



Agenda

Meeting: **Overview and Scrutiny Committee**
Date: **17 January 2017**
Time: **7.00 pm**
Place: **Council Chamber - Civic Centre, Folkestone**

To: **All members of the Overview and Scrutiny Committee**

The committee will consider the matters, listed below, at the date, time and place shown above. The meeting will be open to the press and public.

Members of the committee, who wish to have information on any matter arising on the agenda, which is not fully covered in these papers, are requested to give notice, prior to the meeting, to the Chairman or appropriate officer.

1. **Apologies**

2. **Declarations of interest**

To consider and approve, as a correct record, the minutes of the meeting held on 23 July 2016.

3. **Minutes**

To consider and approve as a correct record the minutes of the meeting held on 13 December 2016.

4. **Controlled Parking Zone**

A presentation will be given by Andy Blaszkowicz, Head of Commercial and Technical Services and Fred Miller, Transportation Manager.

5. **Quarter 2 Performance Report 2016/17**

This item will be discussed by Cabinet on 18 January 2017.

Report C/16/92 provides an update on the Council's performance for the

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second quarter of 2016/17, covering 1st July 2016 to 30th September 2016. The report enables the Council to assess progress against the approved performance indicators for each service area.

6. **Universal Credit**

A presentation will be give by Andrew Hatcher, Revenues and Benefits Manager. A copy of the presentation is attached for information.

7. **Treasury Management strategy statement 2017/18 including Treasury Management Indicators**

This item will be discussed by Cabinet on 18 January 2017.

Report C/16/98 sets out the proposed strategy for treasury management for 2017/18 including the Annual Investment Strategy and Treasury Management Indicators to be approved by full Council.

8. **Council tax base 2017/18**

This item will be discussed by Cabinet on 18 January 2017.

The Council is required to decide its tax base which will be used in the calculation of Council Tax for 2017/2018. Report C/16/95 proposes the tax base recommendations for the Council's approval.

9. **General Fund Revenue Budget monitoring - 3rd Quarter 2016/17**

This item will be discussed by Cabinet on 18 January 2017.

Report C/16/94 provides a projection of the end of year financial position of the General Fund revenue budget, based on expenditure to 30 November 2016.

10. **Housing Revenue Account Revenue and Capital Original Budget 2017/18**

This item will be discussed by Cabinet on 18 January 2017.

Report C/16/96 sets out the Housing Revenue Account Revenue and Capital Budget for 2017/18 and proposes a decrease in rents and an increase in service charges for 2017/18.

11. **Housing Revenue Account Revenue and Capital Budget Monitoring - 3rd Quarter 2016/17**

This report will be considered by Cabinet on 18 January 2017.

Report C/16/97 provides a projection of the end of year financial position for the Housing Revenue Account (HRA) revenue expenditure and HRA capital programme based on net expenditure to 30 November 2016.

12. Update to the General Fund Medium Term Capital Programme and Quarter 3 monitoring 2016/17

This item will be considered by Cabinet on 18 January 2017.

Report C/16/99 updates the General Fund Medium Term Capital Programme for the five year period ending 31 March 2022. The report provides a projected outturn for the General Fund capital programme in 2016/17, based on expenditure to 30 November 2016. This report also sets out both the prudential indicators for capital expenditure and the Minimum Revenue Provision Policy Statement to be approved by full Council. The General Fund Medium Term Capital Programme is required to be submitted to full Council for consideration and approval as part of the budget process.

*Explanations as to different levels of interest

(a) A member with a disclosable pecuniary interest (DPI) must declare the nature as well as the existence of any such interest and the agenda item(s) to which it relates must be stated. A member who declares a DPI in relation to any item must leave the meeting for that item (unless a relevant dispensation has been granted).

(b) A member with an other significant interest (OSI) under the local code of conduct relating to items on this agenda must declare the nature as well as the existence of any such interest 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 remove him/herself to the public gallery before the debate and not vote on that item (unless a relevant dispensation has been granted). However, prior to leaving, the member may address the meeting in the same way that a member of the public may do so.

(c) Members may make voluntary announcements of other interests which are not required to be disclosed under (a) and (b). These are 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.

Voluntary announcements do not prevent the member from participating or voting on the relevant item

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Folkestone

Hythe & Romney Marsh
Shepway District Council



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Minutes

Overview and Scrutiny Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 13 December 2016
Present	Councillors Mrs Ann Berry, Peter Gane, Clive Goddard, Mrs Claire Jeffrey, Mrs Mary Lawes (In place of Frank McKenna), Len Laws (In place of Ian Meyers), Dick Pascoe (In place of Michael Lyons) and Mrs Rodica Wheeler
Apologies for Absence	Councillor Michael Lyons, Councillor Frank McKenna, Councillor Ian Meyers, Councillor David Owen and Councillor Peter Simmons
Officers Present:	Andy Blaszkowicz (Head of Commercial and Technical Services), Ben Geering (Head of Planning), Katharine Harvey (Head of Economic Development), Amandeep Khroud (Head of Democratic Services and Law), Chris Lewis (Planning Advisor), Sue Lewis (Committee Services Officer), Susan Priest (Corporate Director - Strategic Development), Sarah Robson (Head of Communities), Andrina Smith (Head of Human Resources) and Julia Wallace (Masterplanning Project Manager)
Others Present:	Councillor Ms Susan Carey, Cabinet Member for Finance, Councillor John Collier, Cabinet Member for District Economy and Councillor Stuart Peall, Cabinet Member for Environment

38. **Declarations of interest**

Councillor Dick Pascoe declared a voluntary announcement in respect of minute 44 – Oportunitas Quarterly report. His interest arose as he is Chairman of the Board. He remained in the meeting during discussion and voting on this item.

Councillor Mrs Ann Berry declared a voluntary announcement in respect of minute 44 – Oportunitas Quarterly report. Her interest arose as she is a Board

member. She remained in the meeting during discussion and voting on this item.

39. **Minutes**

Proposed by Councillor Clive Goddard
Seconded by Councillor Mrs Ann Berry

Resolved: The minutes of the meeting held on 15 November 2016 were submitted, approved and signed by the Chairman.

(Voting: For 4; Against 0; Abstentions 4)

40. **Otterpool Park: A Garden Town of the Future**

The Cabinet at its meeting on 8th June 2016 agreed that:-

1. A proposed new garden town at Otterpool Park has the potential to be a unique opportunity to deliver the strategic objectives of the Corporate Plan relating to boosting the local economy, increasing job opportunities and providing more homes.

2. That the detailed expression of interest, attached to the Cabinet report, be agreed as the Council's formal submission to the Department of Communities and Local Government's prospectus for "Locally Led Garden Villages, Towns and Cities", subject to any changes considered necessary by the Director of Strategic Development in consultation with the Leader of the Council.

3. That a further report be considered by Cabinet to consider the outcome of the expression of interest to Government.

This further report informs the Cabinet of an announcement on the 11th November 2016 by the Department of Communities and Local Government and Gavin Barwell M.P, Minister for Housing and Planning, that Shepway's expression of interest has been successful and that £750,000 of additional Government capacity funding has been made available that will help kick-start work and enable the Council to take forward their proposal.

The report sets out the planning, master planning and financial implications of the announcement and updates members of the work that is being carried out to progress the project.

Susan Priest, Corporate Director – Strategic Operations informed members that the Council is progressing two distinct work streams with regard to its role as landowner/promoter of the development and its role as local planning authority with responsibility for planning future strategic level growth in Shepway. Both work streams are progressing.

- **Westenhanger racecourse:**
It was noted that whilst this had been included in the draft Core Strategy 2013 for re-development, that was in a different context and following advice from the planning inspector had been withdrawn from that plan. There is now a much greater need for new housing both nationally and locally.
- **Housing:**
There is a statutory responsibility for councils to plan for future housing needs. The new work now being carried out on the review of the Core Strategy 2013 will need to respond to a significant increase in housing need at a strategic level.
Work on the Core Strategy review is distinct from the Places and Policies Local Plan, recently the subject of public consultation, which is proposing to provide approximately 2,500 homes on smaller and medium sized sites to complete the requirements of the existing Core Strategy.
Otterpool Park offers the opportunity for a wide range of housing needs to be met throughout the development, allowing for affordable housing; private and public sector renting opportunities; self-build; custom build and shared ownership, all of which will be available to local residents.
- **Delivery:**
In terms of delivery the Council has a direct landowner stake which allows for a greater level of control over the mix of proposed uses.
- **Transport:**
The Council will hold discussions with Network Rail in the coming months to talk about capacity and infrastructure improvements to the local rail service.
Studies being carried out will identify the capacity of the existing road network and provide the basis for new infrastructure investment able to support growth.

Councillor Ms Susan Carey, Cabinet Member for Finance agreed that there is a need for housing in the district and confirmed that this development would help to provide the numbers required and agreed with the Corporate Director the necessity to have a wide range of housing which will benefit the whole district.

Proposed by Councillor Clive Goddard
Seconded by Councillor Mrs Rodica Wheeler and

Resolved:

- 1. To receive and note Report C/16/82.**
- 2. That a report be brought back to a future meeting in respect of the public consultations.**

(Voting: For 7; Against 1; Abstentions 0)

41. Fly-posting protocol

Report C/16/84 is to provide details of progress and measures taken to reduce the impact of fly-posting in the district and to seek approval for the

implementation of a fly-posting protocol to aid enforcement in this area.

Members agreed that this was a positive way forward for the district. Sarah Robson, Head of Communities clarified that if fly-posting is not on council owned land then pressure would be put on the owners to take action.

Proposed by Councillor Clive Goddard
Seconded by Councillor Mrs Claire Jeffrey and

Resolved:

- 1. To receive and note Report C/16/84.**
- 2. To support the adoption of the Fly-posting Protocol.**

(Voting: For 8; Against 0; Abstentions 0)

42. Draft General Fund Budget

Report C/16/86 sets out the Council's Draft General Fund budget for 2017/18.

Pat Main, Interim Head of Finance, informed members that the Council had previously approved the Medium Term Financial Strategy 2017/18 to 2020/21 in September and Cabinet had agreed the Budget strategy in November.

This report details the draft General Fund Budget prior to Full Council's approval in February of the final budget proposals and council tax for 2017/18. Current estimates are based on a 2% Council Tax increase.

A schedule of the most significant service income and expenditure budget changes comparing 2017/18 with 2016/17 was tabled. Members were invited to raise any questions on the draft budget estimates.

Further work will now focus on finalising the following:

- The forecast for council tax and net business rates income
- This council's share of collection fund balances
- The Local Government Finance settlement and
- The budget implications of the revised Local Council Tax Reduction Scheme.

All of which will be confirmed in the final budget report.

Members were also informed that the budget consultation that took place during November resulted in responses from the public and business community. While a relatively small number of responses were received from the general public they did provide some useful feedback for consideration by Cabinet.

Members paid particular attention to the following:

- Local Enterprise Partnership (LEP) – the Council is part of South East LEP; there is no direct financial contribution from the Council to the LEP but can be a beneficiary if project bids are successful.

- Business Rates – as it stands the Council keeps 50% of this income. Government proposals to allow councils to retain 100% from 2019/20 onwards are likely to come with additional service responsibilities. The detail of which has to be finalised but it is thought there will be a phased programme of change.

Proposed by Councillor Dick Pascoe
Seconded by Councillor Mrs Ann Berry and

Resolved:

1. **To receive and note Report C/16/86.**

(Voting: For 7; Against 0; Abstentions 1)

43. **Exclusion of the public**

Proposed by Councillor Peter Gane
Seconded by Councillor Mrs Ann Berry and

Resolved: To exclude the public from the following items of business, on the grounds that it is likely to disclose exempt information, as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972: 'Information relating to the financial or business affairs of any particular person (including the authority holding that information).' 'Financial or business affairs includes contemplated as well as current activities.

(Voting: For 6; Against 1; Abstentions 1)

44. **Oportunitas Quarterly progress report**

This item has been recorded as an exempt minute.

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This Report will be made public on 10 January 2016

Folkestone

Hythe & Romney Marsh
Shepway District Council



Report Number **C/16/92**

To: Cabinet
Date: 18 January 2017
Status: Non-Key Decision
Head of service: Suzy Tigwell, Leadership Support Manager
Cabinet Member: Councillor David Monk

SUBJECT: QUARTER 2 PERFORMANCE REPORT 2016/17

SUMMARY: This report provides an update on the Council's performance for the second quarter of 2016/17, covering 1st July 2016 to 30th September 2016. The report enables the Council to assess progress against the approved performance indicators for each service area.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because:

- a) The Council is committed to monitoring performance across all of its service areas to ensure progress and improvement is maintained.
- b) The Council needs to ensure that performance is measured, monitored and the results are used to identify where services are working well and where there are failings and appropriate action needs to be taken.

RECOMMENDATIONS:

- 1. To receive and note report C/16/92.
- 2. To note the performance information for quarter 2.

1. BACKGROUND

- 1.1 On the 30th June 2016, Cabinet approved the key performance indicators for 2016/17, which would be reported quarterly to CMT and Members.
- 1.2 Appendix 1 provides an update on the key performance indicators within the council for the second quarter of 2016/17, covering the period of 1st July 2016 to 30th September 2016. This performance report enables the Council to assess progress against the approved performance indicators.
- 1.3 This report provides a comparison between Quarter 2 and Quarter 1. Where the performance indicator is not being achieved explanations have been sought from the relevant Service Manager's and noted in the report.
- 1.4 The key performance indicators which have fallen below target will be monitored more closely and if they do not improve during Quarter 3, the Policy and Improvement Officer will work with the relevant Service Manager to identify appropriate action that can be taken to resolve the situation.
- 1.5 Appendix 2 shows all of the performance indicators being monitored for 2016/17; the Key Performance Indicators have been highlighted in yellow.

2. PERFORMANCE ISSUES

Environmental Health

- The percentage of premises due for inspection, which are completed, is low for this quarter. The reason for this has been due to limited resources. Arrangements have been made for 100 inspections to be undertaken in planned overtime, and long term a member of staff is going to being trained to assist with food inspections.

Environmental Health (Enforcement)

- The number of hours spent on environmental crime patrol has fallen significantly this quarter. Staff resource issues have reduced the number of man hours available during this quarter. In August a duty rota was introduced to ensure that an officer was available at the Council Offices each day to deal with customer calls and allocate jobs as they were received. This had an impact on the resources available for patrolling. Recently a temporary member of staff and a permanent Team Leader have been recruited which should improve performance for quarter 3.

Planning

- The performance figures for the pre-application advice are still below the expected targets; however they have improved since quarter 1. A review of the pre-app service has been put on hold until new members of staff have been employed.

3. RISK MANAGEMENT ISSUES

Perceived risk	Seriousness	Likelihood	Preventative action
The Council's strategic objectives are not met.	High	Medium	Monitor progress against performance indicators and take remedial action for those areas where targets and actions are unlikely to be achieved.

4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

4.1 Legal Officer's Comments

Legal Officer's comments are not required for this report.

4.2 Finance Officer's Comments

Finance Officer's comments are not required for this report.

4.3 Diversities and Equalities Implications (ST)

There are no specific diversity and equality implications arising from this report.

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

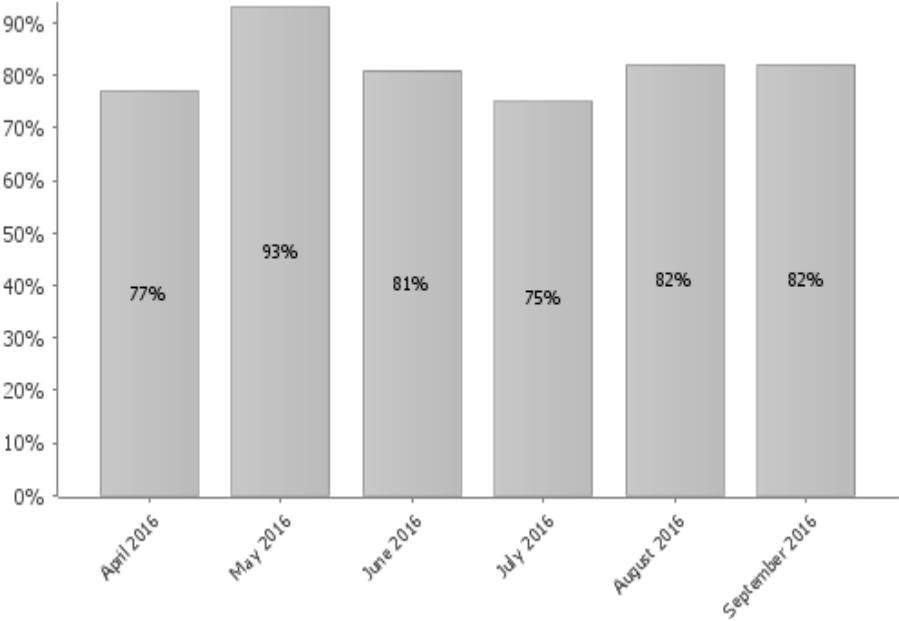
Dee Chambers, Policy and Improvement Officer
Tel: 01303 853508
Email: dee.chambers@shepway.gov.uk

Appendices:

Appendix 1: Quarter 2 Key Performance Indicators Report
Appendix 2 – Performance Indicators 2016/17

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Quarter 2 Key Performance Indicators

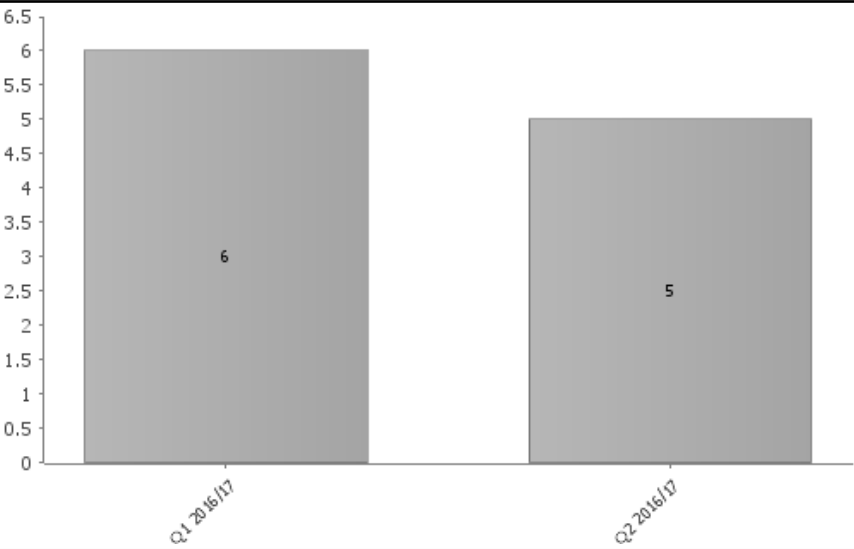
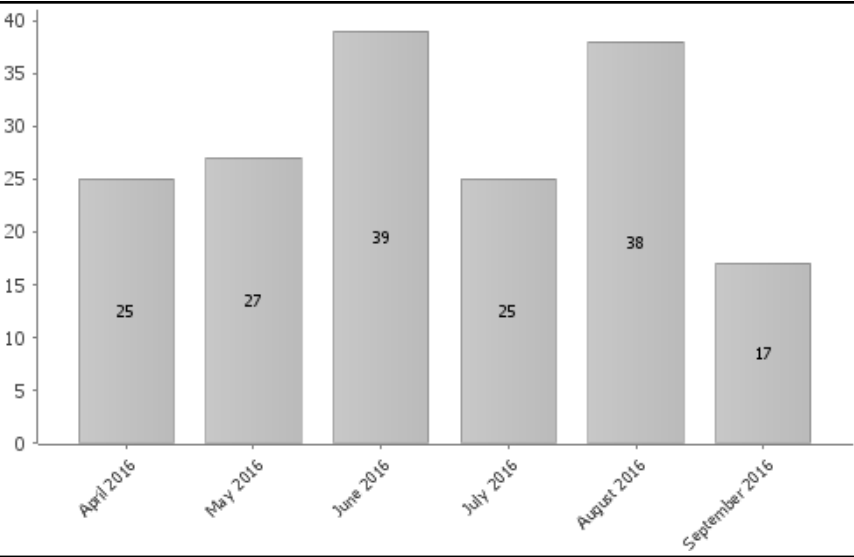
Performance Indicator	Performance	Notes														
Building Control - Number of full plan applications checked within 15 days from receiving a valid application	 <table border="1"> <caption>Performance Data for Building Control</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>77%</td> </tr> <tr> <td>May 2016</td> <td>93%</td> </tr> <tr> <td>June 2016</td> <td>81%</td> </tr> <tr> <td>July 2016</td> <td>75%</td> </tr> <tr> <td>August 2016</td> <td>82%</td> </tr> <tr> <td>September 2016</td> <td>82%</td> </tr> </tbody> </table>	Month	Performance (%)	April 2016	77%	May 2016	93%	June 2016	81%	July 2016	75%	August 2016	82%	September 2016	82%	<p>Quarter 1 April – 43 checked May – 28 checked June – 36 checked</p> <p>Quarter 2 July – 40 checked August – 45 checked September – 22 checked</p>
Month	Performance (%)															
April 2016	77%															
May 2016	93%															
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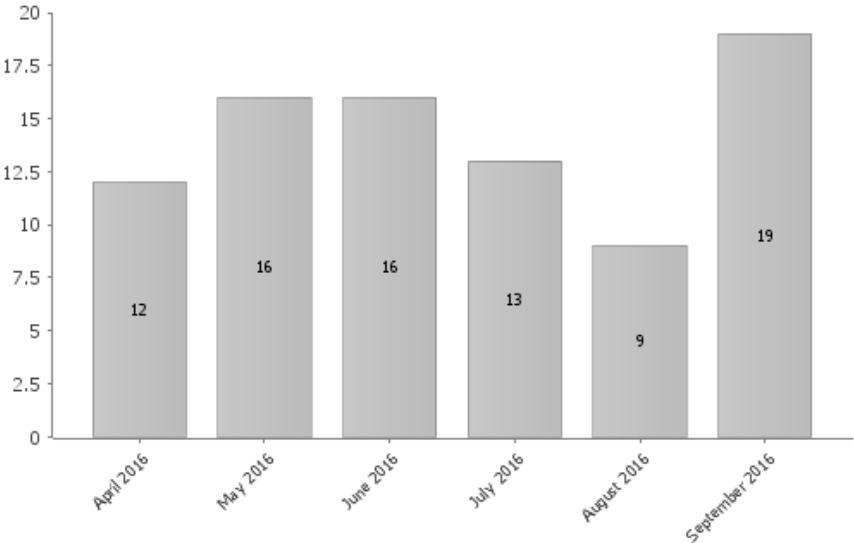
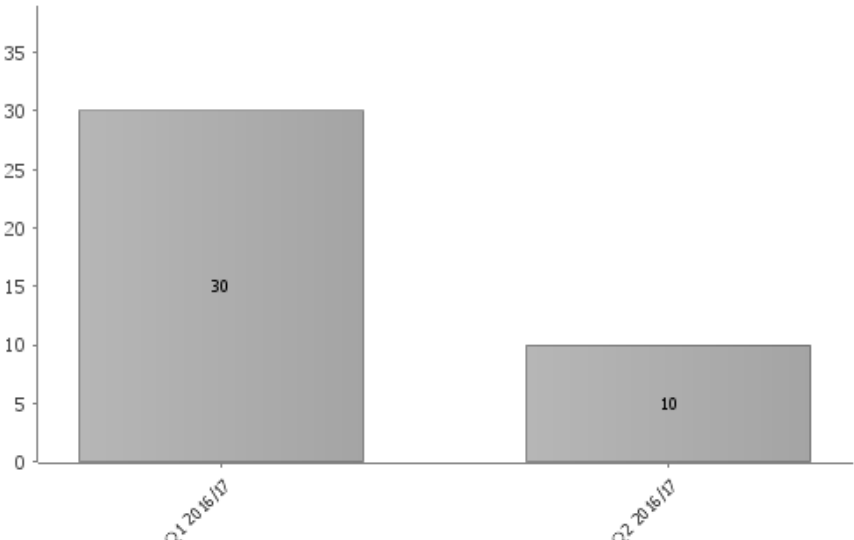
Performance Indicator	Performance	Notes														
Business Support - LLC searches responded to within 10 working days	<table border="1"> <caption>Performance Data for LLC searches responded to within 10 working days</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>99.48%</td> </tr> <tr> <td>May 2016</td> <td>91%</td> </tr> <tr> <td>June 2016</td> <td>95.38%</td> </tr> <tr> <td>July 2016</td> <td>100%</td> </tr> <tr> <td>August 2016</td> <td>100%</td> </tr> <tr> <td>September 2016</td> <td>97.16%</td> </tr> </tbody> </table>	Month	Performance (%)	April 2016	99.48%	May 2016	91%	June 2016	95.38%	July 2016	100%	August 2016	100%	September 2016	97.16%	211 searches were received in September of these, 6 were responded to over 10 working days, due to requiring a response from KCC to the optional question 21.
Month	Performance (%)															
April 2016	99.48%															
May 2016	91%															
June 2016	95.38%															
July 2016	100%															
August 2016	100%															
September 2016	97.16%															
Business Support - All LLC queries responded to within 20 working days	<table border="1"> <caption>Performance Data for All LLC queries responded to within 20 working days</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>100%</td> </tr> <tr> <td>May 2016</td> <td>100%</td> </tr> <tr> <td>June 2016</td> <td>100%</td> </tr> <tr> <td>July 2016</td> <td>100%</td> </tr> <tr> <td>August 2016</td> <td>100%</td> </tr> <tr> <td>September 2016</td> <td>100%</td> </tr> </tbody> </table>	Month	Performance (%)	April 2016	100%	May 2016	100%	June 2016	100%	July 2016	100%	August 2016	100%	September 2016	100%	
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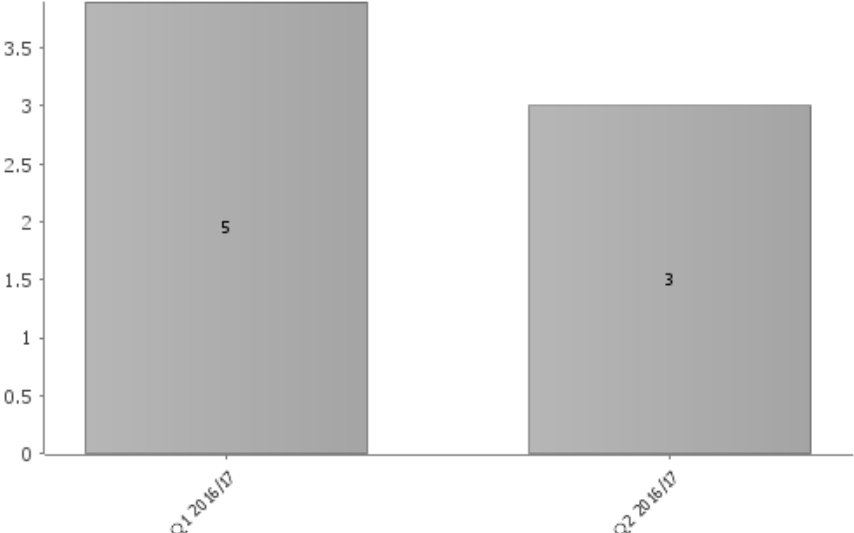
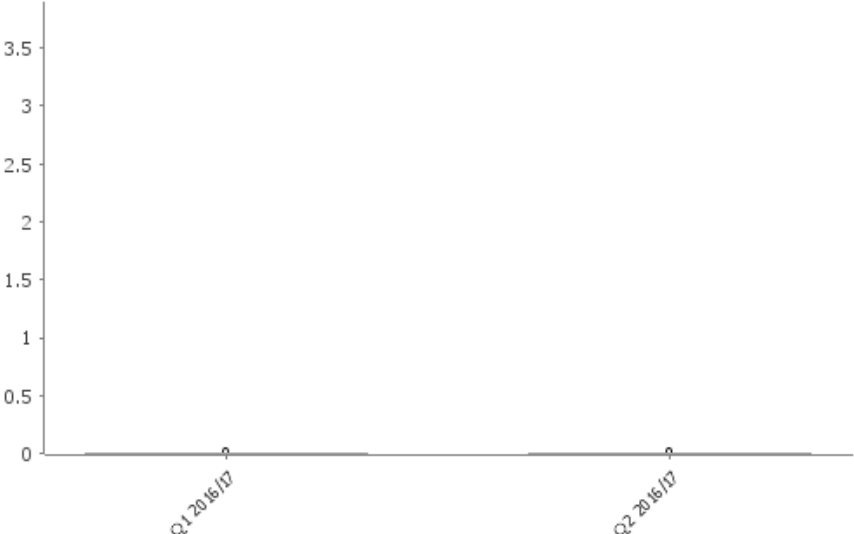
Performance Indicator	Performance	Notes																
Business Support – Fixed Penalty Notice challenges responded to within 20 working days	<table border="1"> <caption>Performance Data for Fixed Penalty Notice Challenges</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>98.3%</td> </tr> <tr> <td>May 2016</td> <td>100%</td> </tr> <tr> <td>June 2016</td> <td>97%</td> </tr> <tr> <td>July 2016</td> <td>100%</td> </tr> <tr> <td>August 2016</td> <td>98.83%</td> </tr> <tr> <td>September 2016</td> <td>98.44%</td> </tr> </tbody> </table>	Month	Performance (%)	April 2016	98.3%	May 2016	100%	June 2016	97%	July 2016	100%	August 2016	98.83%	September 2016	98.44%	<p>Quarter 1 April – 273 challenges received May – 290 challenges received June – 278 challenges received</p> <p>Quarter 2 July – 364 challenges received August – 436 challenges received September – 453 challenges received</p> <p>The number of challenges received increased in quarter 2 due to more notices being issued during the summer months as a result of new restrictions being implemented and charging in the seasonal/summer car parks.</p>		
Month	Performance (%)																	
April 2016	98.3%																	
May 2016	100%																	
June 2016	97%																	
July 2016	100%																	
August 2016	98.83%																	
September 2016	98.44%																	
Business Support - Process new licensing applications and renewals within 30 working days	<table border="1"> <caption>Performance Data for Licensing Applications and Renewals</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>90%</td> </tr> <tr> <td>May 2016</td> <td>81%</td> </tr> <tr> <td>June 2016</td> <td>86%</td> </tr> <tr> <td>July 2016</td> <td>81%</td> </tr> <tr> <td>August 2016</td> <td>71%</td> </tr> <tr> <td>September 2016</td> <td>100%</td> </tr> <tr> <td>October 2016</td> <td>-</td> </tr> </tbody> </table>	Month	Performance (%)	April 2016	90%	May 2016	81%	June 2016	86%	July 2016	81%	August 2016	71%	September 2016	100%	October 2016	-	<p>July – 109 applications August – 117 applications September – 55 applications</p>
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April 2016	90%																	
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September 2016	100%																	
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Performance Indicator	Performance	Notes																					
Corporate Debt - Business rates collection	<table border="1"> <caption>Corporate Debt - Business rates collection Performance Data</caption> <thead> <tr> <th>Month</th> <th>Actual Performance (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>15.22%</td> <td>15.22%</td> </tr> <tr> <td>May 2016</td> <td>25.4%</td> <td>25.4%</td> </tr> <tr> <td>June 2016</td> <td>33.45%</td> <td>33.45%</td> </tr> <tr> <td>July 2016</td> <td>42.07%</td> <td>42.07%</td> </tr> <tr> <td>August 2016</td> <td>48.9%</td> <td>48.9%</td> </tr> <tr> <td>September 2016</td> <td>58.64%</td> <td>58.64%</td> </tr> </tbody> </table>	Month	Actual Performance (%)	Target (%)	April 2016	15.22%	15.22%	May 2016	25.4%	25.4%	June 2016	33.45%	33.45%	July 2016	42.07%	42.07%	August 2016	48.9%	48.9%	September 2016	58.64%	58.64%	The collection target is being exceeded each month.
Month	Actual Performance (%)	Target (%)																					
April 2016	15.22%	15.22%																					
May 2016	25.4%	25.4%																					
June 2016	33.45%	33.45%																					
July 2016	42.07%	42.07%																					
August 2016	48.9%	48.9%																					
September 2016	58.64%	58.64%																					
Environmental Health - % of premises rated 3 or above	<table border="1"> <caption>Environmental Health - % of premises rated 3 or above Performance Data</caption> <thead> <tr> <th>Quarter</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>93.18%</td> </tr> <tr> <td>Q2 2016/17</td> <td>93.97%</td> </tr> </tbody> </table>	Quarter	Performance (%)	Q1 2016/17	93.18%	Q2 2016/17	93.97%																
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Q1 2016/17	93.18%																						
Q2 2016/17	93.97%																						

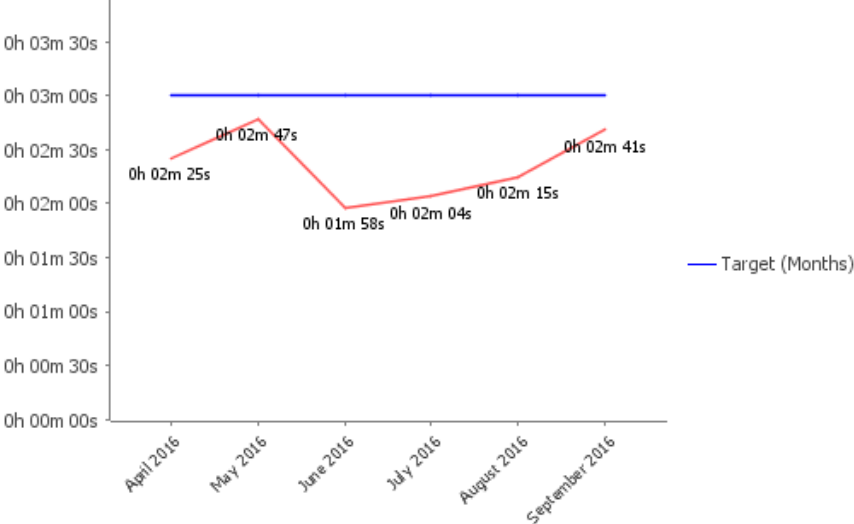
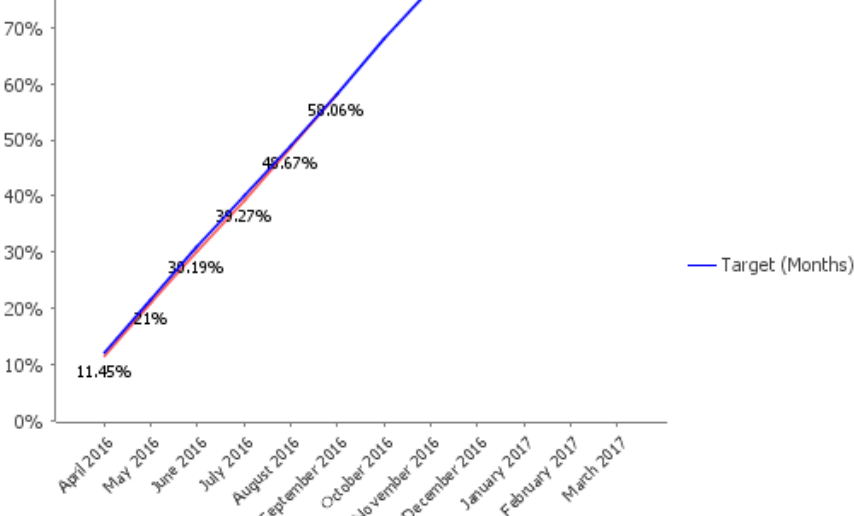
Performance Indicator	Performance	Notes														
Environmental Health - % of premises due for inspection, which are completed	<table border="1"> <caption>Environmental Health - % of premises due for inspection, which are completed</caption> <thead> <tr> <th>Month</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>55%</td> </tr> <tr> <td>May 2016</td> <td>69%</td> </tr> <tr> <td>June 2016</td> <td>33%</td> </tr> <tr> <td>July 2016</td> <td>10%</td> </tr> <tr> <td>August 2016</td> <td>93.88%</td> </tr> <tr> <td>September 2016</td> <td>41%</td> </tr> </tbody> </table>	Month	Percentage	April 2016	55%	May 2016	69%	June 2016	33%	July 2016	10%	August 2016	93.88%	September 2016	41%	<p>The figures are low for July and September due to leave. Agreement has been sought for planned overtime where 100 inspections will be carried out to assist with the workload.</p> <p>Action is also being carried out to train an additional officer in order that they are able to undertake food inspections.</p>
Month	Percentage															
April 2016	55%															
May 2016	69%															
June 2016	33%															
July 2016	10%															
August 2016	93.88%															
September 2016	41%															
Environmental Health - No of licensed premises inspected	<table border="1"> <caption>Environmental Health - No of licensed premises inspected</caption> <thead> <tr> <th>Month</th> <th>Number of Premises</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>8</td> </tr> <tr> <td>May 2016</td> <td>7</td> </tr> <tr> <td>June 2016</td> <td>15</td> </tr> <tr> <td>July 2016</td> <td>1</td> </tr> <tr> <td>August 2016</td> <td>2</td> </tr> <tr> <td>September 2016</td> <td>5</td> </tr> </tbody> </table>	Month	Number of Premises	April 2016	8	May 2016	7	June 2016	15	July 2016	1	August 2016	2	September 2016	5	
Month	Number of Premises															
April 2016	8															
May 2016	7															
June 2016	15															
July 2016	1															
August 2016	2															
September 2016	5															

Performance Indicator	Performance	Notes														
Environmental Health - No of caravan sites inspected	 <p>A bar chart with a vertical axis ranging from 0 to 6.5 in increments of 0.5. The horizontal axis has two categories: 'Q1 2016/17' and 'Q2 2016/17'. The bar for Q1 2016/17 reaches the value 6, and the bar for Q2 2016/17 reaches the value 5. The exact values are printed inside each bar.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>No of caravan sites inspected</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>6</td> </tr> <tr> <td>Q2 2016/17</td> <td>5</td> </tr> </tbody> </table>	Quarter	No of caravan sites inspected	Q1 2016/17	6	Q2 2016/17	5									
Quarter	No of caravan sites inspected															
Q1 2016/17	6															
Q2 2016/17	5															
Environmental Health - No of Temporary Event Notices issued	 <p>A bar chart with a vertical axis ranging from 0 to 40 in increments of 5. The horizontal axis lists the months from April 2016 to September 2016. The bars represent the number of notices issued each month: April (25), May (27), June (39), July (25), August (38), and September (17). The exact values are printed inside each bar.</p> <table border="1"> <thead> <tr> <th>Month</th> <th>No of Temporary Event Notices issued</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>25</td> </tr> <tr> <td>May 2016</td> <td>27</td> </tr> <tr> <td>June 2016</td> <td>39</td> </tr> <tr> <td>July 2016</td> <td>25</td> </tr> <tr> <td>August 2016</td> <td>38</td> </tr> <tr> <td>September 2016</td> <td>17</td> </tr> </tbody> </table>	Month	No of Temporary Event Notices issued	April 2016	25	May 2016	27	June 2016	39	July 2016	25	August 2016	38	September 2016	17	
Month	No of Temporary Event Notices issued															
April 2016	25															
May 2016	27															
June 2016	39															
July 2016	25															
August 2016	38															
September 2016	17															

