial Plan

21. The Medium Term Financial Plan was reported to Members in October. This report highlighted that the budget gap is manageable for the first 2 years of the plan and then there is a surplus generated by the income derived from the Elwick road scheme. The increasing gap in the latter years that will need to be managed is primarily driven by a return of inflation.

Table 1: MTFP 2017-2022 (excluding HRA)

	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000's	£'000's	£'000's	£'000's	£'000's
Revenue Support Grant	(615)	(213)	0	0	0
S31 Grant NNDR reliefs	(826)	(829)	(838)	(837)	(837)
Retained Business Rates	(3,744)	(4,407)	(5,189)	(6,029)	(6,121)
New Homes Bonus (50% allocated to support base budget)	(3,176)	(2,187)	(2,390)	(2,618)	(2,866)
Total Government Funding	(8,361)	(7,636)	(8,417)	(9,484)	(9,824)
Council Tax	(6,801)	(7,036)	(7,267)	(7,524)	(7,825)
Total Income Receipts (Including Specific Grants)	(48,278)	(48,222)	(48,189)	(47,786)	(47,594)
Base Budget Gross Expenditure	63,637	63,495	63,091	62,198	63,304
Budget Increases	(126)	(104)	(893)	1,106	1,581
Budget Reduction Strategy	(41)	0	0	0	0
BUDGET GAP	30	497	(1,675)	(1,490)	(358)
Quantified proposals including income generation					
Elwick interest	(100)	(300)			
Grounds Maintenance	125				
Allocation to/from reserves			750	750	750
	55	197	(925)	(740)	392

22. Managing the gap will need to be handled carefully. The Corporate Plan is focused on the delivery of business and housing growth as well as income generation by commercial activities; these items are important planks to the delivery of the financial strategy. Therefore whilst cost management is going to be an important focus, this must not be at the cost of delivery of these priorities.

Local Government Funding

23. The Cabinet made the decision to accept the Governments four year settlement and these funding levels have been built into the MTFP and the draft budget build.

Council Tax Support scheme

24. The Council Tax Support scheme has been reviewed and updated for 2017/18 and the report proposing changes is elsewhere on the agenda, and is summarised as follows:
- Full protection to pensioner claimants has been retained
 - Increase the contribution rate for working age claimants from 10% to 17.5%
 - 95% protection will continue to eligible disabled claimants
 - Introduction of an exceptional hardship scheme

25. These changes will have the effect of reducing the overall cost of the scheme and these estimates have been used to calculation Council Tax Support costs based on implementation in 2017/18.

Local Retention of Business Rates

26. Under the current scheme government retain 50% of business rates with 40% being retained by the district council and the remaining 10% being allocated to the county council and fire authorities. Local authorities then either pay tariffs (ABC's is circa £16m out of £20m retained) or top-ups in a system to equalise

resources between authorities. Finally a levy is paid on growth over a baseline figure (ABC's levy rate is 50%) and a government safety net is offered to authorities who's income falls by 7.5% below the baseline.

27. The Council is part of the Kent Business Rates Pool, along with 11 other Authorities including Kent County Council, which helps to reduce the levy paid on business rates growth but also reduces reliance on Government should business rates drop, the pool members would help to fund the safety net payment that would have been made.
28. Gains are shared between the districts and county council and used to set up an economic development fund with 10% ring-fenced to cover safety net risks. The Council achieved a gain of around £245,000 for the financial year 2015/16 performance which can be utilised this year and is built into the budget for 2017/18.
29. The Government has consulted on 100% retention of Business Rates which was reported to Cabinet in October as part of the MTFP report. There has been no further consultation however this will not affect the 2017/18 budget.
30. The chancellor announced rural rate relief to be increased from 50% to 100% from April 2017, saving a qualifying business up to £2,900 a year. This will affect the retained business rates of the Council however the Government does have a mechanism to compensate the Council for these losses of income through Section 31 in way of a grant.

New Homes Bonus

31. New homes bonus is measured on the number of properties that have been completed for a year October to September using data submitted on the council tax base return to government. This return has been completed showing 984 new properties and 10 conversions of long term empty properties, giving a total of 994 for new homes bonus, this equates to circa £1,078,850 potential payment from next April. This is more than the number estimated in the MTFP which was 766 properties, circa £831,000.

Local Government Pension Scheme 2016 valuation

32. The Triennial Revaluation of the scheme has been completed by the schemes Actuary. The results are positive with the overall level of funding for the Council's share of the scheme increasing from 74% to 80%. Overall the Actuary has suggested that the total level of contribution made by the Council into the scheme will remain the same for 2017/18 as the current year although the balance between future service contribution and backfunding has changed.
33. The future service contribution rate is the employer's calculated annual cost of funding the future benefits accruing over the coming year by the current active members. This rate is sensitive to the active membership profile of each employer as well as the assumptions used to calculate the rate, such as the investment return achieved on the fund.
34. The Council's Fund rate will increase compared to the rates certified following the 2013 triennial valuation. Membership profiles have tended to stay stable in terms of average ages over the period and so the increase is mainly attributable to the decrease in the discount rate. By adopting a lower discount rate assumption, we are assuming that we will not achieve the same level of investment returns assumed in 2013 and so will require more money now to pay the future benefits accruing as essentially the fund cannot rely as much

on investment returns in the future to fund the benefits. Accordingly the future service rate will increase from 13.4% to 14.4%.

35. As the Council has a past service deficit i.e. less than 100% funded so are likely to notice an improvement in the individual funding position and as a result, a reduction in the amount of contributions required to fund the shortfall. This is as a result of better than assumed experience in several areas over the intervaluation period including; better than assumed investment returns, lower than assumed pension increases, lower than assumed salary increases and more deaths than assumed. This and the deficit contributions paid have improved the funding position. The actuary has reduced the deficit recovery period from 20 years to 17 suggesting a significant improvement in the funds position.

Council Tax and Local Referendums on Council Tax

36. The draft budget includes a Council Tax increase of £4 which equates to a rise of 2.67% resulting in a Band D equivalent charge of £154; this is a reduction to last year's increase which was £4.55.
37. The current administration has a commitment to remain the lowest council tax in Kent. For 2016/17 the Kent districts council taxes were:

District	Band D charge
Ashford	£150.00
Canterbury	£194.31
Dartford	£162.90
Dover	£172.44
Gravesham	£186.66
Maidstone	£240.66
Sevenoaks	£197.82
Shepway	£232.56
Swale	£159.93
Thanet	£214.92
Tonbridge & Malling	£192.51
Tunbridge Wells	£163.61

38. This means that should the other Kent districts decide to freeze council tax Ashford will remain the lowest in Kent by £5.93.
39. The Localism Act replaced the Secretary of State's powers to cap council tax increases with a requirement for councils, who are minded to agree 'excessive increases' in council tax, to hold a local referendum, with the result determined by a simple majority.
40. The level of increase that triggers a referendum is set by the Secretary of State and for 2017/18 that level is expected to remain at the higher of 2% or £5. The form of the question to be put in any local referendum is also determined by the Secretary of State. Should a referendum be necessary councils must have a shadow budget in place in the event that a referendum does not support the proposed council tax increase.
41. Whilst there is a long held ambition for the Council to grow its income streams from commercial activities it needs to be recognised that this strategy needs to mature before this will be achieved. Therefore with the risks to the councils funding and ambitions to improve services the increase is considered necessary, however planning to achieve a lower increase next year reducing in future years will begin as this budget cycle draws to a close.

Section 2 - Draft Budget 2017/18

42. The draft budget has been built based on the four year settlement that was accepted at the October Cabinet as part of the MTFP report. This has given a little more certainty this year.
43. The draft budget presented below includes a 2.67% increase in council tax, with the borough Council's element of the charge now being £154 (2016/17 was £150) for a band d property.
44. Services were given targets from the MTFP against which they had to build their budgets. Budgets have then been built in detail and services have largely been able to manage within the expenditure limits set. Some pressures have come out during the process but these have mainly been managed within the services.
45. The draft budget is summarised below.

Table 2: Draft General Fund Budget 2017/18

ACTUALS	ESTIMATE	PROJECTED	DETAIL	ESTIMATE
2015/16	2016/17	OUTTURN		2017/18
£	£	2016/17		£
		£		
11,188,325	14,205,480	13,534,650	Service Expenditure	13,676,870
3,632,510	1,316,670	1,991,670	Contribution to/(from) Balances	1,199,540
(2,114,651)	(1,269,920)	(1,269,920)	Government Grant	(615,360)
(2,281,862)	(3,410,410)	(3,410,410)	Retained Business Rates	(3,060,750)
(933,921)	(538,000)	(538,000)	Business Rates S31 Grants	(825,500)
(3,150,387)	(3,782,820)	(3,782,820)	New Homes Bonus	(3,424,310)
41,280	41,500	41,500	Parish CTS Payment	40,900
(6,352,539)	(6,562,500)	(6,562,500)	Council Tax	(6,901,770)
28,754	0	4,170	Budget Gap	89,620

46. The details of service expenditure are attached at Appendix A. Subject to Cabinet's approval this budget will then be scrutinised and form the basis of the budget consultation process that will be completed in time for a final draft budget to be presented to Cabinet in February.
47. The Councils Medium Term Financial Plan is predicated on the aim to become entrepreneurial and enterprising to raise revenues, however the need for continued economy and efficiency is ever present to ensure value for money for services. Accordingly, included within the budget is a new 1% efficiency target with an aim to reduce costs by 1% per annum for a period of 5 years. This will be achieved through a combination of service reviews and thematic reviews on council expenditure, to challenge the way services are delivered and procured and achieve savings.

Section 3 Housing Revenue Account

HRA Business Plan

48. The HRA business plan including proposed savings from the recent Housing review will be presented to this Cabinet for approval elsewhere on this agenda. This draft budget has been created from this plan.
49. It is proposed that the HRA business plan should be scrutinised alongside the general fund draft budget as part of the budget scrutiny process.

Draft HRA Budget 2016/17

50. The HRA Budget has been built to enable the council to: maintain Decent Homes Standards, service the debt as a result of the HRA subsidy reform, and the 1% rent reduction announced earlier this year.

Table 3 – Draft Housing Revenue Account Budget 2017/18

ACTUALS	ESTIMATE	PROJECTED	DETAIL	ESTIMATE
2015/16	2016/17	OUTTURN		2017/18
£	£	2016/17		£
£	£	£		£
(25,187,114)	(24,227,210)	(25,001,610)	Income	(25,463,220)
7,264,654	5,183,570	5,163,140	Supervision and Management	5,101,750
3,273,922	3,449,760	3,262,440	Repairs	3,328,470
14,648,538	18,763,270	18,373,980	Other Expenditure	21,923,480
0	3,169,390	1,797,950	DEFICIT/ (SURPLUS) IN YEAR	4,890,480

51. These figures are in line with the position forecast within the HRA business plan, with a deficit anticipated. This deficit includes an amount of £3.3m to set aside to repay debt, so will result in an increase in reserves.
52. Members are asked to approve the draft HRA budget for 2017/18 for scrutiny purposes.

Section 4 - Capital Resources

53. The Council prepares a capital programme annually based on the Corporate Priorities and approves capital projects throughout the year. Financing of these projects are included in the Project Initiation Documents however final financing will be approved at the end of the year.
54. Due to the nature of some reserves it is best to utilise these first and retain flexibility for the Council, for example, capital receipts can only be used on capital purposes therefore it is better to use these reserves first and keep revenue reserves, which can be used for any purpose.
55. The Housing Revenue Account has two kinds of capital receipts, general capital receipts that can be used for any capital purpose, and one-for-one receipts that can only be used for the provision of new affordable housing. To ensure the Council has enough flexibility in its capital financing and complies with the one-for-one commitment to government, these latter receipts will always be used first before capital receipts and revenue reserves.

Capital Resources Forecast

56. Capital investment is currently made from the following funding streams:
 - a. Internal resources such as capital receipts and revenue reserves.
 - b. Prudential (external) borrowing. The Medium Term Financial Plan provides specific support to borrow for General Fund corporate projects that have been highlighted in the corporate plan. There is also specific borrowing for capital works on Council assets support by the planned maintenance schedule for capital works.
 - c. Third party grants and contributions from government, other authorities and other grant bodies.
 - d. Section 106 developer contributions – as at 31 March 2016 contributions amounting to £7m (capital & revenue) were held in reserves.
57. The table below shows the forecast based on current assumptions including that supported by revenue resources to support spending of a capital nature.

Table 4 – Capital resource forecast (General Fund)

Resources available	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Resources brought forward:				
Capital receipts	10	0	0	0
Repairs and renewals reserve	650	560	470	380
Borrowing limit unapplied	500	478	575	583
	1,160	1,038	1,045	963
Potential resources				
Estimate of capital receipts	250	250	250	250
Estimate of reserve contributions to the repairs & renewal reserve	260	260	260	260
Approved borrowing limit supported by the revenue budget	500	500	500	500
Total potential resources	1,010	1,010	1,010	1,010
Current planned outlay financed by:				
Use of capital receipts	260	250	250	250
Use of the repairs & renewal reserve	350	350	350	350
Use of prudential borrowing (principally for the asset maintenance programme)	522	403	492	500
Total outlay	1,132	1,003	1,092	1,100
Uncommitted resources carried forward	1,038	1,045	963	873

Capital Investment to Generate Income*Elwick Place Development*

58. Following the purchase of the freehold land at Elwick Place in 2015/16, the Council is about to enter into an agreement with Stanhope Ltd to construct a cinema, hotel, car park and eateries on the site. This represents a substantial investment by the Council and reinforces the Council's commitment to regeneration of this area. The construction phase is expected to start in early January 2017 and will last for a period of approximately 18 months. Once completed this investment is expected to generate rental income for the Council.

Ellingham Industrial Estate

59. In late 2015/16 the Council completed the construction of 3 new medium sized units at the Ellingham Road industrial estate. The units are now fully occupied and are generating an additional income of £20,000 per annum for the Council.

Park Mall

60. Following the first year of owning Park Mall shopping complex, the Council has been successful in halting the decline of the complex. The stabilisation strategy has been successful and the Council has retained its existing tenants, renewing many leases for a further 3 years. Additionally it has attracted new incubator and start up businesses to the centre. The Council has therefore set a small income target of £15,000 for 2016/17, recognising the importance of contributions from all of its investments.

Section 5 - Next Steps

61. Once approved by Cabinet it is proposed to submit the draft budget for formal scrutiny by the Overview and Scrutiny Committee and its Budget Scrutiny Task Group. This will include an examination of the base budget, assumptions on inflation, growth items and budget reduction proposals. The scrutiny process will continue throughout December and January with conclusions reported to the Cabinet in February.
62. The final budget report will be presented to Cabinet in February which will include any additional proposals for the budget and recommend to Cabinet the measures necessary to bridge any remaining budget gap. If there is a need to report any financial issues arising from the Comprehensive Spending Review to Cabinet in January.

Implications and Risk Assessment

63. Risk assessments are being completed by Services and will form part of the Scrutiny process and reported back to Council with any recommendations from the Budget Scrutiny Task Group.

Equalities Impact Assessment

64. The assessment will be completed alongside the final budget reported to Cabinet in February.

Consultation Planned or Undertaken

65. This report will form the basis of consultation with the business community, the public and parish councils. A summary document will be produced and sent to key stakeholders and posted on the website for comment.
66. The results from this consultation will help inform the final budget and will be reported back to the February Cabinet.

Conclusion

67. Members are asked to consider the contextual information against which the MTFP and draft budget have been developed.
68. To approve the draft budget for 2017/18 for the purpose of public consultation, consultation with the parish councils, and for the basis of budget scrutiny by the Overview and Scrutiny Committee.

