



Overview and Scrutiny Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 17 January 2017
Present	Councillors Mrs Ann Berry, Peter Gane, Clive Goddard, Mrs Claire Jeffrey, Ian Meyers, David Owen and Mrs Rodica Wheeler
Apologies for Absence	Councillor Michael Lyons, Councillor Frank McKenna and Councillor Peter Simmons
Officers Present:	Andy Blaszkowicz (Head of Commercial and Technical Services), Dee Chambers (Policy and Improvement Officer), Leigh Hall (Group Accountant), Andrew Hatcher (Revenues and Benefits Manager), Alan King (Group Accountant), Sue Lewis (Committee Services Officer), Tim Madden (Corporate Director - Organisational Change), Pat Main (Head of Finance), Fred Miller (Transportation Manager), Sarah Robson (Head of Communities), Suzy Tigwell (Leadership Support Manager) and Lee Walker (Group Accountant)
Others Present:	Councillor Ms Susan Carey, Cabinet Member for Finance, Councillor Alan Ewart-James, Cabinet Member for Housing and Councillor Malcolm Dearden, Cabinet Member for Transport and Commercial

45. **Declarations of interest**

There were no declarations of interest.

46. **Minutes**

The minutes of the meeting held on 13 December 2016 were submitted, approved and signed by the Chairman.

47. **Controlled Parking Zone**

A presentation was given by Andy Blaszkowicz, Head of Commercial

and Technical Services and Fred Miller, Transportation Manager who informed members of what a Controlled Parking Zone (CPZ) is, why have them and how residents can influence the need for a CPZ, paying particular attention to the implementation process.

A number of CPZ's in Shepway are listed in the attached presentation, together with permits costs and legislation details. Members were informed that charges for permits would rise this year but were still in line with other districts, some of which are considerably higher.

Members noted the following:

- CPZ's are not used for school roads as they have their own restricted road markings.
- Visitor permits are provided and this tends to be two per household.
- Town and Parish councils are informed of a possible CPZ during the consultation period.

Members noted the presentation.

48. Quarter 2 Performance Report 2016/17

Report C/16/92 provides an update on the Council's performance for the second quarter of 2016/17, covering 1st July 2016 to 30th September 2016. The report enables the Council to assess progress against the approved performance indicators for each service area.

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

Proposed by Councillor David Owen
Seconded by Councillor Clive Goddard and

Resolved:

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

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

49. Universal Credit

A presentation was given by Andrew Hatcher, Revenues and Benefits Manager, who updated members on the progress so far, resource implications and the role this council has to support Universal Credit.

Members noted the progress so far and were happy to hear that the service had not caused customer confusion and that the impact was not huge at this stage. Further work is still to be done and members will receive an update in due course.

A copy of the presentation is attached to the minutes.

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

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

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

Members were provided with a review of the key points in relation to the report and these are attached to the minutes for information. While referring to these members paid particular attention to the following:

- There is still uncertainty during the forthcoming negotiations to leave the European Union but Arlingclose will be keeping a close eye moving forward.
- New investments – those with no credit ratings listed were a cause for concern and members were informed that these referred to unrated building societies. Further information on these would be provided to the committee following the meeting.

It was suggested that members receive an updated training session by officers and representatives from Arlingclose in respect of treasury management.

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

Resolved:

1. **To receive and note Report C/16/98.**

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

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

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

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

Proposed by Councillor Peter Gane
Seconded by Councillor Mrs Rodica Wheeler and

Resolved:

1. **To receive and note report C/16/95.**

(Voting: For 6; Against 0; Abstentions 0)

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

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

Proposed by Councillor David Owen
Seconded by Councillor Mrs Rodica Wheeler and

Resolved:

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

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

53. Housing Revenue Account Revenue and Capital Original Budget 2017/18

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

Proposed by Councillor David Owen
Seconded by Councillor Clive Goddard and

Resolved:

- 1. To receive and note Report C/16/96.**

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

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

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

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

Proposed by Councillor Ian Meyers
Seconded by Councillor Mrs Claire Jeffrey and

Resolved:

