

## AGENDA

### COUNCIL MEETING

Date: Wednesday, 17 February 2016

Time: 7.00 pm

Venue: Swale House, East Street, Sittingbourne, Kent, ME10 3HT

#### RECORDING NOTICE

Please note: this meeting may be recorded.

At the start of the meeting the Chairman will confirm if all or part of the meeting is being audio recorded. The whole of the meeting will be recorded, except where there are confidential or exempt items.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during this recording will be retained in accordance with the Council's data retention policy.

Therefore by entering the Chamber and speaking at Committee you are consenting to being recorded and to the possible use of those sound records for training purposes.

If you have any queries regarding this please contact Democratic Services.

Quorum = 16

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Pages

1. Emergency Evacuation Procedure

The Chairman will advise the meeting of the evacuation procedures to follow in the event of an emergency.

2. Prayers

3. Apologies for Absence

4. Minutes

To approve the Minutes of the Meeting held on 27 January 2016 (Minute Nos. 445 -458) as a correct record.

5. Declarations of Interest

Councillors should not act or take decisions in order to gain financial or other material benefits for themselves or their spouse, civil partner or person with whom they are living with as a spouse or civil partner. They must declare and resolve any interests and relationships.

The Chairman will ask Members if they have any interests to declare in respect of items on this agenda, under the following headings:

(a) Disclosable Pecuniary Interests (DPI) under the Localism Act 2011. The nature as well as the existence of any such interest must be declared. After declaring a DPI, the Member must leave the meeting and not take part in the discussion or vote. This applies even if there is provision for public speaking.

(b) Disclosable Non Pecuniary (DNPI) under the Code of Conduct adopted by the Council in May 2012. The nature as well as the existence of any such interest must be declared. After declaring a DNPI interest, the Member may stay, speak and vote on the matter.

**Advice to Members:** If any Councillor has any doubt about the existence or nature of any DPI or DNPI which he/she may have in any item on this agenda, he/she should seek advice from the Director of Corporate Services as Monitoring Officer, the Head of Legal or from other Solicitors in Legal Services as early as possible, and in advance of the Meeting.

6. Mayor's Announcements

7. Questions submitted by the Public

To consider any questions submitted by the public. (The deadline for questions is 4.30 pm the Friday before the meeting – please contact Democratic Services by e-mailing [democraticservices@swale.gov.uk](mailto:democraticservices@swale.gov.uk) or call 01795 417330).

8. Questions submitted by Members

To consider any questions submitted by Members. (The deadline for questions is 4.30 pm the Wednesday before the meeting – please contact Democratic Services by e-mailing [democraticservices@swale.gov.uk](mailto:democraticservices@swale.gov.uk) or call 01795 417330).

9. Leader's Statement

Members may ask questions on the Leader's Statement. (To follow).

- |     |                                      |          |
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| 10. | Budgets and Council Tax for 2016/17  | 1 - 72   |
| 11. | Treasury Strategy 2016/17            | 73 - 86  |
| 12. | Pay Policy Statement                 | 87 - 118 |
| 13. | Changes to Polling Arrangements 2016 | 119-122  |
| 14. | Timetable of Meetings for 2016/17    | 123-126  |
| 15. | Recommendations for Approval         |          |

Council is asked to note the recommendations of Minute Nos. 471 and 472 from the Cabinet on 3 February 2017 (to follow).

16. Election of Mayor and Deputy Mayor 2016/17

If more than one nomination is received for either position a secret ballot will be taken at the start of the meeting and the Mayor will declare at this point in the meeting who has been elected Mayor and Deputy Mayor elect for 2015/16.

If one nomination is received for either position the Mayor will announce the nomination and Council will be asked to approve the appointment.

**Issued on Monday, 8 February 2016**

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact DEMOCRATIC SERVICES on 01795 417330**. To find out more about the work of Council, please visit [www.swale.gov.uk](http://www.swale.gov.uk)

**Democratic Services, 01795 417330, Swale Borough Council,  
Swale House, East Street, Sittingbourne, Kent, ME10 3HT**

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<b>Council Meeting</b>	<b>Agenda Item:</b>
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<b>Meeting Date</b>	<b>17 February 2016</b>
<b>Report Title</b>	<b>Budgets and Council Tax for 2016/17</b>
<b>Cabinet Member</b>	<b>Cabinet Member for Finance, Duncan Dewar-Whalley</b>
<b>SMT Lead</b>	<b>Abdool Kara, Chief Executive</b>
<b>Head of Service</b>	<b>Nick Vickers, Head of Finance</b>
<b>Lead Officer</b>	<b>Philip Wilson, Chief Accountant</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Classification</b>	<b>Open</b>
<b>Forward Plan</b>	<b>Reference number:</b>

<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That Members note the Head of Finance’s opinion on the robustness of the budget estimates and the adequacy of reserves.</li> <li>2. That Minute Number 471/02/16 approved by the Cabinet on 3 February 2016 on the report on the Medium Term Financial Plan and the 2016/17 Revenue and Capital Budgets be approved.</li> <li>3. That the resolutions contained in Appendix I be approved.</li> <li>4. That in accordance with the proposals contained within SI 2014 No. 165 that a recorded vote be taken on the 2016/17 Budget and Council Tax.</li> </ol>
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## 1. Purpose of Report and Executive Summary

- 1.1 At their meeting on 3 February 2016, the Cabinet recommended the 2016/17 Council Tax for Swale Borough Council, the 2016/17 Revenue Budget, the Capital Programme for 2016/17 to 2017/18 and the Medium Term Financial Plan for 2016/17 to 2018/19.
- 1.2 The purpose of this report is for the Council to approve the Council Tax Requirement, Revenue Budget, Capital Programme and Council Tax for the year 2016/17 as set out in the report to the Cabinet on 3 February 2016, subject to any amendments, and to approve the Council Tax Resolutions set out in Appendix I.
- 1.3 This report reflects the latest information available for the preceptors at the time of writing this report (5 February). Should there be any changes to these, members will be informed.

## 2. Background

- 2.1 As part of the 2016/17 budget setting process, the Cabinet first received a report on the budget proposals for 2016/17 and an update on the Medium Term Financial Plan on 2 December 2015. The draft budget was then considered by the Cabinet at its meeting on 3 February 2016.

## 3. Proposal

- 3.1 In accordance with section 25 of the Local Government Act 2003 the Council's Section 151 Officer is required to report formally to the Council on the robustness of the estimates and the adequacy of the reserves. It should be noted that Section 26 of the Act gives the Secretary of State power to set a minimum level of reserves for which an authority must provide in setting its budget. The Section 151 Officer (the Head of Finance), in accordance with Local Government Act 2003, hereby has confirmed his opinion that the 2016/17 budget submitted is robust and that the reserves are reasonable given an assessment of risks. Appendices I and VIII of the Budget report to the Cabinet on 3 February 2016 set out the background to this opinion.
- 3.2 The Council has to provide the Government with a forecast for the business rates to be collected for the forthcoming financial year (NNDR1), which has a statutory deadline of 31 January. The return for 2016/17 forecast a higher figure for business rates than in the original Budget Report to Cabinet and the additional amount has been provisionally allocated to the Business Rate Volatility Reserve. This does not affect the Council Tax requirement reported to Cabinet.
- 3.3 The Town and Parish Council Precepts for 2016/17 are detailed in Appendix I and total £1,038,628. The increase in the average Band D Council Tax for parished areas is 8.49% and results in an average Band D Council Tax for parishes of £38.46 for 2016/17 (£23.63 including those areas of the borough which are unparished).
- 3.4 As well as its own Council Tax, Swale Borough Council collects on behalf of the other 'precepting authorities', i.e. Kent County Council, the Kent & Medway Fire & Rescue Authority and the Kent Police and Crime Commissioner.
- 3.5 At the time of writing this report, Kent and Medway Fire & Rescue Service were due to meet on 12 February 2016. This report is based upon a precept of £3,165,064, which results in a Band D Council Tax of £72.00 (1.91% increase).
- 3.6 The Police and Crime Panel met on 2 February to consider the budget proposals from the Kent Police and Crime Commissioner. The decision was for a precept of £6,688,395, which results in a Band D Council Tax of £152.15 (3.40% increase).
- 3.7 At the time of writing the report, Kent County Council were due to meet on 11 February 2016 and set their precept at £49,829,974 resulting in a Band

D Council Tax of £1,133.55 (3.99% increase including Social Care precept).

3.8 Appendix II provides more detail on the calculation of the Council Tax requirement and a summary of the calculation of Band D Council Tax.

3.9 Appendix III is the Budget report submitted to Cabinet on 3 February 2016.

## 4. Alternative Options

4.1 The options are detailed in the Budget report to the Cabinet on 3 February 2016.

## 5. Consultation Undertaken or Proposed

5.1 Details on the consultation on the budget are in the Budget report to the Cabinet on 3 February 2016.

## 6. Implications

Issue	Implications
Corporate Plan	As detailed in the Budget report to the Cabinet on 3 February 2016.
Financial, Resource and Property	As detailed in the Budget report to the Cabinet on 3 February 2016.
Legal and Statutory	As detailed in the Budget report to the Cabinet on 3 February 2016.
Crime and Disorder	As detailed in the Budget report to the Cabinet on 3 February 2016.
Sustainability	As detailed in the Budget report to the Cabinet on 3 February 2016.
Health and Wellbeing	As detailed in the Budget report to the Cabinet on 3 February 2016.
Risk Management and Health & Safety	As detailed in the Budget report to the Cabinet on 3 February 2016.
Equality and Diversity	As detailed in the Budget report to the Cabinet on 3 February 2016.

## 7. Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Council Tax Resolutions
- Appendix II:
  - (i) Council Tax Requirement 2016/17
  - (ii) Calculation of Band D Council Tax 2016/17
- Appendix III: Budget Report to Cabinet 3 February 2016

## 8. Background Papers

8.1 As detailed in the Budget report to the Cabinet on 3 February 2016.

Council is recommended to resolve as follows:

1. That it be noted that at its meeting on 27 January 2016 (Minute 456/01/16) the Council calculated:
  - 1.1 the Council Tax Base 2016/17 for the whole Council area as 43,959.22 (item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended) (the 'Act') and,
  - 1.2 for dwellings in those parts of its area to which a Parish Precept relates as set out below:

<b>Parish / Town Council</b>	<b>Tax Base</b>
Bapchild	457.47
Bobbing	825.54
Borden	1,065.30
Boughton-Under-Blean	676.32
Bredgar	287.14
Doddington	216.82
Dunkirk	482.81
Eastchurch	701.88
Eastling	144.39
Faversham Town Council	6,083.95
Graveney & Goodnestone	181.07
Hartlip	361.24
Hernhill	283.33
Iwade	1,298.32
Leysdown	1,147.26
Lower Halstow	452.21
Luddenham	44.24
Lynsted	453.71
Milstead	85.08
Minster	5,083.32
Newington	870.50
Newnham	151.01
Norton & Buckland	184.36
Oare	165.96
Ospringe	276.57
Queenborough Town Council	767.69
Rodmersham	237.79
Selling	342.96
Sheldwich, Leaveland & Badlesmere	350.13
Stalisfield	97.02
Teynham	861.67
Throwley	136.82
Tonge	141.52
Tunstall	701.51
Upchurch	912.01
Warden	473.20
<b>Total Parished Areas</b>	<b>27,002.12</b>



2. That, as a preliminary step, the calculation of the Council Tax requirement for the Council's own purposes for 2016/17 (excluding parish precepts) is £7,030,398, as detailed in the report to Cabinet on 3 February 2016.
3. That the following amounts be calculated for the year 2016/17 in accordance with Sections 30 to 36 of the Act:
  - 3.1 £95,965,816 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
  - 3.2 £87,896,790 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
  - 3.3 £8,069,026 being the amount by which the aggregate at 3.1 above exceeds the aggregate at 3.2 above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act.)
  - 3.4 £183.56 being the amount at 3.3 above (Item R), all divided by item 1.1 above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - 3.5 £1,038,628 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act.
  - 3.6 £159.93 being the amount at 3.4 above, less the result given by dividing the amount at 3.5 above by 1.1 above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

3.7 Part of the Council's area

<b>Parish / Town Council</b>	<b>£ p</b>
Bapchild	182.88
Bobbing	179.75
Borden	206.40
Boughton-Under-Blean	226.23
Bredgar	193.01
Doddington	195.90
Dunkirk	184.35
Eastchurch	202.67
Eastling	182.27
Faversham Town Council	212.99
Graveney & Goodnestone	190.30
Hartlip	179.31
Hernhill	188.17
Iwade	195.36
Leysdown	182.59
Lower Halstow	224.61
Luddenham	159.93
Lynsted	197.51
Milstead	218.70
Minster	186.82
Newington	210.48
Newnham	195.39
Norton & Buckland	191.24
Oare	211.56
Ospringe	185.24
Queenborough Town Council	218.84
Rodmersham	191.47
Selling	183.85
Sheldwich, Leaveland & Badlesmere	184.49
Stalisfield	186.73
Teynham	212.71
Throwley	183.07
Tonge	174.06
Tunstall	184.16
Upchurch	188.78
Warden	191.63

being the amounts given by adding to the amount at 3.6 above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1.2 above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which special items relate.

## 3.8

	Band -A	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Bapchild	101.60	121.92	142.24	162.56	182.88	223.52	264.16	304.80	365.76
Bobbing	99.86	119.83	139.81	159.78	179.75	219.69	259.64	299.58	359.50
Borden	114.67	137.60	160.53	183.47	206.40	252.27	298.13	344.00	412.80
Boughton-Under-Blean	125.68	150.82	175.96	201.09	226.23	276.50	326.78	377.05	452.46
Bredgar	107.23	128.67	150.12	171.56	193.01	235.90	278.79	321.68	386.02
Doddington	108.83	130.60	152.37	174.13	195.90	239.43	282.97	326.50	391.80
Dunkirk	102.42	122.90	143.38	163.87	184.35	225.32	266.28	307.25	368.70
Eastchurch	112.59	135.11	157.63	180.15	202.67	247.71	292.75	337.78	405.34
Eastling	101.26	121.51	141.77	162.02	182.27	222.77	263.28	303.78	364.54
Faversham Town Council	118.33	141.99	165.66	189.32	212.99	260.32	307.65	354.98	425.98
Graveney & Goodnestone	105.72	126.87	148.01	169.16	190.30	232.59	274.88	317.17	380.60
Hartlip	99.62	119.54	139.46	159.39	179.31	219.16	259.00	298.85	358.62
Hernhill	104.54	125.45	146.35	167.26	188.17	229.99	271.80	313.62	376.34
Iwade	108.53	130.24	151.95	173.65	195.36	238.77	282.19	325.60	390.72
Leysdown	101.44	121.73	142.01	162.30	182.59	223.17	263.74	304.32	365.18
Lower Halstow	124.78	149.74	174.70	199.65	224.61	274.52	324.44	374.35	449.22
Luddenham	88.85	106.62	124.39	142.16	159.93	195.47	231.01	266.55	319.86
Lynsted	109.73	131.67	153.62	175.56	197.51	241.40	285.29	329.18	395.02
Milstead	121.50	145.80	170.10	194.40	218.70	267.30	315.90	364.50	437.40
Minster	103.79	124.55	145.30	166.06	186.82	228.34	269.85	311.37	373.64
Newington	116.93	140.32	163.71	187.09	210.48	257.25	304.03	350.80	420.96
Newnham	108.55	130.26	151.97	173.68	195.39	238.81	282.23	325.65	390.78
Norton & Buckland	106.24	127.49	148.74	169.99	191.24	233.74	276.24	318.73	382.48
Oare	117.53	141.04	164.55	188.05	211.56	258.57	305.59	352.60	423.12
Ospringe	102.91	123.49	144.08	164.66	185.24	226.40	267.57	308.73	370.48
Queenborough Town Council	121.58	145.89	170.21	194.52	218.84	267.47	316.10	364.73	437.68
Rodmersham	106.37	127.65	148.92	170.20	191.47	234.02	276.57	319.12	382.94
Selling	102.14	122.57	142.99	163.42	183.85	224.71	265.56	306.42	367.70
Sheldwich, Leaveland & Badlesmere	102.49	122.99	143.49	163.99	184.49	225.49	266.49	307.48	368.98
Stalisfield	103.74	124.49	145.23	165.98	186.73	228.23	269.72	311.22	373.46
Teynham	118.17	141.81	165.44	189.08	212.71	259.98	307.25	354.52	425.42
Throwley	101.71	122.05	142.39	162.73	183.07	223.75	264.43	305.12	366.14
Tonge	96.70	116.04	135.38	154.72	174.06	212.74	251.42	290.10	348.12
Tunstall	102.31	122.77	143.24	163.70	184.16	225.08	266.01	306.93	368.32
Upchurch	104.88	125.85	146.83	167.80	188.78	230.73	272.68	314.63	377.56
Warden	106.46	127.75	149.05	170.34	191.63	234.21	276.80	319.38	383.26
All other parts of the Council's area	88.85	106.62	124.39	142.16	159.93	195.47	231.01	266.55	319.86

being the amounts given by multiplying the amounts at 3.6 and 3.7 above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. That it be noted that, for the year 2016/17, Kent County Council, the Kent Police and Crime Commissioner, and the Kent and Medway Towns Fire & Rescue Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwelling shown below:

<b>Valuation Bands</b>
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**SWALE BOROUGH COUNCIL**

-A	A	B	C	D	E	F	G	H
£88.85	£106.62	£124.39	£142.16	£159.93	£195.47	£231.01	£266.55	£319.86

**KENT COUNTY COUNCIL**

-A	A	B	C	D	E	F	G	H
£629.75	£755.70	£881.65	£1,007.60	£1,133.55	£1,385.45	£1,637.35	£1,889.25	£2,267.10

**THE KENT POLICE AND CRIME COMMISSIONER**

-A	A	B	C	D	E	F	G	H
£84.53	£101.43	£118.34	£135.24	£152.15	£185.96	£219.77	£253.58	£304.30

**KENT AND MEDWAY TOWNS FIRE & RESCUE AUTHORITY**

-A	A	B	C	D	E	F	G	H
£40.00	£48.00	£56.00	£64.00	£72.00	£88.00	£104.00	£120.00	£144.00

5. That, having calculated the aggregate in each case of the amounts at 3.8 and 4 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2016/17 for each of the categories of dwellings shown below:

	Band -A	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Bapchild	855.88	1,027.05	1,198.23	1,369.40	1,540.58	1,882.93	2,225.28	2,567.63	3,081.16
Bobbing	854.14	1,024.96	1,195.80	1,366.62	1,537.45	1,879.10	2,220.76	2,562.41	3,074.90
Borden	868.95	1,042.73	1,216.52	1,390.31	1,564.10	1,911.68	2,259.25	2,606.83	3,128.20
Boughton-Under-Blean	879.96	1,055.95	1,231.95	1,407.93	1,583.93	1,935.91	2,287.90	2,639.88	3,167.86
Bredgar	861.51	1,033.80	1,206.11	1,378.40	1,550.71	1,895.31	2,239.91	2,584.51	3,101.42
Doddington	863.11	1,035.73	1,208.36	1,380.97	1,553.60	1,898.84	2,244.09	2,589.33	3,107.20
Dunkirk	856.70	1,028.03	1,199.37	1,370.71	1,542.05	1,884.73	2,227.40	2,570.08	3,084.10
Eastchurch	866.87	1,040.24	1,213.62	1,386.99	1,560.37	1,907.12	2,253.87	2,600.61	3,120.74
Eastling	855.54	1,026.64	1,197.76	1,368.86	1,539.97	1,882.18	2,224.40	2,566.61	3,079.94
Faversham Town Council	872.61	1,047.12	1,221.65	1,396.16	1,570.69	1,919.73	2,268.77	2,617.81	3,141.38
Graveney & Goodnestone	860.00	1,032.00	1,204.00	1,376.00	1,548.00	1,892.00	2,236.00	2,580.00	3,096.00
Hartlip	853.90	1,024.67	1,195.45	1,366.23	1,537.01	1,878.57	2,220.12	2,561.68	3,074.02
Hernhill	858.82	1,030.58	1,202.34	1,374.10	1,545.87	1,889.40	2,232.92	2,576.45	3,091.74
Iwade	862.81	1,035.37	1,207.94	1,380.49	1,553.06	1,898.18	2,243.31	2,588.43	3,106.12
Leysdown	855.72	1,026.86	1,198.00	1,369.14	1,540.29	1,882.58	2,224.86	2,567.15	3,080.58
Lower Halstow	879.06	1,054.87	1,230.69	1,406.49	1,582.31	1,933.93	2,285.56	2,637.18	3,164.62
Luddenham	843.13	1,011.75	1,180.38	1,349.00	1,517.63	1,854.88	2,192.13	2,529.38	3,035.26
Lynsted	864.01	1,036.80	1,209.61	1,382.40	1,555.21	1,900.81	2,246.41	2,592.01	3,110.42
Milstead	875.78	1,050.93	1,226.09	1,401.24	1,576.40	1,926.71	2,277.02	2,627.33	3,152.80
Minster	858.07	1,029.68	1,201.29	1,372.90	1,544.52	1,887.75	2,230.97	2,574.20	3,089.04
Newington	871.21	1,045.45	1,219.70	1,393.93	1,568.18	1,916.66	2,265.15	2,613.63	3,136.36
Newnham	862.83	1,035.39	1,207.96	1,380.52	1,553.09	1,898.22	2,243.35	2,588.48	3,106.18
Norton & Buckland	860.52	1,032.62	1,204.73	1,376.83	1,548.94	1,893.15	2,237.36	2,581.56	3,097.88
Oare	871.81	1,046.17	1,220.54	1,394.89	1,569.26	1,917.98	2,266.71	2,615.43	3,138.52
Ospringle	857.19	1,028.62	1,200.07	1,371.50	1,542.94	1,885.81	2,228.69	2,571.56	3,085.88
Queenborough Town Council	875.86	1,051.02	1,226.20	1,401.36	1,576.54	1,926.88	2,277.22	2,627.56	3,153.08
Rodmersham	860.65	1,032.78	1,204.91	1,377.04	1,549.17	1,893.43	2,237.69	2,581.95	3,098.34
Selling	856.42	1,027.70	1,198.98	1,370.26	1,541.55	1,884.12	2,226.68	2,569.25	3,083.10
Sheldwich, Leaveland & Badlesmere	856.77	1,028.12	1,199.48	1,370.83	1,542.19	1,884.90	2,227.61	2,570.31	3,084.38
Stalisfield	858.02	1,029.62	1,201.22	1,372.82	1,544.43	1,887.64	2,230.84	2,574.05	3,088.86
Teynham	872.45	1,046.94	1,221.43	1,395.92	1,570.41	1,919.39	2,268.37	2,617.35	3,140.82
Throwley	855.99	1,027.18	1,198.38	1,369.57	1,540.77	1,883.16	2,225.55	2,567.95	3,081.54
Tonge	850.98	1,021.17	1,191.37	1,361.56	1,531.76	1,872.15	2,212.54	2,552.93	3,063.52
Tunstall	856.59	1,027.90	1,199.23	1,370.54	1,541.86	1,884.49	2,227.13	2,569.76	3,083.72
Upchurch	859.16	1,030.98	1,202.82	1,374.64	1,546.48	1,890.14	2,233.80	2,577.46	3,092.96
Warden	860.74	1,032.88	1,205.04	1,377.18	1,549.33	1,893.62	2,237.92	2,582.21	3,098.66
All other parts of the Council's area	843.13	1,011.75	1,180.38	1,349.00	1,517.63	1,854.88	2,192.13	2,529.38	3,035.26

6. That it be determined the Council's relevant basic amount of Council Tax for 2016/17 is not excessive in accordance with principles approved under Section 52ZC of the Local Government Finance Act 1992. The principles for the 2016/17 financial year are set out in Annex A of the Referendums Relating to Council Tax Increases (Principles) (England) Report 2016/17. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2016/17 is excessive and therefore the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992.
7. That the revenue and capital estimates for 2016/17 in the budget book be approved.

**Council Tax 2016/17**

Our Council Tax requirement is:

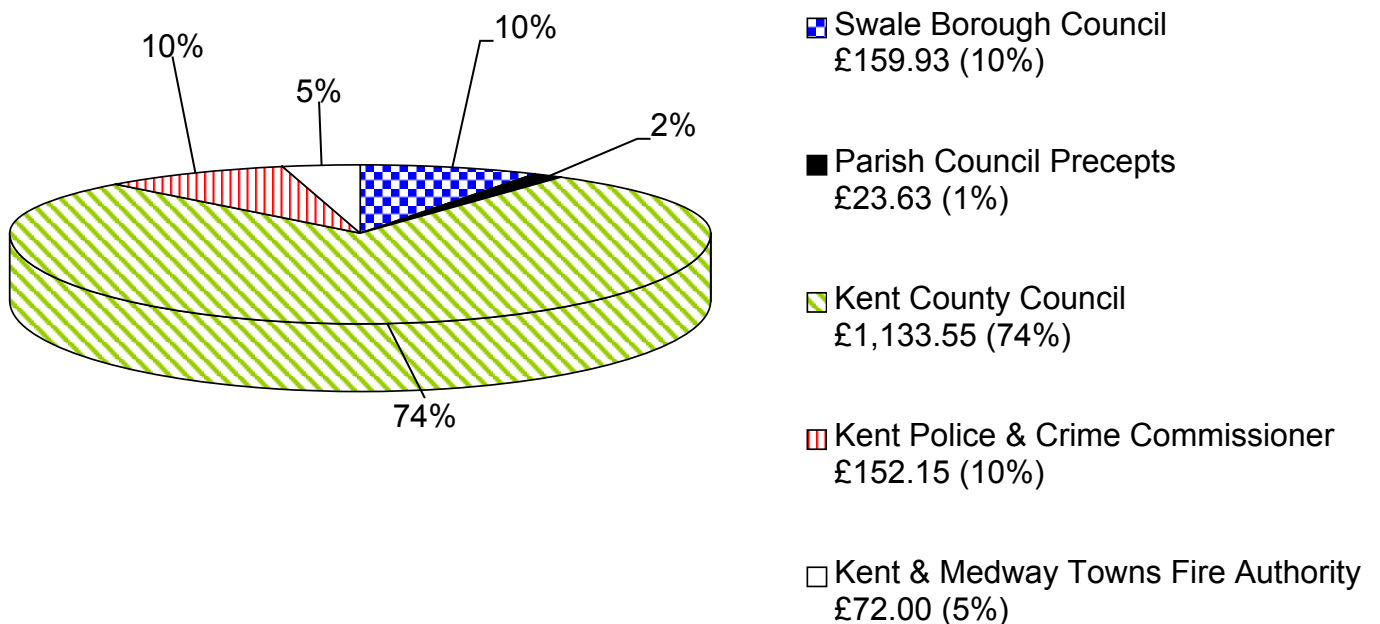
	<b>2015/16</b>	<b>2016/17</b>
	<b>£</b>	<b>£</b>
<b>Swale Budget Requirement</b>	<b>15,015,290</b>	<b>14,890,268</b>
Less Revenue Support Grant	(2,929,550)	(1,954,950)
Less Business Rates	(5,053,440)	(5,643,950)
Less Collection Fund surplus	(176,180)	(260,970)
<b>Council Tax Requirement</b>	<b>6,856,120</b>	<b>7,030,398</b>
Band D Council Tax	£159.93	£159.93
Tax Base	42,869.49	43,959.22

As well as our own Council Tax, we collect on behalf of the other 'precepting authorities', i.e. Kent County Council (3.99% increase), the Kent and Medway Towns Fire & Rescue Authority (1.91% increase) and the Kent Police and Crime Commissioner (3.40% increase). For a Band D property this equates to an overall increase of 3.40% compared to the increase of 1.77% in 2015/16. Where applicable there will be an additional sum collected on behalf of the Parish Councils which have chosen to levy a local precept (see Appendix I).