Performance Indicator	Performance	Notes														
Environmental Health - No of licensing complaints investigated	 <table border="1" data-bbox="510 245 1361 790"> <thead> <tr> <th>Month</th> <th>Number of complaints</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>12</td> </tr> <tr> <td>May 2016</td> <td>16</td> </tr> <tr> <td>June 2016</td> <td>16</td> </tr> <tr> <td>July 2016</td> <td>13</td> </tr> <tr> <td>August 2016</td> <td>9</td> </tr> <tr> <td>September 2016</td> <td>19</td> </tr> </tbody> </table>	Month	Number of complaints	April 2016	12	May 2016	16	June 2016	16	July 2016	13	August 2016	9	September 2016	19	
Month	Number of complaints															
April 2016	12															
May 2016	16															
June 2016	16															
July 2016	13															
August 2016	9															
September 2016	19															
Community Safety - Number of community litter picks	 <table border="1" data-bbox="510 799 1361 1340"> <thead> <tr> <th>Quarter</th> <th>Number of litter picks</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>30</td> </tr> <tr> <td>Q2 2016/17</td> <td>10</td> </tr> </tbody> </table>	Quarter	Number of litter picks	Q1 2016/17	30	Q2 2016/17	10	<p>Community litter picks have been carried out all over the district, some examples are:-</p> <p>01.07.16 – staff from SAGA participated in a town clear up which resulted in more than 50 bags of rubbish.</p> <p>13.07.16 – 30 people from the Folkestone Glass Works 6th form took part in clearing up the Harbour Ward which included painting a wall, cleaning the beach and the collection of more than 40 bags of rubbish.</p> <p>11.09.16 – 16 McDonalds staff and residents took part in clearing up the Leas, this resulted in 42 bags of litter being collected.</p> <p>19.09.16 – 36 SAGA staff members helped refurbish 17 benches in Castle Hill Avenue.</p>								
Quarter	Number of litter picks															
Q1 2016/17	30															
Q2 2016/17	10															

Performance Indicator	Performance	Notes						
Community Safety - CPN notices served	 <p>A bar chart with a vertical axis from 0 to 3.5 in increments of 0.5. The horizontal axis has two categories: 'Q1 2016/17' and 'Q2 2016/17'. The bar for Q1 2016/17 reaches the value 5, and the bar for Q2 2016/17 reaches the value 3. The bars are grey.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>CPN notices served</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>5</td> </tr> <tr> <td>Q2 2016/17</td> <td>3</td> </tr> </tbody> </table>	Quarter	CPN notices served	Q1 2016/17	5	Q2 2016/17	3	All CPN notices that have been served have been for accumulations of waste.
Quarter	CPN notices served							
Q1 2016/17	5							
Q2 2016/17	3							
Community Safety - PSPO Breaches	 <p>A bar chart with a vertical axis from 0 to 3.5 in increments of 0.5. The horizontal axis has two categories: 'Q1 2016/17' and 'Q2 2016/17'. Both bars are at the value 0. The bars are grey.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>PSPO Breaches</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>0</td> </tr> <tr> <td>Q2 2016/17</td> <td>0</td> </tr> </tbody> </table>	Quarter	PSPO Breaches	Q1 2016/17	0	Q2 2016/17	0	There were none in quarter 2.
Quarter	PSPO Breaches							
Q1 2016/17	0							
Q2 2016/17	0							

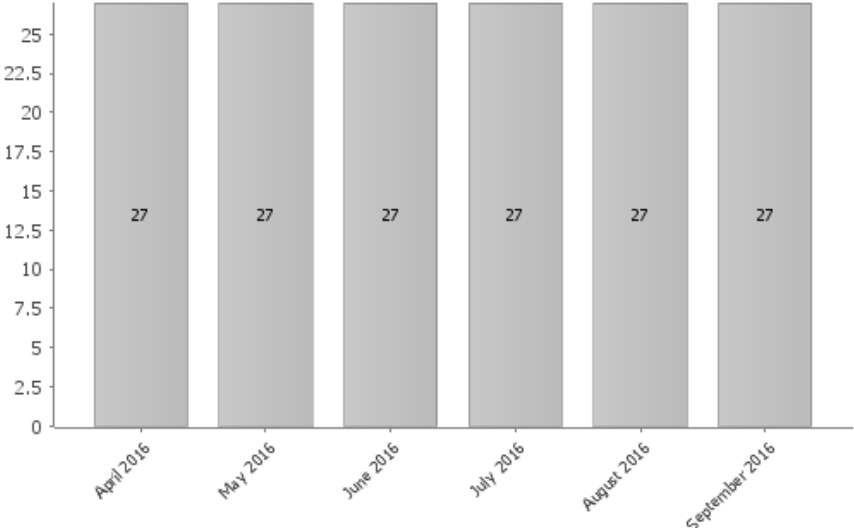
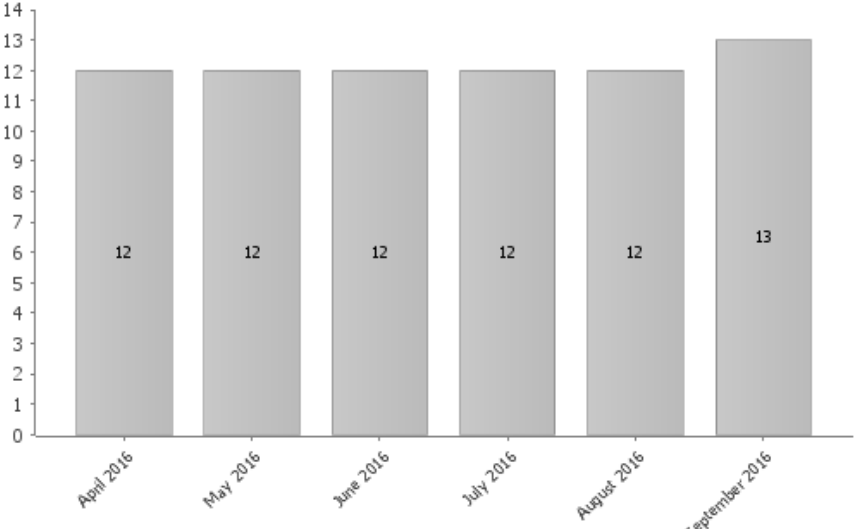
Performance Indicator	Performance	Notes														
<p>Customer Services - Customers seen within 20 minutes as a customer service desk</p>	<table border="1"> <caption>Performance Data for Customers seen within 20 minutes</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>90.41%</td> </tr> <tr> <td>May 2016</td> <td>93.03%</td> </tr> <tr> <td>June 2016</td> <td>92.42%</td> </tr> <tr> <td>July 2016</td> <td>91.71%</td> </tr> <tr> <td>August 2016</td> <td>88.91%</td> </tr> <tr> <td>September 2016</td> <td>87.66%</td> </tr> </tbody> </table>	Month	Performance (%)	April 2016	90.41%	May 2016	93.03%	June 2016	92.42%	July 2016	91.71%	August 2016	88.91%	September 2016	87.66%	<p>July 1924 customers were seen August 1980 customers were seen September 2310 customers were seen</p>
Month	Performance (%)															
April 2016	90.41%															
May 2016	93.03%															
June 2016	92.42%															
July 2016	91.71%															
August 2016	88.91%															
September 2016	87.66%															
<p>Customer Services - Calls served (versus number of calls received)</p>	<table border="1"> <caption>Performance Data for Calls served</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>85.11%</td> </tr> <tr> <td>May 2016</td> <td>81.72%</td> </tr> <tr> <td>June 2016</td> <td>88.45%</td> </tr> <tr> <td>July 2016</td> <td>87.67%</td> </tr> <tr> <td>August 2016</td> <td>86%</td> </tr> <tr> <td>September 2016</td> <td>85.82%</td> </tr> </tbody> </table>	Month	Performance (%)	April 2016	85.11%	May 2016	81.72%	June 2016	88.45%	July 2016	87.67%	August 2016	86%	September 2016	85.82%	<p>July 10,285 calls were received, of this:- 9,017 were served 1,215 abandoned 62 dissuaded</p> <p>August 10,770 calls were received, of this:- 9,289 were served 1,434 abandoned 46 dissuaded</p> <p>September 10,371 calls were received, of this:- 8,900 were served 1,410 were abandoned 61 were dissuaded</p>
Month	Performance (%)															
April 2016	85.11%															
May 2016	81.72%															
June 2016	88.45%															
July 2016	87.67%															
August 2016	86%															
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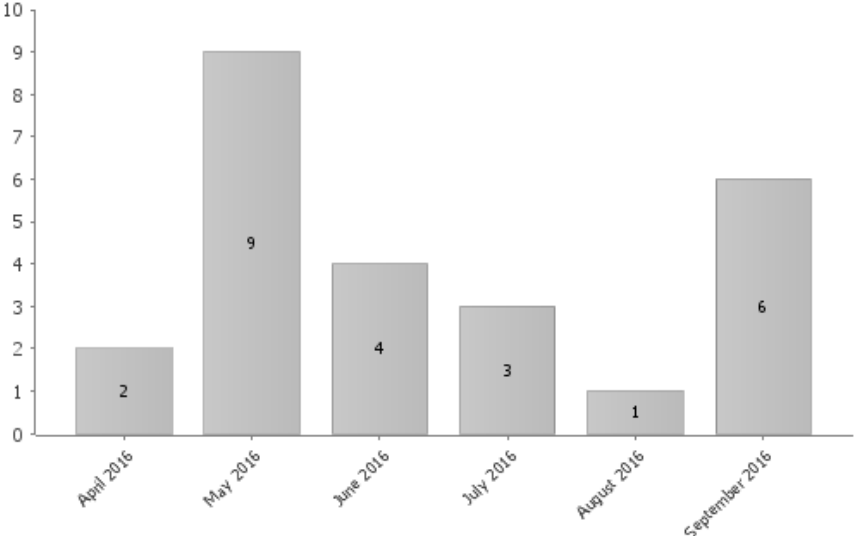
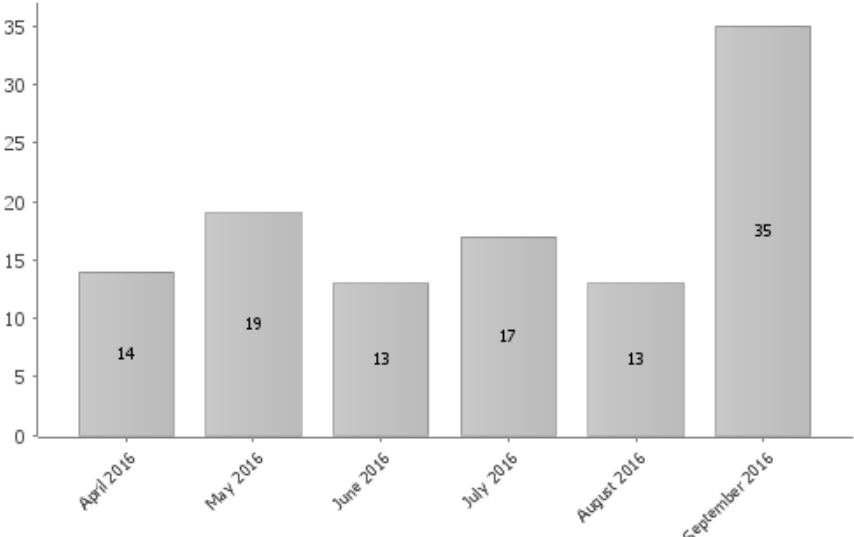
Performance Indicator	Performance	Notes																					
<p>Customer Services - Average wait time for calls (at peak times)</p>	 <table border="1"> <caption>Customer Services - Average wait time for calls (at peak times)</caption> <thead> <tr> <th>Month</th> <th>Actual Wait Time</th> <th>Target (Months)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>0h 02m 25s</td> <td>0h 03m 00s</td> </tr> <tr> <td>May 2016</td> <td>0h 02m 47s</td> <td>0h 03m 00s</td> </tr> <tr> <td>June 2016</td> <td>0h 01m 58s</td> <td>0h 03m 00s</td> </tr> <tr> <td>July 2016</td> <td>0h 02m 04s</td> <td>0h 03m 00s</td> </tr> <tr> <td>August 2016</td> <td>0h 02m 15s</td> <td>0h 03m 00s</td> </tr> <tr> <td>September 2016</td> <td>0h 02m 41s</td> <td>0h 03m 00s</td> </tr> </tbody> </table>	Month	Actual Wait Time	Target (Months)	April 2016	0h 02m 25s	0h 03m 00s	May 2016	0h 02m 47s	0h 03m 00s	June 2016	0h 01m 58s	0h 03m 00s	July 2016	0h 02m 04s	0h 03m 00s	August 2016	0h 02m 15s	0h 03m 00s	September 2016	0h 02m 41s	0h 03m 00s	
Month	Actual Wait Time	Target (Months)																					
April 2016	0h 02m 25s	0h 03m 00s																					
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July 2016	0h 02m 04s	0h 03m 00s																					
August 2016	0h 02m 15s	0h 03m 00s																					
September 2016	0h 02m 41s	0h 03m 00s																					
<p>Revenues - Council Tax Collection</p>	 <table border="1"> <caption>Revenues - Council Tax Collection</caption> <thead> <tr> <th>Month</th> <th>Actual Collection %</th> <th>Target (Months)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>11.45%</td> <td>~11.45%</td> </tr> <tr> <td>May 2016</td> <td>21%</td> <td>~21%</td> </tr> <tr> <td>June 2016</td> <td>30.19%</td> <td>~30.19%</td> </tr> <tr> <td>July 2016</td> <td>39.27%</td> <td>~39.27%</td> </tr> <tr> <td>August 2016</td> <td>48.67%</td> <td>~48.67%</td> </tr> <tr> <td>September 2016</td> <td>58.06%</td> <td>~58.06%</td> </tr> </tbody> </table>	Month	Actual Collection %	Target (Months)	April 2016	11.45%	~11.45%	May 2016	21%	~21%	June 2016	30.19%	~30.19%	July 2016	39.27%	~39.27%	August 2016	48.67%	~48.67%	September 2016	58.06%	~58.06%	
Month	Actual Collection %	Target (Months)																					
April 2016	11.45%	~11.45%																					
May 2016	21%	~21%																					
June 2016	30.19%	~30.19%																					
July 2016	39.27%	~39.27%																					
August 2016	48.67%	~48.67%																					
September 2016	58.06%	~58.06%																					

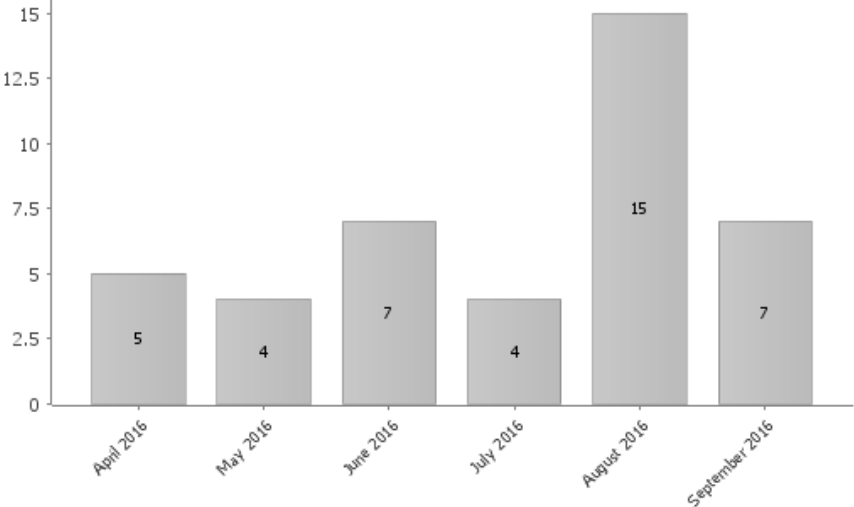
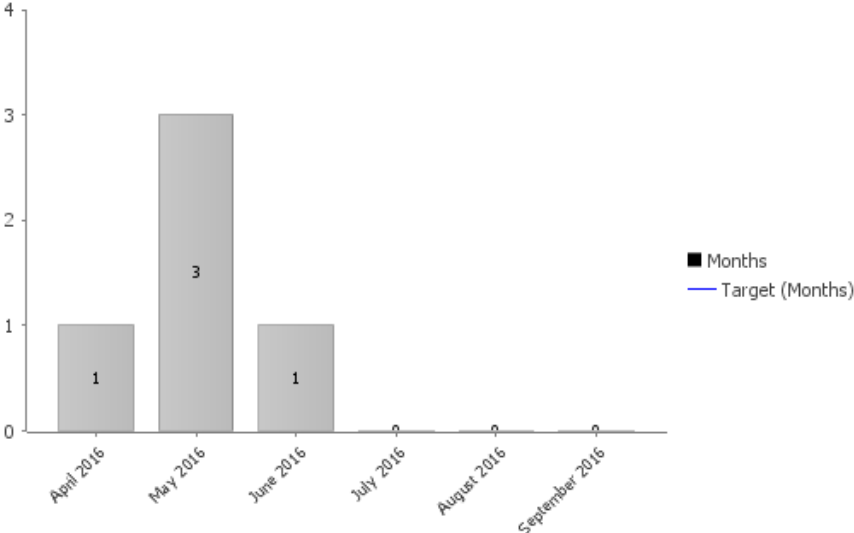
Performance Indicator	Performance	Notes														
Revenues - Council tax reduction collection rate	<table border="1"> <caption>Council tax reduction collection rate</caption> <thead> <tr> <th>Month</th> <th>Collection Rate</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>12.28%</td> </tr> <tr> <td>May 2016</td> <td>19.5%</td> </tr> <tr> <td>June 2016</td> <td>27.1%</td> </tr> <tr> <td>July 2016</td> <td>34.27%</td> </tr> <tr> <td>August 2016</td> <td>42.65%</td> </tr> <tr> <td>September 2016</td> <td>50.46%</td> </tr> </tbody> </table>	Month	Collection Rate	April 2016	12.28%	May 2016	19.5%	June 2016	27.1%	July 2016	34.27%	August 2016	42.65%	September 2016	50.46%	
Month	Collection Rate															
April 2016	12.28%															
May 2016	19.5%															
June 2016	27.1%															
July 2016	34.27%															
August 2016	42.65%															
September 2016	50.46%															
Commercial Unit (EKH) - Average no of days taken to re-let council dwellings exc major works	<table border="1"> <caption>Average no of days taken to re-let council dwellings</caption> <thead> <tr> <th>Quarter</th> <th>Average Days</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>15.2</td> </tr> <tr> <td>Q2 2016/17</td> <td>20.88</td> </tr> </tbody> </table>	Quarter	Average Days	Q1 2016/17	15.2	Q2 2016/17	20.88	Target is 19 days There have been difficulties in allocating properties in Mackeson Court due to the nature of the premises, which has impacted the overall performance. This will be reviewed at the Quarterly Performance Meeting with East Kent Housing on 28/11/16.								
Quarter	Average Days															
Q1 2016/17	15.2															
Q2 2016/17	20.88															

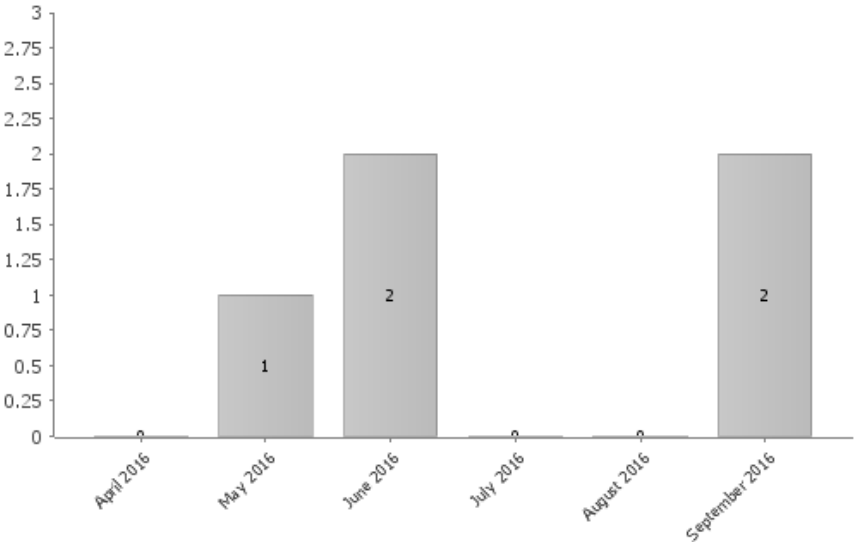
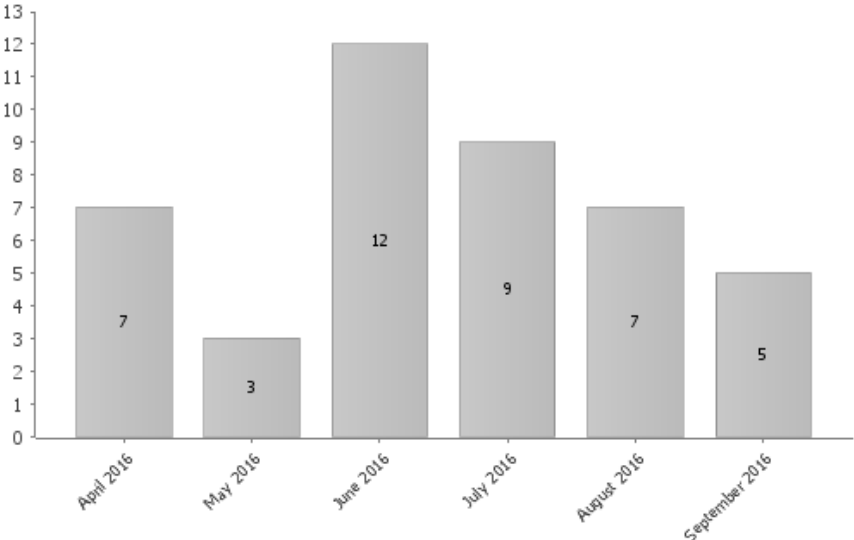
Performance Indicator	Performance	Notes						
Commercial Unit (EKH) - % of emergency repairs completed on time	<p>A bar chart with a vertical axis from 0% to 100% in 10% increments. The horizontal axis has two categories: Q1 2016/17 and Q2 2016/17. The bar for Q1 2016/17 reaches 98.57% and the bar for Q2 2016/17 reaches 99.38%.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>98.57%</td> </tr> <tr> <td>Q2 2016/17</td> <td>99.38%</td> </tr> </tbody> </table>	Quarter	Performance (%)	Q1 2016/17	98.57%	Q2 2016/17	99.38%	Target is 98%
Quarter	Performance (%)							
Q1 2016/17	98.57%							
Q2 2016/17	99.38%							
Commercial Unit (EKH) - % of routine repairs completed on time	<p>A bar chart with a vertical axis from 0% to 100% in 10% increments. The horizontal axis has two categories: Q1 2016/17 and Q2 2016/17. The bar for Q1 2016/17 reaches 98.55% and the bar for Q2 2016/17 reaches 99.72%.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>98.55%</td> </tr> <tr> <td>Q2 2016/17</td> <td>99.72%</td> </tr> </tbody> </table>	Quarter	Performance (%)	Q1 2016/17	98.55%	Q2 2016/17	99.72%	Target is 90%
Quarter	Performance (%)							
Q1 2016/17	98.55%							
Q2 2016/17	99.72%							

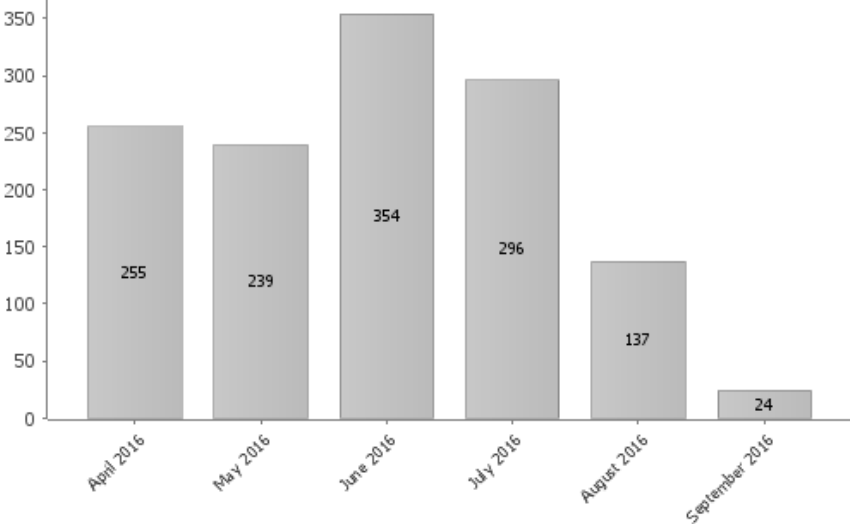
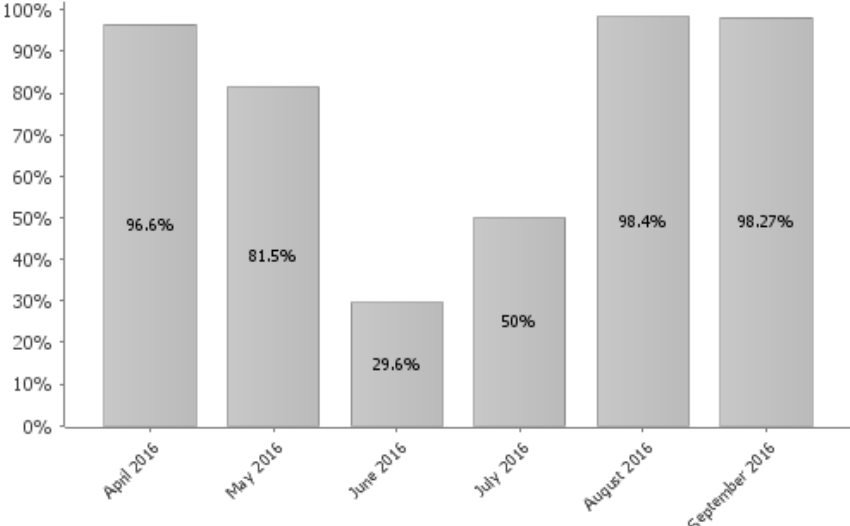
Performance Indicator	Performance	Notes																																
Commercial Unit - % of invoices paid within the agreed timescales	<p>A bar chart comparing performance for Q1 2016/17 and Q2 2016/17. The y-axis represents the percentage of invoices paid within the agreed timescales, ranging from 0% to 100% in 10% increments. The x-axis shows two quarters: Q1 2016/17 and Q2 2016/17. The bar for Q1 2016/17 is labeled with 96.97% and the bar for Q2 2016/17 is labeled with 95.3%.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>96.97%</td> </tr> <tr> <td>Q2 2016/17</td> <td>95.3%</td> </tr> </tbody> </table>	Quarter	Performance (%)	Q1 2016/17	96.97%	Q2 2016/17	95.3%	<table border="1"> <thead> <tr> <th>Department</th> <th>On Time</th> </tr> </thead> <tbody> <tr> <td>Charities</td> <td>100%</td> </tr> <tr> <td>Communications</td> <td>97.37%</td> </tr> <tr> <td>Community Safety</td> <td>97.65%</td> </tr> <tr> <td>Commercial & Technical Services</td> <td>94.02%</td> </tr> <tr> <td>East Kent Housing</td> <td>96.55%</td> </tr> <tr> <td>Finance</td> <td>90.79%</td> </tr> <tr> <td>Human Resources</td> <td>100%</td> </tr> <tr> <td>Leadership Support</td> <td>100%</td> </tr> <tr> <td>Planning & Environmental Health</td> <td>100%</td> </tr> <tr> <td>Regeneration & Economic Dev</td> <td>100%</td> </tr> <tr> <td>Strategic Dev Projects</td> <td>100%</td> </tr> <tr> <td>Solicitors</td> <td>99.45%</td> </tr> </tbody> </table>	Department	On Time	Charities	100%	Communications	97.37%	Community Safety	97.65%	Commercial & Technical Services	94.02%	East Kent Housing	96.55%	Finance	90.79%	Human Resources	100%	Leadership Support	100%	Planning & Environmental Health	100%	Regeneration & Economic Dev	100%	Strategic Dev Projects	100%	Solicitors	99.45%
Quarter	Performance (%)																																	
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Regeneration & Economic Dev	100%																																	
Strategic Dev Projects	100%																																	
Solicitors	99.45%																																	
Environmental Health (Pollution Control) - Number of enforcement notices served	<p>A bar chart showing the number of enforcement notices served from April 2016 to September 2016. The y-axis represents the number of notices, ranging from 0 to 13 in increments of 1. The x-axis shows the months: April 2016, May 2016, June 2016, July 2016, August 2016, and September 2016. A horizontal blue line represents the target at 5 months. The bars are labeled with their respective values: 1 (April), 12 (May), 3 (June), 6 (July), 0 (August), and 4 (September).</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Months</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>1</td> </tr> <tr> <td>May 2016</td> <td>12</td> </tr> <tr> <td>June 2016</td> <td>3</td> </tr> <tr> <td>July 2016</td> <td>6</td> </tr> <tr> <td>August 2016</td> <td>0</td> </tr> <tr> <td>September 2016</td> <td>4</td> </tr> </tbody> </table>	Month	Months	April 2016	1	May 2016	12	June 2016	3	July 2016	6	August 2016	0	September 2016	4																			
Month	Months																																	
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May 2016	12																																	
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September 2016	4																																	

Performance Indicator	Performance	Notes														
Environmental Health (Pollution Control) - Compliant part A & part B environmental permits	 <p>A bar chart with a vertical axis from 0 to 25 in increments of 2.5. The horizontal axis lists months from April 2016 to September 2016. Each bar represents the number of compliant businesses, with the value '27' printed inside each bar.</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Number of Businesses</th> </tr> </thead> <tbody> <tr><td>April 2016</td><td>27</td></tr> <tr><td>May 2016</td><td>27</td></tr> <tr><td>June 2016</td><td>27</td></tr> <tr><td>July 2016</td><td>27</td></tr> <tr><td>August 2016</td><td>27</td></tr> <tr><td>September 2016</td><td>27</td></tr> </tbody> </table>	Month	Number of Businesses	April 2016	27	May 2016	27	June 2016	27	July 2016	27	August 2016	27	September 2016	27	There are 27 businesses that are regulated in the Shepway area for pollution.
Month	Number of Businesses															
April 2016	27															
May 2016	27															
June 2016	27															
July 2016	27															
August 2016	27															
September 2016	27															
Environmental Health (Pollution Control) - Compliant air quality monitoring sites	 <p>A bar chart with a vertical axis from 0 to 14 in increments of 1. The horizontal axis lists months from April 2016 to September 2016. Bars for April through August show 12 sites, and the bar for September shows 13 sites.</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Number of Sites</th> </tr> </thead> <tbody> <tr><td>April 2016</td><td>12</td></tr> <tr><td>May 2016</td><td>12</td></tr> <tr><td>June 2016</td><td>12</td></tr> <tr><td>July 2016</td><td>12</td></tr> <tr><td>August 2016</td><td>12</td></tr> <tr><td>September 2016</td><td>13</td></tr> </tbody> </table>	Month	Number of Sites	April 2016	12	May 2016	12	June 2016	12	July 2016	12	August 2016	12	September 2016	13	One new air quality monitoring site has been added to the monitoring network, this is installed in Kerrett Lane, Stanford. This is due to comparable data required before the completion of the M20 Lorry Park.
Month	Number of Sites															
April 2016	12															
May 2016	12															
June 2016	12															
July 2016	12															
August 2016	12															
September 2016	13															

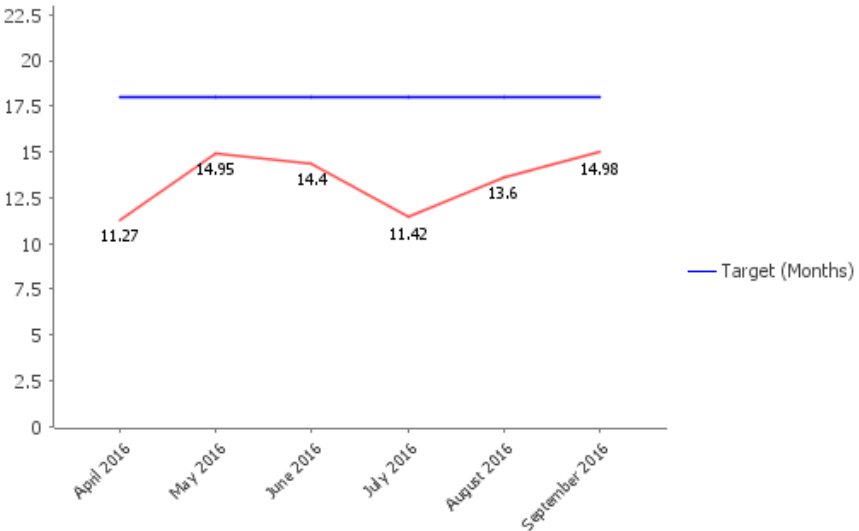
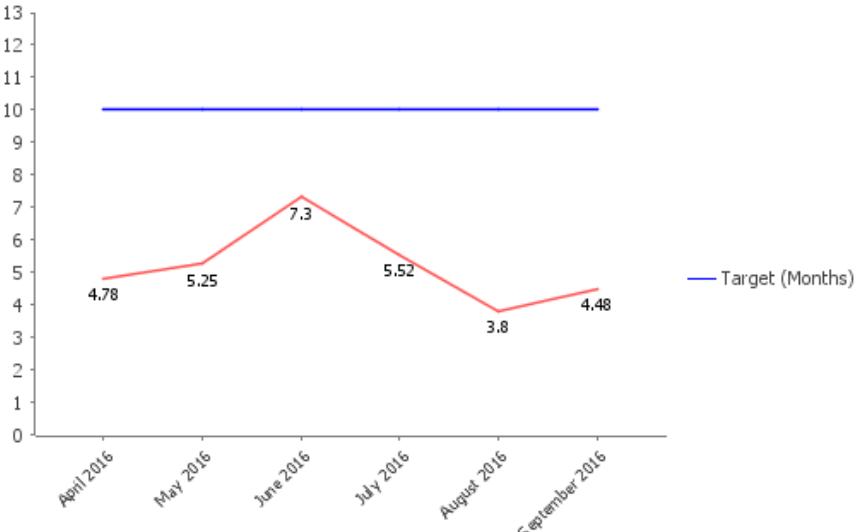
Performance Indicator	Performance	Notes														
Environmental Health (Pollution Control) - Number of contaminated land enquiries successfully dealt with	 <table border="1"> <thead> <tr> <th>Month</th> <th>Number of enquiries</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>2</td> </tr> <tr> <td>May 2016</td> <td>9</td> </tr> <tr> <td>June 2016</td> <td>4</td> </tr> <tr> <td>July 2016</td> <td>3</td> </tr> <tr> <td>August 2016</td> <td>1</td> </tr> <tr> <td>September 2016</td> <td>6</td> </tr> </tbody> </table>	Month	Number of enquiries	April 2016	2	May 2016	9	June 2016	4	July 2016	3	August 2016	1	September 2016	6	
Month	Number of enquiries															
April 2016	2															
May 2016	9															
June 2016	4															
July 2016	3															
August 2016	1															
September 2016	6															
Environmental Health (Pollution Control) - Stray dogs found	 <table border="1"> <thead> <tr> <th>Month</th> <th>Number of stray dogs found</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>14</td> </tr> <tr> <td>May 2016</td> <td>19</td> </tr> <tr> <td>June 2016</td> <td>13</td> </tr> <tr> <td>July 2016</td> <td>17</td> </tr> <tr> <td>August 2016</td> <td>13</td> </tr> <tr> <td>September 2016</td> <td>35</td> </tr> </tbody> </table>	Month	Number of stray dogs found	April 2016	14	May 2016	19	June 2016	13	July 2016	17	August 2016	13	September 2016	35	
Month	Number of stray dogs found															
April 2016	14															
May 2016	19															
June 2016	13															
July 2016	17															
August 2016	13															
September 2016	35															

