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AGENDA

CABINET MEETING

Date: Wednesday, 25 May 2016

Time: 7.00 pm

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

Membership:

To be confirmed following Annual Council 18 May 2016

Quorum = 3

RECORDING NOTICE

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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. This is particularly important for visitors and members of the public who will be unfamiliar with the building and procedures.

The Chairman will inform the meeting whether there is a planned evacuation drill due to take place, what the alarm sounds like (i.e. ringing bells), where the closest emergency exit route is, and where the second closest emergency exit route is, in the event that the closest exit or route is blocked.

The Chairman will inform the meeting that:

(a) in the event of the alarm sounding, everybody must leave the building via the nearest safe available exit and gather at the Assembly points at the far side of

the Car Park; and

(b) the lifts must not be used in the event of an evacuation.

Any officers present at the meeting will aid with the evacuation.

It is important that the Chairman is informed of any person attending who is disabled or unable to use the stairs, so that suitable arrangements may be made in the event of an emergency.

2. Apologies for Absence

Minutes

To approve the Minutes of the Meeting held on 2 March 2016 (Minute Nos. 544 - 560) as a correct record.

4. 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.

Part B Report for Decision by Cabinet

5.	Council Tax Support Scheme 2017/18	1 - 18
6.	The Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to belong to a scheme etc.) (England) Order 2014	19 - 22
7.	The Smoke and Carbon Monoxide Alarm (England) Regulations	23 - 28
8.	Bank Contract	29 - 30

- 9. Outside Bodies Nominations to be made by Cabinet
 Appendix I added on 31 May 2016.
 10. Outgoing Post Distribution Award of Contract
 31 36
 37 42
- 11. Minutes of the Swale Joint Transportation Board meeting held on 7 March 43 44 2016 and Update

Cabinet is asked to approve the recommendations which fall within the remit of Swale Borough Council's Cabinet and to consider the update to Minute. 569 – Informal Consultations on Proposed Waiting Restrictions Proposed Double Yellow Lines at The Street/Canterbury Road, Boughton-under-Blean and Dunkirk.

Members are reminded that the terms of reference for the JTB state that: The Cabinet will normally act in accordance with the advice or views of the JTB. If the Cabinet is minded to act otherwise, no decision will be taken until after a discussion between the relevant Cabinet Member and the Chairman and Vice-Chairman of the JTB.

- 12. Minutes of the South Thames Gateway Building Control Joint Committee 45 46 meeting held on 17 March 2016
- 13. Minutes of the Extraordinary Local Development Framework Panel held on 19 May 2016

Issued on Monday, 16 May 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 the Cabinet, please visit www.swale.gov.uk

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



Cabinet 25 May 201	6	Agenda Item: 5
Meeting Date	3 May 2016	
Report Title	Council Tax Support Scheme 20	017/18 consultation
Cabinet Member	Cllr Duncan Dewar-Whalley, Ca	binet Member for Finance
SMT Lead	Kathryn Carr/Nick Vickers	
Head of Service	Amber Christou	
Lead Officer	Zoe Kent/Nick Vickers	
Recommendations	To note the work undertaken collectively, the options approximately, and recommendation that should be based on the curre series of potential modification consult.	aisals set out in Appendix any new CTS scheme ent scheme but with a
	To launch a consultation on to of a range of modifications to for working age claimants.	•
	Through the consultation to so of meeting the demands high other than changing the exist.	nlighted through the report
	4. To note the first stage Comm Assessment, and that a full C Assessment will be prepared any final decisions being take	Community Impact I and considered prior to
	5. To give delegated authority tand the Revenues and Bene & Financial to finalise the conconsultation with the Cabinet	fits Manager – Technical nsultation material, in

1 Purpose of Report and Executive Summary

- 1.1 The Council Tax Support Scheme (CTS) was introduced by the Department for Communities and Local Government (DCLG) in April 2013 as a replacement for Council Tax Benefit (CTB) administered on behalf of the Department for Work and Pensions (DWP). Each year the local Scheme must be approved by Full Council by 31 January.
- 1.2 The purpose of this report is to recommend changes to the scheme in readiness for public consultation, and to give delegated authority to the Head of Finance and the Revenues and Benefits Manager Technical & Financial to finalise the consultation material in consultation with the Cabinet Member for Finance.

2 Background

- 2.1 Prior to the introduction of the scheme in April 2013 the Kent authorities worked together to design a CTS scheme. A common approach was adopted across Kent, with the new scheme broadly replicating the former CTB scheme, but with a basic reduction in entitlement for working age claimants.
- 2.2 As part of its introduction, central government set out a number of key elements:
 - the duty to create a local scheme for working age applicants was placed with billing authorities;
 - government funding was reduced initially by the equivalent of 10% from the levels paid through benefit subsidy to authorities under the previous CTB scheme; and
 - persons of pension age, although allowed to apply for CTS, would be dealt with under regulations prescribed by central government, and not the authorities' local scheme.
- 2.3 In Swale, under the current scheme working age claimants must pay at least 15% of their Council Tax liability. The figure of 15% represented the 10% funding loss applied to the working age caseload across Kent. Although there is a common approach across Kent, local schemes at district level have been tailored to local needs, so in other parts of Kent the percentage varies.
- 2.4 The Kent districts have been able to use the changes to the empty property discounts to vary the amount working age claimants pay towards their liability. Since its introduction in April 2013, our own local scheme has been reviewed annually; however; the core elements remain as were originally agreed.
- 2.5 Under the Kent-wide agreement the major precepting authorities agreed to collectively pay to each district council an administration fee of £125,000 each year, for three years, to assist with the costs of delivering and managing the scheme. The original three year period ceased on 31 March 2016. As a result of Kent Finance Officers Group discussions, it was agreed to continue the £125,000 administration fee for a further 12 months i.e. into 2016/17 to enable a new scheme to be developed using an evidence-based approach.
- 2.6 When the new scheme started in April 2013, it resulted in approximately 5,000 households within the Borough paying some council tax for the first time. In addition, approximately 2,500 other households who received partial assistance saw increases in their bills.
- 2.7 Collection of the council tax balances in these cases has been challenging. However, with focus on these accounts and some changes to recovery processes, the scheme has been successful. The administrative fee paid by the major preceptors has been essential in assisting with the cost of the recovery of these debts.

