



CABINET

Notice of a Meeting, to be held in the Council Chamber, Civic Centre, Tannery Lane, Ashford, Kent TN23 1PL on Thursday, 14th June, 2018 at 7.00 pm.

The Members of the Cabinet are:-

Cllr Clarkson	–	Leader of the Council
Cllr N Bell	–	Deputy Leader and Portfolio for Legal and Democracy
Cllr Mrs Bell	–	Portfolio for Environment and Land Management
Cllr Bennett	–	Portfolio for Culture
Cllr Bradford	–	Portfolio for Community Safety and Wellbeing
Cllr Clokie	–	Portfolio for Planning
Cllr Galpin	–	Portfolio for Corporate Property
Cllr Pickering	–	Portfolio for Human Resources and Customer Services
Cllr Shorter	–	Portfolio for Finance and IT
Cllr White	–	Portfolio for Housing

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)

Agenda

Page Nos..

1. **Apologies**

2. **Declarations of Interest**

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To declare any interests which fall under the following categories, as explained on the attached document:

- 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**

3 - 8

To approve the Minutes of the Meeting of the Cabinet held on the 10th May 2018.

4. **To Receive any Petitions**

5.	Leader's Announcements	
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14.	Items For Future Meetings	
15.	Exclusion of the Public	
	<p>That Pursuant to Section 100A(4) of the Local Government Act 1972, as amended, the public be excluded from the meeting during consideration of this item as it is likely that 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, where in the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
16.	Phase 1 Commercial Quarter Office Development - Variation to Council Lease Back Arrangement	73 - 78

DS
6 June 2018

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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/5962/2193362.pdf
- (b) The Kent Code of Conduct was adopted by the Full Council on 19 July 2012, 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.

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Cabinet

Minutes of a Meeting of the Cabinet held in the Council Chamber, Civic Centre, Tannery Lane, Ashford on the **10th May 2018**.

Present:

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

Cllrs. Mrs Bell, Bennett, Bradford, Clokie, Galpin, Pickering, Shorter.

Apologies:

Cllrs. Burgess, Hicks, Ovenden, Wedgbury, White.

Also Present:

Cllrs. Bartlett, Buchanan, Howard-Smith, Link.

Director of Finance and Economy, Director of Place and Space, Head of Legal and Democracy, Head of Planning and Development, Head of Corporate Property and Projects, Head of Housing, Head of Corporate Policy, Economic Development and Communications, Health, Parking and Community Safety Manager, Environmental Protection and Licensing Team Leader, Property and Development Surveyor, Communications Officer (SS), Communications Officer (SP), Senior Member Services Officer.

459 Declarations of Interest

Councillor	Interest	Minute No.
Clarkson	Made a Voluntary Announcement as a Director of A Better Choice for Property Ltd	
Shorter	Made Voluntary Announcements as a Director of A Better Choice for Building Consultancy Ltd and Kent Play Clubs	

460 Minutes

Resolved:

That the Minutes of the Meeting of the Cabinet held on the 12th April 2018 be approved and confirmed as a correct record.

461 Housing Statement 2018 - 2023

The Head of Housing introduced the report and explained that it set out a new approach to developing the Council's housing related strategies and plans in the future. This would be by presenting an overarching Housing Statement that was supported by detailed strategies and plans addressing particular areas of housing delivery and management.

The Portfolio Holder for Finance and IT said that in the absence of the Portfolio Holder for Housing, he wanted to draw attention to Paragraph 8 of the report which contained the three overarching priorities of the statement, which were the key elements of the document.

Resolved:

- That (i) the draft Housing Statement be circulated to key partners and stakeholders for comment.**
- (ii) the Portfolio Holder and the Head of Housing be authorised to approve any minor changes arising from the consultation prior to the publication of the Housing Statement (any significant changes would be reported back to Cabinet for approval).**

462 Street Trading Policy

The Portfolio Holder introduced the report which presented an updated Street Trading Policy to the Cabinet for subsequent approval by the Council. He outlined the three main changes to the policy and advised that it also contained general formatting/layout changes and minor amendments for the purpose of clarity.

Recommended:

That the Council approve the Street Trading Policy 2018.

463 Gambling Statement of Principles

The Portfolio Holder and the Environmental Protection and Licensing Team Leader introduced the report which presented an updated version of the Council's Statement of Principles for Gambling. The new policy reflected changes in legislation and good practice. The Portfolio Holder thanked Officers for their hard work in developing such a comprehensive policy in conjunction with the Gambling Commission.

Resolved:

That the Statement of Principles for Gambling be noted and agreed for publication for the purposes of consultation.

464 Demolition of Bockhanger Community Hall

The Portfolio Holder introduced the report which proposed the demolition of Bockhanger Community Hall and reinstatement with either turf or hardstanding until the next phase of the project was complete. Phase two of the project would evaluate the redevelopment options for the site. The cost of demolition and reinstatement would be in the region of £150,000 and would come from the repairs and renewals budget. The report also addressed a number of the current Anti-Social Behaviour issues in the Bockhanger Square area. The Portfolio Holder said he wanted to thank the Officers involved and the Bockhanger, Bybrook and Ashford South Advisory Committee for the hard work they had undertaken in exploring all options for the site. The inescapable conclusion was that they could not justify retaining the hall in the face of ever increasing maintenance costs. He wanted to reassure everyone that the hall would not be demolished before the summer, so the successful early years reading scheme with the library service there could continue and the Council would continue to work with KCC libraries as there was no intention to disrupt that service.

A tabled paper included the written comments of the Portfolio Holder, which were not included within the report, in support of the recommendations.

The Ward Member for Bybrook (where the hall was located) and Chairman of the Advisory Committee said that he had been involved with this issue for a number of years and they had explored every possible option to make the facility economically viable, but this had simply not been possible. It was with regret, but he did support the recommendation for demolition. He said that his only remaining concern was one of Anti-Social Behaviour in and around the hall whilst it was being demolished and hoped this would be taken in to consideration.

The Ward Member for the neighbouring Bockhanger Ward advised that he did not believe demolition was the right option. The hall was still used by an number of groups and volunteers, as well as the library, and usage had only diminished slightly because of a lack of investment in the facility. He believed removal would take some people's community circles away, particularly the elderly in the area who were already facing cuts to their bus services. He asked that before a final decision was taken on demolition, further work was undertaken to make sure provision was in place to fill these gaps.

The KCC Member for the area said he wanted to echo the comments on the library and the early years summer reading challenge and said that these would continue. There were already mobile library services in Kennington that could be extended and they were looking to ensure a permanent provision, either at the Children's Centre or elsewhere nearby.

In response, the Portfolio Holder said that he understood some of the comments raised but said that they had to be taken in context and demolition of the hall was actually considered the most responsible thing to do given its current state and the escalating costs in maintaining it into the future. The Leader advised that removal of a facility from residents was always a tough judgement call to make, but they had to

be responsible when there was a potential drain on the public purse and they would continue to look to develop new facilities in all areas across the Borough.

Resolved:

- That**
- (i) the demolition of the Bockhanger Community Hall Building be approved.**
 - (ii) the Head of Legal and Democracy and the Head of Corporate Property and Projects be authorised to serve notice on KCC to vacate the premises in accordance with the lease.**
 - (iii) the Portfolio Holder and the Head of Corporate Property and Projects be authorised to approve any expenditure incurred.**
 - (iv) the works be funded from the repairs and renewals budget.**

465 Response to Government Consultation on Planning Issues

The Portfolio Holder introduced the report which set out a proposed response to two consultations – firstly the proposed revisions to the National Planning Policy Framework (NPPF) and the second, to suggested changes to the Section 106/Community Infrastructure Levy (CIL) regime. The responses (subject to any amendments from Cabinet) would be sent as the Council's formal response to consultations.

The Leader advised that the draft responses had been developed following a robust discussion at the Local Plan and Planning Policy Task Group and Members had made a number of suggestions to strengthen the initial draft of Officers. Everyone understood that more housing was needed, but he said it was vital that development continued to be plan led and only in areas that benefitted the community as a whole. The Government did seem to be taking notice of Local Authorities on the points they were making about CIL and Section 106 payments, but it was important to continue to make the point that if Local Authorities made land available, Developers needed to be pressured by Government to deliver housing in a timely fashion and not land bank.

Resolved:

- That**
- (i) Officers respond to the Government consultation on the *'Proposed Revisions to the National Planning Policy Framework (NPPF)'* in the terms set out in the report.**
 - (ii) Officers respond to the Government consultation on *'Supporting Housing Delivery Through Developer Contributions'* in the terms set out in the report.**

466 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.

Queries concerning these Minutes? Please contact Danny Sheppard:
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Agenda Item No:6



Report of Overview and Scrutiny Committee to Cabinet

O&S Recommendations to Cabinet – Commercial Investment

The Overview and Scrutiny Committee recommends to the Cabinet:-

- I. Financial Reports including Red Book valuations are prepared annually in accordance with UK GAAP for management purposes. The output to include normal commercial property metrics and risk registers, such as estimated rental value and covenant strength of tenants.
 - II. A framework document should be prepared setting out social value yield and return targets for the Council's Property Strategy.
 - III. A clear list of investment and social worth objectives to be included for each investment and reported on annually.
-

Date of O&S meeting: Tuesday 24 April 2018

Chair of O&S Committee: Cllr Brendan Chilton

Date of Cabinet Meeting: Thursday 14 June 2018

Key Decision: No

Significantly Affected Wards: None specifically

Relevant Portfolios: Corporate Property and Projects
Finance and IT

Management Team Comment: See paragraphs 8-11

Background Papers: **Commercial Investment by the Council**, report to Overview and Scrutiny Committee, 24 April 2018

Contact: Will.train@ashford.gov.uk – Tel: (01233) 330394

Report Title:

Introduction and Background

1. During scrutiny of the council's draft 2018/19 budget, the Budget Scrutiny Task Group felt that there would be benefit in the full Overview and Scrutiny Committee examining the council's approach to commercial investment, with particular reference to the council's purchases of International House and Park Mall.
2. The Portfolio Holder for Corporate Property and Projects; Portfolio Holder for Finance and IT; Director of Finance and Economy; Head of Corporate Property and Projects and Senior Accountant attended the Committee and presented a number of reports relating to the financial position and occupancy status of both assets, the council's approach to investment and the development of both assets since acquisition by the council.

Recommendations

3. The Committee noted that the commercial valuation figures presented showed that the assets as detrimental, and felt that it would be beneficial for future annual reports on commercial property assets to include a RICS red book valuation in accordance with the UK Generally Accepted Accounting Practice (UK GAAP) to allow for improved consistency and greater confidence in the presentation of commercial performance to Council (**recommendation 1**).
4. The Portfolio Holders for Finance and IT and Corporate Property and Projects noted the importance of delivering social 'worth' as a facet of the council's commercial investment, in terms of supporting the borough's economy and delivering benefits to residents through the council investing in (and so enabling) key developments such as Elwick Place, or the purchase of Park Mall for regeneration purposes.
5. Members noted the importance that the council attached to delivering social value to the borough in addition to achieving a positive financial return to achieve financial self-sufficiency, but felt that the desire to deliver worth was not spoken to sufficiently in the council's Corporate Property Management Strategy, and that a framework document in this area would strengthen governance arrangements around acquisitions.
6. The Committee felt that a clearer framework was necessary to both support the council's commercial direction and document the council's activities with regard to delivering social value, yield and return through the council's corporate property management strategy (**recommendation 2**). This framework would provide a clear rationale for decision making if members wanted to revisit decisions in the future.

7. Members felt that accountability with regard to investment decisions was of paramount importance, and that the investment cases presented to Members at the Economic Regeneration and Investment Board (ERIB), Cabinet or Council should include a clear list of investment and social value objectives that the investment will seek to achieve to aid accountability. Annual reporting to Members on these objectives should also be undertaken to demonstrate how the council's approach to commercial investment is aiding the delivery of the corporate plan aims beyond delivering a financial return (**recommendation 3**).

Management Team Comment

8. Management Team has considered the report and wishes to submit the following comments for the attention of the Cabinet. Management Team have concerns over the definition and measurement of social value – whilst the Public Services (Social Value) Act 2012 details considerations with regard to delivering social value in certain procurement exercises, a multitude of meanings can be attached to social value and as such it can be extremely difficult to effectively measure.
9. Management Team would note that whilst there is no requirement from an accounting perspective to value the council's property assets in this way, officers would like the opportunity to explore the costs associated with the preparation of Red Book valuations as cost may be a factor that determines the frequency of valuations. Management team are happy to seek quotes and report these through to Members but would **advise Cabinet not to adopt recommendation 1** until such time as exploratory work in this area is completed.
10. Management Team have concerns about the definition and measurement of social value in respect of commercial investment – social value can have a multitude of meanings and without specific definition it can be extremely difficult to measure yield and return. Management team would however **advise Cabinet to adopt recommendation 2**, with a social value framework to be included within the council's Corporate Property Management Strategy (adopted by Cabinet in April 2018) is reviewed.
11. It is important to set both financial and non-financial objectives as criteria to determine the success of all council projects; and to measure performance against these criteria. Management Team **advise Cabinet to adopt recommendation 3**, and suggest that the Annual Corporate Property report is extended to report the achievement of investment and social worth objectives back to Members.