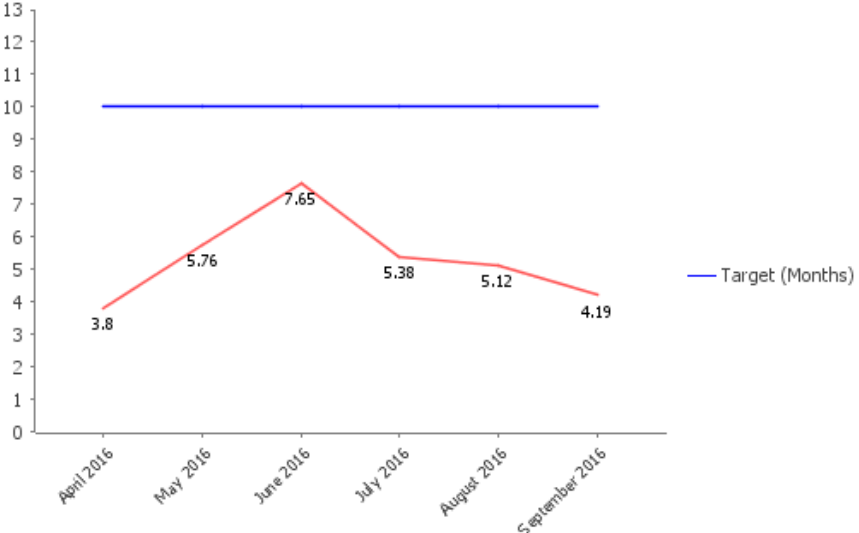
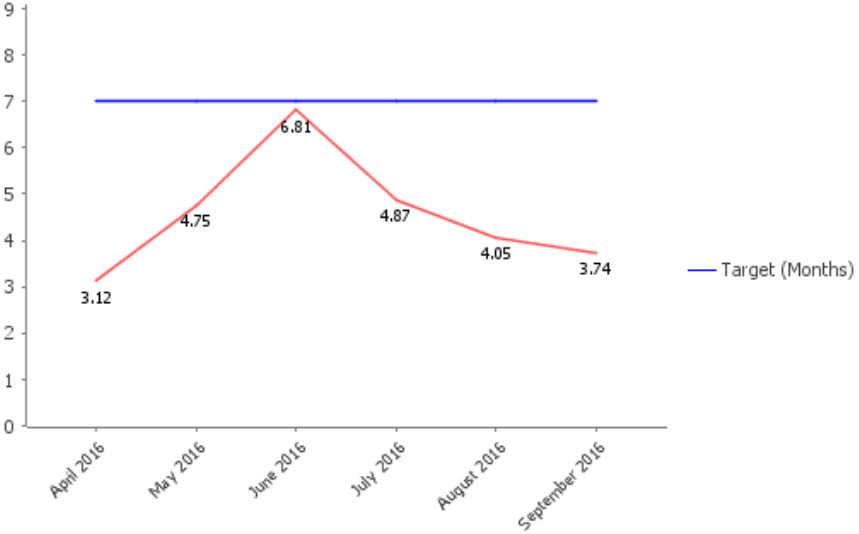
Performance Indicator	Performance	Notes														
Environmental Health (Pollution Control) - Stray dogs successfully returned to owner	 <table border="1" data-bbox="510 263 1361 772"> <thead> <tr> <th>Month</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>5</td> </tr> <tr> <td>May 2016</td> <td>4</td> </tr> <tr> <td>June 2016</td> <td>7</td> </tr> <tr> <td>July 2016</td> <td>4</td> </tr> <tr> <td>August 2016</td> <td>15</td> </tr> <tr> <td>September 2016</td> <td>7</td> </tr> </tbody> </table>	Month	Count	April 2016	5	May 2016	4	June 2016	7	July 2016	4	August 2016	15	September 2016	7	
Month	Count															
April 2016	5															
May 2016	4															
June 2016	7															
July 2016	4															
August 2016	15															
September 2016	7															
Environmental Health (Enforcement) - successful prosecutions	 <table border="1" data-bbox="510 785 1361 1319"> <thead> <tr> <th>Month</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>1</td> </tr> <tr> <td>May 2016</td> <td>3</td> </tr> <tr> <td>June 2016</td> <td>1</td> </tr> <tr> <td>July 2016</td> <td>0</td> </tr> <tr> <td>August 2016</td> <td>0</td> </tr> <tr> <td>September 2016</td> <td>0</td> </tr> </tbody> </table>	Month	Count	April 2016	1	May 2016	3	June 2016	1	July 2016	0	August 2016	0	September 2016	0	There have been no prosecutions in the last quarter; however there are a number being progressed and these will show in quarter 3.
Month	Count															
April 2016	1															
May 2016	3															
June 2016	1															
July 2016	0															
August 2016	0															
September 2016	0															

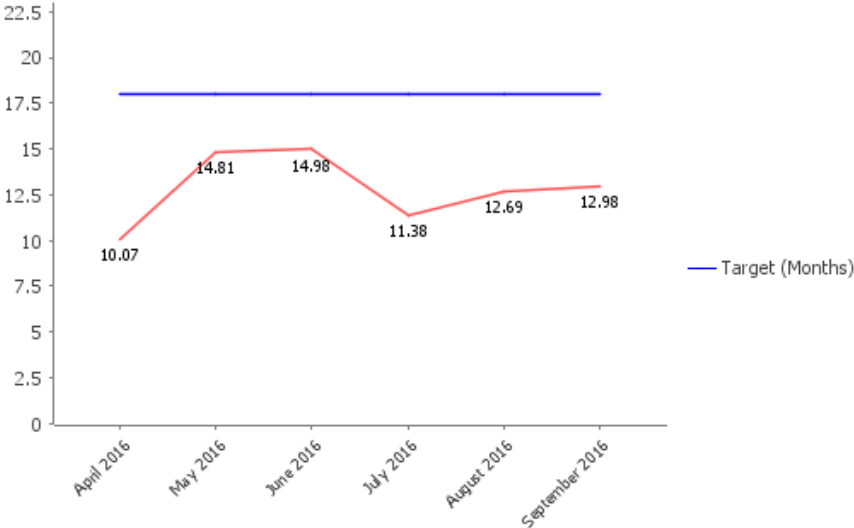
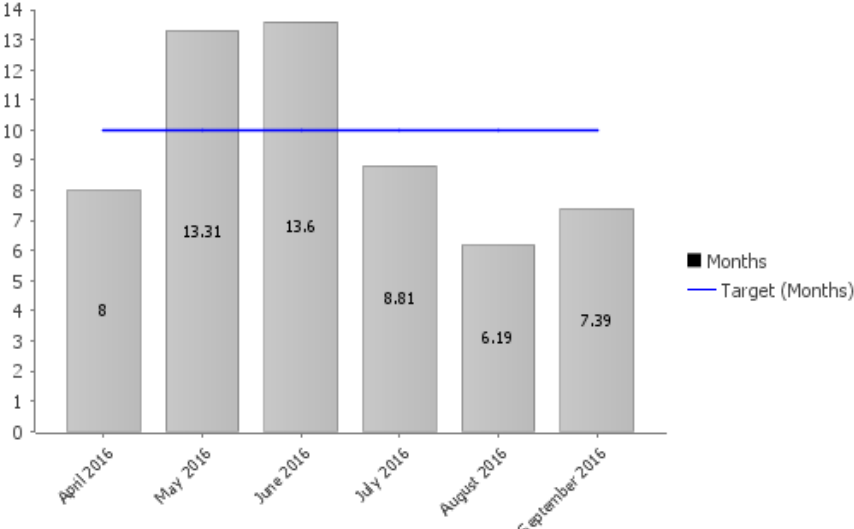
Performance Indicator	Performance	Notes														
Environmental Health (Enforcement) - formal cautions issued	 <table border="1"> <caption>Formal Cautions Issued</caption> <thead> <tr> <th>Month</th> <th>Number of Cautions</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>0</td> </tr> <tr> <td>May 2016</td> <td>1</td> </tr> <tr> <td>June 2016</td> <td>2</td> </tr> <tr> <td>July 2016</td> <td>0</td> </tr> <tr> <td>August 2016</td> <td>0</td> </tr> <tr> <td>September 2016</td> <td>2</td> </tr> </tbody> </table>	Month	Number of Cautions	April 2016	0	May 2016	1	June 2016	2	July 2016	0	August 2016	0	September 2016	2	September – both cautions were issued to the same person following a fly tipping investigation in Tontine Street.
Month	Number of Cautions															
April 2016	0															
May 2016	1															
June 2016	2															
July 2016	0															
August 2016	0															
September 2016	2															
Environmental Health (Enforcement) - fixed penalty notices issued	 <table border="1"> <caption>Fixed Penalty Notices Issued</caption> <thead> <tr> <th>Month</th> <th>Number of Notices</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>7</td> </tr> <tr> <td>May 2016</td> <td>3</td> </tr> <tr> <td>June 2016</td> <td>12</td> </tr> <tr> <td>July 2016</td> <td>9</td> </tr> <tr> <td>August 2016</td> <td>7</td> </tr> <tr> <td>September 2016</td> <td>5</td> </tr> </tbody> </table>	Month	Number of Notices	April 2016	7	May 2016	3	June 2016	12	July 2016	9	August 2016	7	September 2016	5	
Month	Number of Notices															
April 2016	7															
May 2016	3															
June 2016	12															
July 2016	9															
August 2016	7															
September 2016	5															

Performance Indicator	Performance	Notes														
Environmental Health (Enforcement) - number of hours spent on environmental crime patrol	 <table border="1"> <caption>Hours spent on environmental crime patrol</caption> <thead> <tr> <th>Month</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>255</td> </tr> <tr> <td>May 2016</td> <td>239</td> </tr> <tr> <td>June 2016</td> <td>354</td> </tr> <tr> <td>July 2016</td> <td>296</td> </tr> <tr> <td>August 2016</td> <td>137</td> </tr> <tr> <td>September 2016</td> <td>24</td> </tr> </tbody> </table>	Month	Hours	April 2016	255	May 2016	239	June 2016	354	July 2016	296	August 2016	137	September 2016	24	<p>The figure is lower due to high levels of staff sickness and holiday absence. In August a duty rota was introduced to ensure there is always an officer in the office able to respond to customer calls and allocate job tasks. In the interim, this has resulted in the level of patrols reducing, as customer calls were given priority. This has had a serious impact on the number of patrol hours as the staff available were dealing with jobs received by the team rather than patrolling the district.</p> <p>In August, the loss of man days due to holiday, sickness, etc was 55 days and in September this was 63 days. This dip in performance is temporary, with agency staff now appointed to provide cover and a permanent Team Leader recruited to monitor and improve performance.</p>
Month	Hours															
April 2016	255															
May 2016	239															
June 2016	354															
July 2016	296															
August 2016	137															
September 2016	24															
Complaints & FOI - Standard FOI requests will be satisfactorily replied to within statutory timeframe of 20 working days	 <table border="1"> <caption>Percentage of FOI requests replied to within statutory timeframe</caption> <thead> <tr> <th>Month</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>96.6%</td> </tr> <tr> <td>May 2016</td> <td>81.5%</td> </tr> <tr> <td>June 2016</td> <td>29.6%</td> </tr> <tr> <td>July 2016</td> <td>50%</td> </tr> <tr> <td>August 2016</td> <td>98.4%</td> </tr> <tr> <td>September 2016</td> <td>98.27%</td> </tr> </tbody> </table>	Month	Percentage	April 2016	96.6%	May 2016	81.5%	June 2016	29.6%	July 2016	50%	August 2016	98.4%	September 2016	98.27%	<p>In June and July there were a number of large and complex FOI requests for information on major projects which were resource intensive and were not responded to within the statutory timeframe of 20 working days.</p>
Month	Percentage															
April 2016	96.6%															
May 2016	81.5%															
June 2016	29.6%															
July 2016	50%															
August 2016	98.4%															
September 2016	98.27%															

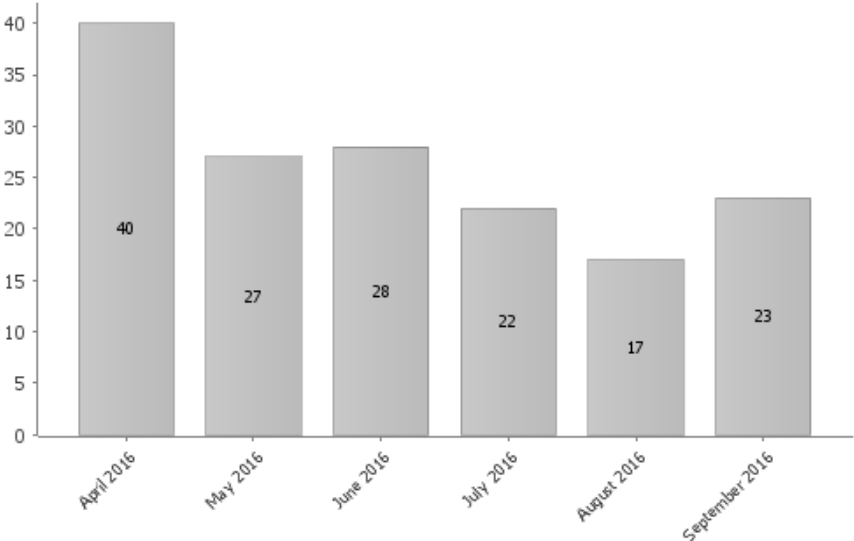
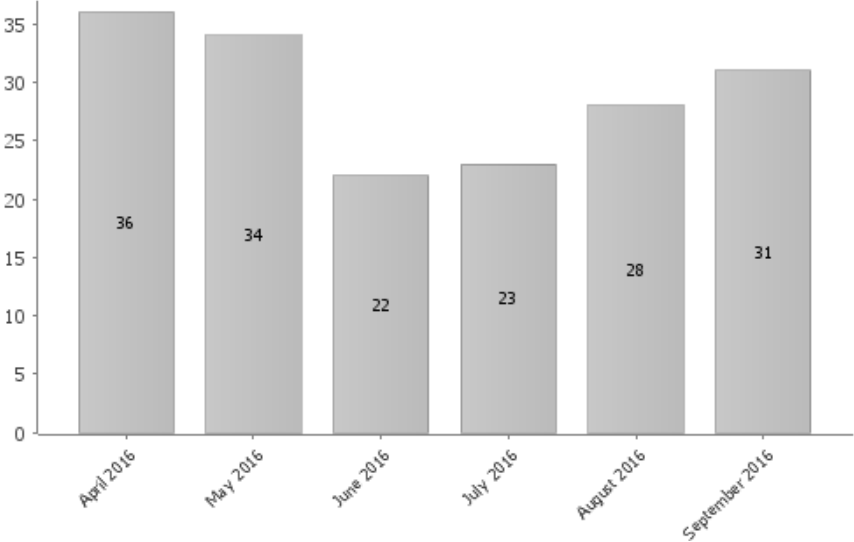
Performance Indicator	Performance	Notes														
<p>Complaints & FOI - All subject access requests will be satisfactorily replied to within the statutory timeframe of 40 days</p>	<table border="1"> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>66.7%</td> </tr> <tr> <td>May 2016</td> <td>0%</td> </tr> <tr> <td>June 2016</td> <td>100%</td> </tr> <tr> <td>July 2016</td> <td>100%</td> </tr> <tr> <td>August 2016</td> <td>100%</td> </tr> <tr> <td>September 2016</td> <td>50%</td> </tr> </tbody> </table>	Month	Performance (%)	April 2016	66.7%	May 2016	0%	June 2016	100%	July 2016	100%	August 2016	100%	September 2016	50%	<p>July - 2 requests were received, 1 was subsequently withdrawn.</p> <p>August – 5 requests were received, only 2 were valid and 1 of these was later withdrawn.</p> <p>September – 2 requests were received, 1 was responded to outside of the timeframe due to it's complexity.</p>
Month	Performance (%)															
April 2016	66.7%															
May 2016	0%															
June 2016	100%															
July 2016	100%															
August 2016	100%															
September 2016	50%															
<p>Complaints & FOI - All complaints will be acknowledged within 5 days</p>	<table border="1"> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>100%</td> </tr> <tr> <td>May 2016</td> <td>100%</td> </tr> <tr> <td>June 2016</td> <td>100%</td> </tr> <tr> <td>July 2016</td> <td>100%</td> </tr> <tr> <td>August 2016</td> <td>100%</td> </tr> <tr> <td>September 2016</td> <td>100%</td> </tr> </tbody> </table>	Month	Performance (%)	April 2016	100%	May 2016	100%	June 2016	100%	July 2016	100%	August 2016	100%	September 2016	100%	
Month	Performance (%)															
April 2016	100%															
May 2016	100%															
June 2016	100%															
July 2016	100%															
August 2016	100%															
September 2016	100%															

Performance Indicator	Performance	Notes														
Benefits - Average number of days taken to process new claims for Housing Benefit	 <table border="1" data-bbox="510 245 1366 778"> <caption>Performance Data for Housing Benefit (Days)</caption> <thead> <tr> <th>Month</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>11.27</td> </tr> <tr> <td>May 2016</td> <td>14.95</td> </tr> <tr> <td>June 2016</td> <td>14.4</td> </tr> <tr> <td>July 2016</td> <td>11.42</td> </tr> <tr> <td>August 2016</td> <td>13.6</td> </tr> <tr> <td>September 2016</td> <td>14.98</td> </tr> </tbody> </table>	Month	Value	April 2016	11.27	May 2016	14.95	June 2016	14.4	July 2016	11.42	August 2016	13.6	September 2016	14.98	Monthly target is to process within 18 days.
Month	Value															
April 2016	11.27															
May 2016	14.95															
June 2016	14.4															
July 2016	11.42															
August 2016	13.6															
September 2016	14.98															
Benefits - Average number of days to process new claims for Housing Benefit from the date the complete evidence is received.	 <table border="1" data-bbox="510 788 1366 1321"> <caption>Performance Data for Housing Benefit (Days)</caption> <thead> <tr> <th>Month</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>4.78</td> </tr> <tr> <td>May 2016</td> <td>5.25</td> </tr> <tr> <td>June 2016</td> <td>7.3</td> </tr> <tr> <td>July 2016</td> <td>5.52</td> </tr> <tr> <td>August 2016</td> <td>3.8</td> </tr> <tr> <td>September 2016</td> <td>4.48</td> </tr> </tbody> </table>	Month	Value	April 2016	4.78	May 2016	5.25	June 2016	7.3	July 2016	5.52	August 2016	3.8	September 2016	4.48	Monthly target is to process within 10 days.
Month	Value															
April 2016	4.78															
May 2016	5.25															
June 2016	7.3															
July 2016	5.52															
August 2016	3.8															
September 2016	4.48															

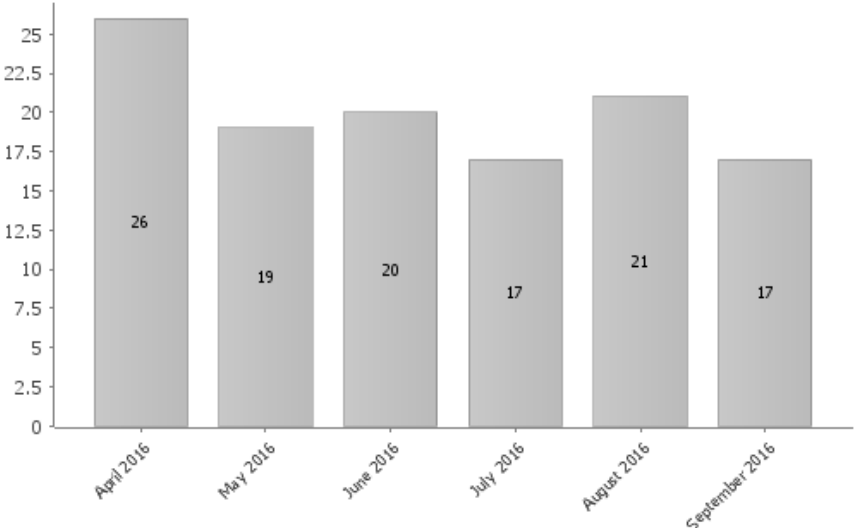
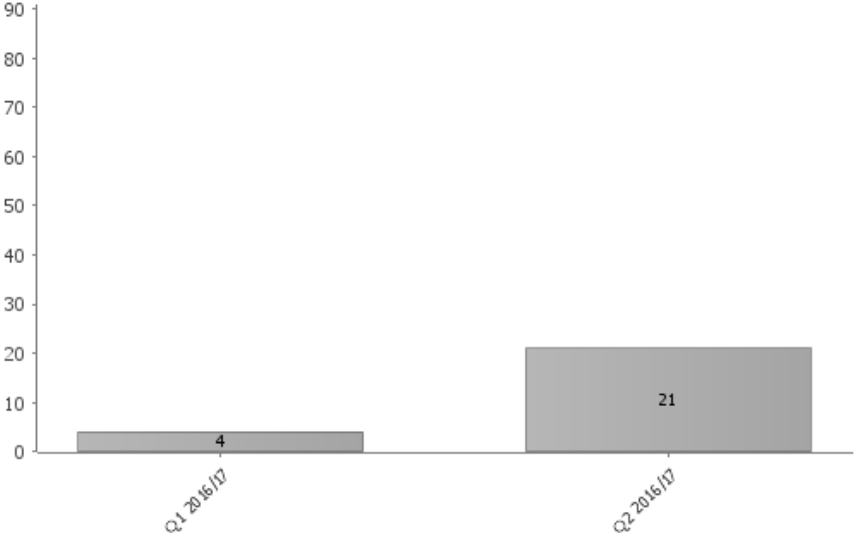
Performance Indicator	Performance	Notes														
<p>Benefits - Average number of days taken to process change of circumstances for Housing Benefit</p>	 <table border="1"> <caption>Performance Data for Housing Benefit (Days)</caption> <thead> <tr> <th>Month</th> <th>Average Number of Days</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>3.8</td> </tr> <tr> <td>May 2016</td> <td>5.76</td> </tr> <tr> <td>June 2016</td> <td>7.65</td> </tr> <tr> <td>July 2016</td> <td>5.38</td> </tr> <tr> <td>August 2016</td> <td>5.12</td> </tr> <tr> <td>September 2016</td> <td>4.19</td> </tr> </tbody> </table>	Month	Average Number of Days	April 2016	3.8	May 2016	5.76	June 2016	7.65	July 2016	5.38	August 2016	5.12	September 2016	4.19	<p>Monthly target is to process within 10 days.</p>
Month	Average Number of Days															
April 2016	3.8															
May 2016	5.76															
June 2016	7.65															
July 2016	5.38															
August 2016	5.12															
September 2016	4.19															
<p>Benefits - Average number of days to process change of circumstances for Housing Benefit from the date complete evidence is received.</p>	 <table border="1"> <caption>Performance Data for Housing Benefit (Days from Evidence)</caption> <thead> <tr> <th>Month</th> <th>Average Number of Days</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>3.12</td> </tr> <tr> <td>May 2016</td> <td>4.75</td> </tr> <tr> <td>June 2016</td> <td>6.81</td> </tr> <tr> <td>July 2016</td> <td>4.87</td> </tr> <tr> <td>August 2016</td> <td>4.05</td> </tr> <tr> <td>September 2016</td> <td>3.74</td> </tr> </tbody> </table>	Month	Average Number of Days	April 2016	3.12	May 2016	4.75	June 2016	6.81	July 2016	4.87	August 2016	4.05	September 2016	3.74	<p>Monthly target is to process within 7 days.</p>
Month	Average Number of Days															
April 2016	3.12															
May 2016	4.75															
June 2016	6.81															
July 2016	4.87															
August 2016	4.05															
September 2016	3.74															

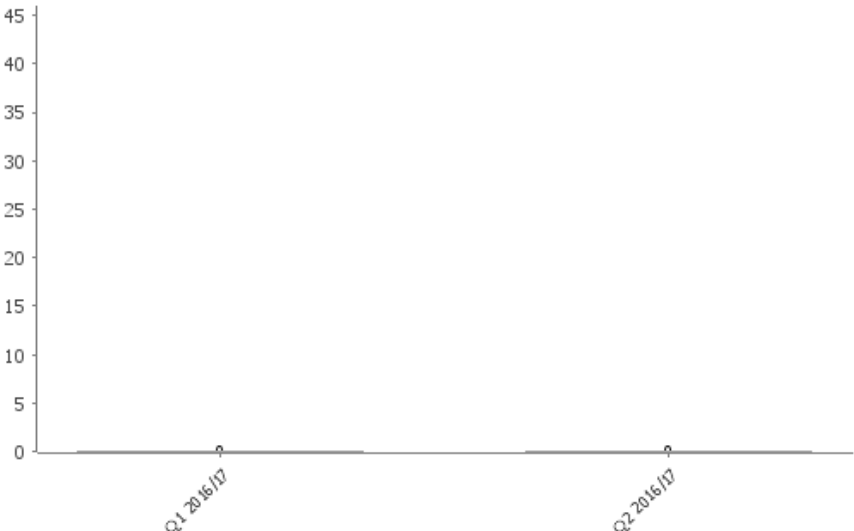
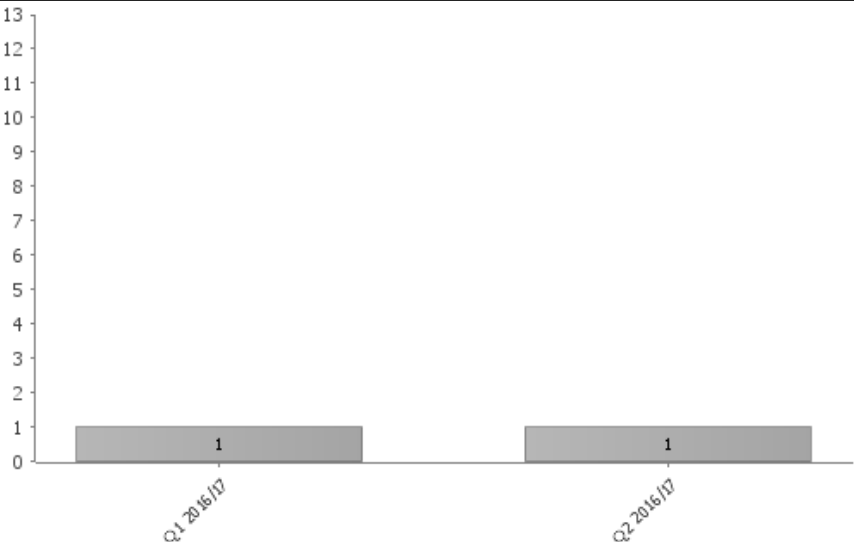
Performance Indicator	Performance	Notes														
Benefits - Average number of days taken to process new claims for Council Tax Reduction	 <table border="1"> <caption>Performance Data for New Claims</caption> <thead> <tr> <th>Month</th> <th>Average Number of Days</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>10.07</td> </tr> <tr> <td>May 2016</td> <td>14.81</td> </tr> <tr> <td>June 2016</td> <td>14.98</td> </tr> <tr> <td>July 2016</td> <td>11.38</td> </tr> <tr> <td>August 2016</td> <td>12.69</td> </tr> <tr> <td>September 2016</td> <td>12.98</td> </tr> </tbody> </table>	Month	Average Number of Days	April 2016	10.07	May 2016	14.81	June 2016	14.98	July 2016	11.38	August 2016	12.69	September 2016	12.98	Monthly target is to process within 18 days.
Month	Average Number of Days															
April 2016	10.07															
May 2016	14.81															
June 2016	14.98															
July 2016	11.38															
August 2016	12.69															
September 2016	12.98															
Benefits - Average number of days taken to process change of circumstances for Council Tax Reduction	 <table border="1"> <caption>Performance Data for Change of Circumstances</caption> <thead> <tr> <th>Month</th> <th>Average Number of Days</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>8</td> </tr> <tr> <td>May 2016</td> <td>13.31</td> </tr> <tr> <td>June 2016</td> <td>13.6</td> </tr> <tr> <td>July 2016</td> <td>8.81</td> </tr> <tr> <td>August 2016</td> <td>6.19</td> </tr> <tr> <td>September 2016</td> <td>7.39</td> </tr> </tbody> </table>	Month	Average Number of Days	April 2016	8	May 2016	13.31	June 2016	13.6	July 2016	8.81	August 2016	6.19	September 2016	7.39	Monthly target is to process within 10 days.
Month	Average Number of Days															
April 2016	8															
May 2016	13.31															
June 2016	13.6															
July 2016	8.81															
August 2016	6.19															
September 2016	7.39															

Performance Indicator	Performance	Notes														
Benefits - HB Processing accuracy	<table border="1"> <caption>HB Processing Accuracy Data</caption> <thead> <tr> <th>Month</th> <th>Accuracy (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>92.67%</td> </tr> <tr> <td>May 2016</td> <td>95.27%</td> </tr> <tr> <td>June 2016</td> <td>92.5%</td> </tr> <tr> <td>July 2016</td> <td>94.54%</td> </tr> <tr> <td>August 2016</td> <td>99.11%</td> </tr> <tr> <td>September 2016</td> <td>97.42%</td> </tr> </tbody> </table>	Month	Accuracy (%)	April 2016	92.67%	May 2016	95.27%	June 2016	92.5%	July 2016	94.54%	August 2016	99.11%	September 2016	97.42%	
Month	Accuracy (%)															
April 2016	92.67%															
May 2016	95.27%															
June 2016	92.5%															
July 2016	94.54%															
August 2016	99.11%															
September 2016	97.42%															
Benefits - To process applications for Discretionary Housing Payment within an average of 2 working days	<table border="1"> <caption>Discretionary Housing Payment Processing Data</caption> <thead> <tr> <th>Month</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>100%</td> </tr> <tr> <td>May 2016</td> <td>100%</td> </tr> <tr> <td>June 2016</td> <td>100%</td> </tr> <tr> <td>July 2016</td> <td>100%</td> </tr> <tr> <td>August 2016</td> <td>96%</td> </tr> <tr> <td>September 2016</td> <td>100%</td> </tr> </tbody> </table>	Month	Percentage (%)	April 2016	100%	May 2016	100%	June 2016	100%	July 2016	100%	August 2016	96%	September 2016	100%	
Month	Percentage (%)															
April 2016	100%															
May 2016	100%															
June 2016	100%															
July 2016	100%															
August 2016	96%															
September 2016	100%															

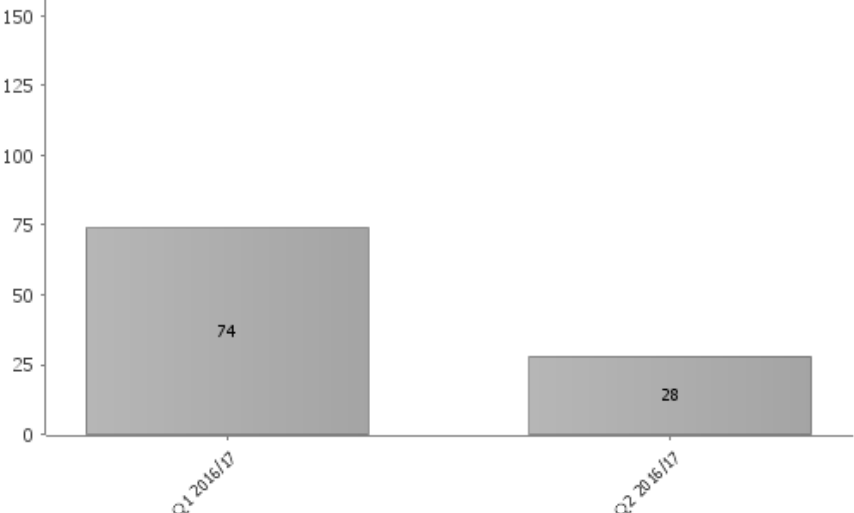
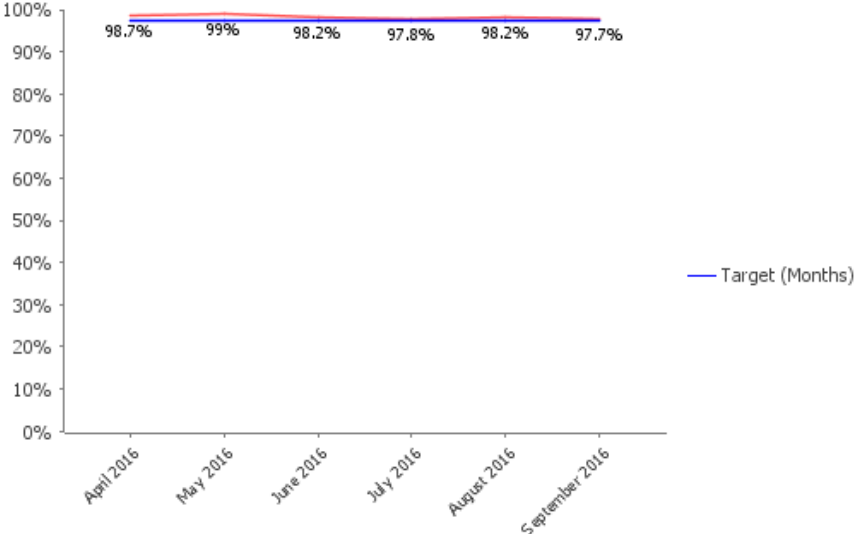
Performance Indicator	Performance	Notes														
Housing Options - Number of homeless decisions made	 <table border="1"> <thead> <tr> <th>Month</th> <th>Number of Decisions</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>40</td> </tr> <tr> <td>May 2016</td> <td>27</td> </tr> <tr> <td>June 2016</td> <td>28</td> </tr> <tr> <td>July 2016</td> <td>22</td> </tr> <tr> <td>August 2016</td> <td>17</td> </tr> <tr> <td>September 2016</td> <td>23</td> </tr> </tbody> </table>	Month	Number of Decisions	April 2016	40	May 2016	27	June 2016	28	July 2016	22	August 2016	17	September 2016	23	In Quarter 2, the Housing Options Team received a total of 338 homeless approaches, from this 62 homeless decisions were made.
Month	Number of Decisions															
April 2016	40															
May 2016	27															
June 2016	28															
July 2016	22															
August 2016	17															
September 2016	23															
Housing Options - Average number of people in temporary accommodation	 <table border="1"> <thead> <tr> <th>Month</th> <th>Average Number of People</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>36</td> </tr> <tr> <td>May 2016</td> <td>34</td> </tr> <tr> <td>June 2016</td> <td>22</td> </tr> <tr> <td>July 2016</td> <td>23</td> </tr> <tr> <td>August 2016</td> <td>28</td> </tr> <tr> <td>September 2016</td> <td>31</td> </tr> </tbody> </table>	Month	Average Number of People	April 2016	36	May 2016	34	June 2016	22	July 2016	23	August 2016	28	September 2016	31	
Month	Average Number of People															
April 2016	36															
May 2016	34															
June 2016	22															
July 2016	23															
August 2016	28															
September 2016	31															

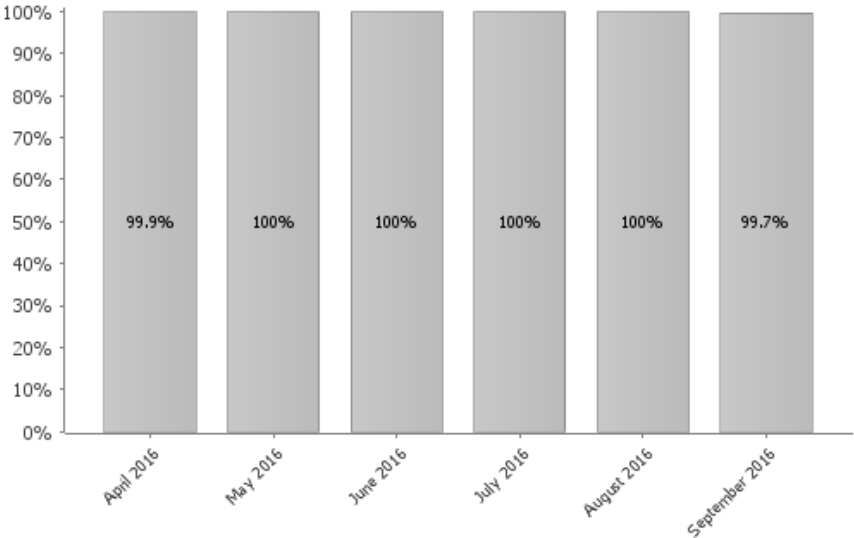
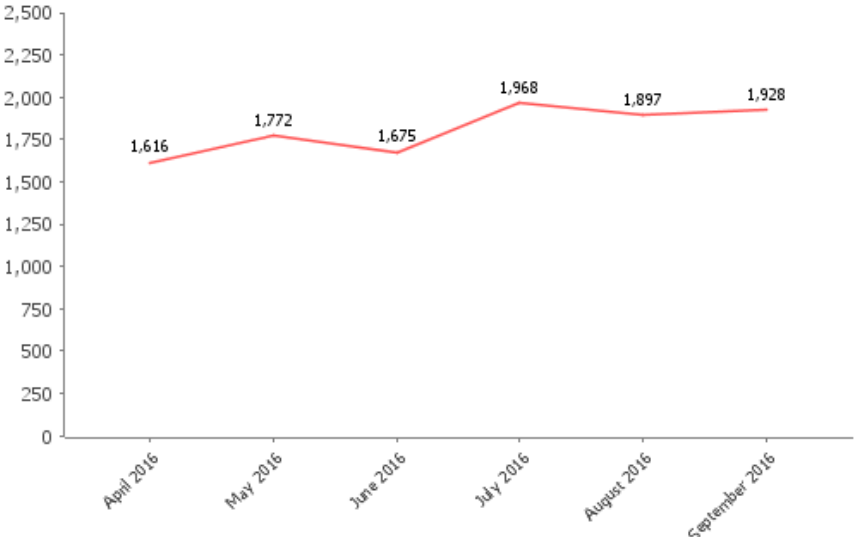
Performance Indicator	Performance	Notes														
Housing Options - Percentage of homeless cases prevented	<table border="1"> <thead> <tr> <th>Month</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>50%</td> </tr> <tr> <td>May 2016</td> <td>45%</td> </tr> <tr> <td>June 2016</td> <td>50%</td> </tr> <tr> <td>July 2016</td> <td>40%</td> </tr> <tr> <td>August 2016</td> <td>49%</td> </tr> <tr> <td>September 2016</td> <td>40%</td> </tr> </tbody> </table>	Month	Percentage	April 2016	50%	May 2016	45%	June 2016	50%	July 2016	40%	August 2016	49%	September 2016	40%	<p>Quarter 1 April – 48 cases May – 48 cases June – 65 cases</p> <p>Quarter 2 July – 53 cases August – 57 cases September – 40 cases</p>
Month	Percentage															
April 2016	50%															
May 2016	45%															
June 2016	50%															
July 2016	40%															
August 2016	49%															
September 2016	40%															
Housing Options - Number of applications on the housing list	<table border="1"> <thead> <tr> <th>Month</th> <th>Number of Applications</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>1,342</td> </tr> <tr> <td>May 2016</td> <td>1,419</td> </tr> <tr> <td>June 2016</td> <td>1,520</td> </tr> <tr> <td>July 2016</td> <td>1,517</td> </tr> <tr> <td>August 2016</td> <td>1,496</td> </tr> <tr> <td>September 2016</td> <td>1,605</td> </tr> </tbody> </table>	Month	Number of Applications	April 2016	1,342	May 2016	1,419	June 2016	1,520	July 2016	1,517	August 2016	1,496	September 2016	1,605	
Month	Number of Applications															
April 2016	1,342															
May 2016	1,419															
June 2016	1,520															
July 2016	1,517															
August 2016	1,496															
September 2016	1,605															

