



Agenda

Meeting: **Overview and Scrutiny Committee**
Date: **17 July 2018**
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.

This meeting will be webcast live to the council's website at <https://shepway.public-i.tv/core/portal/home>. Although unlikely, no guarantee can be made that Members of the public in attendance will not appear in the webcast footage. It is therefore recommended that anyone with an objection to being filmed does not enter the council chamber.

1. **Apologies for Absence**
2. **Declarations of Interest**

Members of the committee should declare any interests which fall under the following categories*:

- a) disclosable pecuniary interests (DPI);
- b) other significant interests (OSI);
- c) voluntary announcements of other interests.

3. **Minutes (Pages 3 - 36)**

Queries about the agenda? Need a different format?

Contact Sue Lewis – Tel: 01303 853265
Email: committee@folkestone-hythe.gov.uk or download from our
website
www.folkestone-hythe.gov.uk

To consider and approve, as a correct record, the minutes of the meeting held on 5 and 12 June 2018.

4. Private Sector Housing Assistance Policy 2018-2022 (Pages 37 - 68)

This report presents the new Private Sector Housing Assistance Policy and highlights the changes and additions made since the previous policy was published in 2012.

5. Annual Performance Report, Making a difference: a snapshot of our year 2017/18 (Pages 69 - 92)

This report sets out how the Council has continued to deliver for local people in the district in 2017/18 in response to the Corporate Plan (2017-20) vision of *investing for the next generation ~ delivering more of what matters*.

6. Risk Management policy and Strategy (Pages 93 - 110)

This report presents an updated Risk Management Policy & Strategy for adoption by Cabinet which will provide a framework for officers to develop a refreshed Corporate Risk Register as well as Operational, Project & Partnership Registers in due course.

7. Council Tax Reduction scheme 18/19 - consultation (Pages 111 - 150)

The existing scheme for Council Tax Reduction (CTR) has existed in its current form since 1 April 2017. This report sets out draft scheme options that can form the basis for consultation.

*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



Minutes

Overview and Scrutiny Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 5 June 2018
Present	Councillors Miss Susan Carey, Peter Gane (Chairman), Clive Goddard, Ms Janet Holben, Mrs Claire Jeffrey (Vice-Chair), Len Laws (In place of Ian Meyers), Michael Lyons, Russell Tillson and Mrs Rodica Wheeler
Apologies for Absence	Councillor Mrs Mary E Lawes and Councillor Ian Meyers
Officers Present:	Giles Barnard (Community Safety Officer), Jyotsna Leney (Community Services Manager) and Sue Lewis (Committee Services Officer) Jess Harman (Community Project Manager)
Others Present:	Councillor Mrs Jenny Hollingsbee, Cabinet Member for Communities) Nick Wilkinson (Prevent and Channel Strategic Manager, KCC), Rebekkah Button, KCC Social Services and representatives from the Police

102. **Appointment of Chairman**

Proposed by Councillor Mrs Claire Jeffrey
Seconded by Councillor Michael Lyons and

Resolved:

To appoint Councillor Peter Gane as Chairman of the Overview and Scrutiny Committee for the coming year.

103. **Appointment of Vice-Chairman**

Proposed by Clive Goddard
Seconded by Councillor Russell Tillson and

Resolved: To appoint Councillor Mrs Claire Jeffrey as Vice-Chairman of the Overview and Scrutiny Committee for the coming year.

104. Declarations of Interest

Councillor Michael Lyons declared a voluntary announcement in respect of Folkestone and Hythe Community Safety Partnership Plan 2018/19 in that he is the Council's representative on the Health and Wellbeing Board. He remained in the meeting during discussion and voting on this item.

105. Folkestone & Hythe Community Safety Partnership Plan 2018/19

Jyotsna Leney, Community Services Manager presented members with Report OS/18/01 and the Community Safety Partnership Plan 2018/19 informing that it was a rolling document that will be updated and revised as data changes.

Partner representatives, who chair the various sub-groups of the Community Safety Partnership were in attendance to provide an update to members of the Committee.

1. Rebekkah Button, KCC Social Services provided members with an overview of the priorities and activities of the Safeguarding and Wellbeing Subgroup.

A copy of the presentation highlighting the priorities and activities, together with future proposed work is attached to the minutes.

Rebekkah paid particular attention to the activities already undertaken informing members that the Youth Conference was an excellent success which will be repeated, the Domestic Abuse and Dementia Conferences were also well attended and the Mental Health Conference achieved nearly 400 delegates.

She informed that a number of training programmes had taken place since the launch of the subgroup for taxi drivers and schools, all well supported, together with a stall in the town centre all covering a number of issues including adult abuse, child exploitation and domestic abuse.

Members paid particular attention to the following:

- Dash Cams – agreed that this was an excellent idea for all taxis, to help both the drivers and passengers.
- One Stop Shop, New Romney – members agreed this was a great addition to the area and was a positive move forward.
- Community work – it was noted the work being done within the community, particularly with European residents.
- Crime figures – members were informed that although crime is rising nationally with a spike in July 2017, due to the terrorist attack, more crime is being reported. County is at 27 % with Folkestone & Hythe district being 17-21%, although the figures are alarming this is not a true reflection due to the change in the way the police record crime now.

2. Giles Barnard, Community Safety Officer, Folkestone & Hythe District Council provided members with an update on the Clean Green and Safe subgroup – Enhancing local communities through joint working.

A copy of the presentation is attached for information.

He informed that weekly meetings are held with partners to discuss various issues as shown in the attached papers with particular attention to sharing of information and helping with solutions.

In respect of “Clean” members were informed that two litter pick up events in Cheriton and Ivychurch had taken place with tremendous support from the Gurkha and local communities. This is a good sign of community involvement and integration.

In respect of “Green” members were informed that following a number of quotes Mears took the responsibility to replace broken windows and rotten wood, repaint, surface clean and tidy up the vinery which, with the support of volunteers is now fully refurbished.

In respect of “Safe” members heard that officers of the Council, with the support of Kent Police, speak with rough sleepers and the homeless to assess what help and advice can be given to point them in the right direction to enable them to get off the streets.

He informed that an operation with Veolia cleared and cleaned a subway in Middelburg Square Car Park which was reported through on –line complaints via social media. Working together with Veolia and KFRS they were able to remove dangerous waste and reopen the fire door that was originally blocked.

It was noted that a calendar of events is in progress and once complete members would be made aware.

Members thanked Giles and his team for all the work he does in the community.

3. Kent Police provided an update on vulnerability and reoffending informing the Committee that following changes in 2017 allowed the introduction of new roles; youth officer; vulnerable adult PCSO and Domestic Abuse Officer.

Main priorities for the subgroup include:-

- Preventing offending;
- Integrated offender management;
- Gangs;
- Migration – social injustice;
- Vulnerable victims;
- Drugs – particularly drug supply from London;
- Trafficking and child exploitation.

Working alongside partners, particularly with KCC, the Police have dealt with a number of issues surrounding taxi drivers, vulnerable people and locations, liaising with landlords and working to get truanting students back into school.

Work has also been undertaken with the immigration service to identify and arrest those involved in trafficking and immigration issues.

A number of theft crimes have been committed against the Nepalese community and the Police are working with the MOD and the community to give security advice and strategies to help reduce these thefts.

Further works are in hand to target the vulnerable, working with partners to visit sites, address issues and offer advice and support where necessary.

Alongside this work is continuing in respect of taxi drivers, educating shop owners and staff and youth work.

Members asked a number of questions with particular attention paid to the following:

- Crime Statistics – as mentioned above crime records are higher, particularly in and around the town centre and harbour areas. Officers are not aware of an increase in theft in and around the Marsh but encourage those affected to contact the police and register the crime.
- Staffing –The County has been given 200 additional staff of which 10 will be located in the Ashford/Folkestone and Hythe area. This should help with current resourcing issues.
- Rural crime – the rural task force work with landowners on how best to secure their animals and machinery, working together and sharing information when necessary.

Proposed by Councillor Clive Goddard
Seconded by Councillor Russell Tillson and

Resolved: To receive and note Report OS/18/01 and the CSP Plan circulated with the agenda.

(Voting: For 9; Against 0; Abstentions 0)

106. **Recess**

Proposed by Councillor Peter Gane
Seconded by Councillor Russell Tillson and

Resolved: To have a 5 minute recess whilst officers prepare the next presentation.

(Voting: For 9; Against 0; Abstentions 0)

107. **Exclusion of the Public**

Proposed by Councillor Michael Lyons
Seconded by Councillor Clive Goddard and

Resolved:

To exclude the public for the following item of business on the grounds that it is likely to disclose exempt information, as defined in paragraph 2 of Part 1 of Schedule 12A to the Local Government Act 1972 –

‘Information which is likely to reveal the identity of an individual.’

(Voting: For 9; Against 0; Abstentions 0)

108. **PREVENT update**

Members heard a presentation by Nick Wilkinson, Prevent and Channel Strategic Manager, Kent County Council. This was an action from a previous OSC meeting (12.09.17) where members had received an annual report on safeguarding activity.

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Folkestone and Hythe Community Safety Partnership Safeguarding and Wellbeing Subgroup

PRIORITIES

- ▶ Domestic Abuse
- ▶ Child Exploitation including sexual exploitation
- ▶ Female Genital Mutilation
- ▶ Counter Terrorism, Prevent and vulnerable persons
- ▶ Youth inclusion
- ▶ Trafficking people exploitation/Modern Day Slavery
- ▶ Drugs and Legal Highs
- ▶ Alcohol
- ▶ Mental and Physical Health
- ▶ Active Communities
- ▶ Obesity
- ▶ Dementia
- ▶ Ageing Population



**THE FOLKESTONE & HYTHE
COMMUNITY SAFETY
PARTNERSHIP**

ACTIVITIES - 2015 - 2017

CONFERENCES:
Youth Conference
A conference
Mentoria
Conference
H conference

Page 91

TRAINING:
CSE - Taxi Drivers;
hotels, multi
agency. Stall in
town centre
PREVENT - schools;
multi agency

FUNDING:
One Stop Shop; DA
booklets; DA
calendars; Urban
Pastors; Safety in
action days;
Community Hub;
CSE taxi driver DVD;

RESEARCH:
DAN Interventions
Youth Offending
Peer Mentoring

LINKS TO:
OTHER SUBGROUPS
ARM
ADOLESCENT PILOT
MARAC
MAPPA
LCPG



FUTURE ACTIVITIES

- ▶ YOUTH CONFERENCE
- ▶ DASH CAMS
- ▶ PEER MENTORING
- ▶ RADIO SHOW
- ▶ RAISING AWARENESS
- ▶ SHAPE UP
- ▶ ADDITIONAL ONE STOP SHOP



Clean Green And Safe

Enhancing local
communities through joint
working.

Multi Agency including

- Kent Police
- Housing (East Kent and others)
- Licencing
- Kent Fire And Rescue
- Mediation
- Social Services
- KCC wardens
- Environmental Health
- Urban Pastors

Meeting Menu!

- Hotspots Locations and Individuals.
- Environmental Crime.
- Community Tensions.
- High Risk and repeat victims.
- Licensing Update.
- Community Projects and Diversionary Activities.
- Any Other Business
- Good News Stories

Clean



Clean



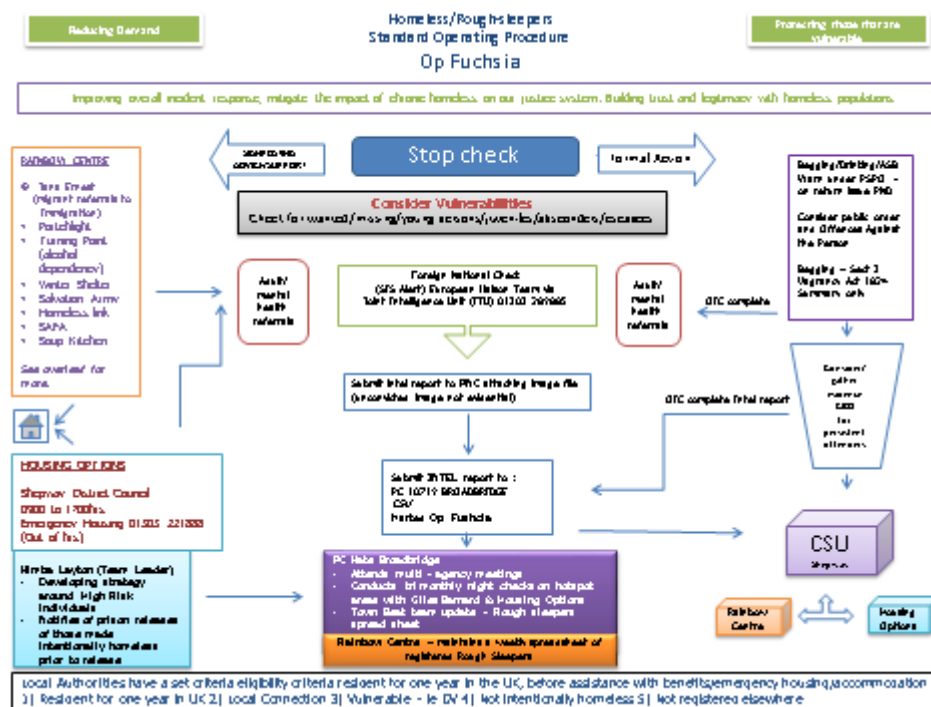
Green



Green



Safe: Op Fuchsia



Safe: Subway



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Minutes

Overview and Scrutiny Committee

Held at: Council Chamber - Civic Centre, Folkestone

Date: Tuesday, 12 June 2018

Present: Councillors Miss Susan Carey, Peter Gane (Chairman), Clive Goddard, Ms Janet Holben, Mrs Claire Jeffrey (Vice-Chair), Mrs Mary Lawes, Michael Lyons, Ian Meyers, Russell Tillson and Mrs Rodica Wheeler

Apologies for Absence

Officers Present: Leigh Hall (Group Accountant), Andrew Hatcher (Revenues and Benefits Strategic Manager), Sue Lewis (Committee Services Officer), Tim Madden (Corporate Director - Customer, Support and Specialist Services), Charlotte Spendley (Head of Finance) and Lee Walker (Group Accountant)

Others Present:

109. Minutes

Proposed by Councillor Ms Susan Carey
Seconded by Councillor Mrs Rodica Wheeler

Resolved: The minutes of the meeting held on 1 May 2018 were submitted, approved and signed by the Chairman.

(Voting: For 9; Against 0; Abstentions 0)

110. Declarations of interest

There were no declarations of interest.

111. Universal Credit

Andrew Hatcher, Revenues and Benefits Strategic Manager presented members with an update on the position of Universal Credit, a copy of the presentation is attached to the minutes for information.

He explained the background to Universal Credit in that it will replace 6 existing benefits and merge them into one, as shown in the attached papers, it will not have any impact on the pensionable age group.

He informed that Universal Credit live was initially introduced to Folkestone in 2016 for new claimants, this service ended in December 2017 and no new claims have been made in Folkestone since this date.

The full service was rolled out in the Folkestone job centre from May 2018 for all new applications and this will have an impact on all new claims but will not include those households with 3 or more children, those in temporary accommodation or supported and exempt accommodation.

Resource implications for the change are shown with particular attention paid to the current workload and how applications are manually processed on a two-week run of payments to help administer the housing benefit payments.

Members noted that the Council had a responsibility to support the DWP with two key services; assisted digital support and personal budgeting support.

Members paid particular attention to the following:

- The delay in rollout has been due to a number of issues, particularly around the DWP not liaising with experts and changing/ reviewing its processes. They are now working more closely with officers but it is anticipated that changes will continue to develop.
- Due to the two-weekly payment run it is not anticipated there will not be as many arrears to be paid and help is there in the form of job coaches who will be appointed to each applicant.
- The Kent Welfare Assistance service are also on hand to offer help and support.
- Payment directly to landlords is not the usual practice through Universal Credit unless a particular vulnerable person requires this facility.

It was made clear to members that those residents who need additional help and support can get this through the DWP, job coaches and officers of the Council.

Further updates will come forward to the Committee as the system is rolled out.

Proposed by Councillor Peter Gane
Seconded by Councillor Mrs Claire Jeffrey and

Resolved: To receive a yearly update on progress of Universal Credit.

(Voting: For 10; Against 0; Abstentions 0)

112. **General Fund Capital Programme Outturn 2017/18**

The report summarised the 2017/18 final outturn position (subject to audit) for the General Fund capital programme compared to the latest approved budget and the quarter 4 budget monitoring position reported to Cabinet on 28 March 2018. The report also summarised the outturn position for the approved prudential indicators for capital expenditure in 2017/18.

Lee Walker, Group Accountant presented the report highlighting the following:

- Section 2 - Variance of £610,000 less than previously reported with further details for variances in 2.2 of the report.
- Section 3 – informs of the Capital Funding showing slippage and reprofiling of capital expenditure with resources ring-fenced to fund this being outlined in section 2 of the report.
- Section 4 – Prudential Indicators outturn all complied with.

Members asked for further information on the following:

- Princes Parade Planning costs – this is to reflect the delay in the application being taken to planning.
- Lifeline units savings – due to an underspend on the scheme.
- Slippage/reprofiling – due to the nature of the programme items come forward but delays in delivering, resources and funding can then have an impact, the Council has a five year programme which allows for this and it was noted that all projects are delivered.

Proposed by Councillor Ms Susan Carey
Seconded by Councillor Michael Lyons and

Resolved: To receive and note Report C/18/09.

(Voting: For 10; Against 0; Abstentions 0)

113. **General Fund Revenue 17/18 provisional outturn**

The report summarised the 2017/18 final outturn position (subject to audit) for the General Fund revenue expenditure compared to both the latest approved budget and quarter 4 projections.

Leigh Hall, Group Accountant presented the report highlighting the following:

- The outturn for the General Fund Revenue in 2017/18 shows a final surplus of £2.151m more than budgeted.
- The total variance against projected outturn at 3.2 of the report lists the significant movements.

Members paid particular attention to the following:

- Car parking income and expenditure – further information was requested on this and the data be provided directly to members of the committee.

- Coast Protection – further information was requested in respect of the works to the beach railings and again this information will be provided to members of the committee following the meeting.
- Housing Benefits – changes in market conditions relate to an increase in demand from homeless people for Bed and Breakfast, together with a delay in Universal Credit coming forward and housing benefits increasing.

Proposed by Councillor Michael Lyons
Seconded by Councillor Russell Tillson and

Resolved: To receive and note Report C/18/08.

(Voting: For 10; Against 0; Abstentions 0)

114. Housing Revenue Account Revenue and Capital Financial Outturn 2017/18

The report summarised the 2017/18 final outturn position (subject to audit) for the HRA revenue expenditure and HRA capital programme compared to both the latest approved budget and quarter 4 projections.

Leigh Hall, Group Accountant presented members with the report highlighting the following:

- Housing Revenue outturn position compared to latest approved budget at 2.1 in the report, informing £511,000 less than previously recorded.
- Final Capital outturn position compared to latest approved budget at 2.3 in the report, with a carry forward request totalling £5.099m for current schemes.

Members requested that further information is provided by the Housing team in respect of Thermal Insulations and this will be sent directly to them once the information has been sought.

Proposed by Councillor Clive Goddard
Seconded by Councillor Michael Lyons and

Resolved: To receive and note Report C/18/07.

(Voting: For 9; Against 0; Abstentions 1)

Universal Credit update: Folkestone & Hythe District Council

Andrew Hatcher

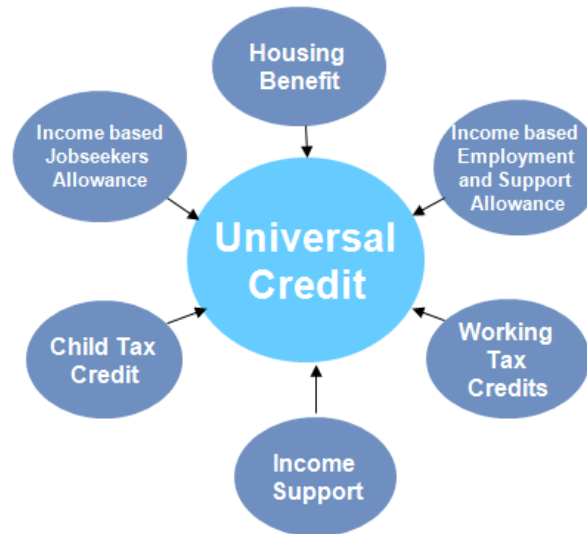
Revenues and Benefits Strategic Manager

Introduction

- What is Universal Credit?
- Universal Credit in the Folkestone & Hythe area
- Impact in the Folkestone & Hythe area
- The future

What is Universal Credit?

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



- Universal Credit is for working age people only.

Universal Credit in Folkestone & Hythe DC

- UC live service was initially introduced to Folkestone on 25 January 2016 for new claimants that would have previously applied for JobSeekers Allowance.
- UC live service ended 31 December 2017 and no new claims have been made in Folkestone since this date.
- Once a customer is in receipt of UC they remain on the benefit.

Universal Credit Full Service



- Full service rolls out in the Folkestone JobCentre from 30 May 2018 for all new applications
- The Council cannot accept new claims for Housing Benefit from this date unless exempt from UC:
 - Temporary Accommodation
 - Specified (Supported) Accommodation
 - Households with 3 or more children
 - Pensionable age

Resource implications

Residents who claim benefits from the Council

- New claims for Housing Benefit will cease except for exempt cases.
- All Supported and Exempt Accommodation claims, Temporary Accommodation and 3+ child households for Housing Benefit will still be made to the Council.
- All residents will continue to apply for Council Tax Reduction from the Council.
- Universal Credit has monthly changes that need to be processed for CTR cases, this will increase significantly. No automation currently available from DWP.
- Manual processing of two-week run on payments of HB to be administered by the Council.