- 2.8 The overall level of applicants, both working age and pension age, has fallen since the introduction of CTS to 11,921 as at 31 March 2016, compared with 13,381 as at 1 April 2013. This is mainly due to a reduction in unemployment and the rise of the pension age. As a result, the total cost of the scheme has reduced since its inception.
- 2.9 However, the initial '90%' funding that the government passed on to authorities through Revenue Support Grant to support the costs of local schemes has effectively been cut as part of the wider reductions in local government financial settlements. Therefore, although costs have reduced due to a lower claimant base, the outcome is that a greater share of the cost burden is falling on the billing authorities and the other major precepting bodies. This outcome has been one of the main catalysts for undertaking the review.

Table 1: CTS expenditure by year

Year	Expenditure
2013/14	£10,712,895
2014/15	£ 9,940,783
2015/16	£ 9,801,120
2016/17	£ 9,723,402

- 2.10 A group of finance and revenue officers from the Kent districts and major precepting authorities have been working closely together in setting the objectives of the review, and maintaining a common approach to the redesign of the local schemes. To support the review a consultant has been appointed by Ashford BC on behalf of the Kent districts and major preceptors, with the costs being shared. The consultant has been assisting in the evaluation of alternative scheme models and will, in due course, assist with the public consultation process.
- 2.11 The objectives that have been collectively agreed are to:
 - (i) have regard to the reductions in government grant and the financial pressures we face;
 - (ii) make the scheme less costly (if possible), and more efficient in terms of its operation; and
 - (iii) have regard to the impact such changes may have on vulnerable residents, and target support to those most in need.
- 2.12 It has been recognised by the Kent Finance Officers' group that the contributions that the major precepting authorities make towards the administration of the scheme are essential. Changes to the local scheme could potentially lead to a need to collect even more council tax from individuals who may find it difficult to pay, as well as those individuals finding the resultant changes difficult to comprehend.

2.13 Therefore, in parallel with the review of the local schemes, representatives from the Kent district councils are working with the major preceptors to formulate a new funding model for assistance towards the administrative costs. It is anticipated that this will be based on the size of the caseload rather than a fixed rate for each district. It is also likely that any payment may be topped up by a share of any additional proceeds as a result of our tax base increasing.

3 Proposal

- 3.1 In liaison with the consultant, the Kent Finance Officers' group has considered a wide range of options for potential change, having regard to the objectives set out in paragraph 2.11 and the suitability for Kent. The options have been examined in detail with the Leader and relevant Cabinet Members. It is proposed that a consultation is carried out as per the options appraisal contained in Appendix I.
- 3.2 The conclusion from the Group is that the most practical option would be to maintain a scheme similar to our current scheme. The reasoning behind this is:
 - (i) it is known to our claimants;
 - (ii) it largely mirrors the housing benefit system
 - (iii) our software systems are adapted for this type of scheme and would, therefore, require little additional cost to update;
 - (iv)our staff are familiar with the administration of this type of scheme; and
 - (v) as it is also aligned to housing benefit, we can continue to take advantage of economies of scale.
- 3.3 In order to meet the challenges of funding pressures, some adjustments to the current scheme will inevitably need to be made. Initially, the major precepting authorities had suggested that we seek to reduce the cost of the scheme through the increase in minimum contribution rate (currently 15% for working age claimants in Swale). Evidence from authorities across the country suggests there is a tipping point somewhere between 20% and 25% after which collection rates are affected significantly. The tipping point tends to affect claimants on low or fixed incomes, particularly single persons and couples with no dependants. Increasing the minimum percentage that a working age claimant needs to pay beyond the tipping is likely to be counter-productive.
- 3.4 Given the objectives of the review set out at 2.11, it is important that we seek to reduce the overall costs of the scheme whilst maintaining fairness and the feasibility of the scheme. Therefore, it is considered that a locally determined selection of the options set out in Appendix I should be included as part of the consultation on Swale's scheme for 2017/18.

4 Alternative Options

- 4.1 As part of the consultation, as well as consulting on various options related to the design of the scheme, case law has clarified that we are also required to consider alternative funding options as opposed to simply changing the current scheme to reduce costs.
- 4.2 It is therefore recommended that the following questions be posed.
 - (i) Should Council Tax be increased for all Council Tax payers to fund the CTS scheme?
 - (ii) Should Council reserves be used to fund the scheme?
 - (iii) Should there be cuts to Council services to fund the scheme?
- 4.3 Were any of these options to be implemented, the impact would affect all residents in the Borough.

5 Consultation Undertaken or Proposed

- Prior to the implementation of any changes to a CTS scheme, authorities are required to consult with the public. There have been a number of challenges to CTS consultations, and it should be noted that a recent judgement handed down by the Supreme Court has defined what is meant by 'good consultation'.
- 5.2 The guiding principles which have been established through case law for fair consultation are as follows:
 - (i) the consultation must be carried out at a stage when proposals are still at a formative stage;
 - sufficient information on the reasons for the decision must be provided to permit the consultees to carry out intelligent consideration of the issues to respond;
 - (iii) adequate time must be given for consideration and responses to be made; and
 - (iv) the results of the consultation must be properly taken into account in finalising any decision.
- 5.3 The Kent Finance and Revenues officers are currently working closely with the consultant to prepare robust and consistent consultation material that can be individually branded by each district council within Kent. Each district council must consult on its own scheme design, and ultimately make its own decisions about its final local scheme after the consultation.