2015/16			2016/17	
Precept	Band D Council Tax	Authority	Precept	Band D Council Tax
£	£		£	£
46,727,315	1,089.99	Kent County Council	49,829,974	1,133.55
6,308,245	147.15	Kent Police and Crime Commissioner	6,688,395	152.15
3,028,729	70.65	Kent and Medway Towns Fire & Rescue Authority	3,165,064	72.00
6,856,118	159.93	Swale Borough Council	7,030,398	159.93
<b>62,920,407</b>	<b>1,467.72</b>	<b>BASIC COUNCIL TAX</b>	<b>66,713,831</b>	<b>1,517.63</b>
917,305	21.40	Parish Council Precepts*	1,038,628	23.63
63,837,712	1,489.12	Council Tax inc. Parish	67,752,459	1,541.26

\* The Band D Council Tax is the average tax in respect of Parish Council Precepts for the whole Borough.

Allocation of Council Tax:



<b>Cabinet</b>	<b>Agenda Item:</b>
<b>Meeting Date</b>	<b>3 February 2016</b>
<b>Report Title</b>	<b>Medium Term Financial Plan and 2016/17 Revenue and Capital Budgets</b>
<b>Portfolio Holder</b>	<b>Cllr Duncan Dewar-Whalley, Cabinet Member for Finance</b>
<b>SMT Lead</b>	<b>Abdool Kara, Chief Executive</b>
<b>Head of Service</b>	<b>Nick Vickers, Head of Finance</b>
<b>Lead Officer</b>	<b>Phil Wilson, Chief Accountant</b>
<b>Recommendations</b>	1. To approve the 2016/17 revenue and capital budgets.
	2. To approve the proposed council tax at band D for 2016/17 of £159.93 (zero increase).
	3. To note the Medium Term Financial Plan funding position.
	4. To approve the capital budget.
	5. To note the additional amount of council tax for parish precepts.
	6. To approve the Minimum Revenue Provision (MRP) Statement as set out in appendix IX.
	7. To consider recommendations of the Scrutiny Committee.

## **1 Purpose of Report and Executive Summary**

- 1.1 This report sets out the Council's Medium Term Financial Plan (MTFP) and the revenue and capital budget proposals for 2016/17.
- 1.2 The Cabinet received a budget report on the 2 December and this report will update for the impact of the Provisional Local Authority Grant Settlement announced on 17 December.
- 1.3 The 2 December Cabinet report provided the basis for Scrutiny Committee's examination of the budget proposals on 28 January.
- 1.4 This report if agreed by Cabinet will then go forward to Council on 17 February.

## **2 Background**

### **Autumn Budget Statement**

- 2.1 The Chancellor's Comprehensive Spending Review (CSR) announcements on 25 November reinforced that the UK economy is in increasingly good shape, with Office



of Budget Responsibility forecasts showing a £27bn improvement in the level of public finances.

- 2.2 For local government the headline numbers look to be very challenging, with the Department of Communities and Local Government (DCLG) seeing a 56% reduction in funding over the period to 2019/20. However, that does not mean a corresponding level of reduction for local authorities because of the increasing proportion of local government spending financed from council tax and business rates. Nonetheless, as an unprotected service, local government will see further significant reductions in funding levels.
- 2.3 The announcements did cover three fundamental issues for the Council's finances in the medium term:
- (1) A commitment to fully localise business rates by the end of this Parliament. At one level, this announcement has to be welcomed as it will give local authorities greater control over their own finances and also this Council is fully committed to growing the borough's business base and this should have direct financial benefits for the Council. However, a corollary of the full localisation of business rates is that there will no longer be any Revenue Support Grant (RSG) to the Council. As an area of high need, the RSG should include some needs related element. The needs element will now somehow have to be built into the business rates system. Additional responsibilities will be passed down to local government, as the quantum of localised business rates will exceed RSG.
  - (2) The Chancellor made frequent references to changes in funding and responsibilities between the different tiers of local government and it is likely that this will become a major issue within the county of Kent.
  - (3) The Government announced it will consult on significant changes to the New Homes Bonus regime, with a reduction in the length of payments from six to four years, and a reduction in the overall quantum of funding available. New Homes Bonus has become a major funding stream for the Council with much of it being used to support base expenditure. The impact of this will be considered more fully below.

### Provisional Local Government Finance Settlement 2016/17

- 2.4 On 17 December, the Provisional Local Government Finance Settlement was announced. The proposals are open for consultation until 15 January. Whilst the Settlement is for 2016/17 it does include indicative figures for future years. The Settlement makes significant changes in methodology and this leads to significant redistributive effects but there was no consultation on these changes.
- 2.5 The MTFP was assuming 30% reductions per annum for the next three years in RSG and the Settlement was in line with this for 2016/17 and then significantly worse for 2017/18 and 2018/19.

	<b>Forecast £</b>	<b>Actual £</b>	<b>Difference £</b>
2016/17	2,011,000	1,955,000	-56,000
2017/18	1,368,000	1,107,000	-261,000
2018/19	918,000	576,000	-342,000

- 2.6 The position on New Homes Bonus (NHB) is unchanged for 2016/17 and on the numbers in the Settlement the allocation for 2016/17 is as forecast at £3,482,000 of which we will take £2,860,000 into the base. The indicative allocations are £3,500,000 for 2017/18, £2,199,000 for 2018/19 and £2,110,000 for 2019/20. There is a full consultation process on the future of NHB now launched by DCLG and so the reliability of the forecasts beyond 2016/17 are questionable.
- 2.7 Of the NHB allocation, £250,000 will continue to be top sliced to pump prime the Regeneration Fund, £50,000 will be used to top up the Communities Fund, £50,000 to provide a further year's support to Swale Community Leisure and the remaining balance will be put into the Regeneration Fund.
- 2.8 The Settlement does leave a great many unanswered questions but some of the key issues are set out below:
- (1) In the RSG calculations, Government have for the first time built in assumptions about increases in council tax (at around the level of the Consumer Price index) and some challenging assumptions on the growth of the council taxbase. As an area with a relatively low council taxbase, this disadvantages the Council.
  - (2) The forecast council tax income forms part of a new definition of spending – Core Spending Power which also includes RSG, business rates (at baseline) and NHB. No council tax freeze scheme for 2016/17 has been offered and all former freeze grants are assumed to be funded from the RSG and business rates
  - (3) Greater flexibility on increasing council tax (by up to £5) for authorities in the lower quartile for band D which does not include Swale. There is a general desire from district councils to see this applied to all district councils.
  - (4) Government has made an ill-defined offer that “any council that wishes to take it up a four-year funding settlement to 2019/20” can do so as long as they have an “efficiency plan”. It is not clear at this stage what this efficiency plan will consist of or what happens to those authorities who do not sign up. However the Government will provide further details as part of the Final Settlement. We understand that the only funding stream which would not be guaranteed is the much diminished RSG.
  - (5) Reserves are noted as being one possible part of an “efficiency plan” suggesting the Government might be looking for a voluntary drawdown of reserves as the price for greater certainty.
  - (6) The Secretary of State has said that NHB would be a permanent feature of the local government finance system.
  - (7) A consultation on the changes to the new business rate retention system will be issued in the summer 2016, but it is intended that there will be engagement with authorities in the months running up to the consultation. There will also be a revaluation of business rates as at 1 April 2017.
- 2.9 DCLG have confirmed agreement to a business rate pool for 2016/17 consisting of KCC and ten district/ borough councils – Sevenoaks remains outside, Dartford comes in and Dover leaves.

### 3 Proposal

#### Medium Term Financial Plan

- 3.1 Local Government Finance is in a period of massive change. Funding reductions due to deficit reduction coupled with the full localisation of business rates means that councils not only have to deal with finding large additional savings but have potentially unprecedented volatility in their funding due to business rates. Managing this situation needs agility and flexibility of thinking.
- 3.2 The Medium Term Financial Plan (MTFP) is a best forecast of the financial position over the next three years to aid the Council in meeting its objectives as set out in the Corporate Plan. The MTFP is underpinned by the following principles:
- achieving a balanced budget position with the base budget requirement being met from core income;
  - reserves being used to fund one-off cost pressures; and
  - a prudent forecast for business rates.
- 3.3 The updated MTFP is attached in appendix I. Any variations to the 2 December budget report are explained in this report.

#### Balanced Budget Proposals

- 3.4 There are no changes to the appendix submitted to Cabinet on 2 December covering Growth Items, Unavoidable Cost Pressures, Service Savings, Loss of Income and Committed Price Increases (appendix II) apart from two new items which have been added to Additional Income as a result of the Council approval of the Review of Fees and Charges Report on 16 December 2015.
- 3.5 The 2 December report identified a gap of £286,000 for 2016/17. The changes to this position encompassed in this report are:

2016/17 funding gap as per Cabinet report 2 December		£286,000
Add		
Reduction in RSG	£56,000	
Council tax freeze grant funded in future from RSG and business rates	£80,000	£422,000
Less		
Higher council tax base	£71,000	
Business rate adjustment	£23,000	
Council tax collection fund surplus increase	£38,000	
Additional fees and charges	£120,000	
Contribution from reserves funded from 2015/16 underspend	£170,000	£422,000
Net Position		£0

## Council Tax

- 3.6 The Council will be recommended to adopt no change in the level of Council Tax for 2016/17.
- 3.7 The Collection Fund and Council Tax base is set out in appendix III.
- 3.8 The Council Tax base was agreed by Council on 27 January.
- 3.9 The calculation of the Budget Requirement and Council Tax Requirement is shown in appendix IV.
- 3.10 Parish precepts are shown in appendix V.

## Reserves

- 3.11 The principle of the management of reserves moving forward should be:
- maintain a prudent level of reserves to allow the Council to deal with unexpected one-off events; and
  - fund one-off items of expenditure against the Council's highest priorities, as determined by Members.
- 3.12 When the Authority is considering its budget requirement it is the Chief Finance Officers' duty to report on the adequacy of reserves (under section 25 of the Local Government Act 2003). These have been reviewed in line with latest guidance from the Chartered Institute of Public Finance and Accountancy.
- 3.13 Currently, the Council has sought to maintain a minimum of £1.5m as its General Fund balance, and it is concluded that through this period of uncertainty that this level should be continued. In addition, the Council holds a number of earmarked reserves held for specific purposes. The remaining (unallocated) General Reserve is available in future years to support one-off items rather than funding on-going revenue budget requirements. The Authority's reserves will be detailed in the report to Cabinet. It is the Head of Finance's view that the balances and reserves held by the Council are at a reasonable level.
- 3.14 The Section 151 Officer (Head of Finance), in accordance with Local Government Act 2003, hereby has confirmed his opinion that the 2016/17 budget submitted is robust and the reserves are reasonable given an assessment of risks (see appendix VI).

## Capital Strategy

- 3.15 The Council's priorities for the use of available capital funds will be:
- projects which support the Council's corporate priorities;
  - earmarked receipts related to specific projects e.g. Section 106 monies;
  - minimum fulfilment of legal duties;
  - essential life and death maintenance work e.g. health & safety; and
  - essential remedial expenditure on the Council's IT systems.

3.16 The Council should on balance remain free from external borrowing and not undertake borrowing to fund capital expenditure. The Council on 30 July 2014 agreed that borrowing would be allowed as part of the regeneration of Sittingbourne Town Centre.

3.17 The Capital Programme is attached in appendix VII.

## 4 Alternative Proposals

4.1 The proposals made reflect the views of Cabinet on the best way to meet the Council's objectives.

## 5 Consultation Undertaken or Proposed

5.1 The budget proposals reported to Cabinet on 2 December plus updates for developments since then were reported to Scrutiny Committee on 28 January.

5.2 Direct communication with local business and voluntary groups.

## 6 Implications

6.1 The implications are set out in the table below:

Issue	Implications
Corporate Plan	The budget proposals for 2016/17 supports the Corporate Plans objectives.
Financial, Resource and Property	This report sets out the approach to the 2016/17 budget and the medium term financial plan.
Legal and Statutory	The approach set out reflects the legal requirement for the Council to agree a balanced budget.
Crime and Disorder	Any potential impact will be addressed by service managers in their budget proposals.
Sustainability	The sustainability implications of budget decisions will be fully investigated by service managers in drawing up their detailed proposals.
Health and Wellbeing	No issues identified.
Risk Management and Health and Safety	A risk register for the budget is attached in appendix VIII. Risks will be reviewed as part of the strategic risk update. Specific health & safety risks will be addressed by service managers in their budget proposals.
Equality and Diversity	None of the proposed savings impact on the quality of service delivery and therefore no specific equality impact assessments are required.

## **7 Appendices**

7.1 The following documents are published with this report:

- Appendix I Medium Term Financial Plan
- Appendix II Budget Proposals
- Appendix III Council Tax Base and Collection Fund
- Appendix IV Calculation of Council Tax and Budget Requirement
- Appendix V Parish Precepts
- Appendix VI Reserves
- Appendix VII Capital Programme and Funding
- Appendix VIII Risk Issues
- Appendix IX Minimum Revenue Provision Statement 2016/17

## **8 Background Papers**

- 2 December 2015 Cabinet Budget Report

## Medium Term Financial Plan

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
Base budget	17,609	17,609	17,609	17,609
Growth items	0	469	459	451
Unavoidable cost pressures	0	759	691	697
Loss of income	0	35	35	35
Additional income	0	(595)	(549)	(585)
Committed price increases	0	66	93	136
<u>Salary Related:</u>				
Increments	0	57	79	101
Pay award	0	109	240	371
Contribution to/(from) reserves	317	459	317	317
Revenue Support Grant	(2,929)	(1,955)	(1,107)	(576)
Business Rates	(5,040)	(5,644)	(5,843)	(6,011)
Council Tax	(6,856)	(7,030)	(7,101)	(7,172)
Council Tax Freeze Grant funded from RSG	(79)	(79)	(79)	(79)
Council Tax Freeze Grant funded separately	(80)	0	0	0
New Homes Bonus	(2,824)	(3,482)	(3,500)	(2,199)
Collection Fund Surplus - Council Tax	(176)	(261)	0	0
<b>Savings Required</b>	<b>(58)</b>	<b>517</b>	<b>1,344</b>	<b>3,095</b>
Service savings	0	(517)	(378)	(384)
Requirement for balanced position	0	0	(966)	(2,711)
<b>Committed savings</b>	<b>0</b>	<b>(517)</b>	<b>(1,344)</b>	<b>(3,095)</b>
<b>Contribution (to) from General Fund</b>	<b>(58)</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Budget Proposals

Growth items			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Chief Executive</b>		
1	Swale Borough Council share of the cost of a MKIP Director and support	Cllr A. Bowles / A. Kara	60,000
	<b>Commissioning &amp; Customer Contact</b>		
2	Parking – funding communication links for car park machines	Cllr D. Simmons / D. Thomas	8,500
3	Parking - repairs and renewals to car parks and equipment	Cllr D. Simmons / D. Thomas	7,500
4	Leisure Development Officer	Cllr M. Whiting / D. Thomas	34,240
	<b>Director of Corporate Services</b>		
5	Licensing salaries change to establishment to provide a fit for purpose service following review of processes and resources	Cllr K. Pugh / M. Radford	60,000
	<b>Economic &amp; Community Services</b>		
6	Increase the Safeguarding Officer post to full time	Cllr K. Pugh / E. Wiggins	20,000
	<b>Environmental Health</b>		
7	Reallocation of MKIP resources for Food Safety service	Cllr D. Simmons / M. Radford	28,000
	<b>Mid Kent Legal Services (MKLS)</b>		
8	Gross cost increase in Mid Kent Legal Services pooled budget for additional staff. See also Additional Income.	Cllr D. Dewar-Whalley / J. Scarborough	176,770
	<b>Property Services</b>		
9	For the provision of software to support lone workers.	Cllr D. Dewar-Whalley / A. Adams	8,000
	<b>Resident Services</b>		
10	Two Council Tax Posts – to be funded from the Council Tax Support reserve	Cllr D. Dewar-Whalley / A. Christou	65,640
	<b>Total Growth Items</b>		<b>468,650</b>



## Budget Proposals

Unavoidable Cost Pressures			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Commissioning &amp; Customer Contact</b>		
1	Business rates for Faversham District office	Cllr D. Dewar-Whalley / D. Thomas	1,700
2	Rent and service charges for Faversham District office - new charges to apply from 2016/17	Cllr D. Dewar-Whalley / D. Thomas	6,700
3	Closed churchyards increased maintenance	Cllr D. Simmons / D. Thomas	18,000
4	Parking shared service reapportionment	Cllr D. Simmons / D. Thomas	15,000
5	Beach Huts - unachievable income	Cllr D. Simmons / D. Thomas	20,000
6	The effect on grounds maintenance and leisure contract budgets of the introduction of the minimum living wage	Cllr D. Simmons / D. Thomas	46,000
7	Increase in cemeteries' rates	Cllr D. Simmons / D. Thomas	1,500
8	Cost of Barton's Point cesspit emptying	Cllr D. Simmons / D. Thomas	2,000
9	Increased cost of metered water at seafront	Cllr D. Simmons / D. Thomas	2,000
	<b>Democratic Services</b>		
10	Individual Electoral Registration additional staff resources	Cllr A. Bowles / M. Radford	22,000
	<b>Finance</b>		
11	Increased merchant service charge of credit and debit cards for Council Tax collection	Cllr D. Dewar-Whalley / N. Vickers	40,000
12	Increase in precept from Lower Medway Internal Drainage Board 2.2%	Cllr D. Dewar-Whalley / N. Vickers	3,850
13	Insurance increase from annual renewal. The projection reflects a 4.4% increase	Cllr D. Dewar-Whalley / N. Vickers	17,760
14	From 2016/17 KCC has announced it will be ending the grant to district councils relating to the number of second homes in their area	Cllr D. Dewar-Whalley / N. Vickers	46,000

**Budget Proposals**

<b>Unavoidable Cost Pressures</b>			
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 over 2015/16 £</b>
	<b>Mid Kent Improvement Partnership (MKIP)</b>		
15	Unachieved saving from 2015/16. Extension of HR shared service to TWBC is no longer a possibility	Cllr T. Wilcox / D. Smart	19,690
16	National Insurance cost increase	Cllr T. Wilcox / D. Smart	182,000
	<b>Planning</b>		
17	Increased Local Plan costs - to be funded from reserves	Cllr G. Lewin / J. Freeman	60,000
	<b>Property Services</b>		
18	Increase in business rates for Swale House	Cllr D. Dewar-Whalley / A. Adams	6,000
19	Business rates for miscellaneous properties due to the necessary delay between vacating them and transferring them to Spirit of Sittingbourne	Cllr D. Dewar-Whalley / A. Adams	4,660
	<b>Resident Services</b>		
20	Reduction in Housing Benefits Admin subsidy. This pressure will be offset by Housing Benefits salary savings. The remaining grant pressure will then be met from the housing benefits reserve	Cllr D. Dewar-Whalley / A. Christou	244,000
	<b>Total Unavoidable Cost Pressures</b>		<b>758,860</b>

## Budget Proposals

Loss of Income			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Commissioning &amp; Customer Contact</b>		
1	Tipping Away payment - Kent County Council rechargeable works	Cllr D. Simmons / D. Thomas	10,500
2	The scheme whereby SBC receive a payment from Amicus for arranging local clear ups has now ended	Cllr D. Simmons / D. Thomas	10,000
	<b>Property Services</b>		
3	Net loss of rental income from miscellaneous properties due to properties to be transferred for town centre regeneration	Cllr D. Dewar-Whalley / A. Adams	12,600
4	Anticipated reduction in income from external printing	Cllr D. Dewar-Whalley / A. Adams	2,000
	<b>Total Loss of Income</b>		<b>35,100</b>

## Budget Proposals

Service Savings			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Commissioning &amp; Customer Contact</b>		
1	Hygiene services revised contract	Cllr D. Simmons / D. Thomas	(11,000)
2	Teynham public convenience electricity costs	Cllr D. Simmons / D. Thomas	(840)
3	Marine Parade public convenience electricity costs - facility closed	Cllr D. Simmons / D. Thomas	(1,470)
4	Litter bins - reduced replacement programme	Cllr D. Simmons / D. Thomas	(10,000)
5	Waste contract - fewer variation orders required as result of new contracts and more effective monitoring	Cllr D. Simmons / D. Thomas	(45,000)
6	Waste contract - reduction in base figure for negative indexation 2015/16	Cllr D. Simmons / D. Thomas	(61,670)
7	Street Cleaning contract - reduction in base figure for negative indexation 2015/16	Cllr D. Simmons / D. Thomas	(20,900)
8	Swale Community Leisure Executive Officer Post – end of grant	Cllr D. Simmons / D. Thomas	(50,000)
	<b>Director of Corporate Services</b>		
9	Reduction in external audit fee	Cllr D. Dewar- Whalley / M. Radford	(18,810)
	<b>Economic &amp; Community Services</b>		
10	Savings from asset transfer for Kemsley Hall - Grant to Kemsley Trust	Cllr M. Whiting / E. Wiggins	(6,010)
	<b>Finance</b>		
11	Savings on interest element of leases	Cllr D. Dewar- Whalley / N. Vickers	(6,070)
	<b>Resident Services</b>		
12	Channel Shift/ behaviour change to Housing Benefits Customer process. Offsets an unavoidable cost pressure.	Cllr D. Dewar- Whalley / A. Christou	(244,000)
13	Use of Council owned housing reducing temporary accommodation costs.	Cllr J. Wright/ A. Christou	(10,000)

**Budget Proposals**

<b>Service Savings</b>			
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 over 2015/16 £</b>
	<b>Planning</b>		
14	Miscellaneous savings from unused fees & services budgets	Cllr G. Lewin / J. Freeman	(4,800)
15	Reduction in advertising budget	Cllr G. Lewin / J. Freeman	(4,000)
16	South Thames Gateway Building Control Partnership savings	Cllr G. Lewin / J. Freeman	(3,500)
	<b>Mid Kent Improvement Partnership (MKIP) Services</b>		
17	Essential car users allowance reduction in cost	Cllr T. Wilcox / D. Smart	(18,990)
	<b>Total Service Savings</b>		<b>(517,060)</b>

## Budget Proposals

Additional Income			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Commissioning &amp; Customer Contact</b>		
1	Replacement of KCC enabling payment with supporting payments, following new waste contract	Cllr D. Simmons / D. Thomas	(53,900)
2	Bulky waste collections - increase in demand for service	Cllr D. Simmons / D. Thomas	(5,000)
3	Bulky waste collections – increase in fees	Cllr D. Simmons / D. Thomas	(20,000)
4	Wheeled bins sales to developers - increase in demand in line with new property builds	Cllr D. Simmons / D. Thomas	(5,000)
5	Garden waste collections - increased subscription levels	Cllr D. Simmons / D. Thomas	(106,500)
6	Litter picking works on the A249	Cllr D. Simmons / D. Thomas	(25,000)
7	Parking – increase in car parking charges	Cllr D. Simmons / D. Thomas	(100,000)
	<b>Finance</b>		
8	Increase in investment income	Cllr D. Dewar- Whalley / N. Vickers	(15,000)
	<b>Mid Kent Legal Services (MKLS)</b>		
9	Additional income from heightened budgeted income from s.106 legal drafting fees	Cllr D. Dewar- Whalley / J. Scarborough	(9,000)
10	Additional income from Maidstone and Tunbridge Wells councils for their share of increase of MKLS Growth item	Cllr D. Dewar- Whalley / J. Scarborough	(155,260)
	<b>Planning</b>		
11	Increased planning fee income	Cllr G. Lewin/ J. Freeman	(30,000)

**Budget Proposals**

<b>Additional Income</b>			
<b>No.</b>	<b>Description</b>	<b>Cabinet Member / Head of Service</b>	<b>2016/17 over 2015/16 £</b>
	<b>Resident Services</b>		
12	Utilities charge for households in bed and breakfast accommodation	Cllr J. Wright/ A. Christou	(5,000)
13	Two Council Tax Posts funded from the preceptors	Cllr D. Dewar-Whalley / A. Christou	(65,640)
	<b>Total Additional Income</b>		<b>(595,300)</b>

## Council Tax Base and Collection Fund

### Tax Base

The tax base for 2016/17 is 43,959.22.

### Collection Fund

As the Billing Authority, Swale Borough Council had to make an estimate of the surplus or deficit on the Collection Fund in January 2016, notifying Kent County Council, the Police and Crime Commissioner for Kent and the Kent & Medway Towns Fire & Rescue Authority of their proportions. The declared deficit of £1,226,000 is shared as follows:

	(Surplus)/ Deficit £'000
Kent County Council	(1,266)
The Police and Crime Commissioner for Kent	(212)
Kent & Medway Towns Fire & Rescue Authority	(68)
Swale Borough Council	1,087
Central Government	1,685
<b>Total</b>	<b>1,226</b>

These amounts are not added to precepts or budgets, but must be taken into account by each Authority when setting their Basic Council Tax. The net deficit for Swale Borough Council is therefore £1,087,000 including a £1,348,000 deficit for business rates and a £261,000 surplus for council tax. Only the council tax surplus is shown in the budget projections for the calculation of the 2016/17 Council Tax as the business rates deficit will be met by the business rates volatility reserve.

### Other Preceptors

Kent County Council, the Kent & Medway Fire Authority and the Kent Police and Crime Commissioner will set their own precepting for all valuation bands. These tax levels will form part of the overall Council Tax to be set by full Council on 17 February 2016.

### Parish Council Precepts

Parish Council precept demands have been submitted during January 2016 as and when the Parish Councils met to set their precepts. These will be expressed as an additional precept.