Resource implications

Current caseload:

	Housing Benefit	Council Tax Reduction
Working age	5,367	4,891
Pension age	2,646	4,057
Total caseload	8,013	8.948

- New claims overall will still be received as CTR applications will be encouraged.
- Change in circumstances expected to increase with monthly UC change notifications
- Number of Folkestone JC residents in receipt of Universal Credit: 578*

*Figures as of February 2018

LA support for UC

- The Council have a responsibility to offer two key services to support DWP in UC implementation
 - Assisted Digital Support (ADS)
 - Personal Budgeting Support (PBS)
- The Welfare Reform Officer to focus attention on the projected take up of the services offered on DWPs behalf.

Category	Q1	Q2	Q3	Q4	Total
ADS Claimant Take – Up	19	63	52	64	198
PBS Claimant Take – Up	31	106	88	106	331

- Funding received from DWP to carry out duties

The future

- After the rollout process has completed, DWP will then begin moving all remaining existing benefit claimants to the full Universal Credit service
- Managed migration to be completed by 2022 (latest target)
- No plans for a similar scheme for Pensioners

Summary

- What is Universal Credit?
- Universal Credit in Folkestone & Hythe area
- Impact in Folkestone & Hythe area
- The future
- **Any questions?**
- www.understandinguniversalcredit.gov.uk
- www.youtube.com/channel/UC7Km4IXfVJB1n8SQUmkJD0Q

This Report will be made public on 10 July 2018



Report Number **C/18/18**

To: Cabinet
Date: 18 July 2018
Status: Key Decision
Head of Service: Andy Blaszkowicz, Head of Commercial & Technical Services
Cabinet Member: Councillor Alan Ewart-James, Cabinet Member for Housing

Subject: Private Sector Housing Assistance Policy 2018-2022

Summary: This report presents the new Private Sector Housing Assistance Policy and highlights the changes and additions made since the previous policy was published in 2012.

REASONS FOR RECOMMENDATIONS:

The recommendations are made because:

- 1) The policy supports the continued investment in improvement of the housing stock of the district, enables more vulnerable and sick people who are on low incomes to remain in their homes for longer, thus preventing them from burdening hospitals and care systems too early, and enables timely discharge from hospital where housing conditions are preventing a discharge.
- 2) The changes in how the funding is delivered to local authorities for Disabled Adaptations, the new guidelines on the Better Care Fund and the significant increase in funding means that our policy needs to change to take these changes into account.
- 3) The Better Care Fund guidelines allow for more flexibility in how Disabled Facilities Grant (DFG) money can be spent and encourages innovation. By allowing the Cabinet Member for Housing to make minor changes to the policy, we can ensure that the policy reflects the work of the Council's Private Sector Housing Team and any new schemes to enable timely spending of the DFG as they are brought about.
- 4) The No Use Empty Plus loans scheme has been successfully running since 2015, helping to bring more empty properties back into use, but this needs to be set out in the new policy.
- 5) The Home Safe loan limit of £5,000 is not enough to deal with the majority of cases where vulnerable persons' homes are in need of repair to remove hazards.
- 6) A consultation exercise for a period of six weeks will commence after the policy is approved by Cabinet by publishing on the website and by sending to interested parties, including disabled charities, KCC Occupational Therapists, Home Improvement Agencies and the pensioner forum.

Cabinet is asked to:

- 1) To receive and note this report**
- 2) To agree the Private Sector Housing Assistance Policy 2018-2022**
- 3) To note the additional resource from the Better Care Fund (BCF) and the continued delivery plan for Disabled Facilities grants (DFG) and hospital discharge schemes in line with the BCF guidelines**
- 4) To agree that the Cabinet Member for Housing has delegated authority (in consultation with the Head of Service) to make any minor changes to the policy as necessary, (provided it remains substantially within the budget framework) and subject to any comments received through the public consultation.**

1. Background

- 1.1 This report sets out the main changes and additions to the 2012 Policy to form the new policy. All of the loans and grants are currently funded within existing approved budgets and will continue to be funded within these budgets.
- 1.2 Some of the additional schemes (within the scope of the BCF guidance) have been running since October 2016 and were reported in a Cabinet report for information in October 2016.

2. Key Themes

2.1 Disabled Facilities Grants and the Better Care Fund

- 2.2 Since the approval and implementation of the Council's Housing Assistance Policy in 2012, guidance surrounding DFG and how DFG allocations are administered to district level have changed and DFG allocations have significantly increased. Since April 2015 the DFG funding has been integral to the Better Care Fund allocation which is issued direct from government to the first tier authority (KCC). KCC then pass the allocation on to the Kent local authorities.
- 2.3 Folkestone and Hythe Council's Disabled Facilities Grant (DFG) allocation from the Better Care Fund was:-

Year	BCF allocation	Reallocated to KCC for Social capital shortfall	Spend (not inc. KCC reallocation)
2015/16	£622,000	N/A	£690,000
2016/17	£1,048,000	£167,000	£648,000
2017/18	£1,139,000 + £137,000 in December 2017 = £1,276,000	£167,000	£616,000
2018/19	£1,229,558	£167,000	-

- 2.4 The proposed initiatives in this report will be covered by the current total allocation for this year. A review of the budget for 2018/19 has taken into account the increased allocation from the BCF and the widening scope of the DFG in future years. The current budget for 2018/19 is set at £1,000,000.
- 2.5 The BCF allocation is determined by the Department for Communities and Local Government and whilst there are no claw-back provisions if we under spend (i.e. we can carry any unspent balance to 2019/20) there are strict guidelines around what the allocation must be used for.
- 2.6 The Better Care Fund guidance encourages using DFG funding in more innovative ways to ensure that people can remain independent in their own homes for longer. Traditionally it has only been used to adapt people's homes, but now we can work

towards reducing “delayed transfers of care” (which is bed-blocking due to lack of a safe home environment to be discharged into), and reducing admissions to hospital by making improvements in energy efficiency, security and safety in the home. The schemes detailed in this policy contribute towards these targets.

- 2.7 The new schemes which utilise DFG allocations include the Folkestone & Hythe Home Enablement Scheme , Winter Warmth loans, the Health and Housing Co-ordinator based at the William Harvey Hospital and discretionary use of DFG funding in certain circumstances where ordinarily people may miss out on disabled adaptations (either due to outdated means testing or extensive cost of works whilst still on a low income).
- 2.8 Further work will be carried out to encourage uptake of DFGs and the services provided by Peabody South East in order to maximise the spend of the allocation. A publicity campaign will be devised in conjunction with the council’s communications team to promote the DFG process and the other loan products we provide.
- 2.9 Measures carried out using DFG allocations contribute towards NHS, Social Care and Public Health targets. Improvement and adaptation of housing can help to reduce the cost burdens on health by reducing hospital admissions, GP visits and specialist consultations. This approach is also in line with the Council’s Health and Wellbeing agenda and the work that all Kent local authority Private Sector Housing teams are doing with regard to improving health through housing.
- 2.10 All of the Kent Local Authorities have been working in partnership with KCC and health professionals on a Kent wide DFG integration project. The project officer has carried out a detailed review of the current delivery of DFGs and has put forward recommendations to the Chief Executives Group to shape a new model of delivery. The Kent Private Sector Housing Group have now been tasked with implementing an East Kent pilot. Work is due to start on this project in May 2018. Folkestone and Hythe Council, along with other local authorities including Dover are implementing initiatives as described in the reviewed policy to enable spend to remain stable until any new delivery model is in place.

3. Home Safe loans

- 3.1 Home Safe loans have been offered to vulnerable home owners since 2012 and were the replacement for Decent Home Loans. The current policy set the limit for a Home Safe loan at £5,000. Over the last five years, it has been evident that £5,000 is not enough to help the most vulnerable home owners who are dealing with significant disrepair and hazards in their homes due to not being able to afford to maintain their homes themselves.
- 3.2 There is discretion built into the current policy to approve loans over the £5,000 limit. However, due to the high number of approvals above the limit, it is proposed to raise the limit to £20,000. Of the eighteen loan cases completed between January 2016 and January 2018, six of these were approved above the loan limit due to the extensive nature of works required to make the property free from hazards (this is assessed by the Home Improvement Agency’s surveyor with guidance from the Private Sector Housing Team Leader where needed). Any loans that need approval over the new £20,000 limit will be considered in consultation with the Cabinet member for Housing.
- 3.3 The Home Safe loan budget is set at £100,000 per year. Even with the increased loan limit, the scheme will still be able to be provided within the current budget. For

2017/18 the expenditure was £60,000. Loans are repaid to the council when the property is sold and are interest free.

4. No Use Empty Plus Loan Scheme

- 4.1 Kent County Council's No Use Empty Loan scheme has been running for in excess of 10 years. Through working in partnership with KCC to introduce owners of empty homes to the scheme, we have brought many properties back into use over the last 10 years or more. In 2016/17 alone, we brought 73 properties back into use, and many of these were through owners taking advantage of KCC loans.
- 4.2 In 2015 Folkestone and Hythe Council decided to provide a "top up" loan to the KCC No Use Empty loan in order to assist owners of larger scale projects. From September 2015 onwards, we have allocated £1.1 million to the Shepway No Use Empty Plus scheme (£350,000 per year for three years). The funding provides an extra £15,000 per unit (making a total of £40,000 per unit) to empty property owners in order to bring them back into use.
- 4.3 The scheme has proved successful and we won an award for Innovation from the Empty Homes Network in 2017 which recognised our achievements.
- 4.4 A budget of £350,000 in 2018/19 for the empty homes initiative has recently been approved. It is proposed to go back to Cabinet for approval to extend the scheme past 2019 by using recycled funds (from loans repaid).

5. Winter Warmth Loans

- 5.1 KCC Public Health Department had a Winter Warmth scheme for elderly and vulnerable occupants to provide funding for heating and/or insulation. The criteria for eligibility was that the occupant was suffering from a long term serious illness such as a heart condition, COPD, asthma, or a mental health condition etc. and is over 65 years of age. The funding from Public Health ceased in 2015/16 and Folkestone and Hythe Council decided to continue the scheme using Disabled Facilities Grant funding (which is within the Better Care Fund guidelines).

6. The Way Forward

- 6.1 All of the changes and amendments within the policy are as a direct result of changes in guidance from government and through a significant increase in funding for schemes to enable occupants to remain independent in their own homes for longer. These changes will not affect current budget levels.
- 6.2 Further innovative schemes will be devised to enable more spend within the current DFG allocations. We have recently approved the partial funding of a Health and Housing Coordinator role at the William Harvey Hospital (Dover Council are also contributing to this), which will assist more patients to be discharged in a more timely manner, by making sure that their home is safe and secure to return to. There may be other schemes which will evolve through time and cannot be specified in the policy in detail. Therefore a paragraph at 4.3 in the policy states that further schemes may be devised to allow for greater spend and to help more people.
- 6.3 The success of all of these initiatives will be monitored and recorded by the Private Sector Housing Team Leader in partnership with the Home Improvement Agency. Statistics regarding successful cases can then be used to promote the schemes amongst health professionals and other agencies to encourage more take up in

future. The successful cases are fed into the Private Sector Housing Team target and monitoring for number of homes improved and number of empty homes brought back into use in the service plan and reported to the Cabinet Member for Housing accordingly.

7. Risk Management Issues

A summary of the perceived risks to the council is shown below:

Perceived risk	Seriousness	Likelihood	Preventative Action
Failure to achieve the housing priorities set out in the Council's Corporate Plan.	High	Low	Adoption of an effective Private Sector Housing Assistance Policy for the district.
Failure to adopt an effective Private Sector Housing Assistance Policy for the district.	High	low	Adoption of the Private Sector Housing Assistance Policy which is underpinned by legislation and government guidance.

8. Legal, Resources and other policy matters

8.1 Legal (DK)

There no legal implications arising directly out of this report.

8.2 Finance Officer's comments (LW)

There are no financial implications arising directly from this report. The projected spend for 2017/18 and the approved budgets for 2018/19 for the various private sector housing initiatives capital schemes are outlined in the report.

8.3 Equalities (AH)

The purpose of the different types of housing assistance is to assist disabled, elderly and vulnerable people to live independently in their own homes and to provide more homes through improvement and bringing empty homes back into use. No negative impacts have been identified in continuing with widening the scope of the DFG as set out in this report.

Contact Officer and background documents

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

Department of Health/DCLG “2017/19 Better Care Fund Policy Framework“(March 2017)

Care & Repair England “Integration Briefing 1 – Disabled Facilities Grant Funding via Better Care Funds – An Opportunity to Improve Outcomes” (April 2015)

Folkestone and Hythe Draft Housing Strategy 2018

Shepway Stock modelling Report 2016 – Building Research Establishment.

Circular 05/03 “Housing Renewal” ODPM June 2003.

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PRIVATE SECTOR HOUSING
ASSISTANCE POLICY
2018 -2022

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1.0 INTRODUCTION

- 1.1 This document details Folkestone and Hythe District Council's Housing Assistance Policy. This policy document replaces the previous policy dated 2012.
- 1.2 This policy has been adopted under Article 4 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. The Order enables local authorities to develop a means of providing assistance to households living in the private sector to carry out repairs, improvements and adaptations so that they can address local needs and priorities and remain independent in their homes. In order to make use of these powers, the Council has to publish a Housing Assistance Policy.
- 1.3 This document also provides our policy on mandatory Disabled Facilities Grant, which is provided under The Housing Grants, Construction and Regeneration Act 1989.
- 1.4 The policy recognises the pressures on the Council's own capital funds and any money for future housing renewal is only likely to be funded from repayment of previous loans and grants or from direct government allocation (such as the Better Care Fund).
- 1.5 The Policy reflects the local housing conditions as contained in the Private Sector Stock Modelling Report 2016, and the aims of the Housing Strategy 2018. It also reflects the contents of Circular 05/03 "Housing Renewal" issued by the Office of the Deputy Prime Minister in June 2003 and the Better Care Fund: policy framework guidance 2017-2019.

The Policy addresses the following priorities:

- To remove serious (category 1) hazards in homes occupied by households on low income (the target is to improve 150 homes per year through various forms of intervention from the private sector housing team).
- To bring empty homes back into use (the current target is to bring 70 homes back into use each year);
- To provide adaptations to existing homes to meet disabled people's needs.
- To assist with essential works to help disabled, elderly and vulnerable people to remain safe and independent in their home.
- To enable homes to be efficiently heated for persons whose long term health conditions; age or disability makes them vulnerable to the cold and falls.
- To assist in schemes that provide help to enable residents to be discharged from hospital back into their home safely, and to reduce the

risk of admission or readmission to hospital by ensuring that the home environment is free from hazards.

- To ensure that assistance is used as effectively as possible; that monies are recycled where possible and to provide assistance to those persons in greatest need.

1.6 This Policy will be reviewed in 2022. The Director or Head of Service, in consultation with the portfolio holder for Housing may make minor changes to the policy in the interim.

1.7 Any queries relating to this Policy should be referred to the Private Sector Housing Team Leader, Folkestone and Hythe District Council, Civic Centre, Castle Hill Avenue, Folkestone, Kent, CT20 2QY. Telephone: 01303 858660. Email: privatesector.housing@folkestone-hythe.gov.uk

2.0 FUNDAMENTAL PRINCIPLES

2.1 It is neither possible nor desirable for the council to offer assistance for all private sector housing problems. It can only directly assist with a proportion of these through targeting the available resources at priority needs.

2.2 Although emphasising that the responsibility to maintain private property rests firmly with the owner, it is recognised that the private housing stock plays a major role in meeting the housing needs of the district and has an important effect on the occupier's health and independence, which in turn should result in less demand on health and social care resources.

2.3 Most assistance is offered in the form of a loan secured on the property and repayable by the owner. In this way funding can be re-cycled to assist subsequent owners. In addition, certain forms of assistance can help balance the local housing market in a way which gives more choice and opportunities to those in housing need and bring additional good quality housing back into use.

2.4 Money repaid to the council, either on repayment of loans upon disposal of the property or when grant or loan conditions are broken, will be reinvested in the private sector housing capital programme. The council considers that this is an appropriate way forward given the pressure on resources and because, over time, it will allow more homeowners to be assisted with a limited amount of resource.

2.5 Each case will be considered on its individual merits. However, there are some general principles that will be applied:

- Landlords are running a business and have a legal duty to keep their property in a good state of repair and comply with all relevant standards; therefore loans to improve a property will not be available to landlords (with the exception of Empty Home loans).
- Owners should always maintain effective buildings insurance and the council will not fund work that is covered by insurance.

3.0 VULNERABLE HOUSEHOLDS AND UNSAFE HOMES

3.1 A vulnerable household is defined as one in receipt of at least one of the principal means tested or disability related benefits. Details of these qualifying benefits can be found in appendix 2 at the end of this policy.

3.2 A home is considered unsafe if it has been identified as having at least one Category 1 Hazard as defined by the Housing, Health and Safety Rating System contained within the Housing Act 2004. Details of the standard can be found in appendix 3 at the end of this policy.

4.0 SPECIFIC TYPES OF ASSISTANCE AVAILABLE

4.1 The council will provide the following forms of assistance to private owners and/or tenants to enable them to improve and adapt their properties, and where possible bring long-term empty homes back into use.

- Home Safe Loans (owner-occupiers only)
- Home Energy Advice and Fuel Poverty (tenure neutral)
- Kent Fuel Poverty Strategy
- Winter Warmth Loans (owner occupiers only)
- Partnership working with the East Kent Home Improvement Agency/Handyperson Scheme (tenure neutral)
- Folkestone and Hythe Home Enablement Service (tenure neutral)
- Health and Housing Coordinator Service based at the William Harvey Hospital (tenure neutral)
- Disabled Facilities Grants (mandatory and discretionary – privately owned or rented properties only – i.e. not council owned stock)
- Empty Homes Loans (and Folkestone and Hythe No Use Empty Plus scheme)

4.2 Financial assistance will be given subject to sufficient funds being available. Once the budget has been committed, no further offers will be made. In such circumstances the Council may draw up a waiting list of people requiring assistance.

4.3 Further innovative schemes may be devised to enable greater spend of the Better Care Fund allocation and to help more people to live independently in their own homes and meet health related targets.

5.0 HOME SAFE LOANS

5.1 These Loans are intended to assist vulnerable people to make their homes free from hazards. All loans will be registered at the Land Registry as a legal charge.

5.2 Home Safe Loans are available throughout the District. There are no prior occupation conditions. These loans are available to any relevant owner occupier over the age of 18, where hazards exist in their home.

- 5.3 The loans will be up to a maximum of £20,000, with no means test being applied by the council (other than the need to be a vulnerable person according to the criteria set out in this policy). Occasionally, however, it may be appropriate to offer more assistance and such cases will be considered by the Housing Assistance Review Panel and in consultation with the Cabinet portfolio holder (please see full definition of this panel at section 20.3). The loan is repayable on the future sale of the relevant property or when changes or additions to the original title ownership occur and will not attract any interest charges during the term of the loan.
- 5.4 Relevant fees to the East Kent Home Improvement Agency or other approved Supervising Officer, or for Building Regulations or Planning approval, or any other agreed professional fees, can be included as part of the loan calculation.
- 5.5 After receiving assistance, a vulnerable person's home may develop other defects and a further loan may be appropriate to deal with that problem. However, the total amount of loan assistance provided must not exceed the £20,000 limit in any five-year period unless an exception has been agreed by the Housing Assistance Review Panel.
- 5.6 Any requests to waive loan repayment in part or whole or to alter the council's status on the Land Charges Register will not normally be considered except in very exceptional circumstances. This will be determined by the Head of Service in consultation with the council's legal team and the Cabinet Portfolio holder.
- 5.7 If conditions are broken after approval of council assistance and before completion of works, then payments made in respect of partially completed works shall be repaid to the council in full.

6.0 HOME ENERGY ADVICE AND FUEL POVERTY

- 6.1 To alleviate fuel poverty in the Folkestone and Hythe area the council will inform home owners and tenants of the advice and financial assistance that is available to improve the energy efficiency in their homes. The council currently works closely with local agencies and Kent County Council, who provide free advice and information on energy efficiency measures, consumer debt and benefit entitlement. The Council also contributes, along with other Kent Local Authorities, to the Warm Homes Call Centre (which is based in the Lifeline Office at the Folkestone and Hythe civic centre). The call centre offers advice to residents on what schemes are available nationally and locally to improve energy efficiency.

7.0 KENT FUEL POVERTY STRATEGY

- 7.1 The Council has pledged its commitment to the Kent Fuel Poverty Strategy and its four key priorities. This Housing Assistance policy seeks to align with the key priorities in the strategy which are:-
- Information gathering and sharing
 - Improving energy efficiency

- Reducing fuel costs
- Increasing income

7.2 Schemes to improve energy efficiency of homes in the district include signing up to the LA flexible eligibility scheme, referring residents to the Warm Homes call centre for advice, administering Winter Warmth loans and participating in any other schemes as they come to light.

8.0 WINTER WARMTH LOANS

8.1 The Better Care Fund guidance has widened the scope of Disabled Facilities Grant (DFG) Funding and suggests that funding energy efficiency measures (heating and insulation) in the home for elderly and disabled and chronically sick residents can help them to maintain independence in the home for longer and prevent hospital admissions through suffering from cold and falls in the home.

8.2 Eligibility criteria for Winter Warmth Loans is that the applicant must be a home owner who is over 65 years and that they suffer with a long term illness or have a disability that makes them vulnerable to the cold, and they are in receipt of benefits. In certain circumstances, applications from people under 65 will be considered. The health element of the criteria must be signed off by a care navigator, health care professional, General Practitioner or Occupational Therapist.

8.3 The funding is provided in the form of a repayable grant or up to £4,000 (with conditions). If the property is either sold or changes are made to the existing title ownership, the grant will have to be repaid. This condition remains in place for 10 years after the completion of the works and is registered as a local land charge. Upon the 10th anniversary of the completion of works, the land charge will be removed and no grant monies will be repayable. This condition is applied the same as it is with standard disabled facilities grants under the Regulatory Reform Order 2002.