Portfolio Holder's Views

69. To be given at the meeting

Contact and Email

70. Maria Seddon – 01233 330547

DRAFT REVENUE BUDGET				
SUMMARY				
Actuals 2015/16 £	Budget 2016/17 £	Projected Outturn 2016/17 £	Detail	Estimate 2017/18 £
1,257,747	1,270,720	1,360,180	Corporate & Strategy	1,375,250
1,237,036	1,380,320	1,449,310	Legal & Democratic	1,361,440
2,128,990	1,983,050	1,886,620	Planning & Development	1,937,930
845,169	2,554,620	2,538,580	Financial Services	2,643,320
181,637	291,010	351,990	HR, Communications and Technology	433,210
769,142	915,720	823,770	Housing Services	654,790
393,553	838,400	671,340	Health, Parking & Community Safety	516,490
4,714,705	4,963,150	4,736,900	Environment and Customer Services	4,909,440
(1,375,820)	(1,500,070)	(1,336,680)	Corporate Property & Projects	(1,399,390)
3,095,743	2,713,130	2,839,460	Cultural Services	2,972,040
13,247,902	15,410,050	15,321,470	Service Expenditure	15,404,520
(2,340,864)	(1,475,830)	(2,058,080)	Capital Charges & Net Interest	(2,007,910)
40,190	30,260	30,260	Concurrent Functions Grant	30,260
241,098	241,000	241,000	Levies	250,000
3,632,510	1,316,670	1,991,670	Contribution to Balances	1,199,540
14,820,835	15,522,150	15,526,320	ABC Budget Requirement	14,876,410
			Income	
(2,114,651)	(1,269,920)	(1,269,920)	Government Grant	(615,360)
(2,281,862)	(3,410,410)	(3,410,410)	Retained Business Rates	(3,060,750)
(933,921)	(538,000)	(538,000)	Business Rates S31 Grants	(825,500)
(3,150,387)	(3,782,820)	(3,782,820)	New Homes Bonus	(3,424,310)
41,280	41,500	41,500	Parish CTS Payment	40,900
(6,352,539)	(6,562,500)	(6,562,500)	Council Tax	(6,901,770)
28,755	0	4,170	Budget Gap	89,620

GENERAL FUND SUMMARY 2017/18 DRAFT BUDGET				
Actuals 2015/16 £	Budget 2016/17 £	Projected Outturn 2016/17 £	Detail	Estimate 2017/18 £
			Corporate & Strategy	
761,243	834,450	886,130	Corporate Allocable Costs	681,390
360,917	274,970	250,280	Corporate Management	483,460
(17,803)	0	0	Chilmington	0
153,390	161,300	223,770	Policy and Performance	210,400
1,257,747	1,270,720	1,360,180		1,375,250
			Legal & Democratic	
823,136	903,220	849,890	Democratic Representation	876,850
331,102	422,920	448,640	Electoral Services	435,320
26,889	4,850	101,450	Legal	0
55,908	49,330	49,330	Mayor	49,270
1,237,036	1,380,320	1,449,310		1,361,440
			Planning & Development	
182,099	144,580	151,530	Building Control	110,240
1,065,824	906,920	945,910	Development Control	898,330
405,973	392,000	295,450	Economic Development	291,840
(39,680)	(8,620)	(2,690)	Land Charges	(5,750)
(71)	0	(55,240)	Planning Administration	(10)
514,845	548,170	551,660	Strategic Planning	643,280
2,128,990	1,983,050	1,886,620		1,937,930
			Financial Services	
1,888	2,050	2,050	Accountancy	0
(5,079)	40	2,180	Audit Partnership	50
778,754	823,710	805,120	Benefits Administration	766,220
256,369	442,070	422,180	Council Tax Collection	457,150
993	(1,130)	7,170	Debtors/Debt Recovery	(1,030)
77,296	71,250	71,250	Exchequer	46,190
(1,859,481)	(256,000)	(256,000)	Housing Benefits Payments	(256,000)
63,311	0	0	Miscellaneous Expenditure	0
(89,788)	(82,120)	(70,120)	NNDR Collection	(65,230)
1,620,907	1,554,750	1,554,750	Non-Distributed Costs	1,695,970
845,169	2,554,620	2,538,580		2,643,320
			HR, Communications and Technology	
230,139	279,260	279,260	Communications & Marketing	336,100
0	(10)	(10)	Telephony	40
(45,911)	(81,360)	(15,210)	ICT	7,070
(2,591)	93,120	87,950	Personnel & Development	90,000
181,637	291,010	351,990		433,210

GENERAL FUND SUMMARY 2017/18 DRAFT BUDGET				
Actuals	Budget	Projected	Detail	Estimate
2015/16	2016/17	2016/17		2017/18
£	£	£		£
			Housing Services	
79,928	51,620	99,080	Private Sector Housing	26,010
128,289	145,770	64,370	Housing Strategy and Enabling	53,220
582,562	721,460	691,460	Housing Options	644,390
(8,370)	10	(8,070)	Facilities Management	(66,020)
(13,267)	(3,140)	(23,070)	Gypsy Site - Chilmington	(2,810)
769,142	915,720	823,770		654,790
			Health, Parking & Community Safety	
474,110	525,020	553,560	Community Safety,AMC,Licencing	496,720
652,265	669,590	629,460	Environmental Health	659,710
(732,822)	(356,210)	(511,680)	Parking & Engineering	(639,940)
393,553	838,400	671,340		516,490
			Environment and Customer Services	
3,428	(20)	(20)	Visitor & Call Centre	10
678,574	784,030	755,820	Street Scene	568,800
2,788,238	3,006,470	2,846,680	Refuse,Recycling,Street Clean	3,010,760
1,244,465	1,172,670	1,134,420	Grounds Maintenance	1,329,870
4,714,705	4,963,150	4,736,900		4,909,440
			Corporate Property & Projects	
13,394	41,560	41,560	Project Delivery Team	37,920
30,439	12,000	101,050	Town Centre Development	144,430
(1,419,653)	(1,553,630)	(1,479,290)	Corporate Property	(1,581,740)
(1,375,820)	(1,500,070)	(1,336,680)		(1,399,390)
			Cultural Services	
351,400	219,070	300,200	Cultural Services Management	239,050
1,675,424	1,343,460	1,434,240	Leisure Centres	1,539,240
160,988	161,590	169,090	Open Spaces and Conservation	267,380
309,161	418,860	368,860	Single Grants Gateway	318,860
221,085	146,340	146,340	Tourism & Heritage	144,180
377,685	423,810	420,730	Cultural Projects	463,330
3,095,743	2,713,130	2,839,460		2,972,040
13,247,902	15,410,050	15,321,470	NET EXPENDITURE ON SERVICES	15,404,520
			Other Items	
(2,340,864)	(1,475,830)	(2,058,080)	Capital Charges & Net Interest	(2,007,910)
40,190	30,260	30,260	Concurrent Functions	30,260
241,098	241,000	241,000	Levies & Precepts	250,000
3,632,509	1,316,670	1,991,670	Contributions to/from Reserves	1,199,540
14,820,834	15,522,150	15,526,320		14,876,410

Agenda Item No: 9
Report To: Cabinet
Date of Meeting: 8 December 2016



Report Title: Local Council Tax Reduction Scheme – Recommended scheme, post public consultation
Report Author & Job Title: Ben Lockwood, Head of Finance
Peter Budden, Operations & Support Manager
Mark James, Senior Communications Officer
– On behalf of the Council Tax & Welfare Reform Task Group
Portfolio Holder: Cllr Shorter
Portfolio Holder for: Portfolio Holder for Finance & Budget, Resource Management and Procurement

Summary: Following Cabinet's agreement in May to a draft council tax support scheme and a 12 week period of public consultation, this report brings forward final recommendations for the scheme that will operate from 1st April.

Once agreed the scheme will then be subject to extensive communication with current council tax benefit claimants to inform them about the implications from next year. The consultation period generated a disappointing response rate however the findings are reported within the various appendices to this report. The task Group has considered the consultation and as a result of the feedback has influenced the proposals for a revised scheme that are detailed in this report.

Key Decision: YES

Significantly Affected Wards: All – None specifically

Recommendations: **The Cabinet is recommended to:-**

I. Note the outcome of the public consultation process

The Cabinet is recommended to Council:-

II. to amend the Local Council Tax Reduction Scheme as outlined in the report.

III. that delegated authority be issued to the Head of Finance, in consultation with the Portfolio Holder and the Leader, to make any adjustments to the final scheme by 31st January 2017

Policy Overview: The Government requires all billing councils to Implement a localised council tax support scheme.

Cabinet in May received recommendations from a member task group for a draft scheme which has been subject to extensive public consultation on which this report is developed.

Financial Implications:

The cost of awards made under CTRS impact on the declared tax base and thereby the council tax yield. If the cost of awards were to be reduced, this would mean that the Council's tax base could increase and overall council tax income could increase. Any increase to council tax income is shared through the Collection Fund with major preceptors.

Legal Implications

The legislative framework for council tax reduction schemes is contained within the Local Government Finance Act 2012.

The Council has a statutory duty to consult on a proposed scheme. Case-law has determined the guiding principles for fair consultation, which we have followed.

Regard was made to the rules around consultation laid out through the Supreme Court Ruling in the case of R (on the application of Moseley) v London Borough of Haringey (2014) and in particular, the need to set out alternative choices within the consultation.

Equalities Impact Assessment

See Attached - 29. Could members please note that the scheme, together with all supporting papers, Equality Impact Assessments etc. must be considered before making any decision on the scheme.

Contact:

Ben Lockwood
Ben.lockwood@ashford.gov.uk – Tel: (01233) 330540

Report Title: Local Council Tax Reduction Scheme – Recommended scheme, post public consultation

Introduction and Background

1. Local Council Tax reduction Schemes (LCTRS) were introduced in April 2013 when government abolished the old system of Council Tax Benefit and replaced this with a locally agreed discount scheme.
2. Government transferred 90% of the cost of Council Tax Benefit to Local Government and required billing authorities like Ashford Borough Council to establish their own schemes that maintained protection to the elderly and most vulnerable whilst providing an incentive to work.
3. After an extensive consultation process the Council adopted a variation of the Kent scheme. This scheme was a ‘benefits’ based means tested scheme and has been in operation of the last 3 years.
4. As reported to Cabinet in June the major precepting authorities have requested that the scheme be reviewed to ensure that it is still appropriate and seek to reduce the cost of the scheme due to the reductions in government funding. This report launched a 12 week consultation process and this report contains the results of the consultation process and makes recommendations for the final scheme design.

Scheme approved for consultation

5. The underlying principles of the review of the scheme are that in order to meet the challenges of funding pressures the overall cost of the scheme should be reduced. However it is important that work incentives are preserved, the scheme is fair and transparent and avoids disproportionate administration.
6. In May it was considered appropriate for a menu of options for amending the existing scheme to be consulted upon. It was decided that the Council **should not** seek to make any changes to the level of protection offered to the disabled (and their carers) or changes to income disregarded.
7. However the group felt that it would be appropriate to seek views on the following options:

<p>1. Increase the minimum % payable</p>	<p>The current scheme requires a minimum payment of 5% deduction for disabled claimants & claimants caring for the disabled with all non-pensioner claimants making a minimum payment of 10% towards their council tax bill.</p> <p>Level of contribution varies significantly over the country. 76 councils having a nil contribution rate with 52 schemes having rates over 20%.</p> <p>Medway Council will be highest in Kent at 35% for 2016/17.</p> <p>Evidence there is a “tipping point” somewhere between 20% and 25% after which collection rates are affected</p>
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		<p>significantly. 'Tipping point' severely affects applicants on low or fixed incomes particularly single persons and couples with no dependants. Increasing the minimum % that a working age claimant needs to pay beyond a "tipping point" could be counter-productive and unrealistic.</p> <p><i>Consider option of increasing minimum % to between 10-20%</i></p>
2.	Introduce maximum Council Tax band level within scheme	<p>Any claimant living in a property with a higher Band that is set within the scheme would be limited to that band as far as any CTR support is concerned. For example, if maximum level is set at Band D, a claimant from house banded E,F,G or H would be limited in support they receive to equivalent of Band D.</p> <p>A number of authorities have adopted this option with the banding that is used ranging from a band D to as low as a band A. Within Kent, Band D would seem more appropriate as making this too low could disadvantage larger families.</p> <p><i>Consider option of introducing a maximum band cap at Band D</i></p>
3.	Remove Second Adult Rebate	<p>A taxpayer can presently apply for up to 25% reduction on their liability when an adult moves into their home who is on a low income. The applicant would lose their single person discount but could apply for this reduction instead. The reduction is assessed on the income of the second adult and not that of the taxpayer who could have any level of income or capital.</p> <p>This has been removed in a number of authorities across the country and in East Kent. There is a limited number of cases in ABC so impact would be small.</p> <p><i>Consider option of removing Second Adult Rebate</i></p>
4.	Reduce Capital limit	<p>Currently claimants are allowed to have capital (excluding property) of up to £16,000 and still be eligible to claim. This limit could be reduced and it is suggested that this should be reduced to £6,000 or roughly 4 years' worth of council tax. Used in a number of schemes around the country and is relatively simple to administer and is compliant with the system. This will have the effect of removing the entitlement of some claimants.</p> <p><i>Consider option of reducing capital limit to £6,000</i></p>
5.	Introduce changes to non-dependant charges	<p>Introduce a standard charge for non-dependants who live in a property. Currently, non-dependant deductions can vary from £0.00 to £11.45 depending on level of income. A standard charge would be easier to administer and could contribute to savings within the scheme. Suggestion from group is £10 per week.</p> <p><i>Consider option of introducing a standard of £10 per week</i></p>

		<i>for non-dependant deduction</i>
6.	Introduce Minimum income floor for self - employed claimants	<p>Currently self-employed claimants are asked to declare their own level of income, and it is not unheard of for it to be declared as nil (or close to nil) after taking into account expenses. Claims are difficult to administer and challenging self-declared income levels can be protracted and time consuming.</p> <p>The Universal Credit (UC) assessment criteria includes a clause whereby a self-employed claimant is allowed to declare nil income in their first year of operation and then after that initial period to establish the business they are then assessed at either their declared income or at a minimum income floor calculated at 35 hours per week times the Statutory National Living Wage. It may be necessary to consider an alternative for people who are unable to work full time (primarily single parents with young children).</p> <p><i>Consider introducing a minimum income floor for self-employed claimants (after a start-up period of one year) based upon the Statutory National Living Wage at 35 hours per week for full time or 16 hours a week for part-time workers</i></p> <p><i>[Note – The System will need some modification to achieve this. If this is not possible an amendment to the scheme will need to be made before 31 January 2017]</i></p>
7.	Align Scheme with HB and Pension Age CTR changes	<p>Central Government has announced significant changes to HB including the removal of certain premiums, a limitation on the number of dependants that can be included in the calculation, and the limiting of backdating.</p> <p>If we are to retain a scheme similar to the current one, it will be important to ensure it is aligned with HB as far as possible to aid understanding as well as efficiency of processing. These changes will form part of the prescribed requirements for the Pension Age CTR scheme.</p> <p><i>Consider option of aligning regulations of ‘base’ CTR scheme with HB and (prescribed) Pension Age CTR scheme</i></p>

8. Conscious of the potential that these changes would have to impact upon the most vulnerable residents, it was recommended that the Council consult on the introduction of an exceptional hardship scheme to provide a ‘safety net’ within the scheme.
9. A combination of some, or all, of these possible options may be required in order to achieve the objective of reducing overall costs.

The Consultation Process

10. Between 6th June and 29th August 2016 the council consulted extensively. A summary version of the council's approach for 2017-18, as well as a more detailed version, was produced offering people an at-a-glance guide to the proposals. Hard copies were available on request. However, each directly affected claimant received a hard copy of the summary version and a covering letter through the post, along with contact details for the finance team and links to the more detailed document and frequently asked questions.
11. As part of the Process the Council wrote directly to:
 - i. 3,000 council tax support claimants who would be directly affected by the proposals
 - ii. 1,500 households, selected at random, who are not in receipt of council tax support, to obtain an objective view, potentially from both sides of the debate
 - iii. The other organisations to which residents pay council tax (known as preceptors – Kent County Council, Kent Police and Crime Commissioner, Kent Fire and Rescue Service and parish councils, for those residents living in a parished area)
 - iv. Relevant charitable organisations
 - v. Local housing associations
12. The consultation was also publicised through the local media, the council's own publications such as Ashford Voice, and the council's website (www.ashford.gov.uk) and social media sites. Media releases were issued when Cabinet members agreed to consult on a revised scheme, at the beginning of the consultation period and during the consultation itself, highlighting the most keenly debated topics raised. Consistent with when welfare reform was implemented, local papers did cover the releases but in a low-key way. They had previously indicated that they did not feel that welfare reform was a major concern of their readership.
13. The council did not write to pensioners who currently receive council tax benefit as the government had stated that they had to be fully protected.

Consultation Results

14. A total of 173 responses (a mix of online submissions and hard copies that were then carefully entered into the system by finance officers) were received. This means that of all the people who were contacted directly about the consultation, through a direct email or letter (4,500), 3.84% responded. The number of responses fell short of what the council had hoped to achieve – with a minimum of 300 being the goal. It is felt that a combination of factors are attributable to this lower response rate – from welfare reform per se having a much lower profile in the national media, to the existing scheme working so well and not having the profile of more contentious issues at the moment.
15. The responses that were made during the consultation period are attached to this report in an Output Report at **Appendix A**. In summary the results support the proposed changes.