Conclusion

12. The Overview and Scrutiny Committee thanks the Portfolio Holders and Officers for their attendance and the reports presented, and recommends the following to Cabinet:

- I. **Financial Reports including Red Book valuations are prepared annually in accordance with UK GAAP for management purposes. The output to include normal commercial property metrics and risk registers, such as estimated rental value and covenant strength of tenants.**
- II. **A framework document should be prepared setting out social value yield and return targets for the Council's Property Strategy.**
- III. **A clear list of investment and social worth objectives to be included for each investment and reported on annually.**

Contact and Email

13. Will Train, Senior Policy and Scrutiny Officer
will.train@ashford.gov.uk 01233 330394



ASHFORD
BOROUGH COUNCIL

Agenda Item No: 7

Report To: Cabinet

Date of Meeting: 14th June 2018

Report Title: Ashford Borough Council's Performance – Quarter 4 2017/18

Report Author & Job Title: Will Train, Corporate Scrutiny and Overview Officer

Portfolio Holder: Cllr Clarkson & Cllr Shorter

Portfolio Holder for: Leader of the Council; Finance and IT

Summary:

This report seeks to update members and the public on the performance of the council against its Corporate Plan during Quarter 4 2017/18. This includes information on what the Cabinet has achieved through its decision-making, key performance data, and consideration of the wider borough picture which impacts upon the Council's work.

The organisation's approach to the monitoring of its performance against this plan has been revised. Accordingly, attached are summary highlights from the online Performance 'Dashboard' for each of the council's Corporate Plan areas.

Key Decision: NO

Significantly Affected Wards: N/A

Recommendations: The Cabinet is recommended to:-

- I. Note the council's performance against the Corporate Plan in Quarter 4 of 2017/18.
- II. Approve the new performance framework outlined in the report.

Policy Overview: In December 2015 the council agreed a new Corporate Plan - "*The Five Year Corporate Plan – for Aspiration, Action and Achievement*".

This also provided an opportunity to refresh the way in which performance against this new Corporate Plan (and its priority areas) was measured, presented and engaged with by officers and members.

Financial Implications: N/A

Legal Implications: N/A

Equalities Impact Assessment	Not required because the report relates to a summary of past performance rather than any item requiring decision.
Other Material Implications:	N/A
Exempt from Publication:	NO
Background Papers:	N/A
Contact:	will.train@ashford.gov.uk – Tel: 01233 300394

Report Title: Ashford Borough Council's Performance – Quarter 4 2017/18

Introduction

1. The report seeks to provide a headline overview of performance against the council's Corporate Plan for Quarter 4 2017/18 and the whole of 2017/18.

Background

2. In December 2015 the council agreed a new Corporate Plan - "*The Five Year Corporate Plan – for Aspiration, Action and Achievement*". This provided an opportunity to refresh the way in which performance against this new Corporate Plan (and its priority areas) was monitored, presented and engaged with by officers and members. Each quarter the Cabinet and Overview and Scrutiny committee receive an update on how and how well the council is achieving its objectives.

New Performance Framework

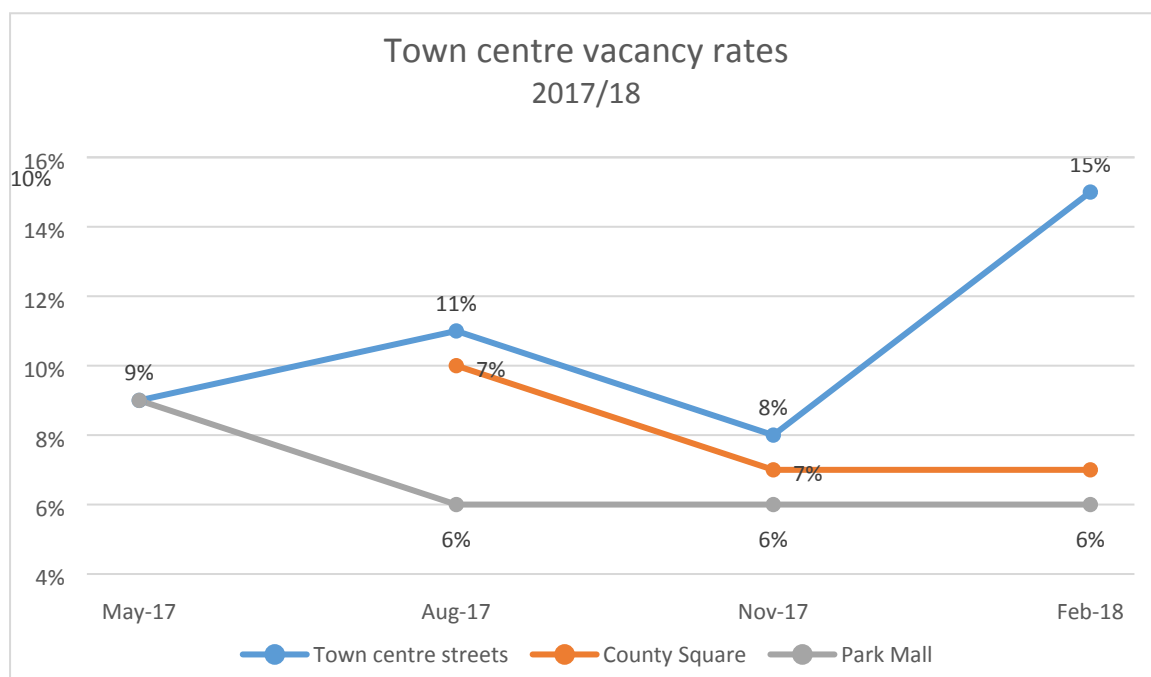
3. Following a review of the council's existing performance monitoring arrangements, a new performance management framework has been derived to reconcile key performance indicators, service level data and contextual measures over which the council has relatively little control (such as educational attainment and workplace earnings) for recording the council's performance from 2018/19 onward.
4. In order to ensure a closer link between performance data and programme management, performance data will be migrated from the current dashboard (Socrata) to the council's existing programme and risk management system (Pentana). This will allow for Heads of Service to more readily integrate performance data into the service planning process.
5. Under the new framework Cabinet and Overview and Scrutiny will continue to receive quarterly update reports on key performance indicators directly related to the council's corporate plan, whilst various contextual measures will be compiled into a 'Borough Profile' to be reported on annually.
6. A new Performance Management Board will be created at Management Team level to review service performance on a regular basis, allowing for the identification of any capacity issues within services and identify existing resources which can be deployed across services and directorates where possible to address these issues.
7. A number of new key performance indicators have been identified by services for inclusion in the new framework and as such 2018/19 will form the baseline year for reporting on these areas. A list of key performance indicators for 2018/19 reporting is attached to this report as Appendix A.

Quarter 4 2017/18 - Commentary on whole year performance trends

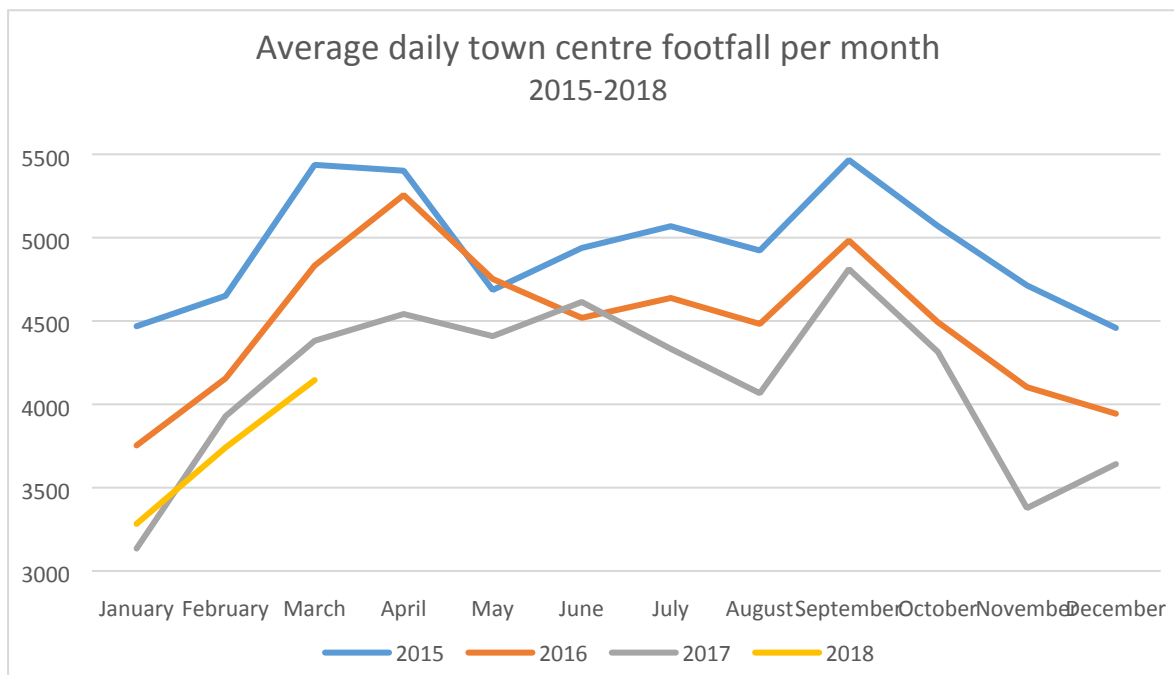
8. As this quarter represents the last of reporting under the existing performance suite, a summary of progress within the corporate plan aims over the whole year is detailed, with reference to performance trends since the start of the corporate plan where possible.

Enterprising Ashford

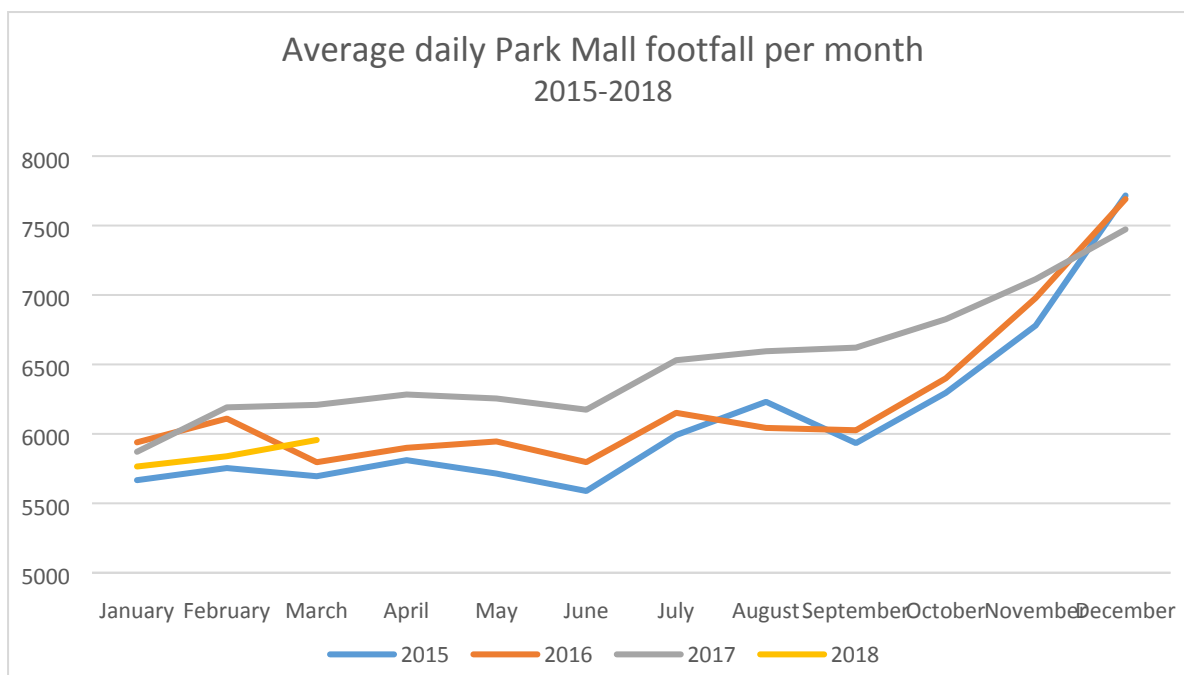
9. Town centre vacancy rates increased in quarter 4 following the end of Christmas trading, driven by increasing vacancies outside of Park Mall and County Square, where occupancy levels remain unchanged from quarter 3. At the most recent survey point (February 2018), 225 units were surveyed in the town centre streets (of which 34 vacant), 58 in County Square (4 vacant) and 32 in Park Mall (2 vacant).
10. Across the year, vacancy rates within Park Mall and County Square have fallen to low levels and remained steady, with greater fluctuation observed in the wider town centre across the year. Ashford's vacancy rates broadly align with national trends, with around 10% of town centre shops across the country vacant in April 2018.



11. Town centre footfall dropped in January 2018 following the end of Christmas trading, with average footfall rising across the latter part of quarter 4, following the broad trends seen in previous years, however town centre footfall as measured by the high street footfall counter has generally reduced year on year whilst observing broadly the same trend. The below table shows average daily footfall for each calendar month from January 2015 to date.