8.4 This scheme will help more vulnerable and sick Folkestone and Hythe residents to remain independent in their own home and will help to meet one of the Better Care Fund targets, in addition to reducing fuel poverty and improving energy efficiency of properties in the district.

9.0 PARTNERSHIP WORKING WITH THE HOME IMPROVEMENT AGENCY (HIA)

9.1 The council will continue to work closely with the local HIA. The council has selected a partner agency to provide this service in the most economically advantageous way and also takes advantage of their experience in dealing with vulnerable clients, their ability for sign-posting and accessing other services for clients, their provision of handyman services and a detailed understanding and working knowledge of the DFG and loan processes.

9.2 The agency provides advice and assistance to help vulnerable home owners and tenants to improve the condition of their homes and enables them to continue to live independently in the community.

- 9.3 The HIA project manage the majority of Winter Warmth loan and Disabled Facility Grant applications and all of the Home Safe loans. The HIA ensures that works are properly procured and completed to the necessary standards. The HIA receives a commission payment for this work. A service level agreement is currently in place to cover this.
- 9.4 Any work completed with the assistance of council funding must be independently verified by the HIA or other organisation approved by the council.

10.0 THE HANDYPERSON SCHEME

- 10.1 The HIA provides a Handyman Scheme. The service covers minor repairs, security and health and safety works for home owners and private sector tenants over 55 years old, who are either vulnerable or who have a physical or mental disability which prevents them undertaking the works themselves.
- 10.2 The scheme is not an emergency call out service, nor does it address gas/electrical works, or carry out external repairs above two storeys high. The service charges a labour fee of either £5.00 per hour for clients in receipt of means tested benefits or £10.00 per hour for clients not in receipt of benefits; the client being responsible for the cost of the materials. These subsidised rates are maintained by core funding from the Council, which is currently paid twice yearly.

11.0 FOLKESTONE AND HYTHE HOME ENABLEMENT SERVICE

- 11.1 This free scheme provides a responsive service helping people live independently and safely at home. It is run by the East Kent Home Improvement Agency Handy Person Service.
- 11.2 It offers practical support to help people to be discharged from hospital more quickly, but can also help to prevent people going into hospital in the first place.
- 11.3 Examples of work that the scheme can cover are supplying and fitting key safes, supplying and fitting bannister and grab rails, moving a bed from upstairs to downstairs, addressing slips trips and falls by securing carpets to the floor, and relocating trailing cables. This list of works are not exhaustive and each case will be considered on its own merits by the Private Sector Housing Team Leader.
- 11.4 Clearing rooms of hoarded items (sometimes on a large scale) to make way for a bed or to prevent falling in the home can also be considered. These are looked at on a case by case basis. Sometimes deep cleaning of parts of the house will also be considered as part of the assistance, particularly where the condition of the property is preventing discharge from hospital or is deemed to be seriously detrimental to the occupant's health.

- 11.5 Clients must be 50 years or over and be either chronically sick or disabled and live in the Folkestone and Hythe area. The service can only accept direct referrals from health or social care colleagues or the care navigator service.

12.0 THE HEALTH AND HOUSING COORDINATOR SERVICE

- 12.1 This is a free service to patients at the William Harvey Hospital who reside in the Folkestone and Hythe District funded by DFG allocation. The service is run by East Kent Home Improvement Agency by employing a person to be an integral member of the hospital discharge team to aid a robust approach to support patient discharge quickly, safely and effectively.
- 12.2 Additionally, the role involves undertaking visit to the patient's home following discharge to review the home environment with a view to addressing issues that could prevent the patient from re-entering hospital. Issues likely to be tackled would include clutter and hoarding, uneven or excessive height of door thresholds, trailing cables, loose carpets, or any issues that could cause slips, trips and falls. Assessment for minor adaptations and equipment to enable independence in the home can also take place, along with fitting of key safes to facilitate care packages. Assessments for suitability for telecare, checking the property for disrepair and adequate heating, assessing for bathing difficulties and getting up and downstairs and determining whether a referral to occupational therapy for an assessment for DFG is required.

13.0 DISABLED FACILITIES GRANT (DFG)

- 13.1 The Disabled Facilities Grant is a mandatory grant – that is, the council has to provide them, subject to funding being available. These grants are administered under the detailed provisions of the Housing Grants, Construction and Regeneration Act 1996, as amended by the Regulatory Reform Order 2002.
- 13.2 Traditionally a DFG is provided to adapt the home of a disabled person to meet their needs and allow them to achieve as independent a life as is reasonable. However, since the introduction of the Better Care Fund (BCF) in 2015, more innovative use of the DFG funding is encouraged. The main objectives set out in the BCF include using the funding to assist with reductions in delayed transfers of care from hospitals and care settings (commonly known as bed-blocking) by improving the safety of the home environment and making it secure.
- 13.3 The need for adaptation is determined by an Occupational Therapist (usually from KCC Social Services). The council only acts on recommendations made by an Occupational Therapist and, providing the work is reasonable and practicable and the application is satisfactory in all other aspects, the grant will be approved.
- 13.4 The council will carry out a test of the financial resources of the disabled person (government prescribed means test) and assess how much, if any, they have to pay towards the work. The grant covers any reasonable cost,

including professional fees or ancillary charges in excess of the disabled person's assessed contribution, subject to a mandatory grant limit of £30,000. The Council may also use its discretion and fund other works over and above the mandatory limit, but this will be subject to conditions and the Cabinet Portfolio holder will be advised.

- 13.5 Any approved DFG will have a local land charge applied where the cost of the work exceeds £5,000. There will be a requirement to repay the grant up to a maximum of £10,000 when the house is sold or if the disabled person ceases to live there, or any other agreed conditions. However, if repayment of the grant would cause undue hardship, then the council may waive the repayment conditions. Local land charges are not applied to housing association or privately rented properties. The charge is removed upon the 10th anniversary of the completion of the works. This is prescribed in the Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grant (Conditions relating to approval or payment of grant) General Consent 2008.
- 13.6 An Owner's Certificate must accompany any application stating that the applicant intends to remain in the dwelling after completion of works for a period of five years, or as long as their circumstances allow.
- 13.7 Where the existing home of a disabled person is unsuitable for adaptation, the Council will consider providing financial assistance, in lieu of grant, to help that person relocate to a more suitable property. The maximum allowance is £30,000 towards the relocation costs (estate agents fees, solicitor fees and removal costs) and, if the property is located within the Folkestone and Hythe District, towards the costs of adaptations to the new property. An assessment of need carried out by the Occupational Therapist will confirm the suitability of any new property to be adapted.
- 13.8 The Council will use its discretion to decide on a case by case basis, whether certain works can be covered under DFG. For example the repair of a boiler if rooms to be adapted cannot be heated by other means or rewiring parts of the electrical installation to accommodate the safe installation of a stair lift. These decisions will be made day to day by the Private Sector Housing Team Leader or Housing Strategy Manager and the Cabinet portfolio holder will be advised.
- 13.9 Any works under the value of £1000 will not be considered for DFG.

14.0 DISCRETIONARY DFG TOP UP

- 14.1 A discretionary loan of up to £20,000 will be made available to fund the cost of eligible works, which exceed the maximum £30,000. The Council will consult with Kent County Council Occupational Therapists to determine if the works above £30,000 are reasonable. Occasionally a property will require extensive adaptation which far exceeds the mandatory £30,000 limit. Such adaptations usually involve extending the property and/or installation of specialist lifts or highly technical bathing equipment.

- 14.2 Where top up is required because of extensive cost of works and if the DFG has already been subject to a financial test of resources, no further means test will be made. Where no financial test has been undertaken (i.e. in children's cases as per legislation), then the decision whether to provide a loan will be subject to a financial test of resources to confirm that the applicant is unable to fund the extra works themselves.
- 14.3 The top up loan will be interest free and secured by a legal charge at land registry and will be repayable upon sale or change of ownership of the property.
- 14.4 If the cost of adaptations reaches £30,000 or near to £30,000 and it is the ancillary fees, or charges by the Home Improvement Agency (or other project manager) that tip the approved amount over the £30,000 limit, a discretionary grant of up to £5,000 will be given to top up the overall grant. The standard £10,000 local land charge will still apply, even where a grant is topped up to cover fees.

15.0 THE REVIEWED MEANS TEST AND HELPING MORE DISABLED PEOPLE

- 15.1 The financial test of resources (means test) prescribed by the government is outdated and sometimes assesses applicants as being able to afford a contribution, when in reality they cannot or even assesses them as having a "nil grant" when in reality they would not be able to afford the works, or would be expected to spend all of their life savings on the work. The Council have in the past had to refuse a grant to applicants because of this, which leaves the applicant struggling to provide or going without the adaptation. This can put unnecessary pressure on the care system and may affect the person's independence and health if they cannot adapt their home according to their needs.
- 15.2 Whilst the DFG allocation can sustain it, a reviewed means test will be applied to all DFG applicants to disregard the first £25,000 of household income. Household income takes into account any income from savings as well as benefits and wages. In times when the DFG budget is reduced, the Council will revert to the standard government prescribed means test. In the reviewed means test the remaining income after the first £25,000 will be used in the calculation. This method will allow the council to help more applicants on low income, who would otherwise be considered only if they can contribute the determined amount towards the work. Qualifying applicants will be eligible to a maximum of £30,000 grant but any contribution determined whilst using the reviewed means test will have to be paid by the applicant.

16.0 EMERGENCY STAIRLIFTS

- 16.1 A discretionary grant of up to £4,000 can provide an urgent stair lift in a disabled person's home in cases of delayed discharge from hospital or where a person is liable to become disabled following an operation (such as leg amputation) and a stair lift is required before the person can be discharged.

16.2 The grant has no conditions and no means test is applied. The grant can be accessed by owner occupiers and private tenants (with the landlord's permission). The request for a stair lift will be assessed by a suitably qualified person such as an Occupational Therapist. The responsibility for its maintenance and servicing would be with the grant recipient. The council have a right to choose a preferred contractor to supply and install the lift.

17.0 MINIMUM STANDARD FOR FUNDING OF DISABLED ADAPTATIONS IN HOUSING ASSOCIATION STOCK

17.1 With the increasing use of the DFG funding stream by housing associations, an agreement was reached with the Kent Housing Group to bring more clarity for users and better equity in funding adaptations between local authorities and social housing providers. Since the agreement has been in place and as housing budgets decrease, fewer Housing Associations are able to meet the terms of the agreement. Each Housing Association who originally signed up to the agreement will be written to, prior to commencement of the DFG on a case by case basis to confirm whether they will make any contribution.

17.2 Where the Housing Association agrees, the funding of adaptations within housing association stock will be split as follows:

- Cost up to £1,000 – housing associations to fund 100%
- Cost between £1,000 and £10,000 –housing associations to fund 40%, LA to fund 60% via DFG (where DFG eligible)
- Cost over £10,000 – LA to fund 100% via DFG (where DFG eligible)

18.0 NO USE EMPTY (NUE) & FOLKESTONE AND HYPHE NO USE EMPTY PLUS (NUE+)

18.1 Folkestone and Hythe No Use Empty Plus (NUE+) is a (national award winning) scheme run jointly between Folkestone and Hythe and Kent County Council. The main aim is to provide loans to bring empty properties back into use as quality housing accommodation for either rent or sale.

18.2 It was recognised that there was scope to provide extra finance on top of the existing NUE £25,000 per unit (provided by KCC), as some projects take more money to make them viable.

18.3 As a result of this Folkestone and Hythe Council provides another £15,000 per unit of accommodation as a "top up" to give a £40,000 limit, which has already proved very popular and helped to provide homes where it was thought not previously possible.

18.4 As with the existing NUE scheme, the main criteria are for the property to be empty for 6 months or over, with the loan secured by means of a land registry charge. The loan can then be repaid either when the property is sold or after 3 years if it has been available for rental.

18.5 This assistance will be targeted at longer-term empty properties (longer

than six months) with a degree of dereliction which are blighting the street or area, adversely affecting the living conditions of neighbours and, particularly where they are attracting vandalism, crime and rubbish dumping. Assistance for empty homes will be available throughout the District, but will only be considered where the nature and location of the property makes it a priority to the council at the discretion of the Housing Assistance Review Panel.

- 18.6 Empty Homes Loans will not attract any interest charges during the term of the loan (3 year period).
- 18.7 In determining the offer of an Empty Homes Loan to a landlord the council will not require a means test; however, a credit check will be carried out. Loans will not be offered in cases where an applicant fails the appropriate credit check or if the landlord is deemed to be not fit and proper.
- 18.8 Eligible works, as specified by the council, may include comprehensive repairs and improvements to the external and internal fabric of the building including replacement roofs (where repair is no longer viable), repairs to chimney stacks, gutters, rainwater pipes, doors, windows, ceilings, walls, floors, and repair or renewal of the electrical installation. Relevant fees to the approved Supervising Officer, or for Building Regulations or Planning approval, or any other agreed professional fees, can be included as part of the Loan calculation.
- 18.9 On completion of the works the property must meet the Decent Homes Standard and be free from category 1 hazards. Details of the standard can be found in appendices 3 and 4.
- 18.10 The council will not consider applications for financial assistance towards the repair or replacement of garages, conservatories, sheds, outbuildings, porches or commercial premises. External or internal redecoration, central heating installations or double-glazing/window replacement simply to upgrade do not qualify for assistance unless they form part of a refurbishment scheme to bring the property up to the Decent Homes Standard or to alleviate hazards.
- 18.11 The owner will be required to repay the loan in full if the property is sold within the term of the loan, or if the council considers it is not available for letting.
- 18.12 Loan offers are not transferrable, nor are the conditions of the Loan to be transferred to a third party.
- 18.13 Any requests to waive Loan repayment in part or whole or to alter the council's status on the Land Charges Register will not normally be considered except in very exceptional circumstances. This will be determined by the Head of Service (or subsequent Directors with responsibility for housing improvement activities) in consultation with the council's legal team and the Cabinet Member for Housing.
- 18.14 If conditions are broken after approval of council assistance and before completion of works, then payments made in respect of partially completed

works shall be repaid to the council in full, together with compound interest.

19.0 SHEPWAY LIFELINE

19.1 Shepway Lifeline plays a vital role in helping vulnerable people to live independently in their own homes within the community. The service is able to address a range of client needs. As well as assisting clients requiring assistance within their home, for example clients who may have suffered a fall, the service can also assist clients with complex needs due to the onset of dementia. The service has recently installed assistive technology for a client suffering from dementia. The technology alerts family members when the client unexpectedly leaves their home.

20.0 GENERAL

20.1 Initially, verbal or written enquiries for assistance can be made to the Private Sector Housing Team at the Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY, telephone 01303 858660, e-mail: privatesector.housing@folkestone-hythe.gov.uk . Written enquiries should include specific details of the assistance requested and the owner's circumstances, preferably with a contact telephone number.

20.2 The council's Private Sector Housing Team is available on the above telephone number to discuss any applicant queries regarding this policy.

20.3 Some day to day decisions will be considered by the Housing Assistance Review Panel. This panel will normally consist of the Housing Strategy Manager and the Private Sector Housing Team Leader and decisions will be made in consultation with the cabinet portfolio holder. Other people will be invited to join the Panel to assist in decision making as required. The aim of this is to provide a formalised system for unusual cases to be discussed and considered on the merits of the individual case, while still promoting consistency of decision making.

20.4 In some cases, the Panel will determine the course of action. In others, generally where the situation is exceptional or tends to set a significant precedent, a report will be presented to the Head of Service and Cabinet Member for Housing who will then make a decision.

20.6 An example of a situation that would be dealt with by the Panel could be considering a request for grant aid to be provided as an exception to general policy, also it could be where emergency, life threatening or other urgent circumstances arise and where no other financial assistance is available.

20.7 Where a grant or loan is provided as an exception to the general policy the standard financial assistance conditions will apply. Additional conditions may be attached for individual cases. For more details see Appendix 1 for the Eligibility Criteria and Conditions.

- 20.8 Appeals about how the policy is operated in individual cases, for example, where an enquiry or application for assistance is refused, will be referred through to and dealt with by using the council's complaints procedure.
- 20.9 Appeals must be set out in writing and sent to the Complaints and Information Team, Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY. The appeal submission must include the specific grounds on which the appeal is based. Appeals will be considered only on the following grounds:
- That the policy has not been applied correctly to the case in question, for example there has been a mistake; or
 - That the case in question is exceptional in some way that justifies an exception to the general policy.
 - Where an applicant believes that their application for assistance has not been properly considered by the council's officers.
- 20.10 The council welcomes any general queries, complaints or suggestions about this policy. You should set out any comments in writing and send them to the Private Sector Housing Team at the Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY. All comments will be carefully considered and a written reply will be given. Where appropriate, you will be contacted to discuss the views that you have put forward.

ELIGIBILITY CRITERIA AND CONDITIONS

- 1.1 In accordance with this policy council assistance may be in the form of a grant, loan or other means, as specified by the council from time to time.

2. PERSONS APPLYING FOR HOUSING ASSISTANCE

- 2.1 To qualify for Housing Assistance a person must:
- 2.2 Live in the dwelling as his sole place of residence except for a landlord who intends to make the dwelling available for letting to a vulnerable household.
- 2.3 Have an owner's interest in the dwelling or be a tenant or licensee of the dwelling, alone or jointly with others.
- 2.4 Have a duty or right to undertake the works in question and have the explicit permission in writing from the owner to do so.

3. FORM OF APPLICATION

- 3.1 The application for assistance under this Policy shall be in the form prescribed and approved by the council and may be varied by the council as it considers appropriate. The applicant will be required to provide all or some of the following:
- 3.2 Full details, including approved plans of the works for which assistance is requested.
- 3.3 Detailed estimates from at least two builders of similar standing (unless there is only one provider of specialist equipment or services available) for the works in question. The contractors concerned may not be members of the applicant's immediate family.
- 3.4 Details and receipts for the costs of any professional fees incurred or to be incurred in relation to the application for assistance.
- 3.5 Documented proof that the applicant is the owner, tenant or licensee of the dwelling in question.
- 3.6 Where the applicant is not the owner, written consent from all owners that the applicant may undertake the works in question.

3.7 If the applicant is an owner, an undertaking to repay any financial assistance provided for breach of the conditions listed in paragraph 12 below.

3.8 If the applicant is a landlord, to enter into an agreement that the dwelling will be made available to a vulnerable household on completion of works.

4. AMOUNT OF ASSISTANCE

4.1 The council will specify a maximum amount or a formula for calculating the maximum amount of assistance which may be paid and may specify different maxima for works of different descriptions.

5. EXCLUSION OF WORKS ALREADY CARRIED OUT

5.1 The council will not generally approve an application for assistance if the works, the subject of the application, have been carried out before the application is approved.

5.2 Where the relevant works have begun but have not been completed, the application may be approved if the council is satisfied that there were good reasons for beginning the works before the application was approved.

Any works commenced before the approval of any assistance may not be included within the eligible costs.

6. DECISION AND NOTIFICATION

6.1 The council will notify an applicant in writing whether the application for assistance is approved or refused. The notification will be provided as soon as reasonably practicable and, in any event, not later than eight weeks after the date of the completed application concerned.

6.2 When an application is approved the notification will specify the works which are eligible for assistance, the value of the assistance and the form that the assistance will take.

6.3 In the case of a refusal the council will explain in writing the reasons for the refusal and the procedure for appealing against the decision.

6.4 If the council is satisfied that, owing to circumstances beyond the control of the applicant, the cost of the assisted works has increased or decreased, it may re-determine the amount of the assistance and notify the applicant accordingly.

7. SUPERVISION OF WORKS

7.1 The contract of employment will be between the applicant and the chosen contractor and **will not** include the council.

7.2 The responsibility for supervision of the works rests with the applicant. The council will require the applicant to appoint either the local home improvement agency (HIA) or a suitably qualified supervising officer to project manage any grant/loan application.

8. PAYMENT OF ASSISTANCE: CONDITIONS AS TO CARRYING OUT WORKS

8.1 The assistance will be paid only if:

- (a) The assisted works are completed within twelve months from the date of approval, and three months in the case of Home Safe Loans and Winter Warmth Loans, or such further period as the council may subsequently allow.
- (b) The assisted works are carried out in accordance with the conditions of approval.
- (c) The assisted works are carried out by one of the contractors whose estimates accompanied the application.
- (d) The applicant confirms his/her acceptance of and satisfaction with the completed works and these works have been executed to the satisfaction of the council (In exceptional circumstances or in the case of a dispute, the council has the discretion to make or withhold a payment).
- (e) The council is provided with an acceptable invoice, demand or receipt for payment for the works and any professional fees and other charges. For this purpose, an invoice, demand or receipt is acceptable if it satisfies the council's audit standards and is not submitted by the applicant or a member of his family.

9. PAYMENT OF ASSISTANCE

9.1 The council will normally pay the assistance direct to the contractor either on the completion of the works or by up to four instalments as work proceeds.

9.2 Where assistance is payable but the assisted works have not been executed to the satisfaction of the applicant the council may, at the applicant's request and if it considers appropriate to do so, withhold payment to the contractor. If it does so, the council may make the payment to the applicant instead.

9.3 Where assistance is in the form of a loan the council will enter into legal agreements with the parties at the appropriate time to ensure that the loan can be recovered. Loans will be registered as a charge at the Land Registry or in the case of a mandatory DFG or Winter Warmth loan, the loan element will be registered as a local land charge.

10. REPAYMENT WHERE APPLICANT IS NOT ENTITLED TO GRANT

10.1 If an application for assistance is approved but it subsequently appears to the council that the applicant or, in the case of a joint application, any of the applicants, was not at the time the application was approved entitled to assistance, no payment shall be made. In the case where payment has

been made by instalment, no further instalment shall be paid and the council may demand that any payments already made be repaid forthwith, together with compound interest.