Performance Indicator	Performance	Notes														
Housing Options - Average processing time for applicants on the housing list (days)	 <table border="1"> <caption>Average processing time for housing options (days)</caption> <thead> <tr> <th>Month</th> <th>Average Processing Time (days)</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>26</td> </tr> <tr> <td>May 2016</td> <td>19</td> </tr> <tr> <td>June 2016</td> <td>20</td> </tr> <tr> <td>July 2016</td> <td>17</td> </tr> <tr> <td>August 2016</td> <td>21</td> </tr> <tr> <td>September 2016</td> <td>17</td> </tr> </tbody> </table>	Month	Average Processing Time (days)	April 2016	26	May 2016	19	June 2016	20	July 2016	17	August 2016	21	September 2016	17	<p>These figures are calculated from when the application is initially received until it going live on the system.</p> <p>The figures below detail the average time from when all of the documents have been received to the application being live on the system:</p> <p>July – 2 days August – 0.6 days September – 1 day</p>
Month	Average Processing Time (days)															
April 2016	26															
May 2016	19															
June 2016	20															
July 2016	17															
August 2016	21															
September 2016	17															
Housing Strategy - Long term empty homes brought back into use	 <table border="1"> <caption>Long term empty homes brought back into use</caption> <thead> <tr> <th>Quarter</th> <th>Number of Homes</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>4</td> </tr> <tr> <td>Q2 2016/17</td> <td>21</td> </tr> </tbody> </table>	Quarter	Number of Homes	Q1 2016/17	4	Q2 2016/17	21	<p>The annual target is 70 properties.</p> <p>A further 28 long-term empty homes are due to be made ready for occupation during Q3 (16/17). This includes 3 further properties improved through the Shepway NUE Plus scheme. The other 25 have been improved as a result of intervention action by the council, but with resources provided through the Kent No Use Empty scheme and through investment by the property owners.</p>								
Quarter	Number of Homes															
Q1 2016/17	4															
Q2 2016/17	21															

Performance Indicator	Performance	Notes						
Housing Strategy - Council new builds to start on site	 <table border="1"> <caption>Performance Data for Council new builds to start on site</caption> <thead> <tr> <th>Quarter</th> <th>Performance</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>0</td> </tr> <tr> <td>Q2 2016/17</td> <td>0</td> </tr> </tbody> </table>	Quarter	Performance	Q1 2016/17	0	Q2 2016/17	0	<p>The annual target is 35 properties.</p> <p>The Council has schemes in place and 41 homes are due to start on site during 16/17.</p>
Quarter	Performance							
Q1 2016/17	0							
Q2 2016/17	0							
Housing Strategy - HRA property acquisitions completed	 <table border="1"> <caption>Performance Data for HRA property acquisitions completed</caption> <thead> <tr> <th>Quarter</th> <th>Performance</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>1</td> </tr> <tr> <td>Q2 2016/17</td> <td>1</td> </tr> </tbody> </table>	Quarter	Performance	Q1 2016/17	1	Q2 2016/17	1	<p>The annual target is 10 properties.</p> <p>A further 9 properties are currently being acquired by the council</p>
Quarter	Performance							
Q1 2016/17	1							
Q2 2016/17	1							

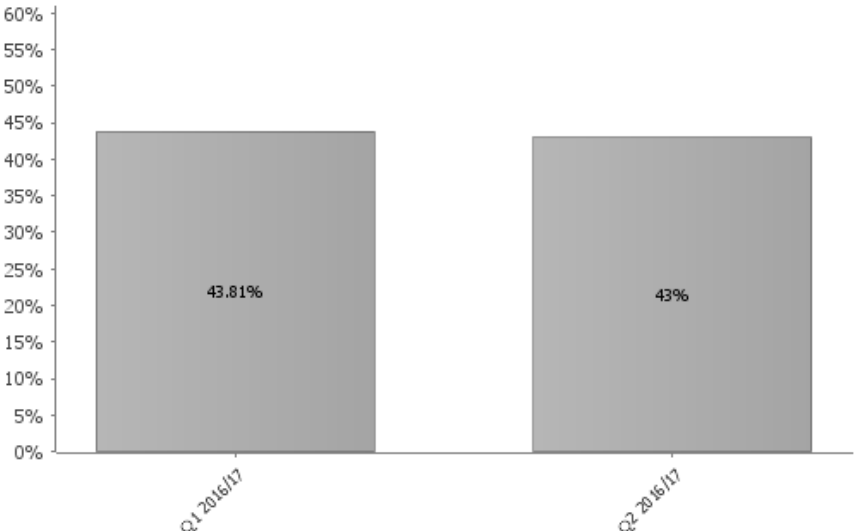
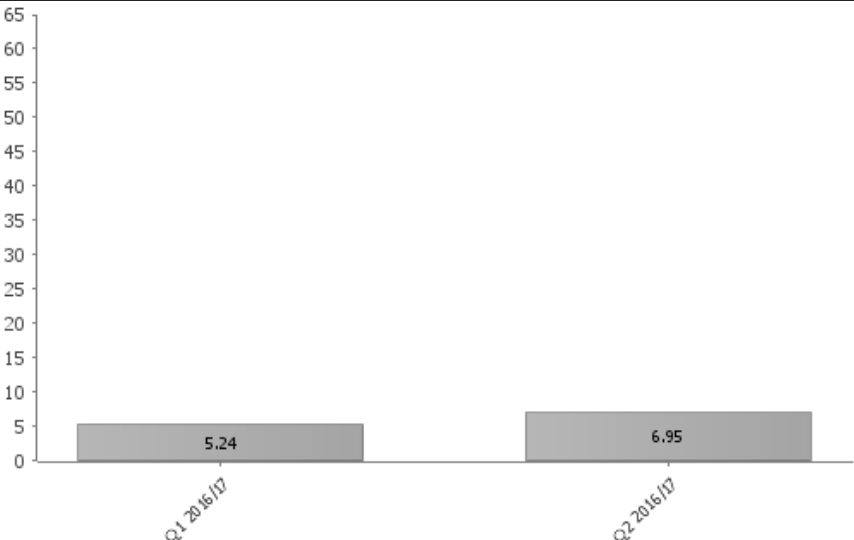
Performance Indicator	Performance	Notes						
Housing Strategy - Additional affordable homes delivered in the district by the council and its partner agencies	<p>A bar chart with a vertical axis from 0 to 100 in increments of 10. The horizontal axis has two categories: 'Q1 2016/17' and 'Q2 2016/17'. The bar for Q1 2016/17 has a value of 3, and the bar for Q2 2016/17 has a value of 16.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Performance</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>3</td> </tr> <tr> <td>Q2 2016/17</td> <td>16</td> </tr> </tbody> </table>	Quarter	Performance	Q1 2016/17	3	Q2 2016/17	16	The annual target is 80 properties. A further 70 affordable homes are due to be completed during 2016/17.
Quarter	Performance							
Q1 2016/17	3							
Q2 2016/17	16							
Housing Strategy - Homes provided in the district for low cost home ownership	<p>A bar chart with a vertical axis from 0 to 40 in increments of 5. The horizontal axis has two categories: 'Q1 2016/17' and 'Q2 2016/17'. The bar for Q1 2016/17 has a value of 2, and the bar for Q2 2016/17 has a value of 4.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Performance</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>2</td> </tr> <tr> <td>Q2 2016/17</td> <td>4</td> </tr> </tbody> </table>	Quarter	Performance	Q1 2016/17	2	Q2 2016/17	4	The annual target is 32 properties. Based on the proposed starts on site for 16/17, the council is on track to meet this target.
Quarter	Performance							
Q1 2016/17	2							
Q2 2016/17	4							

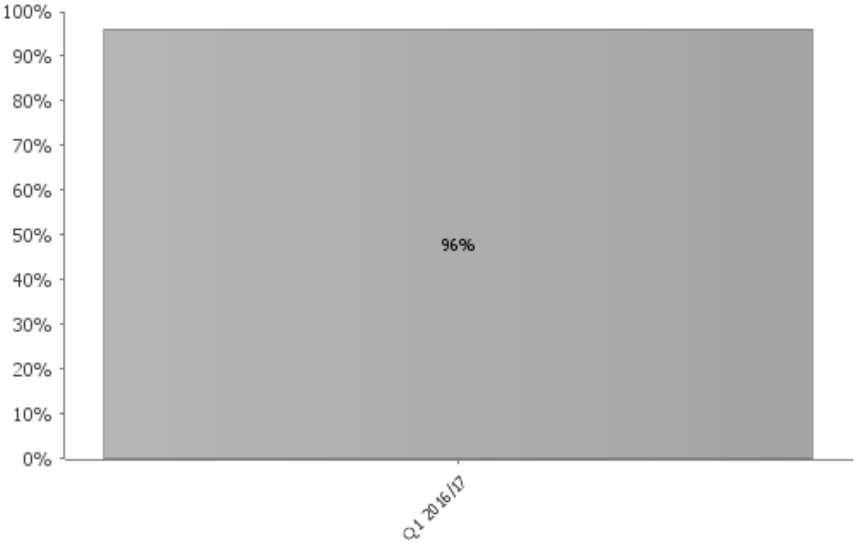
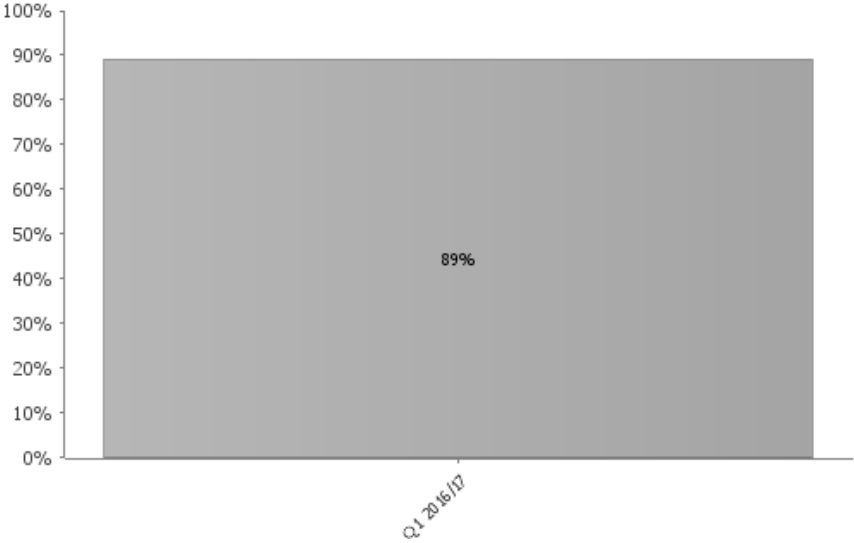
Performance Indicator	Performance	Notes
Housing Strategy - Private sector homes improved as a result of intervention by the council and its partner agencies	 <p>A bar chart with a vertical axis from 0 to 150 in increments of 25. The horizontal axis has two categories: 'Q1 2016/17' and 'Q2 2016/17'. The bar for Q1 2016/17 reaches the 75 mark and is labeled '74'. The bar for Q2 2016/17 reaches the 25 mark and is labeled '28'.</p>	The annual target is 120 properties, year to date 102 properties have been improved.
Lifeline - Number of calls answered within 60 seconds	 <p>A line chart with a vertical axis from 0% to 100% in 10% increments. The horizontal axis lists months from April 2016 to September 2016. A blue horizontal line at the 99% mark is labeled 'Target (Months)'. Data points for each month are: April 2016 (98.7%), May 2016 (99%), June 2016 (98.2%), July 2016 (97.8%), August 2016 (98.2%), and September 2016 (97.7%).</p>	Number of calls:- April – 5,427 May – 5,749 June – 6,014 July – 5,939 August – 5,814 September – 6,006

Performance Indicator	Performance	Notes														
Lifeline - Number of calls answered within 180 seconds	 <table border="1"> <caption>Lifeline Call Answer Rates</caption> <thead> <tr> <th>Month</th> <th>Answer Rate</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>99.9%</td> </tr> <tr> <td>May 2016</td> <td>100%</td> </tr> <tr> <td>June 2016</td> <td>100%</td> </tr> <tr> <td>July 2016</td> <td>100%</td> </tr> <tr> <td>August 2016</td> <td>100%</td> </tr> <tr> <td>September 2016</td> <td>99.7%</td> </tr> </tbody> </table>	Month	Answer Rate	April 2016	99.9%	May 2016	100%	June 2016	100%	July 2016	100%	August 2016	100%	September 2016	99.7%	Number of calls: April – 5,506 May – 5,814 June – 6,105 July – 6,063 August – 5,932 September – 6,155
Month	Answer Rate															
April 2016	99.9%															
May 2016	100%															
June 2016	100%															
July 2016	100%															
August 2016	100%															
September 2016	99.7%															
Parking - Number of PCN's Issued	 <table border="1"> <caption>Parking PCN's Issued</caption> <thead> <tr> <th>Month</th> <th>Number of PCN's</th> </tr> </thead> <tbody> <tr> <td>April 2016</td> <td>1,616</td> </tr> <tr> <td>May 2016</td> <td>1,772</td> </tr> <tr> <td>June 2016</td> <td>1,675</td> </tr> <tr> <td>July 2016</td> <td>1,968</td> </tr> <tr> <td>August 2016</td> <td>1,897</td> </tr> <tr> <td>September 2016</td> <td>1,928</td> </tr> </tbody> </table>	Month	Number of PCN's	April 2016	1,616	May 2016	1,772	June 2016	1,675	July 2016	1,968	August 2016	1,897	September 2016	1,928	The number of notices issued is monitored by the Transportation Manager.
Month	Number of PCN's															
April 2016	1,616															
May 2016	1,772															
June 2016	1,675															
July 2016	1,968															
August 2016	1,897															
September 2016	1,928															

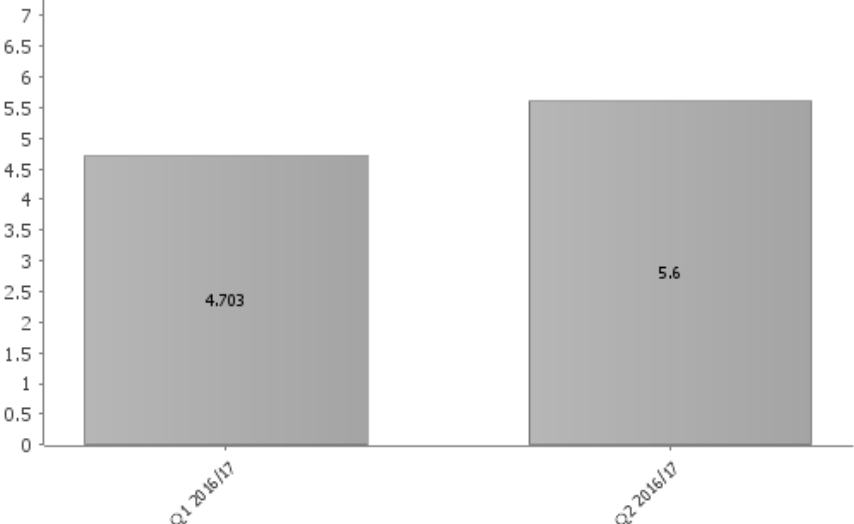
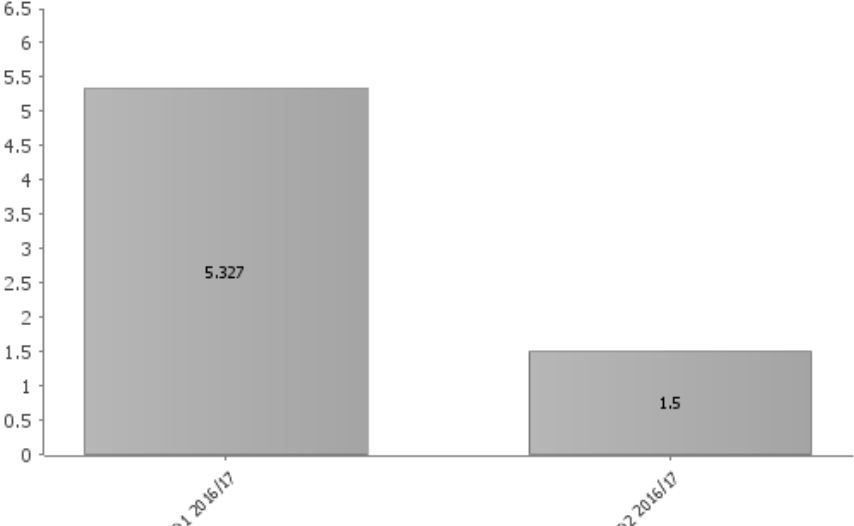
Performance Indicator	Performance	Notes						
Parking - British vehicle PCN recovery rate	<p>A bar chart with a vertical axis from 0% to 90% in 10% increments. The horizontal axis has two categories: 'Q1 2016/17' and 'Q2 2016/17'. The bar for Q1 2016/17 reaches 52.85% and the bar for Q2 2016/17 reaches 62.5%.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Recovery Rate</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>52.85%</td> </tr> <tr> <td>Q2 2016/17</td> <td>62.5%</td> </tr> </tbody> </table>	Quarter	Recovery Rate	Q1 2016/17	52.85%	Q2 2016/17	62.5%	Annual target is 70%. The quarter 1 figure was for all vehicles.
Quarter	Recovery Rate							
Q1 2016/17	52.85%							
Q2 2016/17	62.5%							
Parking - Foreign vehicle PCN recovery rate	<p>A bar chart with a vertical axis from 0% to 90% in 10% increments. The horizontal axis has two categories: 'Q1 2016/17' and 'Q2 2016/17'. The bar for Q1 2016/17 is at 0% and the bar for Q2 2016/17 reaches 39.2%.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Recovery Rate</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>0%</td> </tr> <tr> <td>Q2 2016/17</td> <td>39.2%</td> </tr> </tbody> </table>	Quarter	Recovery Rate	Q1 2016/17	0%	Q2 2016/17	39.2%	Recovery procedures are in place; however it is difficult to recover monies from foreign drivers.
Quarter	Recovery Rate							
Q1 2016/17	0%							
Q2 2016/17	39.2%							

Performance Indicator	Performance	Notes						
Planning - % of major planning applications to be determined within statutory period	<table border="1"> <caption>Performance Data for Major Planning Applications</caption> <thead> <tr> <th>Quarter</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>69.23%</td> </tr> <tr> <td>Q2 2016/17</td> <td>90.91%</td> </tr> </tbody> </table>	Quarter	Performance (%)	Q1 2016/17	69.23%	Q2 2016/17	90.91%	Target is 50% July – 100% August – 100% September – 50%
Quarter	Performance (%)							
Q1 2016/17	69.23%							
Q2 2016/17	90.91%							
Planning - % of non major planning applications to be determined within statutory period	<table border="1"> <caption>Performance Data for Non Major Planning Applications</caption> <thead> <tr> <th>Quarter</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>86.27%</td> </tr> <tr> <td>Q2 2016/17</td> <td>61.4%</td> </tr> </tbody> </table>	Quarter	Performance (%)	Q1 2016/17	86.27%	Q2 2016/17	61.4%	Target is 70% July – 59.26% August – 92.86% September – 62.50%
Quarter	Performance (%)							
Q1 2016/17	86.27%							
Q2 2016/17	61.4%							

Performance Indicator	Performance	Notes						
Waste Contract - Percentage of household waste recycled	 <table border="1"> <caption>Waste Contract - Percentage of household waste recycled</caption> <thead> <tr> <th>Quarter</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>43.81%</td> </tr> <tr> <td>Q2 2016/17</td> <td>43%</td> </tr> </tbody> </table>	Quarter	Percentage	Q1 2016/17	43.81%	Q2 2016/17	43%	<p>Target is 47%</p> <p>July – 41.8% August – 44.56% September – 44.0%</p>
Quarter	Percentage							
Q1 2016/17	43.81%							
Q2 2016/17	43%							
Waste Contract - Number of missed collections per 100,000	 <table border="1"> <caption>Waste Contract - Number of missed collections per 100,000</caption> <thead> <tr> <th>Quarter</th> <th>Number of missed collections per 100,000</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>5.24</td> </tr> <tr> <td>Q2 2016/17</td> <td>6.95</td> </tr> </tbody> </table>	Quarter	Number of missed collections per 100,000	Q1 2016/17	5.24	Q2 2016/17	6.95	<p>Target is 50</p> <p>July – 5.71 August – 6.96 September – 8.18</p>
Quarter	Number of missed collections per 100,000							
Q1 2016/17	5.24							
Q2 2016/17	6.95							

Performance Indicator	Performance	Notes				
Waste Contract - Percentage of streets surveyed clear of litter within the district	 <p>A bar chart with a vertical axis from 0% to 100% in 10% increments. A single grey bar represents the performance for Q1 2016/17, reaching the 96% mark. The value '96%' is printed inside the bar.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>96%</td> </tr> </tbody> </table>	Quarter	Performance (%)	Q1 2016/17	96%	This figure is reported every 4 months, the next one being due in December and will therefore be included in the next quarterly report.
Quarter	Performance (%)					
Q1 2016/17	96%					
Waste Contract - Percentage of streets surveyed clear of detritus within the district	 <p>A bar chart with a vertical axis from 0% to 100% in 10% increments. A single grey bar represents the performance for Q1 2016/17, reaching the 89% mark. The value '89%' is printed inside the bar.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>89%</td> </tr> </tbody> </table>	Quarter	Performance (%)	Q1 2016/17	89%	This figure is reported every 4 months, the next one being due in December and will therefore be included in the next quarterly report.
Quarter	Performance (%)					
Q1 2016/17	89%					

Performance Indicator	Performance	Notes						
Waste Contract - No of days to remove fly tipped waste on public land once reported	<table border="1"> <caption>Performance Data: Days to remove fly tipped waste</caption> <thead> <tr> <th>Quarter</th> <th>Performance Value</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>0.3</td> </tr> <tr> <td>Q2 2016/17</td> <td>0.1</td> </tr> </tbody> </table>	Quarter	Performance Value	Q1 2016/17	0.3	Q2 2016/17	0.1	There were 358 Instances of fly tipped waste during quarter 2.
Quarter	Performance Value							
Q1 2016/17	0.3							
Q2 2016/17	0.1							
Waste Contract - Percentage of returns to empty a missed bin by the end of the next working day if it is reported within 24 hours	<table border="1"> <caption>Performance Data: Percentage of returns to empty a missed bin</caption> <thead> <tr> <th>Quarter</th> <th>Performance Value</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>75%</td> </tr> <tr> <td>Q2 2016/17</td> <td>64%</td> </tr> </tbody> </table>	Quarter	Performance Value	Q1 2016/17	75%	Q2 2016/17	64%	Target is 100% The number of bins returned to empty is still being reported incorrectly and is currently being verified with Veolia.
Quarter	Performance Value							
Q1 2016/17	75%							
Q2 2016/17	64%							

Performance Indicator	Performance	Notes						
Waste Contract - Average number of days to respond to requests for unwanted bulky waste collections	 <table border="1"> <caption>Performance Data: Average number of days to respond to requests for unwanted bulky waste collections</caption> <thead> <tr> <th>Quarter</th> <th>Average Number of Days</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>4.703</td> </tr> <tr> <td>Q2 2016/17</td> <td>5.6</td> </tr> </tbody> </table>	Quarter	Average Number of Days	Q1 2016/17	4.703	Q2 2016/17	5.6	Target is 5 days There were 413 Bulky collections in Quarter 2. Bulky waste collection dates are selected by the resident when payment is made and not due to the contractor not collecting the item in time.
Quarter	Average Number of Days							
Q1 2016/17	4.703							
Q2 2016/17	5.6							
Waste Contract - Average number of hours to remove offensive graffiti in public places	 <table border="1"> <caption>Performance Data: Average number of hours to remove offensive graffiti in public places</caption> <thead> <tr> <th>Quarter</th> <th>Average Number of Hours</th> </tr> </thead> <tbody> <tr> <td>Q1 2016/17</td> <td>5.327</td> </tr> <tr> <td>Q2 2016/17</td> <td>1.5</td> </tr> </tbody> </table>	Quarter	Average Number of Hours	Q1 2016/17	5.327	Q2 2016/17	1.5	Target is 4 hours There were 3 instances of offensive graffiti during quarter 2.
Quarter	Average Number of Hours							
Q1 2016/17	5.327							
Q2 2016/17	1.5							

PERFORMANCE INDICATORS 2016/17

TIME PERIOD

PERFORMANCE INDICATORS 2016/17		TIME PERIOD
BENEFITS		
Average number of days taken to process new claims for Housing Benefit		Monthly
Average number of days to process new claims for Housing Benefit from the date complete evidence is received.		Monthly
Average number of days taken to process change of circumstances for Housing Benefit		Monthly
Average number of days to process change of circumstances for Housing Benefit from the date complete evidence is received.		Monthly
Average number of days taken to process new claims for Council Tax Reduction		Monthly
Average number of days taken to process change of circumstances for Council Tax Reduction		Monthly
To serve customers in under 20 minutes of waiting		Monthly
To resolve the customer's query at the first point of contact in Middle Office (Benefits)		Monthly
HB processing accuracy (team average)		Monthly
To process applications for Discretionary Housing Payment within an average of 2 working days		Monthly
BUILDING CONTROL		
Number of building control applications received		Monthly
Number of days taken to check full plans applications from receiving a valid application		Monthly
Respond to Dangerous Structure notifications within 2 hours		Monthly
BUSINESS SUPPORT (LAURA)		
Planning and Building Control		
Submit planning & building control applications within 24 hours of receipt		Monthly
Log pre-app requests within 24 hours of receipt and any written requests for pre application advice acknowledged within 3 working days		Monthly
Ensure all call-backs are answered the same day		Monthly
Acknowledge neighbour comments within 24 hours		Monthly
Issue decisions the same day		Monthly
Answer all general enquiries within 20 working days and acknowledge within 3 working days		Monthly
Action amendments within 24 hours		Monthly
Acknowledge a complaint about an alleged breach of planning control within 2 working days		Monthly
Local Land Charges		
Log all LLC searches within 24 hours		Monthly
Respond to all LLC searches within 10 working days		Monthly
Respond to all LLC queries within 20 working days		Monthly
Burials		
Respond to a request for a burial service within an average of 5 working days		Monthly
Private Sector Housing		
Monitor PSH mailbox, raising work orders and send acknowledgment with 2 working days		Monthly
Carry out passport checks for DFG within 5 working days and once result received log on M3 within 2 working days		Monthly

Revenues and Benefits

Revenues and Benefits mailbox to be indexed/completed within 2 working days	Monthly
Indexing for incoming post to be completed within 2 working days	Monthly

Housing

Housing mailbox to be completed within 2 working days	Monthly
Applications/change of circumstance to be completed within 10 working days	Monthly
Request for documentation to be sent within 10 working days	Monthly
Removals cleared within 30 days after deadline	Monthly

Parking

Respond to all FPN challenges within 20 working days	Monthly
Issue permit within 5 working days of receipt of application	Monthly
Parking mailbox to be indexed within 2 working days	Monthly
Complete between 10 – 15 letters daily	Monthly

Licensing

Process TENS applications within 24 hours	Monthly
Process new applications and renewals within 30 working days	Monthly
Licensing mailbox to be indexed within 2 working days	Monthly

Environmental Health

Environmental Health mailbox to be indexed within 2 working days	Monthly
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BUSINESS SUPPORT (STEVE)

Revenue system correctly set up and billed correctly.	Annual
System availability	Monthly
New projects delivered	Monthly
Respond to system failures	Monthly

COMMERCIAL AND LICENSING

Inspections - Food Hygiene

% of premises rated 3 or above	Quarterly
% of premises due for inspection, which are completed	Monthly

Health and Safety - Corporate

No of corporate accidents reported to Environment Health	Monthly
No of corporate accidents reported to the HSE for further investigation	Monthly
No of corporate near misses reported to Environmental Health	Monthly
No of corporate incidents reported to Environmental Health	Quarterly

Health and Safety

No of RIDDOR reports/complaints received	Monthly
No of RIDDOR reports/complaints investigated by the Council (quarterly)	Quarterly

Licensing

No of Licensed Premises inspected (subject to training)	Monthly
No of Hackney Cabs and Private Hire Vehicles viewed	Monthly
No of Hackney Cab and Private Hire Vehicle meters checked	Monthly
No of caravan sites inspected	Monthly
No of TENS issued	Monthly
No of complaints investigated	Monthly
No of Street Traders checked for compliance	Monthly
Number of days to respond to license applications	Monthly
Number of weeks to determine license applications	Monthly

COMMERCIAL UNIT

ICT Contract

Total no of incidents logged during the period.	Monthly
Number of incidents resolved during the period	Monthly
Number of incidents unresolved during the period.	Monthly
% of critical application availability	Monthly
Average % of customers satisfied with service received.	Monthly

East Kent Housing

Average time taken to re-let council dwellings exc major works	Quarterly
Rent arrears as % of projected annual rental income	Quarterly
% of emergency repairs completed on time	Quarterly
% of routine repairs completed on time	Quarterly

Creditors

% of invoices paid within the agreed timescales	Quarterly
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Leas Cliff Hall

Ticket sales achieved	Annual
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Hythe Pool

Annual income	Annual
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COMMUNITY SAFETY

Ward based community safety and environmental action days (1 per ward) targeting clean, green and safe issues relevant to the Ward. Quarterly

Number of persons at-risk engaged in diversionary activities Quarterly

Number of community litter picks Quarterly

Number of community trigger applications Quarterly

CPN Notices served Quarterly

PSPO Breaches Quarterly

Engagement

Number of businesses signed up to Health Business Awards Quarterly

Number of schools engaged in engagement/learning events Quarterly

COMPLAINTS AND FOI

All standard FOI requests will be satisfactorily replied to within the statutory timeframe of 20 working days after receipt Monthly

All subject access requests will be satisfactorily replied to within the statutory timeframe of 40 days Monthly

All complaints will be acknowledged within 5 days as required in the policy Monthly

Complainants will receive the appropriate stage response within 20 days as required in the policy Monthly

COMMUNICATIONS

Number of press releases each month Monthly

Number of people reached through Social Media (Facebook and Twitter) Monthly

Number of people engaged through Social Media e.g. Liked,retweeted,shared Monthly

Number of new followers and likes on Social Media Monthly

Website Analytics – count sessions, unique visitors, page views, bounce rate and use of mobile Monthly

CORPORATE DEBT

Business Rates collection target is met Monthly

Council Tax collection target is met Monthly

Business Rates and Council Tax arrears reduction Annual

Reduction in Housing Benefit Overpayment arrears Annual

Reduction in Sundry Debts arrears Annual

Reduction in number of cheques received within Council Annual

Average number of working days we will aim to respond to enquiries. ongoing

CUSTOMER SERVICES

Customers seen within 20 minutes at a Customer Service Desk Monthly

Calls served (versus volumes of calls received) Monthly

Reduce abandoned calls Annual

Reduce dissuaded calls Annual

Average wait time for calls (except at peak times) Monthly

ECONOMIC DEVELOPMENT

Apply for external funding.	Annual
Investment in SDC area scheme	Annual
Delivery of business accommodation scheme.	Annual
Delivery of the engagement programme to key employers	Annual
DBR grant is obtained.	Annual
Creative and digital companies are successfully attracted to locate in Shepway	Annual
Apprenticeship grants are awarded	Annual
Skills related events are provided	Annual

ELECTORAL SERVICES

Achieve a 90% return rate on household enquiry forms returned during the annual canvass	Annual
We will aim to process all applications for registration and absent votes (outside of the annual canvas in the autumn) wi	Monthly

ENVIRONMENTAL HEALTH**Pollution Control**

Number of enforcement notices served (i.e. EPA section 79 - Abatement Notices, CPN, PDPA, COPA)	Monthly
Compliant part A & part B environmental permits	Monthly
Compliant air quality monitoring sites	Monthly
Number contaminated land enquires successfully dealt with	Monthly

Dog Control

Stray dogs found	Monthly
Stray dogs successfully returned to owner	Monthly

Enforcement

Successful prosecutions	Monthly
Formal cautions issued	Monthly
Fixed Penalty Notices issued	Monthly
Enviro Crime Patrol hours (dog fouling & littering)	Monthly

GROUNDS MAINTENANCE

Maintain a 4+ rating on trip advisor for the Coastal Park	Annual
5 % increase on volunteer hours	Annual
Opportunitas - value of works invoiced	Quarterly
Opportunitas - net income retained	Annual
Opportunitas - number of quotations given	Quarterly
Opportunitas - number of quotations accepted	Quarterly
Opportunitas - number of clients served	Quarterly

HOUSING OPTIONS

Number of homeless decisions made	Quarterly
Number of decisions made within 33 days	Quarterly
Average number of days to complete homeless decisions	Quarterly
Average number of people in temporary accommodation	Quarterly
% of homeless cases prevented	Quarterly
Number of single homeless referred to Porchlight	Quarterly
Number of cases supported into accommodation	Quarterly
Number of protocol referrals	Quarterly
Number of applications on the housing list	Quarterly
Average processing time for applicants on the housing list	Quarterly
Number of properties advertised	Quarterly
Number of households housed	Quarterly
Average number of working days to provide a Housing Options interview for anyone who is threatened with homelessness within 2 months	Quarterly

HOUSING STRATEGY

Long-term empty homes brought back into use	Quarterly
Council new builds to start on site	Quarterly
HRA property acquisitions completed	Quarterly
Additional affordable homes delivered in the district by the council and its partner agencies	Quarterly
Affordable homes provided in the district for low cost home ownership	Quarterly
Private sector homes improved as a result of intervention by the council and its partner agencies	Quarterly
Number of days to respond to a complaint	Monthly

Succession planning / talent management reviews with Heads of Service	Annual
ILM Level 3 qualification for team leaders	1 st cohort
Development sessions for middle managers & team leaders on Leadership and Management	Annual
Compliance with mandatory / statutory training (eg safeguarding, prevention or radicalism & terrorism)	Annual
Soft skills development sessions for all staff	Annual
Staff correctly categorised ahead of the next auto enrolment review in January 2017	Annual
Annual staff survey Net Promoter score increases	Annual
Number of days absence per employee	Monthly
Staff paid on time and correctly	Monthly
Relevant staff completing DBS checks	Annual

LIFELINE	
Number of calls answered within 60 seconds	Monthly
Number of calls answered within 180 seconds	Monthly
Urgent lifeline referrals installed within 2 days	Monthly
Non-urgent lifeline referrals installed within 5 days	Monthly
Urgent lifeline repairs carried out within 24 hours	Monthly
Non-urgent lifeline repairs carried out within 5 days	Monthly
PARKING	
Gross income per off-street parking space	Annual
Gross income per on-street parking space	Annual
Car park usage expressed as a percentage of capacity	Quarterly
Number of PCNs issued	Monthly
PCN recovery rate	Quarterly
PLANNING	
% of major planning applications to be determined within statutory period	Quarterly
% of non-major planning applications to be determined within statutory period	Quarterly
% of other planning applications to be determined within statutory period	Quarterly
National threshold for quality of decisions on applications for major development to be met or exceeded	Quarterly
Proposed national threshold for quality of decisions on applications for non major development to be met or exceeded	
Breaches of planning control complaints acknowledged within 2 working days of receipt	Quarterly
Complainant notified of how council intends to deal with breach of planning control complaint within 20 working days of receipt	Quarterly
Written request for pre application advice acknowledged within 3 working days	Quarterly
Written request for pre application advice not requiring a meeting to be sent a full written response within 20 working days or within 10 working days of meeting if one is requested	Quarterly
REVENUES	
Council tax collection	Monthly
Council tax reduction collection rate	Monthly
To resolve the customer's query at the first point of contact in Middle Office (Revenues)	Monthly
STRATEGIC PROJECTS	
Strategic Development	
Total number of dwellings for which planning permission is secured.	Annual
Feasibility studies completed for newly identified residential schemes and/or commercial schemes	Annual
HRA	
Number of homes delivered	Annual

TROUBLED FAMILIES

Maintain a caseload of 10 families per family champion	Annual
Ensure effective and timely engagement with allocated families	Annual
Ensure robust turnaround is maintained (closure of families/signposting to other services), achieve as close to 80% turnaround as possible.	Annual

WASTE

Percentage of household waste recycled	Quarterly
Number of missed collections per 100,000	Quarterly
Percentage of streets surveyed clear of litter within the district	Quarterly
Percentage of streets surveyed clear of detritus within the district	Quarterly
Number of days to remove fly tipped waste on public land once reported	Quarterly
Percentage of returns to empty a missed bin by the end of the next working day if it is reported within 24 hours	Quarterly
Average number of days to respond to requests for unwanted bulky waste collections	Quarterly
Average number of hours to remove offensive graffiti in public places.	Quarterly

Universal Credit update: Shepway District Council

Andrew Hatcher

Revenues and Benefits Strategic Manager

Folkestone
Hythe & Romney Marsh
Shepway District Council



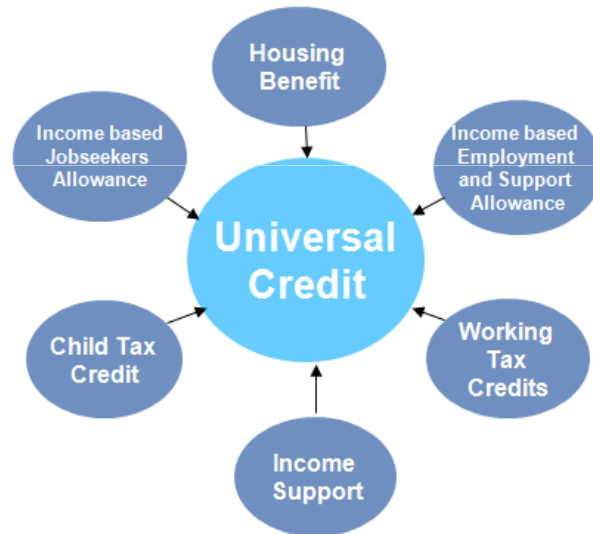
www.shepway.gov.uk

Introduction

- What is Universal Credit?
- Universal Credit in Shepway
- Impact in Shepway
- The future

What is Universal Credit?

- Universal Credit is being rolled out across the United Kingdom and will replace 6 existing benefits and merge them into one payment will be paid monthly in arrears.



- Universal Credit is for working age people only.

Universal Credit in Shepway

- UC was introduced to Shepway on 25 January 2016. This is currently for new claimants that would have previously applied for JobSeekers Allowance and are single only.
- Once a customer is in receipt of UC they remain on the benefit.

Resource implications

Residents who claim benefits from the Council

- Any claimants who meet the early criteria AND who would have claimed Housing Benefit will apply for Universal Credit instead.
- All Pension age claims for Housing Benefit will still be made to the Council.
- All Supported and Exempt Accommodation claims for Housing Benefit will still be made to the Council.
- All residents will continue to apply for Council Tax Reduction from the Council.