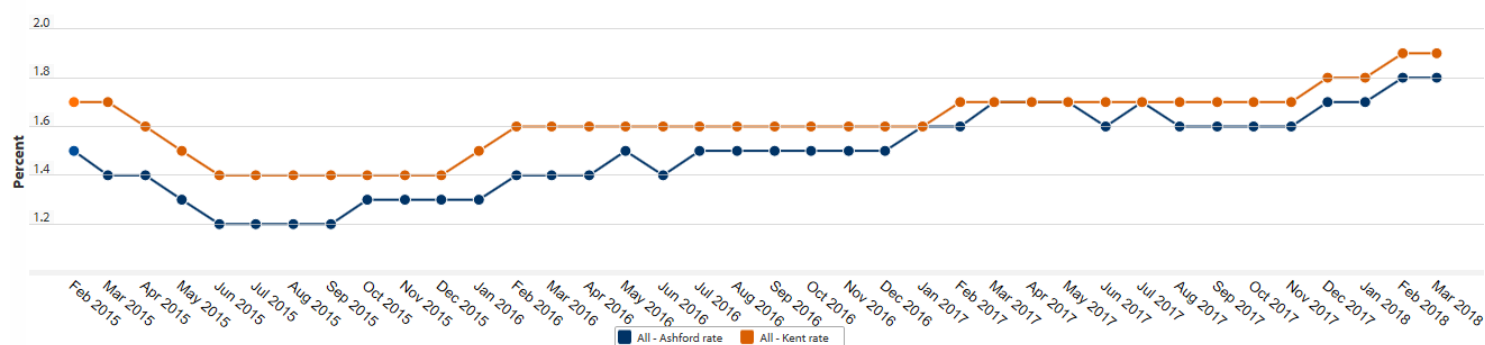


12. The recorded footfall for Park Mall (below) shows a much more consistent trend from year to year with general increases from 2015 onward. Average daily footfall per month in quarter 4 has exceeded recorded levels for the high street but sits below performance for 2016 and 2017. Trend data suggests that footfall will likely remain relatively stable across quarters 1 and 2, rising in the lead up to Christmas.

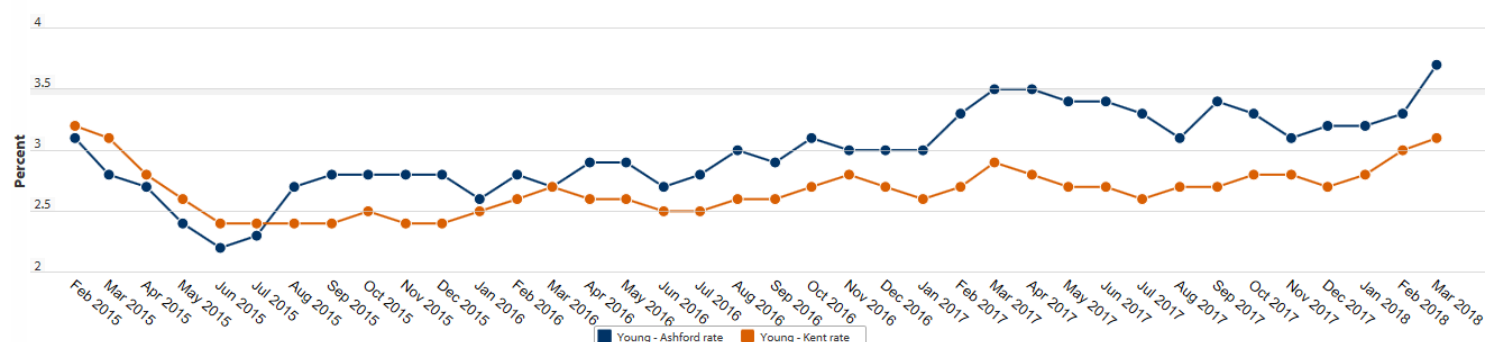


13. Unemployment in the borough has risen slightly over quarter 4 to 1.8%, however this remains below the average for Kent (1.9%) and England as a whole (2.1%). Youth (18-24) unemployment has also risen in quarter 4 and sits at 3.7% as of March 2018, the highest level recorded since February 2015. The Borough's youth unemployment is above the Kent (3.1%) and England (2.9%) averages.

Unemployment rate

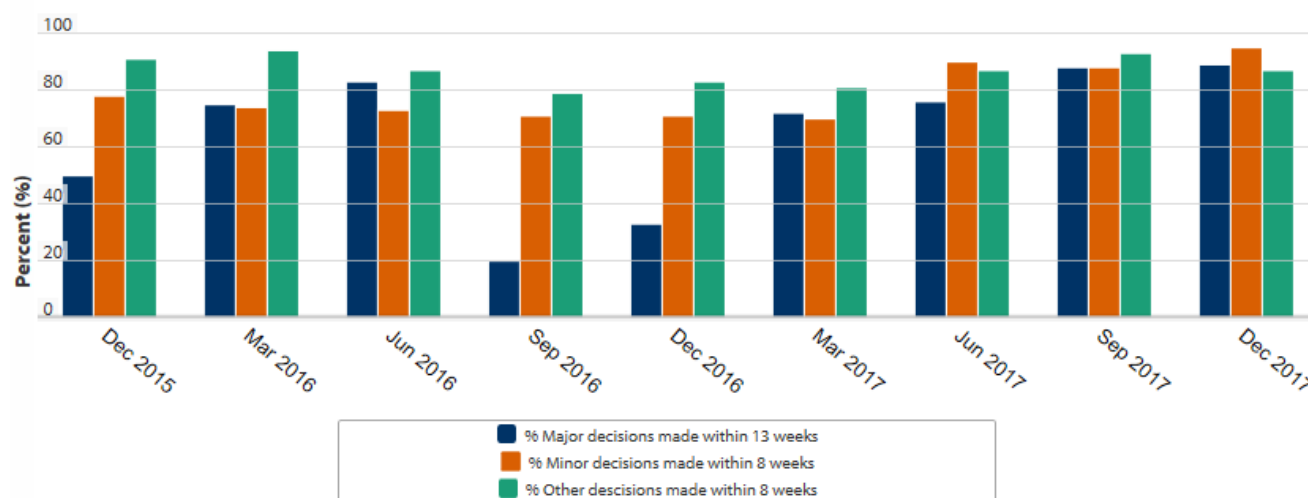


Youth unemployment rate



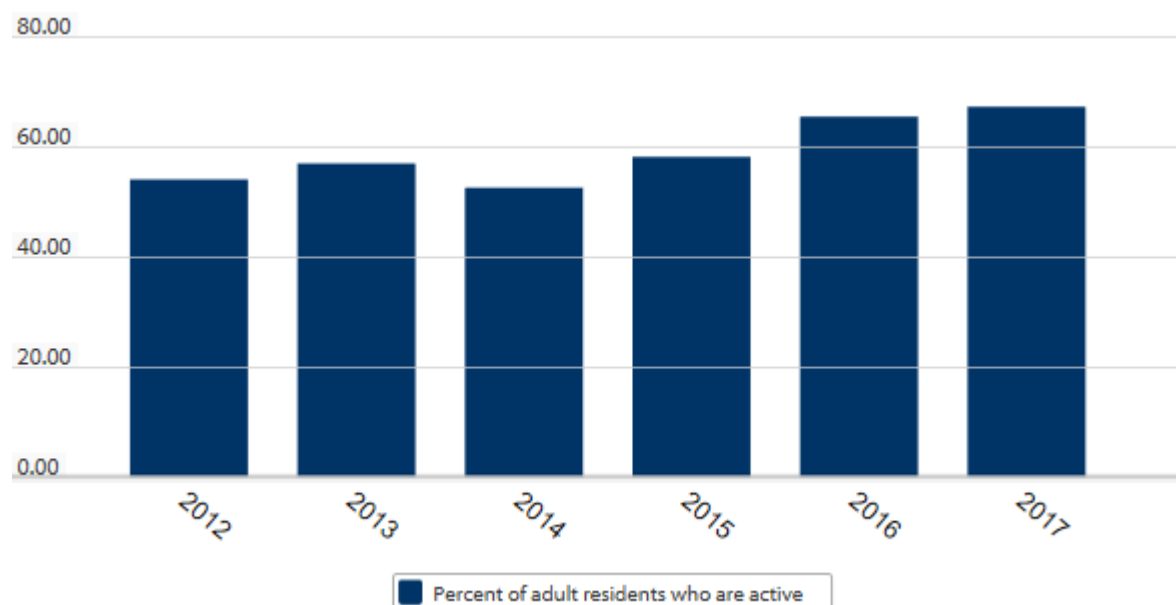
Living Ashford

14. The speed of planning decisions remains above target thresholds, with a high approval rate for planning decisions. To December 2017, the council made:
- 69 major development decisions, of which 66 (96%) were granted and 81% were made within 13 weeks
 - 377 minor development decisions, of which 339 (90%) were granted and 87% were made within 8 weeks
 - 933 other development decisions, of which 900 (96%) were granted and 87 were made within 8 weeks



Active and Creative Ashford

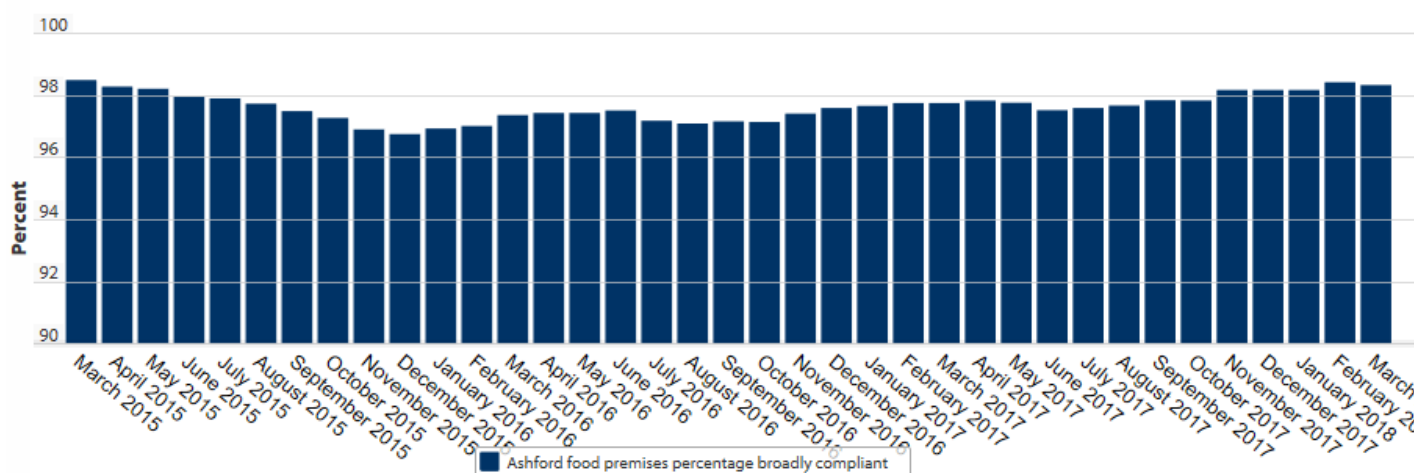
15. The percentage of the adult population who are active remains high, having increased in 2017 according to analysis by Public Health England and now stands at 67.6%, the highest since 2012.



16. Smoking prevalence is declining nationally and locally with the Ashford rate estimated at 17.4% by Public Health England (PHE). The Ashford rate is 1.9% above the national average, however there are more ex-smokers in Ashford than the national average (27.5% in Ashford and 26.2% nationally). PHE estimate that Ashford has the 5th highest smoking prevalence in the county with an estimated 16,460 smokers.

Attractive Ashford

17. Across the over 1,000 food businesses across the borough, the percentage compliant with hygiene standards when inspected has increased over quarters 3 and 4, with over 98% of food premises broadly compliant at the end of March 2018.



18. DEFRA's latest local authority performance data (covering the 2016/17 financial year) confirms that Ashford's recycling rate has increased again to 55%. Ashford retains the highest recycling rate in the county and is now the 35th best recycling local authority in the country.
19. The borough's recycling performance fell against quarter 3 performance through quarter 4, with recycling rates of 50% recorded in December and January, rising to 54% through February 2018. The council is currently tracking towards a 56% recycling rate for the 2017/18 financial year.

Activity

20. Quarter 4 saw successful activity on a variety of initiatives which will have a positive impact on the outcomes set out in the Council's corporate plan –

January

- a. Anne Forbes, the council's Syrian Resettlement Co-ordinator, was awarded the British Empire Medal in the 2018 New Year's Honours in recognition of her work which has put Ashford at the forefront of best practice in how to successfully deliver the national Syrian Vulnerable Person Resettlement Programme.
- b. Construction work on the £90m expansion to the Ashford Designer Outlet commenced.
- c. The council granted a lease to Great Chart with Singleton Parish Council to form a trust to run the Singleton Environment Centre.
- d. Work began to safeguard direct high-speed international services at Ashford International with platform and signalling system upgrades.
- e. The Police and Crime Commissioner agreed to release funds to make significant improvements to Ashford Police Station.
- f. Works to create a new zebra crossing and relocate the taxi waiting area in station approach commenced.