- 1. To receive and note Report C/16/97.**

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

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

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

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

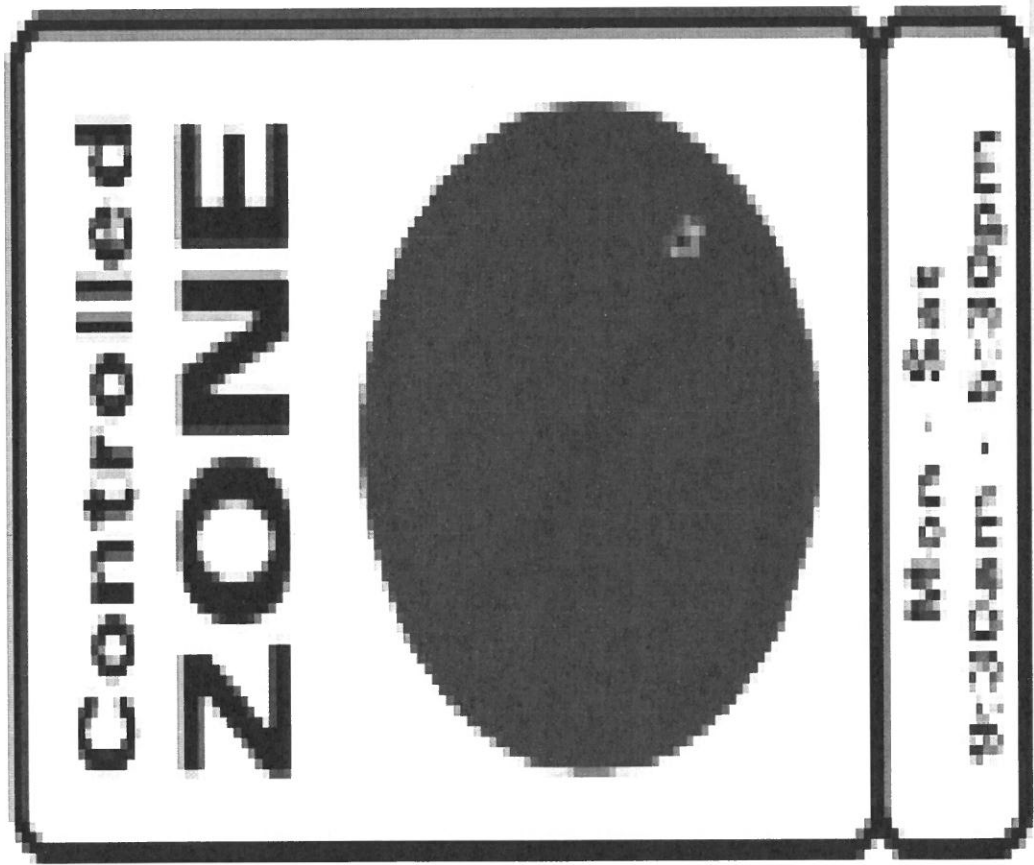
Proposed by Councillor Peter Gane
Seconded by Councillor Clive Goddard and

Resolved:

- 1. To receive and note Report C/16/99.**

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

Controlled Parking Zones-CPZ



What are CPZs and why have them?

- An area where all kerbside space is controlled during set times.
- Increasing the amount of on-street parking space is rarely possible so the council has to try and find ways to make best use of the limited space.
- CPZs provide parking for those mostly in need while not ignoring the broader requirements of all road users.
- By restricting parking in areas where demand exceeds supply, the pressure on the space available is better controlled.

Shepway CPZs

- Demand for CPZs due to pressure for parking spaces in many parts of the district.
- Currently 8 CPZs in Folkestone and Cheriton.
- Latest one introduced in November in Sandgate.

CPZS IN SHEPWAY

AREA	HOURS OF OPERATION
Zone A1- Folkestone Town Centre	8am- 6pm, All days.
Zone A2-The Bayle, Folkestone	8am-6pm, All days
Zone B- Folkestone West	9am-11am, Monday-Friday
Zone C1- Folkestone Seafront	8am-6pm- All days (Seasonal P&D)
Zone C2- The Stade	8am-6pm, All days
Zone D- Chilham Road, Cheriton	8am-8pm, All days
Zone E- Guildhall North, Folkestone	8am-6pm, Monday-Saturday
Zone S- Sandgate East	8am- 6pm, All days



Application Process

- Limited financial and staffing resources means the council is unable to accept all applications for CPZs.
- Number of applications received
 - 2014/15- 13
 - 2015/16- 8
 - 2016/17- 8 so far
- Cabinet agreed in 2014 on a points-based system to assess and prioritise applications for CPZs.
- Fairest way of assessing and prioritising schemes to be introduced in a financial year.
- First two or three applications that score the highest number of points are prioritised for a possible scheme.

How do we assess applications?

- Location
- Points of interest
- Cause and times of congestion
- Extent of the problem
- Strength of initial support



CPZ implementation process and costs

- Assess highway conditions and prepare initial design of the proposals.
- Informal consultations may be carried out to gauge the views of residents within the zone and aid the design of the scheme.
- Formal consultation on a proposed Traffic Regulation Order (TRO).
- Signing and lining installation. Issuing of permits to those eligible.
- Cost of implementation varies depending on the size of the CPZ. A small CPZ with a few streets (e.g. Sandgate) costs around £7000 to implement. This does not include the staff costs.