Resource implications

Current caseload:

	Housing Benefit	Council Tax Reduction
Working age	5711	5322
Pension age	2761	4383
Total caseload	8472	9705

- Caseload for HB and CTR has reduced by approximately 300 since January 2016
- Due to mirrored caseload reduction of HB & CTR this is not as a direct result of UC implementation
- UC was not expected to have a large impact in the first 15 months for Shepway

Local Authority role to support Universal Credit

- SDC have a responsibility to offer three key services to support DWP in UC implementation:
 - Supported online access
 - Support for the Universal Credit Service Centre
 - Personal Budgeting Support

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Supported online access

- Shepway District Council's reception area has computers and kiosks available for supported access as required
- DWP predicted 61 claimants requiring supported access in the first 15 months
 - To date no customers have requested support with an online application for UC at the Civic Centre



Support for the UC Service Centre & manual support

- The DWP require Housing Benefit details and the Council will be contacted for this information
- DWP predicted 341 cases in the first 15 months
 - To date no requests of this type have been logged
- DWP predicted 95 cases in the first 3 months would require manual processing with LA support
 - SDC received 37 of these cases in the first three months

Personal Budgeting Support

- When a customer signs their claimant commitment they will be asked if they require further budgeting support; this is a service offered by the Revenues and Benefits team.
- DWP predicted 61 claimants would require this support in the first 15 months
 - 22 cases have been referred to the Council
 - 20 of these cases have been contacted by telephone
 - 2 of these cases have received a face to face appointment

Universal Credit – Impact for Shepway

- Number of Shepway residents in receipt of Universal Credit: **454**
- Number of cases on SDC systems: **83**
 - 57 cases where claimant in receipt of Council Tax Reduction is receiving UC
 - 33 cases where a non-dependant is in receipt of UC
 - 3 cases where a joint tenant is in receipt of UC

*Figures as of November 2016

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The future

- Shepway are scheduled to move to the fully digital service (more new case types and a digital service) from February 2018
- After the rollout process has completed, DWP will then begin moving all remaining existing benefit claimants to the full Universal Credit service although timeframes are still to be confirmed

Summary

- What is Universal Credit?
- Universal Credit in Shepway
- Impact in Shepway
- The future
- **Any questions?**

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This Report will be made public on 10 January 2017

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Hythe & Romney Marsh
Shepway District Council



Report Number **C/16/98**

To: Cabinet
Date: 18 January 2017
Status: Key Decision
Head of Service: Pat Main, Interim Head of Finance
Cabinet Member: Councillor Susan Carey, Finance

**Subject: TREASURY MANAGEMENT STRATEGY STATEMENT 2017/18
INCLUDING TREASURY MANAGEMENT INDICATORS**

SUMMARY: This report sets out the proposed strategy for treasury management for 2017/18 including the Annual Investment Strategy and Treasury Management Indicators to be approved by full Council.

REASONS FOR RECOMMENDATION:

Cabinet is asked to agree the recommendations set out below because:-

- a) The Council must have regard to both CIPFA's Code of Practice for Treasury Management in the Public Services and the CLG's Guidance on Local Authority Investments when carrying out its duties under Part 1 of the Local Government Act 2003.
- b) The Financial Procedure Rules requires the Council to receive an annual plan and strategy for treasury management in advance of the financial year.
- c) The Council is required to approve an Annual Investment Strategy for the forthcoming year.

RECOMMENDATIONS:

1. To receive and note Report C/16/98.
2. To recommend to Council that the strategy for treasury management in 2017/18 set out in the report is adopted.

- 3. To recommend to Council that the 2017/18 Annual Investment Strategy set out in the report is adopted.**
- 4. To recommend to Council the approval of the treasury management indicators set out in the report.**

1. INTRODUCTION

- 1.1 In February 2012 the Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year.
- 1.2 In addition, the Department for Communities and Local Government (CLG) issued revised *Guidance on Local Authority Investments* in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year.
- 1.3 This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the CLG Guidance.
- 1.4 The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.
- 1.5 In accordance with the CLG Guidance, the Authority will be asked to approve a revised Treasury Management Strategy Statement (TMSS) should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, or in the Authority's capital programme or in the level of its investment balance.
- 1.6 The Authority's major capital investment initiatives, such as Otterpool Park, Princes Parade and other asset investment initiatives, remain to be reported in detail to Members for approval. When approved, these initiatives are likely to require the TMSS to be revised.
- 1.7 The Prudential Indicators for capital expenditure, including borrowing limits, are considered separately by Cabinet in a report on the Update to the Medium Term Capital Programme.

2. ECONOMIC OUTLOOK AND PROSPECT FOR INTEREST RATES

(Commentary supplied by the council's Treasury Adviser, Arlingclose)

2.1 Economic Background

- 2.1.1 The major external influence on the Authority's treasury management strategy for 2017/18 will be the UK's progress in negotiating a smooth exit from the European Union. Financial markets, wrong-footed by the referendum outcome, have since been weighed down by uncertainty over whether leaving the Union also means leaving the single market. Negotiations are expected to start once the UK formally triggers exit in early 2017 and last for at least two years. Uncertainty over future economic prospects will therefore remain throughout 2017/18.
- 2.1.2 The fall and continuing weakness in sterling and the near doubling in the price of oil in 2016 have combined to drive inflation expectations higher. The Bank of

England is forecasting that Consumer Price Inflation will breach its 2% target in 2017, the first time since late 2013, but the Bank is expected to look through inflation overshoots over the course of 2017 when setting interest rates so as to avoid derailing the economy.

- 2.1.3 Initial post-referendum economic data showed that the feared collapse in business and consumer confidence had not immediately led to lower GDP growth. However, the prospect of a leaving the single market has dented business confidence and resulted in a delay in new business investment and, unless counteracted by higher public spending or retail sales, will weaken economic growth in 2017/18.
- 2.1.4 Looking overseas, with the US economy and its labour market showing steady improvement, the Federal Reserve raised interest rates by 0.25% in December 2016 and projected three more 0.25% increases in 2017. The Eurozone meanwhile has continued to struggle with very low inflation and lack of momentum in growth, and the European Central Bank has left the door open for further quantitative easing.
- 2.1.5 The impact of political risk on financial markets remains significant over the next year. General elections in France, Germany and Italy scheduled in 2017 all have the potential to impact on financial markets.

2.2 Credit Outlook

- 2.2.1 Markets have expressed concern over the financial viability of a number of European banks recently. Sluggish economies and continuing fines for pre-crisis behaviour have weighed on bank profits, and any future slowdown will exacerbate concerns in this regard.
- 2.2.2 Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the European Union, Switzerland and USA, while Australia and Canada are progressing with their own plans. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however continue to fall.

2.3 Interest Rate Forecast

- 2.3.1 Arlingclose's central case is for UK Bank Rate to remain at 0.25% during 2017/18. The Bank of England has, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods. Given this view and the current inflation outlook, further falls in the Bank Rate look less likely. Negative Bank Rate is currently perceived by some policymakers to be counterproductive but, although a low probability, cannot be entirely ruled out in the medium term, particularly if the UK enters recession as a result of concerns over leaving the European Union.

- 2.3.2 Gilt yields have risen sharply in the second half of 2016 but remain at low levels. The Arlingclose central case is for yields to decline when the government triggers Article 50. Long-term economic fundamentals remain weak, and the quantitative easing (QE) stimulus provided by central banks globally has only delayed the fallout from the build-up of public and private sector debt. The Bank of England has defended QE as a monetary policy tool, and further QE in support of the UK economy in 2017/18 remains a possibility, to keep long-term interest rates low.
- 2.3.3 A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix 1.
- 2.3.4 For the purpose of setting the 2017/18 budget, it has been assumed that new investments will be made at an average rate of 0.37%. No new long-term loans have been anticipated in the budget.

3. THE COUNCIL'S FORECAST BORROWING AND INVESTMENT POSITION

- 3.1 On 30 November 2016 the Authority held £60m of borrowing and £45.8m of investments. This is set out in further detail at Appendix 2. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance Sheet Summary and Forecast

	31.3.16 Actual £m	31.3.17 Estimate £m	31.3.18 Forecast £m	31.3.19 Forecast £m	31.3.20 Forecast £m
General Fund CFR	17.8	17.4	17.0	16.6	16.2
HRA CFR	47.4	47.4	47.5	49.6	52.5
Total CFR	65.2	64.8	64.5	66.2	68.7
Less: External borrowing	60.1	59.5	57.8	55.9	54.8
Internal borrowing	5.1	5.3	6.7	10.3	13.9
Less: Usable reserves	-32.4	-25.0	-24.0	-21.2	-19.0
Less: Working capital	-4.3	-4.3	-4.3	-4.3	-4.3
Investments	31.6	24.0	21.6	15.2	9.4

- 3.2 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
- 3.3 The movement in table 1 is based on the projected outturn for the current financial year, the draft revenue and capital budgets being proposed for 2017/18 and information taken from the latest approved Medium Term Financial Strategy for 2018/19 and 2019/20.

3.4 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2017/18.

4. BORROWING STRATEGY

4.1 The Authority currently holds £60.0 million of loans, a small reduction of £0.1 million on the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Authority currently does not expect to need to borrow in 2017/18. The Authority may however borrow to pre-fund future years' requirements, providing this does not exceed the proposed authorised limit for borrowing of £69.9 million for 2017/18.

4.2 Objectives

4.2.1 The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

4.3 Strategy

4.3.1 Given the significant reductions to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

4.3.2 By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of both internal and short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2017/18 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

4.3.3 Alternatively, the Authority may arrange forward starting loans during 2017/18, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

4.3.4 In addition, the Authority may borrow further short-term loans to cover unplanned cash flow shortages.

4.4 Sources of Borrowing

4.4.1 The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except the Kent County Council Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

4.4.2 In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase
- Private Finance Initiative
- sale and leaseback

4.4.3 The Authority has previously raised the majority of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans that may be available at more favourable rates.

4.5 Short-term and Variable Rate Loans

4.5.1 These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

4.6 Debt Rescheduling

4.6.1 The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

5. INVESTMENT STRATEGY

5.1 The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's investment balance has ranged between £32 and £54 million. The maximum investment balance held is expected to reduce to between £45 and £50 million in the coming year as the council uses its reserves to meet its approved capital expenditure plans in particular.

5.2 Objectives

5.2.1 Both the CIPFA Code and the CLG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

5.2.2 **Negative Interest Rates** - If the UK enters into a recession in 2017/18, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

5.3 Strategy

5.3.1 Given the increasing risk and falling returns from short-term unsecured bank investments, the Authority aims to further diversify into more secure and/or higher yielding asset classes during 2017/18. This is especially the case for the estimated £21m that is available for longer-term investment. A significant proportion of the Authority's surplus cash is currently invested in short-term unsecured bank deposits, certificates of deposit and money market funds. This diversification will represent a change in strategy over the coming year.

5.4 Approved Counterparties

5.4.1 The Authority may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and the time limits shown. On the advice of Arlingclose, the corporate and registered providers are proposed to be added to the Authority's counterparty types for the first time.

Table 2: Approved Investment Counterparties and Limits for New Investments effective from 1 April 2017

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£3m 5 years	£5m 20 years	£5m 50 years	£3m 20 years	£3m 20 years
AA+	£3m 5 years	£5m 10 years	£5m 25 years	£3m 10 years	£3m 10 years
AA	£3m 4 years	£5m 5 years	£5m 15 years	£3m 5 years	£3m 10 years

AA-	£3m 3 years	£5m 4 years	£5m 10 years	£3m 4 years	£3m 10 years
A+	£3m 2 years	£5m 3 years	£5m 5 years	£3m 3 years	£3m 5 years
A	£3m 13 months	£5m 2 years	£5m 5 years	£3m 2 years	£3m 5 years
A-	£3m 6 months	£5m 13 months	£5m 5 years	£3m 13 months	£3m 5 years
BBB+	£3m 100 days	£3m 6 months	£3m 2 years	£1.5m 6 months	£1.5m 2 years
None	£1m 6 months	n/a	£5m 25 years	£50,000 5 years	£3m 5 years
Pooled funds	£5m per fund				

This table must be read in conjunction with the notes below

5.4.2 **Credit Rating** - Investment limits are set by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

5.4.3 **Banks Unsecured** - Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

5.4.4 **Banks Secured** - Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

5.4.5 **Government** - Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

5.4.6 **Corporates** - Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated

companies will only be made as part of a diversified pool in order to spread the risk widely.

- 5.4.7 **Registered Providers** - Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain the likelihood of receiving government support if needed.
- 5.4.8 **Pooled Funds** - Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.
- 5.4.9 Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

5.5 Risk Assessment and Credit Ratings

- 5.5.1 Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 5.5.2 Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

5.6 Other Information on the Security of Investments

- 5.6.1 The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including

credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

5.6.2 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

5.7 Specified Investments

5.7.1 The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of "high credit quality".

5.7.2 The Authority defines "high credit quality" organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds "high credit quality" is defined as those having a credit rating of A- or higher.

5.8 Non-specified Investments

5.8.1 Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

Table 3: Non-Specified Investment Limits

	Cash limit
Total long-term investments	£20m
Total investments without credit ratings or rated below A-	£15m
Total non-specified investments	£35m

5.9 Investment Limits

5.9.1 The Authority's revenue reserves available to cover investment losses are forecast to be £11 million 31st March 2017. In order that no more than 50% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 4: Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£5m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£5m per group
Any group of pooled funds under the same management	£10m per manager
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£5m per country
Registered Providers	£10m in total
Unsecured investments with Building Societies	£5m in total
Loans to unrated corporates	£5m in total
Money Market Funds	£25m in total

5.10 Liquidity Management

5.10.1 The Authority uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium term financial plan and cash flow forecast.

6. TREASURY MANAGEMENT INDICATORS

6.1 The Authority measures and manages its exposures to treasury management risks using the following indicators.

6.2 **Security** - The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	Target
Portfolio average credit rating	A

6.3 **Liquidity** - The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

	Target
Total cash available within 3 months	£5m

6.4 **Interest Rate Exposures** - This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the amount of net principal borrowed will be:

	2017/18	2018/19	2019/20
Upper limit on fixed interest rate exposure	£63m	£66m	£68m
Upper limit on variable interest rate exposure	£0m	£0m	£0m

6.5 Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

6.6 **Maturity Structure of Borrowing** - This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Upper	Lower
Under 12 months	30%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	80%	0%
10 years and above	100%	0%

6.7 Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

6.8 **Principal Sums Invested for Periods Longer than 364 days** - The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	2017/18	2018/19	2019/20
Limit on principal invested beyond year end	£20m	£15m	£10m

7. OTHER ITEMS

7.1 There are a number of additional items that the Authority is obliged by CIPFA or CLG to include in its Treasury Management Strategy.

7.2 Policy on Use of Financial Derivatives

7.2.1 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

7.2.2 The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded

derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

- 7.2.3 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

7.3 Policy on Apportioning Interest to the HRA

- 7.3.1 On 1st April 2012, the Authority notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Authority's average interest rate on investments, adjusted for credit risk.

7.4 Investment Training

- 7.4.1 The needs of the Authority's treasury management staff for training in investment management are assessed as part of the regular staff appraisal process, and additionally when the responsibilities of individual members of staff change.
- 7.4.2 Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to undertake studying for relevant professional qualifications.

7.5 Investment Advisers

- 7.5.1 The Authority appointed Arlingclose Limited as treasury management advisers with effect from 1 April 2016 on an initial three year contract with a provision for a further two year extension and receives specific advice on investment, debt and capital finance issues. The quality of this service is monitored by the council's treasury management staff with reference to the agreed specification and particular attention is given to the timeliness and relevance of the information received.

7.6 Investment of Money Borrowed in Advance of Need

- 7.6.1 The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks

will be managed as part of the Authority's overall management of its treasury risks.

7.6.2 The total amount borrowed will not exceed the authorised borrowing limit of £69.9 million. The maximum period between borrowing and expenditure is expected to be two years, although the Authority is not required to link particular loans with particular items of expenditure.

8. FINANCIAL IMPLICATIONS

8.1 The net revenue cost of the council's treasury management borrowing and investment activity is estimated to be:

£'000	2016/17 Estimate	2016/17 Latest Projection	2017/18 Estimate	Variance 2016/17 to 2017/18
Revenue Budgets	£'000	£'000	£'000	£'000
Interest on Borrowing	2,225	2,223	2,114	(111)
HRA Element	(1,737)	(1,737)	(1,676)	61
GF Borrowing Cost	488	486	438	(50)
Investment income	(538)	(494)	(357)	181
HRA Element	106	72	52	(54)
GF Investment income	(432)	(422)	(305)	127
Net Cost (GF)	56	64	133	77

8.2 The main reasons for the projected net increase in General Fund borrowing costs of £77k from the 2016/17 estimate to the 2017/18 estimate are:

	£'000
i) Reduction in investment income from lower cash reserves and balances in 2017/18 compared to 2016/17	103
ii) Reduction in investment income from forecast lower average returns in 2017/18 compared to 2016/17	78
iii) Reduction in interest payable on borrowing due to maturing loans falling out	(111)
iv) Adjustments in charges between the General Fund and HRA	7
Net increase in costs to General Fund	77

9. OTHER OPTIONS CONSIDERED

9.1 The CLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Corporate Director for Organisational Change, having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

10. RISK MANAGEMENT ISSUES

10.1 Inherently treasury management is concerned with the management of risk, e.g. interest rate risk, market risk, credit risk and liquidity risk. The strategies in this Report are developed to minimise the impact of risk changes whilst at the same time providing a framework for the council to reduce its net interest costs.

10.2 Specific risks to be addressed are as follows:

PERCEIVED RISK	SERIOUSNESS	LIKELIHOOD	PREVENTATIVE ACTION
Interest Rate Risk (rates moving significantly different to expectations)	High	Medium	Rate rises would be beneficial but if rates fall the council would need to consider further fixed rate investments or debt rescheduling to mitigate impact.
Market Risk (adverse market fluctuations affect value of investment capital)	Medium	Low	A limit is placed on the value of principal exposed to changes in market value.
Credit Risk (risk to repayment of Capital)	High	Medium	The council's investment criteria restricts counterparties to those of the highest quality and security.
Liquidity Risk (risk that cash will not be available when needed)	Medium	Medium	Council's investment portfolio structured to reflect future liquidity needs. Temporary borrowing is also available to meet short term liquidity issues.
Changes to the Capital Programme and/or revenue streams	High	Low-Medium	Cash flows are calculated monthly and regular projections are made to identify changes to the council's funding

			<p>requirements.</p> <p>Prudential borrowing to support capital expenditure can be used for schemes expected to provide a financial benefit to the council.</p> <p>Otherwise only realised capital receipts are used to fund the approved capital programme.</p> <p>There may be some slippage in capital expenditure between years and the impact will be monitored.</p>
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11. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

11.1 Legal Officer's Comments (DK)

There are no legal implications arising directly out of this report. Part 1 of the Local Government Act 2003 gives the Council the power to borrow and to invest for any purpose relevant to its functions or for the purposes of the prudent management of its financial affairs. It also requires the Council to act prudently when carrying out these activities, including an obligation to determine and keep under review how much money it can borrow. In addition, the Council is required by the Local Government Finance Act 1992 to produce a balanced budget. The Council must bear in mind its fiduciary duties to local tax payers and its continuing obligation to ensure it has funding to perform relevant statutory undertakings it has to comply with

11.2 Finance Officer's Comments (LW)

The report has been prepared by Financial Services and the relevant financial implications are contained within it.

12. CONTACT OFFICER AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officers prior to the meeting:

Lee Walker – Group Accountant

Tel: 01303 853593 Email: lee.walker@shepway.gov.uk

The following background documents have been relied upon in the preparation of this report:

Arlingclose's Treasury Management Strategy Statement Template 2017/18

Appendices

Appendix 1 – Arlingclose Economic and Interest Rate Forecast

Appendix 2 - Existing Investment & Debt Portfolio Position

Appendix 1 – Arlingclose Economic & Interest Rate Forecast November 2016

Underlying assumptions:

- The medium term outlook for the UK economy is dominated by the negotiations to leave the EU. The long-term position of the UK economy will be largely dependent on the agreements the government is able to secure with the EU and other countries.
- The global environment is also riddled with uncertainty, with repercussions for financial market volatility and long-term interest rates. Donald Trump's victory in the US general election and Brexit are symptomatic of the popular disaffection with globalisation trends. The potential rise in protectionism could dampen global growth prospects and therefore inflation. Financial market volatility will remain the norm for some time.
- However, following significant global fiscal and monetary stimulus, the short term outlook for the global economy is somewhat brighter than earlier in the year. US fiscal stimulus is also a possibility following Trump's victory.
- Recent data present a more positive picture for the post-Referendum UK economy than predicted due to continued strong household spending.
- Over the medium term, economic and political uncertainty will likely dampen investment intentions and tighten credit availability, prompting lower activity levels and potentially a rise in unemployment.
- The currency-led rise in CPI inflation (currently 1.0% year/year) will continue, breaching the target in 2017, which will act to slow real growth in household spending due to a sharp decline in real wage growth.
- The depreciation in sterling will, however, assist the economy to rebalance away from spending. The negative contribution from net trade to GDP growth is likely to diminish, largely due to weaker domestic demand. Export volumes will increase marginally.
- Given the pressure on household spending and business investment, the rise in inflation is highly unlikely to prompt monetary tightening by the Bank of England, with policymakers looking through import-led CPI spikes to the negative effects of Brexit on economic activity and, ultimately, inflation.
- Bank of England policymakers have, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods. Given this view and the current inflation outlook, further monetary loosening looks less likely.

Forecast:

- Globally, the outlook is uncertain and risks remain weighted to the downside. The UK domestic outlook is uncertain, but likely to be weaker in the short term than previously expected.
- The likely path for Bank Rate is weighted to the downside. The Arlingclose central case is for Bank Rate to remain at 0.25%, but there is a 25% possibility of a drop to close to zero, with a very small chance of a reduction below zero.
- Gilt yields have risen sharply, but remain at low levels. The Arlingclose central case is for yields to decline when the government triggers Article 50.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.12
Arlingclose Central Case	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Downside risk	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.40
3-month LIBID rate														
Upside risk	0.05	0.05	0.10	0.10	0.10	0.15	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.18
Arlingclose Central Case	0.25	0.25	0.25	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.29
Downside risk	0.20	0.25	0.25	0.25	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.34
1-yr LIBID rate														
Upside risk	0.10	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.23
Arlingclose Central Case	0.60	0.50	0.50	0.50	0.50	0.50	0.50	0.60	0.70	0.85	0.90	0.90	0.90	0.65
Downside risk	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.24
5-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	0.50	0.40	0.35	0.35	0.35	0.40	0.40	0.40	0.45	0.50	0.55	0.60	0.65	0.45
Downside risk	0.30	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.47
10-yr gilt yield														
Upside risk	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.15	0.95	0.85	0.85	0.85	0.85	0.85	0.90	0.95	1.00	1.05	1.10	1.15	0.96
Downside risk	0.30	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.47
20-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.70	1.50	1.40	1.40	1.40	1.40	1.40	1.45	1.50	1.55	1.60	1.65	1.70	1.75
Downside risk	0.40	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57
50-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.60	1.40	1.30	1.30	1.30	1.30	1.30	1.35	1.40	1.45	1.50	1.55	1.60	1.41
Downside risk	0.40	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57

Appendix 2 – Existing Investment & Debt Portfolio Position

	Actual Portfolio at 30 November 2016 £m	Average Rate %
External Borrowing:		
Public Works Loan Board	58.9	3.73
Local Authorities	1.1	1.10
Total External Borrowing	60.0	3.70
Investments:		
Banks (unsecured)	19.5	0.81
Covered bonds (secured)	2.0	0.46
Local Authorities	8.0	0.97
Money Market Funds	11.2	0.32
Pooled Funds - CCLA LA Property Fund	5.1	4.83
Total Investments	45.8	1.15
Net Debt	14.2	

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This report will be made public on 10 January 2017

Folkestone

Hythe & Romney Marsh
Shepway District Council



Report Number **C/16/95**

To: Cabinet
Date: 18 January 2017
Status: Non-Key Decision
Head of Service: Pat Main, Interim Head of Finance
Portfolio Holder: Councillor Mrs Susan Carey, Cabinet Member for Finance

SUBJECT: COUNCIL TAX BASE 2017/18

SUMMARY:

The Council is required to decide its tax base which will be used in the calculation of Council Tax for 2017/2018. This report proposes the tax base recommendations for the Council's approval.

REASONS FOR RECOMMENDATION:

The Cabinet is asked to agree the recommendations set out below because it is a statutory requirement of the Council to determine a Council Tax base each year to be used by the County Council, Kent Police Authority, Kent Fire and Rescue Service, the Town and Parish Councils and the District Council in the calculation of precepts and Council Taxes.

RECOMMENDATIONS:

1. To receive and note report C/16/95.
2. To recommend to Full Council that the Council Tax bases set out in appendices 1-31, which have been calculated in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992 (as amended) be the amounts so calculated by the Council as its Council Tax bases for the year 2017/18.

INTRODUCTION

- 1.1 The Council is required each year to determine its Council Tax base. The Council Tax base is the measure in the Council Tax system of the relative taxable capacity of the district. The Council Tax base is used by the County Council, Kent Police Authority, Kent Fire and Rescue Service and the Town/Parish and District Councils in the calculation of precepts and Council Taxes. It is also used by the County Council, Kent Police Authority and Kent Fire and Rescue Service in calculating their precepts upon each of the District Councils in Kent and by the Council in the calculation of its own demand on the Collection Fund.
- 1.2 The Council itself must determine the Council Tax base and the County Council, Kent Police Authority and Kent Fire and Rescue Service must be informed by 31 January in each year.
- 1.3 The tax base calculation takes into account the change from council tax benefit to the council tax reduction scheme which is no longer fully-funded by Central Government as well as changes to discounts on empty properties.

2 RULES FOR THE CALCULATION OF THE COUNCIL TAX BASE

- 2.1 The rules which the Council has to use to calculate the tax base are prescribed in regulations.

3 THE CALCULATION

- 3.1 The Council has to calculate a Council Tax base for each Town and Parish area and aggregate them all to arrive at the Council Tax base for the whole District.
- 3.2 For each band in every part of the District the Council has to calculate a 'relevant amount'. The relevant amounts for each band are then aggregated and multiplied by an estimated collection rate to give the Council Tax base for that part of the District. In addition, an estimated amount is added for those parts of the District where a contribution in lieu of Council Tax is paid by the MoD in respect of forces' accommodation, which is otherwise exempt. This means in Shepway 240 separate 'relevant amounts' and 30 tax bases have to be calculated.
- 3.3 The 'relevant amount' for 2017/18 is the number of chargeable dwellings in each band as shown in the valuation list on 30 November 2016 less the number of dwellings in each band which are exempt adjusted for:

The number of discounts and disabled reductions which apply to those dwellings, plus or minus

Estimated changes in properties and discounts and disabled reductions between now and 31 March 2017 multiplied by

The proportion which dwellings in that band bear to dwellings in band D using prescribed proportions.

- 3.4 The calculation includes an adjustment based on the estimated amount for the council tax reduction scheme which replaced council tax benefit from the 1 April 2013 as amended for 2017/18.
- 3.5 In simple terms this is the number of Band D equivalents for each band.
- 3.6 Attached are appendices showing the calculation for each Town and Parish area and an aggregate of them all to give the Council Tax base for the whole District.

EXPLANATION OF CALCULATION SHOWN IN APPENDICES 1-31

Line 1 Dwellings. This shows the total number of dwellings in each band as shown in the valuation list on 30 November 2016.

Line 2 Exemptions. This shows the number of dwellings included in the valuation list which according to the Council's records, are exempt from the Council Tax.

Line 3 Disabled Relief. This shows the number of net adjustments for each band of the effect of granting disabled person's relief.

Line 4 Chargeable Dwellings. This shows the aggregate number of dwellings in each band after taking into account the above adjustments. ie. line 1 – line 2 + or – line 3.

Line 5 Discounts – Single. This shows the total number of dwellings in each band where a single discount of 25% is given.

Line 6 Discounts – Double. This shows the total number of dwellings in each band which are entitled to a reduction of two discounts. ie. 50%.

Line 7 Discounts - 10%. This line is no longer applicable as there are no properties receiving a 10% discount since the 1 April 2014

Line 8 – Total Discounts. This shows the total number of discounts shown above ie. Line 5 + (2 x line 6) + (line 7/2.5).

Line 9 Discount Deduction. This shows the effect of the total discounts apportioned to the number of equivalent properties in each band. ie. line 8 x 25%.

Line 10 Adjustments. This line shows the number of adjustments estimated for each tax band between now and 31 March 2017. This includes changes in bands as a result of successful appeals and an estimate of the number of new properties which will be completed and banded before 31 March 2018.

Line 10a Adjustments. This line shows as a band D equivalent only the impact of applying a 50% premium on properties that have been empty over 2 years.

Line 11 Adjustments. This line shows the adjustments for the council tax reduction scheme which has been based on the value of council tax benefit as at the 30 November 2016.

Line 12 Net Dwellings. This shows the total number of dwellings after taking into account all of the above adjustments. ie. Line 4 – Line 9 + or – line 10.

Line 13 Band D Equivalents. This is the 'relevant amount' referred to in the report and is calculated by multiplying the number of net dwellings shown in line 11 by the prescribed proportion used for calculating the number of Band D equivalents. The proportion used for each band is laid down in statute and is as follows:

Band @	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

- 3.7 The total band D equivalents for each part of the district are multiplied by the estimated collection rate to obtain the Tax Base for each part of the district as shown on Appendices 1-31. We are continuing to collect arrears in respect of previous years. A figure of 98.5% was used last year and a figure of 98.5% has been used as the estimated collection rate for 2017/18.

- 3.8 An estimate of Band D equivalent dwellings is added to those parts of the District where a contribution in lieu is paid by the MoD for forces' accommodation.

4 CONCLUSIONS

- 4.1 The overall Tax Base for Shepway for 2017/18 is calculated as 37,431.37 compared to 36,629.85 for the current year.

5. LEGAL, FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1 Legal Officer's comments (DK)

There are no legal implications arising directly out of this report.

5.2 Finance Officer's comments (DC)

The Council Tax base is proposed to increase by 801.52 due to a general increase in the number of dwellings, along with other movements on the adjustments for discounts and the Council Tax Reduction Scheme (including the effect of revised proposals for 2017/18).

The impact of the tax base increase will be taken into account in the final setting of the budget, assessed alongside the results of the Finance Settlement, in February 2017

5.3 Equalities and Diversities Implications

There are no implications arising directly from this report.

6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

- 6.1 Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Report author: Jane Worrell
Telephone: 01303 853326
Email: jane.worrell@shepway.gov.uk

- 6.2 The following background documents have been relied upon in the preparation of this report:

- *Valuation List as at 30 November 2016*

Appendices:

Appendix – Council Tax base calculations

Area ACRISE

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		0.00	4.00	3.00	6.00	22.00	15.00	19.00	3.00
2	Exemptions		0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00
3	Disabled Relief					1.00	-1.00			
4	Chargeable Dwelling	0.00	0.00	4.00	3.00	7.00	20.00	15.00	19.00	3.00
5	Discounts - single		0.00	2.00	2.00	4.00	4.00	2.00	2.00	1.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	0.00	2.00	2.00	4.00	4.00	2.00	2.00	1.00
9	Discount Deductions	0.00	0.00	0.50	0.50	1.00	1.00	0.50	0.50	0.25
10	Adjustments									
10a	50% premium									
11	Reduction Scheme		0.00	0.00	0.00	-0.75	-1.30	0.00	0.00	0.00
12	Net Dwellings	0.00	0.00	3.50	2.50	5.25	17.70	14.50	18.50	2.75
13	Band D Equivalents	0.00	0.00	2.72	2.22	5.25	21.63	20.94	30.83	5.50

TAX BASE CALCULATION	
Total Band D equivalents	89.11
Collection Rate	98.5 %
	87.77
* Add MoD Contributions	
Tax Base	87.77

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area ELHAM ELHAM

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		24.00	62.00	67.00	135.00	132.00	109.00	151.00	4.00
2	Exemptions		7.00	5.00	1.00	2.00	0.00	1.00	0.00	0.00
3	Disabled Relief				1.00	1.00	-1.00	0.00	-1.00	
4	Chargeable Dwelling	0.00	17.00	57.00	67.00	134.00	131.00	108.00	150.00	4.00
5	Discounts - single		11.00	31.00	26.00	42.00	29.00	18.00	22.00	1.00
6	Discounts - double					1.00				
7	Discounts - 10%									
8	Total Discounts	0.00	11.00	31.00	26.00	44.00	29.00	18.00	22.00	1.00
9	Discount Deductions	0.00	2.75	7.75	6.50	11.00	7.25	4.50	5.50	0.25
10	Adjustments									
10a	50% premium				0.50					
11	Reduction Scheme		-3.27	-8.13	-8.46	-8.00	-5.38	-1.75	-2.75	0.00
12	Net Dwellings	0.00	10.98	41.12	52.54	115.00	118.37	101.75	141.75	3.75
13	Band D Equivalents	0.00	7.32	31.98	46.70	115.00	144.67	146.97	236.25	7.50

TAX BASE CALCULATION	
Total Band D equivalents	736.40
Collection Rate	98.5 %
	725.36
* Add MoD Contributions	
Tax Base	725.36

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area ELMSTED ELMSTED

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		15.00	6.00	10.00	16.00	24.00	21.00	34.00	4.00
2	Exemptions		1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
3	Disabled Relief						1.00	-1.00		
4	Chargeable Dwelling	0.00	14.00	5.00	9.00	15.00	25.00	20.00	34.00	4.00
5	Discounts - single		5.00	1.00	2.00	5.00	7.00	4.00	5.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	5.00	1.00	2.00	5.00	7.00	4.00	5.00	0.00
9	Discount Deductions	0.00	1.25	0.25	0.50	1.25	1.75	1.00	1.25	0.00
10	Adjustments			1.00	1.00					
10a	50% premium		1.00				1.00			
11	Reduction Scheme				-0.51	-0.29	-1.34			
12	Net Dwellings	0.00	13.75	5.75	8.99	13.46	22.91	19.00	32.75	4.00
13	Band D Equivalents	0.00	9.17	4.47	7.99	13.46	28.00	27.44	54.58	8.00

TAX BASE CALCULATION	
Total Band D equivalents	153.12
Collection Rate	98.5 %
	150.82
* Add MoD Contributions	
Tax Base	150.82

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

HAWKINGE

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		66.00	381.00	909.00	731.00	692.00	272.00	155.00	3.00
2	Exemptions		5.00	10.00	34.00	63.00	18.00	2.00	0.00	0.00
3	Disabled Relief		6.00	-2.00	-3.00	5.00	-2.00	-2.00	-2.00	
4	Chargeable Dwelling	0.00	67.00	369.00	872.00	673.00	672.00	268.00	153.00	3.00
5	Discounts - single		38.00	151.00	306.00	169.00	115.00	21.00	17.00	0.00
6	Discounts - double		0.00	0.00	2.00	1.00	0.00	2.00	0.00	0.00
7	Discounts - 10%									
8	Total Discounts	0.00	38.00	151.00	310.00	171.00	115.00	25.00	17.00	0.00
9	Discount Deductions	0.00	9.50	37.75	77.50	42.75	28.75	6.25	4.25	0.00
10	Adjustments			1.00		3.00	1.00			
10a	50% premium		0.50				0.50			0.50
11	Reduction Scheme		-12.57	-84.23	-110.16	-44.28	-16.33	-3.44	-0.58	0.00
12	Net Dwellings	0.00	45.43	248.02	684.34	588.97	628.42	258.31	148.17	3.50
13	Band D Equivalents	0.00	30.29	192.90	608.30	588.97	768.07	373.11	246.95	7.00

TAX BASE CALCULATION	
Total Band D equivalents	2,815.60
Collection Rate	98.5 %
	2,773.36
* Add MoD Contributions	106.00
Tax Base	2,879.36

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

LYMINGE

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		72.00	91.00	296.00	348.00	230.00	121.00	102.00	2.00
2	Exemptions		5.00	3.00	4.00	4.00	4.00	2.00	0.00	0.00
3	Disabled Relief			1.00	2.00	-2.00	-1.00	3.00	-3.00	
4	Chargeable Dwelling		67.00	89.00	294.00	342.00	225.00	122.00	99.00	2.00
5	Discounts - single		50.00	47.00	109.00	99.00	48.00	20.00	14.00	
6	Discounts - double						1.00	1.00		
7	Discounts - 10%									
8	Total Discounts	0.00	50.00	47.00	109.00	99.00	50.00	22.00	14.00	0.00
9	Discount Deductions	0.00	12.50	11.75	27.25	24.75	12.50	5.50	3.50	0.00
10	Adjustments					1.00	1.00			
10a	50% premium			0.50						
11	Reduction Scheme		-29.17	-18.55	-23.49	-11.10	-6.23	-0.61	0.00	0.00
12	Net Dwellings	0.00	25.33	59.20	243.26	307.15	207.27	115.89	95.50	2.00
13	Band D Equivalents	0.00	16.89	46.04	216.23	307.15	253.33	167.40	159.17	4.00

TAX BASE CALCULATION	
Total Band D equivalents	1,170.21
Collection Rate	98.5 %
	1,152.65
* Add MoD Contributions	1.44
Tax Base	1,154.09

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

LYMPNE

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		21.00	37.00	101.00	155.00	213.00	58.00	61.00	3.00
2	Exemptions		7.00	3.00	0.00	2.00	1.00	0.00	2.00	0.00
3	Disabled Relief	2.00	-2.00	0.00	1.00	0.00	-1.00	1.00	-1.00	
4	Chargeable Dwelling	2.00	12.00	34.00	102.00	153.00	211.00	59.00	58.00	3.00
5	Discounts - single	1.00	6.00	7.00	43.00	43.00	31.00	10.00	6.00	1.00
6	Discounts - double		0.00	5.00	1.00	1.00	0.00	0.00	0.00	0.00
7	Discounts - 10%									
8	Total Discounts	1.00	6.00	17.00	45.00	45.00	31.00	10.00	6.00	1.00
9	Discount Deductions	0.25	1.50	4.25	11.25	11.25	7.75	2.50	1.50	0.25
10	Adjustments			1.00						
10a	50% premium		0.50							1.00
11	Reduction Scheme	-1.31	-1.00	-0.94	-12.94	-6.22	-3.01	-1.55	0.00	0.00
12	Net Dwellings	0.44	10.00	29.81	77.81	135.53	200.24	54.95	56.50	3.75
13	Band D Equivalents	0.24	6.67	23.19	69.16	135.53	244.74	79.37	94.17	7.50

TAX BASE CALCULATION	
Total Band D equivalents	660.32
Collection Rate	98.5 %
	650.42
* Add MoD Contributions	
Tax Base	650.42