- 5.4 It is planned that all district councils will go out to consultation at around the same time. The project timetable agreed by all Kent district councils at the start of the review anticipates consultation commencing in early June, and completing at the end of August, thus allowing 12 weeks for members of the public and other relevant stakeholders to comment.
- 5.5 There is also a duty to consult with the major precepting authorities who are statutory consultees. At the time of writing, all major precepting authorities have advised they are content with the proposals so far.
- 5.6 This report will also be offered to the Policy Development Review Committee for their review.

6 Implications

Issue	Implications
Corporate Plan	Running an effective and efficient CTS Scheme contributes to the Council priority of being 'A Council to be proud of'. It also contributes to the priority of 'A Community to be proud of', as it supports the most vulnerable whilst creating incentives to work for those who are able to.
	The changes introduced through the Welfare Reform agenda and Local Council Tax Support Scheme are aimed at providing greater work incentives, which have the potential to positively impact on the economic prosperity of those returning to employment, as well as the wider community. Data shows that the number of working age claimants has reduced, which results at least in part from movement of benefits claimants into work.
	Performance is measured through BV9 Percentage of Council Tax collected in year.
Financial, Resource and Property	The cost of consultancy has been shared by all Kent authorities. Swale's share of the cost is under £500. It is anticipated that there will be some limited costs associated with the consultation process, but this is a statutory requirement.
	The costs of awards made under the CTS scheme impact on the declared tax base, and thereby the council tax yield. If the cost of awards were to be reduced, this would mean that the Council's tax base would increase, and overall council tax income could increase.
	Any increase to council tax income is shared through the Collection Fund with major preceptors.
Legal and Statutory	The Council has a statutory duty to consult on a proposed scheme. As mention in paragraph 5.1, case law has determined the guiding principles for fair consultation, which we will follow.

	Regard needs to be made to the rules around consultation laid out through the Supreme Court ruling in the case of R (on the application of Moselely) v London Borough of Haringey (2014), and in particular, the need to set out alternative choices within the consultation. Referred to in paragraph 5.2.
Crime and Disorder	No implications.
Sustainability	No implications.
Health and Wellbeing	Residents who have difficulty in paying their Council Tax can put in a claim for a Section 13A discretionary award. Those whose health appears to be affected will be signposted to appropriate advice.
Risk Management and Health and Safety	If consultation is not carried out appropriately, there is a risk of challenge once a decision is taken.
Equality and Diversity	A first stage Community Impact Assessment is being carried out prior to the consultation. Once the consultation results have been analysed, a full Community Impact Assessment will be carried out.

7 Appendices

- 7.1 The following documents are to be published with this report and form part of the report:
 - Appendix I: CTS Scheme review of options
 - Appendix II: First stage CIA CTS Scheme 2017/18

8 Background Documents

Council Tax Support Report 2016/17 Scheme Full Council 26.11.2015

http://services.swale.gov.uk/meetings/ieListDocuments.aspx?Cld=128&MID=1288



Review of Council Tax Reduction Scheme: Options to be considered

	Option	Commentary/Context
а	Increase the	SBC currently requires working age claimants to pay a minimum of 15% towards council tax.
	minimum % payable	The level of required contribution varies significantly over the country - 76 councils having a nil contribution rate, with 52 schemes having rates over 20%. Medway Council will be highest in Kent for 2016/17at 35%.
		Evidence there is a 'tipping point' somewhere between 20% and 25%, after which collection rates are affected significantly. The tipping point severely affects applicants on low or fixed incomes, particularly single persons and couples with no dependants. Increasing the minimum % that a working age claimant needs to pay beyond the tipping point is unrealistic and likely to be counter-productive in terms of collections rates.
		Consider option of increasing minimum % to 18.5% or 20%.
b	Remove Second Adult Rebate	A taxpayer can presently apply for up to 25% reduction on their liability when an adult that is on a low income moves into their home. The applicant would lose their single person discount, but could apply for this reduction instead. The reduction is assessed on the income of the second adult and not that of the taxpayer, who could have any level of income or capital.
		This has been removed in a number of authorities across the country, including in East Kent. There are a limited number of cases in Swale, so the impact would be small.
		Consider option of removing Second Adult Rebate
С	Include currently disregarded incomes in	Certain income types are currently disregarded in full when calculating entitlement for CTS. These include Child Benefit and Child Maintenance were included (i.e. were not disregarded) within Council Tax Benefit Schemes until as recently as 2009.
	calculation of total income	Nationally, twenty two schemes have reverted to including this income within the assessment.
	income	Consider option of including child benefit and child maintenance payments in the assessment of income.
d	Introduce changes to non-	Introduce a standard charge for non-dependants who live in a property. Currently, non-dependant deductions can vary from £0.00 to £11.45 depending on their level of income.
	dependant charges	A standard charge would be easier to administer.
	onarges	Consider option of introducing a standard of £15 per week for non-dependant deduction

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е	Introduce Minimum income floor for self -	Currently self-employed claimants are asked to declare their own level of income, and it is not unheard of for it to be declared as nil (or close to nil) after taking into account expenses. Claims are difficult to administer, and challenging self-declared income levels can be protracted and time-consuming.
	employed claimants	The Universal Credit assessment criteria includes a clause whereby a self-employed claimant is allowed to declare nil income in their first year of operation, and then after that initial period to establish the business they are then assessed at either their declared income or at a minimum income floor, calculated at 35 hours per week at the living wage. It may be necessary to consider an alternative for people who are unable to work full time (primarily single parents with young children).
		Consider introducing a minimum income floor for self-employed claimants (after a start-up period of say one year), based upon the living wage at 35 hours per week for full time workers, or 16 hours a week for part-time workers
f	Align Scheme with HB and	Central Government has announced significant changes to HB, including the removal of certain premiums, a limitation on the number of dependants that can be included in the calculation, and the limiting of backdating.
	Pension Age CTR changes	Retaining a scheme similar to the current one, requires that it is aligned with HB as far as possible to aid understanding by claimants, as well as efficiency of processing. These changes will form part of the prescribed requirements for the Pension Age CTR scheme.
		Consider option of aligning regulations of 'base' CTR scheme with HB and (prescribed) Pension Age CTR scheme.