## Calculation of Council Tax and Budget Requirement

	2016/17 £'000
<b>2016/17 Swale Operating Expenditure Budget Before Savings and Growth Items</b>	<b>17,609</b>
Growth items	469
Unavoidable cost pressures	759
Loss of income	35
Additional income	(595)
Committed price increases	66
Pay increments	57
Pay award	109
Contribution to/ (from) reserves	459
Service savings	(517)
<hr/> Sub total	<hr/> 18,451
Council Tax Freeze Grant funded from RSG	(79)
New Homes Bonus	(3,482)
<hr/> <b>Swale Budget Requirement (to be agreed)</b>	<hr/> <b>14,890</b>
Revenue Support Grant	(1,955)
Business Rates	(5,644)
Collection Fund Surplus	(261)
<hr/> <b>Council Tax Requirement (to be agreed)</b>	<hr/> <b>7,030</b>
 Council Tax Income (assuming £159.93 for Band D)	 (7,030)

## Parish Precepts

Parish/Town Council	Additional Council Tax for Band D 2015/16 £	Tax Base 2016/17	Parish Precept (rounded) 2016/17 £	Additional Council Tax for Band D 2016/17 £	Parish Precept 2016/17 % Change
Bapchild	22.17	457.47	10,500	22.95	3.52%
Bobbing	19.82	825.54	16,361	19.82	0%
Borden	45.51	1,065.30	49,500	46.47	2.11%
Boughton-under-Blean	68.01	676.32	44,840	66.30	-2.51%
Bredgar	33.31	287.14	9,500	33.08	-0.69%
Doddington	36.19	216.82	7,800	35.97	-0.61%
Dunkirk	24.88	482.81	11,792	24.42	-1.85%
Eastchurch	45.08	701.88	30,000	42.74	-5.19%
Eastling	21.32	144.39	3,225	22.34	4.78%
Faversham Town Council	43.15	6,083.95	322,814	53.06	22.97%
Goodnestone & Graveney	35.19	181.07	5,500	30.37	-13.70%
Hartlip	19.41	361.24	7,000	19.38	-0.15%
Hernhill	28.64	283.33	8,000	28.24	-1.40%
Iwade	33.69	1,298.32	46,000	35.43	5.16%
Leysdown	22.06	1,147.26	26,000	22.66	2.72%
Lower Halstow	56.60	452.21	29,250	64.68	14.28%
Luddenham	0	44.24	0	0	0%
Lynsted	38.23	453.71	17,049	37.58	-1.70%
Milstead	44.23	85.08	5,000	58.77	32.87%
Minster	22.77	5,083.32	136,714	26.89	18.09%
Newington	49.01	870.50	44,000	50.55	3.14%
Newnham	21.73	151.01	5,355	35.46	63.18%
Norton & Buckland	31.27	184.36	5,773	31.31	0.13%
Oare	52.60	165.96	8,568	51.63	-1.84%
Ospringe	23.75	276.57	7,000	25.31	6.57%
Queenborough Town Council	58.91	767.69	45,225	58.91	0%
Rodmersham	31.80	237.79	7,500	31.54	-0.82%
Selling	27.02	342.96	8,205	23.92	-11.47%
Sheldwich, Leaveland & Badlesmere	24.98	350.13	8,600	24.56	-1.68%
Stalisfield	28.62	97.02	2,600	26.80	-6.36%
Teynham	53.07	861.67	45,480	52.78	-0.55%
Throwley	22.67	136.82	3,166	23.14	2.07%
Tonge	16.22	141.52	2,000	14.13	-12.89%
Tunstall	22.45	701.51	17,000	24.23	7.93%
Upchurch	28.57	912.01	26,311	28.85	0.98%
Warden	34.44	473.20	15,000	31.70	-7.96%
<b>TOTAL</b>			<b>1,038,628</b>		

## Reserves

Description	Balance as at 31/03/15 (after approved rollovers) £'000	Forecast Contributions to / from Reserves 2015/16 £'000	Balance as at 31/03/16 £'000	Forecast Contributions to / from Reserves 2016/17 £'000	Balance as at 31/03/17 £'000
General Reserve	(3,087)		(3,087)	170	(2,917)
Performance Fund	(747)		(747)		(747)
Transformation Fund	(293)		(293)		(293)
Regeneration Fund	(311)	(250)	(561)	(522)	(1,083)
Swale Local Loan Fund	(250)		(250)		(250)
Building Maintenance Fund	(738)		(738)		(738)
Housing Reserves	(181)		(181)		(181)
Repairs and Renewals Funds	(277)	(78)	(355)	(78)	(433)
Local Development Framework Fund	(234)		(234)		(234)
Stay Put Grants Reserve	(158)		(158)		(158)
Revenues Main Reserve	(387)		(387)		(387)
Business Rates Volatility Reserve	(1,233)	(1,018)	(2,251)	1,348	(903)
Development Control Reserve	(208)		(208)		(208)
Preceptors Council Tax Support Reserve	(125)	(125)	(250)	(59)	(309)
Homeless Property in Sheerness	(250)		(250)		(250)
Commuted Sums	(259)		(259)		(259)
Other Reserves	(1,661)	11	(1,650)	(29)	(1,679)
<b>Total Earmarked Reserves</b>	<b>(10,399)</b>	<b>(1,460)</b>	<b>(11,859)</b>	<b>830</b>	<b>(11,029)</b>
<b>Usable Capital Receipts Reserve</b>	<b>(911)</b>	<b>164</b>	<b>(747)</b>	<b>605</b>	<b>(142)</b>
<b>Capital Grants Unapplied Account</b>	<b>(269)</b>		<b>(269)</b>		<b>(269)</b>
<b>General Fund</b>	<b>(3,438)</b>	<b>(58)</b>	<b>(3,496)</b>		<b>(3,496)</b>

Note: This shows the Base position, but in-year expenditure will only be reflected in the Council's financial accounts.

**Capital Programme and Funding**

	<b>Funding SBC / Partnership</b>	<b>2015/16 Original Budget £</b>	<b>2015/16 Revised Budget £</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 Original Budget £</b>	<b>Budget Later Years £</b>
<b><u>ECONOMY &amp; COMMUNITIES - E.WIGGINS</u></b>						
CCTV - Repairs & Renewals Reserve	SBC	15,000	15,000	15,000	15,000	15,000
The Mill Project, Sittingbourne Skate Park - Capital Receipts	SBC	0	0	200,000	0	0
Faversham Creek Basin Regeneration Project (swing bridge) - Capital Receipts	SBC	0	0	200,000	0	0
Faversham Pools refurbishment - Capital Receipts	SBC	0	0	150,000	0	0
The Meads Community Centre- Regeneration Fund	SBC	0	31,000	0	0	0
The Meads Community Centre- S106	P	0	417,330	0	0	0
The Meads Community Centre- KCC Grant	P	0	50,000	0	0	0
Easthall Farm Community Centre - S106	P	0	50,000	964,000	0	0
Kemsley Community Facilities - S106	P	0	4,870	0	0	0
<b>TOTAL ECONOMY &amp; COMMUNITIES</b>		<b>15,000</b>	<b>568,200</b>	<b>1,529,000</b>	<b>15,000</b>	<b>15,000</b>
<b><u>COMMISSIONING &amp; CUSTOMER CONTACT - D.THOMAS</u></b>						
Cemeteries - future burial provision in the borough - Capital Receipts	SBC	0	22,040	0	0	0
Milton Creek Footpath & Viewing platform - Capital Receipts	SBC	0	16,190	0	0	0
Tree Works in 3 Cemeteries - Capital Receipts	SBC	30,000	37,690	0	0	0
Customer Service Centre telephony system – Capital Receipts	SBC	0	65,000	0	0	0
Thistle Hill Community Woodland - Trim Trail - S106	P	0	35,000	0	0	0
New Play Area - Iwade Schemes - S106	P	0	92,200	0	0	0
Faversham Recreation Ground Improvements- S106	P	0	2,610	0	0	0
Car park machines - Reserves	SBC	0	0	15,000	0	0
Oare Village Hall - S106	P	9,000	9,000	0	0	0
Oare Gunpowder Works - S106	P	9,000	9,000	0	0	0
<b>TOTAL COMMISSIONING &amp; CUSTOMER CONTACT</b>		<b>48,000</b>	<b>288,730</b>	<b>15,000</b>	<b>0</b>	<b>0</b>

**Capital Programme and Funding**

	<b>Funding SBC / Partnership</b>	<b>2015/16 Original Budget £</b>	<b>2015/16 Revised Budget £</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 Original Budget £</b>	<b>Budget Later Years £</b>
<b><u>HOUSING - A. CHRISTOU</u></b>						
Disabled Facilities Grants - External Grant	P	1,040,000	1,032,060	1,140,000	0	0
Temporary Accommodation provision - Reserves	SBC	0	200,000	0	0	0
<b>TOTAL HOUSING</b>		<b>1,040,000</b>	<b>1,232,060</b>	<b>1,140,000</b>	<b>0</b>	<b>0</b>
<b><u>PLANNING - J. FREEMAN</u></b>						
Wylie Court – Reserves	SBC	0	119,680	0	0	0
<b>TOTAL PLANNING</b>		<b>0</b>	<b>119,680</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>FINANCE - N. VICKERS</u></b>						
Cash Receipting System - Replacement - Capital Receipts	SBC	0	22,760	0	0	0
<b>TOTAL FINANCE</b>		<b>0</b>	<b>22,760</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>ENVIRONMENTAL HEALTH - T. BEATTIE</u></b>						
Replacement of Air Quality Stations - Capital Receipts	SBC	0	0	55,000	35,000	0
<b>TOTAL ENVIRONMENTAL HEALTH</b>		<b>0</b>	<b>0</b>	<b>55,000</b>	<b>35,000</b>	<b>0</b>
TOTAL CAPITAL PROGRAMME	SBC	<b>45,000</b>	<b>529,360</b>	<b>635,000</b>	<b>50,000</b>	<b>15,000</b>
TOTAL CAPITAL PROGRAMME	P	<b>1,058,000</b>	<b>1,702,070</b>	<b>2,104,000</b>	<b>0</b>	<b>0</b>
<b>TOTAL CAPITAL PROGRAMME</b>		<b>1,103,000</b>	<b>2,231,430</b>	<b>2,739,000</b>	<b>50,000</b>	<b>15,000</b>

## Capital Programme and Funding

	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	Budget Later Years £
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>1,103,000</b>	<b>2,231,430</b>	<b>2,739,000</b>	<b>50,000</b>	<b>15,000</b>
<b><u>FUNDING ANALYSIS</u></b>					
<b>PARTNERSHIP FUNDING</b>	<b>1,058,000</b>	<b>1,702,070</b>	<b>2,104,000</b>	<b>0</b>	<b>0</b>
<b>REVENUE CONTRIBUTIONS:</b>					
<b>(a) Repairs &amp; Renewals Reserves</b>					
- CCTV	15,000	15,000	15,000	15,000	15,000
<b>(b) General Reserve</b>					
- Temporary Accommodation Provision	0	200,000	0	0	0
- Wylie Court	0	119,680	0	0	0
- Car Park Machines	0	0	15,000	0	0
	0	319,680	15,000	0	0
<b>(c) Regeneration Fund</b>					
- The Meads Community Centre	0	31,000	0	0	0
<b>TOTAL REVENUE CONTRIBUTIONS</b>	<b>15,000</b>	<b>365,680</b>	<b>30,000</b>	<b>15,000</b>	<b>15,000</b>

**Capital Programme and Funding**

	<b>2015/16 Original Budget £</b>	<b>2015/16 Revised Budget £</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 Original Budget £</b>	<b>Budget Later Years £</b>
<b>CAPITAL RECEIPTS:</b>					
- Tree Works in three Cemeteries	30,000	37,690	0	0	0
- The Mill project, Sittingbourne Skate Park	0	0	200,000	0	0
- Faversham Creek Basin Regeneration Project (swing bridge)	0	0	200,000	0	0
- Customer Service Centre telephony system	0	65,000	0	0	0
- Faversham Pools Refurbishment	0	0	150,000	0	0
- Milton Creek Footpath and Viewing Platform	0	16,190	0	0	0
- Cemeteries - future burial provision	0	22,040	0	0	0
- Replacement of Cash Receipting System	0	22,760	0	0	0
- Replacement of Air Quality Stations	0	0	55,000	35,000	0
				0	0
<b>TOTAL CAPITAL RECEIPTS</b>	<b>30,000</b>	<b>163,680</b>	<b>605,000</b>	<b>35,000</b>	<b>0</b>
<b>TOTAL FUNDS UTILISED</b>	<b>1,103,000</b>	<b>2,231,430</b>	<b>2,739,000</b>	<b>50,000</b>	<b>15,000</b>

**Risk Issues**

Budget Risk Issues

(High =3, Medium = 2, Low = 1).

<b>Issue</b>	<b>Likelihood / Impact</b>	<b>Management</b>
Localisation of Business Rates, Business rates Appeals	L – High I – High = 9	Detailed consideration, modelling of impact.
New Homes Bonus	L – High I – High = 9	Consultation response, future budgeting
Sittingbourne Town Centre	L – Medium I – High = 6	Project Management, professional advice.
Council Tax Support	L – Medium I – Medium = 4	Scheme review and implementation
Recession adds to demand for services e.g. housing	L – Medium I – Medium = 4	Flexible across budgets, use of reserves, effective in year budget monitoring.
Judicial review of a major decision.	L – Low I – High =3	Good governance, member & officer training.
Delivery of 2016/17 savings	L – Low I – High = 3	Robust challenge to savings assumptions, close monitoring of delivery.
Delivery of savings on major contracts	L – Low I – High = 3	Contract monitoring, future arrangements for major contracts.
Loss of key staff	L – Medium I – Medium = 2	Succession planning, staff development & training.
Low investment income	L – High I – Low = 3	Security of deposits overriding criteria.
Fraud	L – Medium I – Low = 2	Internal controls, Internal Audit



## Minimum Revenue Provision Statement 2016/17

The Department for Communities and Local Government's Guidance on Minimum Revenue Provision (issued in 2010) places a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Secretary of State and local authorities are required to "have regard" to such Guidance under section 21(1A) of the Local Government Act 2003.

The Regulations require that "A local authority shall determine for the current financial year an amount of minimum revenue provision which it considers to be prudent".

The concept of Minimum Revenue Provision (MRP) was introduced in 1989 to prescribe the minimum amount which must be charged to the revenue account each year to meet credit liabilities (borrowing and leasing costs). MRP is charged to the General Fund and therefore does affect levels of Council Tax. Under the previous MRP regulations, MRP was set at a uniform rate of 4% of the adjusted Capital Financing Requirement (CFR) which represents the underlying need to borrow for the Council.

The detailed rules and formulae to be used in the more recent method of calculation were laid down in Regulation 28 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. This system was later radically revised and now requires an annual statement setting out the method of calculation of MRP.

The Secretary of State for Communities and Local Government issued guidance under section 21(1A) of the Local Government Act 2003. This states that "the broad aim of prudent provision is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of the grant." This would affect any future borrowing that local authorities may be considering.

The four MRP options available are:

- Option 1: Regulatory Method
- Option 2: CFR Method
- Option 3: Asset Life Method (Equal Instalment or Annuity)
- Option 4: Depreciation Method

Note: This does not preclude other prudent methods.

MRP in 2016/17: Options 1 and 2 may be used only for supported expenditure (i.e. financing costs deemed to be supported through Revenue Support Grant from Central Government). Methods of making prudent provision for self-financed expenditure include Options 3 and 4 (which may also be used for supported expenditure if the Council chooses).

The MRP Statement will be submitted to Council before the start of the 2016/17 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Council at that time.

## Minimum Revenue Provision Statement 2016/17

Council on 18 February 2015 resolved that for the 2015/16 financial year, the Council's policy for the calculation of Minimum Revenue Provision would be the regulatory method for supported borrowing and the asset life (equal instalment) method for Prudential borrowing.

The policy will be reviewed on an annual basis.

For 2016/17 it is recommended that:

- for supported expenditure and for all capital expenditure incurred prior to 1 April 2008 MRP will, under delegated authority, be calculated under the Regulatory Method;
- MRP for all self-financed capital expenditure incurred after 1 April 2008 will, under delegated authority, be calculated under the Asset Life (Equal Instalment) Method;
- MRP in respect of leases and Public Finance Initiative (PFI) schemes brought on Balance Sheet under the International Financial Reporting Standards based Accounting Code of Practice will match the principal repayment for the associated deferred liability, to ensure that the impact on the revenue account is neutral.
- Where loans are made to other bodies for their capital expenditure, no MRP will be charged.

# Revenue Budget and Capital Programme 2016/17



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## REPORT OF THE CABINET MEMBER FOR FINANCE AND THE HEAD OF FINANCE

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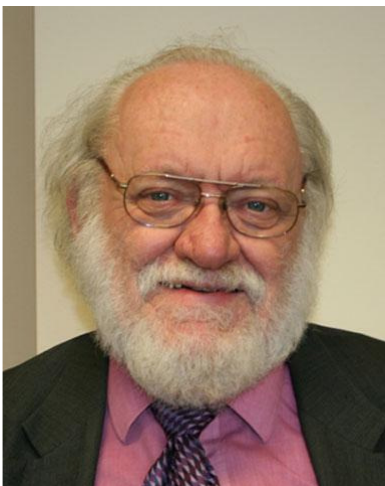
The budget for 2016/17 reflects the continuation of the Government's deficit reduction programme with a consequent significant further reduction in the funding which the Council receives from Central Government. In 2010 80% of local government expenditure was funded from Government grants and by 2020 local government will be wholly self financing.

The 2016/17 budget is one of transition between fundamentally different approaches to funding local authorities. The Council's Revenue Support Grant Settlement for 2016/17 was broadly as forecast but beyond that there are major new issues which will fundamentally impact on the Council's Medium Term Financial Plan:

- Steeper than expected reductions in Revenue Support Grant and a local authority funding model where the government assume Council Tax base growth and increases in Council Tax.
- A consultation on major changes to how New Homes Bonus operates with the central proposition being that funding for each property is received for four years rather than six. But New Homes Bonus is then built into the funding model permanently.
- The launch of a major consultation exercise on the full localisation of business rates by 2020.

Given that the Settlement was only received in late December our main focus has been on balancing the 2016/17 budget. This has been achieved once again without increasing Council tax for an unprecedented sixth year in succession.

We will start work shortly on tackling the huge challenges in the years beyond 2016/17.



Duncan Dewar-Whalley  
Cabinet Member for Finance



Nick Vickers  
Head of Finance

## COUNCIL TAX 2016/17

Swale's Council Tax requirement is as follows:

	2015/16 £000	2016/17 £000
<b>Swale Budget Requirement</b>	<b>15,015,294</b>	<b>14,890,268</b>
Less Revenue Support Grant	(2,929,549)	(1,954,950)
Less Business Rates	(5,053,444)	(5,643,950)
Less Collection Fund surplus	(176,183)	(260,970)
<b>Council Tax Requirement</b>	<b>6,856,118</b>	<b>7,030,398</b>
Band D Council Tax	159.93	159.93
Tax Base	42,869.49	43,959.22

As well as our own Council Tax, we collect on behalf of the other 'precepting authorities', i.e. Kent County Council, the Kent and Medway Towns Fire & Rescue Authority and the Kent Police and Crime Commissioner. Where applicable there will be an additional sum collected on behalf of the Parish Councils which have chosen to levy a local precept.

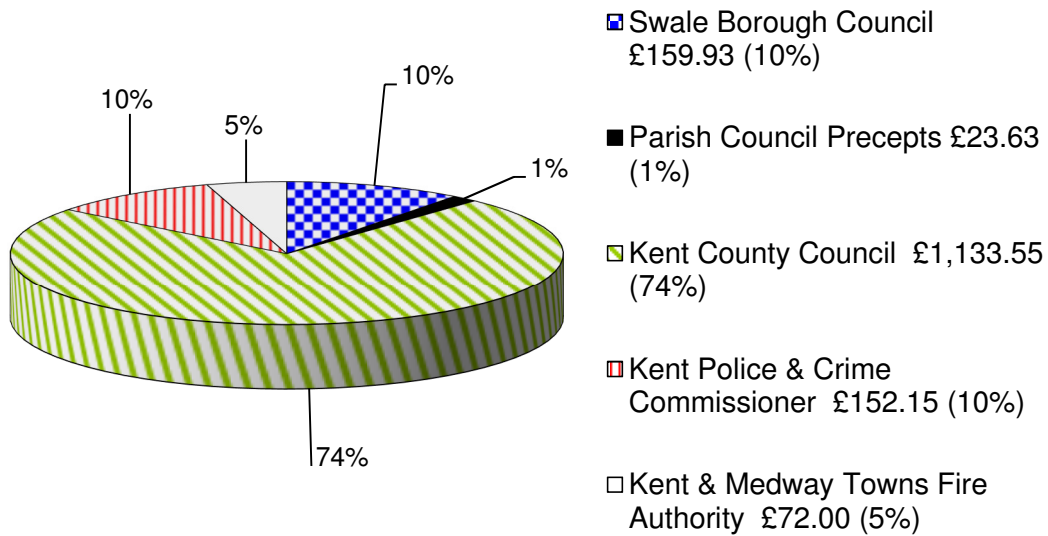
### Calculation of Band D Council Tax 2016/17:

2015/16		Authority	2016/17	
Precept £	Band D Council Tax £		Precept £	Band D Council Tax £
46,727,315	1,089.99	Kent County Council	49,829,974	1,133.55
6,308,245	147.15	Kent Police and Crime Commissioner	6,688,395	152.15
3,028,729	70.65	Kent and Medway Towns Fire & Rescue Authority	3,165,064	72.00
6,856,118	159.93	Swale Borough Council	7,030,398	159.93
<b>62,920,407</b>	<b>1,467.72</b>	<b>BASIC COUNCIL TAX</b>	<b>66,713,831</b>	<b>1,517.63</b>
917,305	21.40	Parish Council Precepts *	1,038,628	23.63
63,837,712	1,489.12	Council Tax inc. Parish	67,752,459	1,541.26

\*The Band D Council Tax is the average tax in respect of Parish Council Precepts for the whole Borough.

## COUNCIL TAX 2016/17

### Allocation of Council Tax:



### Council Tax Bandings

	Swale Borough Council £	Kent Police & Crime Commissioner £	Kent County Council £	Kent and Medway Towns Fire and Rescue Authority £	Total £
Band A	106.62	101.43	755.70	48.00	1,011.75
Band B	124.39	118.34	881.65	56.00	1,180.38
Band C	142.16	135.24	1,007.60	64.00	1,349.00
<b>Band D</b>	<b>159.93</b>	<b>152.15</b>	<b>1,133.55</b>	<b>72.00</b>	<b>1,517.63</b>
Band E	195.47	185.96	1,385.45	88.00	1,854.88
Band F	231.01	219.77	1,637.35	104.00	2,192.13
Band G	266.55	253.58	1,889.25	120.00	2,529.38
Band H	319.86	304.30	2,267.10	144.00	3,035.26

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## MEDIUM TERM FINANCIAL PLAN

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The Medium Term Financial Plan (MTFP) funding position is set out in the table on page 6. The MTFP is a forecast of the financial position over the next three years to aid the Council in meeting its objectives as set out in the Corporate Plan.

This is a simple financial forecast but it does give clarity on prudent management of its expenditure by the Council when planning for the future. The MTFP is underpinned by the following principles:

- achieving a balanced budget position with the base budget requirement being met from core income;
- maintaining a prudent level of reserves to allow the Council to deal with unexpected one-off events;
- reserves being used to fund one-off items of expenditure against the Council's priorities as determined by Members; and
- a prudent forecast for business rates.



## MEDIUM TERM FINANCIAL PLAN

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
Base budget	17,609	17,609	17,609	17,609
Growth items	0	469	459	451
Unavoidable cost pressures	0	759	691	697
Loss of income	0	35	35	35
Additional income	0	(595)	(549)	(585)
Committed price increases	0	66	93	136
<u>Salary Related:</u>				
Increments	0	57	79	101
Pay award	0	109	240	371
Contribution to/(from) reserves	317	459	317	317
Revenue Support Grant	(2,929)	(1,955)	(1,107)	(576)
Business Rates	(5,040)	(5,644)	(5,843)	(6,011)
Council Tax	(6,856)	(7,030)	(7,101)	(7,172)
Council Tax Freeze Grant funded from RSG	(79)	(79)	(79)	(79)
Council Tax Freeze Grant funded separately	(80)	0	0	0
New Homes Bonus	(2,824)	(3,482)	(3,500)	(2,199)
Collection Fund Surplus - Council Tax	(176)	(261)	0	0
<b>Savings Required</b>	<b>(58)</b>	<b>517</b>	<b>1,344</b>	<b>3,095</b>
Service savings	0	(517)	(378)	(384)
Requirement for balanced position	0	0	(966)	(2,711)
<b>Committed savings</b>	<b>0</b>	<b>(517)</b>	<b>(1,344)</b>	<b>(3,095)</b>
<b>Contribution (to) from General Fund</b>	<b>(58)</b>	<b>0</b>	<b>0</b>	<b>0</b>

## MEDIUM TERM FINANCIAL PLAN

Growth items			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Chief Executive</b>		
1	Swale Borough Council share of the cost of a MKIP Director and support	Cllr A. Bowles / A. Kara	60,000
	<b>Commissioning &amp; Customer Contact</b>		
2	Parking – funding communication links for car park machines	Cllr D. Simmons / D. Thomas	8,500
3	Parking - repairs and renewals to car parks and equipment	Cllr D. Simmons / D. Thomas	7,500
4	Leisure Development Officer	Cllr M. Whiting / D. Thomas	34,240
	<b>Director of Corporate Services</b>		
5	Licensing salaries change to establishment to provide a fit for purpose service following review of processes and resources	Cllr K. Pugh / M. Radford	60,000
	<b>Economic &amp; Community Services</b>		
6	Increase the Safeguarding Officer post to full time	Cllr K. Pugh / E. Wiggins	20,000
	<b>Environmental Health</b>		
7	Reallocation of MKIP resources for Food Safety service	Cllr D. Simmons / M. Radford	28,000
	<b>Mid Kent Legal Services (MKLS)</b>		
8	Gross cost increase in Mid Kent Legal Services pooled budget for additional staff. See Additional Income item 10 on page 12.	Cllr D. Dewar-Whalley / J. Scarborough	176,770
	<b>Property Services</b>		
9	For the provision of software to support lone workers.	Cllr D. Dewar-Whalley / A. Adams	8,000
	<b>Resident Services</b>		
10	Two Council Tax Posts – to be funded from the Council Tax Support reserve. See Additional Income item 13 on page 12.	Cllr D. Dewar-Whalley / A. Christou	65,640
	<b>Total Growth Items</b>		<b>468,650</b>

## MEDIUM TERM FINANCIAL PLAN

Unavoidable Cost Pressures			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Commissioning &amp; Customer Contact</b>		
1	Business rates for Faversham District office	Cllr D. Dewar-Whalley / D. Thomas	1,700
2	Rent and service charges for Faversham District office - new charges to apply from 2016/17	Cllr D. Dewar-Whalley / D. Thomas	6,700
3	Closed churchyards maintenance	Cllr D. Simmons / D. Thomas	18,000
4	Parking shared service reapportionment	Cllr D. Simmons / D. Thomas	15,000
5	Beach Huts - unachievable income	Cllr D. Simmons / D. Thomas	20,000
6	The effect on grounds maintenance and leisure contract budgets of the introduction of the minimum living wage	Cllr D. Simmons / D. Thomas	46,000
7	Increase in cemeteries' rates	Cllr D. Simmons / D. Thomas	1,500
8	Cost of Bartons Point cesspit emptying	Cllr D. Simmons / D. Thomas	2,000
9	Cost of metered water at seafront	Cllr D. Simmons / D. Thomas	2,000
	<b>Democratic Services</b>		
10	Individual Electoral Registration additional staff resources	Cllr A. Bowles / M. Radford	22,000
	<b>Finance</b>		
11	Increase cost of credit and debit cards for Council Tax collection	Cllr D. Dewar-Whalley / N. Vickers	40,000
12	Increase in precept from Lower Medway Internal Drainage Board 2.2%	Cllr D. Dewar-Whalley / N. Vickers	3,850
13	Insurance increase from annual renewal. The projection reflects a 4.4% increase	Cllr D. Dewar-Whalley / N. Vickers	17,760
14	From 2016/17 KCC has announced it will be ending the grant to district councils relating to the number of second homes in their area	Cllr D. Dewar-Whalley / N. Vickers	46,000