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

MONKS HORTON

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		2.00	3.00	2.00	10.00	6.00	6.00	18.00	3.00
2	Exemptions			1.00						
3	Disabled Relief									
4	Chargeable Dwelling	0.00	2.00	2.00	2.00	10.00	6.00	6.00	18.00	3.00
5	Discounts - single		1.00	1.00	0.00	3.00	2.00	1.00	2.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	1.00	1.00	0.00	3.00	2.00	1.00	2.00	0.00
9	Discount Deductions	0.00	0.25	0.25	0.00	0.75	0.50	0.25	0.50	0.00
10	Adjustments									
10a	50% premium		1.00							
11	Reduction Scheme		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Net Dwellings	0.00	2.75	1.75	2.00	9.25	5.50	5.75	17.50	3.00
13	Band D Equivalents	0.00	1.83	1.36	1.78	9.25	6.72	8.31	29.17	6.00

TAX BASE CALCULATION	
Total Band D equivalents	64.42
Collection Rate	98.5 %
	63.45
* Add MoD Contributions	
Tax Base	63.45

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

NEWINGTON

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		6.00	33.00	45.00	24.00	22.00	15.00	20.00	1.00
2	Exemptions		1.00	1.00						
3	Disabled Relief				1.00	-1.00				
4	Chargeable Dwelling	0.00	5.00	32.00	46.00	23.00	22.00	15.00	20.00	1.00
5	Discounts - single		3.00	14.00	15.00	5.00	1.00	4.00	2.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	3.00	14.00	15.00	5.00	1.00	4.00	2.00	0.00
9	Discount Deductions	0.00	0.75	3.50	3.75	1.25	0.25	1.00	0.50	0.00
10	Adjustments							1.00		
10a	50% premium				1.00	2.00				
11	Reduction Scheme		-0.75	-5.15	-5.93	-1.46	0.00	-0.65	0.00	0.00
12	Net Dwellings	0.00	3.50	23.35	37.32	22.29	21.75	14.35	19.50	1.00
13	Band D Equivalents	0.00	2.33	18.16	33.17	22.29	26.58	20.73	32.50	2.00

TAX BASE CALCULATION	
Total Band D equivalents	157.77
Collection Rate	98.5 %
	155.40
* Add MoD Contributions	
Tax Base	155.40

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

PADDLESWORTH

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		1.00	1.00	0.00	2.00	3.00	3.00	5.00	0.00
2	Exemptions									
3	Disabled Relief									
4	Chargeable Dwelling	0.00	1.00	1.00	0.00	2.00	3.00	3.00	5.00	0.00
5	Discounts - single		0.00	0.00	0.00	2.00	1.00	1.00	0.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	0.00	0.00	0.00	2.00	1.00	1.00	0.00	0.00
9	Discount Deductions	0.00	0.00	0.00	0.00	0.50	0.25	0.25	0.00	0.00
10	Adjustments									
10a	50% premium		0.50							
11	Reduction Scheme		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Net Dwellings	0.00	1.50	1.00	0.00	1.50	2.75	2.75	5.00	0.00
13	Band D Equivalents	0.00	1.00	0.78	0.00	1.50	3.36	3.97	8.33	0.00

TAX BASE CALCULATION	
Total Band D equivalents	18.94
Collection Rate	98.5 %
	18.66
* Add MoD Contributions	
Tax Base	18.66

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area POSTLING

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		2.00	0.00	7.00	15.00	22.00	15.00	32.00	1.00
2	Exemptions		1.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00
3	Disabled Relief									
4	Chargeable Dwelling	0.00	1.00	0.00	7.00	15.00	22.00	14.00	31.00	1.00
5	Discounts - single		0.00	0.00	4.00	5.00	4.00	4.00	5.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	0.00	0.00	4.00	5.00	4.00	4.00	5.00	0.00
9	Discount Deductions	0.00	0.00	0.00	1.00	1.25	1.00	1.00	1.25	0.00
10	Adjustments									
10a	50% premium		0.50							0.50
11	Reduction Scheme		0.00	0.00	-0.16	-1.50	-0.09	0.00	-0.19	0.00
12	Net Dwellings	0.00	1.50	0.00	5.84	12.25	20.91	13.00	29.56	1.50
13	Band D Equivalents	0.00	1.00	0.00	5.19	12.25	25.56	18.78	49.27	3.00

TAX BASE CALCULATION	
Total Band D equivalents	115.04
Collection Rate	98.5 %
	113.32
* Add MoD Contributions	
Tax Base	113.32

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

SALTWOOD

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		8.00	14.00	96.00	89.00	67.00	45.00	66.00	6.00
2	Exemptions		1.00	0.00	0.00	1.00	2.00			1.00
3	Disabled Relief				1.00	-1.00			1.00	-1.00
4	Chargeable Dwelling	0.00	7.00	14.00	97.00	87.00	65.00	45.00	67.00	4.00
5	Discounts - single		4.00	10.00	49.00	30.00	14.00	9.00	6.00	2.00
6	Discounts - double								1.00	
7	Discounts - 10%									
8	Total Discounts	0.00	4.00	10.00	49.00	30.00	14.00	9.00	8.00	2.00
9	Discount Deductions	0.00	1.00	2.50	12.25	7.50	3.50	2.25	2.00	0.50
10	Adjustments					1.00				
10a	50% premium			0.50						
11	Reduction Scheme		-0.75	-2.06	-12.70	-10.46	-1.47	0.00	-0.27	0.00
12	Net Dwellings	0.00	5.25	9.94	72.05	70.04	60.03	42.75	64.73	3.50
13	Band D Equivalents	0.00	3.50	7.73	64.04	70.04	73.37	61.75	107.88	7.00

TAX BASE CALCULATION	
Total Band D equivalents	395.32
Collection Rate	98.5 %
	389.39
* Add MoD Contributions	
Tax Base	389.39

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

SELLINDGE

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		28.00	77.00	179.00	178.00	114.00	75.00	50.00	7.00
2	Exemptions		4.00	0.00	0.00	2.00	1.00	2.00	1.00	0.00
3	Disabled Relief		0.00	1.00	-1.00	1.00	-1.00	2.00	-1.00	-1.00
4	Chargeable Dwelling	0.00	24.00	78.00	178.00	177.00	112.00	75.00	48.00	6.00
5	Discounts - single		14.00	37.00	59.00	56.00	21.00	7.00	2.00	0.00
6	Discounts - double							1.00	1.00	
7	Discounts - 10%									
8	Total Discounts	0.00	14.00	37.00	59.00	56.00	21.00	9.00	4.00	0.00
9	Discount Deductions	0.00	3.50	9.25	14.75	14.00	5.25	2.25	1.00	0.00
10	Adjustments									
10a	50% premium								0.50	
11	Reduction Scheme		-5.99	-22.90	-15.84	-8.24	-4.24	-0.81	-0.69	0.00
12	Net Dwellings	0.00	14.51	45.85	147.41	154.76	102.51	71.94	46.81	6.00
13	Band D Equivalents	0.00	9.67	35.66	131.03	154.76	125.29	103.91	78.02	12.00

TAX BASE CALCULATION	
Total Band D equivalents	650.35
Collection Rate	98.5 %
	640.59
* Add MoD Contributions	
Tax Base	640.59

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

STANFORD

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		3.00	1.00	31.00	26.00	38.00	32.00	31.00	0.00
2	Exemptions									
3	Disabled Relief					2.00	-3.00	0.00	-1.00	
4	Chargeable Dwelling	0.00	3.00	1.00	31.00	28.00	35.00	32.00	30.00	0.00
5	Discounts - single		1.00	0.00	13.00	9.00	4.00	6.00	4.00	0.00
6	Discounts - double							1.00		
7	Discounts - 10%									
8	Total Discounts	0.00	1.00	0.00	13.00	9.00	4.00	8.00	4.00	0.00
9	Discount Deductions	0.00	0.25	0.00	3.25	2.25	1.00	2.00	1.00	0.00
10	Adjustments						1.00			
10a	50% premium			1.00						
11	Reduction Scheme		0.00	0.00	-1.18	-0.75	-1.44	-0.39	0.00	0.00
12	Net Dwellings	0.00	2.75	2.00	26.57	25.00	33.56	29.61	29.00	0.00
13	Band D Equivalents	0.00	1.83	1.56	23.62	25.00	41.02	42.77	48.33	0.00

TAX BASE CALCULATION	
Total Band D equivalents	184.13
Collection Rate	98.5 %
	181.37
* Add MoD Contributions	
Tax Base	181.37

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

STELLING MINNIS

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		20.00	15.00	10.00	49.00	44.00	49.00	57.00	2.00
2	Exemptions		3.00	0.00	0.00	0.00	1.00	0.00	1.00	
3	Disabled Relief							1.00	-1.00	
4	Chargeable Dwelling	0.00	17.00	15.00	10.00	49.00	43.00	50.00	55.00	2.00
5	Discounts - single		8.00	3.00	2.00	19.00	7.00	11.00	4.00	1.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	8.00	3.00	2.00	19.00	7.00	11.00	4.00	1.00
9	Discount Deductions	0.00	2.00	0.75	0.50	4.75	1.75	2.75	1.00	0.25
10	Adjustments		2.00							
10a	50% premium									
11	Reduction Scheme		-5.94	-1.23	-0.75	-2.99	-2.11	-0.14	0.00	0.00
12	Net Dwellings	0.00	11.06	13.02	8.75	41.26	39.14	47.11	54.00	1.75
13	Band D Equivalents	0.00	7.37	10.13	7.78	41.26	47.84	68.05	90.00	3.50

TAX BASE CALCULATION	
Total Band D equivalents	275.92
Collection Rate	98.5 %
	271.78
* Add MoD Contributions	
Tax Base	271.78

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area STOWTING

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		5.00	10.00	6.00	11.00	16.00	19.00	31.00	2.00
2	Exemptions		1.00	0.00	1.00	1.00	1.00	0.00	0.00	0.00
3	Disabled Relief									
4	Chargeable Dwelling	0.00	4.00	10.00	5.00	10.00	15.00	19.00	31.00	2.00
5	Discounts - single		1.00	6.00	1.00	4.00	1.00	2.00	3.00	1.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	1.00	6.00	1.00	4.00	1.00	2.00	3.00	1.00
9	Discount Deductions	0.00	0.25	1.50	0.25	1.00	0.25	0.50	0.75	0.25
10	Adjustments			1.00						
10a	50% premium									
11	Reduction Scheme		0.00	-1.41	-1.00	0.00	0.00	-1.00	0.00	0.00
12	Net Dwellings	0.00	3.75	8.09	3.75	9.00	14.75	17.50	30.25	1.75
13	Band D Equivalents	0.00	2.50	6.29	3.33	9.00	18.03	25.28	50.42	3.50

TAX BASE CALCULATION	
Total Band D equivalents	118.35
Collection Rate	98.5 %
	116.57
* Add MoD Contributions	
Tax Base	116.57

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

SWINGFIELD

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		10.00	46.00	92.00	175.00	132.00	43.00	27.00	0.00
2	Exemptions		4.00	1.00	0.00	3.00	3.00	0.00	0.00	0.00
3	Disabled Relief				1.00	1.00	-2.00	2.00	-2.00	
4	Chargeable Dwelling	0.00	6.00	45.00	93.00	173.00	127.00	45.00	25.00	0.00
5	Discounts - single		4.00	10.00	29.00	40.00	37.00	11.00	3.00	0.00
6	Discounts - double					1.00		1.00		
7	Discounts - 10%									
8	Total Discounts	0.00	4.00	10.00	29.00	42.00	37.00	13.00	3.00	0.00
9	Discount Deductions	0.00	1.00	2.50	7.25	10.50	9.25	3.25	0.75	0.00
10	Adjustments		1.00			1.00				
10a	50% premium									
11	Reduction Scheme		0.00	-7.74	-8.00	-9.56	-4.67	-2.28	-1.20	0.00
12	Net Dwellings	0.00	6.00	34.76	77.75	153.94	113.08	39.47	23.05	0.00
13	Band D Equivalents	0.00	4.00	27.04	69.11	153.94	138.21	57.01	38.42	0.00

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TAX BASE CALCULATION	
Total Band D equivalents	487.72
Collection Rate	98.5 %
	480.41
* Add MoD Contributions	
Tax Base	480.41

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

HYTHE

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		651.00	1,571.00	2,193.00	1,169.00	926.00	599.00	304.00	11.00
2	Exemptions		17.00	29.00	49.00	17.00	35.00	20.00	2.00	0.00
3	Disabled Relief		6.00	3.00	-6.00	6.00	-2.00	-2.00	-1.00	-5.00
4	Chargeable Dwelling	1.00	640.00	1,545.00	2,138.00	1,158.00	889.00	577.00	301.00	6.00
5	Discounts - single	1.00	436.00	726.00	757.00	349.00	256.00	122.00	45.00	1.00
6	Discounts - double		0.00	0.00	4.00	0.00	1.00	4.00	8.00	1.00
7	Discounts - 10%									
8	Total Discounts	1.00	436.00	726.00	765.00	349.00	258.00	130.00	61.00	3.00
9	Discount Deductions	0.25	109.00	181.50	191.25	87.25	64.50	32.50	15.25	0.75
10	Adjustments		11.00	4.00	3.00	4.00	3.00	3.00	2.00	
10a	50% premium		1.00	3.50	2.00	1.00		0.50	0.50	
11	Reduction Scheme		-187.94	-290.59	-168.11	-50.89	-24.25	-4.12	-1.79	0.00
12	Net Dwellings	0.75	355.06	1,080.41	1,783.64	1,024.86	803.25	543.88	286.46	5.25
13	Band D Equivalents	0.42	236.71	840.32	1,585.46	1,024.86	981.75	785.60	477.43	10.50

TAX BASE CALCULATION	
Total Band D equivalents	5,942.63
Collection Rate	98.5 %
	5,853.49
* Add MoD Contributions	64.78
Tax Base	5,918.27

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

NEW ROMNEY

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		191.00	586.00	935.00	899.00	382.00	190.00	84.00	5.00
2	Exemptions		7.00	6.00	5.00	7.00	4.00	1.00	0.00	0.00
3	Disabled Relief	1.00	0.00	2.00	7.00	-6.00		-2.00	1.00	-3.00
4	Chargeable Dwelling	1.00	184.00	582.00	937.00	886.00	378.00	187.00	85.00	2.00
5	Discounts - single	1.00	116.00	249.00	292.00	212.00	68.00	24.00	17.00	0.00
6	Discounts - double		0.00	0.00	2.00	5.00	9.00	6.00	4.00	1.00
7	Discounts - 10%									
8	Total Discounts	1.00	116.00	249.00	296.00	222.00	86.00	36.00	25.00	2.00
9	Discount Deductions	0.25	29.00	62.25	74.00	55.50	21.50	9.00	6.25	0.50
10	Adjustments		1.00	1.00	0.00	0.00	3.00	2.00		
10a	50% premium		1.50	1.00	2.50					
11	Reduction Scheme	-0.42	-55.63	-101.10	-96.72	-53.99	-8.50	-5.79	-0.02	0.00
12	Net Dwellings	0.33	101.87	420.65	768.78	776.51	351.00	174.21	78.73	1.50
13	Band D Equivalents	0.18	67.91	327.17	683.36	776.51	429.00	251.64	131.22	3.00

TAX BASE CALCULATION	
Total Band D equivalents	2,669.81
Collection Rate	98.5 %
	2,629.76
* Add MoD Contributions	
Tax Base	2,629.76

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

BRENZETT

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		5.00	31.00	70.00	26.00	16.00	17.00	5.00	0.00
2	Exemptions		1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Disabled Relief		1.00		-1.00	0.00				
4	Chargeable Dwelling	0.00	5.00	31.00	69.00	26.00	16.00	17.00	5.00	0.00
5	Discounts - single		0.00	12.00	22.00	9.00	1.00	1.00	1.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	0.00	12.00	22.00	9.00	1.00	1.00	1.00	0.00
9	Discount Deductions	0.00	0.00	3.00	5.50	2.25	0.25	0.25	0.25	0.00
10	Adjustments									
10a	50% premium				0.50					
11	Reduction Scheme		-1.75	-11.53	-16.40	-0.80	0.00	0.00	0.00	0.00
12	Net Dwellings	0.00	3.25	16.47	47.60	22.95	15.75	16.75	4.75	0.00
13	Band D Equivalents	0.00	2.17	12.81	42.31	22.95	19.25	24.19	7.92	0.00

TAX BASE CALCULATION	
Total Band D equivalents	131.60
Collection Rate	98.5 %
	129.62
* Add MoD Contributions	
Tax Base	129.62

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area BROOKLAND

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		9.00	41.00	71.00	28.00	28.00	13.00	9.00	1.00
2	Exemptions		1.00							
3	Disabled Relief						1.00	-1.00		
4	Chargeable Dwelling	0.00	8.00	41.00	71.00	28.00	29.00	12.00	9.00	1.00
5	Discounts - single		3.00	23.00	21.00	5.00	2.00	1.00	0.00	0.00
6	Discounts - double						1.00			
7	Discounts - 10%									
8	Total Discounts	0.00	3.00	23.00	21.00	5.00	4.00	1.00	0.00	0.00
9	Discount Deductions	0.00	0.75	5.75	5.25	1.25	1.00	0.25	0.00	0.00
10	Adjustments		1.00					1.00		
10a	50% premium		0.50							
11	Reduction Scheme		-0.56	-11.23	-13.22	-0.75	-0.47	-1.00	0.00	0.00
12	Net Dwellings	0.00	8.19	24.02	52.53	26.00	27.53	11.75	9.00	1.00
13	Band D Equivalents	0.00	5.46	18.68	46.69	26.00	33.65	16.97	15.00	2.00

TAX BASE CALCULATION	
Total Band D equivalents	164.46
Collection Rate	98.5 %
	161.99
* Add MoD Contributions	
Tax Base	161.99

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

BURMARSH

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		4.00	14.00	51.00	25.00	29.00	7.00	3.00	0.00
2	Exemptions									
3	Disabled Relief		1.00		-1.00					
4	Chargeable Dwelling	0.00	5.00	14.00	50.00	25.00	29.00	7.00	3.00	0.00
5	Discounts - single		2.00	6.00	11.00	6.00	5.00	2.00	0.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	2.00	6.00	11.00	6.00	5.00	2.00	0.00	0.00
9	Discount Deductions	0.00	0.50	1.50	2.75	1.50	1.25	0.50	0.00	0.00
10	Adjustments									
10a	50% premium									
11	Reduction Scheme		-0.16	-3.22	-9.25	-2.13	-0.16	0.00	0.00	0.00
12	Net Dwellings	0.00	4.34	9.28	38.00	21.37	27.59	6.50	3.00	0.00
13	Band D Equivalents	0.00	2.89	7.22	33.78	21.37	33.72	9.39	5.00	0.00

TAX BASE CALCULATION	
Total Band D equivalents	113.37
Collection Rate	98.5 %
	111.67
* Add MoD Contributions	
Tax Base	111.67

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

DYMCHURCH

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		94.00	185.00	774.00	433.00	164.00	80.00	10.00	0.00
2	Exemptions		5.00	5.00	6.00	7.00	0.00	2.00	0.00	0.00
3	Disabled Relief	1.00		10.00	-5.00	-6.00	4.00	-1.00	-3.00	
4	Chargeable Dwelling	1.00	89.00	190.00	763.00	420.00	168.00	77.00	7.00	0.00
5	Discounts - single		50.00	84.00	241.00	115.00	31.00	10.00	0.00	0.00
6	Discounts - double		0.00	0.00	2.00	2.00	0.00	3.00	1.00	0.00
7	Discounts - 10%									
8	Total Discounts	0.00	50.00	84.00	245.00	119.00	31.00	16.00	2.00	0.00
9	Discount Deductions	0.00	12.50	21.00	61.25	29.75	7.75	4.00	0.50	0.00
10	Adjustments		6.00				1.00			
10a	50% premium		1.00	0.50	1.50	1.50		0.50		
11	Reduction Scheme	-0.50	-28.73	-50.28	-97.25	-36.05	-10.17	-2.56	0.00	0.00
12	Net Dwellings	0.50	54.77	119.22	606.00	355.70	151.08	70.94	6.50	0.00
13	Band D Equivalents	0.28	36.51	92.73	538.67	355.70	184.65	102.47	10.83	0.00

TAX BASE CALCULATION	
Total Band D equivalents	1,321.56
Collection Rate	98.5 %
	1,301.74
* Add MoD Contributions	
Tax Base	1,301.74

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

IVYCHURCH

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		2.00	19.00	26.00	8.00	23.00	15.00	6.00	0.00
2	Exemptions		0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
3	Disabled Relief									
4	Chargeable Dwelling	0.00	2.00	19.00	25.00	8.00	23.00	15.00	6.00	0.00
5	Discounts - single		1.00	3.00	4.00	1.00	6.00	1.00	0.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	1.00	3.00	4.00	1.00	6.00	1.00	0.00	0.00
9	Discount Deductions	0.00	0.25	0.75	1.00	0.25	1.50	0.25	0.00	0.00
10	Adjustments									
10a	50% premium				0.50					
11	Reduction Scheme		-0.56	-1.06	-4.36	-0.12	0.00	0.00	0.00	0.00
12	Net Dwellings	0.00	1.19	17.19	20.14	7.63	21.50	14.75	6.00	0.00
13	Band D Equivalents	0.00	0.79	13.37	17.90	7.63	26.28	21.31	10.00	0.00

TAX BASE CALCULATION	
Total Band D equivalents	97.28
Collection Rate	98.5 %
	95.82
* Add MoD Contributions	
Tax Base	95.82

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

NEWCHURCH

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		3.00	16.00	48.00	24.00	20.00	16.00	9.00	0.00
2	Exemptions									
3	Disabled Relief			1.00			-1.00	0.00	0.00	
4	Chargeable Dwelling	0.00	3.00	17.00	48.00	24.00	19.00	16.00	9.00	0.00
5	Discounts - single		2.00	9.00	6.00	7.00	3.00	2.00	3.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	2.00	9.00	6.00	7.00	3.00	2.00	3.00	0.00
9	Discount Deductions	0.00	0.50	2.25	1.50	1.75	0.75	0.50	0.75	0.00
10	Adjustments									
10a	50% premium		1.00							
11	Reduction Scheme		0.00	-4.87	-4.92	-2.50	-0.46	-1.45	0.00	0.00
12	Net Dwellings	0.00	3.50	9.88	41.58	19.75	17.79	14.05	8.25	0.00
13	Band D Equivalents	0.00	2.33	7.68	36.96	19.75	21.74	20.29	13.75	0.00

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TAX BASE CALCULATION	
Total Band D equivalents	122.52
Collection Rate	98.5 %
	120.68
* Add MoD Contributions	
Tax Base	120.68

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

OLD ROMNEY

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		4.00	11.00	23.00	17.00	12.00	14.00	8.00	0.00
2	Exemptions					1.00				
3	Disabled Relief		1.00	-1.00	0.00	0.00	1.00	-1.00	0.00	0.00
4	Chargeable Dwelling	0.00	5.00	10.00	23.00	16.00	13.00	13.00	8.00	0.00
5	Discounts - single		3.00	6.00	9.00	4.00	1.00	2.00	0.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	3.00	6.00	9.00	4.00	1.00	2.00	0.00	0.00
9	Discount Deductions	0.00	0.75	1.50	2.25	1.00	0.25	0.50	0.00	0.00
10	Adjustments						1.00			
10a	50% premium							0.50		
11	Reduction Scheme		-1.70	-4.49	-3.58	-0.72	-0.77	0.00	0.00	0.00
12	Net Dwellings	0.00	2.55	4.01	17.17	14.28	12.98	13.00	8.00	0.00
13	Band D Equivalents	0.00	1.70	3.12	15.26	14.28	15.86	18.78	13.33	0.00

TAX BASE CALCULATION	
Total Band D equivalents	82.34
Collection Rate	98.5 %
	81.10
* Add MoD Contributions	
Tax Base	81.10

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

ST MARY IN THE MARSH

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		30.00	140.00	863.00	252.00	94.00	14.00	7.00	1.00
2	Exemptions		2.00	2.00	14.00	3.00	1.00	0.00	0.00	0.00
3	Disabled Relief		2.00	8.00	-5.00	0.00	-5.00		0.00	
4	Chargeable Dwelling	0.00	30.00	146.00	844.00	249.00	88.00	14.00	7.00	1.00
5	Discounts - single		11.00	60.00	305.00	68.00	15.00	2.00	1.00	0.00
6	Discounts - double					1.00	1.00			1.00
7	Discounts - 10%									
8	Total Discounts	0.00	11.00	60.00	305.00	70.00	17.00	2.00	1.00	2.00
9	Discount Deductions	0.00	2.75	15.00	76.25	17.50	4.25	0.50	0.25	0.50
10	Adjustments		3.00	1.00	2.00	1.00	1.00			
10a	50% premium			1.50	0.50					
11	Reduction Scheme		-8.30	-44.20	-117.14	-21.99	-3.52	-0.39	0.00	0.00
12	Net Dwellings	0.00	21.95	89.30	653.11	210.51	81.23	13.11	6.75	0.50
13	Band D Equivalents	0.00	14.63	69.46	580.54	210.51	99.28	18.94	11.25	1.00

TAX BASE CALCULATION	
Total Band D equivalents	1,005.61
Collection Rate	98.5 %
	990.52
* Add MoD Contributions	
Tax Base	990.52

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

SNARGATE

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		9.00	11.00	5.00	8.00	13.00	8.00	5.00	0.00
2	Exemptions		1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Disabled Relief									
4	Chargeable Dwelling	0.00	8.00	10.00	5.00	8.00	13.00	8.00	5.00	0.00
5	Discounts - single		4.00	3.00	1.00	2.00	3.00	1.00	1.00	0.00
6	Discounts - double									
7	Discounts - 10%									
8	Total Discounts	0.00	4.00	3.00	1.00	2.00	3.00	1.00	1.00	0.00
9	Discount Deductions	0.00	1.00	0.75	0.25	0.50	0.75	0.25	0.25	0.00
10	Adjustments									
10a	50% premium									
11	Reduction Scheme		-0.97	0.00	-0.75	0.00	0.00	0.00	0.00	0.00
12	Net Dwellings	0.00	6.03	9.25	4.00	7.50	12.25	7.75	4.75	0.00
13	Band D Equivalents	0.00	4.02	7.19	3.56	7.50	14.97	11.19	7.92	0.00

TAX BASE CALCULATION	
Total Band D equivalents	56.35
Collection Rate	98.5 %
	55.51
* Add MoD Contributions	
Tax Base	55.51

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

LYDD

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		456.00	698.00	1,120.00	596.00	143.00	47.00	7.00	3.00
2	Exemptions		5.00	9.00	24.00	8.00	0.00	1.00	0.00	1.00
3	Disabled Relief	2.00	2.00	2.00		-4.00	-1.00	0.00	-1.00	
4	Chargeable Dwelling	2.00	453.00	691.00	1,096.00	584.00	142.00	46.00	6.00	2.00
5	Discounts - single	1.00	178.00	241.00	326.00	148.00	27.00	7.00	2.00	0.00
6	Discounts - double		1.00	1.00	1.00	3.00	4.00	2.00	0.00	1.00
7	Discounts - 10%									
8	Total Discounts	1.00	180.00	243.00	328.00	154.00	35.00	11.00	2.00	2.00
9	Discount Deductions	0.25	45.00	60.75	82.00	38.50	8.75	2.75	0.50	0.50
10	Adjustments		3.00	0.00	3.00	1.00	1.00			
10a	50% premium		3.00	1.00	0.50	2.50				
11	Reduction Scheme		-71.35	-131.28	-131.90	-61.44	-8.93	-1.23	0.00	0.00
12	Net Dwellings	1.75	342.65	499.97	885.60	487.56	125.32	42.02	5.50	1.50
13	Band D Equivalents	0.97	228.43	388.87	787.20	487.56	153.17	60.70	9.17	3.00

TAX BASE CALCULATION	
Total Band D equivalents	2,118.09
Collection Rate	98.5 %
	2,086.32
* Add MoD Contributions	16.89
Tax Base	2,103.21

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area SANDGATE

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		200.00	581.00	766.00	341.00	192.00	162.00	139.00	4.00
2	Exemptions		8.00	11.00	22.00	4.00	1.00	1.00	3.00	0.00
3	Disabled Relief		2.00	1.00	-1.00	-2.00	2.00	-1.00	1.00	-2.00
4	Chargeable Dwelling	0.00	194.00	571.00	743.00	335.00	193.00	160.00	137.00	2.00
5	Discounts - single		121.00	317.00	212.00	114.00	42.00	32.00	28.00	1.00
6	Discounts - double				1.00				3.00	
7	Discounts - 10%									
8	Total Discounts	0.00	121.00	317.00	214.00	114.00	42.00	32.00	34.00	1.00
9	Discount Deductions	0.00	30.25	79.25	53.50	28.50	10.50	8.00	8.50	0.25
10	Adjustments		1.00							
10a	50% premium		1.50	2.00	0.50					0.50
11	Reduction Scheme		-23.59	-101.82	-59.83	-16.66	-5.84	-1.17	-1.85	0.00
12	Net Dwellings	0.00	142.66	391.93	630.17	289.84	176.66	150.83	126.65	2.25
13	Band D Equivalents	0.00	95.11	304.83	560.15	289.84	215.92	217.87	211.08	4.50

TAX BASE CALCULATION	
Total Band D equivalents	1,899.30
Collection Rate	98.5 %
	1,870.81
* Add MoD Contributions	19.78
Tax Base	1,890.59

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Area

FOLKESTONE

Line No.	Description	BAND@	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings		4,979.00	7,725.00	5,051.00	1,973.00	986.00	539.00	385.00	27.00
2	Exemptions		115.00	260.00	53.00	22.00	11.00	21.00	9.00	2.00
3	Disabled Relief	4.00	15.00	16.00	-12.00	-14.00	10.00	-7.00	-1.00	-11.00
4	Chargeable Dwelling	4.00	4,879.00	7,481.00	4,986.00	1,937.00	985.00	511.00	375.00	14.00
5	Discounts - single	1.00	2,990.00	3,042.00	1,489.00	408.00	183.00	81.00	58.00	0.00
6	Discounts - double		2.00	5.00	11.00	4.00	5.00	9.00	14.00	0.00
7	Discounts - 10%									
8	Total Discounts	1.00	2,994.00	3,052.00	1,511.00	416.00	193.00	99.00	86.00	0.00
9	Discount Deductions	0.25	748.50	763.00	377.75	104.00	48.25	24.75	21.50	0.00
10	Adjustments		11.00	18.00	4.00	1.00	2.00	1.00		
10a	50% premium		41.00	15.50	5.00	2.00	1.50	0.50		0.50
11	Reduction Scheme	-2.64	-1,369.11	-1,360.73	-570.14	-115.02	-29.92	-4.65	-5.66	0.00
12	Net Dwellings	1.11	2,813.39	5,390.77	4,047.11	1,720.98	910.33	483.10	347.84	14.50
13	Band D Equivalents	0.62	1,875.59	4,192.82	3,597.43	1,720.98	1,112.63	697.81	579.73	29.00

TAX BASE CALCULATION	
Total Band D equivalents	13,806.00
Collection Rate	98.5 %
	13,598.91
* Add MoD Contributions	163.22
Tax Base	13,762.13

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

Line No.	Description	BAND @	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
1	Dwellings	0.00	6,920.00	12,410.00	13,850.00	7,769.00	4,805.00	2,619.00	1,840.00	93.00
2	Exemptions	0.00	202.00	348.00	215.00	148.00	84.00	54.00	19.00	4.00
3	Disabled Relief	10.00	34.00	42.00	-21.00	-19.00	-2.00	-9.00	-15.00	-23.00
4	Chargeable Dwelling	10.00	6,752.00	12,104.00	13,614.00	7,602.00	4,719.00	2,556.00	1,806.00	66.00
5	Discounts - single	5.00	4,063.00	5,101.00	4,356.00	1,983.00	969.00	419.00	253.00	9.00
6	Discounts - double	0.00	3.00	11.00	24.00	19.00	22.00	30.00	32.00	4.00
7	Discounts - 10%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Total Discounts	5.00	4,069.00	5,123.00	4,404.00	2,021.00	1,013.00	479.00	317.00	17.00
9	Discount Deductions	1.25	1,017.25	1,280.75	1,101.00	505.25	253.25	119.75	79.25	4.25
10	Adjustments	0.00	40.00	28.00	13.00	13.00	15.00	8.00	2.00	0.00
10a	50% premium	0.00	54.50	27.00	15.00	9.00	3.00	2.00	1.00	3.00
11	Reduction Scheme	-4.87	-1,809.79	-2,268.74	-1,494.69	-468.66	-140.60	-34.98	-15.00	0.00
12	Net Dwellings	3.88	4,019.46	8,609.51	11,046.31	6,650.09	4,343.15	2,411.27	1,714.75	64.75
13	Band D Equivalents	2.71	2,679.64	6,696.29	9,818.94	6,650.09	5,308.29	3,482.95	2,857.92	129.50

TAX BASE CALCULATION		
Total Band D equivalents		37,623.61
Collection Rate		98.5 %
		37,059.26
* Add MoD Contributions		372.11
Tax Base		37,431.37

NB. All figures are number of properties and not £'s.

* Estimated number of Band D equivalent dwellings in respect of contributions which will be paid in lieu by the MoD.

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This Report will be made public on 10 January 2017

Folkestone

Hythe & Romney Marsh
Shepway District Council



Report Number **C/16/94**

To: Cabinet
Date: 18 January 2017
Status: Non-Key Decision
Head of Service: Pat Main - Head of Finance
Cabinet Member: Councillor Susan Carey – Cabinet Member for Finance

SUBJECT: GENERAL FUND REVENUE BUDGET MONITORING – 3RD QUARTER 2016/17

SUMMARY: This monitoring report provides a projection of the end of year financial position of the General Fund revenue budget, based on expenditure to 30 November 2016.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because it needs to be informed of the council's General Fund revenue budget position and take appropriate action to deal with any variance from the approved budget.

RECOMMENDATIONS:

1. To receive and note Report C/16/94.

1. INTRODUCTION AND BACKGROUND

- 1.1 This report updates Cabinet on the likely projected outturn on the General Fund revenue budget, based on data received at 30 November 2016.
- 1.2 General Fund projections are made against the latest approved estimate which has been adjusted for approved carry-forwards from the 2015/16 budget and approved virements within year to 30 November 2016.
- 1.3 This Quarter 3 report provides a detailed analysis of changes and the likely year end outturn.

2. GENERAL FUND REVENUE 2016/17 - PROJECTED OUTTURN

- 2.1 The latest projected outturn for the General Fund in 2016/17 is summarised below:

GENERAL FUND NET REVENUE EXPENDITURE
VARIANCE ANALYSIS 2016/17 - SUMMARY

@ November 2016 - Period 8

General Fund Net Cost of Services	Original Budget	Approved C/fwds and Virements	Latest Approved Budget	Projected Outturn	Adjusted Variance
	£000	£000	£000	£000	£000
Strategic Development	89	397	486	485	(1)
Leadership Support	796	64	860	855	(5)
Communications	250	(2)	248	225	(23)
Democratic Services & Law	5,694	97	5,791	5,752	(39)
Human Resources	881	(108)	773	815	42
Finance	4,164	195	4,359	4,851	492
Communities	2,363	450	2,813	2,767	(46)
Strategic Development Projects	321	30	351	357	6
Economic Development	560	107	667	639	(28)
Planning	637	182	819	663	(156)
Commercial & Technical Services	1,454	224	1,678	1,199	(479)
Sub-Total - Heads of Service	17,209	1,636	18,845	18,608	(237)
Unallocated Net Employee Costs	64	(192)	(128)	(174)	(46)
Recharges to Non General Fund Accounts					-
Total for Service	17,273	1,444	18,717	18,434	(283)
Reversal of Capital Charges Included in Portfolios		-			-
Reversal of pension adjustments		-			-
Reversal of write down of renovation advances		-			-
Internal Drainage Board Levies	436	-	436	436	-
Interest Payable and Similar Charges	576	-	576	573	(3)
Interest and Investment Income	(605)	(30)	(635)	(543)	92
Local Services Support Grant		-			-
Council Tax Freeze Grant	-	-	-	-	-
New Homes Bonus Grant	(1,950)	-	(1,950)	(1,950)	-
Other Non Service Related Government Grants	(763)	-	(763)	(832)	(69)
Town and Parish Council Precepts	1,827	-	1,827	1,827	-
Minimum Revenue Provision	405	-	405	405	-
Capital Expenditure Financed from Revenue	5,374	(1,769)	3,605	3,655	50
NET REVENUE EXPENDITURE BEFORE USE OF RESERVES	22,573	(355)	22,218	22,005	(213)
Net Transfer to/from(-) Earmarked Reserves	(1,708)	(1,397)	(3,105)	(3,603)	(498)
TOTAL TO BE MET FROM TAXPAYERS & FORMULA GRANT	20,865	(1,752)	19,113	18,402	(711)
Transfer to/from(-) the Collection Fund	(589)	-	(589)	(589)	-
Revenue Support Grant and Re-distributed NNDR	(1,736)	-	(1,736)	(1,736)	-
Business Rates Income	(3,799)	-	(3,799)	(3,799)	-
Demand on the Collection Fund	(10,839)	-	(10,839)	(10,839)	-
SURPLUS(-)/DEFICIT FOR THE YEAR	3,902	(1,752)	2,150	1,439	(711)

2.2 At Quarter 3 the projected outturn for 2016/17 is a forecast deficit of £1.439m. This represents an improvement of £711k compared to the latest approved deficit of £2.150m.

2.3 At Quarter 2 the forecast was an adverse variance for the year of £239k; this has been replaced by a forecast positive variance of £711k; an improvement of £950k.

2.4 The significant budget movements are outlined below:

	£'000	£'000	£'000	Paragraph Reference
Withdrawal as per latest approved estimate			2,150	
Increased income				
Parking Income	113			2.5
		113		
Decrease in Expenditure				
Amendments to Housing benefit projection	-480			2.6
Net transfer from Earmarked reserve	-369			2.10
Decrease in revenue contribution to Capital	-137			2.8
		-986		
Increase in Expenditure				
Community services staffing costs	105			
		105		2.9
Other net variations		57		
Total Variance			-711	
Withdrawal as per projected outturn			1,439	

Parking Income

2.5 This period has seen a further increase in Car Park income from charges and fines. The increased income of £149k has been offset by the acquisition of virtual parking handheld equipment amounting to £36K.