Community Impact Assessment

A Community Impact Assessment (CIA) is a document that summarises how the council has had due regard to the public sector equality duty (Equality Act 2010) in decision-making.

When to assess

A CIA should be carried out when you are changing, removing or introducing a new service, policy or function. The assessment should be proportionate; a major financial decision will need to be assessed more closely than a minor policy change.

Public sector equality duty

The Equality Act 2010 places a duty on the council, when exercising public functions, to have due regard to the need to:

- 1) Eliminate discrimination, harassment and victimisation;
- 2) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- 3) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

These are known as the three aims of the general equality duty.

Protected characteristics

The Equality Act 2010 sets out nine protected characteristics that apply to the equality duty:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership*
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

*For marriage and civil partnership, only the first aim of the duty applies in relation to employment.

We also ask you to consider other socially excluded groups, which could include people who are geographically isolated from services, with low literacy skills or living in poverty or low incomes; this may impact on aspirations, health or other areas of their life which are not protected by the Equality Act, but should be considered when delivering services.

Due regard

To 'have due regard' means that in making decisions and in its other day-to-day activities the council must consciously consider the need to do the things set out in the general equality duty: eliminate discrimination, advance equality of opportunity and foster good relations.

How much regard is 'due' will depend on the circumstances and in particular on the relevance of the aims in the general equality duty to the decision or function in question. The greater the relevance and potential impact, the higher the regard required by the duty. The three aims of the duty may be more relevant to some functions than others; or they may be more relevant to some protected characteristics than others.

Collecting and using equality information

The Equalities and Human Rights Commissions (EHRC) states that 'Having due regard to the aims of the general equality duty requires public authorities to have an adequate evidence base for their decision making'. We need to make sure that we understand the potential impact of decisions on people with different protected characteristics. This will help us to reduce or remove unhelpful impacts. We need to consider this information before and as decisions are being made.

There are a number of publications and websites that may be useful in understanding the profile of users of a service, or those who may be affected.

- The Office for National Statistics Neighbourhoods website http://www.neighbourhood.statistics.gov.uk
- Swale in 2011 http://issuu.com/swale-council/docs/key data for swale
- Kent County Council Research and Intelligence Unit http://www.kent.gov.uk/your council/kent facts and figures.aspx
- Health and Social Care maps http://www.kmpho.nhs.uk/health-and-social-care-maps/swale/

At this stage you may find that you need further information and will need to undertake engagement or consultation. Identify the gaps in your knowledge and take steps to fill these.

Case law principles

A number of principles have been established by the courts in relation to the equality duty and due regard:

- Decision-makers in public authorities must be aware of their duty to have 'due regard' to the equality duty
- Due regard is fulfilled before and at the time a particular policy is under consideration as well as at the time a decision is taken. Due regard involves a conscious approach and state of mind.
- A public authority cannot satisfy the duty by justifying a decision after it has been taken.
- The duty must be exercised in substance, with rigour and with an open mind in such a way that it influences the final decision.
- The duty is a non-delegable one. The duty will always remain the responsibility of the public authority.
- The duty is a continuing one.
- It is good practice for those exercising public functions to keep an accurate record showing that they
 have actually considered the general duty and pondered relevant questions. Proper record keeping
 encourages transparency and will discipline those carrying out the relevant function to undertake the
 duty conscientiously.
- The general equality duty is not a duty to achieve a result, it is a duty to have due regard to the need achieve the aims of the duty.
- A public authority will need to consider whether it has sufficient information to assess the effects of the policy, or the way a function is being carried out, on the aims set out in the general equality duty.
- A public authority cannot avoid complying with the duty by claiming that it does not have enough resources to do so.

Examples of case law can be found here <u>EHRC relevant case law</u>. They include examples of why assessing the impact **before** the decision is made is so important and case law around the need to have due regard to the duty

Lead officer:	Zoe Kent
Decision maker:	Council
People involved:	Zoe Kent
 Decision: Policy, project, service, contract Review, change, new, stop 	 This is a localised scheme that the Borough is required to put in place to give financial help towards Council Tax to those residents on a low income. We are required to review this scheme before 31 January of the financial year.
Date of decision: The date when the final decision is made. The CIA must be complete before this point and inform the final decision.	Pre – consultation SMT – 3`May 2016 Cabinet – 25 May 2016
 Summary of the decision: Aims and objectives Key actions Expected outcomes Who will be affected and how? How many people will be affected? 	What are the aims and objectives? 1. To provide help towards Council Tax as a localised Council Tax Support scheme to those on a low income in the Borough 2. To provide pensioners with the support as per The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 as amended by The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015 3. To provide working age claimants support taking into consideration the reduction in financial support provided within the Revenue Support Grant towards the Council Support Scheme. 4. Support vulnerable people 5. Support claimants back into work
	 What are the key actions? Providing a scheme that supports those claimants on a low income Putting into place a scheme that does not mean a financial burden to the authority which could lead to putting other services provided by the Borough at risk. Continuing to design and deliver services to meet the needs of vulnerable customers Consider user feedback, engagement and consultation when designing the scheme
	What are the expected outcomes? To put in place a scheme that balances the needs of vulnerable claimants against the budget requirements of the Borough.
	Who will be affected? Those working-age residents who are on a low income who claim help towards their Council Tax. This covers all areas of the Borough but particularly those who live in deprived areas.
	How many people will be affected? 7,025 working age claimants will be affected by the changes to the scheme (11.4% of all Council Tax account holders).
 Information and research: Outline the information and research that has informed the decision. Include sources and key findings. Include information on how the decision will affect people with different protected characteristics 	Changes since 2013 Since the introduction of Council Tax Support the overall scheme adopted by the Council has remained broadly the same, with only applicable amounts and non-dependant charges being uprated as well as minor changes being made to mirror changes to the Housing Benefit scheme. Central Government has also continued to uprate changes to applicable amounts for pension age applicants, again to mirror the changes in Housing Benefit.

characteristics.