Responding to the Consultation - Task Group Recommendation

16. The Council Tax and Welfare Reform Task Group met to review the detailed response to the consultation and consider any amendments to the proposed scheme.
17. There are 3 changes proposed to the scheme that was consulted upon.
 - i. The contribution rate is proposed to be 17.5%, The consultation proposed a maximum of 20% and the Task Group wanted to manage concerns over the affordability of the changes.
 - ii. The consultation proposed that claimants would be allowed savings of £6,000 before this removed entitlement to this discount. In response to the consultation the task group felt that the reduction from the current level of £16,000 was too great and recommended a revision to £10,000.
 - iii. The task group wanted to bring the banding cap into alignment with Housing Benefit giving a 13 week grace period to claimants, limited to:

those that have become unemployed (subject to having been in employment for at least 52 weeks previously and not claimed CTR in this period) (the being employed for the last 52 weeks isn't a condition under the HB Regs – they just need to have not claimed HB in the past 12 months & could have afforded the tenancy prior to their circs changing)

or

Bereavement of a member of the household within 12 months (the protection in the case of bereavement lasts for 12 months under HB Regs, not 13 weeks as we are proposing for LCTRS)

before the band cap is triggered.
18. **Therefore it is proposed to maintain the existing scheme with the following amendments:**
 - a. **Increase the contribution rate for working age claimants to 17.5%**
 - b. **Introduce a maximum band cap at Band D amended for iii above.**
 - c. **Removal of the Second Adult Rebate**
 - d. **reducing capital limit to £10,000**
 - e. **introduce a standard of £10 per week for non-dependant deduction**
 - f. **introduce a minimum income floor for self-employed claimants (after a start-up period of one year) based upon the Statutory National Living Wage at 35 hours per week for full time or 16 hours a week for part-time workers**
 - g. **maintain the alignment of the of 'base' CTR scheme with the with Housing Benefit and (prescribed) Pension Age CTR scheme**
 - h. **introduce an exceptional hardship scheme As detailed in Appendix B**

Financial Implications

19. The changes proposed will have the effect of reducing the overall cost of the scheme which will benefit all precepting authorities. Ashford's share of the total Council Tax bill is circa 10%.
20. Given the inter-relationship between the changes it is difficult to quantify the exact impact they will have on the overall cost of the scheme. However in headline figures it is forecast that the cost of the scheme will reduce from £7.1m to £6.6m.

Position of the Major Preceptors

21. The major preceptors have agreed to continue the provision of funding for the administration of the scheme. Under the previous arrangement each Kent District Council received £125,000 from the preceptors at a total cost of £1.5m. KCC have been keen to drive savings in this grant however it has been argued that the changes proposed will increase the workload in billing authorities and as the principle beneficiary of any reduction in the cost of the scheme they have agreed to keep the funding at the current levels providing that districts agree schemes that meet the following criteria.
 - Removing the work related activity within ESA for new applicants
 - Reduce backdating from 6 months to 1 month
 - Limit council tax discounts to 4 weeks for eligible applicants absent from UK
 - Remove the family premium
 - Limit dependent children additions to the first 2 children only
22. The proposed scheme complies with this.
23. There has been some discussion over the distribution of the funding with some districts arguing that the funding should be allocated on a 'per claimant' basis as workloads are vastly different over the county. As a compromise it has been agreed that each district receives a fixed element of funding (£70,000) with the balance distributed on a 'per-claimant' basis. Under this basis the Council would receive a grant of £118,300 a small reduction over the current scheme.
24. KCC have also agreed to allocate £0.5m of funding to districts that introduce schemes that go beyond the level expected, which the proposed scheme does so the Council can stand to benefit from this arrangement but the allocation methodology is still being developed.

Implications and Risk Assessment

25. The reduction scheme could be open to challenge if it were considered that we had not consulted properly those who have an interest in the operation of the scheme. However, I believe that our 12 week consultation process has been robust.
26. As Members are aware, some of the options consulted upon were intended to align Council Tax Reduction with the administration of Housing Benefit. During the meeting, taking into account the consultation responses and the Equality Impact Assessment, Cabinet will determine whether to recommend that these 'alignments' are made.
27. Within this context, it is worth noting that, at the present time, the following changes have yet to be made within the Housing Benefit scheme but regulations are expected before the 1st April 2017:

- a. The limitation of dependents additions to two dependants where a third or subsequent child is born on or after 1st April 2017 (HB and Tax Credits are due to be changed from April 2017); and
 - b. The removal of the Work Related Activity Component for all new Employment and Support Allowance applicants on or after 1st April 2017
28. In the unlikely event that these changes are not effected by Central Government by 1st April 2017, Members could resolve to amend the Council Tax Reduction Scheme from April 2018 (should this be an option Members wish to pursue).

Equalities Impact Assessment

29. ***Could members please note that the scheme, together with all supporting papers, Equality Impact Assessments etc. must be considered before making any decision on the scheme.***
30. Decision-makers are reminded of the requirement under the Public Sector Equality Duty (s149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups.
31. The decisions recommended through this paper directly impact on end users. The impact has been analysed and varies between groups of people. Claimant data is based on the lead applicant so the actual impacts will also depend on household composition. Households may consist of single claimants or those with partners. Where there is a partner present, any protected characteristic of the partner has not been included in the impact assessment.
32. The potential impacts need to be considered against the potential savings to the Council and the criteria for the exceptional hardship scheme will need to be considered in order to alleviate any disproportionate impacts of any options. This is discussed in more detail in the attached Assessment at **Appendix C**

Next Steps in Process

33. Once the scheme is agreed this will need to be communicated to claimants and a Communications plan has been drafted and is attached at **Appendix D**.
34. The proposal is for two income floors (one full-time, one part-time) but we are currently awaiting confirmation from the software supplier this can be done. In the event that this is not possible it is recommended that the scheme be implemented with a single floor at the part time level, while work is continued to develop a solution within the software. To allow this to happen authority will be delegated to the Head of Finance in consultation with the portfolio holder and leader to make amendments to the scheme before 31 January 2017.
35. The tax base that is elsewhere on the agenda has been prepared using assumptions that this scheme is approved. This will then feed into the draft budget.

Conclusion

36. The outcome of the public consultation broadly supports the proposed scheme however the Task Group have proposed some modifications to the scheme which cabinet are asked to support.

Portfolio Holder's Views

- 37.
- 38.

Contact and Email

- 39.
- 40.

Council tax support consultation 2017-18 – output report for our residents

Introduction

In June 2016, we told you that we were conducting a wide-ranging review of our localised council tax support scheme.

The existing scheme has been in place, with some minor changes, since council tax support was introduced in 2013. Now, all other local authorities in Kent have been asked to undertake a comprehensive review of their scheme so that the money available to fund the services that are provided to you by all public serving organisations stretches further.

The revised council tax support scheme must be in place and ready to begin on 1st April 2017 and, having discussed many potential options open to the council, we put forward a proposal for a revised version of the local council tax support system.

Between 6th June and 29th August 2016 the council sought the views of residents and groups and advised you what we had already determined and where we were open to change – ie where you could influence the final version of the scheme for the 2017-18 financial year.

The literature that was produced as part of the consultation is still available to view on www.ashford.gov.uk/counciltaxsupport.

The results and comments that were made during the consultation period are being analysed and a report will be presented to the council's Cabinet members (senior councillors) on 8th December, when they will consider the outcomes of the consultation and will make recommendations that will need to be determined by all council members on 15th December, ahead of the revised system being implemented on 1st April 2017.

Who we contacted

We wrote directly to:

- 3,000 council tax support claimants who would be directly affected by the proposals
- 1,500 households, selected at random, who are not in receipt of council tax support
- We contacted the other organisations to which you pay your council tax (known as preceptors – Kent County Council, Kent Police and Crime Commissioner, Kent Fire and Rescue Service and parish councils, should you live in a parished area)
- Relevant charitable organisations

We also publicised the consultation through the local media, the council's own publications such as Ashford Voice, and the council's website (www.ashford.gov.uk) and social media sites.

All borough councillors and all council staff, many of whom are residents, were also made aware of the consultation and were asked to talk to friends and relatives who may be affected by, or indeed have a view on, the proposed changes.

Consultation results

The results of the consultation are detailed below, so that you can also see the raw data that our councillors will be presented with as they look at the outcomes and assess the way forward.

A total of 173 responses were received. This means that of all the people who were contacted directly about the consultation, through a direct email or letter (4,500), 3.84% responded.

The results to the consultation are detailed below in the following order:

- The responses to the eight questions set are listed in order, with a breakdown of how certain individuals and groups responded

- The answers given to the final free-text response question have all been read and appear here grouped into some themes that emerged during the consultation process. The main themes are:
 - Discussion about the self-employed question and the fairness of presuming the hours worked and revenue earned by self-employed claimants
 - The drop in savings proposed from £16,000 to £6,000 being too severe – certainly in one go – a smaller reduction or a phased reduction were discussed by some of the consultation respondents
 - The fairness of the system in general
 - The difficulty that some people will have in paying any additional amount towards their council tax bills
- The responses of groups and stakeholders are included as an appendix

Question 1

Have you read and understood the information presented to you about the revisions that need to be considered for Ashford Borough Council's council tax support scheme for the financial year 2017-18?

- **Yes** **99% (171)**
- **No** **1% (2)**

Q1 – Have you read consultation literature?	Yes	%	No	%	Total
I am a council tax support claimant	55	100%	0	0%	55
I am a landlord	1	100%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	1
I am not a council tax support claimant	89	98.8%	1	1.2%	90
Did not specify their personal circumstances	25	96.1%	1	3.9%	26
Total	171	99%	2	1%	173

How to read the table:

- 98.8% of respondents who pay council tax but do not receive council tax support confirmed they had read the consultation literature
- 100% of respondents who receive council tax support confirmed they had read the consultation literature

Question 2

Currently, working age claimants in receipt of council tax support are asked to pay a minimum of 10% towards their council tax. Under the proposed revised scheme working-age claimants (not receiving a disability benefit premium) would be asked to contribute a minimum of between 10% and 20%. Do you agree that it is reasonable to ask these working-age claimants not living with a disability to pay up to 20% towards their council tax from the financial year 2017-18?

- **Agree** **59% (102)**
- **No View** **10% (18)**
- **Disagree** **31% (53)**

Q2 – Percentage contribution?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	17	30.9%	7	12.7%	31	56.3%	55

I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	70	77.8%	6	6.67%	14	15.5%	90
Did not specify their personal circumstances	13	50%	5	19.2%	8	30.8%	26
Total	102	59%	18	10%	53	31%	173

How to read the table:

- 77.8% of respondents who pay council tax but do not receive council tax support agree that working-age claimants not living with a disability should pay up to 20% towards their council tax
- 30.8% of respondents who did not specify their personal circumstances disagree that working-age claimants not living with a disability should pay up to 20% towards their council tax.

Question 3

It is proposed that those claimants who live in a property that is classified for council tax as being in Band E, F, G or H (mostly the larger properties of higher value in the borough) will be treated as if they are living in (and will receive the level of support that they would be entitled to) a Band D property. Do you agree that it is fair to cap the level of support at Band D?

- **Agree** 56.6% (98)
- **No View** 11% (19)
- **Disagree** 32.4% (56)

Q3 – Capping support at Band D?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	25	45.4%	6	10.9%	24	43.6%	55
I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	56	62.2%	9	10%	25	27.8%	90
Did not specify their personal circumstances	15	57.7%	4	15.4%	7	26.9%	26
Total	98	56.6%	19	11%	56	32.4%	173

How to read the table:

- 45.4% of respondents who claim council tax support agree that the level of support a claimant should receive should be capped at Band D, even if a claimant lives in a property in Band E or above.
- 27.8% of respondents who do not claim council tax support disagree that the level of support a claimant should receive should be capped at Band D, even if a claimant lives in a property in Band E or above.

Question 4

It is proposed that those claimants who state they are self-employed will be presumed to be earning the national living wage (NLW). Their minimum income, therefore, will be deemed to be

the NLW x 35 hours (for full-time self-employed claimants) and the NLW x16 hours (for part-time self-employed claimants). Do you agree that this is a fair presumption for the council to make when calculating entitlement to council tax support? (New self-employed businesses, set-up from 1st April 2017, will be exempt from this condition for their first year of trading)?

- **Agree** **61% (105)**
- **No View** **19% (33)**
- **Disagree** **20% (35)**

Q4 – Self-employed claimants?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	29	52.7%	12	21.8%	14	25.4%	55
I am a landlord	0	0%	0	0%	1	100%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	64	71.1%	13	14.4%	13	14.4%	90
Did not specify their personal circumstances	11	42.3%	8	30.7%	7	26.9%	26
Total	105	61%	33	1%	35	20%	173

How to read the table:

- 52.7% of respondents who receive council tax support agreed that the presumption regarding self-employed claimants earning the national living wage is fair.
- 14.4% of respondents who do not receive council tax support disagreed that the presumption regarding self-employed claimants earning the national living wage is fair.

Question 5

Previously, claimants with savings up to £16,000 were eligible for council tax support. The revised scheme proposes that the maximum amount of savings claimants can have to be considered for council tax support is amended to £6,000 (which is roughly calculated as being four years' worth of council tax). Do you agree that it is fair that only claimants with savings of under £6,000 will be eligible to receive council tax support?

- **Agree** **53% (92)**
- **No View** **14% (24)**
- **Disagree** **33% (57)**

Q5 – Maximum savings?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	26	47.2%	8	14.5%	21	38.2%	55
I am a landlord	0	0%	0	0%	1	100%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	51	56.7%	9	10%	30	33.3%	90
Did not specify their personal circumstances	14	53.8%	7	26.9%	5	19.2%	26
Total	92	53%	24	14%	57	33%	173

How to read the table:

- 38.2% of respondents in receipt of council tax support disagree that only those claimants with savings of under £6,000 should be eligible to receive council tax support
- 56.7% of respondents who do not receive council tax support agree claimants who have more than £6,000 of savings should not receive council tax support.

Question 6

Some claimants will have adults (for example, sons or daughters, known as non-dependants) living at home with them. The proposed revision to the scheme would see those claimants with non-dependants living at home receiving a deduction of £10 per week per non-dependant to ensure those non-dependants contribute towards paying the council tax due. Do you agree it is reasonable for the council to deduct £10 per week per non-dependant from a claimant's council tax support entitlement?

- **Agree** **70% (121)**
- **No View** **12% (21)**
- **Disagree** **18% (31)**

Q6 – Non-dependents?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	34	61.8%	6	10.9%	15	27.3%	55
I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	72	80%	7	7.8%	11	12.2%	90
Did not specify their personal circumstances	13	50%	8	30.8%	5	19.2%	26
Total	121	70%	21	12%	31	18%	173

How to read the table:

- 61.8% of respondents who claim council tax support believe that the proposal regarding deductions for non-dependents is reasonable.
- 80% of respondents who do not claim council tax support also believe that the proposal regarding deductions for non-dependents is reasonable.

Question 7

The revised scheme intends to remove eligibility to what is known as the second adult rebate (where a taxpayer can presently apply for a reduction of up to 25% on their liability when an adult on a low income moves into their home). Do you agree that this is fair?

- **Agree** **65% (112)**
- **No View** **17% (29)**
- **Disagree** **18% (32)**

Q7 – Second adult rebate?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	34	61.8	7	12.7	14	25.5	55

		%		%		%	
I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	64	71.1%	14	15.6%	12	13.3%	90
Did not specify their personal circumstances	12	46.1%	8	30.8%	6	23.1%	26
Total	112	65%	29	17%	32	18%	173

How to read the table:

- 46.1% of respondents who did not specify their personal circumstances agree that removing eligibility for the second adult rebate is fair.
- 61.8% of respondents who receive council tax support also agree that removing eligibility for the second adult rebate is fair.

Question 8

It is proposed that a hardship fund could form part of the revised scheme in order to provide additional support to those who are facing severe financial hardship. Each case would be considered on its own specific circumstances. Do you agree with this proposal?

- **Agree** 86% (149)
- **No View** 9% (16)
- **Disagree** 5% (8)

Q2 – Hardship fund?	Agree	%	No view	%	Disagree	%	Total
I am a council tax support claimant	49	89.1%	2	3.6%	4	7.3%	55
I am a landlord	1	100%	0	0%	0	0%	1
I am responding on behalf of a parish council	1	100%	0	0%	0	0%	1
I am not a council tax support claimant	76	84.4%	11	12.3%	3	3.3%	90
Did not specify their personal circumstances	22	84.6%	3	11.6%	1	3.8%	26
Total	149	86%	16	9%	8	5%	173

How to read the table:

- 89.1% of respondents who claim council tax support agreed that a hardship fund should be established.
- 84.4% of respondents who do not claim council tax support also agreed to such a fund being set up.

Important note

The council did not write to pensioners who currently receive council tax benefit as the government had stated that they had to be fully protected under each local authority's new system.

The council did not, therefore, ask on its questionnaire for the age of respondents or the gender of respondents, just what their personal circumstances were.

A report containing information that shows the free text responses received during the consultation period is available on the Council's website. There were 76 in total. Note that a generic response was received from Kent County Council and a response was also received from Kent Police.