February

- g. The preparation work for the widening of the A28 Chart Road began in preparation for the Chilmington Green development.
- h. An expansion of domestic abuse services in Ashford was confirmed with the Ashford Domestic Abuse Forum announcing the introduction of a new scheme in Ashford aimed at helping perpetrators understand the impact they are having.
- i. Work commenced on the new £104m Junction 10a of the M20.
- j. Work began on the delivery of 235 apartments and 26 riverside houses on a brownfield site on Victoria Way.
- k. Cabinet agreed the adoption of 29 recommendations from the Overview and Scrutiny Committee for preserving and improving air quality in the Borough.
- l. The Local Government Association undertook a peer review of the council's Planning and Development service.

March

- m. The council partnered with Ashford Leisure Trust to procure a new leisure operator for all the main leisure facilities in the Ashford area.
- n. The return of the Ashford Civic Awards was announced, with nominations opened and the awards to be presented in July.
- o. Hip Hop legend DJ Jazzy Jeff was announced as the main stage headliner for the 2018 Create Music Festival.
- p. The council purchased the former Odeon cinema (currently occupied by Mecca Bingo) in the lower high street.
- q. The WYE3 Masterplan consultation was launched.
- r. It was announced that the Fields of Battle, Lands of Peace: 14-18 photographic exhibition will be coming to Ashford in June 2018 before going on to Worcester, Winchester, Edinburgh and London.

Conclusions

- 21. The latest performance data highlights improvements and continuations of strong performance in a number of areas related to delivery of the council's corporate plan, particularly in regard to the speed of planning decisions, recycling rates and the improving health of the borough's residents.
- 22. Adoption of a revised performance framework from 2018/19, as noted in paragraphs 3-7 of the report, will ensure that future performance reporting is more closely aligned to service performance whilst the use of Pentana Performance will allow for greater linking of performance with programme management and risk to enhance the service planning process.

Equalities Impact Assessment

- 23. N/A

Consultation Planned or Undertaken

- 24. N/A

Other Options Considered

- 25. N/A

Reasons for Supporting Option Recommended

- 26. N/A

Portfolio Holder's Views

- 27. To follow.

Contact and Email

- 28. Will Train, Corporate Scrutiny and Overview Officer
Will.train@ashford.gov.uk

Appendix A – List of key performance indicators

Corporate Plan Theme	Performance Indicator
Enterprising Ashford	Park Mall vacancy rates %
Enterprising Ashford	Ashford town centre car park usage (no. vehicles)
Enterprising Ashford	Tenterden car park usage (no. vehicles)
Enterprising Ashford	Ashford town centre car park income
Enterprising Ashford	Tenterden car park income
Enterprising Ashford	Number of new businesses supported by ABC
Enterprising Ashford	New commercial space developed (metres squared)
Enterprising Ashford	% of projects delivered to time and on budget
Enterprising Ashford	% of Income collected (commercial property)
Enterprising Ashford	Energy consumption (council buildings)
Enterprising Ashford	Business Rates collection rate
Living Ashford	Void rent loss as % of the rent roll for HRA social properties
Living Ashford	No. of new affordable homes delivered by council housing
Living Ashford	No. of new affordable homes delivered by registered providers
Living Ashford	No. of people in Bed and Breakfast accommodation
Living Ashford	No. of people in nightly paid accommodation
Living Ashford	No. of people in other temporary accommodation
Living Ashford	No. of homelessness presentations
Living Ashford	No. of households where homelessness was prevented
Living Ashford	No. of households where homelessness was relieved
Living Ashford	No. of Syrian households resettled
Living Ashford	Total no. of Syrian persons resettled
Living Ashford	Average time taken to process RTB2 form admitting or denying Right to Buy
Living Ashford	No. of disabled facilities grants administered
Living Ashford	Average spend per disabled facilities grant administered
Living Ashford	No. of disabled adaptations administered to council tenancies
Living Ashford	Average spend per disabled adaptation administered
Living Ashford	No. of complaints received regarding poor conditions in the private rented sector
Living Ashford	% of complaints regarding poor conditions in the private rented sector resolved informally
Living Ashford	% of complaints regarding poor conditions in the private rented sector resolved with formal action
Living Ashford	% of businesses with a food hygiene rating above 3*
Living Ashford	% of lifeline calls answered within 60 seconds
Living Ashford	Lifeline customer satisfaction
Living Ashford	% of clients exiting specialist domestic violence services who report a complete cessation of all types of abuse
Living Ashford	% of planning applications approved
Living Ashford	% of major planning applications determined within 13 weeks
Living Ashford	% of minor planning applications determined within 8 weeks

Appendix A – List of key performance indicators

Corporate Plan Theme	Performance Indicator
Living Ashford	% of planning application refusals allowed following appeal
Living Ashford	% of planning contraventions resolved without need for formal action
Living Ashford	% of conditions cleared within 21 days
Living Ashford	Council Tax collection rate
Living Ashford	Benefit change of circumstance average processing time
Living Ashford	New claim payment average processing time
Active and Creative Ashford	% of council maintained play areas audited as 'good'
Active and Creative Ashford	No. of leisure facility memberships
Active and Creative Ashford	% of tourism related contacts to Ashford Tourist Information Centre made in person
Active and Creative Ashford	Ratio of community grants to rural/urban projects
Attractive Ashford	% recycling rate
Attractive Ashford	% of bins collected by contractor right first time
Attractive Ashford	% of residents who believe that ABC is committed to improving the local area
Underpinning Principles	Number of FOI's responded to in 20 working days
Underpinning Principles	Number of major personal data breaches
Underpinning Principles	% of residents satisfied with the way ABC runs its services
Underpinning Principles	% of residents who think that ABC understands the needs of customers
Underpinning Principles	% of residents who feel that they can influence ABC decisions
Underpinning Principles	% of residents who feel well informed by ABC about services and benefits it provides
Underpinning Principles	Number of days sickness per full time equivalent
Underpinning Principles	Gender pay gap
Underpinning Principles	% of calls answered against % passed to back office
Underpinning Principles	No. of complaints rectified satisfactorily

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ASHFORD
BOROUGH COUNCIL

Agenda Item No: 8
Report To: Cabinet
Date of Meeting: 14 June 2018
Report Title: Financial Outturn 2017/18
Report Author & Job Title: Jo Stocks – Senior Accountant
Portfolio Holder: Cllr. Shorter
Portfolio Holder for: Finance & IT

Summary:

This report presents the outturn revenue position for the General Fund and the Housing Revenue Account.

It also presents the Capital Outturn for capital works and how these have been financed, reserve transfers, and a Treasury Management update.

In February, Cabinet received the forecast based on the third quarter's position when it was reported that the General Fund outturn was an estimated £57,000 overspend. The actual outturn position is almost a balanced position reporting a small overspend of £29,000.

The Housing Revenue Account was forecasting an underspend of £318,000 at quarter three. The actual outturn position is an underspend of £1,693,000, with a reduction in spend on capital projects due to slippage in the programmes therefore the overall spend is still required and will be utilised in future years.

Key Decision: NO

Significantly Affected Wards: All, none significantly

Recommendations: The Cabinet is recommended to:-

- I. **Note the financial outturn for 2017/18**
- II. **Approve carried forward requests, for New Homes Bonus in year underspends shown at Appendix A and member grant underspend to fund the centenary events**
- III. **Note the Annual Treasury Management position**
- IV. **Note the breach in the Treasury Management Strategy limits**

Policy Overview: Upholding a strong focus on managing the Council's resources in line with the Council's Corporate Plan and the Medium Term Financial Plan is a top priority for the Council. This is exercised through our regular monitoring procedures

and the responsibilities that managers have for the stewardship of budgets

Financial Implications:

The General Fund outturn was a deficit of £29,000.

The Housing Revenue Account was underspent against the budgeted deficit by £1,693,000.

Various transfers to and from reserves reflect the approved 2017/18 budget strategy and statutory requirements. The level of earmarked reserves (which includes developer contributions) at 31 March 2018 was an increase of £1,901,000 compared to the start of the year.

Legal Implications

Equalities Impact Assessment

Please see the Budget setting process assessment

Other Material Implications:

None

Exempt from Publication:

NO

Background Papers:

None

Contact:

Maria.seddon@ashford.gov.uk – Tel: (01233) 330547
Jo.stocks@ashford.gov.uk – Tel: (01233) 330548

Report Title: 2017/18 Outturn Report

Introduction and Background

1. Following the closure of the 2017/18 service accounts this report provides Members with the outturn results for the General Fund (GF) and the Housing Revenue Account (HRA) for 2017/18. It also covers outturn of capital spending and an update on treasury management.
2. The statutory deadline for closing and the Section 151 Officer (Director of Finance and Economy) signing off the accounts for presentation to our external auditors is the end of May.

Proposal/Current Position

3. Members are being asked to note the outturn results, treasury management position and breach of strategy, in addition to approving the recommendations for movements to and from reserves and carry forward requests for new homes bonus.

2017/18 General Fund Outturn

4. Overall the final outturn position is £29,000 over the current approved budget, as shown at **Table 1**, with further analysis, by service, at **Table 2**. This final position reflects a number of variances that occurred during the year. The most significant movements for each service area are explained below.

Chief Executive

5. There is an £81k pressure as a result of the Chilmington Manager being moved to this area, there is a corresponding saving in corporate costs.
6. Pressure of £30,000 relating to the corporate restructure of Corporate Policy, and the decision to retain staff on a temporary basis to work on special projects such as the centenary events.
7. A new post, Data Protection Officer, added a pressure of £47,500 this was to be funded from reserves however due to savings elsewhere it has been decided to fund in year.

Director of Finance and Economy

8. There is a pressure of £282,000 within Corporate Property, this includes:
 - a. £114,000 of this overspend is as a result of the reported voids at International House.
 - b. £140,000 on reactive repairs, due in part to the £30,000 lighting improvements in North Park, £17,000 for the refurbishment of Ashford Museum, £38,000 for repairs to Julie Rose Stadium
 - c. £25,000 pressure which was used for the Town Centre forums, to discuss the regeneration of the town
9. To reduce future spend on reactive repairs a new post of 'Property and Asset Manager' will be introduced during 2018/19, a new Asset Management system (costing £22,000) was purchased in 2017/18 to support this role and promote a pro-active maintenance schedule.

10. There is a pressure of £320,000 in Housing. As reported throughout the year, £284,000 is as a result of the increasing numbers of homeless families. However, in January 2018 Cabinet agreed an implementation plan, targeted towards improving front line resources and focusing on the prevention of homelessness. In addition to this, progress has been made in the delivery of Christchurch Lodge, to provide further short stay accommodation. It is anticipated that these actions will deliver a reduction of numbers in temporary accommodation, particularly B&B, moving forward.
11. There is a £282,000 pressure in Finance. £50,000 is due to the ICT review, which made a number of recommendations to improve the service; there is also an additional £50,000 as a result of an increase in software prices. There were also increases in the MMI (Municipal Mutual Insurance) provision and Bad Debt Provisions totalling £162,500. A number of savings were made as a result of the re-structure of Management Team and Directors. This area also shows the efficiency savings target, however savings are reflected in individual services.

Director of Law & Governance

12. There have been a number of salary savings in Legal & Democratic Services during the year, which have been offset by spend on consultants, to cover vacant posts. In addition to this there has been additional income of £69,000, relating to a number of developments in the borough.
13. Parking is showing an overall underspend of £81,000 which includes:
 - a. Increase in salary costs of £96,000 for additional Enforcement Officers, partly offset by additional enforcement income and partly from reserves. In future years the pressure will be fully funded from additional enforcement income
 - b. Income from enforcement (explained above) and parking has increased by £160,000.
 - c. Savings have also been achieved in repairs and maintenance of the car parks

Director of Place & Space

14. Culture is broadly in line with the reported forecasts throughout the year, however there has been additional spend on a number of projects including £15,000 for the Victoria Park development.
15. Environmental Services showed a saving of £443,000 for 2017/18, £327,000 of this saving was generated by Aspire which completed its first full year of operations. Some of these underspends are as a result of contingency budgets not being required and some as a result of operational equipment wearing better than anticipated. The estimates for 2018/19 were set with this on-going underspend in mind and officers will continue to monitor the position.
16. Savings were also made in refuse and recycling which saw an increase in garden waste income of £60,000. There was an anticipated contribution to reserves of £40,000 for bin replacement, however this funding is now in place therefore the contribution was not required. The remaining savings of £68,000 come from the wider street scene budget with significant contributions coming from cemeteries unscheduled works, £20,000, and a further £20,000 salary savings. £23,000 of savings were also achieved as a result of the closure of the public conveniences at Vicarage Lane.

17. Planning has an underspend of £37,000, primarily from savings in the Building Control Team. The wider Planning service is balanced through the Planning reserve with the intention that surpluses in income will be used to fund the local plan inspection costs and contest planning appeals.
18. Analysis of the 2017/18 outturn position showed that additional planning income in the region of £360,000, which was partly used to fund additional staffing pressures in the department requiring the engagement of consultants at an additional cost of circa £150,000. There were also significant planning appeal costs incurred during 2017/18 which required additional external resource in the region of £320,000.
19. Other movements include savings in anticipated local plan costs, in year, of circa £50,000, although these costs will now fall in 2018/19 and need to be supported from the planning reserve.
20. The overall movements in planning reserve in 2017/18 saw around £40,000 being used to fund service pressures as explained above, although a grant for £19,000 for Design Quality funding was added to the reserve.