The Proposed Scheme for 2017/18

It has now been decided by the Council that a full review should be undertaken as to the effectiveness of the current Council Tax Support scheme; and a public consultation should be undertaken to gather views as to whether the current scheme should be changed. The Council is minded to make changes to the working age scheme to meet the following:

- The more accurate targeting of support to those working age applicants who most need it;
- The need to change the scheme, not only to align with proposed changes to Housing Benefit, but also to align the scheme with the approach taken by the Department for Work and Pensions in the creation, introduction and roll out of Universal Credit; and
- To address potential shortfalls in funding due to the continued reduction in Central Government grants.

Through work undertaken by the Kent Finance Officers' Group, the Council has identified a number of proposed changes to the current scheme and these will form part of an extensive public consultation. Please note that the changes, if made, would only apply to the working age scheme although the consultation will be open to all Council Taxpayers and other stakeholders.

The Council will also seek feedback through the consultation as to whether further increases in council tax, cuts to services and use of limited savings should be considered as an alternative to changing the Council Tax Reduction Scheme. Changes such as those in points 1 to 3 below may affect all residents in the Borough and across Kent.

- 1. Should Council Tax be increased for all Council Taxpayers?
- 2. Should Council reserves be used to fund the scheme?
- 3. Should there be further cuts to Council services?
- 4. The Council proposes to maintain a similar methodology as in the past. Any changes, if adopted, will be effective from 1st April 2017. The proposed options to change the scheme, subject to the consultation, will be as follows:
- a. Should an increase be made in the minimum payment of Council Tax made by recipients of Council Tax Support? Views will be obtained as to whether the current minimum payment of 15% should be increased to 18.5% or 20%.
- b. Should Second Adult Rebate be removed? Second Adult Rebate is a reduction assessed on the income of another adult residing in the property regardless of the income or capital of the person liable for Council Tax.
- c. Should Child Benefit and Child Maintenance payments which are currently disregarded in the calculation of CTs be included as income?
- d. Should a standard charge of £15 for non-dependants who live in a property be introduced? Currently deductions range from £0.00 to £11.45.

- e. Should the scheme set a minimum level of income for all Self Employed claimants (after a start up period of one year)? This could be equivalent to National Minimum (Living) Wage multiplied by 35 hours per week (16 hours for part-time workers) or similar.
- f. Should the scheme be amended to align with Housing Benefit Regulations and the Pension Age Council Tax Support scheme? Namely that:
- i. Family Premium will not be granted for all new claims and for any 'new' families;
- ii. The backdating for claims should be limited to a maximum of one month;
- iii. The 'temporary absence rules' should be introduced where an applicant leaves Great Britain for a period of greater than 4 weeks? (certain exceptions would be applied for armed forces personnel, mariners, and for certain cases where an applicant is receiving care);
- iv. the number of dependant additions granted in the calculation should be restricted to a maximum of two (This change will have specific exceptions and will only affect those applicants who have a third or subsequent child on or after 1st April 2017);
- v. The Work Related Activity Component, enhancing Employment Support Allowance will not be granted when calculating Council Tax Support.
- 5. The Council proposes that the scheme should include a targeted Exceptional Hardship policy that would provide applicants with the ability to request additional help if they can demonstrate that they are suffering exceptional hardship. Do you agree that there should be the ability to apply for additional assistance in the case of exceptional hardship?

Scope of the Community Impact Assessment

A full Community Impact Assessment will be produced after consultation and will examine the potential effects of each of the changes if any of the options were to be considered by the Council.

Please note that Pensioner protection will be achieved by keeping in place national rules, which broadly replicate the current council tax benefit scheme, which existed prior to 1st April 2013.

The Council must give consideration to the effects of the options on working age claimants, in particular, vulnerable groups.

Central Government has not been prescriptive in how it does this but points to the Council's existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the public sector equality duty in section 149 of the Equality Act 2010.

Method of Consultation

The Council will use the following methods to obtain the view of taxpayers.

Stakeholders Methodology

- 1. Existing claimants (both working age and pensionable age Web based questionnaire
 Claimants to be directly notified of consultation
 Hard copy documents to be provided as necessary
- 2. Council taxpayers and service users generally Web based questionnaire

Hard copy documents to be provided as necessary

3. Interested organisations and groups. Web based questionnaire Organisations with significant interest to be notified directly Hard copy documents to be provided as necessary

General Awareness

Provision of information and awareness raising of changes and proposals

News releases
Face to face communication at customer service points
Information in libraries/surgeries and other public venues
The Council's Website and Social Media

Analysis and Assessment

A full analysis and assessment will be made after public consultation. Details of responses will also be provided as part of the second stage Equality Impact Assessment.

Consultation:

- Has there been specific consultation on this decision?
- What were the results of the consultation?
- Did the consultation analysis reveal any difference in views across the protected characteristics?
- Can any conclusions be drawn from the analysis on how the decision will affect people with different protected characteristics?

Is the decision relevant to the aims of the equality duty?	
Guidance on the aims can be found in the EHRC's PSED Technical Guidance.	
Aim	Yes/No
Eliminate discrimination, harassment and victimisation	Yes
2) Advance equality of opportunity between persons who share a relevant	Yes
protected characteristic and persons who do not share it	
3) Foster good relations between persons who share a relevant protected	No
characteristic and persons who do not share it	

Assess the relevance of the decision to people with different protected characteristics and assess the impact of the decision on people with different protected characteristics.

When assessing relevance and impact, make it clear who the assessment applies to within the protected characteristic category. For example, a decision may have high relevance for young people but low relevance for older people; it may have a positive impact on women but a neutral impact on men.