## MEDIUM TERM FINANCIAL PLAN

Unavoidable Cost Pressures			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Mid Kent Improvement Partnership (MKIP)</b>		
15	Unachieved saving from 2015/16. Extension of HR shared service to TWBC is no longer a possibility	Cllr T. Wilcox / D. Smart	19,690
16	National Insurance cost increase	Cllr T. Wilcox / D. Smart	182,000
	<b>Planning</b>		
17	Increased Local Plan costs - to be funded from reserves	Cllr G. Lewin / J. Freeman	60,000
	<b>Property Services</b>		
18	Increase in business rates for Swale House	Cllr D. Dewar-Whalley / A. Adams	6,000
19	Business rates for miscellaneous properties due to the necessary delay between vacating them and transferring them to Spirit of Sittingbourne	Cllr D. Dewar-Whalley / A. Adams	4,660
	<b>Resident Services</b>		
20	Reduction in Housing Benefits Admin subsidy. This pressure will be offset by Housing Benefits salary savings. The remaining grant pressure will then be met from the housing benefits reserve. See Service Savings item 12 on page 11.	Cllr D. Dewar-Whalley / A. Christou	244,000
	<b>Total Unavoidable Cost Pressures</b>		<b>758,860</b>

Loss of Income			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Commissioning &amp; Customer Contact</b>		
1	Tipping Away payment - Kent County Council rechargeable works	Cllr D. Simmons / D. Thomas	10,500
2	The scheme whereby SBC receive a payment from Amicus for arranging local clear ups has now ended	Cllr D. Simmons / D. Thomas	10,000
	<b>Property Services</b>		
3	Net loss of rental income from miscellaneous properties due to properties to be transferred for town centre regeneration	Cllr D. Dewar-Whalley / A. Adams	12,600

## MEDIUM TERM FINANCIAL PLAN

Loss of Income			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
4	Anticipated reduction in income from external printing	Cllr D. Dewar-Whalley / A. Adams	2,000
<b>Total Loss of Income</b>			<b>35,100</b>

Service Savings			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
<b>Commissioning &amp; Customer Contact</b>			
1	Hygiene services revised contract	Cllr D. Simmons / D. Thomas	(11,000)
2	Teynham public convenience electricity costs - facility closed	Cllr D. Simmons / D. Thomas	(840)
3	Marine Parade public convenience electricity costs - facility closed	Cllr D. Simmons / D. Thomas	(1,470)
4	Litter bins - reduced replacement programme	Cllr D. Simmons / D. Thomas	(10,000)
5	Waste contract - fewer variation orders required as result of new contracts and more effective monitoring	Cllr D. Simmons / D. Thomas	(45,000)
6	Waste contract - reduction in base figure for negative indexation 2015/16	Cllr D. Simmons / D. Thomas	(61,670)
7	Street Cleaning contract - reduction in base figure for negative indexation 2015/16	Cllr D. Simmons / D. Thomas	(20,900)
8	Swale Community Leisure Executive Officer Post – end of grant	Cllr D. Simmons / D. Thomas	(50,000)
<b>Director of Corporate Services</b>			
9	Reduction in external audit fee	Cllr D. Dewar-Whalley / M. Radford	(18,810)
<b>Economic &amp; Community Services</b>			
10	Savings from asset transfer for Kemsley Hall - Grant to Kemsley Trust	Cllr M. Whiting / E. Wiggins	(6,010)

## MEDIUM TERM FINANCIAL PLAN

Service Savings			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Finance</b>		
11	Savings on interest element of leases	Cllr D. Dewar-Whalley / N. Vickers	(6,070)
	<b>Resident Services</b>		
12	Channel Shift/ behaviour change to Housing Benefits Customer process. See Unavoidable Cost Pressures item 20 on page 9.	Cllr D. Dewar-Whalley / A. Christou	(244,000)
13	Use of Council owned Housing in Teynham reducing temporary accommodation costs.	Cllr J. Wright/ A. Christou	(10,000)
	<b>Planning</b>		
14	Miscellaneous savings from unused fees & services budgets	Cllr G. Lewin / J. Freeman	(4,800)
15	Reduction in advertising budget	Cllr G. Lewin / J. Freeman	(4,000)
16	South Thames Gateway Building Control Partnership savings	Cllr G. Lewin / J. Freeman	(3,500)
	<b>Mid Kent Improvement Partnership (MKIP) Services</b>		
17	Essential car users allowance reduction in cost	Cllr T. Wilcox / D. Smart	(18,990)
	<b>Total Service Savings</b>		<b>(517,060)</b>

Additional Income			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
	<b>Commissioning &amp; Customer Contact</b>		
1	Replacement of KCC enabling payment with supporting payments, following new waste contract	Cllr D. Simmons / D. Thomas	(53,900)
2	Bulky waste collections - increase in demand for service	Cllr D. Simmons / D. Thomas	(5,000)
3	Bulky waste collections – increase in fees	Cllr D. Simmons / D. Thomas	(20,000)
4	Wheeled bins sales to developers - increase in demand in line with new property builds	Cllr D. Simmons / D. Thomas	(5,000)

## MEDIUM TERM FINANCIAL PLAN

Additional Income			
No.	Description	Cabinet Member / Head of Service	2016/17 over 2015/16 £
5	Garden waste collections - increased subscription levels	Cllr D. Simmons / D. Thomas	(106,500)
6	Litter picking works on the A249	Cllr D. Simmons / D. Thomas	(25,000)
7	Parking – increase in car parking charges	Cllr D. Simmons / D. Thomas	(100,000)
	<b>Finance</b>		
8	Increase in investment income	Cllr D. Dewar- Whalley / N. Vickers	(15,000)
	<b>Mid Kent Legal Services (MKLS)</b>		
9	Additional income from heightened budgeted income from s.106 legal drafting fees	Cllr D. Dewar- Whalley / J. Scarborough	(9,000)
10	Additional income from Maidstone and Tunbridge Wells councils for their share of increase of MKLS Growth item. See Growth Items, item 8 on page 7.	Cllr D. Dewar- Whalley / J. Scarborough	(155,260)
	<b>Planning</b>		
11	Increased planning fee income	Cllr G. Lewin/ J. Freeman	(30,000)
	<b>Resident Services</b>		
12	Utilities charge for households in bed and breakfast accommodation	Cllr J. Wright/ A. Christou	(5,000)
13	Two Council Tax Posts funded from the preceptors. See Growth Items, item 10 on page 7.	Cllr D. Dewar- Whalley / A. Christou	(65,640)
	<b>Total Additional Income</b>		<b>(595,300)</b>

**PARISH COUNCIL PRECEPTS 2016/17**

<b>Parish/Town Council</b>	<b>Tax Base 2016/17</b>	<b>Parish Precept (rounded) 2016/17 £</b>	<b>Additional Council Tax for Band D 2016/17 £</b>	<b>Parish Precept 2016/17 % change</b>
BAPCHILD	457.47	10,500	22.95	3.52 %
BOBBING	825.54	16,361	19.82	0.00 %
BORDEN	1,065.30	49,500	46.47	2.11 %
BOUGHTON-UNDER-BLEAN	676.32	44,840	66.30	-2.51 %
BREDGAR	287.14	9,500	33.08	-0.69 %
DODDINGTON	216.82	7,800	35.97	-0.61 %
DUNKIRK	482.81	11,792	24.42	-1.85 %
EASTCHURCH	701.88	30,000	42.74	-5.19 %
EASTLING	144.39	3,225	22.34	4.78 %
FAVERSHAM TOWN COUNCIL	6,083.95	322,814	53.06	22.97 %
GRAVENEY & GOODNESTONE	181.07	5,500	30.37	-13.70 %
HARTLIP	361.24	7,000	19.38	-0.15 %
HERNHILL	283.33	8,000	28.24	-1.40 %
IWADE	1,298.32	46,000	35.43	5.16 %
LEYSDOWN	1,147.26	26,000	22.66	2.72 %
LOWER HALSTOW	452.21	29,250	64.68	14.28 %
LUDDENHAM	44.24	0	0	0.00 %
LYNSTED	453.71	17,049	37.58	-1.70 %
MILSTEAD	85.08	5,000	58.77	32.87 %
MINSTER	5,083.32	136,714	26.89	18.09 %
NEWINGTON	870.50	44,000	50.55	3.14 %
NEWNHAM	151.01	5,355	35.46	63.18 %
NORTON & BUCKLAND	184.36	5,773	31.31	0.13 %
OARE	165.96	8,568	51.63	-1.84 %
OSPRINGE	276.57	7,000	25.31	6.57 %
QUEENBOROUGH TOWN COUNCIL	767.69	45,225	58.91	0.00 %
RODMERSHAM	237.79	7,500	31.54	-0.82 %
SELLING	342.96	8,205	23.92	-11.47 %
SHELDWICH/LEAVELAND/ BADLESMERE	350.13	8,600	24.56	-1.68 %
STALISFIELD	97.02	2,600	26.80	-6.36 %
TEYNHAM	861.67	45,480	52.78	-0.55 %
THROWLEY	136.82	3,166	23.14	2.07 %
TONGE	141.52	2,000	14.13	-12.89 %
TUNSTALL	701.51	17,000	24.23	7.93 %
UPCHURCH	912.01	26,311	28.85	0.98 %
WARDEN	473.20	15,000	31.70	-7.96 %
<b>TOTAL</b>		<b>1,038,628</b>		

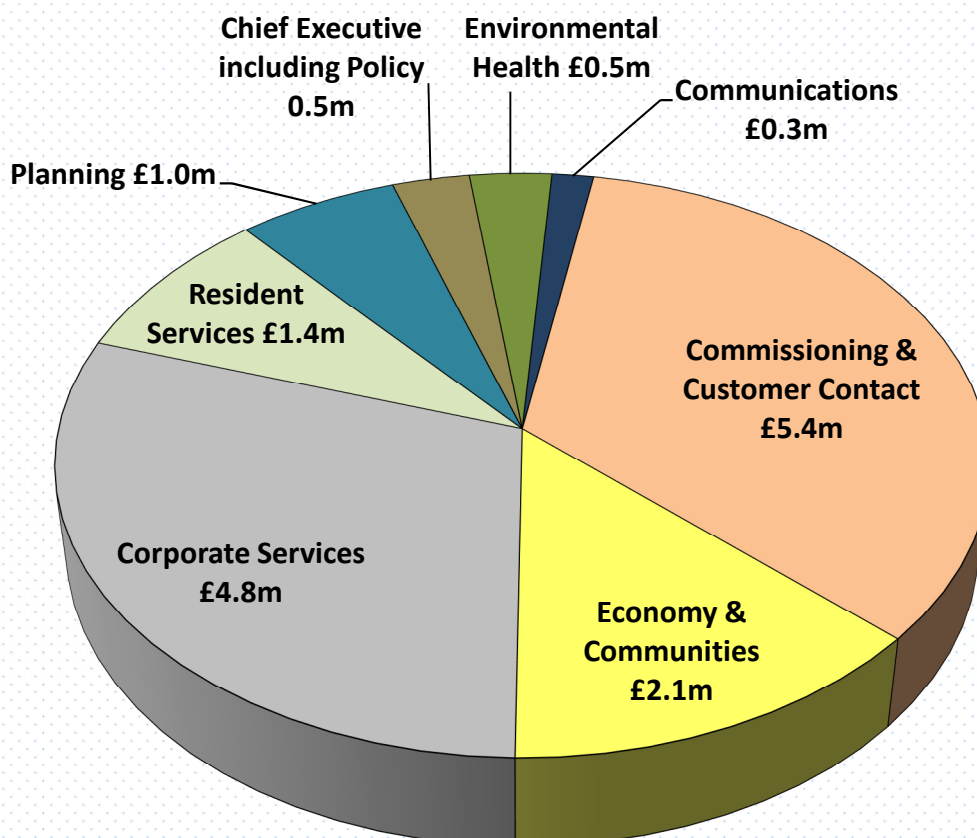


## REVENUE BUDGET – SUMMARY – BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £
The Chief Executive	461,779	465,330	469,870	481,910
Economy & Communities	2,287,745	2,107,590	2,389,890	2,154,390
Communications	225,619	253,740	255,640	259,290
Resident Services	1,689,116	1,189,440	1,287,290	1,377,760
Planning	929,432	940,430	979,800	999,460
Commissioning & Customer Contact	2,534,695	5,340,250	5,446,760	5,418,710
Environmental Health	477,361	471,030	489,590	512,480
The Director of Corporate Services & The Director of Regeneration	330,126	332,390	402,310	403,030
Information Technology	740,424	654,270	654,270	662,080
Audit	155,554	158,840	158,840	160,410
Finance	1,476,776	1,398,940	1,404,520	1,452,480
Legal	417,218	307,660	342,700	353,340
Property	318,162	425,690	455,200	452,070
Human Resources	390,279	345,290	357,360	349,880
Democratic	829,988	832,090	937,680	926,790
<b>NET EXPENDITURE BEFORE NET RECHARGES</b>	<b>13,264,274</b>	<b>15,222,980</b>	<b>16,031,720</b>	<b>15,964,080</b>
Contribution (from) / to General Fund	503,398	58,000	58,000	0
Net Recharges	(2,740)	0	0	0
<b>NET EXPENDITURE</b>	<b>13,764,932</b>	<b>15,280,980</b>	<b>16,089,720</b>	<b>15,964,080</b>
<b>Net below the line items (see page 15)</b>	2,378,391	(279,662)	(1,088,422)	(1,073,710)
<b>Less Revenue Support Grant</b>	(4,296,804)	(2,929,000)	(2,929,000)	(1,955,000)
<b>Less Business Rates Retained Income</b>	(4,978,566)	(5,040,000)	(5,040,000)	(5,644,000)
<b>Less Collection Fund Surplus</b>	(178,361)	(176,200)	(176,180)	(260,970)
<b>Less Council Tax Requirement</b>	(6,689,592)	(6,856,118)	(6,856,118)	(7,030,400)
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## REVENUE BUDGET – SUMMARY – BY SERVICE

Net Expenditure by Service – 2016/17 (expenditure less income and before recharges):



	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £
<b>BELOW THE LINE ITEMS:</b>				
Backfunding superannuation costs	2,567,167	1,688,480	1,700,670	1,678,080
Accounting adjustments	(346,877)	230,208	(577,742)	(26,400)
2013/14 rollovers	1,355,544	0	0	0
Contributions to/from reserves	976,000	317,000	317,000	459,000
Interest on Balances	(121,230)	(78,000)	(78,000)	(93,000)
Interest Payable	64,477	101,610	101,610	72,570
Minimum Revenue Provision	368,665	318,040	318,040	318,040
New Homes Bonus	(2,268,687)	(2,811,000)	(2,824,000)	(3,482,000)
Other Grants	(216,668)	(46,000)	(46,000)	0
<b>Total Below the Line Items</b>	<b>2,378,391</b>	<b>(279,662)</b>	<b>(1,088,422)</b>	<b>(1,073,710)</b>

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Chief Executive Cllr A. Bowles (A. Kara)</b>					
Chief Executive	239,391	231,590	233,800	238,850	The Chief Executive is the senior officer who leads and takes responsibility for the work of the staff of the Council.
Climate Change	29,224	23,220	23,760	27,050	To mitigate the causes of climate change and fulfil the Council's commitments set out in Climate Local Swale and to facilitate adaptation to a changing climate among the borough's residents and businesses.
Corporate Costs	8,030	27,030	27,030	27,530	Costs relating to various corporate development activities.
Policy & Performance	185,134	183,490	185,280	188,480	To provide policy support; overview and scrutiny; performance management; data transparency; strategic partnerships; equalities; demographic and customer insight.
<b>NET DIRECT EXPENDITURE</b>	<b>461,779</b>	<b>465,330</b>	<b>469,870</b>	<b>481,910</b>	
Net Recharges	(371,658)	(363,150)	(363,570)	(372,660)	
<b>NET EXPENDITURE</b>	<b>90,121</b>	<b>102,180</b>	<b>106,300</b>	<b>109,250</b>	

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Economy &amp; Communities Cllrs M. Cosgrove, M. Whiting, D. Simmons and K. Pugh (E. Wiggins)</b>					
Animal Welfare	(7,543)	(8,000)	(8,000)	(8000)	This service involves the licensing of various business premises including pet shops, boarding establishments, riding establishments, and dog breeders. We are also responsible for licensing of 'dangerous wild animals'.
Arts Events & Activities	28,736	25,000	25,000	25,000	The Council does not directly deliver arts events or activities but works in partnership to enable arts activities in the Borough. The budgets include funding to commemorate the centenary of the First World War.
Closed Circuit Television (CCTV)	276,780	249,250	254,250	254,250	Our CCTV service is carried out through a partnership agreement with Medway Council.
Community Halls/Centres	77,482	63,910	73,910	56,440	The Council currently operates one community hall. The Council has successfully transferred its other halls to local trusts via community asset transfer. The budget also includes funding for the transferred Alexander Centre and Kemsley Community Centre.
Community Safety	215,691	207,270	223,890	226,910	The Community Safety Unit exists to tackle crime and antisocial behaviour in the Borough.
Community Services	160,375	372,240	372,870	372,990	This budget includes the funds allocated to voluntary organisations.

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Economy &amp; Communities</b>					
<b>Cllrs M. Cosgrove, M. Whiting, D. Simmons and K. Pugh (E. Wiggins)</b>					
Culture & Liveability	116,034	106,660	107,660	109,300	Staff and other costs for departmental management for tourism and cultural services.
Culture & Economic Development	503,979	348,220	425,730	357,690	Staff costs for departmental economic development services including Head of Service. Includes costs associated with promoting economic activity within the Borough.
Dog Warden Service	51,984	49,470	49,720	50,180	This service relates to enforcement and practical activities involving stray dogs, dangerous dogs, dog fouling and nuisance from barking dogs.
Emergency Planning	20,793	0	0	0	Grant money provided by the Department for Communities and Local Government to support businesses and households impacted by flooding in 2013/14.
Environmental Initiatives	(260)	(1,100)	(1,100)	(1,100)	This service undertakes a number of environmental initiatives to address litter, graffiti, etc. funded through income from fixed penalties and third party contributions.
Environmental Response	468,318	442,270	447,580	451,970	Staff costs for the Environmental Wardens and Environmental Response Team.
Gypsy Site Illegal	2,535	3,150	3,150	3,150	This service relates to the liaison with itinerant gypsies and the steps taken to remove them when necessary. A policy of using the powers within the Criminal Justice Act 1994 has been employed to achieve eviction.
Heritage	10,000	10,000	10,000	10,000	Cost of grants allocated to heritage projects
Learning & Skills	59,801	68,390	68,390	68,390	Funding and staff costs to deliver actions in the Economic Development Strategy so that Swale is open for business.
Local Heritage Centres	7,574	14,170	14,170	19,510	The service relates to the provision and maintenance of the museum buildings owned by the Council.
Members' Grants	100,063	59,000	129,950	59,000	Cost of grants allocated by members.
Markets	(30,614)	(13,850)	(13,850)	(13,850)	Markets are operated under contract in Faversham, Sheerness and Sittingbourne – monitoring of contracts and market programmes for specialist markets.
Pest Control	(8,300)	(2,000)	(2,000)	(2,000)	This function is now carried out under contract in partnership with Maidstone and Ashford Borough Councils, this income is a rebate from the pest control contractors.
Regeneration	24,658	0	12,000	0	Regeneration is currently being funded from the regeneration reserve.
Sittingbourne Town Centre Development	88,945	0	60,000	0	Leads and co-ordinates major regeneration projects for the Council, such as Sittingbourne Town Centre redevelopment and major road issues and schemes e.g. Junction 5 M2, Sittingbourne Northern Relief and Rushenden Relief roads.
Sports Development	87,092	93,440	116,470	94,460	Funding and staff costs to enable the delivery of sport and physical activities in partnership that will increase participation and improve health.

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Economy &amp; Communities</b>					
<b>Cllrs M. Cosgrove, M. Whiting, D. Simmons and K. Pugh (E. Wiggins)</b>					
Tourism	27,347	14,670	14,670	14,670	This service maintains focus on development of the local industry through partnership working including the Faversham Society and Green Grid.
Youth	6,275	5,430	5,430	5,430	This represents expenditure on Youth Forum.
<b>NET DIRECT EXPENDITURE</b>	<b>2,287,745</b>	<b>2,107,590</b>	<b>2,389,890</b>	<b>2,154,390</b>	
Net Recharges	313,785	389,840	415,110	418,610	
<b>NET EXPENDITURE</b>	<b>2,601,530</b>	<b>2,497,430</b>	<b>2,805,000</b>	<b>2,573,000</b>	

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Communications</b>					
<b>Cllr A. Bowles (E. Wiggins)</b>					
Communications	225,619	253,740	255,640	259,290	To communicate information to the public about Council services in order to raise awareness of what the Council delivers.
<b>NET DIRECT EXPENDITURE</b>	<b>225,619</b>	<b>253,740</b>	<b>255,640</b>	<b>259,290</b>	
Net Recharges	(181,237)	(200,990)	(204,020)	(207,850)	
<b>NET EXPENDITURE</b>	<b>44,382</b>	<b>52,750</b>	<b>51,620</b>	<b>51,440</b>	

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Resident Services</b>					
<b>Cllr J. Wright, Cllr D. Dewar-Whalley (A. Christou)</b>					
Benefit	(294,981)	(262,780)	(262,780)	(262,780)	This shows the cost of benefit payments offset by grant received plus the level of debt raised for the recovery of overpaid benefits.
Benefit Administration	546,606	291,160	294,950	324,640	This account shows the cost of administering Benefit. Staffing is the major element of the overall cost together with the cost of I.T. systems and services, interviewing facilities at district offices and recharges from other cost centres. The cost of administration is offset by Government grants.
Council Tax and Business Rates Collection	(64,933)	66,560	80,090	192,760	This is the net cost of collecting and administering Council Tax and National Non Domestic Rates (NNDR) income received. This includes the collection of NNDR and the recovery of court costs in relation to the issue of summonses and liability orders which are anticipated as being collected in addition to the Council Tax itself.

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Resident Services</b>					
<b>Cllr J. Wright, Cllr D. Dewar-Whalley (A. Christou)</b>					
Housing Options	817,928	572,130	646,490	594,050	To deliver the housing advice function, homelessness prevention, mortgage repossession support, illegal eviction, court cases, temporary accommodation, affordable housing allocation and housing register.
Housing Development Strategy and Health	237,189	240,030	242,300	244,080	This work includes the assessment, direction and monitoring of affordable housing provision to meet the Borough's identified housing needs. This is carried out in liaison with the Council's Housing Association and Thames Gateway partners. The health partnership work requires managing the local Health & Wellbeing Board and associated local operational groups to improve health, wellbeing and reduce health inequality through partnership working.
Private Sector Housing	449,911	300,600	303,250	307,680	This service works to ensure homes are safe and healthy as possible. Its primary functions are tackling poor conditions within the private rented sector including houses in multiple occupation, returning long-term empty homes back into use, encouraging landlord accreditation and promoting home energy saving initiatives. It also provides grants to allow adaptations to the homes of disabled persons and repair loans where serious hazards are present in the home.
Stay Put Scheme Grants	(2,604)	(18,260)	(17,010)	(22,670)	This service assists elderly and disabled people to secure essential home improvements and repairs so that they can remain within the community in their own homes. This includes a Handyperson service for minor works, funded by Swale Primary Care Trust (PCT).
<b>NET DIRECT EXPENDITURE</b>	<b>1,689,116</b>	<b>1,189,440</b>	<b>1,287,290</b>	<b>1,377,760</b>	
Net Recharges	1,356,779	1,182,770	1,201,540	1,224,500	
<b>NET EXPENDITURE</b>	<b>3,045,895</b>	<b>2,372,210</b>	<b>2,488,830</b>	<b>2,602,260</b>	

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Planning</b> <b>Cllr G. Lewin (J. Freeman)</b>					
Building Control	82,510	85,990	85,990	81,450	Building Control is defined as the administrative and technical process involved in the enforcement of statutory building standards, including plan examination and a series of site inspections. This service is provided by a partnership between Medway, Swale and Gravesham Councils.
Development Control	(890,196)	(529,440)	(548,530)	(560,790)	This service incorporates the processing and determination of planning applications, the provision of advice and guidance to potential applicants and others, planning appeals and enforcement. The primary source of income is from planning fees which are paid by applicants when submitting applications.
Local Land Charges	(29,674)	(147,090)	(147,090)	(146,480)	This is a statutory service providing local land charge searches on properties and land in the Borough. This is a shared service between Maidstone and Tunbridge Wells Borough Council.
Local Planning & Conservation	80,064	148,400	155,130	208,620	This service incorporates Local Plan preparation and review, strategic planning matters and conservation.
Development Services	1,335,233	1,132,850	1,184,580	1,164,550	Staff costs for the department.
Mid Kent Planning Support	351,495	249,720	249,720	252,110	Planning Admin and Planning Technical support carried out in a shared service with Maidstone and Tunbridge Wells Borough Council. During 2016/17 this service will be carried out with Maidstone Borough Council only.
<b>NET DIRECT EXPENDITURE</b>	<b>929,432</b>	<b>940,430</b>	<b>979,800</b>	<b>999,460</b>	
Net Recharges	591,878	619,250	631,570	608,550	
<b>NET EXPENDITURE</b>	<b>1,521,310</b>	<b>1,559,680</b>	<b>1,611,370</b>	<b>1,608,010</b>	

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Legal</b> <b>Cllr D. Dewar-Whalley (J. Scarborough)</b>					
Mid Kent Legal Services	407,218	307,660	342,700	353,340	Provision of legal services to support the delivery of Council priorities and front line services. This is carried out in a shared service with Tunbridge Wells and Maidstone Borough Council.
<b>NET DIRECT EXPENDITURE</b>	<b>407,218</b>	<b>307,660</b>	<b>342,700</b>	<b>353,340</b>	
Net Recharges	(407,218)	(307,660)	(342,700)	(353,340)	
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Commissioning &amp; Customer Contact</b>					
<b>Cllrs D. Simmons and M. Whiting (D.Thomas)</b>					
Allotments	2,346	3,810	5,780	3,890	Swale Borough Council has 14 allotment sites across the Borough.
Car Park Staff	125,249	121,380	138,280	152,590	Staff costs for the delivery of car parking.
Cemeteries & Closed Churchyards	137,310	139,130	145,800	199,900	This service covers the management of 5 cemeteries, including administration of the burial service, the keeping of public cemetery records and maps and the maintenance of the cemetery grounds. The service supports the requirement to maintain 17 churchyards in the Borough which are closed for further new burials and maintained by the Council at the request of the local Parochial Church Council. The service is also responsible for the maintenance of 7 war memorials and 1 Aviation memorial.
Client & Amenity Services	305,645	290,560	259,150	322,000	Staff costs for the Client & Amenity services.
Coast Protection	(18,183)	(13,470)	(13,470)	(13,470)	This service involves the maintenance and monitoring of the coastal defences that are the responsibility of the Council under the Coast Protection Act and the monitoring of the unprotected cliffs to ensure public safety.
Contracts and Procurement	260,217	324,520	362,810	342,710	Staff costs for contracts and procurement.
Countryside & Country Parks	217,991	242,880	244,540	216,510	The Council manages and maintains a number of Council owned informal country and coastal parks.
Customer Service Centre – Sheerness Gateway	21,761	63,040	63,090	63,090	Running costs for the Sheerness Gateway.
Customer Service Centre Staff	558,650	480,770	542,060	509,680	The Customer Service Centre delivers over 100 services at first point of contact via telephone, face to face, website and email. Services are delivered from Swale House and also at the Sheerness Gateway.
Hackney Carriages	(44,847)	(41,170)	(41,040)	(40,820)	This service provides for the licensing of Hackney Carriages and Private Hire vehicles and drivers to ensure the safety, convenience and comfort of passengers as well as the safety of other road users. The licence fees and fare schedules are reviewed annually.
Harbour & Quays	2,064	(370)	(310)	(730)	Following the transfer of the management of Queenborough Harbour to a Trust in April 2012, this service covers the residual Council management of the Faversham Town Quay and fishing berth at Queenborough.
Head of Commissioning & Support	112,746	92,920	95,380	96,210	Cost of Head of Service and support for the Department.
Public Conveniences	293,954	340,190	340,190	332,760	The cleaning and supervision of conveniences is managed under contract.
Refuse Collection	2,332,264	2,320,260	2,310,260	2,417,210	See Recycling and Waste Minimisation.



## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Commissioning &amp; Customer Contact</b> <b>Cllrs D. Simmons and M. Whiting (D.Thomas)</b>					
Highways	22,227	10,420	29,500	11,900	This service covers the expenditure on highways and highway related works including Borough Council lighting, street naming and nameplates, bus shelters, cycling and traffic issues. These are Borough Council functions and although closely related to the work of Kent Highways they do not form part of County Council responsibilities. This also shows the cost of accommodation within Swale House for KCC staff principally engaged in dealing with highway aspects of planning applications.
Leisure & Sports Centres	(1,649,999)	571,110	571,110	517,970	This service area covers the costs incurred in providing built leisure facilities throughout Swale i.e. Sheppey Leisure Complex and the Swallows Leisure Centre. The service is operated through Swale Community Leisure Trust with Serco being their managing agents at the centres.
Parking Management	(1,314,309)	(1,179,960)	(1,192,090)	(1,274,730)	This function is carried out in partnership with Maidstone Borough Council. The service includes the enforcement of on-street parking restrictions under decriminalised parking enforcement powers and also the management of the Council's off-street car parks. The operational costs of these two areas of service are separated so that any operational surplus for on-street enforcement can be identified as this must be used to support parking related functions.
Parks & Open Spaces	497,302	796,710	803,940	882,380	This service involves the provision, development and maintenance of free urban parks, informal open spaces and play equipment totalling approximately 130 hectares of open space and the maintenance of 72 equipped play areas across the Borough.
Procurement & Commissioning	0	10,000	10,000	10,000	This service will manage the procurement and commissioning of goods and services across the Council. The specialisation provided by this service will promote improvements in procurement activity and facilities.
Seafront	195,130	174,970	181,820	204,360	The service focuses on providing high quality beaches for both residents and visitors alike. The service also provides a reactive service to beach cleaning issues on more remote rural beaches.

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Commissioning &amp; Customer Contact</b>					
<b>Cllrs D. Simmons and M. Whiting (D.Thomas)</b>					
Sports Pitches & Pavilions	77,353	90,130	91,480	97,330	This service provides well-maintained pitches and courts throughout the Borough for a range of the most popular outdoor sports. Sports facilities are let for self-management on the understanding that public use will be both available and encouraged.
Street Cleansing	819,102	845,490	845,490	879,120	Operated as part of the Mid Kent Joint Waste contract.
Recycling & Waste Minimisation	(627,963)	(503,000)	(503,000)	(663,400)	Refuse is collected largely in wheeled bins on behalf of the Council from 58,000 properties on an alternate weekly basis. Other areas are collected via communal bins. Those premises not suitable for wheeled bins are provided with sacks. All households are permitted to dispose of garden waste within the purchased service which provides brown-wheeled bins. In addition, the contract makes provision for the collection of clinical waste and for special collection of bulky household items, which includes some white goods. Operated as part of the Mid Kent Joint contract.
Technical Services	208,685	159,930	155,990	152,250	Staff costs for delivering technical services.
<b>NET DIRECT EXPENDITURE</b>	<b>2,534,695</b>	<b>5,340,250</b>	<b>5,446,760</b>	<b>5,418,710</b>	
Net Recharges	1,607,222	2,064,625	2,106,090	2,114,590	
<b>NET EXPENDITURE</b>	<b>4,141,917</b>	<b>7,404,875</b>	<b>7,552,850</b>	<b>7,533,300</b>	

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Information Technology</b>					
<b>Cllr D. Dewar-Whalley (A. Cole)</b>					
Administrative Buildings	60,896	56,630	56,630	56,630	Swale House telephone costs.
Information Technology	679,528	597,640	597,640	605,450	To promote IT development, channel shift and maintain effective IT systems for service delivery. This service is provided in partnership with Maidstone and Tunbridge Wells Borough Councils.
<b>NET DIRECT EXPENDITURE</b>	<b>740,424</b>	<b>654,270</b>	<b>654,270</b>	<b>662,080</b>	
Net Recharges	(740,424)	(654,270)	(654,270)	(662,080)	
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Property</b>					
<b>Cllr D. Dewar-Whalley (A. Adams)</b>					
Administrative Buildings	268,352	300,250	300,250	318,610	Administrative Buildings shows the running and operational cost of Swale House.
Health & Safety	787	4,580	4,580	12,580	To carry out the Council's corporate Health and Safety function.
Leisure & Sports Centres	(2,787)	(3,520)	(3,520)	(3,560)	Rental income associated with the long-term lease of Faversham Community Gym and Activity Centre.
Property Services	548,816	530,880	560,180	547,330	Staff and other costs for this department including print room, cleaning and caretaking.
Property Management	(497,006)	(406,500)	(406,290)	(422,890)	Management of Council properties.
<b>NET DIRECT EXPENDITURE</b>	<b>318,162</b>	<b>425,690</b>	<b>455,200</b>	<b>452,070</b>	
Net Recharges	(605,458)	(603,700)	(701,930)	(698,080)	
<b>NET EXPENDITURE</b>	<b>(287,296)</b>	<b>(178,010)</b>	<b>(246,730)</b>	<b>(246,010)</b>	

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Finance</b>					
<b>Cllr D. Dewar-Whalley (N. Vickers)</b>					
Treasury Management & Bank Charges	31,551	37,720	37,720	37,780	Treasury Management is the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
Financial Services	747,926	659,660	665,240	691,530	Staff and other costs for this department.
Insurance	335,404	332,400	332,400	350,160	The total Insurance cost for all Council activities.
Parish Councils (Footway Lighting)	41,680	46,170	46,170	46,170	The Council decided to cap Parish Councils' Footway Lighting at the level of 2007-08 grant, with the result that any increase above this level would be paid for by the relevant Parish Council responsible.
Lower Medway Internal Drainage Board	320,215	322,990	322,990	326,840	Statutory Levy.
<b>NET DIRECT EXPENDITURE</b>	<b>1,476,776</b>	<b>1,398,940</b>	<b>1,404,520</b>	<b>1,452,480</b>	
Net Recharges	(2,310,198)	(2,774,080)	(2,783,060)	(2,827,500)	
<b>NET EXPENDITURE</b>	<b>(833,422)</b>	<b>(1,375,140)</b>	<b>(1,378,540)</b>	<b>(1,375,020)</b>	

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Democratic Services</b>					
<b>Cllr A. Bowles (K. Bescoby)</b>					
Democratic & Electoral	274,820	225,330	249,560	253,470	Staff and other costs for this department.
Democratic Process	146,379	134,520	134,330	195,450	The Service arranges the Council's meetings which includes agenda preparation, production of minutes, and follow up action. The section also provides a support for scrutiny, member development and training and other aspects of the democratic service.
Elections & Electoral Registration	28,663	87,240	167,240	87,680	The Service carries out an annual audit of the electoral register (annual canvass) and updates it throughout the year (rolling registration), encouraging as many eligible people to register as possible.
Members Allowances	380,126	385,000	386,550	390,190	The cost of members allowances. This includes the basic allowance, the special responsibility allowance, the IT allowance and Members Travel.
<b>NET DIRECT EXPENDITURE</b>	<b>829,988</b>	<b>832,090</b>	<b>937,680</b>	<b>926,790</b>	
Net Recharges	517,149	469,150	427,700	516,950	
<b>NET EXPENDITURE</b>	<b>1,347,137</b>	<b>1,301,240</b>	<b>1,365,380</b>	<b>1,443,740</b>	

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Director of Corporate Services &amp; Director of Regeneration</b>					
<b>Cllrs D. Dewar-Whalley and T. Wilcox (M. Radford &amp; K. Carr)</b>					
Corporate Costs	90,732	81,700	81,700	62,890	These costs relate to the Council as a whole rather than one service. They are mainly external Audit Fees.
Licences	(127,822)	(133,840)	(133,840)	(133,780)	Swale Borough Council deals with applications for the following Licences: New Premises or New Club Premises Licence, Variation or transfer of a Premises/Club Premises Licence, Personal Licences, Temporary Events, Gambling Licences and for Sex Establishments.
Licencing	75,413	59,150	119,700	121,630	Staff costs for licencing.
Strategic Directors	228,507	259,630	264,170	285,800	Staff and other costs for Corporate Services and Director of Regeneration.
Emergency Planning	63,296	65,750	70,580	66,490	This service has been operating at a minimum level, with support from Kent County Council under a Service Level Agreement. The Civil Contingencies Act has increased the responsibilities of the Borough Council and emergency plans have been reviewed to address these requirements.
<b>NET DIRECT EXPENDITURE</b>	<b>330,126</b>	<b>332,390</b>	<b>402,310</b>	<b>403,030</b>	
Net Recharges	629,395	530,765	593,880	569,580	
<b>NET EXPENDITURE</b>	<b>929,521</b>	<b>863,155</b>	<b>996,190</b>	<b>972,610</b>	

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Environmental Health Cllr D. Simmons (T. Beattie)</b>					
Environmental Services	434,224	430,490	440,450	472,820	Staff costs for the Food Safety and Pollution.
Food Safety	32,773	17,500	20,300	17,500	This budget relates to the promotion of food safety and includes activities such as the inspection of food premises, food sampling and surveillance, investigation of food complaints and food safety educational initiatives.
Noise Control	414	2,360	2,360	2,360	This budget includes the investigation of noise nuisance from industrial, commercial and residential premises. The time spent by officers from the Environmental Services Pollution, the Environmental Response and the Out of Hours Teams in delivering this service is included under the Environmental Services budget line.
Pollution Control	13,424	19,250	25,930	19,250	This budget relates to all pollution issues other than noise. Contractual support is employed to undertake inspections and authorisation for the purposes of the Environmental Protection Act 1990.
Public Health Burials	(84)	1,820	1,820	1,820	Swale Borough Council is responsible for arranging the funeral of any person who has died other than in hospital and where it appears that no other agency or persons are making suitable arrangements for the disposal of the body.
Public Health	(3,390)	(390)	(1,270)	(1,270)	Fee income from various establishments that could have an impact on Public Health.
<b>NET DIRECT EXPENDITURE</b>	<b>477,361</b>	<b>471,030</b>	<b>489,590</b>	<b>512,480</b>	
Net Recharges	143,078	137,250	167,130	168,810	
<b>NET EXPENDITURE</b>	<b>620,439</b>	<b>608,280</b>	<b>656,720</b>	<b>681,290</b>	

## REVENUE BUDGET BY SERVICE

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Human Resources Cllr T. Wilcox (D. Smart)</b>					
Human Resources	253,832	239,860	247,460	244,450	Providing payroll, employee relations, training and organisational development in a shared service with Maidstone Borough Council.
Salaries Overheads	136,447	105,430	109,900	105,430	This shows the salary related costs which are not allocated directly to other budgets, for example health and safety and employers liability insurance.
<b>NET DIRECT EXPENDITURE</b>	<b>390,279</b>	<b>345,290</b>	<b>357,360</b>	<b>349,880</b>	
Net Recharges	(390,279)	(345,290)	(357,360)	(349,880)	
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

	Actual 2014/15 £	Original Budget 2015/16 £	Working Budget 2015/16 £	Original Budget 2016/17 £	Purpose of Service
<b>Audit Cllr D. Dewar-Whalley (R. Clarke)</b>					
Audit Services	155,554	158,840	158,840	160,410	The Internal Audit Partnership provides an independent appraisal of the Council's system of internal controls. It is a statutory requirement for Councils to have an Internal Audit function in accordance with the Local Government Act 1972. This service is provided in partnership with Tunbridge Wells, Maidstone and Ashford Borough Council.
<b>NET DIRECT EXPENDITURE</b>	<b>155,554</b>	<b>158,840</b>	<b>158,840</b>	<b>160,410</b>	
Net Recharges	(155,554)	(158,840)	(158,840)	(160,410)	
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## RESERVES 2016/17

Note: This shows the Base position, but in-year expenditure will only be reflected in the Council's financial accounts

Description	Balance as at 31/03/15 (after approved rollovers) £'000	Forecast Contributions to / from Reserves 2015/16 £'000	Balance as at 31/03/16 £'000	Forecast Contributions to / from Reserves 2016/17 £'000	Balance as at 31/03/17 £'000
General Reserve	(3,087)		(3,087)	170	(2,917)
Performance Fund	(747)		(747)		(747)
Transformation Fund	(293)		(293)		(293)
Regeneration Fund	(311)	(250)	(561)	(522)	(1,083)
Swale Local Loan Fund	(250)		(250)		(250)
Building Maintenance Fund	(738)		(738)		(738)
Housing Reserves	(181)		(181)		(181)
Repairs and Renewals Funds	(277)	(78)	(355)	(78)	(433)
Local Development Framework Fund	(234)		(234)		(234)
Stay Put Grants Reserve	(158)		(158)		(158)
Revenues Main Reserve	(387)		(387)		(387)
Business Rates Volatility Reserve	(1,233)	(1,018)	(2,251)	1,348	(903)
Development Control Reserve	(208)		(208)		(208)
Preceptors Council Tax Support Reserve	(125)	(125)	(250)	(59)	(309)
Homeless Property in Sheerness	(250)		(250)		(250)
Commutated Sums	(259)		(259)		(259)
Other Reserves	(1,661)	11	(1,650)	(29)	(1,679)
<b>Total Earmarked Reserves</b>	<b>(10,399)</b>	<b>(1,460)</b>	<b>(11,859)</b>	<b>830</b>	<b>(11,029)</b>
<b>Usable Capital Receipts Reserve</b>	<b>(911)</b>	<b>164</b>	<b>(747)</b>	<b>605</b>	<b>(142)</b>
<b>Capital Grants Unapplied Account</b>	<b>(269)</b>		<b>(269)</b>		<b>(269)</b>
<b>General Fund</b>	<b>(3,438)</b>	<b>(58)</b>	<b>(3,496)</b>		<b>(3,496)</b>

**CAPITAL PROGRAMME 2016/17 – 2017/18**

	<b>Funding SBC / Partnership</b>	<b>2015/16 Original Budget £</b>	<b>2015/16 Revised Budget £</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 Original Budget £</b>	<b>Budget Later Years £</b>
<b><u>ECONOMY &amp; COMMUNITIES - E.WIGGINS</u></b>						
CCTV - Repairs & Renewals Reserve	SBC	15,000	15,000	15,000	15,000	15,000
The Mill Project, Sittingbourne Skate Park - Capital Receipts	SBC	0	0	200,000	0	0
Faversham Creek Basin Regeneration Project (swing bridge) - Capital Receipts	SBC	0	0	200,000	0	0
Faversham Pools refurbishment - Capital Receipts	SBC	0	0	150,000	0	0
The Meads Community Centre- Regeneration Fund	SBC	0	31,000	0	0	0
The Meads Community Centre- S106	P	0	417,330	0	0	0
The Meads Community Centre- KCC Grant	P	0	50,000	0	0	0
Easthall Farm Community Centre - S106	P	0	50,000	964,000	0	0
Kemsley Community Facilities - S106	P	0	4,870	0	0	0
<b>TOTAL ECONOMY &amp; COMMUNITIES</b>		<b>15,000</b>	<b>568,200</b>	<b>1,529,000</b>	<b>15,000</b>	<b>15,000</b>
<b><u>COMMISSIONING &amp; CUSTOMER CONTACT - D.THOMAS</u></b>						
Cemeteries - future burial provision in the borough - Capital Receipts	SBC	0	22,040	0	0	0
Milton Creek Footpath & Viewing platform - Capital Receipts	SBC	0	16,190	0	0	0
Tree Works in 3 Cemeteries - Capital Receipts	SBC	30,000	37,690	0	0	0
Customer Service Centre telephony system – Capital Receipts	SBC	0	65,000	0	0	0
Thistle Hill Community Woodland - Trim Trail - S106	P	0	35,000	0	0	0
New Play Area - Iwade Schemes - S106	P	0	92,200	0	0	0
Faversham Recreation Ground Improvements- S106	P	0	2,610	0	0	0
Car park machines - Reserves	SBC	0	0	15,000	0	0
Oare Village Hall - S106	P	9,000	9,000	0	0	0
Oare Gunpowder Works - S106	P	9,000	9,000	0	0	0
<b>TOTAL COMMISSIONING &amp; CUSTOMER CONTACT</b>		<b>48,000</b>	<b>288,730</b>	<b>15,000</b>	<b>0</b>	<b>0</b>



**CAPITAL PROGRAMME 2016/17 – 2017/18**

	Funding SBC / Partnership	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	Budget Later Years £
<b><u>HOUSING - A. CHRISTOU</u></b>						
Disabled Facilities Grants - External Grant	P	1,040,000	1,032,060	1,140,000	0	0
Temporary Accommodation provision - Reserves	SBC	0	200,000	0	0	0
<b>TOTAL HOUSING</b>		<b>1,040,000</b>	<b>1,232,060</b>	<b>1,140,000</b>	<b>0</b>	<b>0</b>
<b><u>PLANNING - J. FREEMAN</u></b>						
Wylie Court – Reserves	SBC	0	119,680	0	0	0
<b>TOTAL PLANNING</b>		<b>0</b>	<b>119,680</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>FINANCE - N. VICKERS</u></b>						
Cash Receipting System - Replacement - Capital Receipts	SBC	0	22,760	0	0	0
<b>TOTAL FINANCE</b>		<b>0</b>	<b>22,760</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>ENVIRONMENTAL HEALTH - T. BEATTIE</u></b>						
Replacement of Air Quality Stations - Capital Receipts	SBC	0	0	55,000	35,000	0
<b>TOTAL ENVIRONMENTAL HEALTH</b>		<b>0</b>	<b>0</b>	<b>55,000</b>	<b>35,000</b>	<b>0</b>
TOTAL CAPITAL PROGRAMME	SBC	<b>45,000</b>	<b>529,360</b>	<b>635,000</b>	<b>50,000</b>	<b>15,000</b>
TOTAL CAPITAL PROGRAMME	P	<b>1,058,000</b>	<b>1,702,070</b>	<b>2,104,000</b>	<b>0</b>	<b>0</b>
<b>TOTAL CAPITAL PROGRAMME</b>		<b>1,103,000</b>	<b>2,231,430</b>	<b>2,739,000</b>	<b>50,000</b>	<b>15,000</b>

**CAPITAL PROGRAMME 2016/17 – 2017/18**

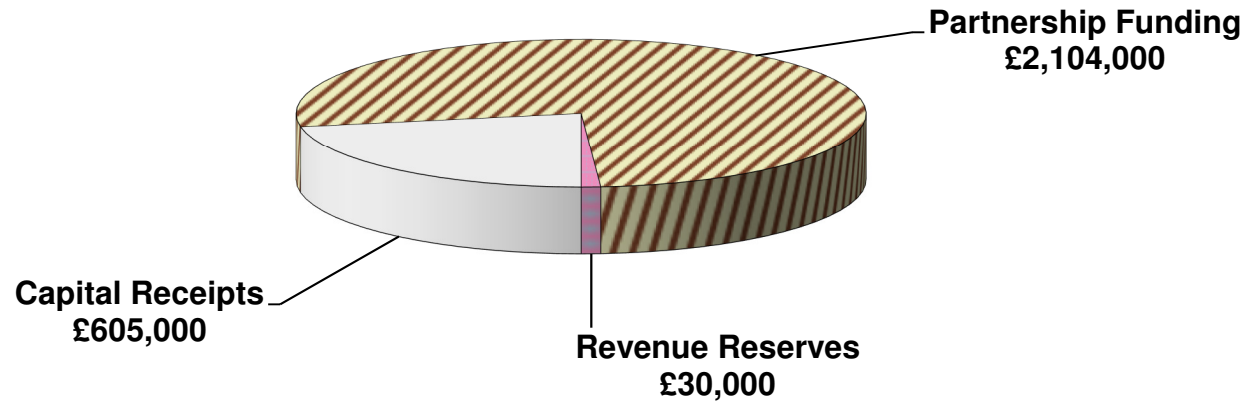
	<b>2015/16 Original Budget £</b>	<b>2015/16 Revised Budget £</b>	<b>2016/17 Original Budget £</b>	<b>2017/18 Original Budget £</b>	<b>Budget Later Years £</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>1,103,000</b>	<b>2,231,430</b>	<b>2,739,000</b>	<b>50,000</b>	<b>15,000</b>
<b><u>FUNDING ANALYSIS</u></b>					
<b>PARTNERSHIP FUNDING</b>	<b>1,058,000</b>	<b>1,702,070</b>	<b>2,104,000</b>	<b>0</b>	<b>0</b>
<b>REVENUE CONTRIBUTIONS:-</b>					
<b>(a) Repairs &amp; Renewals Reserves</b>					
- CCTV	15,000	15,000	15,000	15,000	15,000
<b>(b) General Reserve</b>					
- Temporary Accommodation Provision	0	200,000	0	0	0
- Wylie Court	0	119,680	0	0	0
- Car Park Machines	0	0	15,000	0	0
	0	319,680	15,000	0	0
<b>(c) Regeneration Fund</b>					
- The Meads Community Centre	0	31,000	0	0	0
<b>TOTAL REVENUE CONTRIBUTIONS</b>	<b>15,000</b>	<b>365,680</b>	<b>30,000</b>	<b>15,000</b>	<b>15,000</b>

## CAPITAL PROGRAMME 2016/17 – 2017/18

	2015/16 Original Budget £	2015/16 Revised Budget £	2016/17 Original Budget £	2017/18 Original Budget £	Budget Later Years £
<b>CAPITAL RECEIPTS:-</b>					
- Tree Works in three Cemeteries	30,000	37,690	0	0	0
- The Mill project, Sittingbourne Skate Park	0	0	200,000	0	0
- Faversham Creek Basin Regeneration Project (swing bridge)	0	0	200,000	0	0
- Customer Service Centre telephony system	0	65,000	0	0	0
- Faversham Pools Refurbishment	0	0	150,000	0	0
- Milton Creek Footpath and Viewing Platform	0	16,190	0	0	0
- Cemeteries - future burial provision	0	22,040	0	0	0
- Replacement of Cash Receipting System	0	22,760	0	0	0
- Replacement of Air Quality Stations	0	0	55,000	35,000	0
<b>TOTAL CAPITAL RECEIPTS</b>	<b>30,000</b>	<b>163,680</b>	<b>605,000</b>	<b>35,000</b>	<b>0</b>
<b>TOTAL FUNDS UTILISED</b>	<b>1,103,000</b>	<b>2,231,430</b>	<b>2,739,000</b>	<b>50,000</b>	<b>15,000</b>

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How we are intending to fund our 2016/17 Capital Programme:



## Contacting Swale Borough Council

The Customer Service Centre deals with all enquiries across the Council; it should be your first stop when contacting us.

Copies of this Revenue Budget and Capital Programme are available on the council website [www.swale.gov.uk](http://www.swale.gov.uk).

If you would like further hard copies or alternative versions (i.e. large print, audio, different language) we will do our best to accommodate your request. Please contact the council at:

Swale Borough Council  
Swale House, East Street  
Sittingbourne  
Kent, ME10 3HT

**Customer Service Centre**  **01795 417850**

<b>Council</b>	<b>Agenda Item: 11</b>
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<b>Meeting Date</b>	<b>17 February 2016</b>
<b>Report Title</b>	<b>Treasury Strategy 2016/17</b>
<b>Cabinet Member</b>	<b>Cllr. Duncan Dewar-Whalley, Cabinet Member for Finance</b>
<b>SMT Lead</b>	<b>Nick Vickers, Head of Finance</b>
<b>Head of Service</b>	<b>Nick Vickers, Head of Finance</b>
<b>Lead Officer</b>	<b>Olga Cole, Management Accountant</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Classification</b>	<b>Open</b>
<b>Forward Plan</b>	<b>Reference number:</b>

<b>Recommendations</b>	1. To approve the Treasury Strategy 2016/17 and the Prudential and Treasury Management Indicators.
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## 1. Purpose of Report and Executive Summary

- 1.1 The Chartered Institute of Public Finance and Accountancy’s Code of Practice for Treasury Management in Public Services and the Prudential Code require the Council to approve a Treasury Strategy and Prudential Indicators before the start of each financial year.
- 1.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) has defined Treasury Management as:
 

“The management of the organisation’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.
- 1.3 This report sets out and seeks approval of the proposed Treasury Management Strategy and Prudential and Treasury Management Indicators for 2016/17. It was agreed by Cabinet on 3 February 2016.

## 2. Background

### Borrowing Strategy

- 2.1 The Medium Term Financial Plan assumes that the Council remains free from external borrowing other than any borrowing necessary for short term cash flow reasons. The Council on 30 July 2014 agreed that borrowing would be allowed as part of the regeneration of the Sittingbourne town centre.
- 2.2 The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body;
- any institution approved for investments;
- any other bank or building society authorised to operate in the UK;
- UK public and private sector pension funds (except the Kent Pension Fund); and
- Capital market bond investors

## **Interest Rate Forecast and Market Outlook**

- 2.3 The Council's treasury management adviser Arlingclose now forecasts the first rise in official interest rates with a 0.25% increase in the third quarter of 2016 and then rising by 0.5% per annum until stabilising between 2% and 3% in several years' time. Other forecasters now expect any rate rise to be in 2017. A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix I.
- 2.4 In last year's Treasury Strategy the impact of changes in banking legislation encompassing the concept of bail-in where investors and depositors take a share of any loss in the event of a bank failure was the major new factor for the Council to respond to. During the last year there has been an increase in the level of confidence in major financial institutions and this has been reflected in Arlingclose extending their recommended durations for unsecured deposits. At the current time unsecured bank deposits still provide the bedrock of the investment strategy despite rates staying stubbornly low.
- 2.5 Equity markets have seen significant falls over the last 12 months with the FTSE 100 some 10% off the peak reached in April 2015. The Council has therefore not invested in equity funds. Commercial Property has performed well with an anticipated return (income return plus capital appreciation) of around 15% expected in 2015. The investment in the CCLA Property Fund has performed well and the Council will look to add further to its current investment.