11. CONDITIONS FOR REPAYMENT OF ASSISTANCE

- 11.1 If the owner of the dwelling to which the application relates ceases to be the owner before the works are completed, he/she shall repay to the council on demand the amount of any assistance that has been paid together with compound interest.
- 11.2 If an owner of the dwelling(s) to which the application relates having undertaken to let the dwelling(s), ceases to let the dwelling(s) in accordance with his/her agreement with the council, he shall repay to the Council on demand the monies in accordance with this policy.
- 11.3 Where the council has the right to demand repayment but there are extenuating circumstances, it may determine not to demand repayment or to demand an amount less than the full amount.
- 11.4 Flexible repayment options exist for repayment of all assistance within this Policy. Please contact the council for details.

12. ADDITIONAL CONDITIONS

- 12.1 Where the council approves an application for assistance it may impose additional conditions with the consent of the applicant.
- 12.2 The additional conditions include, but need not be confined to:
- a) Require the applicant to make contribution towards the assisted work;
 - b) The council having the right to nominate tenants to the living accommodation provided;
 - c) The council having the right to recover specialised equipment when no longer needed;
 - d) Requiring the appointment of managing agents to oversee and manage the letting of the living accommodation provided;
 - e) Requiring the living accommodation provided to be maintained in repair after the assisted works has been completed.
- 12.3 Breach of any of these additional conditions shall give the council the right to demand repayment of the assistance as listed within paragraph 12.2 above.

SECURITY FOR ASSISTANCE

- 12.4 Any condition above that creates a liability to repay the assistance shall be a charge registered at the Land Registry or a local land charge.
- 12.5 The liability to repay any assistance may be discharged at any time by paying to the council a sum equal to the amount of the assistance or such lesser sum as the council may agree.

APPENDIX 2

DEFINITION OF A VULNERABLE PERSON

A vulnerable person is someone who is in receipt of one of the following qualifying benefits

- Income Support
- Universal Credit
- Council Tax Reduction
- Working Tax Credit (with a disability element, maximum income amounts apply)
- Childs Tax Credit (maximum income amounts apply)
- Pension Credit
- Income based Job Seekers Allowance
- Attendance Allowance
- Disability Living Allowance or PIP
- Industrial Injuries Disablement Benefit
- War Disablement Pension
- Income-related Employment and Support Allowance

Note:

Benefit types may change over the period of this policy, however, the criteria is based on eligible means tested benefits.

APPENDIX 3

HOUSING, HEALTH AND SAFETY RATING SYSTEM (HHSRS) – HOUSING ACT 2004

Dwellings which fail to meet this criterion are those containing one or more hazards assessed as serious ('Category 1') under the HHSRS.

1. Damp and mould growth
2. Excess cold
3. Excess Heat
4. Asbestos and MMF
5. Biocides
6. CO and fuel combustion products
7. Lead
8. Radiation
9. Uncombusted fuel gas
10. Volatile organic compounds
11. Crowding and space
12. Entry by intruders
13. Lighting
14. Noise
15. Domestic hygiene, pests & refuse
16. Food safety
17. Personal hygiene, sanitation, drainage
18. Water supply
19. Falls associated with baths etc
20. Falling on level surfaces etc
21. Falling on stairs etc
22. Falling between levels
23. Electrical hazards
24. Fire
25. Flames, hot surfaces, etc
26. Collision and entrapment
27. Explosions
28. Position & operation of amenities etc
29. Structural collapse & falling elements

DECENT HOMES STANDARD – DEFINITION

The definition of what is a decent home has been updated to reflect the Housing Health and Safety Rating System (HHSRS) which replaced the Housing Fitness Standard on 6 April 2006. A decent home meets the following four criteria:

a) It meets the current statutory minimum standard for housing

Dwellings which fail to meet this criterion are those containing one or more hazards assessed as serious ('Category 1') under the HHSRS.

b) It is in a reasonable state of repair

Dwellings which fail to meet this criterion are those where either:

- one or more of the key building components are old and, because of their condition, need replacing or major repair; or
- two or more of the other building components are old and, because of their condition, need replacing or major repair.

c) It has reasonably modern facilities and services

Dwellings which fail to meet this criterion are those which lack three or more of the following:

- A reasonably modern kitchen (20 years old or less);
- A kitchen with adequate space and layout;
- A reasonably modern bathroom (20 years old or less);
- An appropriately located bathroom and WC;
- Adequate insulation against external noise (where external noise is a problem);
- Adequate size and layout of common areas for blocks of flats.

A home lacking two or fewer of the above is still classed as decent, therefore it is not necessary to modernise kitchens and bathrooms if a home meets the remaining criteria.

d) It provides a reasonable degree of thermal comfort

This criterion requires dwellings to have both effective insulation and efficient heating. It should be noted that, whilst dwellings meeting criteria b), c) and d) are likely also to meet criterion a), some Category 1 hazards may remain to be addressed. For example, a dwelling meeting criterion d) may still contain a Category 1 damp or cold hazard.

List of funding streams for Housing Assistance

Scheme or Initiative	Funding source	Funded until?
Disabled Facilities Grants	Better Care Fund (DFG allocation) – direct from central government via KCC	Ongoing rolling annual programme – funding allocated in April each year.
Winter Warmth loans	Better Care Fund (DFG allocation)	Ongoing as above (part of DFG annual allocation)
Folkestone and Hythe and Dover Home Enablement Scheme	Better Care fund (DFG allocation) – partially funded with Dover District Council to cover residents of both areas.	SLA agreed on an annual basis. Funded by DFG allocation.
Handy Person Scheme and HIA services (including administration of grants and loans)	Folkestone and Hythe General Fund	Agreed during budget setting process (annual payment to Home Improvement Agency)
Home Safe loans	Folkestone and Hythe Capital budget (£100,000 p.a.)	Agreed annual budget Recycled loan funds cover this.
Folkestone and Hythe No Use Empty Plus Loans	Approved Folkestone and Hythe budget	Approved Folkestone and Hythe budget £350,000 p.a. since 2015/16 – approved to 18/19 and then subject to cabinet approval for using recycled funds in future.
Folkestone and Hythe Health and Housing Coordinator Service (at the William Harvey Hospital in Ashford)	Better Care fund (DFG allocation) – partially funded with Dover District Council to cover residents of both areas.	SLA agreed on an annual basis. Funded by DFG allocation.

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This Report will be made public on 10 July 2018

Report Number **C/18/21**

To: Cabinet
Date: 18 July 2018
Status: Non key
Head of service: Sarah Robson
Cabinet Member: Councillor David Monk, Leader

SUBJECT: Annual Performance Report, Making a difference: a snapshot of our year 2017/18

SUMMARY: This report sets out how the Council has continued to deliver for local people in the district in 2017/18 in response to the Corporate Plan (2017-20) vision of *investing for the next generation ~ delivering more of what matters*.

REASONS FOR RECOMMENDATIONS:

The Annual Report highlights the activities and achievements of Folkestone & Hythe District Council in 2017/18. The Council's current Key Performance Indicators need to be reviewed and aligned to measure the delivery of Corporate Plan's objectives and priorities.

RECOMMENDATIONS:

1. To receive and note report C/18/21.
2. To approve the Annual Performance Report, Making a difference: a snapshot of our year 2017/18.
3. To agree for current Key Performance Indicators to be reviewed and presented to Cabinet for approval.

1. BACKGROUND

1.1 The Council's Corporate Plan (2017-20) for the district, introduced six new strategic objectives:

- More homes
- More jobs
- Health Matters
- Appearance Matters
- Achieving Stability
- Delivery Excellence

1.2 Underpinning each strategic objective is a set of priorities that explain how each objective will be achieved.

1.3 Key Performance Indicators, currently collated on a quarterly basis, were not reviewed as part of the Corporate Plan refresh and currently do not fully align to how the Council will measure progress in delivering the strategic objectives and priorities. The ongoing work in this area means that 2018/19 will be something of a transitional year.

1.4 Therefore, this report contains a summary of the performance of Folkestone & Hythe District Council, providing a 'golden thread' to the delivery of the Corporate Plan strategic objectives. It is not designed to be an old fashioned annual report, with an exhaustive list of all our achievements, but more of a snapshot of some of the real highlights from 2017-18.

2. NEXT STEPS

2.1 It is recommended that the current Key Performance Indicators (KPIs) are reviewed and designed to measure our success in implementing the Corporate Plan's objectives and priorities.

2.2 The refreshed KPIs will offer a more outcomes-focused set of indicators that measure the Council's progress in delivering its key delivery plans and strategies.

2.3 The KPIs should include a mixture of both qualitative and quantitative measures as well as key milestones for major projects.

2.4 Consideration should be given to the inclusion of a number of engagement / perception measures to provide elected Members with direct feedback from residents and service users regarding their overall wellbeing; how they feel about living in their local area; how satisfied they are with Council services, and the outcomes that these services have helped them to achieve.

2.5 Rather than focusing on outputs that simply report information about levels of service take-up, activities and actions undertaken by the Council, KPIs should provide information on what the impact of activity has been on local residents and communities.

- 2.6 Whilst the KPIs may potentially look quite different going forward, Members should be assured that many of the current KPIs indicators may still need to be monitored at service level via Performance Indicators.

3. RISK MANAGEMENT ISSUES

- 3.1 There are no risk management issues arising from the Annual Report 2017/18.

4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

4.1 Legal Officer's Comments (SK)

There are no legal implications or risks arising directly out of this report. The Key Performance Indicators (as amended) must continue to take account of both existing and new statutory duties and responsibilities that are imposed on the Council by the Government. Failure to do so will put the Council at risk of legal challenge by affected residents and/or businesses. Whilst reporting on performance is not a statutory requirement, it is considered best practice to review the Council's progress against the Corporate Plan and Service Plans on a regular basis.

7.2 Finance Officer's Comments (CS)

There are no direct financial implications arising from this report. There is a presumption that targets will be delivered within existing resources of relevant departments and that officers will regularly review the level and prioritisation of resources required to achieve the targets agreed by Cabinet at the start of the year. Adverse performance for some indicators may have financial implications for the Council. In the event that targets cannot be achieved within the agreed envelope of resources officers are expected to raise the issue through the appropriate channels as the needs arise.

7.3 Diversities and Equalities Implications (SR)

Equality Impact Assessments (EIAs) are systematically carried out for any services, projects or other schemes that have the potential to impact on communities and / or staff on the grounds of particular protected characteristics or socio-economic disadvantage. Over the course of the year, performance against some indicators might potentially have equality and social inclusion implications, if performance is not at an acceptable level. These will be highlighted as necessary in the corporate performance reporting, along with details of the steps that will be taken to address these.

8. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Sarah Robson

Assistant Director – Strategy, Performance and Communications

Telephone: 01303 853426

Email: sarah.robson@folkestone-hythe.gov.uk

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

Appendices:

Appendix 1: Annual Performance Report, Making a difference: a snapshot of our year 2017/18



Folkestone and Hythe District Council Making a difference: a snapshot of our year 2017/18

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Leader's Statement



At Folkestone & Hythe we are very proud of what we have achieved. As a district council with big ambitions and strong and stable political leadership, we continue to deliver a range of major projects and initiatives ensuring we continue to be progressive and innovative in our approach.

In 2017 we set out our three year corporate plan vision of *investing for the next generation ~ delivering more of what matters*. This is our vision to transform the district and make Folkestone & Hythe a place that everyone can be proud to call home and a great place to work and do business. This plan builds upon the foundations that we had previously laid to help make Folkestone & Hythe a district which is ambitious and confident about its future.

This year we have continued to deliver for local people in the district, with many excellent examples outlined in this Annual Performance Report and brought to life through the 'Your District Today' publication. At the heart of this is our commitment to getting the basics right – collecting your rubbish, maintaining your parks and increasing the supply of new homes across the district. This report tells you how we are doing this. We have done all of this despite Government cuts which have hit all Councils hard.

However, we have not let limits on our budget limit our ambition. We have delivered a truly diverse range of capital projects focusing on putting the community and our customer first. Our drive to build more homes and create more jobs in the district were underpinned in early 2017 when we brought the Biggins Wood site and plan to deliver more homes - including affordable homes - and create high quality, modern workspace. Our ambitions continue with another major capital project to redevelop Princes Parade providing a leisure facility and ongoing health benefits to local people. Ultimately, our biggest aspiration is to deliver Otterpool Park – a garden town for the future, a new growing settlement that responds to its unique setting close to the Kent Downs Area of Outstanding Natural Beauty.

By using money wisely and treating every penny as if it were from our own pocket we will continue to lead the way in transforming the district while at the same time protecting the services that matter most. I am proud of all that we have achieved so far together and determined that we will keep delivering more of what matters in Folkestone & Hythe. However, our work does not end here. We have another busy year ahead and I look forward to building on the foundations of the past year into 2018-19 and reporting back to you on our progress in the coming year.

Cllr David Monk
Leader of the Council

Your Cabinet Members



Cllr David Monk
Leader of the
Council



Cllr Jenny
Hollingsbee
Deputy Leader,
Cabinet Member for
Communities



Cllr Malcolm
Dearden
Cabinet Member for
Finance



Cllr John Collier
Cabinet Member for
the District Economy



Cllr Ann Berry
Cabinet Member for
Transport and
Commercial



Cllr Alan Ewart-
James
Cabinet Member for
Housing



Cllr David Godfrey
Cabinet Member for
Special Projects



Cllr Rory Love
Cabinet Member for
Customers,
Communications
and Digital Delivery



Cllr Dick Pascoe
Cabinet Member for
Property
Management and
Environmental
Health



Cllr Stuart Peall
Cabinet Member for
the Environment

Your district

Our district has a population of approximately 111,000 of which 58.2% (32,700) of female residents and 60.1% (33,000) of males are of working age. Folkestone & Hythe has a growing population in line with the growth for the county of Kent, with a projected population increase of 8.3% by 2036 (120,400). The proportion of older people in Folkestone & Hythe is 23.8% (26,500), higher than Kent, South East and England and Wales. The number of people aged 65 and over within the district is set to increase by about 14,000 (52.7%) by 2036. This has implications for a wide range of services provided by the district council including housing and health.

The district is considered a good place to live and work with the number of jobs and full time earnings in the workplace increasing, whilst unemployment has fallen over the past two decades. Jobs are forecast to grow more quickly than the South East average up to 2031. However, although there has been growth in the numbers of jobs, these have been generally lower paid, lower skilled jobs. People claiming Job Seekers Allowance is also higher than in the comparator areas and South East average and residents' full time earnings are lower than the South East and national averages. Therefore, with a challenging economic environment there is no room for complacency. The district has a mixed business sector benefitting from great brand names including Saga, Eurotunnel Le Shuttle, Holiday Extras, the Aspinall Foundation and Church and Dwight, alongside a growing creative industry emerging from Folkestone's Creative Quarter. East Kent College continues to widen the range of courses and facilities it provides, offering an excellent further education offer within the area.

As a well-connected, coastal district in Kent with an attractive mix of urban and rural areas, we recognise the importance of maintaining a quality environment for residents and visitors alike including our heritage and conservation areas. We have outstandingly beautiful countryside and villages, the ancient Cinque Port Borough of Hythe, and the vibrant coastal town of Folkestone where significant private and public investment in the Old Town has created the unique Creative Quarter. Tourism is an important sector of our local economy supported by stunning coastline with award-winning beaches, boutique hotels and popular visitor attractions including the Harbour Arm, Howletts and Port Lympne wild animal parks.

We work in partnership with neighbouring authorities to plan for and deliver the needs of the East Kent area. Transport links are excellent, with the international high speed railway link from Folkestone making London accessible within an hour. The ever popular Eurotunnel means the French coast is within reach in less than 35 minutes. The district is well served by the motorway network with the M20 and M2 providing direct links to the Channel Ports and M25.

Your Council

There is a three tier local Council system in Kent made up of the county council, 12 district and borough councils, parish and neighbourhood councils, alongside Medway Council operating as a unitary. There are 13 wards in the district currently represented by 30 elected councillors.

Folkestone & Hythe District Council is responsible for the delivery of many different public services. Some of our key priorities include planning for a successful local economy with high levels of employment, delivering excellent value and high performance, and working together to support the life of living, working communities. Services provided include household waste collection and recycling, street cleaning, car parks and on-street parking, environmental health, housing and homelessness, managing local parks and open spaces and providing local culture and leisure activities and facilities.

The Council and its staff won a number of national awards during 2017/18 for the delivery of its services, including;

- **Customer Service Excellence:** a Government standard developed to offer a practical tool for driving customer-focused change within their organisation. Following the completion of a surveillance visit, the Council retained its CSE accreditation.
- **iESE Gold Award:** Our Revenue and Benefits Team won the 'Transforming through Technology' award for reinventing the way the service is operated for both the customer and Council, developing online services and integration into back office systems offering a more efficient, resilient service for the customer while significantly reducing its annual service area costs.
- **Empty Homes Network** – Innovation Award winner for the Council's No Use Empty Plus scheme, working with property owners, community and housing organisations to return long-term empty properties back into use to meet the district's housing needs.
- Finalist for **IRRV Revenues Team of the Year**

Summary of performance in 2017/18

During the year, the Council introduced its refreshed Corporate Plan outlining six new strategic objectives:

- More Homes
- More Jobs
- Appearance Matters
- Health Matters
- Achieving Stability
- Delivery Excellence

The Council uses the outturns for the performance measures to determine whether it has been successful in achieving its annually set targets. Key Performance Indicators, currently collated on a quarterly basis, were not reviewed as part of the Corporate Plan refresh and currently do not fully align to how the Council will measure progress in delivering the strategic objectives and priorities. The ongoing work in this area means that 2018/19 will be something of a transitional year.

Therefore, this report contains a summary of the performance of Folkestone & Hythe District Council. It is not designed to be an old fashioned annual report, with an exhaustive list of all our achievements, but more of a snapshot of some of the real highlights from 2017-18.

More Homes- *Provide and enable the right amount, type and range of housing*

We said we would:

- Deliver homes that meet the needs of our changing population
- Accelerate supply of housing
- Prevent homelessness through early intervention
- Create a new Garden Town at Otterpool Park
- Improve private sector housing conditions
- Bring empty homes back into use
- Plan for strategic growth in the district



New homes at Gurkha Way, Folkestone

How we performed in 2017/18

- 612 new homes were built across the district, significantly above the Core Strategy requirement of 350 and target of 400, helping support our local requirement of 8,000 new homes for the period 2006-2026.
- Together with partners, we delivered a total of 99 new affordable homes for rent and shared ownership boosting the supply of much needed homes in the district.
- 10 homes for affordable rent and 5 for shared ownership purchase were completed at Military Road, including 4 fully wheelchair accessible homes. The affordable rent homes were let to local households on the Council's Housing List. A further 20 affordable homes for rent and shared ownership will be delivered at the site by the Council and ready for occupation in 2018/19.
- A robust planning agreement enabled the Council to deliver 38 affordable homes for rent and shared ownership purchase at Shorncliffe Garrison in partnership with Moat Housing and Town and Country Housing Group.
- Working with partners, we helped improve the condition of 250 private sector homes, helping to support better standards of living for households across the district.
- 74 long term empty homes were returned to use across the district, providing more good quality homes for local people.
- Our Prevention Plus service launched last summer supported by a MHCLG 'Communities Fund' grant and has helped to proactively prevent people from becoming homeless in the first place. The service provides housing advice together with a support package including work placements, volunteering and access to physical and mental wellbeing activities, alongside removing traditional barriers to help, such as training, travel and where appropriate, childcare costs.

- Public consultation concluded for the draft Places and Policies Local Plan, which identifies a large number of sites for housing, employment and other types of development throughout the district up to 2031. More than 800 comments were received and reviewed, with the final draft due to be submitted to the Planning Inspector for public examination in 2018, which will include public hearings where people can put their views across.
- Consultation commenced on an early review of the adopted Core Strategy Local Plan. The draft plan provides a strategic, long-term plan for the district up to 2037 and includes policies for further expansion at Sellindge, alongside developing a new garden town in the North Downs Area (Otterpool Park) eventually providing up to 10,000 homes, employment land, schools, health centre and other community facilities, enhanced by green spaces aligning to the garden town principle.

Description	Target 2017/18	Outturn 2017/18	Target met (√/X)
New homes built	400	612	√
Council new builds to start on site	20	22	√
Additional affordable homes delivered in the district by the Council and its partner agencies	80	99	√
Homes provided in the district for low cost home ownership	32	51	√
Long term empty homes brought back into use	70	74	√
Private sector homes improved as a result of intervention by the Council and its partner agencies	130	254	√
Number of homelessness approaches made to the Council	No target	610	N/A
Number of homelessness decisions made	No target	376	N/A
Average number of people in temporary accommodation	No Target	37	N/A
Number of families in temporary B&B accommodation.	6	0	√
Number of homelessness approaches prevented	No target	24	N/A
% of major planning applications to be determined within statutory period	50%	86.08%	√

More Jobs - *Work with businesses to provide jobs in a vibrant local economy*

We said we would:

- Support local employers to flourish
- Identify key sites for future employment opportunities
- Encourage appropriate development and promotion of commercial premises
- Support partners to deliver dynamic and diverse high streets
- Explore opportunities to support the nuclear industry
- Enable appropriate infrastructure to enhance connectivity



Land at Mountfield Road, New Romney

How we performed in 2017/18

- Over 70 local people were supported to help set up and develop their small businesses through a programme of business information, advice and guidance.
- The masterplan for Phase 4 of Mountfield Industrial Estate in New Romney was completed and sites identified for development of a hub to provide space for small businesses and skills training.
- £2.5 million of European funding was secured for the 'Folkestone Community Works' community-led local development (CLLD) programme which will help to support local people into work and businesses to grow in the areas of highest deprivation in Folkestone.
- 68 new apprenticeship grants were awarded to local businesses to take on local residents, as part of the Council's initiative to encourage local employers to grow their workforce. The scheme has been running for 6 years and awarded 433 grants to date.
- An employers' survey was initiated to ascertain the skills needs of local employers and to identify any skill gaps. This resulted in the Folkestone campus of East Kent College introducing new construction-related courses, such as civil engineering.
- A new tourism website www.visitfolkestoneandhythe.co.uk was launched by Folkestone & Hythe Tourism Board to promote the district's attractive leisure, historic and cultural offer.
- Council investment of £120,000 towards the Creative Foundation over 3 years culminated in the most successful Folkestone Triennial to date, bringing the public artworks of local and international artists together and attracting nearly 200,000 additional visitors to Folkestone.
- The nuclear sector has been a very important part of the local economy for over 50 years as a result of the Dungeness site and EDF's power station. Any decommissioning will have a direct impact on the district over the next 10-15 years, therefore the Council has been actively involved at looking at new opportunities, including responding to the Government's 'Geological Disposal Facility Working With Communities' consultation in 2017.