Characteristic	Relevance to decision High/Medium/Low/None	Impact of decision Positive/Negative/Neutral
Age	Low	Negative
Disability	Low	Neutral
Gender reassignment	None	Neutral
Marriage and civil partnership	None	Neutral
Pregnancy and maternity	Low	Negative
Race	None	Neutral
Religion or belief	None	Neutral
Sex	None	Neutral
Sexual orientation	None	Neutral
Other socially excluded groups ¹	Low	Negative

Conclusion:	Summarise this conclusion in the body of your report
 Consider how due regard has been had to the equality duty, from start to finish. 	
 There should be no unlawful discrimination arising from the decision (see <u>PSED</u> Technical Guidance). 	
Advise on the overall equality implications that should be taken into account in the final decision,	
considering relevance and impact.	

Timing

- Having 'due regard' is a state of mind. It should be considered at the inception of any decision.
- Due regard should be considered throughout the development of the decision. Notes should be taken
 on how due regard to the equality duty has been considered through research, meetings, project teams,
 committees and consultations.
- The completion of the CIA is a way of effectively summarising the due regard shown to the equality duty throughout the development of the decision. The completed CIA must inform the final decision-making process. The decision-maker must be aware of the duty and the completed CIA.

Full technical guidance on the public sector equality duty can be found at:

http://www.equalityhumanrights.com/uploaded_files/PSD/technical_guidance_on_the_public_sector_equality_duty_england.pdf

This Community Impact Assessment should be attached to any committee or SMT report relating to the decision. This CIA should be sent to the Website Officer (Lindsay Oldfield) once completed, so that it can be published on the website.

¹ Other socially excluded groups could include those with literacy issues, people living in poverty or on low incomes or people who are geographically isolated from services

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Action Plan

Issue	Action	Due date	Lead Officer	Manager	Cabinet Member
Financial hardship for CTRS working age claimants	Further consultation work to be carried out in Quarter 2 2015/16	09/2015	Zoe Kent	Brian Planner	Cllr Duncan Dewar- Whalley
Drop in collection rate for Council Tax	The collection of Council Tax to be monitored throughout the financial year 2015/16	09/2015	Zoe Kent	Brian Planner	Cllr Duncan Dewar- Whalley
Financial hardship for residents with an empty property	Advice on alternative help to be sent out with Council Tax bills and adjustment notices	03/2015	Zoe Kent	Brian Planner	Cllr Duncan Dewar- Whalley

Actions in this action plan will be reported to the CIA group once a quarter, so updates will be required quarterly.

Cabinet Meeting		Agenda Item: 6
Meeting Date	25 May 2016	
Report Title	The Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014	
Cabinet Member	Cllr John Wright, Cabinet Member	for Housing
SMT Lead	Kathryn Carr Director of Regenerat	tion
Head of Service	Amber Christou	
Lead Officer	Philip Garland	
Recommendations	 i. Members note the legal requirements of the Order, and agree the level of penalty. 	
	ii. The Head of Resident Service Cabinet Member for Housing any representations from a le manager and decide whether or without modifications.	be delegated to consider titing agent or property
	iii. That the Scheme of Delegation the new powers and duties consciously Schemes for Lettings Agency Management Work (Requirer scheme etc) (England) Order Resident Services' delegation delegation to officers.	onferred by The Redress Work and Property ment to Belong to a 2014 to the Head of

1 Purpose of Report and Executive Summary

- 1.1 To inform Members of the relevant legislation under the Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014, and agree the Council's policy on penalty charges.
- 1.2 To ensure that the Scheme of Delegation be amended to add the new powers and duties conferred by The Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a scheme etc) (England) Order 2014 to the Head of Resident Services' delegations.

2 Background

2.1 Legislation has been introduced which means that from 1 October 2014 it is a legal requirement for all lettings agents and property managers in England to join one of three Government-approved redress schemes.

- 2.2 A letting agent or manager will be anyone who receives instruction from a landlord to find a person wishing to rent a dwelling house and/or manage the tenancy, though some exemptions do apply.
- 2.3 Whilst the majority of lettings agents and property managers provide a good service there are a minority who offer a poor service and engage in unacceptable practices. In such cases, this order provides that tenants and landlords with agents in the private rented sector, and leaseholders and freeholders dealing with property managers in the residential sector, are able to complain to an independent person about the service they have received.
- 2.4 The requirement to join an approved redress scheme is enforced by Swale BC, who under the legislation can impose a fine of up to £5,000 where an agent or property manager has failed to do so. Enforcement is by issue of a written notice of the intention to impose a penalty, setting out the reasons and the amount of the penalty. The lettings agent or property manager then have 28 days to make written representations or objections to the Council.
- 2.5 At the end of the 28 day period the Council must decide, having taken into account any representations received, whether to impose the fine and, if so, must issue a final notice to the lettings agent or property manager giving at least 28 days for payment to be made.
- 2.6 Further penalties can be imposed if a lettings agent or property manager fails to join a redress scheme despite already having had a penalty imposed.
- 2.7 A lettings agent or property manager can appeal against the penalty to the Firsttier Tribunal which handles all such housing matters, outside of the courts system. The appeal must be made within 28 days of the day on which the final notice was sent.

3 Proposal

- 3.1 The proposal is that the Council introduce a policy for imposing monetary penalties under the legislation described above.
- 3.2 it is expected that most agents will comply and only a small proportion of interventions will result in penalties being levied. The level of penalty must include a punitive element for failure to comply, and be of sufficient level to encourage compliance with the Order.
- 3.3 Bearing this in mind, the main principles outlined below are to be taken into account when setting penalty charges under the Order:
 - the level of penalty should cover the cost of all officer time, any administrative costs, and a fine; and

- the Council considers that a lesser penalty will be merited on the occasion of a first offence, which should attract a reduced penalty in recognition of early admission of liability and savings in administration costs.
- Taking these principles into account, the recommendations is for setting the level as £2,500 for a first offence, and then £5,000 for a second or subsequent offence.
- 3.5 A review of these penalties will be undertaken once enough cases have been dealt with to form an accurate picture of the costs of administration and the deterrent effect of the potential penalty, but in any case in enough time to inform the annual review of fees and charges for the 2018/19 financial year.
- 3.6 It is also recommended that the Scheme of Delegation be amended to add the new powers and duties conferred by The Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a scheme etc) (England) Order 2014 to the Head of Resident Services, to provide effective delegation to officers to operate the regulations.