Housing benefit and rent rebate payments

2.6 Expenditure on both areas has changed during this year as a result of variances in demand for benefits, which are in the main outside the control of the authority, and increased control in respect of overpayments which has resulted in reduced payments. The value of DWP subsidy income received to date has been lower than expected when the 2016/17 budget was profiled as a result of changes in how the DWP phases subsidy payments. However confirmation has been received from DWP that all sums due will be paid by year-end. Net expenditure on benefits is therefore expected to be in line with original budget assumptions and this is reflected in the forecast budget outturn.

Revenues and Benefits service review

2.7 The 2016/17 budget was prepared on the assumption that £350k savings arising from digital transformation of the service would be delivered. When detailed project plans were finalised it was evident that the timescale for implementing the new organisation structure be later than originally

anticipated. The transformation and service restructure have now been implemented but the evaluation of the part-year savings has still to be finalised. Although savings are anticipated these have not, at this stage, been incorporated into the projections as shown

Capital financed from revenue

- 2.8 There is no direct net cost to the General Fund because these costs are being funded from reserves. It is projected that this cost will be £3,655m in 2016/17 which will be funded as follows:

	£000s
General Reserve	894.0
Earmarked reserves (see paragraph 2.12)	2,761.0
Total	3,655.0

Based on existing resources, both are fundable. This is a reduction of £52k charged to revenue compared to the Quarter 2 projection.

Communities: service restructuring and vacancies

- 2.9 The projected underspend for this year has reduced as a result of previously unquantified redundancy costs (£49,820) and extra costs relating to agency staff to cover vacancies, sickness and backlogs. In total the forecast underspend has reduced by £105k from £151k to £46K.

Net movement in reserves

- 2.10 On the basis of the projections set out in this report, as at 30 November 2016, the net movement in earmarked reserves is expected to result in a projected outturn of £3,603. This is a movement of £369k compared to the Quarter 2 variance position, part of which relates to the changes in capital. A detailed analysis of the earmarked reserves is shown below.

Movement in Earmarked Reserves

Earmarked Reserve	Balance at 1/4/2016 £'000	Latest Budget £'000	Change £'000	Projected Outturn £'000	Balance at 1/4/2017 £'000
Business Rates	2,460	-31	-160	-191	2,269
Carry Forward	1,650	-1,342	-81	-1,423	227
Corporate Initiatives	1,226	-808	336	-472	754
Corporate Property	20	-20	0	-20	0
IFRS Reserve	84	-22	5	-17	67
Invest to Save	381	-15	0	-15	366
Leisure	246	50	-150	-100	146
New Homes Bonus (NHB)	1,757	599	0	599	2,356
VET Reserve	942	-316	-34	-350	592
Economic Development	2,251	-1,200	-414	-1,614	637
Maintenance of Graves	12	0	0	0	12
	11,029	-3,105	-498	-3,603	7,426

3. RISK MANAGEMENT ISSUES

3.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
The latest projection of the outturn could be materially different to the actual year end position	Medium	Medium	Regularly reviewing monthly budget monitoring to identify key expenditure and income variances and taking remedial action where possible.
Fluctuating interest rate movement impacting on investment returns	Medium	Medium	Interest rate forecasts regularly reviewed. Investment portfolios split between fixed rate/fixed term deposits to help manage impact of interest rate movement.
Adverse weather conditions impacting on car parking income	Medium	Medium	Regularly reviewing monthly budget monitoring to identify key income trends/variances and taking remedial action where possible.
Increase in claimants receiving housing benefits due to the economic climate	Medium	Medium	Regularly reviewing the number of claimants receiving benefits and highlighting any significant increases as early as possible so remedial action can be taken where possible
Increase in homelessness numbers due to the changes to the benefit system	Medium	Medium	Regularly reviewing the homelessness situation and highlighting any significant increases as early as possible so remedial action can be taken where possible.

4 LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

4.1 Legal Officer's Comments (DK)

There are no legal implications arising directly out of this report.

4.2 Finance Officer's Comments (AK)

This report has been prepared by Financial Services. There are no further comments to add.

4.3 Diversities and Equalities Implications

The report does not cover a new service/policy or a revision of an existing service/policy and therefore does not require an Equity Impact Assessment

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councilors with any questions arising out of this report should contact the following officer prior to the meeting

Alan King, Group Accountant

Telephone: 01303 853213 Email: alan.king@shepway.gov.uk

The following background documents have been relied upon in the preparation of this report:

- Budget projection working papers.

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This Report will be made public on 10 January 2017

Report Number **C/16/96**

To: Cabinet
Date: 18 January 2017
Status: Non-Key Decision
Head of Service: Pat Main, Interim Head of Finance
Cabinet Members: Councillor Miss Susan Carey, Finance and
Councillor Alan Ewart-James, Housing

SUBJECT: HOUSING REVENUE ACCOUNT REVENUE AND CAPITAL ORIGINAL BUDGET 2017/18

SUMMARY: This report sets out the Housing Revenue Account Revenue and Capital Budget for 2017/18 and proposes a decrease in rents and an increase in service charges for 2017/18.

REASONS FOR RECOMMENDATION:

Cabinet is requested to agree the recommendations set out below as the Local Government Housing Act 1989 requires the Council, as a Local Housing Authority, to keep a separate Housing Revenue Account and to produce estimates to ensure that the account does not go into deficit. The authority also has a duty to set and approve rents in accordance with government guidelines that are outlined in the self financing determination. The Constitution requires that the annual Budget and any variations to the Budget are approved by Council.

RECOMMENDATIONS:

1. To receive and note Report C/16/96.
2. To recommend to Full Council the Housing Revenue Account Budget for 2017/18. (Refer to paragraph 2.1 and Appendix 1)
3. To recommend to Full Council the decrease in rents of dwellings within the HRA on average by £0.85 per week, representing a 1.0% decrease with effect from 3 April 2017. (Refer to paragraph 3.2)
4. To recommend to Full Council the increase in service charges. (Refer to section 3.5)
5. To approve the Housing Revenue Account Capital Programme budget 2017/18. (Refer to paragraph 4.1 and Appendix 2)

1. INTRODUCTION

- 1.1 The Housing Revenue Account (HRA) is a ring-fenced account and is determined by the HRA Business Plan. The HRA Business Plan determines HRA budget setting as estimates need to be closely aligned to the model to ensure that the HRA remains financially viable.
- 1.2 The Reform of Council Housing Finance came into effect from 1 April 2012, and significantly has brought an end to the subsidy system where authorities such as Shepway made a contribution to the national pot. Instead, authorities are now part of the self-financing arrangements following a re-distribution of the national housing debt and the abolition of rent restructuring.

2. HOUSING REVENUE ACCOUNT REVENUE ESTIMATES

2.1 Original Budget 2017/18

The proposed HRA Budget for 2017/18, at Appendix 1, shows a forecast deficit of £779k. This is in line with the agreed HRA Business Plan which will continue to fluctuate from year to year, depending on the profile of the stock, size of the new build programme and the resources available. The year end HRA revenue reserve balance as at 31 March 2018 is expected to be £3.582m as shown at Table 1 below.

Table 1	£000's
Original estimate of balance at 31 March 2017	(4,361)
Movement from Original to Original budgets	
Decrease in repayment of debt (see 2.1.2)	(900)
Decrease in general management (see 2.1.3)	(318)
Decrease in depreciation costs (see 2.1.4)	(104)
Decrease in loan charges interest	(60)
Decrease in debt management expenses	(10)
Increase in revenue contribution to capital expenditure (see 2.1.5)	364
Increase in repairs and maintenance (see 2.1.6)	171
Decrease in rents and other service charges due to annual rent setting (see 2.1.7)	82
Decrease in interest on notional cash balances	32
Increase in special management	26
Other minor changes	(8)
	(725)
Deficit 2016/17	1,504
Original estimate of balance at 31 March 2018	(3,582)

2.1.1 HRA Revenue budget

The HRA revenue budgets are reflected in the HRA business plan. The business plan sets out the Council's income and expenditure plans for its landlord service over a 30 year period, including the capital costs of

maintaining the decent homes standard and of any additional improvements agreed with tenants.

2.1.2 Repayment of Debt

The decrease in the repayment of debt relates to a change in strategy within the HRA Business Plan. The approved detailed HRA Business Plan agreed to extend the payback of debt period by approximately 5-7 years to ensure the council can continue to deliver the new homes programme.

2.1.3 General Management

The decrease in general management relates to the following items:-

- Premises insurance has reduced by £90k following the re-tender of insurance, a competitive bid from our existing insurer and the low claims experience that has built up over the previous contract term. Therefore, the premium for HRA has been substantially reduced and this is reflected within the detailed budget.
- During 2016/17 East Kent Housing (EKH) commissioned a stock condition survey through Rand Associates for all four councils who are in the ALMO. This cost was a one-off and not needed in 2017/18 therefore, the budget has reduced by £80k.
- Administration recharges has reduced by approximately £148k mainly due to the re-allocation of charges relating to the new build/acquisition programme within HRA capital programme and a decrease in accommodation charges due to the sale of 3-5 Shorncliffe Road.

2.1.4 Depreciation costs

The decrease in depreciation costs relates to combined decreases of the major repairs allowance and depreciation on non-HRA dwellings.

2.1.5 Revenue Contribution to Capital

The amount of revenue contribution to capital will change from year to year depending on the profile of the new build/acquisition programme. This is reflected within the HRA Business Plan which was agreed by Cabinet on 23 March 2016.

2.1.6 Repairs and Maintenance

The increase in repairs and maintenance mainly relates to the following items:-

- Planned maintenance has increased by £65k relating to an increase within internal and external decorations on sheltered and non-sheltered properties and decreases within heating servicing and repairs based on the new contract, window servicing and door entry schemes.

- Void repairs has increased by £63k due to there being higher category works being completed and an increase in the number of properties needing repair.
- Asbestos removal has increased by £25k due to full house surveys, rather than individual rooms, being completed to comply with landlord's responsibilities and this has identified more works.

2.1.7 Rents

As part of the Summer Budget 2015 the Chancellor announced that rents in social housing would be reduced by 1% a year for four years from April 2016.

However, late rent guidance was received on 8th February 2016 from central government announcing that it will put in place a one year exception for 2016/17 to the 1% reduction in rents, for all supported accommodation whilst a review into Supported Accommodation is being carried out.

As a result the supported accommodation rents within the HRA will decrease by 1% with effect from 3 April 2017.

The decrease in rents within the HRA revenue budget shows the impact of this change (see 3.2 below).

2.1.8 East Kent Housing (EKH) Management Fee

EKH have frozen the 2017/18 management fee and absorbed any inflation and contractual incremental increases in salaries within the base budget through identifying efficiencies. EKH have also identified some items to improve the service and these are included within the budget proposals. These are:-

Procurement Officer	£13,600
Benefits & Monies Advisor	£32,800
	<u>£46,400</u>

Procurement Officer – Enables EKH to work with councils to procure housing related contracts and to maximise any potential efficiency savings.

Benefits & Monies Advisor – Preserving rental income streams by helping tenants to maximise their incomes or otherwise enabling them to deal with reductions in their welfare benefits.

Therefore, the total budget for the management fee in 2017/18 is £1,974,060.

2.2 HRA Reserve Balances

<i>Table 2</i>	2016/17	2017/18
	£000's	£000's
Balance as at 1 April	5,865	4,361
Balance as at 31 March	4,361	3,582

HRA Reserve – The HRA reserve consists of revenue balances that can be used for revenue or capital expenditure in line with the HRA Business Plan. The actual reserve balance on the HRA at the start of 2016/17 was £5.865m, this has increased due to the planned accumulation of balances to help fund the future new build programme. Table 2 below shows the estimated HRA balances to 31 March 2018.

The HRA reserve is expected to reduce by £779k between 2016/17 and 2017/18.

The changes with the introduction of Self-Financing have introduced significant flexibility for the Council to manage the resources and debts within the HRA to best meet the needs of existing and future tenants. The estimated HRA balances, set out in table 2, are above the revised recommended minimum balance, which is £2m.

Major Repair Reserve (MRR) – This reserve is derived from the transfer of the depreciation charge from the revenue account and can be used to fund major repairs for capital expenditure or debt repayment. The Council's Business Plan requires that the reserve is allocated to fund capital expenditure. The proposed HRA capital programme should leave the Major Repairs Reserve with a nil balance. This is in line with the practice adopted by the Council in previous years, of using the Major Repairs Reserve in the year it is received.

3. RENT SETTING GUIDANCE & RENTS

3.1 Rent Guidance – National context

The purpose of this Government initiative, re-introduced in 2015/16, is to provide a consistent basis for the setting of local authority and Registered Social Landlords (RSLs) rents at an affordable level. Government rent policy aims to provide a closer link between the rent and the qualities tenants value in a property, and to reduce unjustifiable differences between rents set by Councils and by RSLs. The current self-financing business plan is based on continuing to adopt the government's rent policy.

3.2 Rent Decrease – Local context

In line with last years approved report, Housing Services will be charging the 'formula rent'¹ when a property is re-let to a new tenant and service charges that fall under utilities will be charged at the 'actual' cost on new lets.

The proposed decrease of 1%, in line with Government guidelines, equates to a decrease of £0.85 per week or £42.50 per annum. This gives an average rent of £87.18 (over 50 weeks) in 2017/18 (average rent in 2016/17 is £87.83). This decrease in rents is a reduction of approximately

¹ The 'formula rent' is the amount an individual rent can be set at before taking into account the rent restructuring restrictions and maximises the rental income received without penalising any individual.

£145k in 2017/18 and has been factored into the latest approved HRA business plan.

The proposed decrease will keep our average rent below the Limit Rent set by the Government, therefore avoiding any Housing Benefit rebate costs.

3.3 New Build rents

In line with proposals set out in the Council's current HRA Business Plan, the rents for any new homes will be set at affordable rent levels. Affordable rents are defined as being a maximum of 80% of the prevailing average market rent for the area and should be no more than the prevailing local housing allowance (LHA) rates for the area to ensure that properties remain affordable.

The local housing allowances rates for 2017/18 will not be available until late January/February 2017. LHA rates for the area have not changed significantly over the last two years. The indicative 2017/18 affordable rents for the Shepway area are as follows:

Bedsits	£58.50 per week
1 bedroom houses	£85.43 per week
2 bedroom houses	£113.92 per week
3 bedroom houses	£142.40 per week
4 bedroom houses	£166.32 per week

3.4 Rent Comparisons

The table below compares Shepway's average weekly rent to that of other authorities in Kent.

<i>Table 3</i>	Average weekly rent over 52 weeks	Difference between SDC and other authorities
	2017/18	
	£	£
Shepway	83.83	-
Dover	84.96	1.13
Canterbury	90.80	6.97
Thanet	81.13	(2.70)

- Subject to Dover, Canterbury and Thanet's approval at their own Council meetings.

3.5 Service Charges

3.5.1 General Service Charges

The general principle for service charges for tenants is that they are set to recover the costs of the service they fund. However, the government also limits increases in service charges to the Consumer Price Index (CPI) plus 1.0% per annum as part of rent setting guidance. The CPI for September 2016 was 1.0%, CPI plus 1.0% is therefore 2.0%. As a result general service charges within the HRA will increase by 2.0% with effect from 3 April 2017.

Local authorities can increase charges above this level where costs are increased that are beyond the authorities' control. Utility charges, such as heating and hot water in sheltered housing schemes are an example where this applies. Proposals for these charges for 2017/18 are set out in 3.5.2 below.

3.5.2 Heating charges in Sheltered Housing

Residents in 12 of the Council's sheltered housing schemes have heating and hot water provided to their flats by communal systems. Charges are made for this service based on the floor area of each flat.

As set out within last years report, over time fuel costs have increased significantly above the rate of inflation, so that the charges raised for this service no longer cover the costs. Therefore, the proposed charges for this service towards the actual cost of providing the service are in line with those agreed last year. This continued move to full cost recovery would result in some tenants facing significant increases and it is therefore proposed to set charges that provide some interim protection against the highest increases.

Following the same approach as previous years it is recommended that the 2017/18 service charges for heating and hot water in sheltered housing schemes should be set at actual cost or 10% increase, subject to the following limits:

- Bedsit flats £15.80 per week (£790 per year)
- 1 bed flats £17.60 per week (£880 per year)
- 2 bed flats £19.40 per week (£970 per year)

A few charges are already set above these levels, and these should be frozen at current levels for 2017/18.

These changes will reduce the amount the HRA subsidises tenants' heating charges to £6,000 in 2017/18 compared to £8,000 in 2016/17.

3.5.3 Leaseholder electrical maintenance

The Council provides an electrical maintenance service to all of the communal areas in blocks of flats, which is delivered through the responsive maintenance contract. The cost of this element of the service equates to £40 per visit per block. This covers silent testing of fire alarms, checking of any emergency lighting circuits and checking and replacing

bulbs, as well as the first call-out on any electrical installations, such as door entry systems and communal TV aerials.

These charges are covered within the basic rent for all tenants. However, leaseholders who live in blocks that receive this service are recharged a proportion of the cost. There are 94 leaseholders that receive this service.

4. HOUSING REVENUE ACCOUNT CAPITAL ESTIMATES

4.1 Original Budget 2017/18

The proposed HRA Capital Budget for 2017/18, shown in Appendix 2, is £8.098m. Table 4 below shows the movements in the programme from the 2016/17 original budget to the original budget for 2017/18.

<i>Table 4</i>	£000's
Original estimate 2016/17	8,758
Reductions in programme	
Kitchen Replacement (see 4.1.1)	(200)
Fire Protection Works (see 4.1.2)	(185)
New Build programme (see 4.1.3)	(126)
Heating Improvements (see 4.1.4)	(125)
Lift Replacements	(80)
Disabled Adaptations	(50)
Environmental Works	(50)
Treatment Works	(10)
External Enveloping	(9)
Increases in programme	
Sheltered Scheme upgrades (see 4.1.5)	110
Replacement Double Glazing Units	25
Void Capital works	20
Rewiring	10
Garages Improvements	10
Total decrease in expenditure	(660)
Original estimate 2017/18	8,098

4.1.1 Kitchen Replacement

The decrease in the kitchen replacement programme is based on the identified need and profiling of the programme.

4.1.2 Fire Protection Works

An independent fire risk assessment was carried out by Savills Housing Consultants and works identified to properties within the HRA stock. These works have been programmed over a 3 year period prioritising the most urgent items however, more works were able to be carried out in 2015/16 and 2016/17 than originally estimated.

4.1.3 New Builds

The budget required for the new build programme will vary from year-to-year depending on the profile of the programme.

This is reflected within the HRA Business Plan which was agreed by Cabinet on 23 March 2016 and stated that 200 new homes would be delivered over a 10 year period.

Table 5 below shows the profile of the new build/acquisitions programme over a 10 year period.

<i>Table 5</i>	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5
New builds/acquisitions	20	20	45	42	26

	2020/21	2021/22	2022/23	2023/24	2024/25
	Year 6	Year 7	Year 8	Year 9	Year 10
New builds/acquisitions	27	17	4	4	1

All of the new build options will be subject to a detailed viability appraisal to ensure they meet the requirements of the HRA Business Plan.

4.1.4 Heating Improvements

The decrease in heating improvements is due to the number of boilers that need replacing being less than the previous year due to a re-appraisal of the programme identifying suitable candidates and the cost of the new heating contract being lower than the existing one.

4.1.5 Sheltered Scheme upgrades

The increase in sheltered scheme upgrades relates to electrical works, general improvements, re-decorations and installation of scooter stores.

4.1.6 The HRA capital programme budgets are reflected in the HRA Business Plan, including the capital costs of maintaining the decent homes standard and of any additional improvements agreed with tenants.

4.2 HRA Reserve Balances

HRA Reserve – The HRA reserve consists of revenue balances that can be used for revenue or capital expenditure in line with the HRA Business Plan.

The following table shows the required resources to finance the original budget for 2016/17 and original budget for 2017/18 for the HRA capital programme.

<i>Table 6</i>	Major Repairs	Use of RTB	Revenue Contribution	Total
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	Reserve	Capital Receipts		
	£000's	£000's	£000's	£000's
Original budget 2016/17	3,762	1,598	3,398	8,758
Original budget 2017/18	2,820	1,516	3,762	8,098

5. RISK MANAGEMENT ISSUES

5.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
East Kent Housing management fee variation	Medium	Medium	Officers are ensuring that the rules laid out in the management agreement are followed. They are still finalising the management fee with East Kent Housing. Any increase in budget will require Member approval
Budget not achieved	High	Low-Medium	Stringent budget monitoring during 2017/18 enabling early corrective action
Additional staffing resources required in relation to new build programme	Medium	Medium-High	Time recording analysis to be undertaken throughout 2017/18 to monitor impact

6. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

6.1 Legal Officer's Comments (DK)

There are no legal implications arising from this report.

6.2 Finance Officer's Comments (LH)

All financial effects are included in this report.

6.3 Diversities and Equalities Implications

This report is in line with the Council's Diversity and Equality policies.

7. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting.

This report has been prepared by:

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The following background documents have been relied upon in the preparation of this report:

None

Appendices:

Appendix 1 - HRA Revenue Budgets

Appendix 2 - HRA Capital Programme

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HOUSING SERVICES

ANNUAL ESTIMATES 2017/18

Actual 2015/16 £	<u>HOUSING REVENUE ACCOUNT</u>	Original 2016/17 £	Estimate 2017/18 £
	<u>INCOME</u>		
14,920,828	Dwelling rents	14,741,010	14,648,980
338,957	Non-dwelling rents	346,960	351,920
941,526	Other charges for services and facilities	974,030	978,980
50,300	Contributions from general fund	51,200	52,200
16,251,611	TOTAL INCOME	16,113,200	16,032,080
	<u>EXPENDITURE</u>		
2,935,066	Repairs and maintenance	3,108,090	3,279,450
3,226,553	General management *	3,428,620	3,110,460
1,009,679	Special management *	994,190	1,020,370
14,884	Rents, rates & taxes	20,200	22,750
66,858	Increase provision for bad or doubtful debts	149,000	140,000
	<u>Capital Financing Costs</u>		
3,900,413	Depreciation charges	3,989,140	3,884,870
29,587	Debt management expenses	31,870	22,030
11,183,038	TOTAL EXPENDITURE	11,721,110	11,479,930
-5,068,573	NET COST OF SERVICES	-4,392,090	-4,552,150
1,752,601	Loan charges - Interest	1,737,000	1,676,500
	<u>Investment Income</u>		
-92,632	Interest on notional cash balances	-114,660	-85,490
-28,927	Premiums & discounts	-25,070	-22,270
-3,437,531	NET OPERATING INCOME	-2,794,820	-2,983,410
0	Repayment of Debt	900,000	0
1,822,574	Revenue Contribution to Capital Expenditure	3,398,500	3,762,110
1,800	Pensions Interest costs	0	0
-1,613,157	TOTAL DEFICIT/SURPLUS(-) FOR YEAR	1,503,680	778,700
4,251,577	Balance as at 1st April	5,864,734	4,361,054
5,864,734	Balance as at 31st March	4,361,054	3,582,354

* General Management - relates to costs for the whole of the housing stock or all tenants such as EKH Management Fee and support costs.

* Special Management - relates to only some of the tenants such as cleaning communal areas of flats and maintenance of open spaces.

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HOUSING SERVICES

ANNUAL ESTIMATES 2017/18

Actual 2015/16 £	<u>HRA CAPITAL PROGRAMME</u>	Original 2016/17 £	Estimate 2017/18 £
	EXPENDITURE		
	<u>Decent Homes Standard</u>		
49,910	Doors & Windows	65,000	210,000
180,015	Re-roofing	200,000	200,000
155,777	Heating Improvements	575,000	450,000
504,661	Kitchen Replacement	500,000	300,000
247,073	Bathroom Improvements	200,000	200,000
290,472	Voids Capital Works	280,000	300,000
128,334	External Enveloping	389,000	380,000
315,718	Fire Protection Works	250,260	65,000
74,869	Thermal Insulations	50,000	50,000
1,946,830	Sub-Total	2,509,260	2,155,000
	<u>Non Decent Homes Standard</u>		
5,930	Treatment Works	20,000	10,000
110,956	Replacement Double Glazing Units	120,000	0
287,518	Disabled Adaptations	350,000	300,000
101,130	Rewiring	90,000	100,000
76,183	Sheltered Scheme upgrades	0	110,000
34,189	Garages Improvements	35,000	45,000
-1,877	Lift Replacements	180,000	100,000
614,029	Sub-Total	795,000	665,000
	<u>New Build Programme</u>		
1,891,995	New Builds	5,179,370	5,053,020
1,891,995	Sub-Total	5,179,370	5,053,020
	<u>Environment/Estate Improvement</u>		
256,525	Environmental Works	250,000	200,000
8,672	New Paths	15,000	15,000
9,977	Play Areas	10,000	10,000
275,174	Sub-Total	275,000	225,000
4,728,028	TOTAL IMPROVEMENTS TO HRA STOCK	8,758,630	8,098,020
	<u>OTHER SCHEMES</u>		
223,000	EKH Single System	0	0
4,951,028	TOTAL EXPENDITURE	8,758,630	8,098,020
	FINANCING		
2,560,859	Major Repairs Reserve	3,762,000	2,820,000
567,598	Capital Receipts	1,598,130	1,515,910
1,822,571	Revenue Contribution	3,398,500	3,762,110
4,951,028	TOTAL FINANCING	8,758,630	8,098,020
0	SHORTFALL IN FINANCING	0	0

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This Report will be made public on 10 January 2017

Folkestone

Hythe & Romney Marsh
Shepway District Council



Report Number **C/16/97**

To: Cabinet
Date: 18 January 2017
Status: Non-Key Decision
Head of Service: Pat Main, Interim Head of Finance
Cabinet Members: Councillor Miss Susan Carey, Finance and
Councillor Alan Ewart-James, Housing

SUBJECT: HOUSING REVENUE ACCOUNT REVENUE AND
CAPITAL BUDGET MONITORING 2016/17 – 3rd
QUARTER 2016/17

SUMMARY: This monitoring report provides a projection of the end of year financial position for the Housing Revenue Account (HRA) revenue expenditure and HRA capital programme based on net expenditure to 30 November 2016.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because Cabinet needs to be kept informed of the HRA position and take appropriate action to deal with any variance from the approved budget.

RECOMMENDATIONS:

1. To receive and note Report C/16/97.
2. To receive a further update report on HRA Business Plan.

1. INTRODUCTION AND BACKGROUND

- 1.1 This report informs Cabinet of the likely projected outturn on HRA revenue and capital expenditure for 2016/17.
- 1.2 The projections are based on actual expenditure and income to 30 November 2016. Some caution therefore needs to be exercised when interpreting the results. However, a thorough budget monitoring exercise has been carried out.

2. HOUSING REVENUE ACCOUNT REVENUE 2016/17 – PROJECTED OUTTURN

- 2.1 The table below provides a summary of the projected outturn compared to the latest budget for 2016/17.

	Latest Budget	Projection	Variance
	£'000	£'000	£'000
Income	(16,113)	(16,177)	(64)
Expenditure	11,324	11,276	(48)
HRA Share of Corporate Costs	235	239	4
Net Cost of HRA Services	(4,554)	(4,662)	(108)
Interest Payable/Receivable etc	1,597	1,632	35
HRA Surplus/Deficit	(2,957)	(3,030)	(73)
Repayment of Debt	900	0	(900)
Revenue Contribution to Capital	5,885	4,184	(1,701)
Decrease/(Increase) to HRA Reserve	3,828	1,154	(2,674)

- 2.2 The table shows that overall at quarter 3 there is a projected decrease in net expenditure of £2,674k on the HRA. The main reasons for this are as follows:-

	£'000
Increase in repairs and maintenance (see 2.3 below)	128
Decrease in interest and investment income	35
Increase in charges for services and facilities	6
Increase in HRA share of corporate costs	4
Decrease in revenue contribution to capital (see 2.4 below)	(1,701)
Decrease in repayment of debt (see 2.5 below)	(900)
Decrease in supervision and management (see 2.6 below)	(96)
Decrease in bad debts provision (see 2.7 below)	(81)
Increase in dwelling rents (see 2.8 below)	(65)
Increase in non-dwelling rents	(5)
Other minor variances	1
Total net projected Housing Revenue Account increase	(2,674)

- 2.3 The increase in repairs and maintenance relates to a £103k increase in void repairs due to the current level of higher category void works that are necessary to ensure properties are available to be re-let to tenants, a £20k increase in asbestos removal as full house surveys are being completed to

comply with landlords responsibilities and a £13k increase on planned maintenance.

- 2.4 The decrease in revenue contribution to capital relates to the slippage of the capital programme in 2016/17 and relates to the re-profiling of phase 1 and 2 of the Military Road new build programme. It is anticipated that the phase 1 deposit will be paid in 2016/17 however, the balance for phase 1 and the deposit for phase 2 will be paid in 2017/18 and then the balance for phase 2 will be made in 2018/19. The amount of revenue contribution to capital will change from year to year depending on the profile of the new build/acquisition programme.
- 2.5 The decrease in the repayment of debt relates to a change in strategy within the HRA Business Plan. The detailed HRA Business Plan was presented for approval to Cabinet on 23 March 2016. Cabinet agreed to extend the payback of debt period by approx 5-7 years to ensure the council can continue to deliver the new homes programme.
- 2.6 The underspend within supervision and management relates to premises insurance and the stock condition survey.

Regarding the premises insurance this is following a proactive collaboration on the re-tender of insurance which was completed and started on 1 August 2015, a competitive bid from the existing insurer and the low claims experience that has built up over the previous contract term, therefore the premium for HRA has been substantially reduced.

During 2016/17 EKH has commissioned a stock condition survey through Rand Associates and this joint approach has provided a saving against the original budget.

- 2.7 The decrease in bad debt provision relates to there being minimal impact so far after the implementation of Universal Credit in January 2016.
- 2.8 The increase in dwelling rents income relates to guidance received from Department for Communities and Local Government (DCLG) regarding the 1% reduction in rents from April 2016. Within the budget setting process for 2016/17 the guidance stated that the 1% rent reduction in rents related to all properties within the HRA stock however, later guidance stated that sheltered accommodation was exempt from the reduction and could be increased in accordance with previous formula. Within the detailed budget report this was included as part of the recommendations, however there was not sufficient time to amend the detailed budgets in the report.
- 2.8 The financial projections have been compared to the previous year's outturn and analysed in detail. These have been adjusted where genuine underspends have previously occurred or where there has been a change to current activity levels.
- 2.9 Overall, the HRA reserve at 31 March 2017 is expected to be £4,711k compared with £2,037k in the latest budget.

3. HOUSING REVENUE ACCOUNT CAPITAL 2016/17 (see Appendix 2)

3.1 The latest approved budget for HRA capital programme in 2016/17 is £12,422k and the projected outturn for the year is £8,918k, an underspend of £3,504k on the capital programme. Appendix 2 outlines the current schemes contained within the programme.

3.2 The reasons for the decrease in expenditure is as follows:-

	£'000
New Builds/acquisition programme (see 3.3 below)	(3,168)
Lift Replacement (see 3.4 below)	(222)
External Enveloping (see 3.5 below)	(139)
Re-roofing (see 3.6 below)	(75)
Treatment Works	(10)
Fire Protection Works (see 3.7 below)	50
Heating Improvements	30
Disabled Adaptations	15
New Paths	15
Total decrease in expenditure 2016/17	<u>(3,504)</u>

3.3 The decrease in new build/acquisition programme relates to the re-profiling of phase 1 and 2 of the Military Road new build programme. It is anticipated that the phase 1 deposit will be paid in 2016/17 however, the balance for phase 1 and the deposit for phase 2 will be paid in 2017/18 and then the balance for phase 2 will be made in 2018/19.

3.4 The underspend on lift replacement is due to the requirement to procure a new lift contract during 2016/17. Therefore the originally planned lift replacements will not be completed until 2017/18.

3.5 The underspend on external enveloping, which is all items of the external property structure, is due to the demand on this budget being less than anticipated due to the generally good condition of the stock.

3.6 The underspend on re-roofing is due to 5 pitched roofs not being completed in 2016/17 as there has been a delay in obtaining the specifications for this work to be completed.

3.7 The overspend on fire protection works is due to major works being identified at Nailbourne Court and Romney Marsh House.

3.8 The following table compares the resources required to finance the projected outturn for the HRA capital programme in 2016/17. The variation shown below corresponds to the figure in section 3.1, above.

	1-4-1 Capital Receipts	Revenue Contribution	Major Repairs Reserve	Total
	£'000	£'000	£'000	£'000
Projected Outturn	1,664	4,184	3,070	8,918
Approved Budget	2,614	6,387	3,421	12,422
Variation	(950)	(2,203)	(351)	(3,504)

4. HRA BUSINESS PLAN

4.1 The current HRA Business Plan was approved by Cabinet on 23rd March 2016. The plan covers 30 years and the period 2016 to 2046 and the overall principles for the plan are as follows:

- The repayment of the council's HRA debt by year 25 (instead of 18-20 years) of the business plan (by around 2040-41)
- The implementation of a fully funded Shepway Housing Standard Programme throughout the 30 year life of the Business Plan.
- The provision of resources for a new build and housing acquisition programme. Due to the recent policy changes announced by the Government, it has been necessary to reduce our deliver target of up to 300 homes over the next 10 years, to up to 200 homes over the next 10 years.
- A minimum balance of £2million to be retained within the HRA at all times.
- Minimum borrowing headroom of £2million to be retained at all times.
- The plan should provide sufficient resources to fund environmental improvements to the communal parts on the council's estate areas.
- A detailed review of the Business Plan should be completed every year (previously stated as every 5 years).

4.2 A report is planned to be brought back to Cabinet in March/April 2017 that sets out progress against the current Business Plan along with an update on proposed new development and investment initiatives.

5. RISK MANAGEMENT ISSUES

5.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
The latest projection of the outturn could be materially different to the actual year end	Medium	Medium	Areas at greater risk of variances are being closely monitored and an update will be made to Cabinet if appropriate when this report is

position.			considered to allow action to taken.
Capital receipts (including right to buy sales) not materialising	Medium	Low	The capital programme uses realised capital receipts only.
Insufficient capacity to manage delayed expenditure along with new year programme	Medium	Medium	The 2016/17 to 2017/18 capital programme will need to continue to be reviewed to take account of the capacity to manage the programme. 2016/17 planned expenditure will need to be reviewed to determine whether any expenditure will fall into 2017/18 and beyond.
Significant amendments having to be made to the financial results following audit.	High	Low	The formal accounts have been prepared in accordance with professional standards and best accounting practice.

6. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

6.1 Legal Officer's Comments (DK)

There are no legal implications arising from this report.

6.2 Finance Officer's Comments (LH)

This report has been prepared by Financial Services. There are no further comments to add.

6.3 Diversities and Equalities Implications

The report does not cover a new service/policy or a revision of an existing service or policy therefore does not require an Equality Impact Assessment.

7. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Leigh Hall, Group Accountant
 Tel: 01303 853231 Email: leigh.hall@shepway.gov.uk

The following background documents have been relied upon in the preparation of this report:

Budget projection working papers

Appendices:

[Appendix 1](#) Housing Revenue Account revenue budget monitoring report at 30 November 2016

[Appendix 2](#) Housing Revenue Account capital budget monitoring report at 30 November 2016

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HOUSING PORTFOLIO	LATEST APPROVED BUDGET £000	PROJECTED OUTTURN £000	VARIANCE £000	REASON
INCOME				
Dwelling rents	14,741	14,806	-65	Sheltered Accommodation rents exempt from 1% rent reduction
Non-dwelling rents	347	352	-5	
Charges for services and facilities	974	968	6	
Contributions from general fund	51	51	0	
Total Income	16,113	16,177	-64	
EXPENDITURE				
Repairs and maintenance	3,166	3,294	128	£103k void repairs due to current level of voids; £20k asbestos removal due to full house surveys being completed; £13k planned maintenance; -£8k other minor variances
Supervision and management	3,968	3,872	-96	
Rents, rates and taxes	20	21	1	-£82k premises insurance lower premiums; -£22k stock condition survey lower than anticipated, £8k other minor variances
Depreciation charges of fixed assets	3,989	3,989	0	
Debt management expenses	32	32	0	
Bad debts provision	149	68	-81	Due to minimal impact after implementation of Universal Credit, which commenced in January 2016
Total Expenditure	11,324	11,276	-48	
Net	-4,789	-4,901	-112	
HRA Share of Corporate and Democratic Costs	235	239	4	
Net Cost of HRA Services	-4,554	-4,662	-108	
Interest payable	1,737	1,737	0	HRA balances lower than originally expected and lower interest rates
Interest and investment income	-115	-80	35	
Premiums and discounts	-25	-25	0	
(SURPLUS)/DEFICIT	-2,957	-3,030	-73	
MOVEMENTS IN HRA BALANCE FOR 2016/17				
Repayment of debt	900	0	-900	Change in HRA Business Plan strategy
Revenue contribution to capital	5,885	4,184	-1,701	HRA capital programme projected to underspend in 2016/17
Surplus/deficit for the year	-2,957	-3,030	-73	
Increase/Decrease in Net Movement in HRA Balance	3,828	1,154	-2,674	
HRA Reserve balance brought forward	-5,865	-5,865	0	
HRA Reserve balance carried forward	-2,037	-4,711	-2,674	

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PORTFOLIO AND SCHEMES	LATEST APPROVED BUDGET	PROJECTED OUTTURN	VARIANCE	COMMENTS
HOUSING PORTFOLIO	£'000	£000	£000	
1. Planned Improvements				
Doors & Windows	185	185	0	
Re-roofing	200	125	-75	Delay in receiving specifications for 5 pitched roofs
Heating Improvements	575	605	30	Boiler replacements needed at Mittell Court
Kitchens Replacements	500	500	0	
Bathroom Improvements	200	200	0	
Voids Capital Works	280	280	0	
Disabled Adaptations	350	365	15	
Rewiring	90	90	0	
Lift Replacement	297	75	-222	A new lift contract needs to be procured during 16/17 and therefore the majority of the works will not be completed until 17/18
Thermal Insulation	50	50	0	
Fire Protection Works	250	300	50	Major works required to Nailbourne Court and Romney Marsh House
	2,977	2,775	-202	
2. Major Schemes				
External Enveloping *	389	250	-139	Demand not as high as predicted as properties generally in good condition
Garages Improvements	35	35	0	
Treatment Works	20	10	-10	
	444	295	-149	
3. Environmental Improvements				
Environmental Works	263	263	0	
New Paths	15	30	15	
Play Areas	10	10	0	
	288	303	15	
4. Other Schemes				
New Builds	8,712	5,545	-3,168	Re-profile phase 1 and phase 2 of Military Road new build programme
	8,712	5,545	-3,168	
TOTAL	12,422	8,918	-3,504	
FUNDING				
Major Repairs Reserve	3,421	3,070	-351	
Revenue Contribution	6,387	4,184	-2,203	
1-4-1 Capital Receipts	2,614	1,664	-950	
TOTAL FUNDING	12,422	8,918	-3,504	

* This includes all items of the property structure that is external, such as roof, chimneys, gutters, fascias, eaves and repointing.