Of the 76 responses, only three responses related to the consultation process itself: one person thanked us for holding it, one said that question seven was not clear to them, and one person said that the approach was unfair to consult with council tax payers having already taken a view on the overall structure of the consultation.

The results are presented as they have been completed.

Ashford Borough Council Council Tax Reduction

Exceptional Hardship Policy 2017/18

1 Background

1.1 An Exceptional Hardship Policy has been created by Ashford Borough Council to assist persons who have applied for Council Tax Reduction and who are facing 'exceptional hardship'. This is to provide further assistance where an applicant has made a claim for Council Tax Reduction but the level of support being paid by the Council does not meet their full Council Tax liability.

1.2 The main features of the policy are as follows:

- * The operation of the policy will be at the total discretion of the Council;
- * The policy will be applied by the Revenues and Benefits section on behalf of the Council;
- * Exceptional Hardship falls within s13(A)(1a) of the Local Government Finance Act 1992 and forms part of the Council Tax Reduction scheme;
- * Exceptional Hardship awards will only be available for a Council Tax liability from 1 April 2017 onwards and will not be available for any other debt other than outstanding Council Tax;
- * A pre-requisite to receive an award is that an application for Council Tax Reduction has been made;
- * Where an Exceptional Hardship award is requested for a previous period, Exceptional Hardship must have been proven to have existed throughout the whole of the period requested and will only be backdated to the start of the financial year in which the claim is made;
- * Exceptional Hardship awards are designed as short-term help to the applicant only; and
- * All applicants will be expected to engage with the Council and undertake the full application process. Failure to do so may mean that no payment will be made.

2 Exceptional Hardship and Equalities

2.1 The creation of an Exceptional Hardship Policy facility meets the Council's obligations under the Equality Act 2010.

2.2 The Council recognises the impact the changes to our Council Tax Reduction Scheme will have on our most vulnerable residents and therefore the importance this policy has in protecting those applicants most in need from exceptional hardship. It should be noted that an Exceptional Hardship Policy is intended to help in cases of extreme financial hardship and not support a lifestyle or lifestyle choice.

3 Purpose of this policy

3.1 The purpose of this policy document is to specify how Ashford Borough Council will operate the scheme, to detail the application process and indicate a number of factors, which will be considered when deciding if an Exceptional Hardship payment can be made.

3.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally in both accessibility and also decisions made.

4 The Exceptional Hardship Process

4.1 As part of the process of applying for additional support, all applicants must be willing to undertake all of the following:

- * Make a separate application in writing for assistance;
- * Provide full details of their income and expenditure;
- * Where a person is self-employed or a director of a private limited company, provide details of their business including supplying business accounts;
- * Accept assistance from either the Council or third parties where applicable (such as Citizens Advice Bureau and Money Advice Service) to enable them to manage their finances more effectively - including the termination of non-essential expenditure and assessment of the potential for additional paid employment where applicable;
- * Identify potential changes in payment methods and arrangements to assist them;
- * Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted; and
- * Maximise their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and by identifying the most economical tariffs for the supply of utilities and services generally.

4.2 Through the operation of this policy the Council will look to:

- * Allow a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to “bridge the gap” during this time, whilst the applicant seeks alternative solutions;
- * Help applicants through personal crises and difficult events that affect their finances;
- * Help those applicants who are trying to help themselves financially; and
- * Encourage applicants to contact the Job Centre Plus or the Job Club to obtain and sustain employment, where applicable.

4.3 An Exceptional Hardship award will not be considered in the following circumstances:

- * Where the full Council Tax liability is being met by Council Tax Reduction;
- * For any other reason, other than to reduce Council Tax liability;
- * Where the Council considers that there are unnecessary expenses/debts etc and that the applicant has not taken reasonable steps to reduce them; or
- * To cover previous years Council Tax arrears.

5 Exceptional Hardship award

5.1 The Council will decide whether or not to make an Exceptional Hardship award, and how much any award might be.

5.2 When making this decision the Council will consider:

- * The shortfall between Council Tax Reduction and Council Tax liability;
- * Whether the applicant has engaged with the Exceptional Hardship process;
- * The personal circumstances, age and medical circumstances (including ill health and disabilities) of the applicant, their partner any dependants and any other occupants of the applicant’s home;

- * The difficulty experienced by the applicant, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist;
- * The income and expenditure of the applicant, their partner and any dependants or other occupants of the applicant's home;
- * All income received by the applicant, their partner and any member of their household irrespective of whether the income may fall to be disregarded under the Council Tax Reduction scheme;
- * Any savings or capital that might be held by the applicant, their partner and any member of their household irrespective of whether the capital may fall to be disregarded under the Council Tax Reduction scheme;
- * Other debts outstanding for the applicant and their partner;
- * The exceptional nature of the applicant and/or their family's circumstances that impact on finances, and
- * The length of time they have lived in the property;

5.3 The above list is not exhaustive and other relevant factors and special circumstances will be considered.

5.4 An award of Exceptional Hardship does not guarantee that a further award will be made at a later date, even if the applicant's circumstances have not changed.

5.5 An Exceptional Hardship award may be less than the difference between the Council Tax liability and the amount of Council Tax Reduction paid. The application may be refused if the authority feels that, in its opinion, the applicant is not suffering 'exceptional hardship' or where the applicant has failed to comply with the Exceptional Hardship process.

6 Publicity

6.1 The Council will make a copy of this policy available for inspection and will be published on the Council's website.

7 Claiming an Exceptional Hardship award

7.1 An applicant must make a claim for an Exceptional Hardship award by submitting an online application to the Council via the Council's website.

7.2 Applicants can get assistance with the completion of the form from the Revenues and Benefits Service or Customer Services at the Council.

7.3 The application form must be fully completed and supporting information or evidence provided, as reasonably requested by the Council.

7.4 In most cases the person who claims the Exceptional Hardship award will be the person entitled to Council Tax Reduction. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

8 Changes in circumstances

8.1 The Council may revise an award of Exceptional Hardship where the applicant's circumstances have changed which either increases or reduces their Council Tax Reduction entitlement.

9 Duties of the applicant and the applicant's household

9.1 A person claiming an Exceptional Hardship payment is required to:

- * Provide the Council with such information as it may require to make a decision; and
- * Tell the Council of any changes in circumstances that may be relevant to their ongoing claim within 21 days of the change

10 The award and duration of an Exceptional Hardship award

10.1 Both the amount and the duration of the award are determined at the discretion of the Council, and will be done so on the basis of the evidence supplied and the circumstances of the claim.

10.2 The start date and duration of any award will be determined by the Council. The maximum length of the award will be limited to the financial year in which the claim is received.

11 Payment

11.1 Any Exceptional Hardship award will be made direct onto the taxpayer's Council Tax account, thereby reducing the amount of Council Tax payable.

12 Overpaid Exceptional Hardship Payments

12.1 Overpaid Exceptional Hardship payments will generally be recovered directly from the applicant's council tax account, thus increasing the amount of council tax due and payable.

13 Notification of an award

13.1 The Council will notify the resident of the outcome of their application for an Exceptional Hardship award.

14 Appeals

14.1 Exceptional Hardship awards are granted under S13A(1a) of the Local Government Finance Act 1992 as part of the Council Tax Reduction scheme, as such the normal Council Tax appeal process applies and an appeal can be made at any time. The initial appeal should be made to the Council who will review any decision. Ultimately any decision can be considered by an independent Valuation Tribunal.

15 Fraud

15.1 The Council is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.

15.2 An applicant who tries to fraudulently claim an Exceptional Hardship payment by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

15.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

16 Complaints

16.1 The Council's 'Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about the application of this policy.

17 Policy Review

17.1 This policy will be reviewed on an annual basis and updated as appropriate to ensure it remains fit for purpose. However, a review may take place sooner should there be any significant changes in legislation.

Appendix C

Equality Impact Assessment - Council Tax Reduction Scheme 2017/18

Options to change to the scheme from 1st April 2017

There are 8 potential options to adjust the scheme.

1. Increase the minimum % payable
2. Introduce maximum Council Tax band level within scheme
3. Remove Second Adult Rebate
4. Reduce Capital limit
5. Introduce changes to non-dependant charges
6. Introduce Minimum income floor for self-employed claimants
7. Align Scheme with HB and Pension Age CTR changes
8. The introduction of an exceptional hardship scheme

Where an option applies to new claimants, we have provided data for current claimants as an indication of the possible impacts as it is not possible to predict who may apply after 1st April 2017. A summary of the consultation findings from people with protected characteristics is provided in **Appendix A**. Findings from the data and consultation are summarised below.

Disability

There is a potential adverse impact on people of working age with a disability of the following options:

Option 1 - Reducing the maximum level of support to 82.5%.

- – Claimants with disabilities (1,868 people) would be unaffected by the change as there is a protection for the disabled built into the scheme limiting their contribution to 5%, on average, compared to claimants without disabilities, who would lose an average of £1.19 per week. Claimants with disabilities would continue to receive more per week than claimants without disabilities (on average £3.64 per week increasing to £4.83 per week).

Mitigation: As mentioned above the scheme currently has a protection for people with disabilities however we would continue to treat people with disabilities more favourably by disregarding income received from certain disability benefits.

Option 5 - Introduce changes to non-dependant deductions

- – 9.62% of claimants in this category have a disability where the claimant is not protected by a 'disregard' of the non-dependant due to a qualifying benefit (40 people). These claimants would lose £4.61 per week, on average. This is less than claimants without a disability, who are subject to non-dependant deductions, who would lose £5.21 per week, on average.

Mitigation: the scheme has a protection for people with disabilities in receipt of a qualifying benefit where there is no non-dependant deduction as the non-dependant is disregarded.

Impact of other options

- Smaller proportions of people with disabilities will be affected by options 2, 3, 4 and 6.
- We do not have data to illustrate the impact of option 7.

Mitigation: the scheme has protection for people with disabilities as various incomes for disabilities are disregarded in the assessment calculation.

Carers

The scheme will continue the protection extended to carers and the disabled limiting these claimants contribution to 5%.

However there is a potential adverse impact on people of working age who are carers of the following options:

Option 5: Introduce changes to non-dependant deductions

- 7.93% of claimants in this category are carers (33 people). These claimants would lose £4.73 per week, on average. This is less than claimants who are not carers, who are subject to non-dependant deductions, who would lose £5.19 per week, on average.

Mitigation: if this option was introduced it would be necessary to consider exemptions for non-dependants who are carers.

- Impact of other options
 - Although option 2 (Band Cap) would affect 17.32% who are carers, these claimants would lose less than claimants who are not carers.
 - Smaller proportions of carers may be affected by option 6.

Age

As claimants of pension age are protected, there is a potential impact on other age groups, of the following options:

Option 6: introduce minimum income floor for self-employed claimants

- Affects a higher proportion of those aged 25-54.
- The data shows how much claimants would lose if the part-time income floor was used, or if the full-time income floor was used. We do not have data to illustrate how many claimants would fall under each category

Option 4: reduce the capital limit to £10,000

- Of the 28 claimants under this criteria, this option would affect a higher proportion of those aged 35-44.
- We have not identified any issues relating to age from the consultation, in relation to this option.

Option 5: introduce changes to non-dependant deductions

- Affects a higher proportion of those aged 45-54.
- We have not identified any issues relating to age from the consultation, in relation to this option.

Option 2: restrict the maximum level to the equivalent of a Band D charge

- Affects a higher proportion of those aged 45-54. But those aged 55-64 would lose more (£4.90 per week, on average) than other age groups under this criteria.

Option 3: remove second adult rebate

- Affects a higher proportion of those aged 45-54. But those aged 55-64 would lose more (£5.26 per week, on average) than other age groups under this criteria.

Impact of other options

- The proportions of those affected by option 3 are roughly in line with the caseload overall..

Mitigation (all options affecting age groups).

As the government has protected pensioners, the impact will fall on working age groups. This impact is as a result of national legislation, and is not within our discretion to mitigate. Within working age groups, although the impact on individual age groups may differ for each option, calculation of council tax reduction is not related to a person's age so it is difficult to mitigate any potential adverse impacts on the basis of age alone. Any differences in entitlement are likely to be as a result of other factors e.g. whether the claimant has a disability, is a carer or has children in the household. Options for reducing the impacts based on these factors have been suggested.

However, we can continue to monitor the impact of any changes on age groups to identify whether there are any particular needs relating to age groups that we may need to meet.

Sex

There is a potential adverse impact on working age males and females of the following options:

Option 4: reduce capital limit

- Males (35.71 of claimants, 10 people, in this category) would lose £11.75 per week on average, compared to females who would lose £11.88 per week, on average.

Impact of other options

- The proportion of males and females affected by option 1 is broadly in line with the caseload overall.
- The proportion of males and females who may be affected by options 2 and 6 is roughly equivalent to the proportion of males and females in the overall caseload.
- We do not have data to illustrate the impact of option 7.

Mitigation It may be necessary to consider the criteria of the exceptional hardship scheme to take into account the needs of female claimants with children.

Race

This information is not collected from claimants as it is not relevant to the calculation of council tax reduction. The Census (2011) shows that people from Minority Ethnic backgrounds are more likely to be economically active and less likely to be self-employed, than people from a White background. We have no evidence to indicate that working age people with different ethnic backgrounds would be affected differently.

Armed Forces Community

This is considered in this equality impact assessment as part of the commitments within the Community Covenant. Armed forces personnel deployed on operations overseas, who normally pay council tax, benefit from a tax-free payment on the cost of council tax paid directly by the Ministry of Defence. Following the announcement by the Chancellor in his 2012 Budget statement, Council Tax Relief will be worth just under £600 (based upon 2012/13 council tax) for an average six-month deployment based on the average Council Tax per dwelling in England. This will continue to be paid at a flat rate to all eligible personnel. More information is available at www.mod.uk. We also disregard income from war disablement pensions, providing eligible claimants with a higher council tax reduction

Other protected characteristics

We do not collect information about the following characteristics from claimants as it is not relevant to the calculation of council tax reductions:

- Religion or belief
- Sexual orientation
- Gender reassignment
- Marital or civil partnership status
- Pregnancy or maternity

The option to align the regulations of the current council tax reduction scheme with housing benefit and (prescribed) pension age council tax reduction scheme (which includes limiting the number of dependents to two) would affect any female claimants who are pregnant before 1st April 2017. Otherwise, there is no evidence to indicate that working age people with these protected characteristics would be affected differently to claimants overall.

Conclusions

All options will result in working age claimants, including those with protected characteristics, paying more towards their Council Tax bill from 2017-18. Pension age claimants, who also have protected characteristics, will not be affected as they are protected from any changes by Central Government.

Some working age claimants will be affected by more than one of the options. It is not possible to model any cumulative impacts but the possibility that some claimants may be adversely affected by more than one option should be taken into account when deciding which options will be taken forward. Some options will affect existing claimants and some will affect new claimants from 2017.

When deciding which options to take forward, the potential severity of impacts on claimants with protected characteristics needs to be weighed up against any potential financial savings to the Council. Options resulting in higher savings to the Council are likely to impact on more claimants or result in some claimants paying higher amount towards their Council Tax bill.

In complying with our obligations under the Public Sector Equality Duty, we must have 'due regard' to the following:

- Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act.
 - In deciding which options to take forward, we must ensure that the Council Tax Reduction Scheme does not unlawfully discriminate against any protected characteristics. This can be achieved by using the findings of this equality impact assessment to inform the decision about which options are taken forward.
- Advance equality of opportunity between people from different groups.
 - In deciding which options to take forward, we must consider how we can minimise disadvantage experienced by people with protected characteristics, take steps to meet the needs of people with protected characteristics and encourage people who share a relevant protected characteristic to participate in public life. The public sector equality duty does not prevent us from taking a decision about our Council Tax Reduction Scheme. Should we decide to take forward any options that may put people with protected characteristics at a disadvantage, we should consider taking action to mitigate those impacts. The Equality Act allows us to treat some people more favourably than others in meeting their needs. This would allow us to protect some income received by people with disabilities and carers, provide exemptions for some claimants with protected characteristics or take the needs of people with protected characteristics into account within an exceptional hardship scheme.
- Foster good relations between people from different groups.
 - In deciding which options to take forward, we may wish to consider whether our decision could impact on wider community relations between people with protected characteristics.

Finally, we will monitor the impact of the Council Tax Reduction Scheme on claimants with protected characteristics from 2017. We will provide reports to indicate whether the impacts are in line with our predictions or whether any further action may need to be taken to mitigate any impacts.