Capital Charges and Net Interest

21. Capital and Net Interest is covered in the Treasury Management section of this report (from paragraph 48).

Table 1 – General Fund Budget Outturn - Directorate

Directorate	Current Budget (net) A £'000	Outturn (net) 2017/18 B £'000	Variance (B-A) £'000	Movement from Quarter 3 £'000
Chief Executive	935	1,084	149	52
Director of Finance & Economy	3,191	4,076	885	240
Director of Law & Governance	1,836	1,776	(60)	118
Director of Place & Space	9,503	9,186	(317)	(113)
Recharge adjustment		(17)	(17)	0
Net Service Expenditure	15,465	16,105	640	297
Capital Charges and net interest	(2,033)	(2,589)	(556)	(190)
Revenue Contribution to Capital	0	359	359	0
Levies, Grants and Precepts	250	250	0	0
Contribution to reserves	1,319	2,040	721	(41)
Budget Requirement	15,001	16,165	1,164	66
Financing:				0
NNDR Pool	(3,422)	(3,415)	7	(615)
NNDR S31 Grant	(1,115)	(1,804)	(689)	615
Council Tax	(7,079)	(7,526)	(447)	0
New Homes Bonus	(3,395)	(3,401)	(6)	(0)
	(10)	19	29	66

Table 2 - General Fund Outturn – Service

Service	Current Budget (net) A £'000	Outturn (net) 2017/18 B £'000	Variance (B-A) £'000
Chilmington Management Organisation	69	150	81
Corporate Policy, Economic Development & Communications	866	934	68
Corporate Property & Projects	(1,380)	(1,098)	282
Finance & IT	3,950	4,233	282
Housing Services	621	941	320
Health, Parking & Community Safety	490	444	(46)
HR & Customer Services	94	124	30
Legal & Democratic Service	1,252	1,208	(44)
Culture	3,018	3,181	163
Environmental and Land Management	4,949	4,506	(443)
Planning	1,536	1,499	(37)
Recharge Adjustment		(17)	(17)
Net Service Expenditure	15,465	16,105	639
Capital Charges & Net Interest	(2,033)	(2,589)	(556)
Revenue Contribution to Capital	0	359	359
Levies, Grants and Precepts	250	250	0
Contribution to Reserves	1,319	2,040	721
Budget Requirement	15,001	16,165	1,163
Financing:			
Retained Business Rates	(3,422)	(3,415)	8
Business Rates S31 Grants	(1,115)	(1,810)	(695)
Council Tax	(7,079)	(7,526)	(447)
New Homes Bonus	(3,395)	(3,395)	0
	(10)	19	29

New Homes Bonus

22. There are a number of projects, funded from New Homes Bonus, which are left over from the old scheme. Some of these one off projects are still not complete, **Appendix A** details the remaining projects and the amount required to be carried forward into 2018/19.
23. During the year there has been expenditure on a number of areas including:
 - a. T-CAT, working to enhance the aesthetics of the Town Centre and surrounding areas
 - b. Town Management Team, working to regenerate the town including the development of the Love Ashford website
24. New homes bonus is no longer bid for as in the past, but is now being pooled in conjunction with other corporate resource to support the council's delivery programme which focuses on strategic priorities within the corporate plan.

25. Following this change in methodology the surplus New Homes Bonus income is transferred to the new homes bonus reserve. As at the 31st March the New Homes Bonus reserve was £3.311m (£3.133m for corporate projects and £178k for on-going projects).

Collection Fund Outturn

26. The Collection Fund is the statutory mechanism by which income gathered by a billing authority (in this case, Ashford Borough Council) from Council Tax and Business Rates is distributed to Government and precepting authorities (KCC, Fire, Police and Parishes).
27. Overall the collection rates for both Council Tax and Business Rates have been high in 2016/17 at 98.17% and 99.26% respectively, this is consistent with previous years signalling the continued strength of the Boroughs economy and the robust collection arrangements in place.

Council Tax

28. The year-end position for Council Tax shows a surplus of £2,298,800; this surplus will be divided between the major precepting authorities, with the Council's share being around 12%. This surplus is higher than the original budget, but is in line with the estimates reported throughout the year, it is as a result of 300 more Band D properties than anticipated as well as a reduction in claims for Council Tax support.

Table 3 - Council Tax Position

	Outturn (net) to 31/03/18
Opening Surplus	(2,944,562)
Surplus distributed to Major Preceptors	1,995,691
2017/18	
Amount of Council Tax to be paid to Major Preceptors	71,270,041
Amount of Council Tax billed	(72,353,734)
Changes to bad debt provision	(266,125)
In year (Surplus)/Deficit	(1,349,817)
Overall (Surplus)/Deficit	(2,298,688)

Business Rates

29. Net rates payable by ratepayers is £2,742,000 less than forecast, this is partly as a result of appeals paid out in year of £1,078,000, but is also as a result of an increase in the reliefs paid out, which has decreased the rate yield. This increase in reliefs will be offset by s31 grant from government.
30. The provision for bad debts and appeals has been increased, this increase is the result of the revaluation of the 2017 rating list. Government anticipate the impact of appeals, as a result of the new list, will be 4.7% of Gross Rate Payable, all Kent authorities are applying this methodology to the 2017 list. In addition to appeals to the 2017 list there are a number of outstanding appeals in respect of the 2010 list, which have been re-analysed and as a result the provision in respect of these potential appeals has been reduced.

31. Business Rate income is lower than anticipated, resulting in an overall collection fund deficit of £1,800,400, the council's share of this is deficit is £720,000, it is anticipated that the increase in s31 grant will cover this.

Table 4 - Business Rates Position

	Original Budget 2017/18	Outturn (net) 2017/18
Opening (Surplus)/Deficit		2,867,507
Deficit recovered from Major Preceptors 2017/18		(2,378,178)
Amount of Business Rates to be paid to Major Preceptors	49,481,875	49,481,875
Amount of Business Rates Billed	(52,412,324)	(50,257,628)
Other Items Charged to the Collection Fund	241,449	281,580
Bad Debts/Appeals	2,689,000	1,751,808
In year (Surplus)/Deficit	0	1,311,095
Overall (Surplus)/Deficit		1,800,426

32. The Council continues to be a member of the Kent Business Rates Pool, the benefit of the Pool is that the levy paid to Government (£105,000) is significantly lower than if we had acted individually (£1,339,000), resulting in a net benefit of £1,234,000. Under the pooling agreement for 2017/18 Ashford Borough Council retains 30% (£370,000) of this benefit, a further 30% goes to Kent County Council, 30% is put into a 'Growth Fund' for Economic Development within Ashford, with the remaining 10% (£123,000) being put aside for use as a Safety Net Reserve to mitigate risk.

Transfers to/from Reserves

33. Earmarked reserves are balances held for specific purposes, at the end of the year transfers are made to and from earmarked reserves, overall the earmarked reserves increased by £1,901,000 during 2017/18. The transfers included in this movement are:-
- Transfer of £250,000 to the Repairs and Renewals Reserve to provide funding for maintenance to infrastructure and assets.
 - £200,000 has been transferred to an Economic Risk Reserve. As the council becomes more commercial in its activities, this reserve is designed to mitigate the risk that these commercial activities may bring. It is the intention to build these reserves to 15% of the net budget requirement over the next few years.
34. The current General Fund balance is £2.75m and adheres to the minimum balance of 15% of the Net Budget Requirement which equates to £2.16m for 2018/19.

Table 5 - Summary of Earmarked Reserves

	Balance at 31st March 2017 £'000	2017/18 Transfers £'000	Balance at 31st March 2018 £'000
Fund future expenditure	(5,196)	(1,783)	(6,979)
Provide for purchase/maintenance of assets	(4,398)	200	(4,198)
Required by statute reserves	(278)	82	(196)
Developer Section 106 contributions	(6,919)	(400)	(7,319)
Earmarked Reserves	(16,791)	(1,901)	(18,692)

2017/18 Housing Revenue Outturn (HRA)

35. The outturn on the HRA is showing a £1,693,000 underspend, with the outturn being a deficit of £3,206,000 compared to the budget of £4,899,000. This underspend will be put back into the HRA reserves to be used on future projects that form part of the HRA Business Plan.
36. Income on rent is £250,000 lower than anticipated, this is largely due to the Rent Rebate Subsidy Limitation, which is a levy paid to the General Fund to repay the difference between the Housing Benefit subsidy awarded and the Housing Benefit paid out. This payment is the result of average rents being higher than the Limit set by Government.
37. Further pressures on HRA income have been reported during the year and are as a result of the 1% rent reduction enforced by Government, as well as reduced income from Service Charges and Supporting People, linked to the refurbishment of Danemore and East Stour Court.
38. Supervision and Management costs are higher than anticipated, this is mainly due to the decanting of East Stour Court. Although these costs were anticipated as part of the East Stour Court project they were allocated to Capital, but now form part of the revenue expenditure, there will therefore be a saving in project costs to offset this.
39. Repairs and Maintenance costs are higher than anticipated, £144,000 of the additional expenditure were originally forecast as Capital Expenditure, but have been transferred to revenue for accounting purposes. In addition to this there is £104,000 relating to insurance for leaseholders, this will be recoverable in future years, but is an overspend in 2017/18.
40. An underspend of £2,032,000 for Capital projects during this year, partly because projects have been funded from other sources, such as HCA grant, 'one-for-one' money and capital receipts, and also because some projects are not as far ahead as anticipated when the budget was set 18 months ago. For example the purchase of street properties was delayed as a result of a longer negotiation period with developers, these purchases will now occur in 2018/19. Overall the projects will consume the budgeted resources, however this will happen in later years.
41. The HRA bad debt provision has been increased by £156,000, this pressure is due to the impact of Welfare reform. As reported previously officers are implementing the RentSense system which will assist in identifying potential problems before they arise and enable more time to be spent resolving longer term arrears.
42. Capital Expenditure on decent homes is £1,324,000 less than expected. £822,000 has been reported throughout the year. In addition to this £144,000 has been transferred to Revenue (see paragraph 39), as well as an additional saving of £240,000 in respect of a delay in the commencement of the Fire Safety contract, and £90,000 saving on boiler installation where engineers were re-deployed to maintenance during the cold weather, this work will need to be completed in the future.

Table 6 – 2017/18 Housing Revenue Account Outturn

Budget Page	Current Budget 2017/18 A £'000	Outturn 2017/18 B £'000	Variance (B-A) £'000
Income	(25,511)	(24,703)	808
Supervision and Management	5,158	5,443	285
Repairs and Maintenance	3,328	3,462	134
Other	21,924	19,004	(2,920)
Net Revenue Expenditure	4,899	3,206	(1,693)
Capital Works -Decent Homes	4,424	3,100	(1,324)
<i>Capital Works financed by:</i>			
Major Repairs Allowance	(4,424)	(3,100)	1,324
Contribution to/(from) Major Repairs Reserve			
Net Capital Expenditure	0	0	0
Total Net Expenditure	4,899	3,206	(1,693)

43. The forecast deficit of £3,206,000 will be funded from HRA Revenue reserves, which have a closing balance, at 31 March 2018, of £3,547,000. This reserve balance is a key part of the 30 year HRA Business Plan.

Capital Outturn

44. In addition to the Revenue Budget the Council continued to operate a Capital Programme.
45. As part of the closing process the capital spending for the year is assigned to various assets, and the funding source identified. Details of capital spend and financing are contained in **Table 7** below.
46. The Council uses many sources of funding for projects including Section 106 Developer Contributions and Homes & Community Agency Grants, as well as other grants and the Council's own capital receipts, revenue reserves and prudential borrowing.
47. Major projects during 2017/18 included:
 - a. Elwick Place - During the year work has progressed on site in line with the build schedule, and there have been no significant variations to the build specification that would impact the expected completion date of December 2018. Expenditure incurred in 2017/18 is £19,300,000.
 - b. Land and buildings purchased for economic and regeneration purposes have included Mecca Bingo Hall £1,895,000 in the town centre and land at Blinds Groom Lane £443,000.
 - c. Repton Park Community Centre is nearing completion, with £959,000 spent in 2017/18.
 - d. A further £1,902,000 has been spent on completing Farrow Court Phase 2.
 - e. Danemore sheltered housing accommodation redevelopment has incurred costs of £3,385,000
 - f. £3,100,000 was spent on the existing housing stock to ensure Decent Home Standards are maintained

Table 7 – Summary of Capital Spending and Financing

	£'000
General Fund Capital Expenditure	25,200
HRA Capital Expenditure	13,600
Total Expenditure	38,800
Funding	
Capital Receipts	3,434
1-4-1 Capital Receipts (ring fenced for affordable housing)	819
Repairs and Renewals reserve	203
Earmarked Reserves	427
External Grants and Contributions	2,689
Developer Contributions	1,730
GF Revenue Contributions	358
HRA Revenue Contribution	4,480
Major Repairs Reserve	3,100
Prudential Borrowing	21,560
Total Funding	38,800