## **Investment Strategy**

- 2.6 The Council holds invested funds, averaging in the year to date £36m with a maximum of £43m, representing income received in advance plus balances and reserves held. In common with most local authorities the actual level of funds available for investment has been increasing.
- 2.7 Both the CIPFA Code and the Department for Communities and Local Government's (DCLG) Guidance require the Council to invest its funds prudently, and have regard to the security and liquidity of its investments before seeking higher return.
- 2.8 The Council has had a risk averse investment strategy focussing deposits to major highly rated financial institutions and Money Market Funds.
- 2.9 The Council could make use of the following asset classes:

- (1) Government: Loans, bonds and bills issued or guaranteed by national governments and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
- (2) Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks with a minimum long term credit rating of A-. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. The only exceptions to this would be overnight deposits at the Council's current account provider if this was downgraded to BBB+, BBB or BBB- at some future point and RBS Group (current rating BBB) (see paragraph 2.16).
- (3) Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the counterparty limit.
- (4) Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent.
- (5) Short-Term Money Market Funds: These are pooled investment funds managed by major financial institutions. Short-Term Money Market Funds offer same-day liquidity and will be used as an alternative to instant access bank accounts. We already make extensive use of Short-Term Money Market Funds.
- (6) Investment Portfolio: Investments can be made in Pooled Funds including Property Funds, Absolute Return Funds, Equity Income Funds and Fixed Income Funds. These funds will be used for longer investment periods and have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee.

2.10 Credit ratings are obtained and monitored by the Council's treasury adviser, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

- 2.11 Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “rating watch negative” or “credit watch negative”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
- 2.12 The Council understands that credit ratings are useful, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.
- 2.13 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.
- 2.14 The CLG Guidance defines specified investments as those:
- denominated in pound sterling;
  - due to be repaid within 12 months of arrangement;
  - not defined as capital expenditure by legislation; and
  - invested with one of:
    - the UK Government,
    - a UK local authority, parish council or community council, or
    - a body or investment scheme of “high credit quality”.
- 2.15 The Council defines “high credit quality” organisations as those having a credit rating of A- or higher that are domiciled in the UK or having a credit rating of A- or higher and are domiciled in a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.
- 2.16 Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in



foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality.

### **3. Proposal**

#### **Proposed Counterparty banks and building societies**

3.1 There are very limited changes proposed to the counterparties used. The changes proposed are:

- (1) Reinstatement of RBS Group - initially for overnight call money only. This reflects an improved credit rating.
- (2) Additional overseas banks which Arlingclose currently recommend reflecting their all-round strength.
- (3) Remove the small building societies which the Council has not utilised.
- (4) Increased limit on Money Market Funds from £1.5m to £3m as these often offer better diversification than unsecured bank deposits with little or no reduction in yield.
- (5) Increased limit for Leeds Building Society and Close Brothers Bank from £1m to £1.5m.
- (6) Introduction of Covered Bonds. These are investments which are underwritten by a pool of high quality assets, so if the bank was unable to repay the investment it would be met from the asset pool. These are secured deposits which are exempt from bail-in and may offer better returns than unsecured bank deposits. Arlingclose would advise on each specific investment.
- (7) Introduction of Cash Plus Funds and Short-Dated Bond Funds. These are funds that generally invest in money market and capital market securities including gilts, treasury bills, sterling-denominated and non-UK sovereign and supranational bonds, commercial paper, term deposits, certificates of deposit (CDs), floating rate notes, asset backed securities, short and medium term bonds and collective investment schemes. They aim to provide an income and to grow the capital value over time. Short-Dated Bond Funds will generally look at longer-term investments and be subject to great price volatility compared to Cash Plus Funds.

3.2 The recommended counterparty limits are:

Debt Management Office (Debt Management Account Deposit Facility) and Treasury Bills	Unlimited
Major UK banks / building societies. (Barclays, HSBC, Lloyds Banking Group, RBS Group, Santander UK, Nationwide, Standard Chartered) unsecured deposits	£3m
Svenska Handelsbanken	£3m
Leeds Building Society unsecured deposits	£1.5m
Close Brothers unsecured deposits	£1.5m
Major overseas banks unsecured deposits (to be determined based upon Arlingclose advice) Netherlands: Bank Nederlande Gemeeten, Rabobank Singapore: OCBC, UOB, DBS Sweden: Nordea Bank Denmark: Danske Bank USA: JP Morgan Chase Australia: Australian and New Zealand Banking Group, Commonwealth Bank of Australia, National Australian Bank Ltd, Westpac Banking Corp Canada: Bank of Montreal, Bank of Nova Scotia, Canadian Imperial Bank of Commerce, Royal Bank of Canada, Toronto Dominion Bank	£1.5m limit per bank, £3m country limit
Short Term Money Market Funds	£3m each
CCLA LAMIT Local Authority Property Fund	£3m
Supranational Bonds	£6m in aggregate
Corporate Bond funds and Corporate Bonds	£3m in aggregate
Covered Bonds	£9m in aggregate with £3m limit per bank
Absolute return funds	£3m in aggregate
Equity income funds	£3m in aggregate
Cash Plus Funds and Short Dated Bond Funds	£1.5m each, £3m in aggregate

## Duration of Investments

- 3.3 Currently the maximum duration for unsecured term deposits is 13 months. The Head of Finance in consultation with the Cabinet Member for Finance may consider longer duration depending on market conditions.
- 3.4 For bonds the maximum duration will be five years including, where applicable, the 5-year benchmark bond which may at the point of issue have a maturity a few months in excess of five years.

## Treasury Adviser

- 3.5 Arlingclose is the Council's treasury adviser. Officers meet with Arlingclose on a quarterly basis.

## 4. Alternative Options

- 4.1 The alternative options would be to use different types of counterparties and limits from those proposed in paragraph 2.17 in the report.

## 5. Consultation Undertaken or Proposed

- 5.1 Consultation has been taken with Arlingclose.

## 6. Implications

Issue	Implications
Corporate Plan	Good management of the Council's cash balances assists the overall financial position of the Council and this helps meet its objectives.
Financial, Resource and Property	The low risk, low return investment strategy is reflected in investment income assumptions in the 2016/17 budget.
Legal and Statutory	DCLG and CIPFA requirements complied with.
Crime and Disorder	Not applicable
Sustainability	Not applicable
Health and Wellbeing	Not applicable
Risk Management and Health and Safety	Risk is controlled through adherence to specific guidance included in CIPFA's Treasury Management Code of Practice and Cross-Sectoral Guidance Notes. The principle of security of funds over-rides investment performance considerations.
Equality and Diversity	Not applicable

## **7. Appendices**

7.1 The following appendices are published with this report and form part of the report.

- Appendix I Arlingclose interest rate forecast
- Appendix II Prudential and Treasury Management Indicators

## **8. Background Papers**

8.1 Working papers held in the Finance Department.

## ARLINCLOSE INTEREST RATE FORECAST

Interest Rate Forecast

	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Average
<b>Official Bank Rate</b>														
Upside risk		0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.33
<b>Arlingclose Central Case</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.75</b>	<b>0.75</b>	<b>1.00</b>	<b>1.00</b>	<b>1.25</b>	<b>1.25</b>	<b>1.50</b>	<b>1.50</b>	<b>1.75</b>	<b>1.75</b>	<b>1.08</b>
Downside risk				0.25	0.25	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	0.75
<b>3-month LIBID rate</b>														
Upside risk	0.20	0.30	0.30	0.30	0.35	0.35	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.35
<b>Arlingclose Central Case</b>	<b>0.55</b>	<b>0.60</b>	<b>0.70</b>	<b>0.80</b>	<b>0.95</b>	<b>1.05</b>	<b>1.15</b>	<b>1.30</b>	<b>1.40</b>	<b>1.55</b>	<b>1.65</b>	<b>1.80</b>	<b>1.85</b>	<b>1.18</b>
Downside risk	0.10	0.20	0.30	0.45	0.55	0.65	0.80	0.90	1.05	1.10	1.20	1.20	1.20	0.75
<b>1-yr LIBID rate</b>														
Upside risk	0.25	0.35	0.35	0.35	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.45	0.40
<b>Arlingclose Central Case</b>	<b>1.10</b>	<b>1.20</b>	<b>1.35</b>	<b>1.45</b>	<b>1.55</b>	<b>1.70</b>	<b>1.80</b>	<b>1.95</b>	<b>2.00</b>	<b>2.10</b>	<b>2.15</b>	<b>2.15</b>	<b>2.15</b>	<b>1.74</b>
Downside risk	0.15	0.25	0.35	0.50	0.60	0.70	0.85	0.95	1.10	1.15	1.25	1.25	1.25	0.80
<b>5-yr gilt yield</b>														
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.55
<b>Arlingclose Central Case</b>	<b>1.50</b>	<b>1.55</b>	<b>1.60</b>	<b>1.70</b>	<b>1.80</b>	<b>1.90</b>	<b>2.00</b>	<b>2.10</b>	<b>2.20</b>	<b>2.25</b>	<b>2.30</b>	<b>2.35</b>	<b>2.35</b>	<b>1.97</b>
Downside risk	0.35	0.45	0.55	0.60	0.70	0.80	0.90	1.00	1.10	1.15	1.20	1.25	1.25	0.87
<b>10-yr gilt yield</b>														
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.55
<b>Arlingclose Central Case</b>	<b>2.00</b>	<b>2.05</b>	<b>2.10</b>	<b>2.20</b>	<b>2.30</b>	<b>2.40</b>	<b>2.50</b>	<b>2.60</b>	<b>2.65</b>	<b>2.70</b>	<b>2.75</b>	<b>2.80</b>	<b>2.80</b>	<b>2.45</b>
Downside risk	0.35	0.45	0.55	0.60	0.70	0.80	0.90	1.00	1.10	1.15	1.20	1.25	1.25	0.87
<b>20-yr gilt yield</b>														
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.55
<b>Arlingclose Central Case</b>	<b>2.45</b>	<b>2.50</b>	<b>2.55</b>	<b>2.55</b>	<b>2.60</b>	<b>2.65</b>	<b>2.70</b>	<b>2.75</b>	<b>2.80</b>	<b>2.85</b>	<b>2.90</b>	<b>2.95</b>	<b>2.95</b>	<b>2.71</b>
Downside risk	0.30	0.40	0.50	0.55	0.65	0.75	0.85	0.95	1.05	1.10	1.15	1.20	1.20	0.82
<b>50-yr gilt yield</b>														
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.55
<b>Arlingclose Central Case</b>	<b>2.45</b>	<b>2.50</b>	<b>2.55</b>	<b>2.60</b>	<b>2.65</b>	<b>2.70</b>	<b>2.75</b>	<b>2.80</b>	<b>2.85</b>	<b>2.90</b>	<b>2.95</b>	<b>3.00</b>	<b>3.00</b>	<b>2.75</b>
Downside risk	0.25	0.35	0.45	0.50	0.60	0.70	0.80	0.90	1.00	1.05	1.10	1.15	1.15	0.77

Underlying assumptions:

- UK economic growth softened in Q3 2015 but remained reasonably robust; the first estimate for the quarter was 0.5% and year-on-year growth fell slightly to 2.3%. Negative construction output growth offset fairly strong services output, however survey estimates suggest upwards revisions to construction may be in the pipeline.
- Household spending has been the main driver of GDP growth through 2014 and 2015 and remains key to growth. Consumption will continue to be supported by real wage and disposable income growth.
- Annual average earnings growth was 3.0% (including bonuses) in the three months to August. Given low inflation, real earnings and income growth continue to run at relatively strong levels and could feed directly into unit labour costs and households' disposable income. Improving productivity growth should support pay growth in the

## ARLINCLOSE INTEREST RATE FORECAST

medium term. The development of wage growth is one of the factors being closely monitored by the MPC.

- Business investment indicators continue to signal strong growth. However the outlook for business investment may be tempered by the looming EU referendum, increasing uncertainties surrounding global growth and recent financial market shocks.
- Inflation is currently very low and, with a further fall in commodity prices, will likely remain so over the next 12 months. The CPI rate is likely to rise towards the end of 2016.
- China's growth has slowed and its economy is performing below expectations, which in turn will dampen activity in countries with which it has close economic ties; its slowdown and emerging market weakness will reduce demand for commodities. Other possible currency interventions following China's recent devaluation will keep sterling strong against many global currencies and depress imported inflation.
- Strong US labour market data and other economic indicators suggest recent global turbulence has not knocked the American recovery off course. Although the timing of the first rise in official interest rates remains uncertain, a rate rise by the Federal Reserve seems significantly likely in December given recent data and rhetoric by committee members.
- Longer term rates will be tempered by international uncertainties and weaker global inflation pressures.

## Treasury Management and Prudential Indicators

### 1. Background

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

### 2. Gross Debt and the Capital Financing Requirement (CFR)

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

<b>Gross Debt and the Capital Financing Requirement</b>	<b>2015/16 Revised £'000</b>	<b>2016/17 Estimate £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>
Gross CFR	5,106	4,374	4,000	3,619
<b>Less: Other Long Term Liabilities</b>	(774)	(382)	(181)	(24)
<b>Borrowing CFR</b>	<b>4,332</b>	<b>3,992</b>	<b>3,819</b>	<b>3,595</b>
<b>Less: External Borrowing</b>	0	0	0	0
<b>Cumulative Maximum External Borrowing Requirement.</b>	<b>4,332</b>	<b>3,992</b>	<b>3,819</b>	<b>3,595</b>

### 3. Capital Expenditure

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax.

<b>Capital Expenditure and Financing</b>	<b>2015/16 Revised £'000</b>	<b>2016/17 Estimate £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>
<b>Total Expenditure</b>	<b>2,231</b>	<b>2,739</b>	<b>50</b>	<b>15</b>
Capital receipts	164	605	35	0
Grants	1,702	2,104	0	0
Revenue contributions	365	30	15	15
<b>Total Financing</b>	<b>2,231</b>	<b>2,739</b>	<b>50</b>	<b>15</b>

## Treasury Management and Prudential Indicators

### 4. Ratio of Financing Costs to Net Revenue Stream

This is an indicator of affordability, highlighting the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2015/16 Revised %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %
<b>Total</b>	<b>1.73</b>	<b>1.51</b>	<b>1.58</b>	<b>1.66</b>

### 5. Incremental Impact of Capital Investment Decision

This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax levels. The incremental impact on Council Tax is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement from the capital programme proposed.

Incremental Impact of Capital Investment Decisions	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £
Increase/(Decrease) in Band D Council tax	(0.04)	0.00	0.00

### 6. Estimates of Capital Financing Requirement

The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose.

Capital Financing Requirement	2015/16 Revised £'000	2016/17 Estimate £'000	2017/18 Estimate £'000	2018/19 Estimate £'000
<b>Total CFR</b>	<b>5,106</b>	<b>4,374</b>	<b>4,000</b>	<b>3,619</b>

### 7. Authorised Limit for External Debt

The Authorised Limit sets the maximum level of external borrowing on a gross basis (i.e., not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e., long and short-term borrowing, overdrawn bank balances and long-term liabilities). This Prudential Indicator separately identifies borrowing from other long-term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing, and its approved treasury management policy statement and practices.

The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.



## Treasury Management and Prudential Indicators

The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

<b>Authorised Limit for External Debt</b>	<b>2015/16 Revised £'000</b>	<b>2016/17 Estimate £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>
Borrowing	7,000	7,000	7,000	7,000
Other Long-term Liabilities	2,000	2,000	2,000	2,000
<b>Total</b>	<b>9,000</b>	<b>9,000</b>	<b>9,000</b>	<b>9,000</b>

### 8. Operational Boundary for External Debt

The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease and other liabilities that are not borrowing.

<b>Operational Boundary</b>	<b>2015/16 Revised £'000</b>	<b>2016/17 Estimate £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>
Borrowing	6,000	6,000	6,000	6,000
Other Long-term Liabilities	774	382	181	24
<b>Total</b>	<b>6,774</b>	<b>6,382</b>	<b>6,181</b>	<b>6,024</b>

### 9. Adoption of the CIPFA Treasury Management Code

This indicator demonstrates that the Council has adopted the principles of best practice.

The Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* on 22 February 2012.

### 10. Interest Rate Exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed will be:

<b>Limit</b>	<b>2016/17 Estimate</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>
Upper Limit on Fixed Interest Rate Exposure	100%	100%	100%
Upper Limit on Variable Interest Rate Exposure	100%	100%	100%

## Treasury Management and Prudential Indicators

### 11. Maturity Structure of Borrowing

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

<b>Maturity Structure of Borrowing</b>	<b>Lower Limit</b> %	<b>Upper Limit</b> %
Under 12 months	0	100
12 months and within 24 months	0	100
24 months and within 5 years	0	100
5 years and within 10 years	0	100
10 years and above	0	100

### 12. Principal Sums Invested for Periods Longer than 364 days

The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	<b>2016/17</b> <b>£'000</b>	<b>2017/18</b> <b>£'000</b>	<b>2018/19</b> <b>£'000</b>
Limit on principal invested longer than 364 days	10,000	10,000	10,000

### 13. Other Items

**Investment Training:** The needs of the Authority's treasury management staff for training in investment management are assessed as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change. Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA.

**Investment of Money Borrowed in Advance of Need:** The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority's overall management of its treasury risks. The total amount borrowed will not exceed the authorised borrowing limit of £9 million.

<b>Council</b>		<b>Agenda Item:</b>
<b>Meeting Date</b>	17 February 2016	
<b>Report Title</b>	Pay Policy Statement	
<b>Cabinet Member</b>	Cllr. Ted Wilcox	
<b>SMT Lead</b>	Mark Radford, Director of Corporate Services	
<b>Head of Service</b>	Dena Smart, Head of HR Shared Service	
<b>Lead Officer</b>	Dena Smart, Head of HR Shared Service	
<b>Key Decision</b>	<b>No</b>	
<b>Classification</b>	<b>Open</b>	
<b>Forward Plan</b>	<b>Reference number:</b>	
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That the proposed Pay Policy Statement be agreed for publication on the council's web site.</li> <li>2. That the information within the Pay Policy Statement is updated with actual year-end figures before final publication.</li> </ol>	

## 1 Purpose of Report and Executive Summary

- (i) The report is required to enable the council to satisfy the requirements of section 38 of the Localism Act 2011, which required that authorities must prepare a pay policy statement for the financial year 2012/13 and for each subsequent financial year; this statement must be agreed by full Council. The proposed statement is an update on the Council's current statement.
- (ii) Terms and conditions of employment for employees is a non-executive function and the General Purposes Committee has delegated responsibility for this within the Council's constitution. Although there is no statutory template for the Pay Policy, it is recommended that it sets out as many of the relevant policies as possible so that they are transparent and in one place. The attached document refers to the policies currently in place.

## 2 Background

- 2.1 Section 38 (1) of the Localism Act 2011 required English and Welsh local authorities to produce a Pay Policy Statement for 2012/13, and for each financial year after that. The Bill as initially drafted referred solely to chief officers (a term which includes both statutory and non-statutory chief officers, and their deputies); but amendments reflecting concerns over low pay and also, drawing on Will Hutton's 2011 Review of Fair Pay in the Public Sector, introduced requirements to compare the policies on remunerating chief officers and other employees, and to set out policy on the lowest paid.

2.2 The matters that must be included in the statutory Pay Policy Statement are as follows:

- a local authority's policy on the level and elements of remuneration for each chief officer;
- a local authority's policy on the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition);
- a local authority's policy on the relationship between the remuneration of its chief officers and other officers and in particular the pay multiple between the two;
- a local authority's policy on other specific aspects of chief officers' remuneration, including: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency;
- an organisation chart or description of the number and grades of staff in the top three layers of the organisation, with information on the grades of all those with salaries in excess of £50,000; and
- details of trade union facility time, including the number of trade union representatives for each of the recognised trade unions, and the amount of time spent on trade union duties where this is more than 50% of the officer's time.

2.3 With regard to the process for approval, the Pay Policy Statement:

- must be approved formally by the Council meeting;
- must be approved by the end of March each year;
- can be amended in-year;
- must be published on the authority's website; and
- must be complied with when the authority sets the terms and conditions for a chief officer.

2.4 The Act specifically mentions that the Pay Policy Statement may set out the authority's policies relating to other terms and conditions for chief officers, and in the interest of open government there are recommendations that the Statement sets out as much information relating to employee terms and conditions as is practical.

### **3 Proposal**

3.1 The proposed Pay Policy Statement (Appendix I) sets out the Council's overarching Reward Strategy, including many of the associated terms and conditions, and is designed to satisfy the requirements of the Localism Act 2011.

- 3.2 Once the agreed Pay Policy Statement is accepted by full Council it will be published on the Council's website, along with the details that are already required under the Code of Recommended Practice for Local Authorities on Data Transparency 2011 and the Equality Act 2010.
- 3.3 For ease of reference, the key changes in the document compared with that published in 2015 are set out below:
- (i) paragraph 3.4 of the Pay Policy Statement reflects the future change to regulations relating to exit payments for senior staff, which will be incorporated into our own policies once we have clarity on arrangements;
  - (ii) the figures for payments made in 2015/16 set out in the categories in section 3.5 of the Pay Policy Statement have been updated;
  - (iii) recent guidance from the Local Government Association has clarified that the figure used to calculate the pay multiple in section 4 should be based upon taxable pay. In previous years we have used the figure subject to national insurance deductions, and this has been corrected this year, although the consequence of this is to reduce the ability to make comparisons across the two years; and
  - (iv) the requirement to calculate the cost of the trade union activities as a proportion of the overall pay bill will not apply this year as there has been clarification that this is only in circumstances where the trade union officer spends more than fifty percent of their time on trade union duties, and we have no officers that fall into this category. This is dealt with in section five of the Pay Policy Statement.

## **4 Alternative Options**

- 4.1 The Council could choose to publicise a reduced version of the Pay Policy Statement that satisfies the minimum requirements of the Act, but this is not recommended as it does not satisfy the need for transparency, and means that the data is not seen in the context of the good work already undertaken by the Council.

## **5 Consultation Undertaken or Proposed**

- 5.1 Consultation has taken place with the Cabinet Member, Senior Management Team, and UNISON. As this is not a change to existing policies no further consultation is required.

## 6 Implications

Issue	Implications
Corporate Plan	The policies summarised in the Pay Policy Statement assist the Council in achieving its priority of being “A Council to be Proud of”.
Financial, Resource and Property	There are no additional resource implications as a result of the Pay Policy Statement as it is setting out what is already in place. The aim of Section 38 of the Localism Act is to ensure there is openness and transparency with regard to the allocation of public money to employee remuneration.
Legal and Statutory	Localism Act 2011
Crime and Disorder	None specific to this report.
Sustainability	None specific to this report.
Health and Wellbeing	None specific to this report.
Risk Management and Health and Safety	There are no risks associated with the publication of the Pay Policy Statement as all this information would be available if requested through the Freedom of Information Act, although the publication of the information may help to reduce some of the FoI requests received.  There is a risk to the Council if it does not produce a Pay Policy Statement as this is a statutory requirement.
Equality and Diversity	The Equality Act 2010 places requirements upon all public sector bodies to ensure that its policies and procedures are promoting equality. The measures summarised within the Pay Policy Statement support this requirement.

## 7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- **Appendix I:** Pay Policy Statement 2016

## 8 Background documents

<http://archive.swale.gov.uk/assets/Finance/Transparency/Swale-pay-policy-2015.pdf>

## Swale Borough Council

### Pay Policy Statement – March 2016

#### 1. Introduction

The local government workforce strategy has five key themes, which are mirrored by our own local strategy:

- Organisational development;
- Leadership development;
- Skills development;
- Recruitment and retention; and
- Pay and rewards.

These strategic themes recognise the importance of pay and rewards in our role as an employer. Our work on pay and rewards began in 2010 with an equal pay audit resulting in significant changes to the Council's terms and conditions. The work continued through the implementation of the Work Force Strategy, and the development of a Total Rewards approach to remuneration for council staff.

Swale Borough Council has its own employment terms and conditions and undertakes local pay bargaining with UNISON. It is not connected to the Local Government Joint National Conditions (JNC) for any terms other than those that apply for the dismissal processes of Statutory Officers (Head of Paid Service, Section 151 Officer or Monitoring Officer).

#### 2. Terms and Conditions – Decision Making

Terms and conditions for employees are a non-executive function, and the responsibility for decisions on these matters is delegated to the General Purposes Committee by full Council. The terms of reference for this group are set out in the constitution as:

“to consider and make decisions on non-executive matters in respect of staff terms and conditions, and the pension scheme”.

The responsibility for agreeing the appraisal and remuneration of the Chief Officers lies with a sub-committee of this group. Senior appointments are also the responsibility of a sub-committee, although there is a process to ensure that there are no objections to the recommended candidate from any Cabinet members prior to the offer of a senior position.

Where the decision of the General Purposes Committee has a budgetary implication beyond the agreed in-year budget, this will also require agreement from Cabinet.

### 3. Reward Strategy

The Reward Strategy was developed in full consultation with trade unions, staff, and Members and was agreed by the General Purposes Committee on 13 September 2010. This was a very thorough piece of work that ensured the Council managed the terms of employees at all levels in the same way, and applied the principles of equal pay and performance management to the scheme that was developed.

The principles for the reward strategy are to:

- (i) support a **performance** orientated organisation;
- (ii) provide an **attractive** employment package at all levels;
- (iii) be relevant to a **modern** local government authority;
- (iv) have a pay structure that is **transparent** and straightforward;
- (v) reward people **fairly** and consistently;
- (vi) move toward a **Total Reward** approach; and
- (vii) be **affordable** within the Medium Term Financial Strategy.

The reward strategy takes a 'Total Reward' approach to the benefits package received by employees at the Council to ensure that maximum benefit is gained from all aspects of what is on offer to employees. The key elements of this package are set out below.

#### 3.1 Pay Scale and Pay Progression

Our policy for pay grades within the organisation is to apply an objective assessment of the relative 'size and value' of all our roles using a formal job evaluation process. Posts are graded through the INBUCON Job Evaluation Scheme, and this process identifies the value or size of the role when all the duties are being performed and the employee is fully effective in the role. Job evaluators are drawn from different parts of the organisation and trained to use the INBUCON scheme; every panel has one trade union representative as part of the panel. The **Lowest Paid** employees are defined as those whose posts have INBUCON points of 100 to 120, which place them into grade 1 of the pay scale.

The pay scale has up to five increments per grade which recognise that with development in a role over time an employee is of more value to the organisation and therefore warrants a higher salary. The incremental steps are evenly spaced percentages throughout the scale. There are fewer incremental points in the lower grades and more in the more complex roles. New appointments to post will normally be at the first point of the grade, unless there is evidence of a skill shortage in line with the criteria set out in the Market Supplement Policy. The pay scale is set out at Appendix I (A).

The Council has a process of local pay consultation with UNISON to determine whether there should be an annual pay award, taking into consideration both inflation and affordability; in 2015/16 the pay award was 1% across all pay points.



Incremental progression is assessed against the agreed Competency Profile for the role and evidence of the necessary Performance Standards and agreed objectives. Assessment will be on an annual basis, but will be linked to the clear and continuous performance at the level required at each incremental step. The rules for pay progression are set out in Appendix I (B).

Incremental progression is assessed by an employee's line manager in consultation with the Head of Service and Director who has to approve the recommendations within their Directorate; this is monitored collectively by Senior Management Team. The process and timetable for appraisals and incremental progression for the Chief Executive and Directors is set out at Appendix I (C).

### 3.2 Market Supplements

The pay principles recognise that the Council needs to be an attractive employer whilst also balancing this with the needs to manage the budget and protect the public purse. Within local government there are several skill areas that have been extremely difficult over the years in terms of both recruitment and retention - this is particularly in fields where there are private sector employers competing for the same skills, or in unattractive areas of work.