- Planning consent was provided to Folkestone Town Centre Management's proposal for a new street market in the Sandgate Road precinct area. This will introduce a speciality food market, including a Christmas Market, which will bring greater diversity to the retail offer and increase footfall in the area.
- Discussions commenced with BT Openreach to assess the possibilities of extending superfast broadband into New Romney, which will help support and encourage small and medium sized businesses to locate to the area.

Description	Target 2017/18	Outturn 2017/18	Target met (√/X)
Applications for external funding	2	4	√
Investment in the SDC area scheme	1	1	√
Delivery of the business accommodation scheme	1	0	X
	<p><i>Mountfield Road, New Romney: The feasibility and master planning work on the remaining Council-owned plots was completed in 2017/18 and the sites and associated costing for developing a business/skills hub identified. An application for grant funding has been submitted to support delivery of the scheme and is currently awaiting decision. Detailed planning consent is being progressed for one of the site options by Autumn 2018.</i></p> <p><i>Biggins Wood, Folkestone: The development has taken longer than originally anticipated due to the need to consider options to manage and reduce risk to the Council who are leading on the scheme.</i></p>		
Delivery of the engagement programme to key employers	6	16	√
Apprenticeship grants awarded	75	68	X
	<p><i>The number of grants awarded was higher than the previous year, but not met due to closing the scheme to new applicants in September 2017 to enable financial completion by the programme end, together with lower demand from local employers in view of national changes to apprenticeship schemes.</i></p>		

Appearance Matters - *Provide an attractive and clean environment*

We said we would:

- Keep the district clean and tackle environmental issues
- Maintain and improve natural and historic assets
- Maintain a high quality environment through active enforcement
- Work with partners to boost the appearance of the district
- Prepare a new recycling, waste and street cleansing contract for the district
- Provide clean and well maintained public spaces
- Protect and manage the coastal sites in an environmentally sustainable way



Resurfacing at Coronation Parade, Folkestone

How we performed in 2017/18

- As part of a Trade Waste clampdown on businesses in the Dover Road area, 8 formal Notices were issued, receiving Fixed Penalty Notices as appropriate, with one case being referred to the courts.
- A successful prosecution was heard in Court in relation to a breach of a Community Protection Notice regarding accumulation of waste. The Courts found the defendant guilty and ordered payment of £2,348 in costs.
- More than £4,500 fines were issued to three Folkestone residents for untidy gardens.
- 6 successful investigations were undertaken to combat fly tipping, resulting in prosecutions and substantial fines and costs being claimed.
- Early morning enforcement patrols were launched in early 2018 at problematic hotspots for flyposting, dogs off leads and dog fouling, contributing to a total of 42 Fixed Penalty Notices being issued in the period January to March 2018.
- The Lower Leas Coastal Park and Royal Military Canal, the district's two Green Flag award-winning parks were given the green light after a visit from a 'secret shopper'. The two popular parks got the secret shopper's seal of approval in all 24 test areas and an overall Green Light showing that they met award criteria.
- The Folkestone Townscape Heritage Initiative, a partnership between the Council, the Creative Foundation and Kent County Council, helped restore and refurbish almost 20 properties and public spaces throughout the Old Town, including the former Fellenberg College in Church Street, the birthplace of physician William Harvey in 1578.
- Vital coast defence work completed at Coronation Parade, with repairs undertaken to the concrete arches and promenade, stabilising the cliffs and extending the current rock placement to ensure this popular location can continue to be used and enjoyed for years to come.

Description	Target 2017/18	Outturn 2017/18	Target met (√/X)
Percentage of household waste recycled	47%	43.9%	X
	<i>The amount of household waste generated increased in 2017/18, which has impacted our recycling rate. Service enhancements and promotions are being explored to consider how waste can be reduced and higher rates of household recycling encouraged.</i>		
Number of missed collections per 100,000 population	50	2.8	√
Percentage of streets surveyed clear of litter within the district	95%	99%	√
Percentage of streets surveyed clear of detritus within the district	90%	96%	√
Number of days to remove fly tipped waste on public land once reported	3 days	0.8 days	√
Percentage of returns to empty a missed bin by the end of the next working day if it is reported within 24 hours.	100%	93.9%	X
	<i>Waste vehicle breakdowns largely attributed to the target not being met. Old vehicle stock is now being replaced and we will assess whether there are any additional contributing factors to not meeting this target.</i>		
Average number of hours to remove offensive graffiti in public places	5 hours	2.4 hours	√
Number of enforcement notices serviced	60	165	√
Compliant Air Quality Monitoring Sites	14	14	√
Enforcement - Fixed Penalty Notices issued	50	76	√
Maintain a 4+ rating on trip advisor for the Coastal Park	4	4.5	√

Health Matters - *Keeping our communities healthy and safe*

We said we would:

- Promote healthy lifestyles within our communities
- Reduce the impact of anti-social behaviour
- Support the South Kent Coast Health & Wellbeing Board and Local Children's Partnership Group
- Ensure access to high quality open space
- Provide a new district leisure facility
- Ensure the best use of our community assets to support community and voluntary sector organisations
- Help reduce health inequalities through our services and partnership working



New play area at Radnor Park, Folkestone

How we performed in 2017/18

- We hosted the first Dementia Conference in the district providing advice, support and improving awareness. Coupled with our dementia friendly business programme, our efforts resulted in the registration of over 300 new Dementia Friends.
- More than 500 children from across the district attended Safety in Action Day, an interactive event for Year 6, to learn about some of the risks and dangers they may face including drug and alcohol awareness, road safety and sexual exploitation as they become more independent and prepare for transition to secondary school.
- An additional One Stop Shop weekly drop-in service for victims of domestic abuse was introduced in Lydd. The existing service operating from Folkestone Early Years Centre continues, with more than 363 people being supported in 2017/18 and attended by a range of partners including domestic abuse workers, Kent Police, Kent Fire and Rescue Service, JobCentre and a health visitor.
- More than 30 children from local schools took part in Tall Ships, a life changing, cross border project with schools in Boulogne, France. Those involved experienced different cultures, formed new friendships, improved confidence and self-esteem and overcame many personal and physical challenges, culminating in a 4 day sailing voyage as part of the Boulogne Sea Festival.
- Our Local Children's Partnership Group distributed over £40,000 funding towards local community projects empowering young people to make safe and positive decisions, promoting healthy weight and positive self-image.
- 165 Member Ward Grants totalling £90,000 benefitted local charities and the community.

- As part of National Volunteer Week, we worked in partnership with Radio Kent, Mears and a team of volunteers from across the district to improve The Vinery, a public space on The Leas, blighted by graffiti, rubbish and anti-social behaviour. Working together, the space was transformed into a beautiful public space that could be used again and has become a safe and popular community space for people to sit and enjoy the commanding views of our much loved coast.
- Working with Radnor Park Community Group, East Kent College, local charities and businesses, we delivered a major regeneration project at Radnor Park. As well as providing modern new outdoor play facilities, the project preserved and enhanced the park's heritage, reinstating the Victorian water fountain and statue of St Eanswythe. The renovation of the Tea Room in the historic park lodge provides opportunities for students with learning difficulties to gain valuable work experience in catering and customer services.
- The 4th Annual Kent & Medway Civilian Military Covenant Conference was hosted at Leas Cliff Hall as part of our ongoing commitment to the Armed Forces Covenant. The event showcased successful Covenant funded projects, information about the needs and experiences of service children and an update from Government regarding future priorities for the Covenant.
- We continued to monitor General Practice staff shortages, rising patient demand and the impact on local practices, predominantly in Folkestone wards, as part of our engagement with East Kent Clinical Commissioning Group.
- Working in partnership with Citizens Advice, Shepway Sports Trust and Quarterhouse we awarded funding in support of increasing health and wellbeing for local communities.
- We promoted healthier communities and place making as part of a forward plan for health in new developments such as Otterpool Park and Princes Parade leisure centre.
- More than 130 food businesses were inspected across the district, helping to ensure food is safe to eat and preventing and controlling the spread of infectious disease and food poisoning.

Description	Target 2017/18	Outturn 2017/18	Target met (√/X)
ASB Complaints that have been investigated and resolved	100	103	√
Number of supported community litter picks	24	47	√
Number of community volunteer hours	1,200 hours	1,521 hours	√
Number of corporate social responsibility business volunteer hours	240 hours	671 hours	√
Number of licensed premises inspected	No target	134	N/A
% of premises rated 3 or above	95%	95.01%	√

Achieving Stability - *Achieve financial stability through a commercial and collaborative approach*

We said we would:

- Ensure strong financial discipline
- Explore alternative income streams including commercial opportunities
- Develop an investment strategy for the longer term benefits of the district
- Explore opportunities including working collaboratively to achieve efficiencies, reduce costs and improve resilience
- Optimise the financial benefit from major developments in the shorter and medium term
- Identify 'Invest to Save' opportunities



*'Efficient and effective in managing its resources' –
Grant Thornton*

How we performed in 2017/18

- In an independent review of the Council's spending, London based auditors, Grant Thornton praised the Council for putting proper arrangements in place to secure economy, efficiency and effectiveness in the use of its resources and delivered value for money.
- Planning application fees generated income of £605,000 and planning pre-application advice a further £78,000, exceeding budget targets for the year.
- Oportunitas Ltd, the Council's Housing and Regeneration Company successfully generated over £213,000 in rental income in 2017/18. Since 2014, the company has built an extensive portfolio of property (29 homes and 1 commercial unit), with a further 4 units due for completion in early 2018/19.
- An Asset Management Strategy was approved giving the Council a platform to achieve market value from its buildings and land holdings, ensuring our assets provide a valuable income stream to support other services.
- We were awarded the contract for undertaking grounds maintenance on behalf of Hythe Town Council.
- A successful bid was submitted to monitor Thanet District Council's 'out of hours' service.
- As an Institute of Leadership and Management (ILM) Approved Centre, the Council delivers leadership and management qualifications to develop staff across East Kent authorities, attracting additional income from study fees.
- The Council's transformation programme commenced and will help to significantly improve delivery of services, providing the easiest and most accessible way to suit our customer needs.

Description	Target 2017/18	Outturn 2017/18	Target met (√/X)
Business Rates collection	97.5%	99.4%	√
Council Tax collection	97.3%	97.6%	√
Council Tax reduction collection rate	85%	84.4%	X
	<i>The Council offers its customers Council Tax reduction subject to eligibility. Due to changes to the local scheme in 2017, eligible customers are now required to pay at least 25% of their Council Tax bill, compared to 18.5% in previous years. This has affected the collection rate due to low income customers finding it difficult to manage their household budgets.</i>		
Oportunitas – Value of works invoiced	£40,000	£66,988	√
Oportunitas – Net income retained	£8,000	£13,331	√
Leas Cliff Hall Annual ticket sales achieved	£50,000	£65,760	√

Delivering Excellence - *Deliver excellent customer service through commitment of staff and members*

We said we would:

- Focus on the customer in delivering excellence
- Create a 'Digital by default' approach to services
- Keep all councillors, staff and customers informed
- Retain and recruit staff to deliver the new ways of working and challenges ahead
- Motivate and enable staff to maintain and enhance performance
- Sustain and develop a flexible and responsive workforce
- Recognise and reward the value of staff



"Passion and drive" in delivering services to meet customers' needs and expectations. - CSE Assessor

How we performed in 2017/18

- We retained our Customer Service Excellence Accreditation, with the independent assessor praising the Council for putting its customers first and our "passion and drive" in delivering services to meet customers' needs and expectations.
- 90% of customers using the new web chat service positively rated it good/excellent.
- A convenient online customer facility was introduced for reporting changes in circumstances, including Council Tax, Benefits, NNDR, Street Naming and Numbering, elections, Finance, Food Hygiene, Legal, Licensing and Environmental Services.
- Online databases for key service information became available online, helping customers to instantly retrieve data, rather than submit a freedom of information request, which can take up to 20 days to process.
- As part of Democracy Week we worked in partnership with East Kent College to promote the value of voting and democracy, encouraging more young people to voice their opinion and make their vote count in elections.
- Our officers helped ease the transition to Universal Credit, providing customers with additional support and guidance based from the local JobCentre.
- Administrative work relating to planning applications increased by over 16% in the year, but officers managed this increase and improved turnaround times for customers by 11%.
- The ILM Level 3 Diploma qualification in leadership and management was launched, investing in Council staff aspiring to team leader level, which will help support, develop and retain our 'home grown' talent.
- A Staff Recognition scheme was initiated, recognising staff at all levels in the Council who 'go the extra mile' to provide excellent customer service, support our core values and deliver our corporate priorities.

Description	Target 2017/18	Outturn 2017/18	Target met (√/X)
Customer Services - Calls served (versus number of calls received)	80%	82.2%	√
Customer Services - Abandoned calls	2%	17.2%	X
	<i>A positive channel shift to the Council's online self-service facilities has been promoted through telephone 'queuing' messages, encouraging customers to use self-serve. However, this does have an onward impact on the amount of abandoned calls.</i>		
Customer Services - Reduced Dissuaded Calls	1%	0.71%	√
Customer Services - Average wait for calls (except peak times)	3 mins	3 mins	√
Customer Services - Customers seen within 10 minutes of an appointment	90%	99.1%	√
Customer Services - Self-serve transactions	10%	202.4% <i>Equates to 28,253 customer transactions</i>	√
Average number of days to process new claims for Housing Benefit from the date the complete evidence is received	10 days	7.6 days	√
Average number of days to process change of circumstances for Housing Benefit from the date complete evidence is received	7 days	4.6 days	√
All complaints will be acknowledged within 5 days	100%	100%	√
Planning - Respond to all Local Land Charge searches within 10 working day	100%	100%	√
Parking - Respond to all Fixed Penalty Notice challenges within 20 working days	100%	92.1%	X
	<i>An increase in Controlled Parking Zones introduced in 2017/18 impacted existing administration resources and will be reviewed in 2018/19.</i>		
Lifeline - Number of calls answered in 60 seconds.	97.5%	97.97%	√

Get in touch

Do it online at www.folkestone-hythe.gov.uk

- PAY your Council Tax
- FIND your bin collection day
- SEE planning applications via our Planning Portal
- REPORT littering / fly tipping / abandoned cars
- REGISTER to vote
- BUY your annual car parking permit
-and more!

It's clear, simple and fast and is also available on your tablet or mobile.

Website: www.folkestone-hythe.gov.uk

Facebook: FolkestoneandHytheDC

Twitter: @fstonehythedc

Instagram: @folkestonehythedc



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This Report will be made public on 10 July 2018



Report Number **C/18/23**

To: Cabinet
Date: 18 July 2018
Status: Non key decision
Head of service: Charlotte Spendley, Head of Finance
Cabinet Member: Cllr Malcom Dearden, Portfolio Holder for Finance

SUBJECT: RISK MANAGEMENT POLICY & STRATEGY

SUMMARY: This report presents an updated Risk Management Policy & Strategy for adoption by Cabinet which will provide a framework for officers to develop a refreshed Corporate Risk Register as well as Operational, Project & Partnership Registers in due course.

REASONS FOR RECOMMENDATIONS:

A clear framework as outlined within the strategy will ensure consistency in approach across the organisation, provide clarity of roles with respect to Risk Management and enable progress towards an embedded Risk Management culture within the organisation.

RECOMMENDATIONS:

1. To receive and note report C/18/23
2. To adopt the proposed Risk Management Strategy

1. BACKGROUND

- 1.1 The Risk Management Policy and Strategy was last refreshed in 2014, in line with good practise a full review of the Policy Statement and Strategy has been undertaken to ensure it remains effective and applicable for the organisation.
- 1.2 Effective risk management is a key framework in the management of a complex organisation such as Folkestone & Hythe District Council. The new strategy seeks to provide Members and officers with a clear framework by which to work within, as well support the development of a risk management culture within the Council.
- 1.3 The Financial Procedure Rules state:
“It is the overall responsibility of the Cabinet to approve the Council’s Risk Management Policy and Strategy, review it on an annual basis and to promote a culture of risk management awareness throughout the Council.”
This report seeks to support the Cabinet in fulfilling this responsibility.

2. CHANGES TO THE POLICY & STRATEGY

- 2.1 The objectives of the Policy have been amended to reflect the desire to create a mature approach to risk management within the Council, where risk based decision making is undertaken and risk management becomes proactive and embedded in our normal management and business processes. This approach will be particularly key as the Council embarks on a more commercial agenda.
- 2.2 To enable this the scoring of risk has been simplified and guidance included within the Strategy to provide officers with a benchmark by which to score against. Additionally greater clarification has been provided on the options for mitigation to assist officers in determining appropriate actions to control the identified risks.
- 2.3 The risk management cycle (Identify, Assess, Prioritise, Mitigate, Control, Review) remains similar to the previous approach, as are the overarching categories of risk that will be captured through the different risk registers (Corporate, Operational, Project & Partnership), however greater clarity has been provided to aid the understanding of how risks will be captured for each register and also how the registers may interact with each other.
- 2.4 Finally the proposed layout of the Risk Register has been amended to include information on the proposed mitigation for the identified risk, including proposed actions, timeframes, and target score for the identified risk. Additionally a risk matrix will be developed which will be a pictorial version of the current score of risks, which provides a snapshot of the risk exposure for Members at a point in time.

3. SUMMARY & NEXT STEPS

- 3.1 The Corporate Leadership Team had commissioned the review of the Policy & Strategy in late Spring as the need to relaunch our approach to Risk Management had been identified. However since this the Peer Review has been undertaken which also identified the need to review and adopt a fresh approach as a priority action. It is encouraging that work was already underway on this point.
- 3.2 All Heads of Service and Directors have been consulted in the preparation of this document, to ensure that it is fit for purpose and understood by all, this should aid the next steps proposed.
- 3.3 SMT are meeting on 9 July to commence the development of a new Corporate Risk Register, which will be reported to Members in September. Additionally work will be commencing on refreshed Operational, Project and Partnership Risk Registers over the coming months.

4. RISK MANAGEMENT ISSUES

4.1

Perceived risk	Seriousness	Likelihood	Preventative action
Failure to have a current Risk Management Policy & Strategy adopted will cause inconsistencies in approach across the Council	High	Low	A revised Policy & Strategy document has been prepared and relevant officers consulted.
Failure to have a current Risk Management Policy & Strategy adopted will affect the Councils ability to deliver effectively on its Corporate Plan objectives	High	Low	A revised document has been prepared for adoption that provides for the management of Corporate Plan Objective risks.

7. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

7.1 Legal Officer's Comments (AK)

There are no legal implications arising directly from this report

7.2 Finance Officer's Comments (CS)

There are no direct financial implications of this report.

7.3 **Diversities and Equalities Implications (CS)**

There are no direct implications of this report.

8. **CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

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

Charlotte Spendley, Head of Finance

Telephone: 01303 853420

Email: charlotte.spendley@folkestone-hythe.gov.uk

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

Appendices:

Appendix 1: Risk Management Policy & Strategy

Risk Management Policy & Strategy

June 2018



Risk Management Policy

1. Policy Statement

The Risk Management Policy of Folkestone & Hythe District Council (FHDC) is to adopt best practice in the identification, evaluation, and cost effective control of risks.

Risk is a factor of every-day life and can never be eliminated completely. FHDC is exposed to risk through threats to service provision, failure to deliver its strategic objectives and from the potential of lost opportunities.

All employees must understand the nature of risk and accept responsibility for risks associated with their area of authority. The necessary support, assistance and commitment of senior management will be provided.

Ultimately, effective risk management will help ensure the Council maximises its opportunities and minimises the risks it faces, improving our ability to achieve our strategic objectives and have an effective and sound system of governance in place. This framework will be particularly helpful in moving towards a more commercial approach.

2. Objectives

The council's risk management objectives are to:

1. Develop risk maturity and establish an appropriate risk appetite focussed on identifying, managing and mitigating risks which may prevent the Council from achieving its strategic objectives.
2. Manage risk in accordance with best practice.
3. Embed risk management in our normal management & business processes
4. Anticipate and respond quickly change.
5. Minimise the total cost of risk.

These objectives will be achieved by:

1. Establishing a risk management organisational structure to act in an advisory and guiding capacity and which is accessible to all employees.
2. Adopt processes, which demonstrate the application of risk management principles across the whole council.
3. Providing risk management training as necessary.
4. Devise and maintain contingency plans in key risk areas to secure business continuity where there is a potential for an event having a major impact upon the council's ability to function.
5. Have a proactive approach to managing and anticipating events before they happen through maintaining effective communication and the active involvement of councillors and officers.
6. Monitor arrangements continuously, learning from our mistakes and near misses.

3. Review period

In line with our policy to follow best practice, the Risk Management Strategy will be reviewed annually during Quarter 4 of the financial year so as to capture developments in relevant risk management approaches.