Full analysis of the effects

	Current claimants (working age only)		No		Non							
	All	Disability	Disability	Carer	Carer	Female	Male	18-24	25-34	35-44	45-54	55-64
Number - all claimants	4494	1868	2626	485	4009	3202	1292	373	1111	1097	1169	744
Percentage	N/A	41.57%	58.43%	10.79%	89.21%	71.25%	28.75%	8.30%	24.72%	24.41%	26.01%	16.56%
Average weekly CTAX reduction	£15.92	£18.04	£14.40	£20.61	£15.35	£15.51	£16.94	£14.45	£15.01	£15.80	£16.76	£16.87

Option 1 - CTR maximum award 82.5%

Claimants under this criteria (No.)	2626	N/A	2626	N/A	2626	2028	598	306	828	647	566	279
Claimants under this criteria (%)	58.43%	N/A	100.00%	N/A	100.00%	77.23%	22.77%	11.65%	31.53%	24.64%	21.55%	10.62%
Average weekly CTAX reduction under this criteria (current)	£14.40	N/A	£14.40	N/A	£14.40	£14.10	£15.40	£14.01	£14.24	£14.40	£14.85	£14.40
Estimated average weekly loss	£1.19	N/A	£1.19	N/A	£1.19	£1.16	£1.27	£1.17	£1.19	£1.19	£1.21	£1.19

Option 2 - CTR band restriction (D)

Claimants under this criteria (No.)	179	61	118	31	148	113	66	3	17	40	84	35
Claimants under this criteria (%)	3.98%	34.08%	65.92%	17.32%	82.68%	63.13%	36.87%	1.68%	9.50%	22.35%	46.93%	19.55%
Average weekly CTAX reduction under this criteria (current)	£24.22	£29.01	£21.75	£29.78	£23.06	£21.91	£28.18	£21.68	£20.92	£23.67	£24.74	£25.44
Estimated average weekly loss	£3.97	£5.26	£3.31	£5.00	£19.30	£3.07	£5.51	£3.42	£2.89	£3.82	£3.90	£4.90

Option 3 - Removal of 2nd adult rebate

Claimants under this criteria (No.)	63	3	60	1	62	55	8	0	2	17	35	9
Claimants under this criteria (%)	1.40%	4.76%	95.24%	1.59%	98.41%	87.30%	12.70%	0.00%	3.17%	26.98%	55.56%	14.29%
Average weekly CTAX reduction under this criteria (current)	£4.63	£3.86	£4.66	£3.37	£4.65	£4.34	£6.58		£4.10	£4.26	£4.67	£5.26
Estimated average weekly loss	£4.63	£3.86	£4.66	£3.37	£4.65	£4.34	£6.58	£0.00	£4.10	£4.26	£4.67	£5.26

Option 5 - ND standard deduction £10

Claimants under this criteria (No.)	416	40	376	33	383	337	79	1	15	151	189	60
Claimants under this criteria (%)	9.26%	9.62%	90.38%	7.93%	92.07%	81.01%	18.99%	0.24%	3.61%	36.30%	45.43%	14.42%
Average weekly CTAX reduction under this criteria (current)	£14.58	£16.94	£14.33	£17.35	£14.34	£14.28	£15.86	£32.56	£15.55	£14.37	£14.77	£13.97
Estimated average weekly loss	£5.15	£4.61	£5.21	£4.73	£5.19	£4.91	£6.19	£9.00	£4.89	£5.08	£5.09	£5.51

Option 4 - Reducing Capital limit from £16,000 to £10,000

Claimants under this criteria (No.)	28	9	19	0	28	18	10	0	3	10	6	9
Claimants under this criteria (%)	0.62%	32.14%	67.86%	N/A	100.00%	64.29%	35.71%	0.00%	10.71%	35.71%	21.43%	32.14%
Average weekly CTAX reduction under this criteria (current)	£11.83	£13.57	£11.01	N/A	£11.83	£11.88	£11.75	N/A	£8.30	£13.15	£7.11	£14.69
Estimated average weekly loss	£11.83	£13.57	£11.01	£0.00	£11.83	£11.88	£11.75	£0.00	£8.30	£13.15	£7.11	£14.69

Option 6 – Self-employed minimum earnings (* using part-time income floor)

Claimants under this criteria (No.)	292	47	245	20	272	187	105	5	83	85	100	19
Claimants under this criteria (%)	6.50%	16.10%	83.90%	6.85%	93.15%	64.04%	35.96%	1.71%	28.42%	29.11%	34.25%	6.51%
Average weekly CTAX reduction under this criteria (current)	£15.67	£17.12	£15.39	£17.84	£15.51	£14.88	£17.07	£11.61	£14.69	£16.09	£16.33	£15.62
Estimated average weekly loss	£3.44	£5.22	£3.09	£7.65	£3.13	£3.85	£2.69	£2.64	£2.90	£2.89	£4.36	£3.55

Option 6 – Self-employed minimum earning (* using full-time income floor)

Claimants under this criteria (No.)	292	47	245	20	272	187	105	5	83	85	100	19
Claimants under this criteria (%)	6.50%	16.10%	83.90%	6.85%	93.15%	64.04%	35.96%	1.71%	28.42%	29.11%	34.25%	6.51%
Average weekly CTAX reduction under this criteria (current)	£15.67	£17.12	£15.39	£17.84	£15.51	£14.88	£17.07	£11.61	£14.69	£16.09	£16.33	£15.62
Estimated average weekly loss	£13.16	£14.62	£12.87	£16.54	£12.91	£12.84	£13.72	£9.78	£12.69	£12.99	£13.80	£13.39

Option 7 – Align HB changes

No data available

Option 8 – Exceptional Hardship scheme

No data available

Appendix D

Council tax support 2017-18 – communications plan

Draft plan owned by communications

To be considered by cabinet members in December 2016

Description

Council tax support was set up when council tax benefit was abolished in 2013. It supports individuals and families who need financial help most and encourages people to get back into work and is a localised system that reduces the amount of council tax charged for those whose combined income, savings and investments fall below a certain level.

Our existing scheme is as fair as possible, upholding the principles of the government's welfare reforms while offering greater support to those who will find that returning to work is more challenging (such as disabled claimants).

The existing scheme has been in place, with some minor changes, for four years. We are required to review it each year, to make sure that it is retaining the elements required of us by central government – i.e. to encourage people of working age to return to work – and to ensure that we are offering the maximum amount of support that we can afford.

An extensive review of council tax support has now taken place, ahead of a revised scheme being implemented in the 2017-18 financial year. The results of a consultation are being fed back to cabinet members and subject to their decision, this communications plan sets out the details of the communications element of this important strand of work.

Objectives of the communications plan

- Raise awareness of the changes that will be taking place with all stakeholders, specifically those who are directly affected
- Keep target audiences updated on the latest developments and provide the right information to them
- Provide clear, concise communications that are easy to understand and explain what the changes will mean
- Work with the local and regional media to ensure this important information is highlighted to all stakeholders

Stakeholders

Council tax benefit claimants (working age)
Council tax benefit claimants (pension age)
Council tax payers/residents
Major preceptors (KCC, Fire, Police)
Other local authorities in Kent
Parish Councils
DWP, HMRC, central government
Local media
Members/Cabinet

Management Team
Staff (front line services)
Staff (all)
Porchlight, Shelter, CAB, Welfare Advice Service and other support/advice groups
Housing associations and private landlords
Vulnerable/disabled groups

Key messages

The consultation:

- We are required to review our localised system each year
- We must make sure it retains the elements required of us by central government – i.e. to encourage people of working age to return to work
- We consulted between 6th June and 29th August 2016, using all of our free channels of communication to promote the consultation widely and wrote directly to:
 - 3,000 council tax support claimants who would be directly affected by the proposals
 - 1,500 households, selected at random, who are not in receipt of council tax support, to obtain an objective view, potentially from both sides of the debate
 - The other organisations to which residents pay council tax (known as preceptors – Kent County Council, Kent Police and Crime Commissioner, Kent Fire and Rescue Service and parish councils, for those residents living in a parished area)
 - Relevant charitable organisations
 - Local housing associations

Overview of the new Ashford local scheme

- Pensioners are not affected by the change and will continue to receive similar support
- Disabled claimants receive partial protection – we remain the only authority
- *(This section is to be completed once the proposals have been considered by Cabinet members and agreed by full council)*
- *(We must be clear about where we have amended our proposed scheme as a direct result of the suggestions/comments made by respondents to the consultation)*
- *(We must be clear about why we have not been able to amend our proposed scheme – for financial reasons, for example – if we have not been able to include suggestions)*

Proposed proactive activity (with timings in brackets)

Media release (when council tax has been agreed)
Media release (in the run up to bills being issued)
Media release (when implemented)
Note in council tax bill (ahead of bills being issued in the spring of 2017)
Article in Ashford Voice (early 2017)
Article in Housing News (spring)
Promotion via council tax support web page
Promotion via social media channels
Leaflets and flyers available in reception
Information sheet for Citizen Advice Bureau/Gateway etc

Email to private sector landlords

Presentation at landlords' forum on welfare reform-related matters

Audio interview with portfolio holder/welfare reform intervention officer on our social media

Mention in weekly members' update/leaders' briefing notes/staff communication

Measures of success

Tone of voice and number of positive/negative/balanced articles

Inclusion of our key messages in the media coverage

Level of engagement on social media channels (interaction/shares etc)

Low level of contact on council tax support from those customers who are directly contacted

Agenda Item No: 10
Report To: Cabinet
Date: 8 December 2016
Report Title: Council Tax Base 2017/18
Portfolio Holder: Cllr Shorter Portfolio Holder for Finance & Budget, Resource Management and Procurement
Report Author: Jo Stocks - Senior Accountant



Summary: This Council is required to approve the tax base used to calculate the level of Council Tax for 2017/18. It is calculated with regard to the number of domestic properties (including a forecast of new properties), which are then converted to Band D equivalents.

The tax base has been calculated at 44,671.7 band D properties, an increase of 922 (or 2.11%) on the current year.

Key Decision: YES

Affected Wards: All

Recommendations: **The Cabinet be asked to:-**

1. Agree the 2017/18 'Net' tax base of 44,671.7 Band D equivalent properties
2. Agree the distribution across parished areas of the proposed grant to parish councils to help compensate for the negative impact caused by the council tax support scheme on parish council's' tax bases (see appendix D totalling £40,900).
3. Note the possibility of further Cabinet and Council decisions being required, before the end of January, should any material change in the tax base be required as a consequence of any further relevant funding announcements from government.

Policy Overview: The Council Tax base is required to be set in accordance with the Local Authorities (Calculations of Tax Base) Regulations 2012

Financial Implications: The tax base recommended will be used to calculate the level of Council Tax requirement that will be recommended to the Council on 16 February 2017.

Equalities Impact: NO – a stage 1 screening tool will need to be completed for

Assessment the budget.

Other Material Implications: None

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Report Title: Council Tax Base 2017/18

Purpose of the Report

1. To set the Council Tax Base for 2017/18

Issue to be Decided

2. The Council Tax Base for 2017/18 and its distribution across parished and un-parished areas needs to be agreed.

Background

3. By 31 January 2017 the Council as the 'billing authority' is required to notify its major precepting bodies (Kent County Council, Kent Police Authority and Kent and Medway Fire and Rescue Authority) and the parishes of the relevant council tax base for the 2017/18 financial year.

Council Tax Support

4. The current Council Tax support scheme was introduced in April 2013 to address the abolition of Council Tax Benefit, and the associated 10% funding reduction by Government (Cabinet July 2012).
5. During 2015/16, at the request of the major preceptors, a Kent wide review of the scheme took place; a number of options were considered (Cabinet 8 May 2016).
6. The detail of the final agreed scheme is elsewhere on the agenda and has been used to calculate the Council Tax Base.
7. It is necessary to consult the preceptors each year on the totality of our scheme, and we are asking members to endorse the proposal for 2017/18.

Protection for Parish Councils

8. The introduction of Council Tax Support effectively reduced the tax base for many if not all of the parish councils. If no action were taken this would have resulted in taxpayers suffering increases in their tax towards parish precepts, even in circumstances where the cash amount of precept was unchanged. Following government guidelines the council introduced a grant (a total of £82,000) that paid parish councils the equivalent of the revenue they lost due to the changes in the tax base.
9. In 2014/15 a working group of parish and borough councillors met to discuss funding of this grant and recommended that the total funding for the grant be reduced in line with government cuts to formula grant. Accordingly the grant available for parish councils is proposed to be a total of £40,900 in 2017/18 to be allocated based on the level of their precept and the Council Tax Support discounts for their parish. The proposed allocation is detailed in **Appendix D**.

The Tax Base (adjusted for various allowances)

10. The council has already submitted a tax base return to central government, which will be used in the calculation of Revenue Support Grant. This figure is 49,187 (2016/17 48,205), but is based on the number of properties on the valuation list as at 1 October 2016 and excludes provisions for new properties, Council Tax Support discounts, and allowances for non-collection.
11. The tax base calculation made in this report allows for new properties anticipated to be coming on to the Valuation List. It is forecast that 754 properties will be completed during the 18 months from October 2016 to March 2017.
12. In calculating the tax base the authority must also have regard to discounts, exemptions, non-collection and appeals. For the purposes of this calculation 0.75% has been estimated for losses on collections and appeals, this is consistent with the collection levels that are being achieved.
13. For 2017/18 the tax base has been calculated at 44,671.7 (2016/17 was 43,750) as detailed at **Appendices A, B & C**.

Implications Assessment

14. The Council Tax base is an important element of the budget setting process, estimating the number of properties upon which council tax will be levied.

Handling

15. Once agreed by the Council the tax base will be notified to the County Council, Kent Police, Kent and Medway Fire Authority and the Parish Councils.

Conclusion

16. The 2017/18 tax base is slightly higher than assumptions within the Financial Strategy and the calculation results in a tax base of 44,671.7 band D equivalent properties. This will be used in the detailed budget and council tax setting calculations.

Portfolio Holder's Views

17. To be given at the meeting

Contact: Jo Stocks

Email: jo.stocks@ashford.gov.uk

TAX BASE 2017/18
BAND D EQUIVALENTS

BAND		A	B	C	D	E	F	G	H	TOTAL
PARISH										
Aldington and Bonnington	0.00	17.38	10.34	118.19	94.69	80.93	123.57	150.84	3.00	598.94
Appledore	0.00	5.84	9.11	51.19	79.53	48.15	70.81	74.59	2.00	341.21
Bethersden	0.00	21.82	45.43	53.66	94.35	144.18	112.80	223.04	12.50	707.79
Biddenden	0.56	76.25	26.93	182.61	102.21	175.94	208.98	310.55	20.00	1,104.01
Bilsington	0.00	6.75	3.50	10.67	18.53	24.06	36.83	46.38	0.00	146.72
Boughton Aluph and Eastwell	0.00	8.50	71.13	106.79	228.36	262.60	273.04	117.08	8.00	1,075.50
Brabourne	0.00	3.87	17.40	50.24	130.18	168.04	134.33	88.00	9.50	601.57
Brook	0.00	2.17	0.78	3.33	19.25	59.27	39.72	31.67	0.00	156.19
Challock	0.00	4.33	5.50	32.45	86.84	86.48	132.24	100.97	7.50	456.32
Charing	0.42	69.68	94.99	185.79	198.52	221.72	261.17	275.75	8.00	1,316.04
Chilham	0.28	6.36	36.70	103.09	154.28	172.37	119.54	138.75	20.50	751.86
Crundale (PM)	0.00	1.33	2.53	5.78	11.75	15.28	19.86	35.83	1.50	93.86
Egerton	0.00	7.58	20.86	32.73	81.95	96.37	131.50	130.00	4.00	504.99
Godmersham	0.00	-0.33	5.07	16.27	28.04	59.02	28.53	33.33	4.00	173.92
Great Chart with Singleton	0.00	92.28	364.73	637.72	707.62	344.50	182.29	99.76	4.00	2,432.90
Hastingleigh	0.00	3.00	2.14	4.89	25.32	10.39	35.72	29.58	4.00	115.04
High Halden	0.00	69.59	18.94	151.51	55.71	93.75	141.48	185.00	5.50	721.50
Hothfield	1.39	10.33	69.14	61.89	25.99	28.17	22.03	42.08	5.00	266.01
Kenardington	0.00	3.33	0.78	22.31	7.99	20.78	16.98	32.50	3.50	108.16
Kingsnorth	0.00	7.72	272.72	820.93	1,062.10	1,093.11	1,098.60	111.09	2.00	4,468.27
Little Chart	0.00	5.04	3.05	12.00	20.50	17.11	17.31	49.72	5.00	129.74
Mersham and Sevington	0.00	5.83	21.26	75.67	122.21	185.21	200.90	127.51	7.50	746.09
Molash	0.00	1.83	3.89	9.24	18.55	17.72	16.98	36.67	4.00	108.88
Newenden	0.00	0.00	1.09	13.44	17.25	14.36	22.19	32.41	2.00	102.74
Orlestone	0.00	3.17	26.20	186.16	137.37	56.14	151.67	39.04	2.00	601.76
Pluckley	0.00	9.17	12.16	67.52	66.40	61.40	96.16	163.46	3.00	479.28
Rolvenden	0.00	6.68	14.93	133.26	108.73	122.33	105.45	163.75	31.00	686.15
Ruckinge	0.00	10.67	5.06	24.45	30.11	96.00	103.09	66.60	2.00	337.98
Shadoxhurst	0.00	15.83	17.16	70.70	78.11	158.08	158.60	48.75	0.00	547.23
Smarden	0.00	11.26	22.28	60.79	82.13	80.28	114.25	252.92	21.50	645.40
Smeeth	0.00	6.00	11.81	66.79	58.51	96.70	60.56	57.92	4.50	362.79
Stanhope	0.00	121.84	532.74	118.30	4.74	3.00	0.00	0.00	2.00	782.62