In order to be able to respond to recruitment difficulties the Council has a Market Supplement Policy which sets clear criteria for the agreement and retention of a market supplement. The Policy is at Appendix I (D). Currently there are twenty employees in receipt of Market Supplements, all working in either planning or environmental health. Following a review of the pay levels within the Council compared to market rates, the environmental health staff were notified that this supplement would be withdrawn. Planning roles have become increasingly hard to fill and it is likely that this supplement will need to continue to be used in future recruitment campaigns for this specialism.

### 3.3 Pension

The Council offers access to the Local Government Pension Scheme (LGPS), which is a significant benefit to employees and is one of the aspects of the Council's Total Rewards package.

The pension scheme is standard between all local government employers, and in broad terms offers a pension benefit equivalent to 1/49<sup>th</sup> of pensionable salary per year of service, where pensionable salary is calculated on a career average with benefits paid at state retirement age.

Although most of the rules associated with the scheme are set centrally, there are a few areas where local employers must define their own policy; the discretionary policy is attached at Appendix I (E). In broad terms it is not the policy of the Council to increase pension benefits to employees through any form of enhancement.

The LGPS is a defined benefits scheme which requires contribution rates from employees of between 5.5% and 12.5% depending on earnings, in accordance with the following table; in April 2014 there was an option to lower level contributions with the introduction of the 50/50 scheme.

Pensionable pay	Main Section	50/50 Section
Up to £13,600	5.50%	2.75%
£13,601 - £21,200	5.80%	2.90%
£21,201 - £34,400	6.50%	3.25%
£34,401 - £43,500	6.80%	3.40%
£43,501 - £60,700	8.50%	4.25%
£60,701 - £86,000	9.90%	4.95%
£86,001 - £101,200	10.50%	5.25%
£101,201 - £151,800	11.40%	5.70%
More than £151,801	12.50%	6.25%

The employer contribution rate, calculated as the future service rate excluding past service deficit, is currently around 12.6 %, although this does vary from year to year.

Kent County Council is the administering authority for the Swale Borough Council scheme.

### 3.4 Pay Protection and Redundancy Payments

The Council has a Redundancy Policy which sets out the approach that must be followed if posts are going to be affected because of organisational change. The procedure sets out the approval process and the consultation timetable; it also sets out the terms for redundancy and pay protection. The Pay Protection Policy is set out at Appendix I (F).

Any payments paid to an employee in relation to redundancy shall be in accordance with the statutory redundancy payments scheme and any other regulations applicable, except that the Council will calculate a week's pay on actual earnings where this is in excess of the statutory maximum figure (***Local Govt. (Early Termination of Employment)(Discretionary Compensation) (England and Wales) Regulations 2000***).

The policy of the organisation regarding re-employment following redundancy follow the NJC terms and conditions, i.e. if a redundant employee commences local government employment within one month of the redundancy then the redundancy payment must be returned. Any other re-employment will only be considered where all other Council rules on recruitment or procurement have been followed. From April 2016 legislation will be introduced that requires the return of all compensation payments by senior staff (defined as those earning in excess of £80,000 per annum) returning to the public sector within twelve months; our policies will be amended to incorporate these requirements once the specific guidance has been issued by Government.

### 3.5 Other payments.

**Honoraria:** the Council has a policy to recognise situations where an employee takes on more responsibility on a temporary basis; this is often as a cost saving measure when there is a vacancy, maternity leave etc. In 2015/16 there were four people in receipt of honoraria, two less than the previous year.

**Flexibility Allowances:** certain members of staff (below management grades) are required to work outside of normal council working patterns. To compensate them for this flexibility they are paid a 10% supplement to their salary. As at by March 2016 there were fourteen people in receipt of this payment, including park rangers and street wardens. This allowance has been reviewed and agreement reached with trade unions that the allowance would not be paid in the future to any employees that were aware of the requirement for working 'unsocial' hours at the time they applied for the position; this is the main cause of the reduction of the number of people still in receipt of the allowance.

**Stand-by payments:** these are paid to a small number of employees (thirteen in 2015/16, a reduction of seven from the previous year) who are on an out-of-hours on-call rota for specialist duties such as collecting stray dogs or attending noise complaints. The level of remuneration is £50 for each week of being on-call.

**Bonuses:** the Council does not have a bonus system for any grade of staff.

**Car Payments:** the Council removed lease cars and lease car allowances in 2010. However, a car allowance of up to £1,239 is given to those employees that are required to have a vehicle for their role and that drive a minimum of 2,000 miles annually. As at the end of December 2016 this allowance was allocated to sixty one members of staff which is an increase of fifteen from the previous year due to the TUPE transfer of the Mid Kent Legal Services to Swale Borough Council, this team cover three councils and as a consequence several members of the team have reached the mileage threshold that qualifies them for the allowance. The majority of the other staff in receipt of this payment are within the statutory services which require external visits e.g. planning, environmental health, housing, and where there are other shared services requiring travel between districts. Mileage rates for those receiving this allowance are set at the HMRC level (in 2015/16 this was 45 pence per mile).

### 3.6 Special fees and arrangements

Special fees may be paid for certain additional duties; in general these are connected to election duties, and the funding for the allowance will not come from the Council's own budget. In most councils an additional fee is paid to the Chief Executive for the role of Returning Officer for the District elections; however, remuneration for this activity is incorporated into the Chief Executive's base salary where s/he is acting on behalf of the Council (eg borough and parish elections). However, fees may be paid in addition to the base salary when the Chief Executive (or other officer) undertakes the role of Returning Officer, Counting Officer, or other similar role, on behalf of another authority or organisation.

The Council has adopted the Kent schedule of fees, which is attached at Appendix I (G).

### 3.7 Other employee benefits

The Council provides access to an **Employee Assistance Programme** which provides staff with both telephone and face-to-face counselling on a range of issues. The Council has access to an Occupational Health Service that helps to ensure that employees are properly supported to avoid taking sick leave and to return to work as soon as possible.

The Council supports employees in their role with a **development plan and training opportunities** to ensure they are fully qualified and trained to give excellent service. The Council has been recognised for its development-focussed culture through the achievement of the Investors in People Gold award.

On an annual basis the Council has an **Awards Ceremony** that recognises the best achievements of staff during the preceding year. This ceremony takes the form of a dinner and dance for nominees and partners; the cost of the occasion is off-set through sponsorship from businesses and partners.

The Council offers a **salary sacrifice scheme** to employees for the purchase of bicycles and childcare vouchers. There is no cost to the Council of these schemes.

In 2014 the Council updated its **long service awards** scheme to include a wider range of employees. Small benefits (eg £25 shopping voucher) are given to those reaching ten years' service, and at five yearly intervals up to forty years' service. This form of recognition is in line with our Mid Kent Improvement Partnership (MKIP) partners.

The Council introduced the opportunity for employees to **buy additional annual leave**, and three employees have used this benefit during 2015/16. This is at no cost to the Council.

## 4. Monitoring

Salary budgets are monitored through the normal budget management processes by line managers. Members and senior officers regularly examine the Medium Term Financial Strategy, and in particular consider ways to reduce costs to the Council.

As required by the Equality Act 2010 the Council undertakes an equal pay audit of salaries annually, which is published on the Council's web site. This helps to identify whether there are significant differences in pay for employees that have one or more of the protected characteristics.

The Code of Recommended Practice for Local Authorities on Data Transparency 2011 required that salary data was published on the highest earning staff within the Council; this was actioned by March 2011 as required by the Code. There has now been further qualification of the salary threshold for publication which has been set at £50,000 and above. This information, plus the inclusion of all additional fees, is at Appendix 1 (H).

The Code of Recommended Practice for Local Authorities on Data Transparency September 2011 also requires that there is a process established to monitor the rate of growth of senior earnings compared to all other employees in the organisation. The formula required is to calculate the pay multiple of the Chief Executive's salary compared to the median earnings of all other employees; where there is any significant change year-on-year this should be explained. It is the Council's policy to use this pay multiple to monitor the relationship between remuneration of chief officers and other employees.

The recommendation in the 'Hutton Review of Fair Pay' 2011 has been followed:

"the pay multiple should be calculated on the basis of all taxable earnings for the given year, including base salary, variable pay, bonuses, allowances and the cash value of any benefits in kind"

	<b>Chief Executive earnings</b>	<b>Median</b>	<b>Pay Multiple</b>
<b>2011/12</b>	£141,279	£19,953	7.08
<b>2012/13</b>	£146,434	£19,519	7.50
<b>% change from previous year</b>	3.65%	-2.18%	5.93%
<b>2013/14</b>	£149,782	£20,838	7.19
<b>% change from previous year</b>	2.29%	6.76%	-4.13%
<b>2014/15</b>	£146,750	£20,988	6.99
<b>% change from previous year</b>	-2.02%	0.72%	-2.78%
<b>2015/16*</b>	£135,493	£20,039	6.76
<b>% change from previous year*</b>	-7.67	-4.52	-3.29

\*The Local Government Association guidance is that organisations should use taxable pay to calculate the pay multiple. In previous years the multiple has been calculated using the National Insurance pay level which includes the pension contribution paid by the individual and is a higher figure. This explains the apparent drop in earnings for 2015/16.

The Chief Executive has now reached the top of his pay band, and the only increase in 2015/16 was a 1% inflation increase which moved the top of the band from to £146,750 to £148,218, plus additional earnings of £3,129 paid by the Government for carrying out the role of Returning Officer at the May 2015 general election.

The median earnings of all employees has increased marginally compared with the previous year's calculation, which largely reflects the 1% pay award for 2014/15; however, the lower figure in the table is due to the change to using the taxable pay figure rather than the pay figure used to calculate National Insurance contributions.

It is important to emphasise that the pay policy of the Council is to pay at the market median, and this is only reached at the top of the incremental pay points for each grade. This ensures that people are paid at a lower level than the Council policy until they have fully matured into the role. In addition, although these are contractual payments, they are withheld if performance is not satisfactory at the expected level.

**5. Trade Union Facility time**

The Council recognises UNISON, and there is a history of co-operative employee relations. As a result of this cooperative approach, a range of fair employment policies are now in place. As a result there is generally a low level of trade union activity.

The Council allows reasonable time for trade union duties (eg attending management meetings, pay negotiation, etc) but no time is given for trade union activities (canvassing for additional membership etc.). None of the trade union representatives therefore spend more than 50% of their working time on trade union duties.

The number of trade union representatives is as follows:

	<b>Headcount</b>	<b>FTE</b>
UNISON	6	4.6

**6. Contact for further information**

If you require any further information regarding the salary policy of the council you should contact Dena Smart, Head of HR Shared Services, on 01795 417 391, or by email on [denasmart@maidstone.gov.uk](mailto:denasmart@maidstone.gov.uk)

**Pay Scale 2015/16**

<b>Grade</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>1</b>	14,737				
<b>2</b>	15,260	15,876	16,512		
<b>3</b>	17,827	18,536	19,276	20,049	
<b>4</b>	20,781	21,616	22,482	23,377	
<b>5</b>	23,449	24,387	25,366	26,376	
<b>6</b>	26,561	27,622	28,724	29,879	
<b>7</b>	29,920	31,115	32,361	33,660	
<b>8</b>	33,752	35,103	36,503	37,967	
<b>9</b>	39,867	41,459	43,114	44,841	
<b>10</b>	47,512	49,414	51,388	53,443	
<b>11</b>	55,594	57,817	60,131	62,537	65,034
<b>12</b>	66,314	68,963	71,723	74,596	77,580
<b>13</b>	81,610	84,878	88,269	91,801	95,475
<b>14</b>	126,698	131,764	137,032	142,513	148,218

## Pay Progression

### 1. Annual Inflation Award

Annual pay consultation will consider the cost of living and the position of SBC pay in comparison to the market, but affordability will be the foremost consideration. Consultation will commence annually in September with the aim to reach agreement within the budget cycle so that payment can be made in April salaries.

The Chief Executive and Head of HR are responsible for undertaking pay negotiation with trade unions, but the Cabinet takes ultimate responsibility for agreeing the budget.

### 2. Pay progression within grade

The pay scale has up to five increments which recognise that, with development in a role over time, an employee is of more value to the organisation and therefore warrants a higher salary. There are fewer incremental points in the lower grades and more in the more complex roles. New appointments to post will normally be at the first point of the grade unless there is evidence of a skill shortage in line with the criteria set out in the Market Supplement Policy.

Progress through the grade will be assessed annually. This will not be an automatic progression but will require an assessment against the agreed Competency Profile and Performance Standards for the position. Where the employee has progressed towards the full competency profile they will be awarded an increment. Assessment for incremental progression will take place by **October** each year. This will therefore not be linked to the annual appraisal but will take place mid-year. Increased increments will be paid with effect from 1 October.

Employees must have six months' service in their role by 1 October to be eligible for assessment. If they are more recently appointed they will receive a review after six months in the position; thereafter they will be reviewed annually for the October increment.

Individuals will need to consistently demonstrate the behaviours required by the Competency Profile and Performance Standards for their role in order to maintain their incremental position. One-off performance will not be sufficient to merit or maintain an increment.

Where individuals do not sustain the level of performance or where they have been assimilated to the top of the grade but are assessed as not having the full range of competencies, they will be given time to improve, but their pay will be frozen until they drop to the pay level that matches their performance. This includes any rise in annual pay as a result of pay inflation. This is outside the normal Pay Protection Policy as it does not represent an organisational change. Where the individual is assessed as not meeting the requirements of the grade their performance will be treated as a capability issue.



### **3. Career Grades and Incremental Progression**

A Career Grade offers the opportunity of a long path of progression to a particular professional position. As such the nature of the role and the requisite competencies are likely to vary considerably between the entry point and final destination. This means that through Job Evaluation the Career Grade is likely to span several grades and have many steps. To enable this clear stepped progression there may be some need to have interim points between the normal incremental points, e.g. in recognition of the achievement of some particular milestone. These half incremental steps will be allowed providing that there is prior agreement with the Head of HR, that they are applied equally to all those who meet the criteria, and are set out as part of the agreed career grade structure.

Progress through the career grade will need to be evidence based, and the Head of HR will need to agree to the progression if it is between grades.

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## Chief Executive and Director Appraisal Process

The appraisal panel for the Chief Executive will comprise of the Leader, Deputy Leader and Leader of the Majority Opposition Party, supported by an external facilitator.

This panel will also take a 'grandparent' role to review and comment on the full annual appraisal and objectives for the Directors as set by the Chief Executive.

The timetable and process for the Chief Executive is set out below:

<b>Month</b>	<b>Activity</b>
January	The Chief Executive undertakes a self-review of achievements against the annual objectives, and suggests possible objectives for the coming year.  This self-review is submitted to the external facilitator.
January	The external facilitator gains informal feedback from the members of the working group on the Chief Executive's performance.
Early February	The facilitator and Chief Executive discuss progress, development and future targets, and go through the Member feedback.
February	After the budget has been agreed by full Council, the working group and Chief Executive meet formally, supported by the external facilitator, for the formal appraisal and objective setting.  The outcome of the agreed objectives will be reported at the next full Council by the Leader.  The meeting to be documented by the external facilitator as the Chief Executive's formal appraisal.
September	The working group, facilitator and Chief Executive meet to review mid-year progress, and agree whether performance is satisfactory.  If the Chief Executive is performing to a satisfactory level the annual increment will be awarded (up to the top of the grade). The summary of this meeting to be reported back to the General Purposes Committee.

The process for Directors is set out below:

<b>Month</b>	<b>Activity</b>
January	<p>The Director undertakes a self-review of achievements against the annual objectives and suggests possible objectives for the coming year.</p> <p>This self-review is submitted to the Chief Executive.</p>
Early February	<p>The Director and Chief Executive meet to discuss progress, development and future targets.</p>
Early February	<p>The Chief Executive prepares a draft appraisal document with assessment of performance in the previous year and against competencies.</p> <p>Draft forward objectives and a development plan are also documented and agreed between the Chief Executive and Director.</p>
February	<p>The appraisal panel, the Chief Executive and the Director meet formally for the 'grandparent review', and finalisation of the Director's objectives.</p> <p>The meeting to be documented by the Chief Executive as the Director's formal appraisal.</p>
September	<p>The Chief Executive and Director meet to review mid-year progress and agree whether performance is satisfactory.</p> <p>If the Director is performing to a satisfactory level the annual increment will be awarded (up to the top of the grade).</p>

## **Market Supplements for Pay**

### **1. Introduction**

The Council will utilise a Market Supplement to ensure that competitive salaries will attract and retain key workers in skill shortage areas without distorting the pay structures for all other employees. A Market Supplement for recruitment or retention purposes will only be used where there are clear business reasons that cannot be better addressed through the total benefits package, the work environment or department skill mix. It is recognised that pay is only one factor contributing to our attractiveness as an employer and other aspects of employment, particularly those relating to development, should be applied rather than using just a Market Supplement.

All jobs are graded using the Inbucon Job Evaluation system and the defined pay policy of the Council is to pay at Market Median where the market used is the Inbucon salary data. This is also checked against local Kent salary surveys to ensure that it is robust for the geographical region. This approach ensures that the employees of Swale Borough Council are paid at a fair level in comparison to other workers in similar employment groups.

However, there is recognition that in certain professions there are either national or regional skill shortages and Swale needs to be responsive to the competition for these skills. In the longer term our aim will be to train employees to move into these specialist areas and to ensure that the specialists' skills are utilised properly within the organisation. In the short term Market Supplements may be used.

### **2. Identification of the Skill Shortage**

#### **2.1 Recruitment Campaigns**

Where there is no anticipated shortage there will need to be a minimum of two appropriate external recruitment campaigns within a 12 month period to establish that it is not possible to fill a position before it is agreed there is a requirement for a market supplement.

#### **2.2 KPOG Salary Survey**

The salary survey is conducted on an annual basis and gives details of the comparative salaries for defined positions in the Kent Districts. This clearly identifies the median salaries and is particularly relevant for local government roles. This will enable the identification of positions which may be vulnerable and, where there is more than a 10% salary difference from the median, there should be consideration of the need for a market supplement. The existence of this difference alone is unlikely to be sufficient justification and further analysis will be required to identify whether this has had an adverse impact on the Council's ability to recruit and retain relevant staff.

## 2.3 National Information

Within local government there are certain identified skill shortage areas. These are identified through data collection from the Employers Organisation and the I&DeA. In 2015 these skills were listed as:

- (i) Children's social workers
- (ii) Planning officers \*
- (iii) Building control officers
- (iv) Environmental health officers \*
- (v) Educational psychologists
- (vi) School crossing patrol
- (vii) Adult social workers
- (viii) Trading standards officers
- (ix) Solicitors and lawyers \*
- (x) Mental Health Social Workers

\* category of worker employed by SBC

This national picture is the first indicator of a shortage. Where there is an identified shortage nationally the manager will still be required to demonstrate that this applies to the local area. This proof can be gained through the outcome of a relevant recruitment campaign during the previous 12 month period, or through information from agencies about the availability of particular skill sets.

## 3. Market Supplement for Recruitment Purposes

The level of supplement will be agreed between the Director and the Head of HR Shared Services in consultation with the Head of Finance. It will be paid as part of monthly salary and will be pensionable. The supplement will not be subject to the cost of living award and will not be taken into account for any salary-related enhancements, e.g. overtime, which will be paid at the normal salary rate. The Market Supplement will be given for a minimum two year period initially. This will be annually reviewed to confirm that the supplement is still necessary, and at the appropriate level. Where a reduction in level is the outcome of the review this will not take effect until the minimum two years has expired. Reductions will follow the process set out in Section 5.

The payment of a Market Supplement must be within the Director's agreed budget. Approval must be given by the relevant Director and the Head of HR Shared Services, who will ensure that all alternative options have been explored.

## 4. Market Supplement for Retention Purposes

Whilst the Market Supplement is principally to enable the Council to be able to compete in a highly competitive market to attract new employees, there may be exceptional cases where a supplement should be considered for existing employees. This may occur in situations where a new recruit is offered a supplement that would then cause equally mobile colleagues to leave and seek a similar salary elsewhere.

There may also be occasions where an employee with a specialist skill needs to be retained to ensure business continuity.

The level of supplement will be agreed between the Director and the Head of HR Shared Services in consultation with the Head of Finance. It will be paid as part of monthly salary and will be pensionable. The supplement will not be subject to the cost of living award and will not be taken into account for any salary-related enhancements, e.g. overtime, which will be paid at the normal salary rate.

The Market Supplement will be given for a minimum two year period initially. This will be annually reviewed to confirm that the supplement is still necessary, and at the appropriate level. Where a reduction in level is the outcome of the review this will not take effect until the minimum two years has expired. Reductions will follow the process set out in Section 5.

Payment of a Retention Supplement must only be considered in exceptional circumstances, and particular attention must be paid to the Equal Pay issues.

## **5. Removal of the Supplement**

The availability of skills varies over time. As professions are identified as skill shortage areas and salaries rise they can attract an increased number of trainees. Where this is the case the Council would not wish to incur unnecessary costs, i.e. paying more for a skill than the median rate, if this would be sufficient to attract high quality applicants. The economic situation may also change so that scarce skills become available from other sectors or organisations.

Management Team will review the posts attracting a supplement annually; this will usually coincide with the annual KPOG salary survey at the beginning of each year, but the date may vary according to information availability. When it is clear that a particular profession or skill area no longer necessitates a market supplement this will be withdrawn over a phased period of two years – with the withdrawal of 25% of the supplement every six months until the employee returns to the normal rate for the job. The assessment of the on-going need will relate to the national skills assessment combined with local salary reviews and the response to recruitment campaigns. When a market supplement is to be withdrawn the employee will be notified and given a minimum of three months' notice that a phased reduction will commence.

## **Policy and Procedural Issues: Local Government Scheme Regulations - Employer Discretions**

This paper confirms the pension policy of Swale Borough Council as it relates to the exercise of discretions contained in the Local Government Pension Scheme Regulations 2013 and the LGPS (Transitional Provisions, Savings and amendments) Regulations 2014. Last updated June 2014.

The policy statement applies to all members of staff who are eligible to be members of the LGPS, as defined in the regulations i.e. employees with a contract of employment of over three month's duration and who are under 75 years of age and are contractually enrolled at the start of employment. Those with contracts of less than three months, including casuals, can join but need to elect to do so.

Employees who are members of the pension scheme are only entitled to receive pension benefits if they have two years or more service. Under LGPS 2014 Regulation 18, if an employee leaves within two years of the start of their employment their contributions can be repaid or transferred to another scheme, unless there is some fraudulent offence or misconduct in connection with the employment.

### **Principles**

The Authority will treat any individual retirement case and decisions on its merits.

Decisions relating to retirement will be made taking into account the business case and business implications, the financial implications, employment law consideration, the regulations and the legality of each case. It may also take into account long term savings, affordability, skills and skills retention and impact on service delivery.

The definition of business efficiency shall include, but not be limited to financial savings and/or quality improvements judged on a case-by-case basis.

Each decision will be made free from discrimination on the grounds of any protected characterising – age, disability, gender reassignment, marriage or civil partnership, pregnancy & maternity, race, religion and belief, sex, sexual orientation, or any other personal criteria.

The Authority's decisions relating to retirement and the release of pension benefits will be in line with the current pension regulations. These regulations may be updated from time to time, and the Authority will default to the regulations if the policy is not explicit on any current or future regulation.

Decisions relating to the release of deferred benefits to former employees will refer to the relevant pension policies applicable at the time of their employment. In such cases, the decision as to the release of deferred benefits will be on a case-by-case basis and will take into account the criteria detailed in these principles. Guidance may be sought from the pension administrators as required.

Decisions taken under these discretions will be reported to the General Purposes Committee.

### **Regulation 9 (1) & (3) - Contributions**

Swale Borough Council will apply the nationally determined employee contribution rates and bands. These are subject to change and may be varied.

Swale Borough Council will pay the rate of contributions determined in the regulations for employees whose pay is reduced through ill health or during authorised unpaid leave, including child related leave.

The calculation of pensionable pay will include basic annual salary plus any other pensionable salary items including – Market Supplement/ Premium, Overtime, Bonus, Honorarium, Salary Supplements. The pensionable pay will be reviewed monthly and based on earnings for that month to identify the appropriate band and contribution percentage

Swale Borough Council will notify employees of their individual contribution rates in their payslips or by letter at least annually.

### **Regulation 16 (2)e and 16 (4)d – Shared Cost Additional Pension Contributions (SCAPC)**

It is not Swale Borough Council's general policy to operate a SCAPC where a scheme member wishes to purchase extra annual pension (up to the limit defined in the regulations).

A scheme member who has a period of child related leave or authorised unpaid leave may elect, within 30 days of return to work, to pay a SCAPC to cover the amount of pension 'lost' during the period of absence. In these circumstances Swale Borough Council is required to contribute 2/3rds of the cost. If an election is made after the 30 day time limit the full costs will be met by the scheme member.

Employees who have the option to pay contributions in respect of a period of unpaid absence must elect to do so within 30 days of the date of the notice issued to them by the Human Resources Section stating the amount of contributions to be paid. This time limit may be extended by the Head of Human Resources if the employee can demonstrate exceptional circumstances so as to justify an extension of time.

### **TP Regulations 1(1)(c) of Schedule 2 – whether to allow the rule of 85 to be 'switched on' for members age 55-59.**

It is not Swale Borough Council's general policy to make use of the discretion to 'switch back on' the 85 year rule protections unless there are clear financial or operational advantages to the council. Each case will be considered on its merits by Head of Human Resources, the Head of Finance, and the relevant Director.



### **Regulation 17 (1) – Shared Cost Additional Voluntary Contributions (SCAVC)**

It is not the current policy of the Borough Council to operate a shared cost Additional Voluntary Contribution Scheme for employees. However, this policy will be reviewed from time to time by the Head of Human Resources in conjunction with the Chief Finance Officer, and then the decision is subject to Member's approval.

### **Regulation 21 (5) – In determining Assumed Pensionable Pay whether a lump sum payment made in the previous 12 months is a 'regular lump sum'.**

Swale Borough Council will maintain a list which details what Swale Borough Council considers being a regular lump sum payment made to our employees to be used in the calculation of the Assumed Pensionable Pay.

### **Regulation 22 (7)(b) & 22 (8)(b) - Aggregation of Benefits**

Employees who have previous LGPS pension benefits in England and Wales will automatically have these aggregated with their new LGPS employment, unless they elect within 12 months of commencing membership of the LGPS in the new employment to retain separate benefits. Swale Borough Council has the discretion to extend this period beyond 12 months and each case will be considered on its own merits by the Head of Human Resources, the Head of Finance and the relevant Director.

### **Regulation 30(6) – Flexible Retirement**

It is Swale Borough Council's policy to only provide consent for flexible retirement and the immediate payment of benefits where there are clear financial or operational benefits to the Council. Any such consent requires the agreement of the Head of Human Resources and the relevant Director and each case would be considered on its merits.

If consent has been given under Regulation 30 (6) it is not Swale Borough Council's general policy to waive any actuarial reduction unless there are exceptional circumstances.