Table 8 – Capital Receipts

	£'000	Total Received £'000
Right to Buy Sales Receipts		2,818
<u>Less</u>		
Admin Costs	(3)	
Government share (Pooling liability)	(486)	(489)
Other HRA Capital Receipts		68
Less costs		(17)
General Fund Capital Receipts		812
Less costs		(20)
Total Capital Receipts		3,172
Housing Revenue Account Receipts		
<i>Unringfenced receipts</i>		(642)
<i>1-4-1 capital receipts for affordable housing</i>		(1,497)
Total HRA Receipts		(2,139)
General Fund Receipts		(1,033)
		3,172

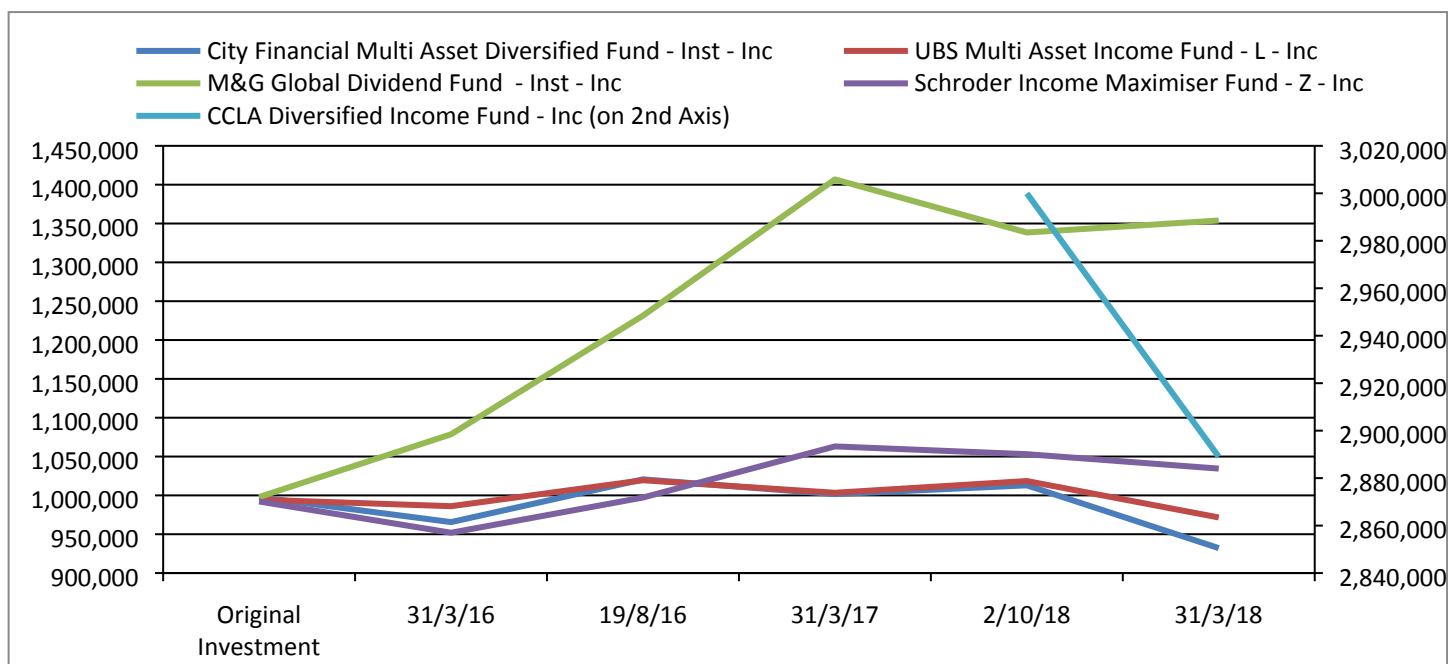
2017/18 Treasury Management Position (Capital Charges and Net Interest)

48. Capital charges and net interest had a surplus of £556,000 in year, compared to a reported surplus of £489,000 at quarter 3. An additional £67,000 surplus was as a result of changes in the forecast MRP (Minimum revenue provision) and the actual MRP calculation.
49. The surplus of £556,000 in relation to the treasury management function and was mainly due to the additional investment income of £372,000, and a saving of £120,000 on long term borrowing forecast, as the decision to borrow short term from other local authorities was continued.
50. The additional investment income is due to a change in the investment strategy, as well as a decision to borrow for previous purchases rather than use reserves. As a consequence, the additional income generated from borrowing increased cash balances and therefore the opportunity to invest this cash in equity funds was taken, which resulted in higher interest receipts. These Equity Funds along with the CCLA (churches, Charities, Local Authorities) Property fund, represent strategic long term investments for the Council and the performance of these funds is detailed below.

Equity Funds

51. In October 2017 the Council increased its equity fund holding by £3,000,000 and added the CCLA Diversified Income Fund to the portfolio. Overall the suite of equity funds generated interest of £234,000, in 2017/18, which represents 3.95% return across the funds.
52. Having generated additional capital growth of £493,000 in 2016/17, capital values retracted in 2017/18 and closed £294,000 down on the previous year's balance, although they still represent growth of £199,000 on original investment levels. The normal capital fluctuations of equity funds do not impact the tax payer directly, with movements being reflected on the Council's statement of financial position.
53. The Graph below shows the movement in capital values of the Council's equity funds from time of purchase and through 2017/18, please note that the CCLA Diversified income fund is shown on the right Axis to enable scaling of the graph.
54. You will see on the graph that the CCLA Diversified Income fund lost capital value following acquisition and dropped to £2,889,000 as at year end, however, as at 30 April 2018 this had recovered slightly to £2,939,000.

Capital Movement in Equity Funds 2017/18

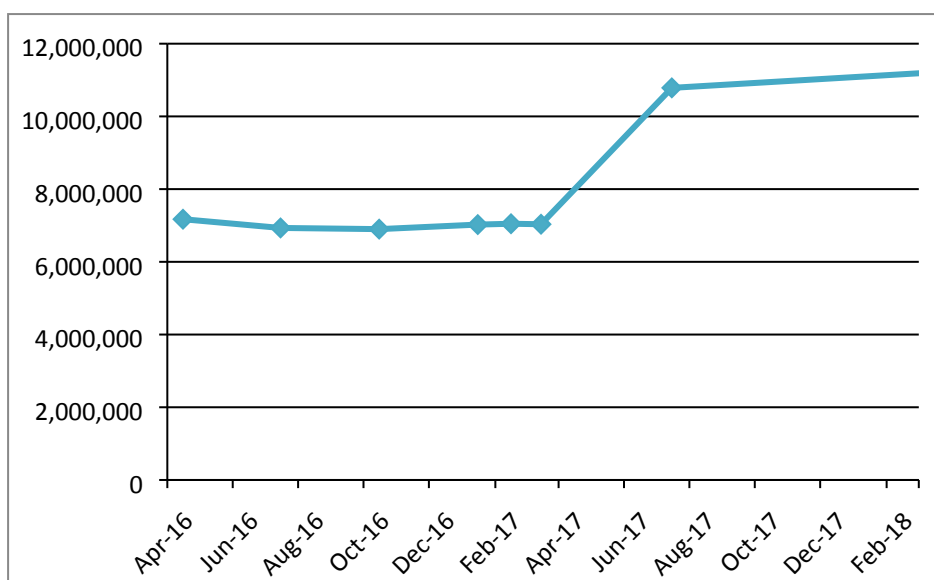


* Original Investments were made between 26/08/2015 and 3/11/2015, CCLA DIF fund was purchased on 02/10/18.

CCLA Corporate Property Portfolio

55. The Council has been invested in the CCLA Property fund for a number of years and as at 31/03/2017 had made investments totalling £6,000,000 and enjoyed returns in the region of 4.5% to 5%, in addition to capital growth of £1,034,168. During 2017/18 (31 July 2018) the Council placed a further £4,000,000 in the fund taking the total investment to £10,000,000.
56. When buying additional shares in the CCLA Property Fund the Council had to pay an entry fee of £230,437 which is taken from the original investment, at year end £56,214 of this had been recovered thorough capital growth.
57. In 2017/18 the investments in the CCLA Property Fund generated an interest receipt of £455,879 to the Council, representing a yield of 4.64%. The overall value of the fund closed at £11,208,041 which if sold would represent a capital gain of £1,208,041 to the Council, or act as a 12% buffer against any future decline in the capital value of the fund.

Capital movement in the CCLA valuation 2017/18



58. The investment in A Better Choice for Property Ltd shown in the investment table at **Appendix B** represents the fair value of the Property Company as per the companies 2017/18 un-audited accounts. The increase in the fair value reflects the positive year the company has had and the continued strengthening of the company's underlying assets, it shows the Council currently has capital growth in the property company of £342,016.
59. In addition to the capital growth the Council has now loaned the Company £6,007,000 at a commercial rate which generated the Council an interest receipt of £167,646 in 2017/18.
60. A full schedule of the treasury management positions as at 31 March 2018 are shown at **Appendix B**.

Borrowing

61. 2017/18 represented a change for Treasury Management as the Council needed to approach markets to borrow funds. This need is due to the capital expansion plans of the Company (namely the Elwick development) and the decision to now borrow for previously approved projects such as International House.
62. The Council has adopted the strategy of using short term borrowing which is accessible from other local authorities, this strategy is reviewed on an ongoing basis with the Council's Treasury Management Advisors.
63. This strategy has enabled savings in borrowing costs of £120,000 in 2017/18.

Implications and Risk Assessment

64. The figures in the Accounts may change if the audit identifies a need, this may lead to a change in outturn.

Consultation Planned or Undertaken

65. As part of routine budget monitoring all budget holders are consulted about their outturn estimates and this forms the basis of the outturn forecasts. Services have been consulted for explanations of variances.

Next Steps in Process

- 66. This report has been prepared alongside this statement of Accounts. The Accounts will be audited during June and signed off during July at the Audit Committee.
- 67. The closing position helps inform the 2018/19 outturn and any changes to the current year will be presented to Members in the first Budget Monitoring report.

Portfolio Holder's Views

- 68. To be given at meeting
- 69.

Contact and Email

- 70. Jo Stocks
- 71. Jo.stocks@ashford.gov.uk

New Homes Bonus Carry Forward Requests to 2018/19

Project Theme	Outline	2017/18 Budget	2017/18 Outturn	2018/19 Carry Forward Request
Tourism & Business in Rural Areas	Wine trail	4,665	0	4,665
Tourism and Gateway (Relocation)	TIC relocation	29,752	0	29,752
Space Science Destination	Initial feasibility work	38,660	0	38,660
Town Centre Projects	Refurbishment of the area between County Square & Park Mall	105,000	0	105,000
	Total	178,077	0	178,077

Treasury Management Portfolio as at 31 March 2018

Counter Party	Deal Date	Rate %	Amount £	Fair Value £	Comment	
Investment Accounts						
Goldman Sachs	Various	0.32%	50,000	51,295	*	
ICD Portal - BNP Paribas	Various	0.40%	5,000,000	5,000,000	*	
ICD Portal - Invesco	Various	0.35%	5,000,000	5,000,000	*	
ICD Portal - Black Rock	Various	0.31%	4,028,500	4,028,500	*	
Payden Global MMF	Various	variable	3,000,000	2,990,298	*	
Total Investment Accounts			17,078,500	17,070,093		
Long Term Investments						
Local Authority Investments						
Blaenau Gwent	21/10/2014	2.00%	3,000,000	3,000,000	Matures 21/10/2019	
Property Investment						
CCLA Local Authority Property Fund	Various	4.60%	10,000,000	11,105,134		
A Better Choice of Property Ltd.***	Various	3.69%	175,000	517,016		
Equity Funds**						
City Financial Multi Asset Diversified Fund	27/08/2015	3.37%	997,687	952,502	**	
UBS Multi Asset Income Fund	26/08/2015	4.00%	994,504	980,127	**	
M&G Global Dividend Fund	27/08/2015	2.13%	997,914	1,369,354	**	
Schroder Income Maximiser	03/11/2015	7.47%	992,152	1,051,051	**	
CCLA Diversified Income Fund	Various	1.71%	1,986,809	2,889,020	**	
Total Long Term Investments			19,144,066	21,864,203		
Total Investment Portfolio						
			36,222,566	38,934,296		

* Money Market Fund (MMF) are AAA rated deposit facilities which have variable rates of interest but have constant net asset values. Interest rates are shown at the time of producing this report.

** Equity funds and the Property fund have variable rates of interest and also have fluctuating capital values, the amount stated is the current fair value.