Stone	0.00	4.87	3.89	29.71	25.98	25.59	36.82	72.92	3.50	203.28
Tenterden (TC)	0.42	29.36	124.61	528.54	712.23	742.29	756.51	616.68	50.00	3,560.64
Warehorne	0.00	3.50	6.03	23.34	29.31	39.45	28.50	44.05	2.00	176.18
Westwell	0.00	10.17	10.90	27.16	60.21	83.11	53.81	74.17	7.50	327.03
Wittersham	0.00	6.27	17.88	87.62	52.93	123.33	85.59	141.29	18.50	533.40
Woodchurch	0.56	88.93	16.37	104.93	141.41	112.83	159.43	208.60	8.00	841.06
Wye with Hinxhill	0.00	33.45	83.29	152.67	208.77	169.67	223.69	142.92	18.00	1,032.45
Unparished Area	0.97	941.65	4,873.27	4,794.66	2,573.76	1,637.67	1,487.07	267.50	8.00	16,584.56
	4.58	1,733.33	6,886.57	9,238.99	7,762.41	7,047.39	7,068.59	4,863.68	324.50	44,930.05
Contributions in Lieu					78.60					78.60
Less 1% Provision	0.00	(13.00)	(51.60)	(69.30)	(58.28)	(52.90)	(53.00)	(36.50)	(2.40)	(336.98)
	4.58	1,720.33	6,834.97	9,169.69	7,782.73	6,994.49	7,015.59	4,827.18	322.10	44,671.67

ANALYSIS OF PROPERTIES FOR WHOLE AUTHORITY 2017/18

		A No.	B No.	C No.	D No.	E No.	F No.	G No.	H No.	TOTAL No.
Total Chargeable Dwellings	12	3,994	12,379	12,483	8,693	6,346	5,219	3,077	173	52,376
Of which:										
Full Charge	3	1,808	7,404	8,455	6,349	4,955	4,323	2,602	143	36,042
Class C	0	19	62	38	27	15	3	6	0	170
Discount	3	2,033	4,669	3,763	2,134	1,265	803	381	19	15,070
Discount (Disregard Disc)	6	6	6	9	14	6	15	18	2	82
Discount on 2nd Homes	0	81	104	104	90	64	49	48	8	548
Full Charge on LT Empties	0	37	118	99	60	35	19	16	1	383
Premium on LT Empties	0	11	17	15	20	6	8	6	0	81
Total number of Properties	12	3,994	12,379	12,483	8,693	6,346	5,219	3,077	173	52,376
Total Equivalent Number - CTB1	5	2,282	8,629	10,174	8,081	7,309	7,198	4,905	327	48,910
Adjust for Council Tax Support	0	(612)	(1,717)	(1,165)	(493)	(236)	(115)	(30)	0	(4,368)
New Properties	0	111	22	273	252	0	0	0	0	658
Exemptions Factor	0	(48)	(48)	(44)	(77)	(26)	(14)	(11)	(2)	270
Adjusted Band D equivalents	5	1,733	6,886	9,238	7,763	7,047	7,069	4,864	325	44,930
Contributions in Lieu	0	0	0	0	79	0	0	0	0	79
Losses In Collection	0	(13)	(51)	(70)	(59)	(52)	(53)	(37)	(2)	(337)
Tax base	5	1,720	6,835	9,168	7,783	6,995	7,016	4,827	323	44,672

TAX BASE 2017/18
LOCAL TAX BASE (WHOLE/PART AREAS)

LOCAL TAX BASE 2016/2017	WHOLE AREA	BAND D EQUIVALENT	NEW OCCUPATIONS	1.0% PROVISION	Less discounts Council Tax Support	LOCAL TAX BASE 2017/18
		47,891.60	680.00	(440.40)	(4,381.20)	43,750.00
	<u>PARISH</u>					
579.80	Aldington & Bonnington	606.44	34.89	(4.49)	(42.39)	594.45
321.80	Appledore	381.78	0.89	(2.56)	(41.46)	338.65
701.50	Bethersden	767.14	4.67	(5.31)	(64.01)	702.48
1,086.90	Biddenden	1,178.50	2.78	(8.28)	(77.26)	1,095.73
147.90	Bilsington	156.94	0.00	(1.10)	(10.22)	145.62
1,043.90	Boughton Aluph and Eastwell	1,132.22	0.89	(8.07)	(57.61)	1,067.44
590.10	Brabourne	621.53	1.89	(4.51)	(21.85)	597.06
152.20	Brook	156.97	0.89	(1.17)	(1.67)	155.02
405.40	Challock	445.06	23.56	(3.42)	(12.29)	452.89
1,258.30	Charing	1,397.92	45.22	(9.87)	(127.10)	1,306.17
740.50	Chilham	813.11	9.44	(5.64)	(70.70)	746.22
92.50	Crundale (PM)	94.78	0.00	(0.70)	(0.91)	93.16
502.70	Egerton	525.81	0.89	(3.79)	(21.71)	501.20
176.40	Godmersham	177.56	0.00	(1.30)	(3.63)	172.62
2,420.20	Great Chart with Singleton	2,636.83	1.89	(18.25)	(205.82)	2,414.65
114.70	Hastingleigh	119.25	0.00	(0.86)	(4.21)	114.17
715.50	High Halden	771.19	4.67	(5.41)	(54.36)	716.09
287.10	Hothfield	334.69	0.00	(2.00)	(68.68)	264.02
106.10	Kenardington	116.53	0.89	(0.81)	(9.26)	107.35
4,334.50	Kingsnorth	4,575.81	109.56	(33.51)	(217.09)	4,434.76
123.70	Little Chart	131.81	0.89	(0.97)	(2.96)	128.76
637.1	Mersham and Sevington	752.61	25.44	(5.60)	(31.97)	740.49
103.8	Molash	117.14	0.89	(0.82)	(9.14)	108.07
103.2	Newenden	106.44	0.89	(0.77)	(4.60)	101.97
559.9	Orlestone	639.36	8.44	(4.51)	(46.04)	597.25

468.8	Pluckley	510.28	3.78	(3.59)	(34.77)	475.69
679.1	Rolvenden	728.89	14.11	(5.15)	(56.85)	681.00
317.7	Ruckinge	345.28	4.67	(2.53)	(11.97)	335.44
497.5	Shadoxhurst	543.25	38.67	(4.10)	(34.68)	543.13
620.5	Smarden	659.06	24.56	(4.84)	(38.22)	640.56
357	Smeeth	389.72	0.89	(2.72)	(27.83)	360.06
782.5	Stanhope	1,032.72	5.67	(5.87)	(255.77)	776.75
200.6	Stone	221.11	0.00	(1.52)	(17.83)	201.76
3438.5	Tenterden (TC)	3,774.56	58.44	(26.70)	(272.36)	3,533.93
176.7	Warehorne	180.47	0.00	(1.32)	(4.29)	174.86
319.5	Westwell	340.83	2.78	(2.45)	(16.58)	324.58
525.3	Wittersham	584.83	0.00	(4.00)	(51.44)	529.40
829.7	Woodchurch	896.00	4.67	(6.31)	(59.61)	834.75
1045.3	Wye with Hinxhill	1,116.78	10.33	(7.74)	(94.67)	1,024.70
16,185.60	Unparished Area	18,637.71	209.89	(124.38)	(2,184.44)	16,538.78
43,750.00		48,718.91	658.00	(336.98)	(4,368.26)	44,671.67

Proposed allocation of CTS grant

Parish	Discounts for Council Tax Support (Band D Equivalents)	Proposed Council Tax Support Grant 2017/18 £
Aldington & Bonnington	(42.39)	790.00
Appledore	(41.46)	780.00
Bethersden	(64.01)	1,200.00
Biddenden	(77.26)	1,450.00
Bilsington	(10.22)	190.00
Boughton Aluph and Eastwell	(57.61)	1,080.00
Brabourne	(21.85)	410.00
Brook	(1.67)	30.00
Challock	(12.29)	230.00
Charing	(127.10)	2,380.00
Chilham	(70.70)	1,320.00
Crundale (PM)	(0.91)	20.00
Egerton	(21.71)	410.00
Godmersham	(3.63)	70.00
Great Chart with Singleton	(205.82)	3,850.00
Hastingleigh	(4.21)	80.00
High Halden	(54.36)	1,020.00
Hothfield	(68.68)	1,290.00
Kenardington	(9.26)	170.00
Kingsnorth	(217.09)	4,070.00
Little Chart	(2.96)	60.00
Mersham and Sevington	(31.97)	600.00
Molash	(9.14)	170.00
Newenden	(4.60)	90.00
Orlestone	(46.04)	860.00
Pluckley	(34.77)	650.00
Rolvenden	(56.85)	1,060.00
Ruckinge	(11.97)	220.00
Shadoxhurst	(34.68)	650.00
Smarden	(38.22)	720.00
Smeeth	(27.83)	520.00
Stanhope	(255.77)	4,790.00
Stone	(17.83)	330.00
Tenterden (TC)	(272.36)	5,100.00
Warehorne	(4.29)	80.00
Westwell	(16.58)	310.00
Wittersham	(51.44)	960.00
Woodchurch	(59.61)	1,120.00
Wye with Hinxhill	(94.67)	1,770.00
	2,183.81	40,900.00

Trading and Enterprise Board

Minutes of a Meeting of the Trading and Enterprise Board held in Committee Room No. 1 (Fougères Room), Civic Centre, Tannery Lane, Ashford on the **7th November 2016**.

Present:

Cllr. Bell (Chairman);

Cllrs. Bennett, Galpin

Apologies:

Cllrs. Shorter, Powell

Also Present:

Head of Finance (in his capacity as the Council's Section 151 Officer), Head of Development Delivery (in his capacity as Director of A Better Choice for Building Consultancy Limited), Commercial, Development and Regeneration Officer (representing both Companies), Economic Development Manager (in his capacity as Director of A Better Choice for Building Consultancy Limited), Accountancy Manager (in her capacity as Director of A Better Choice for Property Limited), Senior Accountant (ABC Accountant) , Accountant (Company Accountant for both Companies), Audit Manager, Senior Auditor, Member Services Manager.

Tom Slaughter – Grant Thornton Engagement Manager.

184 Minutes

Resolved:

That the Minutes of the meeting of the Board held on the 9th May 2016 be approved and confirmed as a correct record.

185 Appointment of Auditors

The report asked the Board to approve the appointment of Grant Thornton for the financial year 2016/17.

Resolved:

That the appointment of Grant Thornton as the Auditors of both Companies for the financial year 2016/17 be approved.

186 Final Audit of Financial Statements for the Year Ended 31st March 2016 – A Better Choice for Property Limited and A Better Choice for Building Consultancy Limited

The report presented the Draft Financial Statements for the Companies for the period 2015/2016.

In terms of the Property Company, the report also highlighted performance against key financial covenants and explained why the Company had breached one of the two covenants during the year. Tabled at the meeting was a report which highlighted the final adjustments to the financial statements which had been published as part of the agenda papers. The amendments did not affect the main financial statements for either Company.

The Head of Finance gave details of the breach in terms of one of the loan covenants and explained that steps would be put in place to monitor the work to rectify the breaches. The Council had received income in the region of £100,000 from loan payments the Company had made. The Head of Finance acknowledged the knock-on effect this had had on the profitability of the Company.

In terms of the Better Choice for Building Consultancy Company, the Head of Finance advised that the report presented a more straightforward trading account and he drew attention to the question set out within paragraph 7 of the report in that the Directors of the Company should be questioned on any aspects of the Director's report, in particular as to whether the Company would be in a position to pay a dividend to the Council.

The Head of Development Delivery advised that the loss of a key member of staff would affect progress in terms of the development of the Company and that until that situation was rectified he was not in a position to advise when a dividend would be paid.

With reference to the Property Company report, a Member considered that it was important for members of the Trading and Enterprise Board to have clear and regular information in terms of the Company's performance. The Accountancy Manager confirmed that work was in hand to develop the production of bi-monthly reports on performance and would also provide more information generally on the overall effectiveness of the Company.

Tom Slaughter, Grant Thornton's Engagement Manager advised that the audit of the two Companies had now been completed and they had issued an unqualified opinion on both accounts. He advised there had been minor issues which had taken time to resolve. For Building Control these issues largely centred upon tightening up the year-end procedures. He advised that the Audit fee for Building Control was £6,500 which was £500 more than the original estimate which was due to the additional testing required as a result of resolving the minor issues.

In terms of the Property Company he advised that adjustments had been necessary in terms of revenue as a gap had been identified on the ABC rent system. He also

advised that at the year end, large balances had been netted off. In terms of the two breaches, he advised that one was the Companies not making interest payments to the Council on the set dates and the other one related to the debt to investment covenant. He advised that the Audit fee for the Property Company was £10,000 plus VAT.

The Accountant confirmed that matters associated with resources at year end had been resolved and an appropriate payment process had been put in place.

In response to a question about the Property Company, the Accountancy Manager confirmed that any growth would need to be considered alongside the provision of additional resources.

Resolved:

- That
- (i) **the 2015/2016 Financial Statements for A Better Choice for Property be noted.**
 - (ii) **the Company's position against its financial covenants be noted.**
 - (iii) **the Council's financial benefits from A Better Choice for Property be noted.**
 - (iv) **the 2015/2016 Financial Statements for A Better Choice for Building Consultancy be noted.**
 - (v) **it be noted that no dividend was proposed from the Better Choice for Building Consultancy Limited for 2015/2016.**

Recommended:

That no action be taken by the Council in response to the breach of the debt to the cash flow covenant by the Better Choice for Property Company and that this would be the position for the next 18 months.

187 Exclusion of the Public

Resolved:

That pursuant to Section 100A(4) of the Local Government Act 1972 as amended the public be excluded from the meeting during consideration of the following item, namely, Financial Statements and Unaudited Accounts for the First Six Months – 2016/17, as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public were present there would be disclosure of exempt information hereinafter specified by reference to Paragraph 3 of Schedule 12A of the Act.

188 Financial Statements and Unaudited Accounts for the First Six Months – 2016/17

The report asked the Board to note the financial performance of the Companies for the period 1st April 2016 to 30th September 2016.

Resolved:

That the Financial Statements and Unaudited Accounts for the Companies for the first six months of 2016/17 be noted.

(KRF/AEH)

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Local Plan & Planning Policy Task Group

Notes of a Meeting of the Local Plan & Planning Policy Task Group held on the 6th October 2016.

Present:

Cllr. Clarkson (Chairman);
Cllr. Bennett (Vice-Chairman);

Cllrs. Mrs Blanford, Clokie, Galpin, Heyes, Michael, Shorter.

Apologies:

Cllrs. Bradford, Chilton, Wedgbury.

Also Present:

Cllrs. Burgess, Dehnel, Hicks, Knowles, Krause, Link, Smith.

Simon Cole – Head of Planning Policy and Economic Development; Richard Alderton – Director of Development; Ian Grundy (IG) – Principal Policy Planner; Ashley Taylor (AT) – Principal Policy Planner; Daniel Carter (DC) – Principal Policy Planner; Jeremy Baker – Principal Solicitor (Strategic Development); David Jeffrey – Housing Enabling Officer; Rosie Reid - Member Services & Ombudsman Complaints Officer.

1 Declarations of Interest

- 1.1 Cllr. Bennett made a Voluntary Announcement as he was a member of the Tenterden & District Residents' Association and the Weald of Kent Protection Society.
- 1.2 Cllr. Mrs Blanford made a Voluntary Announcement as she was a member of the Weald of Kent Protection Society and the Campaign to Protect Rural England.
- 1.3 Cllr. Clarkson made a Voluntary Announcement as he was a member of the Weald of Kent Protection Society and the Chairman of A Better Choice for Property Ltd. He also made a Voluntary Announcement that he was the Ward Member for Charing, a village that may be affected by debate on the Local Plan to 2030.
- 1.4 Cllr. Clokie made a Voluntary Announcement as he was a member of the Tenterden & District Residents' Association and the Weald of Kent Protection Society.
- 1.5 Cllr. Michael made a Voluntary announcement as he was a Member of the Weald of Kent Protection Society.
- 1.6 Cllr. Shorter made a Voluntary Announcement as he was a tenant farmer of some of the Council's land.