### **Regulation 30(8) Waiving of Actuarial Reductions**

It is not the policy of the Borough Council to give consent to the immediate payment of benefits to employees under this regulation, unless there is a demonstrable benefit to the organisation which would take full account of any extra costs to be borne by the Authority. In circumstances where a request is made for an early payment of a deferred benefit this is unlikely to be granted except in the most extreme cases of hardship; circumstances must be exceptional and would not reasonably be expected to prevail i.e. the occurrence of a disaster or accident etc. Financial hardship alone would not normally be deemed sufficient. Any such consent shall be agreed by the Head of Human Resources, Head of Finance and the relevant Director, taking account of all the details involved in the case.

Where a scheme member has previously been awarded a preserved benefit, it is not generally the policy of Swale Borough Council to give consent under this regulation to the early payment of benefits; however, each request will be considered and full account taken of any costs to be borne by the authority. Any consent shall be agreed by the Head of Human Resources, Head of Finance and the relevant Director, taking account of all the details involved in the case. It is not the Council's general policy to waive any actuarial reduction in these circumstances.

### **Regulation 31 – Award of Additional Pension**

Swale Borough Council has the discretion to award additional pension (up to the additional pension limit defined in the regulations) to an active member or within six months of leaving the scheme to a scheme member who was dismissed on grounds of redundancy or business efficiency.

Swale Borough Council will only exercise this discretion in exceptional circumstances and where there is a proven total benefit to the organisation which includes any costs that might be borne by the authority. Any consent shall be agreed by the Head of Human Resources, Head of Finance and the relevant Director, taking account of all the details involved in the case.

### **Regulation 100 (6) – Aggregation of Benefits**

If a scheme member wishes to transfer any pension benefits they have built up in other schemes to the Local Government Pension Scheme, it is the policy of Swale Borough Council that the election must be made within 12 months of the Pension Section being notified that the employee has become an active member of the Kent Scheme.

If the 12 month period has elapsed then the member may make a case for any exceptional circumstances to be considered by the Head of Human Resources, the Head of Finance and the relevant Director within Swale Borough Council, and by the Pension Scheme Administrator. Both organisations must agree to the late transfer.

## Protection of Earnings Policy

### 1. Introduction

The Council believes that an integral feature of any successful organisation is its ability to identify the need for change and to manage that change, taking into account management's aspirations as well as the aspirations and wellbeing of its employees.

Whilst the Council is committed to providing security of employment and to minimising the personal impact of organisational change, there will be occasions when it will be necessary to reorganise services and the way in which they are delivered. In these circumstances the provisions of this Policy will apply. This Policy needs to be read in conjunction with the Organisational Change Policy.

### 2. Scope

This policy applies to any employee who, as a consequence of organisational change, is required by management to change their grade or method of working, or suffers a reduction in basic hours worked within the standard working week, or suffers a reduction in basic pay and allowances.

The provisions of this policy **do not** apply as a result of:

- a) action taken in accordance with the Council's Disciplinary or Capability procedures;
- b) the need for re-deployment on health grounds;
- c) unacceptable standards of work performance;
- d) a request from the individual or by mutual agreement between the individual and Council;
- e) a voluntary application to another position within the Council; or
- f) the removal of a Market Supplement following an annual review, any loss here would be dealt with in accordance with the Market Supplement Policy.

### 3. Protection Period

Protection of earnings will be given for a period of 24 months. The first twelve months will be protected at the full earnings of the role held by the employee prior to the change; the second period of 12 months will be at half the rate of the new earnings compared with the old earnings. After a period of 12 months the employee will move to the salary and earnings of the new post. The employee will be moved to the salary point of the pay scale for the grade of the new post that is closest to the salary of the previous post. In most cases this is likely to be the highest incremental point of the relevant grade.

In exceptional circumstances, and where there may be a cost advantage to the organisation, there may be agreement with the Chief Executive, the Head of Finance and Head of HR Shared Services to extend this period.

#### **4. Calculation of Protection**

Earnings protection in respect of payments/allowances other than basic salary will be calculated as an average of those earnings paid within the three month period prior to the organisational change taking place as compared with the new earnings package. Such earnings will include market supplements, essential car user allowance, shift payment, irregular working hours payment, and an average of overtime, if considered appropriate. The protection figure so calculated will be applied on a “stand still” basis, i.e. with no inflation award or incremental movement.

Earnings in the new post will be off-set against protected earnings and, if for any particular pay period the earnings in the new post exceed the protected earnings, then the higher earnings will be paid for that pay period.

If an employee with a lease car agreement is redeployed to a post that does not carry eligibility for a lease car, that employee will be permitted to retain the lease car until the end of the lease period.

#### **5. Conditions of Protection**

Protection of earnings is conditional upon the employee undertaking any shift work or other duties which may be required in the new post up to the level at which the earnings in the new post equal the protected earnings.

Protection of earnings is also conditional upon the employee accepting any subsequent offer of a suitable alternative post which attracts a salary in excess of that of the new post.

Overtime will be paid at the new rate (i.e. the real rate attached to the post), not at the protected rate.

#### **6. Pension Implication**

With effect from 1 April 2008, no further certificates of protection of pension benefits will be issued. However, those issued prior to that date will still be valid.

As from 1 April 2008 the pension scheme rules changed such that those whose pay is restricted or downgraded in the ten years prior to them leaving the scheme will have the option to have their benefits based on the average of any three consecutive years in the last ten years.

#### **7. Terms and Conditions other than Pay**

Annual Leave entitlements and length of notice period required from the employee will not be protected, and those applicable to the new post will be applicable. Annual leave entitlement will change with effect from the next full leave year, and notice with effective from the date of transfer.

#### **8. Review**

This Policy is subject to review.

## KENT ASSOCIATION OF ELECTORAL REGISTRATION OFFICERS AND STAFF

### Scale of fees for District/Borough and Parish Council elections held on or after 1 April 2015

ITEM	Current 2014 £	Proposed 2015 £	% increase
1. For each Presiding Officer at a Polling Station – single election	199.22	203.60	2.2%
2. For each Presiding Officer at a Polling Station – combined election or difficult station due to local circumstances (at the discretion of the Returning Officer)	244.74	250.12	2.2%
3. For a Presiding Officer who acts as a supervisor at a Polling Place where there is more than one Polling Station	(additional) 9.66	(additional) 9.87	2.2%
4. Presiding Officer travel (see note 4 below)	13.66	13.96	2.2%
5. For each Poll Clerk at a Polling Station – single election	119.53	122.16	2.2%
6. For each Poll Clerk at a Polling Station – combined election (at the discretion of the Returning Officer)	147.99	151.25	2.2%
7. Poll Clerk travel (see note 4 below)	7.94	8.11	2.2%
8. Supervising Officer – for every 10 polling stations overseen	199.22	203.60	2.2%
9. For each Presiding Officer, Poll Clerk and Supervising Officer attending training	44.22	45.19	2.2%
10. For each training session provided by the Returning Officer to Presiding Officers and Poll Clerks	170.78	174.54	2.2%
11. For the delivery of official Poll Cards by hand	Second class post	Second class post	
12. For the employment of persons in connection with the counting of votes, clerical and other assistance required by the Returning Officer – for each 500 electors (or part) in a contested election	69.70	71.23	2.2%
13. For the employment of persons in connection with the preparation, issue and opening of postal ballot papers – for every 100 (or part) postal ballot papers issued. (Further resources may be needed to meet the effects of the Electoral Administration Act 2006.)	68.31	69.81	2.2%

ITEM	Current 2014 £	Proposed 2015 £	% increase
14. For each recount of the votes – for each 500 electors (or part) (see note 3 below)	4.01	4.10	2.2%
15. Travel of staff in connection with the counting of votes (at the discretion of the Returning Officer – see note 4 below)	7.94	8.11	2.2%
16. For clerical and other assistance required by the Returning Officer at an uncontested election – for each 500 electors (or part)	18.96	19.38	2.2%
17. Payment to the District/Borough for the use of Council staff to support the Returning Officer in the conduct of elections as follows:			
(a) contested election – (i.e. without District/Borough) for each 500 electors (or part)	53.98	55.17	2.2%
(b) contested joint election (i.e. with District/Borough) – for each 500 electors (or part)	26.99	27.58	2.2%
18. Payment to the District/Borough for the use of Council staff at an uncontested election – per uncontested election (see note 5 below)	14.89	15.22	2.2%
19. Returning Officer's fee for the conduct of elections as follows:			
(a) contested District/Borough OR Parish election – for each 500 electors (or part)	30.17	30.83	2.2%
(b) contested joint District/Borough AND Parish election – for each 500 electors (or part)	41.67	42.57	2.2%
(c) uncontested District/Borough election – single fee	51.66	52.80	2.2%
(d) uncontested Parish election – single fee	17.70	18.09	2.2%

**Notes:**

1. The fees are calculated on the number of local government electors on the register of electors and entitled to vote at the last day for publication of the notice of election.
2. At parish polls the fees relating to polling staff may be pro rata.
3. **Item 14** – in special circumstances, the Returning Officer may recover actual costs.
4. **Items 4, 7 and 15** – variable mileage rates may be applied where fixed travel is considered inappropriate.
5. **Item 18** - the payment referred to applies (in the case of a parish election) to each ward of a parish.

## Appendix I (H)

Information published in accordance with the guidance associated with the Code of Recommended Practice for Local Authorities on Data Transparency, which requires the publication of senior salaries within a £5,000 range.

### Details of remuneration and job title of senior employees whose earnings are between £50,000 and £150,000.

Position	Reporting Unit	Remuneration	No of staff	Budget responsibility	Other services/responsibilities
Chief Executive	Chief Executive Services	£145,000 - £149,999	351		Returning Officer responsible for all elections & Head of Paid Service
Corporate Services Director	Corporate Services	£95,000 - £99,999	105		Monitoring Officer
Director of Regeneration	Regeneration Services	£85,000 - £89,999	173		
Head of Commissioning and Customer Contact	Commissioning and Customer Contact	£75,000 - £79,999	60		
Head of Economy and Community Services	Economy and Community Services	£75,000 - £79,999	36		
Head of Resident Services	Resident Services	£75,000 - £79,999	97		
Head of Legal Partnership	Mid Kent Legal Services	£75,000 - £79,999	29		Head of Partnership with Maidstone and Tunbridge Wells Borough Councils
Head of Planning Services	Planning Services	£75,000 - £79,999	33		
Deputy Head of Legal Partnership	Mid Kent Legal Services	£65,000 - £69,999	19		Manager within shared service with Maidstone and Tunbridge Wells Borough Councils.
Chief Executive Thames Gateway Kent Partnership	Thames Gateway Kent Partnership	£65,000 - £69,999	2		
Head of Property Services	Property Services	£65,000 - £69,999	24		
Business Change Manager	Mid Kent Legal Services	£50,000 - £54,999	6		Manager within shared service with Maidstone and Tunbridge Wells Borough Councils.

Chief Accountant	Financial Services	£50,000 - £54,999	15		
Contracts and Procurement Manager	Commissioning and Customer Contact	£50,000 - £54,999	5		
Democratic and Electoral Services Manager	Democratic Services	£50,000 - £54,999	11		
Development Manager	Development	£50,000 - £54,999	20		
Economy & Community Services Manager	Culture and Places	£50,000 - £54,999	2		
Economy & Community Services Manager	Economy and Regeneration	£50,000 - £54,999	3		
Economy & Community Services Manager	Safer and Stronger Communities	£50,000 - £54,999	5		
Housing Options Manager	Homelessness and Housing Development	£50,000 - £54,999	18		
Policy & Performance Manager	Policy and Performance	£50,000 - £54,999	7		
Revenues & Benefits Manager	Revenues and Benefits	£50,000 - £54,999	41		
Senior Environmental Health Officer	Environmental Health (Housing)	£50,000 - £54,999	8		Manager within shared service with Maidstone and Tunbridge Wells Borough Councils.
Spatial Planning Manager	Spatial Planning	£50,000 - £54,999	9		



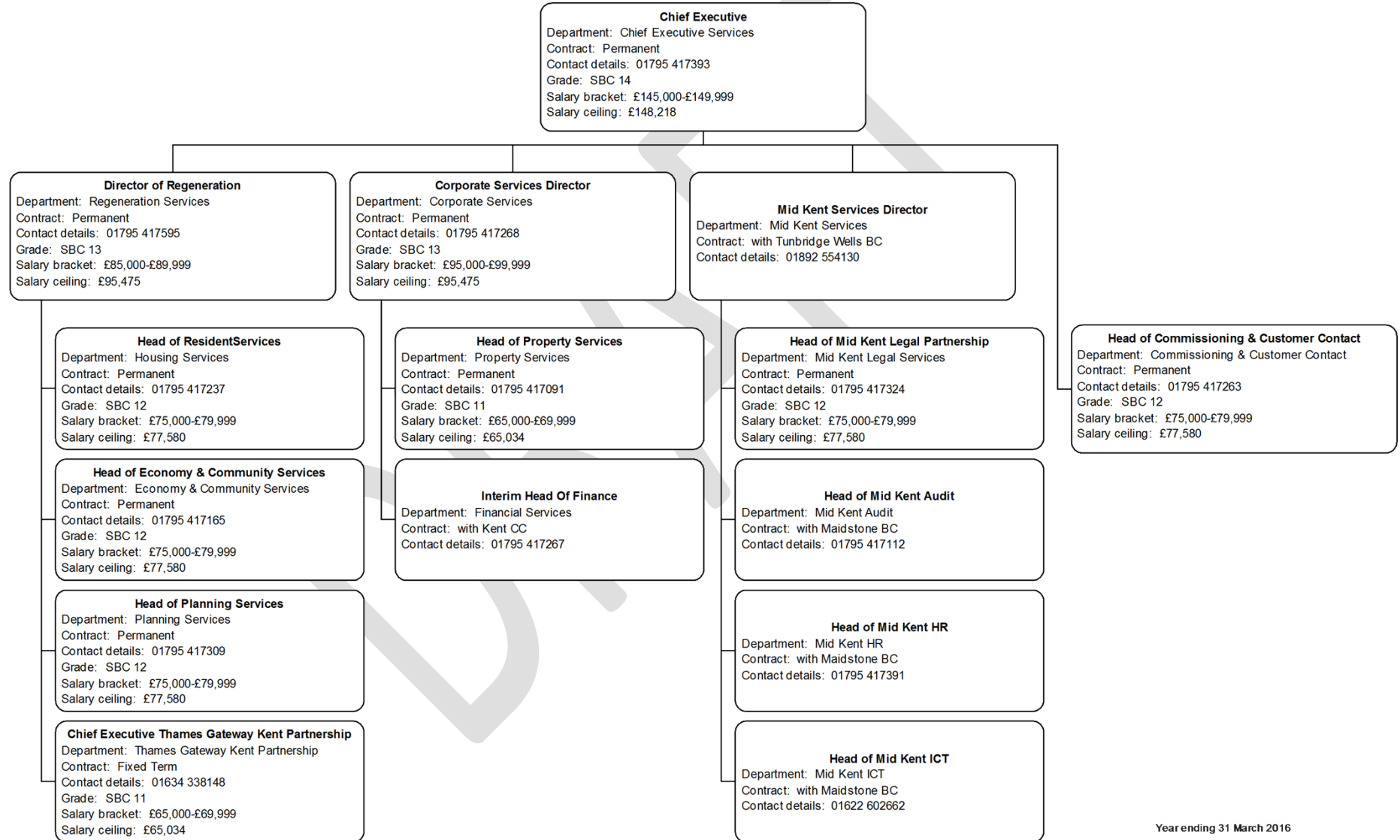
**Number of employees whose remuneration in 2015/16 is at least £50,000, in brackets of £5,000**

<b>Remuneration band</b>	<b>Number of employees in band</b>
£50,000 - £54,999	13
£55,000 - £59,999	0
£60,000 - £64,999	0
£65,000 - £69,999	3
£70,000 - £74,999	0
£75,000 - £79,999	5
£80,000 - £84,999	0
£85,000 - £89,999	1
£90,000 - £94,999	0
£95,000 - £99,999	1
£100,000 - £104,999	0
£105,000 - £109,999	0
£110,000 - £114,999	0
£115,000 - £119,999	0
£120,000 - £124,999	0
£125,000 - £129,999	0
£130,000 - £134,999	0
£135,000 - £139,999	0
£140,000 - £144,999	0
£145,000 - £149,999	1
<b>Total</b>	<b>24</b>

The Council has three shared services that are managed by Heads of Service not directly employed by Swale Borough Council. The salary details for these post holders may be found in the transparency data of the relevant employing authority.

<b>Post</b>	<b>Employing Authority</b>
Head of Audit Partnership	Maidstone Borough Council
Head of HR Shared Services	Maidstone Borough Council
Head of ICT Partnership	Maidstone Borough Council

# Swale Borough Council Organisation Chart



Year ending 31 March 2016

<b>Council Meeting</b>		<b>Agenda Item:</b>
<b>Meeting Date</b>	17 February 2016	
<b>Report Title</b>	Changes to Polling Arrangements 2016	
<b>Cabinet Member</b>	Cllr Bowles, Leader	
<b>SMT Lead</b>	Mark Radford	
<b>Head of Service</b>	n/a	
<b>Lead Officer</b>	Katherine Bescoby	
<b>Key Decision</b>	No	
<b>Classification</b>	Open	
<b>Forward Plan</b>	<b>Reference number:</b>	
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That Council agrees to change the polling place for voters in the Tunstall Urban Parish polling district (in Woodstock Ward) to include the Tunstall Rural Parish polling district (in West Downs Ward), to enable voters in both wards of Tunstall Parish to vote at Tunstall Memorial Village Hall.</li> <li>2. That Council notes that the Returning Officer intends to locate the polling station for voters in the Roman West polling district of Roman Ward at the Netchurch, East Street, Sittingbourne, which is within the current polling place.</li> <li>3. That Council notes that the Returning Officer intends to locate the polling station for electors in the Ospringe polling district of the East Downs' Ward at the Alma Public House, which is within the current polling place.</li> <li>4. That Council notes that the Returning Officer intends to locate the polling station for electors in the Meads ward at the Meads Community Centre, which is within the current polling place.</li> </ol>	

## 1 Purpose of Report and Executive Summary

- 1.1 The Council agreed a scheme of polling districts and places at its meeting in October 2014. Whilst there will be a further full review of polling districts before the electoral register is published on 1 December 2016, it is necessary to put in place some interim changes for elections in 2016, which will include the Police and Crime Commissioner election, possible the EU Referendum, and of course any by-elections that may be required.

- 1.2 It may be useful to clarify at this point that the Council is responsible for setting the **polling district** (a geographical area of a ward) and **polling places** (a geographical area usually within a polling district that the polling station must be located within). The Returning Officer is responsible for locating **individual polling stations** which must be within the polling place.

## **2 Background**

- 2.1 A review of polling districts and places was undertaken in 2014, in readiness for the elections on 5 May 2015, based on new ward boundaries.
- 2.2 Under the new ward boundary arrangements, due to the fact that Tunstall Parish is now split between two borough wards, voters in Tunstall were allocated to two different polling districts to reflect the parish wards and the different Borough wards. However, there concerns have been raised regarding the convenience of the polling station for voters.
- 2.3 The Netchurch, East Street, Sittingbourne, was used at short notice, as South Avenue School had urgent building works at the time, and so it was not possible to hire the venue. No complaints from electors were received and a review suggests that this arrangements worked well.
- 2.4 Whitehill Chapel has been used as a polling station for many years, but is now in private ownership and so is no longer available to hire. Therefore it is necessary to identify an alternative venue.
- 2.5 The Meads Community Centre was not ready to use for the last elections, and so the Jenny Wren Public House was used as an alternative. However, the Meads Community Centre is now up and running.

## **3 Proposals**

- 3.1 Given the above, the proposals are to:
- (a) ask Council to agree to change the polling place for voters in the Tunstall Urban Parish polling district (in Woodstock Ward) to include the Tunstall Rural Parish polling district (in West Downs Ward), to enable voters in both wards of Tunstall Parish to vote at Tunstall Village Memorial Hall. This is considered to be more convenient for voters and will also provide for a more equitable distribution of electors between polling stations;
  - (b) ask Council to note that the Returning Officer intends to locate the polling station for electors in the Roman West polling district of Roman Ward at the Netchurch, East Street, Sittingbourne, which is within the current polling place;

- (c) ask Council to note that the Returning Officer intends to locate the polling station for electors in Ospringle polling district of the East Downs ward at the Alma Public House, which is within the current polling place; and
- (d) ask Council to note that the Returning Officer intends to locate the polling station for voters in the Meads Ward at the Meads Community Centre, which is within the current polling place.

## 4 Alternative Options

- 4.1 The Council could decide not to make the change set out in (a) above, but this is not recommended for the reasons set out.

## 5 Consultation Undertaken or Proposed

- 5.1 Ward Members have been consulted. At the time of writing, ward members for West Downs and Woodstock have responded positively to the proposals around Tunstall Memorial Village Hall.
- 5.2 In respect of the proposals for the Roman Ward, both ward members have been consulted, though one is content with the proposal, whilst the other considers that facilities at the school are better.
- 5.3 The Returning Officer has considered the matter and intends to retain use of the Netchurch because:
  - there is much more room available at Netchurch than at the school, as the latter now only offer use of a portacabin so that they may keep the school open on election day; and
  - there is limited parking at the school and, whilst there is no parking at Netchurch, we have put in place agreements with the local pub and supermarket to allow voters to use their car parks when voting.

## 6 Implications

Issue	Implications
Corporate Plan	This helps to deliver the 'Council to be proud of' priority theme of the Corporate Plan.
Financial, Resource and Property	Any changes to costs will be within existing budgets.
Legal and Statutory	The Council is required to keep polling districts and places under review, and to carry out a full review every five years. A further review will be undertaken later this year now that the Kent County Council divisions are known.

Crime and Disorder	None identified.
Sustainability	None identified.
Health and Wellbeing	We need to ensure that all voters have reasonable facilities for voting.
Risk Management and Health and Safety	We need to ensure that all voters have reasonable facilities for voting.
Equality and Diversity	The purpose of the review is to ensure that all electors in the Borough have reasonable facilities for voting; and that as far as is reasonable and practicable, facilities for voting are accessible for disabled people.

## **7 Appendices**

7.1 None.

## **8 Background Papers**

Report and Minute to Council –

<http://services.swale.gov.uk/meetings/ieListDocuments.aspx?CId=128&MId=1287&Ver=4>

Report and Minute of General Purposes Committee -

<http://services.swale.gov.uk/meetings/ieListDocuments.aspx?CId=144&MId=1477&Ver=4>

<b>Council Meeting</b>
------------------------

<b>Meeting Date</b>	17 February 2016
<b>Report Title</b>	Timetable of Meetings
<b>Cabinet Member</b>	Leader
<b>SMT Lead</b>	Director of Corporate Services
<b>Head of Service</b>	n/a
<b>Lead Officer</b>	Democratic and Electoral Services Manager
<b>Key Decision</b>	No
<b>Classification</b>	Open
<b>Forward Plan</b>	Reference number: n/a

<b>Recommendations</b>	1. That Annual Council agrees the programme of meetings set out in Appendix I to this report.
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## 1 Purpose of Report and Executive Summary

- 1.1 Each year the Timetable of Meetings is submitted to Annual Council to agree the programme for the next Municipal Year. To allow for future programming, the timetable is submitted to Council in February for ratification and then presented to Annual Council for noting.

## 2 Background

- 2.1 The Constitution requires the Council to approve a programme of meetings for the forthcoming Municipal Year.

- 2.2 Appendix I sets out a suggested programme of meetings (including foot notes). This is based on the previous year's programme and covers the following criteria:

- (i) Planning meetings set to meet planning targets; Planning Committees have reverted back to a 4-week cycle;
- (ii) Council meetings set to ensure financial decisions are made on time;
- (iii) Cabinet meetings have been scheduled almost monthly, however not all these may be required;
- (iv) Scrutiny Committee set to meet monthly if it has business to consider;
- (v) Certain meetings meet on an 'as and when' basis and as such are not programmed into the timetable;
- (vi) Local Engagement Forums (LEFs) and the Swale Rural Forum have been scheduled on the timetable; however, these may no longer be required. In the meantime, as Tuesdays are not always available, a few LEFs have been moved to a Thursday evening instead.

### **3 Proposal**

- 3.1 That Members agree the proposed programme of meetings for the ensuing municipal year.

### **4 Alternative Options**

- 4.1 Any changes to the Committee structure would lead to amendments to the timetable of meetings. Any additional meetings would have financial and human resource implications.

### **5 Consultation Undertaken or Proposed**

- 1.2 The draft timetable has previously been circulated to the Group Leaders, the Scrutiny Committee Chairman, the Policy Development and Review Committee Chairman, Management Team and Heads of Services.

### **6 Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	A Council to be proud of.
Financial, Resource and Property	The cost of servicing the Council's committees will be met within existing budgets. The establishment of any additional Committee dates would have financial and human resource implications.
Legal and Statutory	None identified at this stage.
Crime and Disorder	None identified at this stage.
Sustainability	None identified at this stage.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.
Equality and Diversity	None identified at this stage.

### **7 Appendices**

The following documents are to be published with this report and form part of the report

- Appendix I: Timetable Of Meetings

### **8 Background Papers**

None.



## Timetable of Meetings 2016/2017

Meeting	Day	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017
Council	Wed	17, 18	29	27		21	19	23	14	25	15	29		16,17
Cabinet	Wed	25	15	13		7	5	9	7	11 reserve	1	15		24
Cabinet Agenda Planning Meeting	Mon	9,31 <sup>Tue</sup>	27		22	19	24	21	19	16	27			8
Audit Committee	Wed		8			14		30				8		
General Licensing Committee	Thu			7						19				
General Purposes Committee <sup>1</sup>														
Licensing Act 2003 Committee	Thu					8						9		
LDF Panel	Thu		2			22			1		9			
Planning Committee	Thu	26	23	21	18	15	13	10	8	5	2	2,30	27	25
Policy Development & Review Comm.	Wed		1	6		28	26	2		17 <sup>Tue</sup>	22			
Scrutiny Committee <sup>2</sup>	Wed		22	20	31		12	16		12 <sup>Thu</sup> 26 <sup>Thu</sup>	8	22		
Standards Committee <sup>3</sup>	Tue			19				1						
Swale JTB	Mon		20			12			19			6		
Swale Rural Forum	Tue	31			23			15			21			
<b>LEFs</b>														
Haversham	Tue		7		30			17 <sup>Thu</sup>				7		
Sheppey	Tue		16 <sup>Thu</sup>			13		29				16 <sup>Thu</sup>		
Sittingbourne	Tue		21			27			20			21		
<b>Other</b>														
Member Training	Thu	12	30	28			6, 20	3,24	15		16		13	
Swale Stars	Thu			14										
<b>Group Meetings</b>														
Conservative	Tue (7pm)	10, 24	14,28	12,26		6,20	4,18	8,22	6 13	3,24,31	14	14,28		15 <sup>Mon</sup>
UKIP	Tue (4pm)	10 or 16 <sup>Mon</sup>	28	26		20	18	22	13	24	14	14		9 or 15 <sup>Mon</sup>

Elections 4 May 2017 (KCC); pre-election period commences 29 March 2017

<sup>1</sup> None scheduled at the moment (merged with Appointments Committee, with Appointments Committee as a Sub-Committee)

<sup>2</sup> 26 January 2017 - meeting for consideration of the budget (Cabinet Members invited to attend).

<sup>3</sup> Hearing Sub-Committees will be arranged as and when, similar to the arrangement of Licensing Sub-Committees.

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