*** A Better Choice Of Property Ltd. is a solely owned subsidiary of ABC

Debt Portfolio as at 31 March 2018

Counter Party	Deal Date	Rate %	Amount £	Fair Value	Comment
Temporary Borrowing					
Middlesbrough Council	20/11/2017	0.50%	5,000,000		Maturity 20/04/2018
Middlesbrough Council B Account	21/11/2017	0.45%	5,000,000		Maturity 09/04/2018
Basildon Borough Council	15/12/2017	0.43%	2,000,000		Maturity 18/04/2018
Durham County Council	15/12/2017	0.50%	5,000,000		Maturity 16/04/2018
Basildon Borough Council	01/02/2018	0.55%	2,000,000		Maturity 02/05/2018
Runnymede Borough Council	02/02/2018	0.55%	2,000,000		Maturity 02/08/2018
Middlesbrough Council B Account	13/02/2018	0.50%	10,000,000		Maturity 12/04/2018
London Borough of Newham Council	19/02/2018	0.50%	5,000,000		Maturity 21/05/2018
Total Temporary Borrowing			36,000,000		
Long Term Borrowing					
Public Works Loan Board***	various	various	114,664,150		Maturity Date - various
Total Long Term Borrowing			114,664,150		
Grand Total Borrowing			150,664,150		

Trading and Enterprise Board

Minutes of a Meeting of the Trading and Enterprise Board held in the Council Chamber, Civic Centre, Tannery Lane, Ashford on the **8th May 2018**

Present:

Cllr. Bell (Chairman);

Cllrs. Galpin, Ovenden (Observer)

Apologies:

Cllrs. Clokie, Bradford

Also Present:

Cllr Shorter (in his capacity as Director of A Better Choice for Building Consultancy Ltd)

Director of Finance and Economy (in his capacity as Section 151 Officer), Head of Corporate Property and Projects (in his capacity as Director of a Better Choice for Property Ltd), Interim Head of Finance (in her capacity as Director of a Better Choice for Property Ltd), Senior Accountant (LF), Senior Accountant (MH), Commercial Development Manager (A Better Choice for Property Ltd), Commercial Development and Regeneration Officer, Member Services Manager.

446 Declarations of Interest

Cllr Shorter (in his capacity as Director of a Better Choice for Building Consultancy Ltd), the Head of Corporate Property and Projects (in his capacity as Director of a Better Choice for Property Ltd), and the Interim Head of Finance (in her capacity as Director of a Better Choice for Property Ltd) declared interests in respect of matters on the Agenda.

447 Minutes

Resolved:

That the Minutes of the meeting of the Board held on the 12th March 2018 be approved and confirmed as a correct record.

448 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 items 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 the appropriate paragraph of Schedule 12A of the Act, where in the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Minute No.	Agenda Item Heading	Relevant Paragraph of Schedule 12A
449	Update on Trading Activity – A Better Choice for Property Ltd	3
450	A Better Choice for Property Ltd – 2017/18 Draft Financial Accounts	3

449 Update on Trading Activity - A Better Choice for Property Ltd

The Commercial Development Manager updated the Board on the trading activities of A Better Choice for Property Ltd and advised that a detailed report would be presented to the next meeting. He also reported that the purchase of the development in North Street, which had been discussed at the previous meeting, would shortly be completed and he also outlined future development opportunities currently being considered by the Company.

The Head of Corporate Property and Projects advised upon the revised process for agreeing the purchase of properties.

Resolved:

That the performance and trading activities of A Better Choice for Property Ltd be received and noted.

450 A Better Choice for Property Ltd – 2017/18 Draft Financial Accounts

The report provided the Board with a commentary on the 2017/18 draft Financial Statement for A Better Choice for Property Ltd which had been provided by the

Company. The report also commented on the strength of the financial covenants which were in place between the Council and the Company and details around the current financial benefits for the Council of investing in the Company.

The Senior Accountant (LF) introduced the report and advised that the draft Accounts were with the Audit Company who would be responsible for the electronic filing of the accounts in due course. Officers would validate that this process had taken place and check with Companies House direct.

The Senior Accountant and the other Officers present answered Members' questions.

Resolved:

- That**
- (i) the 2017/2018 Draft Financial Statements for A Better Choice for Property Ltd be noted.**
 - (ii) the Company's position against its financial covenants be noted.**
 - (iii) the financial benefits of A Better Choice for Property Ltd to the Council be noted.**

Recommended:

That no action be taken by the Council in response to the breach of the Debt to Cash flow covenant and this would be the position for the next 18 months.

(KF)

MINS

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Telephone: 01233 330564 Email: keith.fearon@ashford.gov.uk
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NOTES OF THE ECONOMIC REGENERATION & INVESTMENT BOARD

25th April 2018

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

Also Present: Cllr Clokie, Portfolio Holder for Planning
Cllr Bradford, Portfolio Holder for Community Safety and Wellbeing

Chief Executive
Director of Finance and Economy
Head of Finance
Senior Development and Regeneration Manager
Director of Place and Space
Project Delivery Manager
Commercial Property Solicitor (Locum)
Head of Corporate Property and Projects
Member Services & Ombudsman Complaints Officer

<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 for A Better Choice for Building Consultancy Ltd and Kent Play Clubs.</p> <p>The Chief Executive made a Voluntary Announcement as she was a Director of A Better Choice for Property Ltd and A Better Choice for Building Consultancy Ltd.</p> <p>The Head of Corporate Property and Projects and the Head of Finance made Voluntary Announcements as they were Directors of A Better Choice for Property Ltd.</p>	
<p>2. The Notes of the Meeting of 2nd March 2018</p> <p>The Notes of the Meeting of the Economic Regeneration and Investment Board on 2nd March 2018 were agreed as a correct record.</p>	

<p>3. Strategic Land Acquisition Proposal Update</p> <p>The Senior Development and Regeneration Manager introduced the report. There was a discussion about the financial viability of acquiring the land based on the proposed delivery programme. The Commercial Development and Regeneration Manager reminded Members that a site appraisal had been undertaken by Officers and reported to this Board at the meeting in January. Members agreed unanimously to proceed with the offer subject to the matters contained within the report and agreement by Cabinet and Council.</p>	<p>SS</p>
<p>4. Mecca Property</p> <p>The Senior Development and Regeneration Manager introduced the report, and explained that the project involved three discreet but interlinked workstreams.</p> <p>The Director of Place and Space gave a presentation which covered:</p> <ul style="list-style-type: none"> • Views of the building and environs • Constraints • Opportunities • Funding. <p>The Director of Place and Space said he would prepare a brief for the project design team to develop placemaking proposals, which would be referred to a future Economic Regeneration and Investment Board meeting for consideration. Members and Officers discussed some broad ideas for the development of the area, and Members recommended to the Head of Corporate Property and Projects that he use his project inception and feasibility budget to meet the spend identified in paragraphs 5, 7 and 9 of the report to secure the resources identified as required.</p>	<p>PMcK</p>
<p>5. Elwick 1 – Update Report</p> <p>The Portfolio Holder for Corporate Property introduced this item and gave a progress overview of the project to date. Members considered that the project management was exemplary and were pleased with the progress.</p>	
<p>6. Island Site</p> <p>The Senior Development and Regeneration Manager gave a verbal update on this project. He said a presentation would be given at the Ashford Strategic Delivery Board, as well as Cabinet or Council. He said the awards panel were unanimous in selecting the successful candidate and he showed a presentation of some of the options to be agreed in due course.</p>	

7. Dates of Next Meetings			
31 st May	10am	Committee Room 2	
6 th July	10am	Council Chamber	
3 rd August	10am	Council Chamber	
4 th Sept	2pm	Committee Room 1	
5 th Oct	2pm	Council Chamber	
2 nd Nov	10am	Council Chamber	
7 th Dec	10am	Council Chamber	

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**Notes of a meeting of the
Ashford Strategic Delivery Board
Friday 27 April 2018 at 10.00am**

Present:

Board Members

Cllr Gerry Clarkson (Chairman) – Leader, ABC
 Rt Hon Damian Green MP
 Cllr Paul Clokie – Portfolio Holder for Planning, ABC
 Cllr Graham Galpin – Portfolio Holder for Corporate Property, ABC
 Cllr Mike Whiting - KCC, Cabinet Member for Transport and Environment
 Cllr Mark Dance - KCC, Cabinet Member for Economic Development
 Barbara Cooper – KCC, Director – Growth, Environment and Transport
 Chris Moore – Homes England
 Paul Harwood - Highways England
 Mark Lumsdon-Taylor – Hadlow Group

Non Board Members

Cllr Aileen Hicks, ABC
 Cllr Neil Shorter, ABC
 Paul Kent, Southern Water
 Simon Sharp, Southern Water
 Vicky Thistlewaite, KCC
 Richard Alderton, ABC
 Andrew Osborne, ABC
 Stewart Smith, ABC
 Dean Spurrell, ABC
 Keith Fearon, ABC

Apologies

Tracey Kerly, ABC

Item	Notes	Action
1.	<p>Welcome</p> <p>The Chairman welcomed all those present.</p>	
2.	<p>Provision of Waste Water Infrastructure – Planning for Ashford Borough’s Housing Growth</p> <p>Paul Kent, of Southern Water, gave an update on progress since the last meeting on 26 January 2018. He advised that the estimated date for the completion of their programme was now March 2020 and the key to meeting this date would be the work on the Environmental Impact Assessment which</p>	

	<p>was likely to be submitted to KCC in the July/August 2018 period.</p> <p>Paul Kent also outlined the options being considered for the waste water connections to serve the Chilmington development. Cllr. Neil Shorter also reported upon the work undertaken by the Infrastructure Delivery Task Group, which had examined the demands emerging from planned development in the borough and the local plan allocated sites.</p>	
3.	<p>Ambitions for Ashford Town Centre</p> <p>The Chairman advised that in view of the changes that had occurred in the town centre since 2008 and the adoption at that time of the Town Centre Action Plan, he intended to establish the Ashford Town Centre Place Making Board. This Board would oversee the delivery of the town centre place making project.</p> <p>Richard Alderton (RA) gave a presentation and outlined the major projects currently being undertaken in the town centre which included the college; over 500 new dwellings; the cinema; the brewery; the Designer Outlet site and two new hotels.</p> <p>RA explained that a Critical Friends Workshop session had taken place which had examined the different parts of the town centre and he took the Board through possible development opportunities which could come forward for those particular sites.</p>	
4.	<p>Commercial Quarter</p> <p>Stewart Smith (SS) explained that following a design competition, Carl Turner Architects had been appointed to bring forward proposals for the Island Site located in the Commercial Quarter. SS gave details of schemes previously undertaken by them at Peckham Levels, Shoreditch and Brixton and suggested that some of the ideas adopted at those sites could be applied in relation to the development of buildings within the Commercial Quarter.</p>	
5.	<p>Elwick Place</p> <p>Stewart Smith advised that this was progressing in accordance with the programme and would be completed by December 2018.</p>	

6.	Newtown Works Stewart Smith advised that negotiations were still taking place with the owners of the site and as the Council's bid for Housing Infrastructure Funds had not been successful different ways of developing the site were being considered. Barbara Cooper advised of potential funding options which might be available for the site.	
7.	Designer Outlet Expansion The Chairman referred to the closure of Newtown Road and advised that he had asked KCC to examine whether the duration of the road closure could be reduced by increasing the hours of working. Barbara Cooper said that she was actively looking at this and would get back to ABC in due course.	KCC
8.	Ashford College Mark Lumsdon-Taylor gave a presentation on the progress of the development of the different phases of the college expansion. In terms of Phase 1, he advised that the college was full and for next year it was oversubscribed by 30%. He then ran through the proposals forming Phase 1A which he said was due to be completed by December 2019, and in terms of Phase 2, explained that it was planned to open this for students in 2021. He also outlined the potential funding options available to the college to fund the development works.	
9.	Station Spurs Andrew Osborne explained that the signalling and platform works had been completed on time and within budget. He also gave details of the problems currently being experienced by trains using the platforms and outlined the options being considered to resolve the situation.	
10.	Junction 10A Paul Harwood advised that the contractors were on site and it was likely that the traffic management measures on the M20 would be introduced in July.	
11.	Chilmington Green – (a) Strategic Issues and (b) Chilmington Community Trust Chris Moore advised of discussions taking place between	

	the Developer and the Chief Executive of ABC regarding funding of the highway infrastructure work on the A28.	
12.	Jasmin Vardimon – Javelin Way Development Barbara Cooper advised that good progress was being made on this project.	
13.	Conningbrook Masterplan The Chairman explained that he had recently met with the Leader of KCC to discuss this site and advised that he would write to him regarding the acquisition of a piece of land ABC wished to purchase.	ABC
14.	Victoria Park The Chairman advised that ABC were still waiting for the outcome of a bid to the Heritage Lottery Fund to take this project forward.	
15.	Forthcoming Events The Chairman reported on forthcoming events ABC were involved with over the next few months, which included the lighting of a Beacon to commemorate the 100th anniversary of the end of the First World War; Fields of Battle –Lands of Peace Photography Exhibition; The Civic Awards; and the auction of the Snowdogs.	
16.	Dates of Next Meetings Friday 27 July 2018 Friday 26 October 2018	

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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 27th April 2018.

Present:

Cllr. Clarkson (Chairman).
Cllr. Clokie (Vice-Chairman).

Cllrs. Mrs Blanford, Bradford, Dyer, Galpin, Heyes, Shorter, Suddards.

Also Present:

Cllrs. Burgess, Dehnel, Hicks, Wedgbury.

1 Declarations of Interest

- 1.1 Cllr. Clarkson made a Voluntary Announcement as he was a Director of A Better Choice for Property Ltd and a Member of the Weald of Kent Protection Society.
- 1.2 Cllr. Shorter made a Voluntary Announcement as he was a Director of A Better Choice for Building Consultancy Ltd and Kent Play Clubs.
- 1.3 Cllr. Clokie made a Voluntary Announcement as he was a Member of the Weald of Kent Protection Society.

2 Notes of the Meetings held on 22nd November 2017 and 5th January 2018

- 2.1 The Notes of the Local Plan & Planning Policy Task Group Meetings held on 22nd November 2017 and 5th January 2018 were approved.