- 1.7 Cllr. Smith made a Voluntary Announcement as he was the Treasurer of the SWAN Community Group.

2 Notes of the Local Plan and Planning Policy Task Group Meeting held on 1st September 2016

- 2.1 The Task Group Members agreed that the Notes of the Local Plan and Planning Policy Task Group Meeting held on 1st September 2016 were an accurate record.

3 Local Plan to 2030 – Establishing a final housing target and overall allocations strategy

- 3.1 The Head of Planning Policy and Economic Development introduced this item with a presentation, which covered:

- Housing requirement numbers in the current draft Local Plan to 2030;
- Housing requirement numbers proposed in a revised target;
- Position on 5 year housing land supply.

- 3.2 The Chairman opened up the item for discussion, and the following points were raised:

- Members considered that it was imperative to establish a 5 year land supply so the Council would be better placed to defend any appeals with the Planning Inspectorate. The Head of Planning Policy and Economic Development said new development allocations would need to be on sites that could be delivered within the 5 year period and the challenge was to find sites which were acceptable to Members and residents, and which could realistically be delivered within 5 years. The number of new homes required was just one factor in the equation, but the ability to bring suitable sites forward quickly was also a critical consideration. The Chairman clarified that although there was currently a shortfall in land supply, the 5 year housing land supply figures quoted included the 20% buffer that national planning policy required of local authorities that had persistently not met the required annual housing supply target in house completions.
- The Chairman considered that there may be scope for some development on the outskirts of the town centre, and this possibility should be investigated further. He cited the new Bluebells development as an example of a well-placed development which did not impinge upon either rural areas or the town centre.
- A Member said that with regard to revisiting sites which had been put forward, it would be helpful to have advance knowledge of the modified criteria which would be applied. Another Member pointed out that there was a new tranche of sites which had not yet been through the initial sifting process. The Head of Planning Policy and Economic Development clarified that a number of housing sites had been put forward by developers during the Local Plan consultation phase. A

number of these sites had not been submitted during the Call for Sites exercise, and some were sites which had been previously considered, but had not been included in the Plan up to this point. The brand new sites would need to be assessed from scratch. Other previously-assessed sites would have to be reviewed against any modified criteria.

- Members recognised the need to protect villages to some extent, but considered that some villages with established infrastructure and services may be able to absorb further limited development. However, sites around the town would be more suitable and could accommodate more development, provided it was carefully designed.
- In response to a question, the Head of Planning Policy and Economic Development confirmed that the land supply requirement was based on an annualised division of what the Council should be delivering across the Plan period. He also explained that government advice suggested that the Council should review the land supply situation on at least an annual basis. It could be reviewed on a more regular basis, but the Council would need to consider what review period was most beneficial. The Director of Development added that a developer had the opportunity to question the Council's 5 year land supply at any time.
- Members were reluctant to reconsider housing density on allocated sites in rural areas. They considered that this went against the Council's declared philosophy and was highly undesirable. The Head of Planning Policy and Economic Development said he was not proposing development below the agreed internal and external residential space standards. Rather, there may be scope to change the mix of dwelling types on sites, so that the density was increased without sacrificing space standards.
- One Member said the Council should make a commitment to support residents in villages where development was proposed on a larger scale than supported by the Council.
- There was some discussion about the merits of different modelling systems, including the system currently used by the Council. The Head of Planning Policy and Economic Development explained that he was confident of the current methodology and that the Council should continue to base its position on this evidence. The Director of Development advised that Government guidance had changed, and the Council continued to follow latest guidelines. The reality was that all planning authorities were failing to meet housing requirements due to complex factors. One Member pointed out that the build rate was very largely affected by developers, and the Government was currently considering means to sanction developers who were land-banking. It was agreed, by a majority, that an exercise would be undertaken to test the Council's current methodology and outcome. The Head of Planning Policy and Economic Development agreed to discuss a brief

with the Chairman and Task Group Members before engaging a consultant.

- In the meantime, Members agreed to consider the new sites which had been proposed. The Director of Development clarified that there were two objectives to this: firstly, to address the shortfall to 2030; and secondly, to find as many allocations as possible which were deliverable quickly. The Chairman also asked Officers to consider how best to encourage developers to move forward with development and discourage delays.
- The Head of Planning Policy and Economic Development pointed out the updated SHMA work was suggesting that an increase in the housing target for the Local Plan to 2030 would be needed. A Member noted that in due course the constraints of the M20 junction 10 would fall away which would allow some of the pre-existing identified sites to become deliverable. In response to a question, the Head of Planning Policy and Economic Development said that there would not necessarily be more demand on the Council to provide housing following the development of J10a. This would be a primary concern for the next Plan. The current Plan was more concerned with what could be delivered before J10a was in place and how quickly J10a would allow pre-planned development finally to come forward. J10a would be an important aspect in how the Council met any revised housing target.
- The Head of Planning Policy and Economic Development considered that a large number of any additional dwelling requirement could be built on sites around the edge of Ashford. However, his concern about such an approach was that it may not help the 5 year land supply issue if such sites were constrained by J10 for several years. He also questioned whether the Ashford housing market would be big enough to deliver even more dwellings per year on its own, without additional help from the rural areas where housing delivery has been strong and consistent. He advised that, on the basis of lessons learned from the recent Tilden Gill Road appeal decision in Tenterden and other similar appeal decisions across the country, the Planning Inspectorate was more likely to support housing proposals in the more sustainable rural settlements. Consequently, there should be some assessment of their potential for additional development. However, no development should be allocated to any settlement which would fundamentally change the character of that settlement. The Head of Planning Policy and Economic Development drew Members' attention to the Recommendation that independent advice should be sought to consider the effects of making additional housing allocations in Tenterden, Hamstreet and Charing. Members discussed this suggestion and ultimately agreed, by a majority, the Recommendations in the report.
- The Head of Planning Policy and Economic Development closed this item with details of the provisional Local Plan timetable, which he proposed to update at each forthcoming meeting.

Resolved:

The Local Plan and Planning Policy Task Group agreed the following:

- (i) that the Head of Planning Policy and Economic Development develop and agree a brief, before engaging a consultant to test the Council's current methodology and outcome.**

In accordance with Procedure Rule 15.5, Councillor Mrs Blanford requested that her vote against the above be recorded.

- (ii) subject to (i) above, that the Head of Planning Policy and Economic Development would establish a revised Local Plan housing target based on the following principles:**
- a) Meeting the revised OAHN target plus the allowance for additional net migration from London from 2017;**
 - b) Commission further study work to consider the effects of making additional housing allocations in Tenterden, Hamstreet and Charing;**
 - c) Subject to (b) above, review omission site representations and previously shortlisted sites in all parts of the Borough;**
 - d) Review housing mix assumptions on all draft allocated sites in light of the household mix information in the SHMA.**

In accordance with Procedure Rule 15.5, Councillor Clarkson requested that his vote against Resolution (ii) b) be recorded.

4 Dates of Next Meetings

4.1	10 th November	2pm	Council Chamber
	25 th November	10am	Council Chamber
	22 nd December	2pm	Council Chamber

Councillor Clarkson (Chairman)
Local Plan & Planning Policy Task Group

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NOTES OF THE ECONOMIC REGENERATION & INVESTMENT BOARD

27th July 2016

Attending: Cllr Clarkson (Chair)
Cllr Galpin
Cllr Ovenden
Cllr Shorter

Paul Naylor (PN)
Steve Parish (SP)
Richard Alderton (RA)
Dean Spurrell (DS)
Maria Hadfield (MH)
Stewart Smith (SS)
Paul Courtine (PC)
Charlotte Hammersley (CH)
Paul McKenner (PMcK)
Rosie Reid (RR) – minutes

Apologies: Tracey Kerly
Ben Lockwood
Maria Seddon

<p>1. Introduction by Chairman</p> <p>The Chairman welcomed everyone to the meeting of the Economic Regeneration and Investment Board. He explained that the current Board arrangements had some deficiencies in terms of functionality and that a more formal committee format was proposed (under agenda item 4). The membership of the Economic Regeneration and Investment Committee would be politically balanced and made up of 6 nominated Members, including the Leader of the Council as well as the Leaders of the two largest opposition groups. The Committee would also be open to public attendance.</p>	
<p>2. Declarations of Interest</p> <p>Cllr Galpin made a Voluntary Announcement as he was a Trustee of Ashford Access.</p> <p>Cllr Ovenden made a Voluntary Announcement as his business premises were directly opposite the new Grounds Maintenance depot.</p>	
<p>3. Notes of the Meeting held on 24th February 2016</p> <p>The Notes of the Meeting held on 24th February 2016 were agreed as a</p>	

correct record.

4. Report to Selection and Constitutional Review Committee

Members agreed that the Terms of Reference were short and concise, but gave the Committee latitude to move projects forward where necessary.

It was noted that the report would be submitted to Selection & Constitutional Review Committee, followed by Cabinet and full Council in October.

5. Corporate Delivery Plan and Monitoring Presentation

CH gave a presentation on the draft corporate delivery programme, which covered:

- the current position for existing and upcoming projects endorsed informally by Cabinet;
- objectives going forward;
- Covalent software;
- programme monitoring processes by the Committee and Cabinet;
- outcomes.

Cllr Shorter requested that any corporate delivery plan reports to Cabinet should be kept separate from other quarterly performance reports, so they did not get overlooked. PMcK responded that the corporate delivery plan reports should be part of the budget monitoring process as they were tied to the budget setting process. Cllr Shorter said it was important to ensure that the services delivered accurate resourcing estimates as part of this process. CH said that the installation of the new project monitoring system, Covalent, would help to identify when there were log jams in developing corporate projects so the schedules could be adjusted accordingly.

There was some discussion about the importance on not spending too much time and energy on assessing risk, but it was also argued that accurate estimates facilitated sound judgement on whether or not a project was viable. It was agreed that it was important to be reactive to opportunities that arose which did not compromise the overall delivery plan.

In answer to a question, CH confirmed that there was no detailed monitoring of projects outside of the Council's control.

Members were pleased with the new draft delivery programme and monitoring proposals and considered that they presented a better organisational approach to corporate projects.

<p>6. Elwick Road</p> <p>PMcK gave an update on the progress of this project. Members noted a current delay, which PMcK was working to resolve before entering into the formal contract with the developer.</p>	
<p>7. Conningbrook</p> <p>SP gave an update on this item, which covered:</p> <ul style="list-style-type: none"> - the sale of the housing development land; - the details of the Conningbrook Commercial Agreement; - the pub operator offer; - the potential purchase of the KCC Landscape Services Depot; - the future of Conningbrook Barn, Manor and Cottage; - Conningbrook Master Planning; - Conningbrook Park emergency repairs and temporary facilities. <p>Members were particularly keen to see improvements made to the access road to the lake facilities, as the temporary arrangements had proved unsatisfactory. In particular, better provision must be made for safe disabled access.</p> <p>In response to a question, the Leader confirmed that KCC had indicated they planned to upgrade the pinchpoint on the Willesborough Road in this year's road improvements programme.</p>	
<p>8. The Commercial Quarter</p> <p>SP reported that the Dover Place phase had now been approved by Planning Committee and Cabinet. Hoardings were due to be put up next week, when the marketing operation would also begin. It was estimated that work would commence on site in 6 – 8 weeks' time. SP confirmed that the Council would be monitoring progress.</p> <p>In response to a question, SP said that improvements to Dover Place Road were included in the delivery programme but there was a lack of funding at present to move the project forward.</p> <p>Members congratulated the Marketing and Communications Team for the work they had done so far on promoting the Commercial Quarter.</p>	
<p>9. LEP bid</p> <p>RA introduced this item. He explained that the Council had two prioritised submissions for LGP 3 funding. The bid for Ashford Spurs was second or third in priority in the Kent bid and the likelihood of funding was very strong. The bid for the Town Centre Regeneration Project was 12th in priority.</p>	

<p>10. Grounds Maintenance Depot</p> <p>PMcK advised that Planning Committee had now granted planning permission for the grounds maintenance depot in Carlton Road. Enabling works had commenced with a handover date due at the end of the month. It was planned to complete works by the end of August and to be fully operational in October. PMcK said this project had been achieved in an effective and timely fashion, and that it had been a pleasure dealing with the contractor.</p> <p>SP said that any complaints regarding the ground works should be directed to him.</p>	
<p>11. New emerging sites within the Town Centre and expansion of industrial units on the Carlton Road site</p> <p>PMcK advised that talks were underway with the owners of the 12 industrial units, and due diligence would be undertaken in due course. It would be necessary to decide whether these assets should sit within the Council's Property Company or the General Fund.</p> <p>PMcK proposed that when windfall sites and unexpected opportunities became available, they would be submitted for discussion at the Committee. Due diligence would be undertaken afterwards, if necessary.</p> <p>SP advised that action would take place quickly on demolishing the Vicarage Lane and Hothfield toilets, and work on the Business Hub to replace the Youth Theatre would commence in September.</p>	
<p>12. Date of Next Meetings, <u>all at 2pm</u></p> <p>24th August 2016 28th Sept 2016 26th Oct 2016 23rd Nov 2016 21st Dec 2016</p>	

Post Meeting Note: As this meeting will be a Sub-Committee of the Council in the future, Officers are reminded of the need to issue formal reports in accordance with the Council's Constitution and any confidential papers will have to be properly recorded as such.

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NOTES OF THE ECONOMIC REGENERATION & INVESTMENT BOARD

26th October 2016

- Attending:** Cllr Clarkson (Chair)
Cllr Galpin
Cllr Shorter
- Tracey Kerly (TK)
Richard Alderton (RA)
Dean Spurrell (DS)
Maria Seddon (MS)
Stewart Smith (SS)
Andrew Osborne (AO)
Paul McKenner (PMcK)
Rosie Reid (RR) – minutes
- Apologies:** Cllr Ovenden
Ben Lockwood
Steve Parish

<p>1. Declarations of Interest</p> <p>Cllr Clarkson made a Voluntary Announcement as he was a Director of a Better Choice for Property Ltd.</p> <p>Cllr Shorter made a Voluntary Announcement as he was a Director of Kent Play Clubs and A Better Choice for Building Consultancy Ltd.</p> <p>TK, MS and PMcK made Voluntary Announcements as they were Directors of A Better Choice for Property Ltd.</p> <p>TK and AO made Voluntary Announcements as they were Directors of A Better Choice for Building Consultancy Ltd.</p>	
<p>2. Minutes of the previous meeting</p> <p>The Minutes of the previous meeting of the Town Centre Regeneration Board on 27th July 2016 were agreed as a correct record.</p>	
<p>3. Conningbrook</p> <p><u>Sale of Housing Development Land:</u> PMcK advised that an offer had been received for the land from a joint venture between a major Registered Social Landlord (RSL) and SE based Housebuilder. The various parties were nearing completion of the final agreement, with payment proposed over stages as the development progressed. Section 106 contributions would be ear-marked for use towards work on the</p>	

<p>Country Park. A Member commented that the Julie Rose Stadium required some improvements, particularly in preparation for an event proposed at the Stadium in July 2017.</p> <p><u>Pub Operator Offer</u>: PMcK advised that there had been no further activity regarding a pub operator since the last meeting. The operator in question was still interested but was waiting until the Council could provide the required utility services before taking any further action.</p> <p><u>KCC Landscape Services Depot</u>: PMcK explained that KCC would entertain an offer to lease the land, but did not wish to sell it. Members agreed that the Council should secure as long a lease as possible to facilitate development plans in the area.</p> <p><u>Conningbrook Barn, Manor and Cottage</u>: Members instructed officers not to proceed with delisting the Barn building.</p> <p><u>Conningbrook Master Planning</u>: PMcK advised that a Master Planning session had been held with key stakeholders, and the resulting proposals would be presented to the next meeting of the Board in November.</p> <p>A Member asked about the status of the project to upgrade the pinchpoint on Willesborough Road. RA agreed to check on the progress and report back.</p>	<p>PMcK</p> <p>PMcK</p> <p>SP</p> <p>RA</p>
<p>4. Commercial Quarter</p> <p>SS advised that the exchange of contracts would go ahead next week, and the developer would be onsite immediately afterwards. Funding was in place and several tenants were ready to sign lease agreements. There was confidence that all other leases would be filled in due course.</p> <p>Regarding the Island Site, the developer would be meeting with the Council in January. The tenants had been asked to vacate the properties, and would be required to move any containers by early January at the latest, prior to demolition commencing. SS agreed to obtain demolition and clear-up quotes for this work.</p>	<p>SS</p>
<p>5. Elwick Place</p> <p>PMcK advised that the delegated group of Members and officers had met and considered the due diligence reports. The group agreed to proceed with the proposal, subject to finalisation of the legal agreements, to be signed off by Cabinet in November. Work was due to start on site in early 2017, although that date was predicated on the developer signing in a timely fashion. Early indications were that the level of interest was high from potential A3 users. It was noted that there had been some delays in progressing the project, and TK suggested that a review of the project was needed to capture lessons learned and areas for future improvement.</p>	<p>PMcK</p>