Section 2 – Risk Management Strategy

1. Introduction

1.1 Risk management will help identify and deal with key corporate risks facing the organisation in the pursuit of its objectives; it is a key part of good management, not simply a compliance exercise.

2. What is risk management?

2.1 “It is the process whereby organisations methodically address the risks attaching to their activities with the goal of achieving sustained benefit within each activity and across the portfolio of all activities.” (*A Risk Management Strategy* by the Institute of Risk Management)

2.2 In layman terms, risk management is about ensuring that processes, projects, services and activities are delivered in the best possible manner, while reducing the probability of failure and maximising opportunities.

3. The benefits of good risk management

3.1 Good risk management supports the achievement of the council’s objectives and has a crucial role to play in ensuring that Folkestone & Hythe District Council is well run. Risk management is about managing the threats that may hinder delivery of our priorities and core services, and maximising the opportunities that will help deliver them. It is important that risk management is aligned to the service plans, MTFS, Corporate Plan, policy making, performance management and strategic planning of the organisation.

3.2 The key benefits of a systematic approach to risk management are:

- Protects and enhances the reputation of Folkestone & Hythe District Council
- It provides a framework for future activity to take place in a consistent manner
- Contributes to a more efficient use of capital and resources
- Assists in the protection and enhancement of assets
- Optimises operational efficiency and focus

4. Types of risk – corporate, operational, project and partnership

4.1 Risk Management is integral to corporate planning, specific projects and service management. Categories of risk to be considered are:

4.2 Corporate risks

These are risks that need to be taken into account when looking at the medium to long term objectives of the council. Corporate risks would typically be identified and addressed within the council's Corporate Plan or Medium Term Financial Strategy (MTFS). These risks can be identified through the following sub-categories (this is not an exhaustive list but intended to provide guidance):

- Political – those associated with a failure to deliver either local or central government policy.
- Economic – those affecting the ability of the council to meet its financial commitments.
- Social – those relating to the effects of demographic changes on the council's ability to deliver its objectives.
- Technological – includes the consequences of internal technological failures on the council's ability to deliver its objectives.
- Legislative – those associated with current or potential changes in national or European law.
- Environmental – those relating to environmental consequences of progressing the council's Corporate Objectives.
- Competitive – those affecting the competitiveness of the service and/or its ability to deliver best value.
- Customer – those associated with the failure to meet the current and changing needs and expectations of customers.
- Reputation – those relating to public confidence and failure to recruit high calibre staff.

4.3 Operational risks

These are generally identified and managed by Assistant Directors, Heads of Service and Service Managers as part of their operational business remit. These are risks that managers and staff will encounter in the daily course of their work and can be identified through the following sub-categories:

- Professional – those associated with the particular nature of each profession.
- Financial – those associated with financial planning and control and the adequacy of insurance cover.
- Legal – those related to possible breaches of legislation, breach of contract, negligence, etc.
- Physical – those related to fire, security, accident, prevention and health and safety.
- Contractual – those associated with the failure of contractors to deliver services or products to agreed cost and specification.

- Technological – those relating to reliance on operational equipment.
- Environmental – those relating to pollution, noise or the energy efficiency of ongoing service operations.
- Human Resources – those relating to staff issues.

4.4 Partnership risks

Folkestone & Hythe District Council works with a range of partners to deliver services. It is important that those partners are brought into the risk management framework to ensure that risks to the council are not overlooked. Risks are identified and addressed in formal partnership agreements and contracts as appropriate. The primary risks are:

- Financial – failure to understand the potential financial liabilities associated with partnership arrangements.
- Reputation – loss of public confidence.
- Contractual – contract requirements not delivered.
- Legal – failure to understand the potential legal liabilities associated with partnership arrangements.
- Service failure – the associated risk of increased costs.

4.5 Project risks

Folkestone & Hythe District Council has a number of major strategic projects that require risk mapping. These projects will have inherent risks and opportunities. Where the project poses a significant risk or is of strategic importance to the delivery of the Corporate Plan an overall risk should be identified within the corporate risk register. The project itself should have a project risk register that is managed by the Project lead/ Project Sponsor and regularly reviewed by the wider project team.

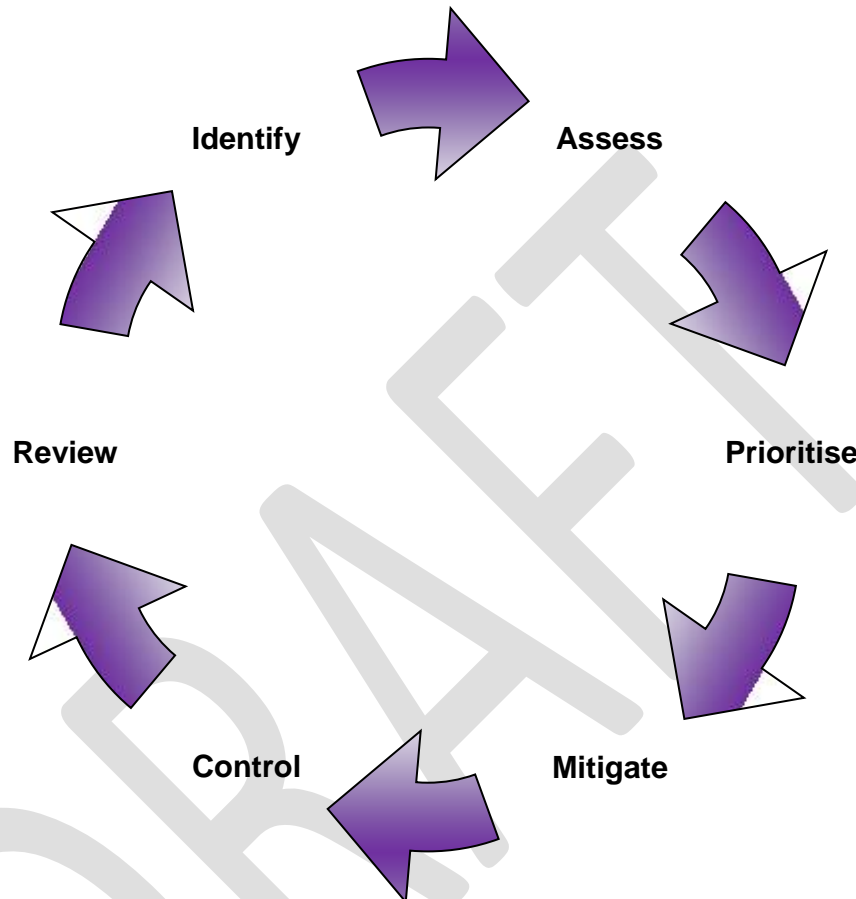
5. Risk management cycle

5.1 There are a number of steps in the cycle of identifying and managing risks within the council. These should be as follows:

- **Identify** – a need to identify the potential risks that may arise if informed decisions are to be made about policies or service delivery methods.
- **Assess** – available data should be used to provide information to help assess the probability of any risk arising or the potential impact on activities undertaken.
- **Prioritise** – action determined on the tolerance and aversion to risk, balanced against the availability of limited resources.
- **Mitigate** – should the risk be terminated, tolerated, treated or transferred.
- **Control** – once the appropriate action is determined for each risk, the process of controlling that risk can commence. This will either involve minimising/eliminating the risk and/or alleviating its potential impact.

- **Review** – risk management needs to be seen as a continuous process. It is essential that the incidence of risk be reviewed to see whether it has changed over time.

5.2 The risk review cycle is captured in the diagram below, which emphasises the need for risk to be embedded as an ongoing process throughout the organisation (diagram 1):



6. Risk identifying, assessing and prioritising

6.1 Risk assessment is about asking:

- What can go wrong?
- What are the opportunities that may be missed?
- What is the likelihood of it going wrong?
- What is the impact should it go wrong?
- What can be done to mitigate the risk?

6.2 This approach can be applied to decisions made every working day, at all levels of the council. However, to ensure appropriate risk management is embedded throughout the organisation formal risk identification is also necessary to capture the key risks faced and identify appropriate mitigation.

6.3 Risks are scored out of four for their likelihood and potential impact. These two figures are multiplied together to give the risk score. This is shown in the Risk Scoring Matrix below. The risk scores then provide an overall ranking for each risk.

6.4 Risk Management Matrix (diagram 2)

Likelihood	Very Likely (4)	Moderate (4)	High (8)	Extreme (12)	Extreme (16)
	Likely (3)	Low (3)	Moderate (6)	High (9)	Extreme (12)
	Unlikely (2)	Very low (2)	Low (4)	Moderate (6)	High (8)
	Rare (1)	Very low (1)	Very low (2)	Low (3)	Moderate (4)
		Minor (1)	Moderate (2)	Significant (3)	Severe (4)
	Impact				

6.5 The definitions of likelihood and impact are outlined below, these are intended as guidance:

Likelihood

Rating	Score	Likelihood
Very Likely	4	More than 85% chance of occurrence Regular occurrence Circumstances frequently encountered
Likely	3	More than 65% chance of occurrence Likely to occur within next 12 months Circumstances have been encountered
Unlikely	2	31%-65% chance of occurrence Likely to happen within next 2 years Circumstances occasionally encountered
Rare	1	Less than 30% chance of occurrence Circumstances rarely encountered or never encountered before

Impact

Rating	Score	Impact
Severe	4	Loss of service for a significant period Fatality to an employee, service user or other Failure to meet major corporate objective Breach of law Financial loss in excess of £500k
Significant	3	Financial loss in excess of £250k Intervention in running a single service area Significant or disabling injury Failure to achieve a high profile major service objective Breach of contractual arrangement
Moderate	2	Service interruption Injury to employee, service user or other Financial loss between £50k-£250k Adverse media coverage/ high levels of service user complaints Failure to achieve a service objective
Minor	1	Minor service disruption/ short term inconvenience Financial loss less than £50k Isolated service user complaints Failure to achieve a team objective

6.6 Once risks have been scored, decisions can be made on the appropriate mitigating action (see Section 7 below).

7. Mitigating actions to control the risk

- 7.1 Once a risk has been identified analysed and profiled, there are four ways to control the risk:
- **Treat** – identify and put in place mitigating actions that reduce the risk to an acceptable level.
 - **Transfer** – the risk is transferred partially or fully to a third party (e.g. contractual agreement/ insurance) to share the risk exposure. This may have a cost attached and whilst the financial risk may be transferred, a reputational risk may remain with the authority.
 - **Tolerate** – Some risks can be tolerated without any further action being taken. For some risks, no further action may be possible or the cost may be disproportionate to the potential benefit gained (consideration should be given to a contingency plan for handling the impact if the risk crystallises).
 - **Terminate** – stop the activity or function that gave rise to the risk (where possible).
- 7.2 If the option is to treat or control the risk, then a decision needs to be made on the best control to put in place. Controls need to be proportionate to the risk and need to give reasonable assurance that the loss will be confined to within an acceptable level for the authority.

8. The Corporate Risk Register

The council's Corporate Risk Register is the core element of the arrangements laid out in this strategy as it represents an articulation and assessment of key risks facing the organisation. As such only the key risks identified in the council's Corporate Plan and MTFS would typically be included in the Corporate Risk Register. In addition where appropriate emerging or changing operational or partnership risks identified by Heads of Service that have a significant bearing on the organisation will be discussed with CLT (Corporate leadership Team) to determine whether these risks need to be included on the Corporate Risk Register. A more details explanation of this process is provided in Section 9 (below).

The diagram below (diagram 3) outlines the risk management journey outlined in this strategy and relationship to the Corporate Risk Register:



9. Responsibility and ownership of risk management

Clear identification of roles and responsibilities is paramount to ensuring the successful adoption of risk management and its embedding into the culture of the council. This strategy supports the roles and responsibilities as outlined in the Financial Procedure Rules, Section C.1. In addition this section sets out how these responsibilities are to be applied.

9.1 Cabinet and Elected Members

Cabinet and Elected Members are to oversee the effective management of risk throughout the council. As such Cabinet will review the council's Risk Policy and Strategy and Corporate Risk Register annually in Quarter 2 of the financial year (following these documents being reviewed by the Corporate Management Team and Audit and Governance Committee in Quarter 1). It is also expected that relevant risks are discussed at monthly Portfolio Holder Meetings with Corporate Directors.

9.2 Corporate Leadership Team

The council's Corporate Leadership Team (CLT) are to ensure that the council manages risk effectively through the development and embedding of the Risk Management Strategy plus monitoring its implementation and development. CLT will review the council's Risk Policy and Strategy and Corporate Risk Register annually in Quarter 1 of the financial year, ahead of these documents going to Cabinet and Audit and Governance Committee.

CLT will undertake a formal quarterly review of the corporate risk register but will also actively consider emerging or changing risks on a regular basis.

9.3 Assistant Directors/Heads of Service

The Assistant Director – Strategy, Performance & Communications will have overall accountability for overseeing the council's risk management framework and ensuring that the ownership and governance arrangements outlined within this strategy are adhered to.

Assistant Directors and Heads of Service are to manage risk effectively in their service areas. It is also their role to consider risks to services being delivered in partnerships and to work with partnerships to develop partnership risk registers. As such it is expected that Heads of Service work with their Managers and Team Leaders to develop and maintain Operational Risk Registers for their business unit, as well as lead or commission project/partnership risk registers where appropriate. Heads of Service will also be responsible for determining when operational risks reach such a level that they should be escalated to CLT for consideration of their inclusion in the council's Corporate Risk Register.

Heads of Service & Assistant Directors are responsible for ensuring their risk registers remain current and relevant and are encouraged to have emerging risks as a standing item on their Team Leader meeting agendas.

9.4 All Council Staff

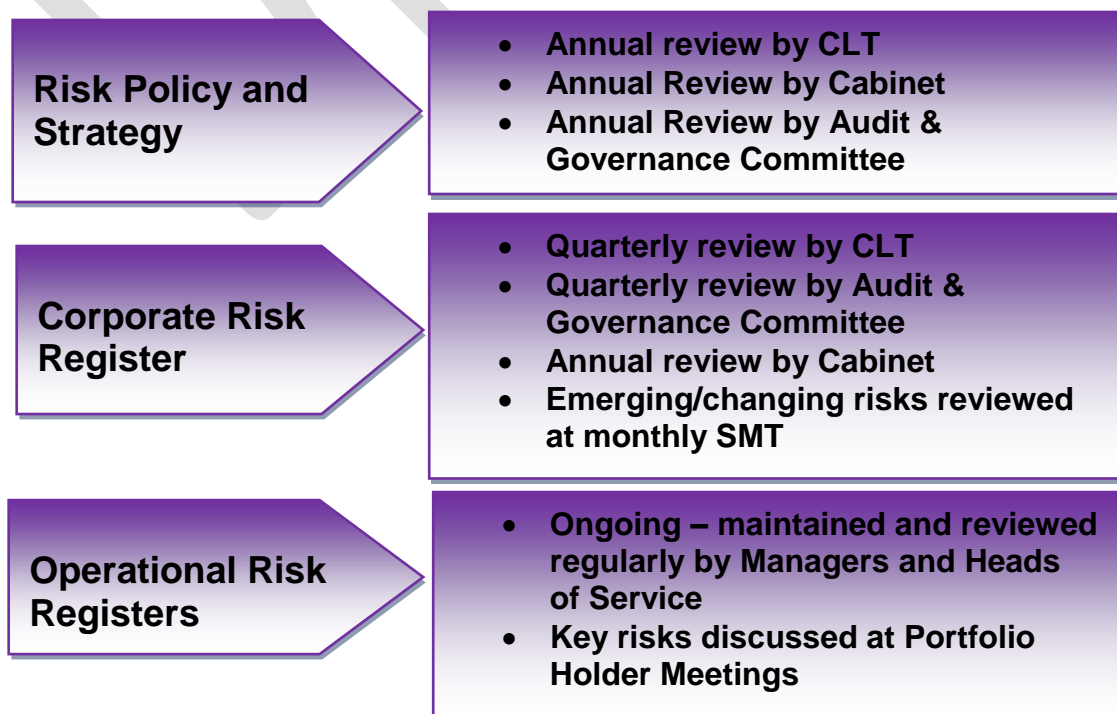
All council staff are expected to manage risk effectively in their day-to-day tasks and to liaise with their line manager to assess areas of risk within their role. Also council staff should also be familiar with the council's Risk Management Strategy and to comply with Health and Safety procedures. If any staff member feels they require training on either Risk or Health and Safety they are to raise this in their monthly one-to-one with their Team Leader. Staff should also take responsibility to escalate risks to their manager so appropriate controls can be agreed.

9.5 Audit and Governance Committee

Audit and Governance Committee are to consider the effectiveness of the authority's risk management arrangements, and to seek assurance that action is being taken to mitigate those risks identified. As such an update on the Corporate Risk Register will be presented at each Quarterly Audit and Governance Committee. In addition Audit and Governance Committee will review the council's Risk Policy and Strategy and Corporate Risk Register annually in Quarter 1 of the financial year, ahead of these documents going to Cabinet.

11. Governance and Reporting

In line with the responsibility and ownership details outlined above the following diagram (diagram 4) details the governance and reporting timetable arrangements for both the Risk Management Policy and Strategy and the Corporate Risk Register.



10. Supporting Documents

10.1 Corporate Risk Register 2018/19 (file path)

10.2 Financial Procedure Rules, Section C.1 (file path)

DRAFT

Folkestone & Hythe District Council- Risk Register layout

Risk ID	Risk Name	Risk Owner	Risk Description /Trigger	Actions in place	Pre-mitigation Score			Mitigation scheme (Tolerate, Treat, Transfer, Terminate)	Proposed Actions	Timeframe	Post-mitigation Score		
					Likelihood	Impact	Total				Likelihood	Impact	Total

This report will be made public on 10 July 2018

Report Number **C/18/20**

To: Cabinet
Date: 18 July 2018
Status: Non-Key Decision
Head of Service: Charlotte Spendley, Head of Finance
Portfolio Holder: Councillor Malcolm Dearden, Cabinet Member for Finance

SUBJECT: COUNCIL TAX REDUCTION SCHEME 2019/20 – CONSULTATION

SUMMARY: The existing scheme for Council Tax Reduction (CTR) has existed in its current form since 1 April 2017. This report sets out draft scheme options that can form the basis for consultation.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to approve the following recommendations because the Local Government Finance Act 1992 requires a local authority to have approved a scheme for the provision of Council Tax Support in 2019/20 by 11 March 2019. Changes are designed to reduce administration for the Council whilst producing a simpler, more transparent scheme for the customer in response to wider welfare reform.

RECOMMENDATIONS:

Cabinet is asked to:

1. To receive and note report C/18/20.
2. To agree for the options to be put forward for the public consultation.
3. To agree the proposed public consultation.

1. BACKGROUND

1.1 On 21 December 2016 Full Council considered and approved the Council's Council Tax Reduction Scheme 2017/18. It resolved (minute 161) that:

- 1) Council agree the following for the CTRS scheme from April 2017:
 - a. To agree to introduce options 2, 3, 5, 12 and 13 to align the scheme to Housing Benefit legislation.
 - b. Remove Second Adult rebate (option 11)
 - c. To introduce a standard non-dependant deduction of £10.00 (option 7).
 - d. To introduce a banding cap of D to CTR cases (option 10).
 - e. To introduce a hardship scheme (option 14).
- 2) Council agree to reducing the maximum level of support for working age applicants from 81.5% to 75% (option 1)
- 3) Council agree to automatically adjust the scheme to ensure that they are in line with national welfare changes (paragraph 6.4).

1.2 Since the introduction of the scheme there have been changes in welfare reform that have required the Council to review the existing scheme and the impact that it will have on residents and the authority in the future.

1.3 The introduction of Universal Credit full service from 30 May 2018 in the district will have a significant impact on the Council's CTR scheme. This is a trend being recognised nationally as more schemes are adapted to meet the changing needs of residents.

1.4 Any proposed significant changes to the scheme will require a full public consultation and agreement at full Council by 11 March 2019.

1.5 Any proposed change would only relate to working age residents as the pensionable age regulations are maintained by Central Government and out of scope for local review.

2. DRIVERS FOR CHANGE

2.1 From 30 May 2018 working age residents that apply for 'legacy benefits' (Income Support, JobSeekers Allowance, Employment Support Allowance, Working & Child Tax Credits and Housing Benefit) in the Folkestone JobCentre area will have to claim Universal Credit instead of the legacy benefits.

2.2 Under the new benefit scheme claimants will receive once monthly payments encompassing their qualifying benefits. This does not include Council Tax Reduction which remains an administrative function of the Local Authority.

2.3 Research in areas where Universal Credit has already rolled out has identified trends in three key areas:

- Low take up of customers in receipt of Universal Credit applying for Council Tax Reduction
- Large numbers of change in circumstances received by Councils via DWP's data hub. Approximately 40% of UC cases will have an adjustment each month.
- Collection difficulties with multiple demand notices being issued.

- 2.4 National trends have demonstrated that on average Universal Credit customers receive at least 8 change notifications in a year. Under the existing scheme each change to income would produce a new demand notice for the customer; amending their installments on a regular basis and making it difficult to collect via Direct Debit due to rules around the administration.

3. IMPACT TO THE RESIDENT

- 3.1 Multiple changes for the customer in Universal Credit would result in a knock on effect of multiple changes for the customer in their Council Tax Reduction award. Using the existing scheme, which is a calculation on tapered income, any small change to income can amend the CTR award.
- 3.2 Regular changing of installments can make it difficult for a customer to use Direct Debit as payment method, due to the lead in times that the Council needs to advise the customer of a change before taking payment. Multiple demand notices can also be confusing for residents to keep up with.
- 3.3 Regular changes can also provide the customer with difficulties in budgeting as they would not have a regular payment amount known for their Council Tax. This can lead to difficulties in paying which leads to further action and potential costs to vulnerable residents.