3 Proposed revisions to the National Planning Policy Framework (NPPF) – proposed response to Government consultation

- 3.1 The Head of Planning Policy introduced this item. He drew Members' attention to the five strategic key aspects of the proposed revisions to the Framework, and responded to questions on each topic as follows:

Housing Need

- 3.2 The Head of Planning Policy explained that the proposed revisions included the possible introduction of a new method for calculating housing need in Local Plans. For the Council this would result in an increased annual need of 164 units per year as part of the annual housing need. This would not be applicable to the submitted Local Plan, which used existing methodology, but it would have issues for the review and update of the Local Plan once it had been adopted.

- 3.3 The Chairman opened up the item for discussion. Members expressed concern over the element based on the comparison between average house prices and average earnings. They considered that this concern should be reflected in the Council's response. The Head of Planning Policy said that this point had been raised in the draft response and it was likely that other organisations would also comment as it was desirable for the Government to set out precise clarification on this issue.

5 year housing land supply

- 3.4 The Head of Planning Policy said that the proposed revisions retained the requirement to demonstrate a 5 year housing land supply. However, there was a subtle, but significant change in the exact definition of what was considered deliverable. The proposed wording put an onus onto the Council to demonstrate positively that it would meet 5 year deliverability.
- 3.5 The Chairman opened up the item for discussion and the following questions/points were raised:
- In response to a question, the Head of Planning Policy advised that the new framework would be finalised in July 2018.
 - Members expressed concern over the option to produce an 'Annual Position Statement' and considered that the minimum period for this should fix the housing land supply position for a minimum of 3 years. They considered that the proposed response was not firm enough, and they would like to see a more robust challenge from the Council.
 - A Member asked whether the new legislation would put any pressure on developers to deliver and build out developments. The Head of Planning Policy responded that there was nothing in the new Framework to compel developers to change their current approach, and that the main thrust of the changes would affect Local Authorities only.

Housing Delivery

- 3.6 The Head of Planning Policy said that the proposed test of the number of houses built against the Council's housing targets was a crude one. He said that sanctions for failure to meet the test would involve accruing a greater buffer and presumption in favour of development, irrespective of being able to demonstrate a 5 year land supply. He considered this was not a fair and equitable test as in many cases the result was solely decided by how quickly developers built out.
- 3.7 The Chairman opened up the item for discussion and the following questions/points were raised:
- A Member noted that developers could deliberately fail to provide housing with no consequences to themselves. Members agreed that the words 'very little control' in the first paragraph on page 16 should be changed to 'virtually no control'.

- Another Member said this issue had implications for the new development at Chilmington Green. He considered that developers should be made to sign S106 agreements much earlier in the process to encourage them to build out. It was also suggested that there should be penalties for non-delivery. The Head of Planning Policy drew Members' attention to the Council's response, which referred to the proposals as a 'perverse incentive against swifter delivery of new houses'. He also pointed out that the draft response suggested that any Housing Delivery test in the NPPF should be suspended until more satisfactory proposals came forward.

Strategic & Local Policies/Neighbourhood Plans

- 3.8 The Head of Planning Policy said that the proposals in relation to Neighbourhood Plans could create problems as some areas in the Borough had Neighbourhood Plans and others did not. The Council had taken the approach that Parishes where Neighbourhood Plans had reached a certain point could set their own housing targets. In Parishes where Neighbourhood Plans had not reached this point, the target would be set by the Council's Local Plan. He considered that the new proposals were a recipe for confusion.

Maintaining Effective Co-operation

- 3.9 The Head of Planning Policy said the Government proposed the introduction of Statements of Common Ground, which were intended to produce evidence of co-operation with neighbouring authorities. Local Plans could be found unsound where such provision had not been made. This would require political collaboration with neighbours in the Plan-making process, and setting up processes with Officers and Members would take some time and protracted negotiations.
- 3.10 A Member expressed concern about how this could best be explained to residents, and that there could be consequences to the authority. There was the potential for difficult questions relating to meeting unmet housing needs of other districts. It was agreed that paragraph 2 on page 18 must be more robust. The Head of Planning Policy said that this would be a generic point for most authorities and that many would be responding in the same way on this issue.

Density Standards

- 3.11 A Member said he considered that the response could be stronger as there were associated problems with parking and high density developments.

Planning Conditions

- 3.12 The Head of Planning Policy said that the second paragraph on page 20 was the only concession to Local Authorities putting pressure on developers to build out, and it still only required the builder to commence activity. He considered that the Government viewed planning conditions as an impediment to building out. Members said that the response must include an argument to compel developers to build out and if they failed to do so, local authorities should have the means to revoke planning and take some form of action.

- 3.13 The Head of Planning Policy said that the final response to the proposals must be with the MHCLG by 10th May 2018. It was agreed that he would send round the draft final response to Members electronically for agreement. Cabinet would be asked to endorse the response at the Meeting on 10th May. It was agreed that the Chairman would write to the Minister formally advising that the Council had submitted a response and drawing attention to the salient points.

Resolved:

That the Local Plan and Planning Policy Task Group endorses the responses contained within the report and recommends that the Cabinet agrees a response to the consultation on the draft reviewed NPPF on this basis, subject to the proposed revisions referred to in the discussion above.

4 ‘Supporting housing delivery through developer contributions’ – MHCLG consultation paper

- 4.1 The Director of Place and Space introduced this item. He said this was a consultation paper on CIL and S106 agreements, in which the Government sought to simplify the CIL system but expedite the money-collection process. He drew Members’ attention to the concerns and the proposed responses.
- 4.2 The Chairman opened up the item for discussion and the following questions/points were raised:
- A Member suggested that the issue of viability was one that could be discussed in open committee. Members and officers considered that this would be an appropriate approach.
 - The Director of Place and Space said that CIL gave an income flow on smaller developments, but didn’t fund major infrastructure. S106 funding was important to tie large infrastructure to larger developments. CIL was collected for each property and the Council was permitted to decide on priorities for spending CIL. The Head of Planning and Development added that CIL payments were a simplified system based on what costs a development could bear. The Head of Planning Policy said that once the Local Plan was adopted CIL charges would be clarified and information would be published early in 2019.

Resolved:

That the Local Plan and Planning Policy Task Group endorses the proposed responses contained within the ‘Key Issues and Proposed Responses’ section of this report and, along with detailed technical responses from Officers, recommends that the Cabinet agrees a response to the consultation on the paper ‘Supporting housing delivery through developer contributions’ on this basis.

5 Oral update on the Local Plan Examination

- 5.1 The Head of Planning Policy said that the Examination appeared to be going well, and that he would keep Members updated going forward.

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

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Agenda Item No: 13

Report To: CABINET

Date: 14TH JUNE 2018

Report Title: SCHEDULE OF KEY DECISIONS TO BE TAKEN

Report Author and Job Title: Danny Sheppard, Member Services Manager (Operational)

Portfolio Holder: Portfolio Holders are individually specified in the attached Schedule.



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

Significantly 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

Legal Implications: n/a

Equalities Impact Assessment n/a

Other Material Implications: Nil

Exempt from publication: No

Background None

Papers:

Contacts:

danny.sheppard@ashford.gov.uk – Tel: 01233 330349

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; Gareth Bradford; Paul Clokie; Graham Galpin; Alan Pickering; Neil Shorter; and Gerald White.

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
14th June 2018					
Final Outturn 2017/18	<i>Final budget outturn for previous financial year.</i>	Cllr Shorter	Ben Lockwood/Maria Seddon	Open	16/6/17
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	Will Train	Open	11/8/17
Commercial Quarter		Cllr Galpin	Stewart Smith	Exempt	14/5/18

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
12 th July 2018					
Revenues & Benefits Recommended Write-Offs Schedule	<i>Proposed formal write-off of debts</i>	Cllr Shorter	Nic Stevens	Open (Exempt Appendix)	14/7/17
Town Centre Annual Report		Cllr Galpin	Jo Wynn-Carter	Open	14/7/17
Disabled Facilities Grants	<i>To report on the success of the integration of an OT within the housing department and to seek agreement to extend the project, to set out the position in relation to mandatory DFGs reflecting on the progress in reducing wait times, to set out proposals to offer discretionary grants on top of our existing mandatory DFGs, to provide a better service to those in need and address health equality and to provide an overview of the future proposals for a potential integrated East Kent Housing Health and Social Care project.</i>	Cllr White	Julian Watts	Open	4/5/18
Civil Penalties	<i>To recommend that the Council adopt a Policy Statement in relation to CP as an additional enforcement option. Once adopted the Council will be able to issue fines of up to £30,000. It would be expected that the maximum fine would be imposed on the worst offenders.</i>	Cllr White	Julian Watts	Open	4/5/18

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Annual Performance Report 2017/18	<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>	Cllrs Clarkson/ Shorter	Lorna Ford	Open	16/6/17
Updated Personnel Policies – Disciplinary, Capability and Employee Welfare	<i>The changes within the policy documents aim to reflect the organisation's reputation as a forward-thinking employer, provide an accurate reflection of the organisation's values, offer effective methodologies that aim to resolve situations, support best practice and emerging social trends and include recent changes in employment case law and changes on the horizon.</i>	Cllr Pickering	Joy Cross	Open	9/5/18
Chilham Recreation Grounds – Section 106 Funding	<i>To seek agreement to the release of funding to the Parish Council and Recreation Ground Trust for the purposes described in the report, subject to an appropriate Funding Agreement and monitoring regime being in place.</i>	Cllr Bennett	Amanda Scott	Open	17/5/18

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Lease of Land Known as Kiln Field to Tenterden Town Council	<i>To ask the Cabinet to agree to the transfer of the site to TTC on a 50 year lease and to allow the development and delivery of a management and community engagement plan by TTC.</i>	Cllr Bennett	Michelle Byrne	Open	17/5/18
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 Clokie	Lois Jarrett	Open	16/6/17
New Multi-Storey Car Park, Station Road, Ashford		Cllr Galpin	Steve Parish	Open	24/5/18
9 th August 2018					
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	Will Train	Open	11/8/17
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	11/8/17
Financial Monitoring – Quarterly Report	<i>Quarterly budget monitoring report</i>	Cllr Shorter	Maria Seddon	Open	11/8/17

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Wye 3 Masterplan		Cllr Clokie	Mark Chaplin	Open	6/10/17
13 th September 2018					
Affordable Housing Delivery Update		Cllr White	Mark James	Open	9/3/18
Planning Peer Review		Cllr Clokie	Tim Naylor	Open	19/4/18
Residents Survey		Cllr Clarkson	Lorna Ford	Open	19/4/18
Review of Taxi Licensing Policy and Appeals Committee Terms of Reference		Cllr Bradford	Trevor Ford/ Estelle Culligan	Open	23/5/18
11 th October 2018					
Medium Term Financial Plan	<i>To ask Cabinet to note the Medium Term Financial Plan ahead of this year's Budget process.</i>	Cllr Shorter	Maria Seddon	Open	13/10/17

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Leisure Procurement	<i>To update Members on the progress, process and timescales anticipated and lease arrangements proposed with ALT. To seek approval to bring the selected leisure operator proposals to the Cabinet for consideration.</i>	Cllr Bennett	Christina Fuller	Open	9/3/18
8 th November 2018					
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	Will Train	Open	11/11/16
Financial Monitoring – Quarterly Report	<i>Quarterly budget monitoring report.</i>	Cllr Shorter	Maria Seddon	Open	11/11/16
6 th December 2018					
Draft Budget 2019/20	<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	Ben Lockwood	Open	8/12/17
Council Tax Base 2019/20	<i>To present for approval the estimated 2019/20 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	8/12/17

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
Housing Revenue Account (HRA) Business Plan 2018 – 2048	<i>An annual update of the HRA Business Plan financial projections. This report updates the position for the period 2018-48.</i>	Cllr White	Sharon Williams	Open	8/12/17
10 th January 2019					
Revenues & Benefits Recommended Write-Offs Schedule	<i>Proposed formal write-off of debts</i>	Cllr Shorter	Nic Stevens	Open (Exempt Appendix)	12/1/18
14 th February 2019					
Financial Monitoring – Quarterly Report	<i>Quarterly budget monitoring report</i>	Cllr Shorter	Maria Seddon	Open	9/2/18
Revenue Budget 2019/20	<i>To present the draft revenue budget for 2019/20 to the Cabinet for recommendation to Council.</i>	Cllr Shorter	Maria Seddon	Open	9/2/18
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	Will Train	Open	9/2/18
Leisure Procurement	<i>To seek agreement to the appointment of a new leisure operator following the joint procurement exercise with ALT.</i>	Cllr Bennett	Christina Fuller	Open	9/3/18

Decision Item	Report Summary	Relevant Portfolio Holder	Report Author	Open or Exempt	Added to Schedule
14 th March 2019					
Annual Pay Policy Statement	<i>A review of the annual Pay Policy Statement and Ashford Living Wage Allowance</i>	Cllr Pickering	Michelle Pecci	Open	9/3/18
11 th April 2019					
Corporate Property Asset Management Strategy 2018–2021 – 12 Month Update		Cllr Galpin	Stewart Smith	Open	12/4/18
MAY 2019 – NO MEETING DUE TO BOROUGH COUNCIL ELECTIONS					

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

5/6/18

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