Permit costs

- Shepway residents benefit from one of the lowest permit charges in the county
- **SDC permit charges**
 - Resident Permit- £25
 - Additional Residents' Permit- £25
 - Resident visitor vouchers- £5.20 for book of 5
 - Business Permit- £52
 - Special Permit- Free



Permit charges in other districts

District	Resident permit cost	Business Permit cost
Dover	£60-£90	£155
Ashford	£30-100	-
Thanet	£60	£350
Canterbury	£40-£138	£132-£390
Maidstone	£25	£100
Tonbridge & Malling	£40	£150
Tunbridge Wells	£60	-
Sevenoaks	£35-£250	
Gravesham	£30	-
Dartford	£50	-
Swale	£40	£40

Legislation behind schemes

ROAD TRAFFIC REGULATION ACT 1984

- has been amended several times but is still the main legislation for traffic orders
- was developed from a body of older legislation, particularly the Road Traffic Regulation Act 1967

ROAD TRAFFIC ACT 1991

- amended the 1984 Act to bring in “decriminalised parking enforcement” but is now largely superseded

TRAFFIC MANAGEMENT ACT 2004 (PART 6)

- further amended the 1984 Act to bring in “civil enforcement” in place of “decriminalised parking enforcement”

Questions?

Folkestone
Hydie & Romney Marsh
Shepway District Council



www.shepway.gov.uk

Universal Credit update: Shepway District Council

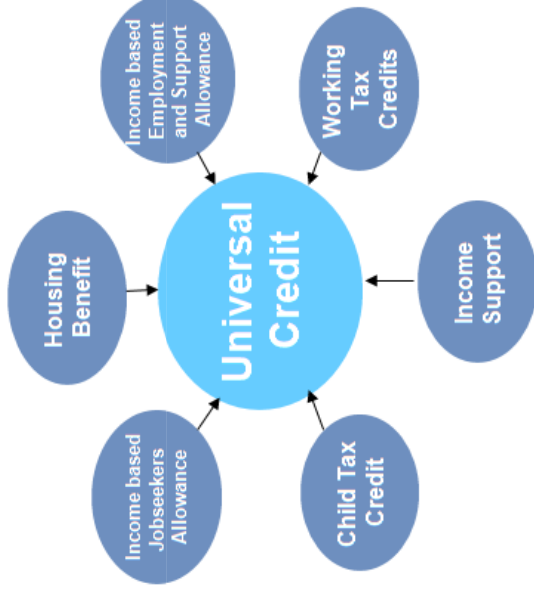
Andrew Hatcher
Revenues and Benefits Strategic Manager

Introduction

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

What is Universal Credit?

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



- Universal Credit is for working age people only.

Universal Credit in Shepway

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

Resource implications

Residents who claim benefits from the Council

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

Resource implications

Current caseload:

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

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

Local Authority role to support Universal Credit

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

Supported online access

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

Support for the UC Service Centre & manual support

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

Personal Budgeting Support

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

Universal Credit – Impact for Shepway

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

*Figures as of November 2016

The future

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

Summary

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

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CABINET REPORT C/16/98 - 18TH JANUARY 2017 TREASURY MANAGEMENT STRATEGY STATEMENT (TMSS) 2017/18

Summary of key points for Overview and Scrutiny Committee on 17th January 2017.

1. Introduction

- Requirement for Full Council to approve a TMSS before the start of each financial year
- TMSS based on spending plans in current budget cycle
- Excludes various major asset investment initiatives yet to be submitted to Members for approval

2. Economic Outlook (Section 2 – Arlingclose View)

- Uncertainty will remain during the forthcoming negotiations to leave the European Union
- GDP has held up well so far but concerns remain moving forward
- CPI inflation is expected to peak during 2017 at around 3%
- Interest rates expected to remain around their current historically low levels in 2017/18
- Further detail in Appendix 1

3. Borrowing & Investment Position (Section 3)

- Table at 3.1 shows the council's underlying borrowing need (Capital Financing Requirement) is forecast to rise through to 2020 (investment in new HRA stock)
- Currently no new borrowing required as the council is forecast to have sufficient cash resources (reserves and balances) to meet the increase
- The position is likely to change when new major asset investment initiatives come forward for approval

4. Borrowing Strategy (Section 4)

- Reiterates the message from section 3 that no new borrowing is currently required in 2017/18

5. Investment Strategy (Section 5)

- Priority is security then liquidity of cash invested before yield
- Low interest rate environment likely to erode some capital value over time (even without negative interest rates)
- Help to mitigate against the risk of capital erosion by diversifying into asset classes that can track inflation and/or provide enhanced returns while still offering good security

- Propose to follow Arlingclose's recommended asset classes and counterparty list from 2017/18 to provide a wider base of investments available to the council to achieve the diversification sought
- Main changes from 2016/17 are:
 - Addition of Corporates and Registered Providers assets classes
 - Greater use of Pooled Funds
 - Removing current £8m limit on investments in non-UK financial institutions (will still require very high credit quality)
- The Council will adhere to the counterparty credit quality information supplied by Arlingclose in making its investment decisions and the subsequent ongoing monitoring of its investment portfolio

6. Financial Implications (Section 8)

- The table at 8.1 shows that the net cost of interest to the General Fund in 2017/18 is forecast to rise by £77k compared to 2016/17 estimate
- This is mainly due to lower overall returns from the council's investment portfolio

7. Recommendations – as stated