<p>6. Start up units</p> <p>SS introduced this item. He explained that the report set out proposals for a commercial opportunity to establish a business park for small to medium sized industrial units. There was some discussion about the need for better access onto the A28, and AO advised that access improvement works were in the pipeline.</p> <p>Resolved:</p> <p>That the Economic Regeneration and Investment Board:</p> <ul style="list-style-type: none"> i) Agreed that officers should continue in their discussions with the owner of the site; ii) Approved the expenditure of up to £20,000 for officers to start undertaking the due diligence. 	
<p>7. LEP Bid for Local Growth Fund round 3 – oral update from Andrew Osborne</p> <p>AO advised that the Ashford Spurs project was number 2 on the LEP list, with the Ashford Town Centre Transportation project at number 21. Members agreed that any necessary work should be undertaken to increase the Council's bid, where possible.</p>	
<p>8. Future Reports/Forward Plan</p> <p>One Member said he and two officers had recently visited Sevenoaks District Council to give a presentation to their O&S Investment Group on how Ashford Borough Council were preparing for the removal of the revenue grant by Government, as well as progress on the Big 8 projects. The feedback from Sevenoaks was extremely positive, and they expressed their admiration of the Council's current delivery and ambitions for the future. They particularly noted the volume of delivery undertaken by a relatively small team.</p> <p>The Prince of Wales pub had been delisted and the owner was now considering demolition, and it was expected this would be done by Christmas. There had been discussions about replacement proposals, and it was possible the site would be the subject of a Development Brief in due course.</p> <p>There was some discussion about the Big 8. It was agreed that the new college should remain on the list until after it opened in September 2017. It was also considered that the Ashford Spurs project should remain a priority project. Members considered that there should be an item on the agenda at the next meeting on handling techniques for the Big 8 and a mid-term review to prioritise the focus on those projects requiring immediate attention, and those that could have more of a back seat temporarily. It was important that the Board should have this creative discussion prior to the Ashford Strategic Delivery Board in January, to bring the matter to the Delivery Board's attention and encourage</p>	<p>RA/TK</p>

<p>discussion on increasing Ashford's LEP bid.</p> <p>A Member suggested that the November Board could benefit from a review of the Property Company investment into housing project, to develop a defined philosophy on how to proceed in broad terms.</p>	<p>PMcK</p>
<p>9. Date of Next Meetings, <u>all at 2pm</u></p> <p>23rd Nov 2016 21st Dec 2016</p>	

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NOTES OF THE ECONOMIC REGENERATION & INVESTMENT BOARD

23rd November 2016

Attending: Cllr Galpin (Chair)
Cllr Shorter
Cllr Ovenden

Tracey Kerly (TK)
Richard Alderton (RA)
Dean Spurrell (DS)
Stewart Smith (SS)
Paul McKenner (PMcK)
Ben Lockwood (BL)
Charlotte Hammersley (CH)
Steve Parish (SP)
Terry Mortimer (TWM)
Rosie Reid (RR) – minutes

Apologies: Cllrs Bell, Clarkson.

<p>1. Declarations of Interest</p> <p>Cllr Shorter made a Voluntary Announcement as he was a Director of Kent Play Clubs and A Better Choice for Building Consultancy Ltd.</p> <p>TK and PMcK made Voluntary Announcements as they were Directors of A Better Choice for Property Ltd.</p> <p>TK made a Voluntary Announcement as she was a Director of A Better Choice for Building Consultancy Ltd.</p>	
<p>2. Minutes of the previous meeting</p> <p>The Minutes of the previous meeting of the Economic Regeneration and Investment Board on 26th October 2016 were agreed as a correct record.</p>	
<p>3. Presentation on Newtown Works</p> <p>A presentation was given on the potential re-use of the railway sheds at Newtown Works. The proposal was based on re-use by creative trades and the idea of 'experiential' shopping with other associated activities. The presenter considered that this could sit extremely well next to the extended Designer Outlet and the AIMREC museum and any proposal should be sure to preserve the heritage and history of the original buildings.</p> <p>A Member asked about the longevity of the concept, and whether</p>	

<p>changing retail demands could have an adverse effect in the future. The response advised that in spite of commercialism and globalism, the importance of the artisan at local level had never been lost and there was a thriving market for locally created goods which provided a learning experience as part of the retail process.</p> <p>Members and officers agreed that this was a potentially exciting project, and looked forward to further discussions to explore the concept.</p>	RA
<p>4. Update on Key Sites</p> <p><u>Conningbrook</u>: SS advised that the sale of land to Affinity Sutton had been delayed slightly, but not to a critical extent. A Masterplanning workshop on the Park had been held to consider how to move forward, and a revised Masterplan had been produced to accommodate potential future changes and any balance of ownership of land on site. Further discussions were taking place with KCC regarding the sale of the depot. On the leisure side, Culture officers were in discussions with a scientist regarding the algae problem which affected the lake during the summer. There were various solutions available, but they came at a cost. A PID would be submitted to Management Team in the new year. Members asked about the progress of the improvement to the Kennington Road at the problematic pinchpoint, and RA agreed to make enquiries and report back.</p> <p><u>Commercial Quarter</u>: SS advised that the exchange should take place the following week. He drew to Members' attention the importance of the island site in the delivery of the Commercial Quarter programme. TK, SS and RA would be meeting with a potentially interested party in early January. SS had compiled a high level vision of what the Council wanted delivered, including the various individual buildings that made up the site. SS agreed to bring a summary to the December Board meeting. A Member said he would like to see the Commercial Quarter and island site reported on separately and SS agreed.</p> <p><u>Junction 10a</u>: RA advised that CLG had announced that £16m forward-funding would be provided for the Junction 10a project. This would be paid as a grant on the basis that the Council would repay the HCA over time once developer contributions had been made.</p>	RA SS
<p>5. Update on Regional Growth Fund 3</p> <p>RA explained that the Council had put forward two bids. The Ashford Spurs bid had been given priority and LEP funding was likely to come forward. However, the town centre bid for enhanced traffic capacity and public realm funding was unlikely to be successful.</p>	
<p>6. 'Big 8' and key projects</p> <p>RA apologised that the discussion paper was delayed. He said the Leader favoured a mid-term review of the Administration to see what had been achieved and what projects were still outstanding. This would</p>	

also enable an assessment of what projects were coming up. RA said he would give further feedback at the next Board meeting on 21 st December.	RA
7. Date of Next Meeting, <u>at 2pm</u> 21 st Dec 2016	

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Agenda Item No: 14
Report To: CABINET
Date: 8TH DECEMBER 2016
Report Title: SCHEDULE OF KEY DECISIONS TO BE TAKEN
Report Author: Corporate Director (Law and Governance)



Summary:	To set out the latest Schedule of Key Decisions to be taken by the Cabinet of Ashford Borough Council.
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Key Decision: NO

Affected Wards: Where appropriate, individual Wards are indicated.

Recommendations : **That the Cabinet receive and note the latest Schedule of Key Decisions.**

Policy Overview: Under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, there is no longer a legal requirement to publish a Forward Plan of Key Decisions, however there is still a requirement to publish details of Key Decisions 28 clear days before the meeting they are to be considered at. The Council maintains a live, up to date rolling list of decision items on the Council's website, and that list will be presented to the Cabinet each month, in its current state, for Members' information.

Financial Implications: Nil

Other Material Implications: Nil

Exemption Clauses: Nil

Background Papers: None

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**CABINET
SCHEDULE OF KEY DECISIONS TO BE TAKEN**

The following Key Decisions will be taken by Ashford Borough Council's Cabinet on the dates stated.

Ashford Borough Council's Cabinet is made up of: - Councillors Gerry Clarkson; Neil Bell; Clair Bell; Mike Bennett; Jessamy Blanford; Gareth Bradford; Paul Clokie; Graham Galpin; Callum Knowles; Neil Shorter.

Copies of the reports and any other relevant documents that are submitted to the Cabinet in connection with a proposed decision will be available for inspection, or on screen, five clear days before the decision date at the Civic Centre, Tannery Lane, Ashford and at The Town Hall, 24 High Street, Tenterden, during opening hours, or at www.ashford.gov.uk/councillors_and_committees.aspx

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
8th December 2016					
Draft Budget 2017/18	<i>To present the preliminary draft service budget and outline MTFP for the purposes of subsequent formal scrutiny by the O&S Task Group and public consultation.</i>	Cllr Shorter	Paul Naylor/Ben Lockwood	Open	4/12/15
Council Tax Base	<i>To present for approval the estimated 2017/18 Council tax base calculation for the Borough and each parished area, on which the major preceptors and local Parish Councils will base their requirements.</i>	Cllr Shorter	Ben Lockwood	Open	4/12/15

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Housing Revenue Account (HRA) Business Plan 2016 - 2046	<i>An annual update of the HRA Business Plan financial projections. This report updates the position for the period 2016-46.</i>	Cllr Clokie	Sharon Williams	Open	26/5/16
Review of Housing Revenue Account (HRA)	<i>To set out the main recommendations and impacts upon staff arising from the review of Housing and to present a proposed new staffing structure. This will represent a reduction in headcount of 9.12 FTE overall with a proposal to make 5 posts redundant.</i>	Cllr Clokie	Sharon Williams	Open	26/5/16
Local Council Tax Reduction Scheme	<i>To bring forward final recommendations for the scheme that will operate from 1st April 2017.</i>	Cllr Shorter	Ben Lockwood	Open	2/11/16
12th January 2017					
Revenues & Benefits Recommended Write-Offs Schedule	<i>Proposed formal write-off of debts</i>	Cllr Shorter	Peter Purcell	Open (Exempt Appendix)	16/1/15
Waste & Recycling – Costed Forward Education & Promotion Strategy	<i>Further to the report received by the Cabinet in February 2016, presentation of a costed forward education and promotion strategy, including forward recycling options and targets be approved.</i>	Cllr Mrs Bell	Patrick Brown	Open	13/2/16

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Fixed Penalty Notices for Fly-Tipping	<i>To outline the provisions of the legislation and ask Members to set a level for Fixed Penalty Notices, from the range made available under these powers, considering the possibility of a reduced fine for early payment.</i>	Cllr Mrs Bell	Tracey Butler	Open	18/10/16
Introduction of a 'Film Classification Policy and Procedure' - Licensing Act 2003	<i>To present a draft policy and procedure in relation to the classification of films.</i>	Cllr Bradford	Trevor Ford	Open	21/10/16
Revision of the 'Sex Shops, Sex Cinemas and Sexual Entertainment Venues Policy' – Local Government (Miscellaneous Provisions) Act 1982	<i>To adopt an updated version of the existing policy which expired on 1st April 2016.</i>	Cllr Bradford	Trevor Ford	Open	21/10/16
9th February 2017					
Financial Monitoring – Quarterly Report	<i>Quarterly budget monitoring report</i>	Cllr Shorter	Maria Seddon	Open	13/2/16
Revenue Budget 2017/18	<i>To present the draft revenue budget for 2017/18 to the Cabinet for recommendation to Council.</i>	Cllr Shorter	Paul Naylor/Ben Lockwood	Open	13/2/16

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Corporate Performance Report	<i>The report seeks to give members and the Borough's residents an overview of how the Council is performing. It seeks to do this in a transparent and easily-accessible manner, giving a key performance 'snapshot'.</i>	Cllr Shorter	Nicholas Clayton-Peck	Open	13/2/16
Climate Change and Sustainable Environment – Annual Progress Report	<i>This report summarises actions and initiatives undertaken throughout the authority during the last year in the complementary areas of a sustainable environment, carbon and energy reduction and responding to the threat of climate change. These had been brought together previously within the Council's Position Statement.</i>	Cllr Mrs Blanford	Paul Naylor	Open	13/2/16
Domestic Abuse Annual Report	<i>Sets out for comment the progress the Council and its partners are making on projects focusing on domestic abuse over the past 12 months since the agreement by the Council to allocate up to £50,000 per year for three years to support the work on tackling domestic abuse.</i>	Cllr Bradford	James Hann/Elizabeth Mannington	Open	13/2/16
Private Sector Housing Assistance Policy		Cllr Clokie	Julian Watts	Open	11/7/16
Private Sector Leasing Update		Cllr Clokie	Donna Michael	Open	12/9/16

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Proposal for the Management of a Community Facility to Alleviate Homelessness in the Borough		Cllr Clokie	Donna Michael	Open	12/9/16
ABC's Response to NHS Consultation Document – Transforming Health and Social Care		Cllr Bradford	Sheila Davison	Open	24/11/16
Housing Home Ownership Opportunity – Opt to Buy	<i>To cover the detail of the scheme, the flexibility the Council can give itself in how it sets rents for the scheme and tenancies terms, how it can avoid any RTB issues, how it will borrow the necessary funding and acquire suitable properties and promote the scheme to interested parties</i>	Cllr Clokie	Richard Robinson	Open	20/6/16
A Review of Parking Enforcement	<i>To review current level of Parking Enforcement to ensure the team is able to deliver enforcement to the highest level and reasonably meet customer expectation in line with providing a value for money service. Also to increase the modes of transport, to include electric bikes, in addition to bicycles, to enhance performance.</i>	Cllr Bradford	Mike Cook/Jo Fox	Open	5/8/16

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
9th March 2017					
Annual Pay Policy Statement	<i>A review of the annual Pay Policy Statement and Ashford Living Wage Allowance.</i>	Cllr Knowles	Michelle Pecci	Open	11/3/16
Royal Military Canal, Proposed Shared Pathway Progress Update.	<i>To provide an update on progress against the agreed project measures and on support from external agencies and very early indications of potential funding sources. The main focus of the Report will be to discuss the land acquisition options available for the project and identify the most appropriate agreement for ABC to enter into. Formal approval of the preferred acquisition option will be required. The Report will also provide a position statement on potential capital and revenue costs for the delivery phase.</i>	Cllr Mrs Blanford	Len Mayatt	Open (Exempt Appendix)	29/9/16
6th April 2017					
11th May 2017					
Financial Monitoring – Quarterly Report	<i>Quarterly budget monitoring report</i>	Cllr Shorter	Maria Seddon	Open	13/5/16

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Cemetery Memorial Safety Policy	<i>Report back on adoption of policy and set of operational guidelines to manage the forward process relating to the safe management of memorials in Ashford.</i>	Cllr Mrs Bell	TBC	Open	26/2/16
8th June 2017					
Final Outturn 2016/17	<i>Final budget outturn for previous financial year</i>	Cllr Shorter	Ben Lockwood	Open	10/6/16
Annual Report 2016/17	<i>The Annual Report will build upon the contents of quarterly performance monitoring, but will also include the following information – An Introduction from the Leader and Chief Executive; Facts and figures about Ashford; Timeline of key achievements in the Borough over the calendar year; Borough achievements; and a Financial Summary.</i>	Cllr Knowles	Nicholas Clayton-Peck	Open	10/6/16
Section 106 Agreements – Annual Progress Report	<i>Focus on s106 contributions received in the last year, contributions secured in new agreements and projects that have been supported by s106 funding.</i>	Cllr Bennett	Lois Jarrett	Open	10/6/16
13th July 2017					
Revenues & Benefits Recommended Write-Offs Schedule	<i>Proposed formal write-off of debts</i>	Cllr Shorter	Peter Purcell	Open (Exempt Appendix)	18/7/16

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
10th August 2017					
Corporate Performance Report	<i>To give Members and residents an overview of how the council is performing with a key performance 'snapshot'.</i>	Cllr Shorter	Nicholas Clayton-Peck	Open	11/8/16
Corporate Commercial Property – Annual Report	<i>To advise of the revenue performance of the Council's corporate property portfolio during the last financial period and to advise of proposals to increase profitability in the coming financial period.</i>	Cllr Shorter	Stewart Smith	Open	11/8/16
Financial Monitoring – Quarterly Report	<i>Quarterly budget monitoring report</i>	Cllr Shorter	Maria Seddon	Open	11/8/16
14th September 2017					
12th October 2017					
9th November 2017					
Corporate Performance Report	<i>To give Members and residents an overview of how the council is performing with a key performance 'snapshot'.</i>	Cllr Shorter	Nicholas Clayton-Peck	Open	11/11/16

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Financial Monitoring – Quarterly Report	<i>Quarterly budget monitoring report</i>	Cllr Shorter	Maria Seddon	Open	11/11/16

***If you wish to contact a Report Author by email, unless stated otherwise, the addresses are;
first name.surname@ashford.gov.uk***

25/11/16