4. IMPACT TO THE COUNCIL

- 4.1 Multiple changes have demonstrated to have a significant negative impact on administration and billing for the Local Authority in areas where UC has already rolled out. Each change that results in a new demand notice will need to be administered by an officer and the demand notice will need to be produced, either by post or email, and sent to the charge payer.
- 4.2 If a resident has a monthly change it may not be possible to collect payments via Direct Debit due to the regular changes. This has been recognised nationally where collection rates for CTR cases have reduced significantly. The worst reported figures are 55% collection which is a significant decrease on local targets (85%). This would have a negative impact on collection and recovery teams.

5. NEW SCHEME FRAMEWORK

- 5.1 Banding schemes have become more common in CTR in areas where Universal Credit has had an earlier impact. One such example is the London Borough of Sutton.
- 5.2 A banding scheme would reduce the number of changes to entitlement and improve opportunities for billing and collection. Whilst the Council still needs to review each change this simplifies the assessment process for officers, treating CTR more as a discount and moving away from it being a benefit with traditional benefit rules.
- 5.3 A banding scheme would also enable the resident to budget their payments as the scheme could operate using a simpler formula that could be used by residents. An example of this can be seen in Table 1.

Table 1

Band	Single Weekly income (£)	Couple Weekly income (£)	1 Child Weekly income (£)	2+ children Weekly income (£)
1-75% discount	0.00 to 110.00	0.00 to 160.00	0.00 to 190.00	0.00 to 270.00
2-55% discount	110.01 to 150.00	160.01 to 190.00	190.01 to 220.00	270.01 to 340.00
3-35% discount	150.01 to 190.00	190.01 to 220.00	220.01 to 270.00	340.01 to 420.00
4-22% discount	190.01 to 280.00	220.01 to 310.00	270.01 to 340.00	420.01 to 495.00

5.4 An example scheme allows a resident to place their total income into a category. They would then use this to work out how much Council Tax they are due to pay. A banding scheme also considers that small changes are less likely to have impacts on the CTR award. Therefore less changes are needed for the issuing of demand notices throughout the year as only significant changes between bands would produce a change in award. This would benefit the customer with less changes to their CTR and less demand notices being produced.

5.5 It is recognised that such a scheme may impact detrimentally on some residents near the bottom of a band. The Council will continue to operate its Exceptional Hardship Payment scheme to support residents showing a need for additional support in their payments.

6. PRINCIPLES OF THE FRAMEWORK

6.1 The main features of a new scheme proposed to be applied across the district are as follows:

- i. The overall expenditure of the scheme will remain as close as at present;
- ii. The changes can only be made to the working age scheme as the current scheme for pensioners is prescribed by Central Government;
- iii. The current means – tested scheme will be replaced by a simple income grid model as shown by table 1;
- iv. The levels in each grid will be determined based on:
 1. Overall expenditure of scheme;

2. Ensuring maximum number of applicants are protected; and
 3. Ensuring that any losses to individual applicants are minimised.
- v. It is proposed that the highest level of discount will be set at current maximum level of liability (75%) and that all current applicants that are in receipt of a 'passported benefit' such as Income Support, Jobseeker's Allowance (Income Based) and Employment and Support Allowance (Income Related) receive maximum discount;
 - vi. The levels for all other bands will be determined during the modelling process – this is an ongoing process and will be undertaken regularly through the year to ensure that the final decision of the Council is as accurate as possible and protects applicants from significant change (either positive or negative);
 - vii. The scheme framework allows for variation in household size with the levels of income per band increasing where an applicant has a partner, and/or dependants;
 - viii. Where an applicant has non-dependants living with them, the new scheme will (either) disregard them or make a standard deduction from any entitlement, this is detailed further in sections 8.9 and 9.1;
 - ix. To encourage work the existing earnings disregards will be replaced by a standard £25 per week disregard across all applicant types;
 - x. Disability benefits such as Disability Living Allowance and Personal Independence Allowance will continue to be disregarded and, in addition, the Support Component of Employment and Support Allowance and Carer's Allowance will also be disregarded; again providing additional protection with the scheme. A disability disregard will also be included for all cases where there is a qualifying disability benefit in payment of £40 per week;
 - xi. Child Benefit and Child maintenance will continue to be disregarded within the scheme;
 - xii. The total disregard on war pensions and war disablement pensions will continue;
 - xiii. It is proposed that the capital limit used will be in line with the current scheme;
 - xiv. Extended payments will be removed; and
 - xv. Student rules will be amended in line with Council Tax legislation. Where there is a liability a reduction will be considered.

7. HOW THE NEW SCHEME FRAMEOWRK WILL ADDRESS THE PROBLEMS OF FULL SERVICE UNIVERSAL CREDIT

- 7.1 Due to the simplicity of the proposed new scheme framework and by taking a more 'Council Tax discount approach', it will address the problems associated with Universal Credit as follows:

i. **The scheme framework will require a simplified claiming process.**
In the case of Universal Credit applicants any Universal Credit data received from the Department for Work and Pensions will be treated as a claim for Council Tax Reduction. Where information is received from DWP, the entitlement to Council Tax Reduction will be processed automatically without the need to request further information from the taxpayer. This will have the following distinct advantages namely:

a. **Speed of processing**

Claims will be able to be calculated automatically and promptly without the need to request further information which inevitably leads to delays;

b. **Maximising entitlement to every applicant**

As there will be no requirement for Universal Credit applicants to apply, entitlement to Council Tax Reduction will be maximised with a reduced risk of loss of discount or the need for backdating;

c. **Maintenance of collection rates**

The new scheme will avoid constant changes in discount, the need for multiple changes in instalments and therefore assist in maintaining the high collection rates currently achieved.

ii. **The income bands are wide avoiding constant changes in discount.**

The current Council Tax Reduction scheme is very reactive and will alter even if the overall change to the person's liability is small. This is leading to constant changes in Council Tax liability, the need to recalculate monthly instalments and the requirement to issue a large number of Council Tax demands. The effect of this is that Council Tax collection is reduced where Universal Credit full service has been introduced.

The new scheme, with its simplified income banding approach will have the following advantages:

a. Only significant changes in income will affect the level of discount awarded; and

b. Council Taxpayers who receive Council Tax Reduction will not receive multiple Council Tax demands and adjustments to their instalments

iii. **A modern approach to changes in entitlement.**

The current Council Tax Reduction scheme is based on an old-fashioned benefit approach which alters entitlement on a weekly basis. The new scheme framework is designed to reflect a more modern approach, notwithstanding that the number of changes will be reduced, where discount changes it will be effective from the day of the change rather than the Monday of the following week;

iv. **A simpler scheme.**

The current Council Tax Scheme document is large, benefits based and unduly complex. The intention is to make the new scheme document simpler, reducing the level of complexity and more understandable to applicants.

8. CONSULTATION

- 8.1 As the proposals are a fundamental change to the current approach, full consultation is required with precepting authorities and with the public.
- 8.2 It is proposed that a consultation is carried out specifically targeting a sample of approximately 5000 Council Tax payers who are a representative sample of those paying Council Tax. This is the same size sample that was consulted on the scheme in 2016. The consultation questionnaire will also be available on the Council's web site and stakeholders such as CAB and Shelter will be directly contacted via email and invited to respond. This forum produced constructive feedback in the previous consultations.
- 8.3 The consultation will be web based. The questionnaire will be anonymous but will ask for basic personal details such as age, disability and CTR entitlement. This will enable the Council to demonstrate the diversity of groups feeding into the process.
- 8.4 A message facility, on Council Tax telephone lines only, will be utilised to more widely advertise the consultation.
- 8.5 Social media outlets and local press will be utilised to promote the consultation.
- 8.6 It should be noted that whilst there is a risk that customers could complete more than one questionnaire to try to influence results; this risk is felt to be low. There was no evidence of this during the previous three consultations. In addition, to completely exclude views of Council Tax payers who have not been specifically invited to respond but who have a view would not be fair.
- 8.7 The timeline for the consultation is drafted in table 2. Dates for presenting the final scheme will be confirmed at a later date but the scheme must be agreed and published by 11 March 2019.

Table 2

Key dates	Activity
30 July 2018	Open consultation
21 October 2018	Close consultation
<i>December 2018</i>	Present results and scheme to Cabinet
<i>Dec 2018 – Jan 2019</i>	Present results and scheme to Council
11 March 2019	Deadline for publishing agreed scheme for 2019/20
1 April 2019	New scheme live

- 8.8 The consultation will offer the choice of remaining with the existing scheme or a new banding scheme, offering examples as part of the information available.
- 8.9 It is also proposed to consider the inclusion of Non-Dependant charges in a new scheme. The cost implications of this with regards to the scheme are listed in table 3 (Non-Dependants are people other than the applicant's partner who are 18 years old or over residing in the property, currently that person would be expected to contribute towards payment of Council Tax of £10.00 per week). Whilst removing these charges would have an adverse cost, officers would not need to request information regarding the additional occupants such as their identification and

income, reducing administration significantly and making the scheme simpler to administer and understand.

9. POTENTIAL FINANCIAL IMPACTS OF OPTIONS

9.1 The estimated total level of expenditure for the Council Tax Reduction scheme for 2018/19 is £8,572,624. The intention is to maintain expenditure at current levels. The modelled expenditure for 2019/20 based on the new scheme is demonstrated on table 3.

Table 3

	Passported	Single	Couple	1 Child	2+ children
Total working age claims	3,214	566	121	390	611
Impact with Non Dep charges	£0	-£535	+£663	+£23,252	-£12,672
Impact with no Non Dep charges	+£139,381	+£18,237	+£7,963	+£43,588	+£6,099

The total difference to the scheme with Non-Dependant charges unchanged are predicted to have an additional cost of £10,708.

The total difference to the scheme with Non-Dependant charges removed are predicted to have an additional cost of £215,268.

It should be noted that these figures are estimates and can change due to monitoring of the modelling of the scheme.

10. EQUALITY IMPACT ASSESSMENT

10.1 A full Equality Impact Assessment, together with the results of the consultation, will be presented to Cabinet once the consultation is closed. At this stage, Cabinet is only being asked to agree draft scheme options that can be put out to consultation. The draft Initial Stage Equality Impact Assessment has been attached (Appendix 1) for reference.

10.2 Where an individual may suffer exceptional hardship, the scheme will include provisions to allow for additional support to be given.

11. LEGAL IMPLICATIONS

11.1 Schedule 1A (5) of the Local Government Finance Act 1992 as amended requires local authorities to consider the following:

For each financial year, each billing authority must consider whether to revise its scheme or to replace it with another scheme.

The authority must make any revision to its scheme, or any replacement scheme, no later than 11th March in the financial year preceding that for which the revision or replacement scheme is to have effect

- 11.2 In addition, where there are changes to the scheme, the authority is obliged under Schedule 1A (5) (4) *if any revision to a scheme, or any replacement scheme, has the effect of reducing or removing a reduction to which any class of persons is entitled, the revision or replacement must include such transitional provision relating to that reduction or removal as the authority thinks fit.*

12. RISK MANAGEMENT

- 12.1 The new scheme framework will inevitably change the amount of discount to some applicants. The modelling suggests that whilst a number will have an enhanced award, where any award is reduced applicants will be able to apply for an exceptional hardship payment.

A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Council not able to maximise collection due to increased demand notices	High	Medium	To review the scheme so that small changes in income are not reflecting in multiple changes to a CTR award with multiple demand notices.
Council not able to recover increase in arrears	Medium	Medium	To utilise resource effectively and administer hardship schemes appropriately.
Negative public reaction to proposals	Medium	Medium	Response from consultation will be taken into consideration when the final Scheme is recommended.
Potential legal challenge to 2019/20 CTRS	Medium	Low	Ensure full consultation has taken place with genuine options and that a proper equality impact assessment has been undertaken.

13. LEGAL, FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

13.1 Legal Officer's comments (DK)

There are no legal implications arising directly out of this report other than those already stated in it.

13.2 Finance Officers comments (CI)

There are no financial implications for the current financial year as expenditure will be maintained within the 18/19 budget. Section 9.1 details the potential financial implications for 19/20 onwards of either £10,708 or £215,268 dependent on scheme option. Pending the decision of Cabinet and the outcome of the consultation

additional expenditure will need to be built into the budget growth and savings agenda for the budget strategy for 19/20.

13.3 **Equalities and Diversities Implications**

The council has clearly defined responsibilities in relation to and awareness of those in the most vulnerable situations. It intends to engage with those affected and with representative groups through the consultation process. A full Impact Assessment will be brought to Cabinet at the same time as the results of the consultation and the final proposed Scheme.

13.4 **Communication comments (MR)**

The suggested approach to consultation is proportionate and should give a representative range of feedback on the proposed changes. The website will be a good central repository for the questionnaire and residents can also be directed to this via social media and news releases.

14 **CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

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

Report author: Andrew Hatcher

Telephone: 01303 853348

Email: andrew.hatcher@folkestone-hythe.gov.uk

14.2 **Appendices:**

Appendix 1 – Equality Impact Assessment

Appendix 2 – Questionnaire

Equality Impact Assessment Templates

Quick Guidance Notes

Stage 1. Screening Stage

Stage 1 of the template is classed as the Screening Stage. This should always be completed. **Remember it should be an integral part of policy development not a last minute thought.**

At this stage you should be assessing obvious negative/positive impact or gaps in knowledge about likely impact. It should be a relatively short process which makes use of any previous consultation results, any differences in user satisfaction among groups, personal knowledge and experience, research, reports, existing equality data about service usage, internet searches, internal and external specialist advice, employees with previous experience of similar work, known inequalities etc. **If the likely impact on a particular group is unknown, then action should be taken to acquire this information.**

If the impact is positive (i.e. the outcome will benefit an Equality Group) then no further action is required. If no positive or negative impacts are identified then no further action is required. If the activity has the potential to cause adverse/negative impact or discriminate against different groups in the community it will require a full impact assessment (Stage 2).

In some cases it might be easy to put in place simple adjustments to eliminate any negative impact while you are working through the screening process, especially if you already have clear evidence/consultation and the process is an integral part of your policy development. It should only be done if you are absolutely confident that no other impact will be identified. If you choose to do this you should clearly document the reasons/evidence and put in place monitoring to ensure action is taken if unanticipated impact occurs.

Stage 2. Full Equality Impact Assessment Report

Stage 2 of the EIA process guides officers through the full impact assessment process, ensuring that research/consultation with relevant equality groups has been carried out and leads to an action plan aiming to minimise the negative impact/s.

Consultation involves engaging with representatives from equality groups who are likely to be affected by the activity. It could involve engaging with employees and Members, trade unions, other public bodies, voluntary and community groups. It is important to ensure sufficient time and resources are dedicated to the consultation process to encourage full participation. You should refer to the Consultation Toolkit to ensure your consultation follows good practice. The Focus system should also be used and is able to give you information relating to other consultation activities across the council as well as existing groups/volunteers you may be able to access.

Take a Proportionate Approach

Your approach to assessing the equalities impact of a policy, strategy or service should be proportionate to the likely impact it will have. Issues you should consider include:

- the number of people likely to be affected
- the size of the budget/amount of money involved
- the extent of the proposed change
- wider public policy implications

This means you will assess more rigorously policies which are likely to have a significant impact on the local community.

Additional guidance notes to help you through the process are available in the Equality Impact Assessment Guidance Document.

DRAFT

Stage 1 and 2 Equality Impact Assessment Templates

Directorate: Finance

Service: Revenues & Benefits

Accountable Officer: Andrew Hatcher

Telephone & e-mail: 01303 853348 / andrew.hatcher@folkestone-hythe.gov.uk

Date of assessment: 22/06/18

Names & job titles of people carrying out the assessment:
Andrew Hatcher (Revenues & Benefits Strategic Manager)

Name of service/function/policy etc: Council Tax Reduction Scheme
Is this new or existing? Replacement of existing scheme

Stage 1: Screening Stage

1. Briefly describe its aims & objectives

The Council Tax Reduction scheme provides support for certain taxpayers who have a low income.

Where entitled, the scheme provides a reduction in liability for Council Tax.

The replacement scheme is designed to overcome the significant administrative complications with the introduction of Universal Credit within the area. The main issues are;

- The current scheme is too reactive to the constant changes in Universal Credit. With the frequent changes in liability, taxpayers receive multiple Council Tax demands which in turn has a negative effect on the taxpayers ability to manage their finances and on collections levels;
- There is a need to make the scheme simpler and for taxpayers to be encouraged to claim a reduction;
- The scheme needs to be future proofed to avoid constant amendments.

2. Are there external considerations? (legislation/government directive etc.)

Yes - the legislation (Local Government Finance Act 1992 as amended) allows the Council to amend the scheme for working age applicants only.

The scheme for pension age applicants is prescribed by Central Government and cannot be amended.

Schemes must be amended by 11th March of the financial year preceding the year of implementation.
All changes to schemes are subject to consultation with both precepting authorities and the public.

3. Who are the stakeholders and what are their interests?

The stakeholders are:

- Working age Council Taxpayers who have a low income (who may make an applicant for reduction);
- The District Council who is responsible for administration of the scheme and also receives a proportion (15%) of Council Tax receipts to provide services for local residents;
- The Major Precepting Authorities (Kent CC; Police and Fire & Rescue) who receive the majority of Council Tax receipts to provide services for local residents;

4. What outcomes do we want to achieve and for whom?

Any new scheme must:

- Minimise any potential loss to existing applicants;
- Reduce administration costs which will occur through the roll out of Universal Credit;
- Ensure that collection rates are maintained in respect of Council Tax; and
- Prevent future changes in schemes

5. Has any consultation/research been carried out or relied upon?

Yes

Consultation is to be carried out in accordance with the legislation.

Major preceptors will be consulted as well as the public and interested groups.

Consultation will be carried out over the summer time and the results will be analysed and taken into account when the scheme is decided by full Council.

6. Are there any concerns at this stage which indicate the possibility of inequalities/negative impacts? (Consider and identify any evidence you have - equality data relating to usage and satisfaction levels, complaints, comments, research, outcomes of review, feedback and issues raised at previous consultations, known inequalities) If so please provide details.

Major changes to the scheme as proposed may affect applicants. Modelling of scheme options will be undertaken throughout 2018 up to the adoption by the Council.

Initial modelling indicates that the number of working age applicants will remain broadly the same (currently 4902 ; new scheme 4889). Whilst most applicants will experience a minimal change to their entitlement between £0.00 and £0.45 per week, certain applicants with more than two children may experience a reduction in support by up to

£1.14 per week.

The Council maintains an Exceptional Hardship Payment Scheme which can be applied for by any applicant. Where any applicant experiences exceptional hardship, further support can be given.

7. Could a particular protected characteristic be affected differently in either a negative or positive way? (Positive - it could benefit, Negative - it could disadvantage, Neutral - neither positive nor negative impact or Not sure?)

	Type of impact, reason & any evidence
Disability	Neutral
Race (including Gypsy & Traveller)	Neutral
Age	Only working age applicants will be affected
Gender	Neutral - based on current modelling both male and female applicants can either receive increased or decreased support
Transgender	Neutral
Sexual Orientation	Neutral - sexual orientation has no bearing on the scheme
Religion/Belief	Neutral - religion or belief orientation has no bearing on the scheme
Pregnancy & Maternity	Neutral - although it should be noted that a third or subsequent child will not affect entitlement
Marriage/ Civil Partnership Status	Positive- couples or persons in Civil Partnerships / relationships are able to have a higher level of income than singles to receive the same level of support.

8. Could other socio-economic groups be affected e.g. carers, ex-offenders, low incomes?

Carers - positive		
Persons in receipt of Support Component of ESA positive		
Low income taxpayers - will be able to apply as in the current scheme - neutral		

9. Are there any human rights implications?

No

10. Is there an opportunity to promote equality and/or good community relations?

Yes - the new scheme will make applying for support easier and will treat all working age applicants equally.

11. If you have indicated a negative impact for any group is that impact legal? (not discriminatory under anti-discrimination legislation)

Yes

12. Is any part of this policy/service to be carried out wholly or partly by contractors?

No

Please note that normally you should proceed to a Stage 2: Full Equality Impact Assessment Report if you have identified actual, or the potential to cause, adverse impact or discrimination against different groups in the community. (Refer to Quick Guidance Notes at front of template document)

13. Is a Stage 2: Full Equality Impact Assessment Report required?

Yes

14. Date by which Stage 2 is to be completed and actions

1 December 2018

Please complete

We are satisfied that an initial screening has been carried out and a full impact assessment is /is not required* (please delete as appropriate).

Completed by: Andrew Hatcher

Date: 22/06/18

Role: Revenues & Benefits Strategic Manager

Countersigned by Head of Service

Date: 22/06/18



Please keep the signed hard copy with your team for auditing purposes and forward an electronic copy to leadership.support@shepway.gov.uk so that it can be published.

Stage 2: Full Equality Impact Assessment Report

15. Summarise the likely negative impacts for relevant groups identified in the screening process (Refer to Stage 1, Questions 7-8, start to think about possible alternatives)

16. What consultation/involvement activities have taken place or will need to take place with groups/individuals from each relevant protected characteristic or equality group? (refer back to Stage 1, Question 5)

17. What other research has been or will need to be carried out to help you with the assessment?

18. Results of research/consultation (what does it tell you about the negative impacts?)

19. Conclusions & Action Planning

You should explain what and how negative impacts have been reduced or removed and how positive impacts are to be improved or included.

Your final decisions or recommendations may include making immediate changes, stopping or proceeding with a new policy, justifying a decision or adding objectives/targets to the service development plan/equality scheme (long term changes).

You could use the template below to record your conclusions/actions. You should also make reference to any additional monitoring or research that is still required, or was not retrievable at the point of assessment, but will be required in subsequent reviews or in order to complete actions.

Impact/Issue	Action/Objective/Target or Justification	Will this remove negative impact?	Resources	Lead Officer & Timescale

20. How will you monitor, evaluate and check the policy in the future?

21. When will a review take place?

Please complete

We are satisfied that a full impact assessment has been carried out.