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This Report will be made public on 10 January 2017

Folkestone

Hythe & Romney Marsh
Shepway District Council



Report Number **C/16/99**

To: Cabinet
Date: 18 January 2017
Status: Key Decision
Head of Service: Pat Main, Interim Head of Finance
Cabinet Member: Councillor Susan Carey, Finance

SUBJECT: UPDATE TO THE GENERAL FUND MEDIUM TERM CAPITAL PROGRAMME AND QUARTER 3 MONITORING 2016/17

SUMMARY: This report updates the General Fund Medium Term Capital Programme for the five year period ending 31 March 2022. The report provides a projected outturn for the General Fund capital programme in 2016/17, based on expenditure to 30 November 2016. This report also sets out both the prudential indicators for capital expenditure and the Minimum Revenue Provision Policy Statement to be approved by full Council. The General Fund Medium Term Capital Programme is required to be submitted to full Council for consideration and approval as part of the budget process.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because:

- a) It needs to be kept informed of the existing General Fund Medium Term Capital Programme position and take appropriate action to deal with any variance from the approved budget.
- b) Proposed extensions to existing schemes are required to be considered and approved before being included in the council's Medium Term Capital Programme.
- c) The proposed Medium Term Capital Programme needs to be considered before it is submitted to full Council for approval as part of the budget process.
- d) The Council must have regard to the Prudential Code when carrying out its duties under Part 1 of the Local Government Act 2003.
- e) The Council is required to approve a Minimum Revenue Provision Policy Statement for 2017/18 in advance of the start of the financial year.

RECOMMENDATIONS:

- 1. To receive and note report C/16/99.**
- 2. To seek Council's approval to the updated General Fund Medium Term Capital Programme as set out in appendix 2 to this report.**
- 3. To recommend to Council the approval of the Prudential Indicators for capital and borrowing set out in the appendix 3 to this report.**
- 4. To recommend to Council the approval of the Minimum Revenue Provision (MRP) Policy Statement set out in appendix 4 to this report.**

1. INTRODUCTION AND BACKGROUND

- 1.1 In line with the council's approved Budget Strategy for 2017/18, this report updates the General Fund Medium Term Capital Programme (MTCP) for the five year period ending 31 March 2022. The report;-
- i) provides the latest projection, at quarter 3, of the planned expenditure in 2016/17 for the existing General Fund capital programme and explanations of the variances compared to the approved budget,
 - ii) incorporates the capital investment proposals agreed by Cabinet as part of the Budget Strategy for 2016/17 at its meeting on 16 November 2016 to be submitted to full Council for approval,
 - iii) provides details of those existing capital schemes proposed to be extended by one year into 2021/22,
 - vi) identifies the impact the proposed changes to the overall capital programme will have on the financing resources required to fund it,
 - v) sets the prudential indicators for capital expenditure and borrowing required to be submitted to full Council for approval, and
 - vi) sets the Minimum Revenue Provision (MRP) statement for 2017/18 required to be submitted to full Council for approval.
- 1.2 Capital expenditure plans for the Housing Revenue Account (HRA) are due to be considered by Cabinet in a separate report as part of this agenda.
- 1.3 The overall capital expenditure plans for both the General Fund and HRA are required to be submitted to full Council for consideration and approval as part of the budget process.

2. CAPITAL PROGRAMME 2016/17 – PROJECTED OUTTURN

- 2.1 The planned expenditure on all General Fund capital schemes in 2016/17, based on expenditure to 30 November 2016, is anticipated to be £8,900,000, a reduction of £2,281,600 compared to the latest approved budget of £11,181,600. Full details are shown in **appendix 1**. The following table summarises the position across the council's service units and also outlines the impact on the capital resources required to fund the expenditure:

General Fund Programme 2016/17	Latest Budget 2016/17	Quarter 3 Projection 2016/17	Variance
General Fund – Service Units	£'000	£'000	£'000
Commercial and Technical Services	3,701.6	4,075.0	373.4
Democratic Services and Law	100.5	100.5	-
Finance	3,347.0	2,100.0	(1,247.0)
Economic Development	40.0	0	(40.0)
Communities	1,433.0	1,015.0	(418.0)
Human Resources	20.5	20.5	-
Strategic Development Projects	2,539.0	1589.0	(950.0)
Total General Fund Capital	11,181.6	8,900.0	(2,281.6)
Capital Funding			
Grants	(2,880.0)	(3,289.0)	(409.0)
External Contributions	(551.0)	(569.0)	(18.0)
Capital Receipts	(1,494.0)	(1,387.0)	107.0
Revenue	(6,256.6)	(3,655.0)	2,601.6
Borrowing	-	-	-
Total Funding	(11,181.6)	(8,900.0)	2,281.6

2.2 The main reasons for the net reduction in the projected outturn for 2016/17 are summarised below:

		£'000	£'000
1.	Budgets Reprofiled to 2017/18		
i)	Oportunitas acquisitions funding	(1,247)	
ii)	Corporate Property Development Projects	(950)	
iii)	Empty Properties Initiative	(391)	
iv)	Van – New supervisor’s post (linked to Oportunitas work).	(15)	
			(2,603)
2.	Other Changes		
i)	Coronation Parade Coast Protection Scheme – increased cost of renovating the concrete structure met by additional Environment Agency grant	425	
ii)	Home Safe Loans – reduction in expenditure due to lower than anticipated demand	(45)	
iii)	Saving – ‘Connectivity’ wi-fi pilot project	(40)	
iv)	Other net minor savings	(19)	
			321
	Net reduction		(2,282)

2.3 The projections contained in this report are based on the most accurate information at the current time and every effort is made to ensure the capital

programme is delivered on time and in budget. Some capital schemes are more difficult to project accurately in terms of both the timing of expenditure and the final cost. In particular it is difficult to accurately project the timing of expenditure for the Disabled Facilities Grants and Loans, the Private Sector Empty Homes Initiative and the release of funding to Oportunitas Limited for its housing acquisitions programme.

3. UPDATE TO THE GENERAL FUND MEDIUM TERM CAPITAL PROGRAMME

- 3.1 The latest projection for the total cost and funding of the General Fund capital programme from 2016/17 to 2021/22 is £19,245,000. Compared to the latest approved budget of £17,785,100 this represents an increase of £1,459,900. Full details are shown in **appendix 2** to this report and the following table summarises the position across the service units and also outlines the impact on the capital resources required to fund the programme:

General Fund Programme to 2021/22	Latest Budget	Projected Outturn	Variance
General Fund – Service Units	£'000	£'000	£'000
Commercial and Technical Services	7504.6	8320.0	815.4
Democratic Services and Law	500.5	596.5	96.0
Finance	3,347.0	3,347.0	-
Economic Development	40.0	-	(40.0)
Communities	3,833.0	4,422.0	589.0
Human Resources	21.0	20.5	(0.5)
Strategic Development Projects	2539.0	2539.0	-
Total General Fund Capital	17,785.1	19,245.0	1,459.9
Capital Funding			
Government Grants	(8,005.0)	(9,189.0)	(1,184.0)
External Contributions	(1,051.0)	(1,069.0)	(18.0)
Capital Receipts	(1,904.0)	(2,590.0)	(686.0)
Revenue	(6,825.1)	(6,397.0)	428.10
Borrowing	-	-	-
Total Funding	(17,785.1)	(19,245.0)	(1,459.9)

- 3.2 The main changes from the approved budget to the latest projection for the medium term programme are summarised below:

	Changes to the Medium Term Capital Programme to 2021/22	£'000	£'000	£'000
1.	Capital investment decisions approved by Cabinet on 16 November 2016			
i)	Grounds Maintenance replacement vehicles and equipment	75		
ii)	Pumping Stations – replacement vehicle	25		
iii)	Royal Military Canal – bridleway and road surface enhancements (year 2 of 10)	20		
iv)	Community Safety Unit – replacement transit van	16		
			136	136
2.	Existing annual programmes extended by one year to 2021/22			
a)	Annual equipment and technology programmes funded from revenue resources			
i)	PC Replacement Programme	16		
ii)	Server Replacement Programme	60		
iii)	Virtual Desktop Technology	20		
iv)	Private Lifeline Equipment	42		
			138	
b	Coast Protection beach management schemes, subject to grant funding from the Environment Agency			
i)	Hythe beach management	250		
ii)	Greatstone dunes management	15		
			265	
c	Private Sector Housing Improvement Initiatives			
i)	Disabled Facilities Grants and Loans, subject to Government grant funding	500		
ii)	Home Safe Loans funded from repaid Decent Homes Loans	100		
			600	
	Total schemes extended by one year			1,003
3	Changes to schemes in 2016/17			
i)	Coronation Parade Coast Protection Scheme – increased cost of renovating the concrete structure met by additional Environment Agency grant	425		
ii)	Home Safe Loans – reduction in expenditure due to lower than anticipated	(45)		

	demand			
iii)	Saving – ‘Connectivity’ wi-fi pilot project	(40.0)		
iv)	Other net minor savings	(19.1)		
			320.9	320.9
	Total change in overall capital programme			1,459.9

3.3 Flexible Use of Capital Receipts

3.3.1 The Statutory Guidance on the Flexible Use of Capital Receipts issued by the government in March 2016 was outlined to Cabinet in the Medium Term Financial Strategy on 14 September 2016 (report C/16/48 refers). In summary, the guidance allows local authorities to use capital receipts from the disposal of property, plant and equipment assets received from 1 April 2016 to 31 March 2019 to fund revenue spending forecast to generate ongoing savings. The guidance allows the revenue expenditure to be treated as capital expenditure to be met from the qualifying capital receipts.

3.3.2 To date the council has received one qualifying capital receipt from the sale of 3 -5 Shornccliffe Road of £0.98m. Qualifying expenditure is being incurred particularly on the digital delivery of services however this is not currently reflected in the projected outturn for the capital programme. It is anticipated that future budget monitoring reports and updates for the General Fund capital programme will reflect the qualifying expenditure as well as information on any further capital receipts available to support this.

4. IMPACT ON CAPITAL RESOURCES

4.1 One of the key principles underlying the council’s Medium Term Financial Strategy is the capital programme is funded from available or realised capital resources and that new borrowing should only be used where it is prudent and affordable. The only exception to this is where a scheme is subject to grant funding or external contributions in which case no commitment is made against these until the funding is confirmed. The latest forecast for the General Fund capital programme conforms to this key principle.

4.2 The latest position regarding the council’s available capital receipts to fund capital expenditure is shown in the following table:

General Fund Capital Receipts Position Statement	£’000
Receipts in hand at 30 th November 2016	(7,781)
Less,	
committed towards General Fund capital expenditure	2,590
committed towards HRA capital expenditure	3,160
Ring-fenced for specific purposes:	
i) Revenue efficiencies (flexible use of capital	980

receipts)	
ii) Home Safe Loans	310
iii) Other	78
Contingency for urgent or unforeseen capital expenditure	500
Balance available to support new capital expenditure	(163)

- 4.3 Additionally the council's continuing prudent financial management means it is in a position to use its other internal resources (cash reserves and balances) to fund the MTCP that is not met from external grants and contributions without resorting to new borrowing. The table below summarises the council's revenue resources of £6.44m committed towards funding the MTCP.

Revenue Resources to Fund the MTCP	£'000
Vehicle, Equipment and Technology Reserve	795
Corporate Plans Initiative Reserve	500
Economic Development Reserve	1,700
Invest to Save Reserve	15
New Homes Bonus Reserve	500
Carry Forward Reserve	156
General Reserve	2,731
Total	6,397

- 4.4 This level of capital investment will be a significant draw upon the council's available reserves and balances and it is unlikely this could be repeated in the future. For this reason it is important that a thorough and robust assessment is undertaken for the new major capital investment proposals to ensure best use of the councils limited financial resources.
- 4.5 The Authority's major capital investment initiatives, such as Otterpool Park, Princes Parade and other asset investment initiatives, remain to be reported in detail to Members for approval. These major initiatives will have to be funded at least in part by prudential borrowing in the first instance. It is envisaged the initiatives will provide capital receipts and/or an on-going revenue stream for the council in the future allowing borrowing to be repaid or a commercial return to be made to absorb the financing costs incurred.
- 4.6 The revenue implications of the of the MTCP are contained in either the proposed General Fund budget for 2017/18 or feature in the council's approved Medium Term Financial Strategy.

5. THE CAPITAL PRUDENTIAL INDICATORS 2017/18 TO 2019/20

- 5.1 The Local Government Act 2003 requires local authorities to adopt the CIPFA Prudential Code and to produce prudential indicators. The Code promotes the freedom of a local authority to determine locally what it needs to borrow to finance its future capital spending. However, the Code requires the Council to have regard to the following matters when arriving at its decisions:

- i. affordability – eg implications for Council Tax and housing rents,
- ii. prudence and sustainability – eg implications for external borrowing,
- iii. value for money – eg options appraisal,
- iv. stewardship of assets – eg asset management planning
- v. service objectives, and
- vi. practicality – eg achievability of the medium term financial plan.

5.2 The Council is asked to approve the prudential indicators set out in **appendix 3** for the period up to 2019/20. Each indicator either summarises the expected activity or introduces limits upon the activity, and reflects the outcome of the council's underlying capital appraisal system and approved capital programme. The Prudential Code requires the Authority to monitor the prudential indicators each year.

6. MINIMUM REVENUE PROVISION (MRP) POLICY STATEMENT 2017/18

6.1 The council is required to pay off an element of the accumulated General Fund capital spend financed by borrowing each year through a revenue charge (the Minimum Revenue Provision), although it is also allowed to undertake additional voluntary payments where it is seen to be in its best interests to do so.

6.2 Regulations have been issued by the Department for Communities and Local Government (DCLG) which require full Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils to replace the existing Regulations, so long as there is a prudent provision. The Council is asked to approve the MRP Statement shown in **appendix 4** to be applicable for 2017/18.

7. CONCLUSIONS

7.1 The council's MTCP has been reviewed and updated in accordance with the approved budget strategy for 2017/18.

7.2 The projected outturn for the 2016/17 General Fund capital programme is broadly in line with the approved budget and does not present any resourcing issues.

7.3 The revenue consequences of the MTCP are reflected in the council's General Fund budget and Medium Term Financial Strategy.

7.4 The proposed General Fund MTCP currently does not require new borrowing to fund it.

7.5 The level of new capital investment in the proposed MTCP will be a significant draw upon on the council's available reserves and balances and is unlikely to

be repeated in the future. Future major capital investment initiatives will require prudential borrowing to help fund them.

7.6 Cabinet is asked to recommend full Council to approve the changes to the MTCP outlined in this report to reflect the latest projected outturn shown in appendix 2 to this report.

7.7 Cabinet is also asked to recommend full Council to approve the prudential indicators shown in appendix 3 and the MRP Policy Statement shown in appendix 4.

8. RISK MANAGEMENT ISSUES

8.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Capital resources not available to meet the cost of the new projects.	High	Low	The internal capital resources identified in this report have been realised.
Cost of new projects may exceed the estimate.	High	Low	Capital monitoring procedures in place allowing prompt early action to be taken to manage the risk effectively.
Expenditure planned to be met by grant is ineligible under the terms of the funding agreement	High	Low	Prior to commitments being made the project manager to agree in advance grant eligible expenditure with the funding body.

9. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

9.1 Legal Officer's Comments (DK)

There are no legal implications arising directly out of this report. Part 1 of the Local Government Act 2003 gives the Council the power to borrow and to invest for any purpose relevant to its functions or for the purposes of the prudent management of its financial affairs. It also requires the Council to act prudently when carrying out these activities, including an obligation to determine and keep under review how much money it can borrow. In addition, the Council is required by the Local Government Finance Act 1992 to produce a balanced budget. The Council must bear in mind its fiduciary duties to local tax payers and its continuing obligation to ensure it has funding to perform relevant statutory undertakings it has to comply with.

9.2 Finance Officer's Comments (LW)

This report has been prepared by Financial Services. There are no further comments to add.

10. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Lee Walker, Group Accountant

Tel: 01303 853593. e-mail [:lee.walker@shepway.gov.uk](mailto:lee.walker@shepway.gov.uk)

The following background documents have been relied upon in the preparation of this report:

None

Appendices:

- 1) General Fund Capital Programme Projected Outturn 2016/17
- 2) Proposed General Fund MTCP to 2021/22
- 3) Prudential indicators for 2017/18 to 2019/20
- 4) MRP Policy Statement for 2017/18

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GENERAL FUND CAPITAL PROGRAMME 2016/17 QUARTER 3 PROJECTION					
Item No	Service Area and Scheme	Latest Approved Budget	Q3 Projection	Variance Budget to Q3 Projection	Comments
		£'000	£'000	£'000	
	Andy Blaszkowicz - Head of Commercial and Technical Services				
1	Improvements to Hawkinge Yard	29.0	29.0	0.0	
2	Grounds Maintenance Vehicle and Equipment Replacement Programme	246.0	231.0	-15.0	New van reprofiled to 2017/18
3	Coast Protection - Coronation Parade Urgent Repairs to Sea Wall	45.0	45.0	0.0	Repairs to storm damaged wall undertaken in Spring 2016. £35K grant from Environment Agency towards work
4	Coast Protection - Coronation Parade, Folkestone	2,570.0	2,995.0	425.0	All externally funded. Increased cost of renovating the concrete structure being met by additional grant funding by the Environment Agency
5	Coast Protection - Greatstone Dunes Management & Study	15.0	12.0	-3.0	Scheme externally funded by the Environment Agency
6	Coast Protection - Hythe to Folkestone Beach Management (from 2015)	250.0	247.0	-3.0	Scheme externally funded by the Environment Agency
7	General Fund Property - Health and Safety Enhancements	207.0	207.0	0.0	Primarily for the Civic Centre. Possibility some of planned works may be completed in 2017/18

Item No	Service Area and Scheme	Latest Approved Budget	Q3 Projection	Variance Budget to Q3 Projection	Comments
		£'000	£'000	£'000	
8	Lifeline Capitalisation	42.0	42.0	0.0	
9	Responsive Repairs Contract - New Vehicle	24.0	16.0	-8.0	Saving
10	Royal Military Canal Enhancements	50.0	45.0	-5.0	Saving
11	Parking Self-Serve System	32.6	31.0	-1.6	Saving
12	Hythe Pool Improvements	191.0	175.0	-16.0	Works to replace the pool liner, roof and chlorine storage system during the summer 2016
	Total - Head of Commercial and Technical Services	3,701.6	4,075.0	373.4	

Item No	Service Area and Scheme	Latest Approved Budget	Q3 Projection	Variance Budget to Q3 Projection	Comments
		£'000	£'000	£'000	
	Amandeep Khroud - Head of Democratic Services and Law				
13	PC Replacement Programme	20.5	20.5	0.0	
14	Server Replacement Programme	60.0	36.0	-24.0	Budget realigned to support Virtual Desktop Technology
15	Virtual Desktop Technology	20.0	44.0	24.0	Additional capacity required. Cost being met from Server Replacement Programme budget
	Total - Head of Democratic Services and Law	100.5	100.5	0.0	
	Katharine Harvey - Head of Economic Development				
16	Connectivity	40.0	0.0	-40.0	Saving
	Total - Head of Economic Development	40.0	0.0	-40.0	

Item No	Service Area and Scheme	Latest Approved Budget	Q3 Projection	Variance Budget to Q3 Projection	Comments
		£'000	£'000	£'000	
	Pat Main - Interim Head of Finance				
17	Oportunitas Loan & Share Capital Phase 1 (Housing Acquisitions Programme)	1,347.0	1,347.0	0.0	Phase 1 acquisitions programme extended and reprofiled to 2016/17
18	Oportunitas Loan & Share Capital Phase 2 (Housing Acquisitions Programme)	2,000.0	753.0	-1,247.0	Partly reprofiled to 2017/18
	Total - Head of Finance	3,347.0	2,100.0	-1,247.0	
	Andrina Smith - Head of Human Resources				
19	Burials Software System	20.5	20.5	0.0	
	Total - Head of Human Resources	20.5	20.5	0.0	

Item No	Service Area and Scheme	Latest Approved Budget	Q3 Projection	Variance Budget to Q3 Projection	Comments
		£'000	£'000	£'000	
	Sarah Robson - Head of Communities				
20	Disabled Facilities Grant	500.0	500.0	0.0	Projection in line with budget but lower than external 'Better Care Fund' grant available to support scheme. Shepway Home Enablemet Scheme Service launched in Autumn 2016 may see increase in demand for service. Currently no waiting list for existing DFGs.
21	Home Safe Loans	100.0	55.0	-45.0	Demand currently lower than anticipated
22	Warm Home Loans Scheme	12.0	30.0	18.0	KCC funding in hand from 2015/16
23	Empty Properties Initiative	821.0	430.0	-391.0	Jointly funded scheme with KCC. Partly reprofiled to 2017/18
	Total - Head of Communities	1,433.0	1,015.0	-418.0	

Item No	Service Area and Scheme	Latest Approved Budget	Q3 Projection	Variance Budget to Q3 Projection	Comments
		£'000	£'000	£'000	
	Andy Jarrett - Head of Strategic Development Projects				
24	Hythe Environmental Improvements	39.0	39.0	0.0	
25	Princes Parade - Preparatory Costs	500.0	500.0	0.0	Professional advice required to support the planning application process
26	Corporate Property Development Projects	2,000.0	1,050.0	-950.0	General Fund element of acquisition of site at Biggins Wood, Folkestone
	Total - Head of Strategic Development Projects	2,539.0	1,589.0	-950.0	
	Total General Fund Capital Expenditure	11,181.6	8,900.0	-2,281.6	

Appendix 2 - General Fund Medium Term Capital Programme 2016/17 to 2021/2											
Item No	Service Area and Scheme	Latest Approved MTCP Budget	Latest Projection 2016/17	Latest Projection 2017/18	Latest Projection 2018/19	Latest Projection 2019/20	Latest Projection 2020/21	Latest Projection 2021/22	Total Projection 2016/27 - 2021/22	Variance Budget to Projection	Comments
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Andy Blaszkowicz - Head of Commercial and Technical Services											
1	Improvements to Hawkinge Yard	29	29	0	0	0	0	0	29	0	Expected to be completed in early 2017
2	Grounds Maintenance Vehicle and Equipment Replacement Programme	246	231	90	0	0	0	0	321	75	Additional capital investment provided for 2017/18
3	Pumping Station - new vehicle	0	0	25	0	0	0	0	25	25	New capital investment for 2017/18
4	Coast Protection - Coronation Parade, Folkestone	5,145	2,995	2,575	0	0	0	0	5,570	425	Funded from Env Agency grant (£4,570k) & National Grid (£1,000k)
5	Coast Protection - Coronation Parade Emergency Works	45	45	0	0	0	0	0	45	0	Completed. EA Funding £35k
6	Coast Protection - Greatstone Dunes Management & Study	75	12	15	15	15	15	15	87	12	Extended one year to 2021/22 - externally funded
7	Coast Protection - Hythe to Folkestone Beach Management (from 2015)	1,250	247	250	250	250	250	250	1,497	247	Extended one year to 2021/22 - externally funded
8	General Fund Property - Health and Safety Enhancements	207	207	0	0	0	0	0	207	0	Primarily for the Civic Centre. Possibility some of planned works may be delayed until 2017/18
9	Lifeline Capitalisation	210	42	42	42	42	42	42	252	42	Extended one year to 2021/22
10	Royal Military Canal enhancements	50	45	20	0	0	0	0	65	15	Additional capital investment provided for 2017/18
11	Parking Self-serve Voucher and Permit System	32.6	31	0	0	0	0	0	31	-1.6	Scheme in progress
12	Hythe Pool Improvements	191	175	0	0	0	0	0	175	-16.0	Pool liner, roof replacement and chlorine storage system (approved in-year)
13	Responsive Repairs Vehicle	24	16	0	0	0	0	0	16	-8.0	Completed
Total - Head of Commercial and Technical Services		7,504.6	4,075	3,017	307	307	307	307	8,320	815.4	
Amandeep Khroud - Head of Democratic Services and Law											
14	PC Replacement Programme	100.5	20.5	32	16	16	16	16	116.5	16	Extended one year to 2021/22

Item No	Service Area and Scheme	Latest Approved MTCP Budget	Latest Projection 2016/17	Latest Projection 2017/18	Latest Projection 2018/19	Latest Projection 2019/20	Latest Projection 2020/21	Latest Projection 2021/22	Total Projection 2016/27 - 2021/22	Variance Budget to Projection	Comments
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
15	Server Replacement Programme	300	36	60	60	60	60	60	336	36	Extended one year to 2021/22
16	Virtual Desktop Technology	100	44	20	20	20	20	20	144	44	Extended one year to 2021/22
	Total - Head of Democratic Services and Law	500.5	100.5	112	96	96	96	96	596.5	96	
	Pat Main - Interim Head of Finance										
17	Oportunitas Loan & Share Capital Phase 1 (Housing Acquisitions Programme)	1,347	1,347	0	0	0	0	0	1,347	0	Phase 1 extended to 31/3/17
18	*Oportunitas Loan - Development and Investment Projects Phase 2	2,000	753	1,247	0	0	0	0	2,000	0	Partly reprofiled to 2017/18
	Total - Head of Finance	3,347	2,100	1,247	0	0	0	0	3,347	0	

Item No	Service Area and Scheme	Latest Approved MTCP Budget	Latest Projection 2016/17	Latest Projection 2017/18	Latest Projection 2018/19	Latest Projection 2019/20	Latest Projection 2020/21	Latest Projection 2021/22	Total Projection 2016/27 - 2021/22	Variance Budget to Projection	Comments
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	Katharine Harvey - Head of Economic Development										
19	'Connectivity' Wi-Fi Project	40	0	0	0	0	0	0	0	-40	Saving
	Total - Head of Economic Development	40	0	0	0	0	0	0	0	-40	
	Sarah Robson - Head of Communities										
20	Disabled Facilities Grant	2,500	500	500	500	500	500	500	3,000	500	DFGs no waiting list. Home Enablement Scheme commenced from 1/10/16 and cost will be contained within Better Care Funding allocation
21	Home Safe Loans	500	55	100	100	100	100	100	555	55	Reduced demand in 2016/17. Scheme extended one year to 2021/22
22	Warm Homes Loans Scheme (Pilot Scheme)	12	30	0	0	0	0	0	30	18	0
23	Empty Properties Initiative	821	430	391	0	0	0	0	821	0	Jointly funded scheme with KCC . Partly reprofiled to 2017/18
24	Community Safety Unit - replacement transit van	0	0	16	0	0	0	0	16	16	New capital investment for 2017/18
	Total - Head of Communities	3,833	1,015	1,007	600	600	600	600	4,422	589	
	Andrina Smith - Head of Human Resources										
25	Burials Software (BACAS)	21	20.5	0	0	0	0	0	20.5	-0.5	Scheme in progress
	Total - Head of Human Resources	21	20.5	0	0	0	0	0	20.5	-0.5	

Item No	Service Area and Scheme	Latest Approved MTCP Budget	Latest Projection 2016/17	Latest Projection 2017/18	Latest Projection 2018/19	Latest Projection 2019/20	Latest Projection 2020/21	Latest Projection 2021/22	Total Projection 2016/27 - 2021/22	Variance Budget to Projection	Comments
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	Andy Jarrett - Head of Strategic Development Projects										
26	Hythe Environmental Improvements	39	39	0	0	0	0	0	39	0	Mackeson Square funded from S106
27	*Corporate Property Development Projects	2,000	1,050	950	0	0	0	0	2,000	0	Part of Strategic Investments initiative - partly delayed until 2017/18
28	Princes Parade - Preparartion Costs for Redevelopment Proposal	500	500	0	0	0	0	0	500	0	Planning application expected to submitted during early 2017
	Total - Head of Strategic Development Projects	2,539	1,589	950	0	0	0	0	2,539	0	
	Total General Fund Medium Term Capital Programme	17,785.1	8,900.0	6,333	1,003	1,003	1,003	1,003	19,245.0	1,459.9	
30	Government Grant	-8,005	-3,289	-2,840	-765	-765	-765	-765	-9,189	-1,184	
31	Other External Contributions	-1,051	-569	-500	0	0	0	0	-1,069	-18	
32	Capital Receipts	-1,904	-1,387	-803	-100	-100	-100	-100	-2,590	-686	
33	Revenue Contributions	-6,825.1	-3,655	-2,190	-138	-138	-138	-138	-6,397	428.1	
	Total Funding	-17,785.1	-8,900	-6,333	-1,003	-1,003	-1,003	-1,003	-19,245	-1,459.9	

Appendix 3

Prudential Indicators 2017/18 to 2019/20

1. Capital Expenditure Plans

- 1.1 The council's capital expenditure plans are summarised below and this forms the first of the prudential indicators. The plans are consistent with the latest Medium Term Capital Programmes (MTCP) for the General Fund covered in this report and the Housing Revenue Account (HRA), due to be considered by Cabinet in a separate report on today's agenda. The HRA capital programme requires prudential borrowing to fund future capital expenditure plans and this is reflected in the borrowing limits being proposed as part of these indicators and is also covered in the Treasury Management Strategy also due to be considered by Cabinet in a separate report on today's agenda.
- 1.2 The key risks to the plans are that the level of Government support has been estimated and is therefore subject to change. Similarly some of the estimates for other sources of funding, such as future capital receipts and revenue resources to fund capital, may also be subject to change over this timescale. To mitigate this risk capital schemes to be funded from future capital resources will not be allowed to commence until these sums have been received or confirmed.
- 1.3 **The Council is asked to approve the summary capital expenditure projections below.** This forms the first prudential indicator:

Prudential Indicator 1 – Capital Expenditure Projections

£'000	2016/17 Projection	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Capital Expenditure				
Non-HRA	8,900	6,333	1,003	1,003
HRA	8,918	8,098	8,879	9,357
Total	17,818	14,431	9,882	10,360
Funded by:				
Capital receipts	(3,051)	(2,319)	(100)	(100)
Capital grants	(3,858)	(3,340)	(765)	(765)
Capital reserves	-	-	-	-
Revenue (GF)	(3,655)	(2,190)	(138)	(138)
Major Repairs Reserve (HRA)	(3,070)	(2,820)	(3,952)	(4,051)
Revenue (HRA)	(4,184)	(3,762)	(2,813)	(2,448)

Net financing need for the year	-	-	2,114	2,858
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2. The Council's Borrowing Need (The Capital Financing Requirement)

2.1 The second prudential indicator is the council's Capital Financing Requirement (CFR). The CFR is simply the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the council's underlying borrowing need. Any capital expenditure, above, which has not immediately been paid for will increase the CFR. The CFR projections now include the borrowing requirement identified in Prudential Indicator 1, above.

2.2 The CFR does not increase indefinitely as the Minimum Revenue Provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each asset's life.

2.3 **The Council is asked to approve the Capital Financing Requirement (CFR) projections below:**

Prudential Indicator 2 – CFR Projections

£'000	2016/17	2017/18	2018/19	2019/20
As at 31st March	Projection	Estimate	Estimate	Estimate
CFR – Non Housing	17,346	16,957	16,584	16,225
CFR - Housing	47,417	47,417	49,531	52,389
Total CFR	64,763	64,374	66,115	68,614
Movement in CFR	(405)	(389)	1,741	2,499

Movement in CFR represented by				
Net financing need for the year (P.I. 1)	-	-	2,114	2,858
Less MRP	(405)	(389)	(373)	(359)
Less HRA financing movement	-	-	-	-
Movement in CFR	(405)	(389)	1,741	2,499

3. Gross Debt and the Capital Financing Requirement

- 3.1 In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Debt	31.03.17 Revised £m	31.03.18 Estimate £m	31.03.19 Estimate £m	31.03.20 Estimate £m
Borrowing	59.5	57.8	55.9	54.8
Other long-term liabilities	-	-	-	-
Total Debt	59.5	57.8	55.9	54.8
CFR	64.8	64.4	66.1	68.6

- 3.2 Total debt is expected to remain below the CFR during the forecast period.

4. Borrowing Limits

- 4.1 **Operational Boundary for External Debt** - This is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt.

Operational Boundary	2016/17 Revised £m	2017/18 Estimate £m	2018/19 Estimate £m	2019/20 Estimate £m
Borrowing	65.0	65.0	66.7	69.2
Other long-term liabilities	-	-	-	-
Total Debt	65.0	65.0	66.7	69.2

- 4.2 **Authorised Limit for External Debt:** This is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the

maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Authorised Limit	2016/17 Limit £m	2017/18 Limit £m	2018/19 Limit £m	2019/20 Limit £m
Borrowing	68.0	69.9	72.1	75.4
Other long-term liabilities	-	-	-	-
Total Debt	68.0	69.9	72.1	75.4

5. Affordability Prudential Indicators

5.1 Prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the overall council's finances. **The Council is asked to approve the following indicators:**

5.2 **Estimates of the ratio of financing costs to net revenue stream** – This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream. The revenue stream for non-HRA is the amount to be met from government grant and council tax payers and for the HRA is rent and other income.

Prudential Indicator 3 - Ratio of financing costs to net revenue stream

%	2016/17 Projection	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Non-HRA	27.08	18.38	3.10	2.68
HRA	36.13	33.57	26.72	24.27

5.3 The estimates of financing costs include current commitments and the proposals in both the General Fund and HRA revenue and capital budget reports. The changes to the Non-HRA figures reflect the use of revenue resources to support the capital investment included in the Medium Term Capital Programme. The changes in the HRA's figures mainly reflect the revenue financing required to meet the cost of the planned capital investment on the 'new build' and acquisitions programme.

- 5.4 **Estimates of the incremental impact of capital investment decisions on the Council Tax** – This indicator identifies the revenue costs associated with *new schemes* introduced to the Medium Term Capital Programme recommended in the budget report compared to the council’s existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of government support, which are not published over a three year period.

Prudential Indicator 4 - Incremental impact of capital investment decisions on the Band D Council Tax

£	Proposed Budget 2017/18	Forward Projection 2018/19	Forward Projection 2019/20
Council Tax - Band D	0.02	0.02	0.00

- 5.5 These values reflect the loss of interest, the opportunity cost, for the council’s cash reserves and balances, anticipated to be used to fund its new capital investment plans included in the Medium Term Capital Programme.

- 5.6 **Estimates of the incremental impact of capital investment decisions on Housing Rent levels** – Similar to the Council Tax calculation this indicator identifies the trend in the cost of proposed changes in the housing capital programme recommended in the budget report compared to the council’s existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

Prudential Indicator 5 - Incremental impact of capital investment decisions Housing Rent levels

Impact per property per rent week	Proposed Budget 2017/18	Forward Projection 2018/19	Forward Projection 2019/20
Weekly Housing Rent levels	(£1.07)	(£1.79)	(£2.45)

- 5.7 This indicator shows the revenue impact of the latest HRA capital programme on the average weekly housing rent for the HRA. This indicator reflects the additional rental income the council is forecast to receive from the HRA’s new

build and housing acquisitions programme. The new build programme is expected to generate a net surplus for the HRA which, in turn, will contribute to the planned repayment of its debt over the 30 year life of the current business plan.

5.8 Local Indicators - HRA Debt Ratios

5.8.1 CIPFA's Prudential Code recommends the use of local indicators to measure the affordability and sustainability of the HRA's debt over the medium term. The following two local indicators consider the total level of HRA debt and how its proportion is changing over the next three year period. Both these indicators are consistent with the HRA Business Plan and the increase in borrowing required to fund its capital expenditure plans.

i) HRA Debt to Revenue Ratio

	2016/17 Projection	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
HRA debt £m	50.5	49.6	50.7	52.5
HRA revenues £m	16.8	16.0	16.4	16.4
Ratio of debt to revenues	3.0	3.1	3.1	3.2

ii) HRA Debt per Dwelling

	2016/17 Projection	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
HRA debt £m	50.5	49.6	50.7	52.5
Number of HRA dwellings	3,372	3,393	3,421	3,448
Debt per dwelling £'000	14.98	14.61	14.83	15.23

Appendix 4

Minimum Revenue Provision (MRP) Policy Statement 2017/18

1. The council is required to pay off an element of the accumulated General Fund capital spend financed by borrowing each year through a revenue charge (the Minimum Revenue Provision), although it is also allowed to undertake additional voluntary payments where it is seen to be in its best interests to do so.
2. Regulations have been issued by the Department for Communities and Local Government (DCLG) which require full Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils to replace the existing Regulations, so long as there is a prudent provision. **The Council is recommended to approve the following MRP Statement to be applicable for 2017/18.**
 - i. **For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:**
 - **Existing practice - MRP will follow the existing practice outlined in former DCLG Regulations (4% of balance of CFR at 31.3.08)**
 - ii. **From 1 April 2008 for unsupported borrowing the MRP policy will be:**
 - **Asset Life Method – MRP will be based on the estimated life of the assets, in accordance with the regulations.**
3. **Additionally the council is free to determine an alternative MRP approach provided that it is prudent. These alternatives may include a variation on the above options or may take other forms as determined by the Chief Finance Officer. For instance, where the council acquires assets funded from unsupported borrowing for the purpose of site assembly with the aim of disposing to developers in the future, then the council may determine a nil MRP charge is prudent on the understanding that the capital receipt from the disposal is used repay the borrowing and extinguish the CFR relating to it. Any unsupported borrowing falling on capital expenditure falling into this category will be reviewed annually and if for any reason a capital receipt will not be received within a specified timeframe as determined by the Chief Finance Officer relating to the asset acquired then the unsupported borrowing will revert back to the normal MRP treatment applicable including an adjustment for MRP due for previous years that may not have been previously charged.**
4. No statutory revenue charge or MRP is required for the HRA. However, as part of the approved HRA Business Plan, Cabinet approved an affordable strategy to repay the HRA's total debt, represented by its capital financing

requirement (HRACFR), currently over the next 30 years. No HRA debt is planned to repaid in 2017/18.