4 Alternative Options

- 4.1 There are broadly three alternative options.
- 4.2 **Option 1:** Charge a higher amount or the maximum penalty of £5,000 in all cases. This approach would be open to challenge on appeal to the Tribunal that the amount is unreasonable, which would be hard to defend.
- 4.3 **Option 2:** Charge a lesser amount or not charge a fixed penalty at all. However, this approach would discourage compliance with the regulations.
- 4.4 **Option 3:** Give no reduction or lesser amount for initial offence. There are merits in offering a reduced fine for first offence, as set out in principles above, both in ensuring future compliance and reducing staff time in recovering the fine without redress to court action.

5 Consultation Undertaken or Proposed

5.1 None undertaken as yet. Once this policy is approved it proposes, all letting agents will be contacted to inform them of the scheme, and request that they provide evidence as to which of the Government schemes they belong to.

6 Implications

Issue	Implications
Corporate Plan	This Policy supports the aim of the Corporate Plan to make Swale a Community to be proud, by working to help communities to be safe.
Financial, Resource and	The Regulations will be enforced using the existing resources of

Property	the Private Sector Housing Team.
	A small grant of £761 has been received from the DCLG to assist in the enforcing of this Order for 2016/17.
Legal and Statutory	As set out in the report.
Crime and Disorder	None.
Sustainability	None.
Health and Wellbeing	None.
Risk Management and Health and Safety	None specific.
Equality and Diversity	None specific.

7 Appendices

7.1 None.

8 Background Papers

8.1 The Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a scheme etc) (England) Order 2014 can be viewed at www.legislation.gov.uk/ukdsi/2014/9780111116821/contents

Cabinet Meeting		Agenda Item: 7
Meeting Date	25 May 2016	
Report Title	The Smoke and Carbon Monoxid Regulations	e Alarm (England)
Cabinet Member	Cllr John Wright, Cabinet Membe	r for Housing
SMT Lead	Kathryn Carr Director of Regener	ation
Head of Service	Amber Christou	
Lead Officer	Philip Garland	
Recommendations	i. Members note the legal requirements of the Regulations and Agree the Statement of Principles regarding enforcement and penalty charges.	
	ii. The Head of Resident Services, in consultation with Cabinet Member for Housing, be delegated to consider any representations from a landlord and decide whether to confirm, vary or withdraw the penalty charge notice.	
	iii. That the Scheme of Delegation new powers and duties confective Carbon Monoxide Alarm (Englished of Resident Services' deprovide effective delegation to	erred by the Smoke and gland) Regulations to the elegations in order to

1 Purpose of Report and Executive Summary

- 1.1 To inform Members of new legislation, and agree the Statement of Principles regarding enforcement and penalty charges.
- 1.2 That the Scheme of Delegation be amended to add the new powers and duties conferred by the Smoke and Carbon Monoxide Alarm (England) Regulations to the Head of Resident Services' delegations, in order to provide effective delegation to officers to operate the regulations.

2 Background

- 2.1 The Smoke and Carbon Monoxide Alarm Regulations came into force on 1 October 2015. The Regulations are to be enforced by the Local Housing Authority i.e. Swale BC.
- 2.2 These regulations require that smoke alarms are provided in most privately rented housing and, where there is a solid fuel combustion appliance, a carbon monoxide alarm is also required.

- 2.3 The alarms are to be tested at the start of each new tenancy to ensure they are working, and thereafter the government believes the tenant should take some responsibility for routine testing. But if during the tenancy the alarms develop a fault or the date expire, it remains the responsibility of the landlord to replace them under the regulations.
- 2.4 As part of the implementation of the regulations, joint presentations have taken place throughout Kent by the Fire & Rescue Service, which included the distribution of free alarms supplied by the Government to help promote the new regulations. Swale's presentation took place at the Landlord Forum on 27 October 2015.
- 2.5 Where the Council has reasonable grounds to believe that there are no or insufficient number of alarms in the property as required by the regulations, they shall serve on the landlord a Remedial Notice, detailing the actions the landlord must take to comply with the regulations.
- 2.6 If after 28 days the landlord has not complied with the Remedial Notice, the Council must issue a Penalty Charge levied through a Penalty Charge Notice (PCN). The Council also has a duty to carry out work in default where the landlord does not carry out such remedial works.

3 Proposal

- 3.1 The Council is required to prepare and publish a Statement of Principles which the Council proposes to follow in determining the amount of the penalty charge. Attached in Appendix I is the proposed Statement of Principles, as part of a wider policy statement about how the regulations will be applied in Swale, including the level of penalty charge levied.
- 3.2 Under the regulations it is expected that most landlords will comply and only a small proportion of Private Sector interventions will result in fines being levied. The level of fine must include a punitive element for failure to comply, and be of sufficient level to encourage compliance of the Regulations.
- 3.3 Therefore, the main principles taken into account when setting the charge will be:
 - the level of penalty should cover the cost of all the works in default, officer time, recovery costs, an administration fee, and a fine.
 - repeated offences should attract a higher penalty in view of continuing disregard for legal requirements and tenant safety; and
 - the Council considers that prompt payment of the penalty on that first occasion should attract a reduced penalty in recognition of early admission of liability and savings in administration costs.
- 3.4 Given these principles, it is recommended that the following penalty scheme is adopted:

	Level of PCN	Reduction for prompt payment
First offence	£1,500	£1,000
Second offence	£2,500	None
Third and subsequent offence	£5,000	None

- 3.5 A review of these penalties will be undertaken once enough cases have been dealt with to form an accurate picture of the costs of administration and the deterrent effect of the potential penalty, but in any case in enough time to inform the annual review of fees and charges for the 2018/19 financial year.
- 3.6 It is also recommended that the Scheme of Delegation be amended to add the new powers and duties conferred by the Smoke and Carbon Monoxide Alarm (England) Regulations to the Head of Resident Services' delegations, in order to provide effective delegation to officers to operate the regulations.