Completed by:

Date:

Role:

Countersigned by Head of Service:

Date:

Please keep the signed hard copy with your team for auditing purposes and forward an electronic copy to leadership.support@shepway.gov.uk for publication.

Folkestone & Hythe District Council

Council Tax Reduction Scheme 2019/20 Consultation Questionnaire

Background to the consultation

What is this consultation about?

Each year the Council has to decide whether to change the Council Tax Reduction scheme for working age applicants in its area. This year the Council has decided that changes should be made to significantly change the Council Tax Reduction scheme due to the introduction of Full Service Universal Credit within the Kent area. In effect the traditional link between Housing Benefit (which will no longer be available to new working age claimants) and Council Tax Reduction will no longer exist and it is essential that the scheme is changed to meet future requirements, to reduce administration costs and to ultimately prevent any additional costs being added to the Council Tax

What is Council Tax Reduction?

Council Tax Reduction is a discount for Council Tax. The level of discount is based on the income of the household. Currently the maximum discount is 75% of Council Tax for working age households and up to 100% for pensioners.

Why is a change to the Council Tax Reduction scheme being considered?

In April 2013 the Council Tax Benefit Scheme was replaced by a new Council Tax Reduction Scheme. Council Tax Benefit had been funded by the Department for Work and Pensions and supported people on low incomes by reducing the amount of Council Tax they have to pay.

The Council Tax Reduction scheme is determined locally by District Councils rather than the Department of Work and Pensions. Although the Government initially provided funding for the scheme, the funding has reduced each year in line with the reduction in Revenue Support Grant provided to councils. From 2019 no funding will be provided for the scheme.

People can claim Council Tax Reduction if they are on certain benefits. The current scheme requires all working age applicants to pay a minimum of 25% of their Council Tax (a maximum level of support of 75%). Applicants in receipt of income based Jobseekers Allowance, Income Support and Income Related Employment and Support Allowance receive the maximum level of support. Others receive a level of Council Tax Reduction based on their income and other factors.

A separate Central Government scheme is retained for people of pension age and Councils are **only** able to vary their schemes for people of working age.

Each Council is required to review their schemes each year and decide if they want to make any changes. Before any changes can be implemented, they must be subject to public consultation.

The District Council is proposing a number of changes to its existing scheme and, in line with legislation, we have a duty to consult you and provide you with the opportunity to tell us your views on the proposed changes to our Council Tax Reduction Scheme.

The Council is consulting on the following changes to its scheme for 2019/20:

- Introducing an income 'grid' scheme for all working age applicants replacing the current means tested approach which was based on the previous Council Tax Benefit scheme (Option 1);
- Limiting the number of dependent children used in the calculation of support to two for *all* working age applicants (Option 2);
- Removing Non-Dependant deductions (Option 3);
- Changing the claiming process for all applicants who receive Universal Credit (Option 4);
- Removing the current earnings disregards and replacing them with a standard £25 disregard irrespective of a person's circumstances (Option 5);
- A disability disregard will be given when a qualifying disability benefit is in payment of £40 per week (see Option 6);
- Disregarding Carer's Allowance which is currently taken into account as income (Option 7);
- Removing the conditions that prevent certain students from claiming Council Tax Reduction (Option 8);
- Removing the Extended Payment provision (Option 9);
- Making all changes in circumstances which change any entitlement to Council Tax Reduction on a daily basis rather than the current (benefit based) weekly basis (Option 10); and
- Simplifying the capital rules but leaving the capital limit in line with the current scheme (£16,000) (Option 11).

In the District, 8900 people currently receive Council Tax Reduction. The gross cost of the scheme is £13.3 million which is spread across the District Council (15%), the County Council (69%), Fire (4%), Police (9%) and Town & Parish Councils (3%) in accordance with the proportion of Council Tax which each organisation levies (which is shown in brackets).

Who will this affect?

Working age households in the District who currently receive or will apply for Council Tax Reduction.
Pension age households will **not** be affected as Central Government prescribe the scheme.

Are there any alternatives to changing the existing Council Tax Reduction scheme?

We have also thought about other ways to make the administration simpler. These have not been completely rejected (including maintaining the current scheme) and you are asked about them in the Questionnaire, but, at the moment we do not think we should implement them for the reasons given.

We have considered:

1 Continuing with the current scheme

This would mean higher administration costs and scheme costs generally. Not making these changes would significantly increase the administration of Council Tax Reduction. The current scheme will not work effectively with the Government's Universal Credit system. The multiple changes in Universal Credit inevitably lead to multiple changes in Council Tax Reduction. This would increase the costs for all council tax payers in the District paying towards the scheme. The decision to increase Council Tax may need to be made by voting in a local referendum.

2 Reduce funding to other Council services to pay for additional administration costs

Keeping the current Council Tax Reduction scheme will mean an increase in administration costs and less money available to deliver other Council services; or

3 Use the Council's reserves to keep the Council Tax Reduction scheme

Using reserves to fund the additional administration costs would be a short-term option. Once used they will no longer be available to support and invest in other Council services and additional cuts would have to be made in the following years.

Questionnaire

Have Your Say on the Council Tax Reduction Scheme.

Q1.

I have read the background information about the Council Tax Reduction Scheme:

Yes No

This question must be answered before you can continue.

Paying for the Scheme

Q2.

Should the Council keep the current Council Tax Reduction scheme? (Should it continue to administer the scheme as it does at the moment?)

No Yes Don't know

Q3.

Please use the space below to make any comments you have on protecting the Council Tax Reduction Scheme from these changes.

Options to change the current Local Council Tax Reduction scheme

As explained in the background information, the Council is primarily consulting on the following proposals to change the existing Council Tax Reduction Scheme from 1st April 2019, which will reduce the administrations cost of the scheme generally and importantly make the scheme simpler. **Please note that whilst the changes are intended to reduce the level and cost of administration, the Council is not looking to reduce the total overall level of support available.** Your responses are a part of this consultation. Set out below are the proposals being considered.

Option 1 – The introduction of an Income Grid scheme to replace the current scheme for all applicants of working age

The current scheme for Council Tax Reduction is largely based on the previous Council Tax Benefit scheme which was assessed alongside Housing Benefit. Housing Benefit for working age applicants is being phased out and for new claims are not be available for most claims after 30th May 2018. Whilst Housing Benefit was the main provider of housing support for working age persons, it was logical to maintain a Council Tax Reduction scheme that mirrored the approach. Now that Universal Credit is being rolled out, it gives the Council the opportunity to significantly simplify what is in effect a Council Tax Discount.

It is proposed that a simplified income 'grid' scheme will be introduced as follows:

Band		Single (Income level) per week	Couple (no Children) (Income level) per week	Lone Parent or Couple +1 Child (Income level) per week	Lone Parent or Couple +2 (or more) Children per week
1	75%	£0 - £110.00	£0 -£160.00	£0 -£190.00	£0 -£270.00
2	55%	£110.01 - £150.00	£160.01 - 190.00	£190.01 - £220.00	£270.01 - £340.00
3	35%	£150.01 - £190.00	£190.01 - 220.00	£220.01 - £270.00	£340.01 - £420
4	22%	£190.01 - £280.00	£220.01 - £310.00	£270.01 - 340.00	£420.01 - 495.00

The key principles of the scheme are as follows:

- a. The level of discount (shown in the grid) will be based on the total net income (determined by the Council) of the applicant and their partner;
- b. Income levels can vary in accordance with household size and still receive the same level of discount;
- c. Applicants who have total net income less than the levels in Band 1 will receive a discount of 75% against their liability for Council Tax. This will also apply to those applicants receiving income support, income related employment and support allowance and income based jobseekers allowance. Where applicants are not in receipt of those benefits and their income is above the levels specified in Band 1, Council Tax Reduction shall be awarded at the appropriate level (Bands 2, 3 & 4);
- d. Applicants who have total net income levels above the levels shown in the grid will receive no discount;
- e. The grid will be limited to a maximum of two dependants (see Option 2)
- f. No charges will be made for non-dependants who live with the applicant (see Option 3)
- g. Making claiming simpler for applicants who receive Universal Credit (see Option 4);
- h. Removing the current earnings disregards (which vary depending on the circumstances of the applicant, the number of hours worked and monies they pay for child care) and replacing them with a standard disregard of £25 per week for all applicant (see Option 5);
- i. Certain incomes will continue to be disregarded including Disability Living Allowance; Personal Independence Payments, Support Component of Employment and Support Allowance, Child Benefit and Child Maintenance.
- j. A disability disregard will be given when a qualifying disability benefit is in payment of £40 per week (see Option 6);
- k. Carer's Allowance received will be disregarded (see Option 7);
- l. Removing the restriction on claiming for certain vulnerable students (see Option 8);
- m. Removing the Extended Payments provisions (see Option 9);
- n. Any changes in circumstances which change Council Tax Reduction entitlement will be made from the date on which the change actually occurs, (rather than on a weekly basis as at present (see Option 10);
- o. Simplifying the capital rules but leaving the capital limit in line with the current scheme (£16,000) (Option 11).

It is inevitable that there may be both winners and losers; however the Council is keen to protect as many applicants as possible. The Council is not minded to reduce the overall total level of support available within the scheme but there will be a redistribution of support in some cases. Where an applicant experiences exceptional hardship, they will be able to apply for additional support from the Council under the Exceptional Hardship Payment Scheme which will continue as at present.

The benefits of changing the scheme:

- It provides a simpler scheme, easily understood by all applicants;
- It will save significant increases in administration costs due to the introduction of Universal Credit;
- It will prevent applicants receiving multiple Council Tax demands during the year and prevents multiple changes to monthly instalments;
- Applicants in receipt of 'passported benefits' such as income support, income related employment and support allowance and income based jobseekers allowance, will not be affected; and
- It will make claiming simpler for Universal Credit applicants ensuring that their entitlement to Council Tax Reduction is maximised.

The drawbacks of doing this are:

- Whilst the Council will look to protect applicants as far as possible, there may be winners and losers; and
- Some households with more than two children may receive less support.

Q4.

Do you agree with this change to the scheme?

Yes No Don't know

Q5.

If you disagree what alternative would you propose?

Option 2 - To limit the number of dependant children within the calculation for Council Tax Reduction to a maximum of two for *all* applicants

Within the current scheme, applicants who have children are awarded a dependant's addition within the calculation of their needs (Applicable Amounts). From April 2017 the current scheme limited dependant's additions in line with Universal Credit, Housing Benefit and Tax Credits to a maximum of two. Some applicants were protected where they made a claim for reduction before that date and already had more than two dependants. The new scheme will be based on an income grid system which takes into account the number of dependants within the household; however, it will be limited to two, for *all* applicants.

The benefits to the Council of doing this are:

- Council Tax Reduction will be brought into line for all applicants; and
- It is simple and administratively easy to incorporate within the scheme

The drawbacks of doing this are:

- Applicants who have three or more dependants, and who claimed before 1st April 2017, may receive less Council Tax Reduction. However, if the applicants face exceptional hardship they may apply for additional support through the Council's Exceptional Hardship Payment scheme.

Q6.

Do you agree with this change to the scheme?

Yes No Don't know

Q7.

If you disagree what alternative would you propose?

Option 3 – To remove Non-Dependant Deductions from the scheme

Currently where an applicant (and their partner if they have one) has other adults living with them such as adult sons, daughters etc., their Council Tax Reduction may be reduced. Any charge made is called a Non-Dependant Deduction. The Council currently makes a standard deduction in all cases of £10 per week. In theory, the applicant should look to recoup this deduction from those adults.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- Applicants will not be penalised for having additional adults living with them (other than if they are living their commercially); and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There may be an overall cost to the scheme with no non-dependant charges being made.

Q8.

Do you agree with this change to the scheme?

Yes No Don't know

Q9.

If you disagree what alternative would you propose?

Option 4 – Changing the claiming process for all applicants who receive Universal Credit

Currently, where an applicant wants to claim Council Tax Reduction, they must make a formal application either on-line or in paper format. Where applicants claim Universal Credit from the Department for Work and Pensions (DWP) there is often either a delay in receiving a Council Tax Reduction claim or no claim is made at all leading to a potential loss in entitlement. The latter occurs largely through confusion, with all other benefits being claimed from DWP and claimants not realising they must make an additional claim to the Local Authority.

When a person claims Universal Credit, their award details are passed to the Council automatically. It would be a distinct advantage and simplification in administration if the Council were to take any Universal Credit data received from DWP as a claim for Council Tax Reduction automatically.

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The benefit of this option is:

- It will make the administration of the scheme simpler;
- Universal Credit claimants will receive any Council Tax Reduction automatically; and
- The change is simple and administratively easy to incorporate within the scheme

The drawbacks of doing this are:

- There are no drawbacks to this option.

Q10.

Do you agree with this change to the scheme?

Yes No Don't know

Q11.

If you disagree what alternative would you propose?

Option 5 – Removing the current earnings disregards and replacing them with a standard £25 disregard irrespective of a person’s circumstances

Where applicants (or their partner if they have one) have earnings and work over 16 hours per week, an earnings disregard is applied depending on their individual circumstances. The standard disregards (only one is awarded) are £5 per week for a single person, £10 per week for a couple, £20 per week if they meet certain conditions such as disablement or part time special employments or £25 for lone parents. If they work additional hours, in some circumstances they may receive an additional £17.10 disregard per week. Also, if child care is paid for above that received free from Central Government, then further disregards can be made again earnings for monies paid out.

The proposed change to the scheme would introduce a standard, single disregard of £25 for the applicant (or their partner if they have one). All other disregards will be removed.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- It will be more generous to some applicants on low incomes and encourage work – this is particularly relevant to single persons and couples with no children. (It should be noted that applicants with dependants will be allowed a higher level of income within the ‘grid scheme’ proposed; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There may be applicants with larger families and who have high child care costs (not met by Government schemes) who may see a reduction in support. (It should be noted that all applicants that face exceptional hardship may apply for additional support under the Council’s Exceptional Hardship Payments Scheme.

Q12.

Do you agree with this change to the scheme?

Yes No Don't know

Q13.

If you disagree what alternative would you propose?

Option 6 – Disregarding a further £40 per week where the applicant, partner or dependant receives Disability Living Allowance (DLA) or Personal Independence Payment (PIP)

Where applicants (their partner or any dependant if they have one) receives DLA or PIP, the current scheme not only disregards that income but also awards an additional premium (disability premium, enhanced disability premium, severe disability premium or disabled child premium). Moving to an income based scheme with no premiums may disadvantage certain applicants who receive these benefits. To alleviate this, it is proposed that a disregard will be made from their income up to a maximum of £40 per week. This is in addition to the current disregard of DLA and PIP.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- It will assist applicants who receive Disability Living Allowance or Personal Independence Payments; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There may be a small increase in scheme costs although this is thought to be negligible.

Q14.

Do you agree with this change to the scheme?

Yes No Don't know

Q15.

If you disagree what alternative would you propose?

Option 7 – Disregarding Carer’s Allowance which is currently taken into account as income

Where applicants (or their partner if they have one) receive Carer’s Allowance for looking after a person who is ill or disabled, the Carer’s Allowance payment they receive is considered as income for Council Tax Reduction. This is partially offset by an award of Carer’s Premium within the current scheme. With the move to an income based ‘grid’ scheme, the use of premiums etc. will end. The Council feels that it is fair, in these cases, to fully disregard any payment of Carer’s Allowance received.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- It may be more generous to applicants who receive Carer’s Allowance; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There may be a small increase in scheme costs although this is thought to be negligible.

Q16.

Do you agree with this change to the scheme?

Yes No Don't know

Q17.

If you disagree what alternative would you propose?

Option 8 – Removing the conditions that prevent certain students from claiming Council Tax Reduction

Most students are not liable to pay Council Tax. Where they are, the criteria for claiming Council Tax Reduction are complex unless they receive a 'passported benefit' such as Income Support. This option proposes the removal of the complex eligibility criteria for those small number of students who are liable for Council Tax and are considered vulnerable. Where a student can claim, their student related income such as grants, bursaries and loans will still be taken into account as per the current scheme.

The benefit of this option is:

- It will make the administration of the scheme simpler; and
- The change is simple and administratively easy to incorporate within the scheme

The drawbacks of doing this are:

- There may be a very small increase in the number of students being eligible to claim.

Q18.

Do you agree with this change to the scheme?

Yes No Don't know

Q19.

If you disagree what alternative would you propose?

Option 9 – Removing the Extended Payment provision

In certain cases, where applicants have been in receipt of prescribed benefits (such as Income Support, Jobseekers Allowance or Employment and Support Allowance) and move into work which ends their entitlement, Council Tax Reduction can be paid for an additional 4 weeks after commencing work or increasing their hours. **Similar provisions do not exist for Universal Credit claimants.** As Universal Credit is to replace those existing (legacy) benefits, the Council feels that these provisions are no longer appropriate.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- It will treat all applicants in receipt of DWP benefits equally; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- Applicants who are still in receipt of legacy benefits and who move into work before being transferred to Universal Credit may lose any potential extended payment.

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20.

Q20.
Do you agree with this change to the scheme?

Yes No Don't know

Q21.

If you disagree what alternative would you propose?

Option 10 – Any change in circumstances which changes Council Tax Reduction entitlement will be made from the date on which the change occurs, (rather than on a weekly basis as at present)

Changes in circumstances that affect entitlement to Council Tax Reduction under the current scheme are largely effected on a weekly basis. This

is a 'throwback' to previous benefit schemes that were weekly based. As Council Tax is a daily charge, the Council believes it makes more sense to change entitlement to Council Tax Reduction on a daily basis. It should be noted that, the proposed new scheme is designed to reduce the number of changes that will affect entitlement in any event.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- It is in line with the way that Council Tax is charged and operated ; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There are no draw backs to this option.

Q22.

Do you agree with this change to the scheme?

Yes No Don't know

Q23.

If you disagree what alternative would you propose?

Option 11 – Simplifying the capital rules but leaving the capital limit in line with the current scheme (£16,000)

The current scheme has a capital limit of £16,000 and has complex rules in respect of the assessment of capital. It is proposed that the capital limit stays the same as at present but that the disregards applied to certain types of capital be removed. It is proposed that only a small number of

capital items will be disregarded including:

- The home of the applicant used for their occupation;
- Possessions of the applicant and partner (if they have one);
- Bereavement Support Payments;
- Payments made under the We Love Manchester Emergency Fund or London Emergency Trust; or
- Payments made under the infected blood schemes

A full list of disregards is shown in the draft scheme.

The benefit of this option is:

- It will make the administration of the scheme simpler; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- Some applicants who may have had certain capital disregarded may receive less reduction.

Q24.

Do you agree with this change to the scheme?

Yes No Don't know

Q25.

If you disagree what alternative would you propose?

Alternatives to changing the Council Tax Reduction Scheme

If the Council keeps the current scheme, it will be administratively more complex and it will cost taxpayers more. If this happens we will need to find savings from other services to help meet the increase in costs. The proposals set out in this consultation will deliver administration savings.

The alternatives are set out in the background information.

Q26.

**Do you think we should choose any of the following options rather than the proposed changes to the Council Tax Reduction Scheme?
Please select one answer for each source of funding.**

Q26.1.

Increase the level of Council Tax to cover the additional administration costs

Yes No Don't know

Q26.2.

Find the additional administration costs by cutting other Council Services

Yes No Don't know

Q26.3.

Use the Council's reserves

Yes No Don't know

DRAFT

Q27.

If the Council were to choose these other options to pay for additional administration costs, what would be your order of preference? Please rank in order of preference by writing a number from 1 – 3 in the boxes below, where 1 is the option that you would most prefer and 3 is the least.

Increase the level of Council Tax

Reduce funding available for other Council Services

Use Council reserves

Q28.

Please use this space to make any other comments on the scheme.

Q29.

Please use the space below if you would like the Council to consider any other options (please state).

Q30.

If you have any further comments or questions to make regarding the Council Tax Reduction scheme that you haven't had opportunity to raise elsewhere, please use the space below.

About You

We ask these questions:

1. To find out if different groups of people in the Council's population have been able to take part in the consultation and identify if any groups have been excluded. This means it is not about you as an individual but to find out if people with similar characteristics have had their say.
2. To find out if different groups of people feel differently about the options and proposals in comparison to each other and all respondents. This means it is not about you as an individual but to find out if people with similar characteristics have answered in the same way or not.

This information is completely confidential and anonymous. Your personal information will not be passed on to anyone and your personal details will not be reported alongside your responses.

Q31.

Are you, or someone in your household, getting a Council Tax Reduction at this time?

Yes No Don't know/Not sure

Q32.

What is your sex?

Male Female Prefer not to say

Q33.

Age

18-24 25-34 35-44 45-54 55-64 65-74 75-84 85+ Prefer not to say

Q.34

Disability: Are your day to day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

Yes No Don't know/Not sure Prefer not to say

Q35.

Ethnic Origin: What is your ethnic group?

Prefer not to say

White

British Irish Gypsy or Irish Traveller Any other White background

Mixed/Multiple ethnic groups

White & Black African White & Black Caribbean White & Asian Any other multi mixed background

Asian or Asian British

Pakistani Indian Bangladeshi Chinese Any other Asian background

Black/African/Caribbean/Black British

African Caribbean Any other Black background

Other Ethnic Group

Arab Other – please specify below:

Next steps....

Thank you for completing the questionnaire.

Progress reports on the consultation will be added to our website.

You may submit further evidence, ideas or comments (marked CTR consultation) by email to revenues.benefits@folkestone-hythe.gov.uk

The consultation closes on dd/mmm/yyyy.

We will listen carefully to what residents tell us and take the responses into consideration when making a final decision on the 2019/20 scheme.

Following the decision, the full results from the consultation will be available on the Council's website.

The new scheme will start on **1 April 2019**. The Council will consider the impact of the scheme annually and consult again if it thinks further changes need to be made.

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