4 Alternative Options

- 4.1 There are broadly three alternative options.
- 4.2 **Option 1:** Charge a higher amount or the maximum penalty of £5,000 in all cases. This approach would be open to challenge on appeal to the Tribunal that the amount is unreasonable, which would be hard to defend.
- 4.3 **Option 2:** Charge a lesser amount or not charge a fixed penalty at all. However, this approach may risk not covering work in default expenses and would discourage compliance with the regulations.
- 4.4 **Option 3:** Give no reduction or lesser amount for initial offence. There are merits in offering a reduced fine for first offence, as set out in principles above, both in ensuring future compliance and reducing staff time in recovering the fine without redress to court action.

5 Consultation Undertaken or Proposed

5.1 Landlords were informed of the new legislation at the landlord forum held in October 2015, and our accredited landlords have been consulted on the proposed Statement of Principles.

6 Implications

Issue	Implications
Corporate Plan	This Policy supports the aim of the Corporate Plan to make Swale a Community to be proud, by working to help communities to be safe.
Financial, Resource and	The Regulations will be enforced using the existing resources of the Private Sector Housing Team.

The Regulations place a duty on the Council to take remedial action where a landlord fails to install prescribed alarms.
The cost of installation cannot be directly recovered from the landlord, but a Penalty Charge Notice can be issued to offset the costs. Given the low cost of compliance to the landlord against the potential significant penalty for non-compliance, the number of penalty charge notices is expected to be low.
Therefore the implementation of the Regulations is not expected to have significant financial implications for the Council, and the cost of works in default will be met by the penalty charge.
A small grant of £835 has been received from DCLG to assist in the enforcing of these regulations in 2016/17.
As set out in the report.
None .
None.
The Regulations will help reduce risk of serious injury as early warning will allow a longer evacuation period.
None specific.
None specific.

7 Appendices

- 7.1 The following documents are to be published with this report and form part of the report:
 - Appendix I: Proposed Statement of Principles

8 Background Papers

8.1 Smoke and Carbon Monoxide Alarm Regulations 2015 can be viewed at www.legislation.gov.uk/ukdsi/2015/9780111133439/contents

Smoke and Carbon Monoxide Alarm Regulations 2015: Proposed Statement of Principles

Under the regulations it is expected that most landlords will comply and only a small proportion of Private Sector interventions will result in fines being levied. The level of fine must include a punitive element for failure to comply, and be of sufficient level to encourage compliance of the Regulations.

Therefore, the main principles taken into account when setting the charge will be:

- the level of penalty should cover the cost of all the works in default, officer time, recovery costs, an administration fee, and a fine.
- repeated offences should attract a higher penalty in view of continuing disregard for legal requirements and tenant safety; and
- the Council considers that prompt payment of the penalty on that first occasion should attract a reduced penalty in recognition of early admission of liability and savings in administration costs.

Level of Penalty Charge

Should the Landlord not comply with a remedial notice then the Penalty Charge shall be set as follows:

	Level of PCN	Reduction for prompt payment
First offence	£1,500	£1,000
Second offence	£2,500	None
Third and subsequent offence	£5,000	None

Note: Penalties apply in relation to the same dwelling.

Recovery of Penalty Charge

The Council may recover the penalty charge as laid down in the regulations i.e. on the order of a court, as if payable under a court order.

Review in relation to a penalty charge notice

The Landlord can request in writing that the local authority review the penalty charge notice.

The request for a review must be made within 28 days, beginning with the day on which the penalty charge notice was served.

The Head of Resident Services, in consultation with the Cabinet Member for Housing (or Member substituted by him/her), will consider any representation, and decide whether to confirm, vary or withdraw the penalty charge notice.

Appeals

A landlord who is served with a notice confirming or varying a penalty charge may appeal to the First–tier Tribunal against the local authority's decision.

Cabinet		Agenda Item: 8
Meeting Date	25 May 2016	
Report Title	Bank Contract	
Cabinet Member	Cllr Duncan Dewar-Whalley, Cabinet Member for Finance	
SMT Lead	Nick Vickers, Head	of Finance
Head of Service	Nick Vickers, Head of Finance	
Lead Officer	Phil Wilson, Chief A	Accountant
Key Decision	Yes	
Classification	Open	
Forward Plan	Reference number:	
Recommendations	To agree the extension of the current contract with Lloyds Bank for banking services for four years from 30 June 2016.	

1. Purpose of Report and Executive Summary

1.1 This report provides an update on the Council's position with regards to the bank contract with Lloyds Bank and requests that the Cabinet agrees to extend the contract for banking services with them for four years from 30 June 2016.

2. Background

- 2.1 Banking services covers the cost of payments to and from, and the operation of, the Council's bank accounts.
- 2.2 The Council re-tendered its bank contract in 2011 when the five-year contract was awarded to the Lloyds Bank with the provision that there would be the opportunity to extend the contract for periods of between one and four years on the anniversary of the contract from 30 June 2016, subject to satisfactory performance (minute 761/03/2011).
- 2.3 Since the contract with Lloyds began in 2011, the Council has received a good and reliable service from them and they have readily suggested solutions to new issues.
- 2.4 The original restricted report to Cabinet in 2011 detailed the savings that the Council would achieve through its new contract with Lloyds even after taking into account the costs of moving banks.
- 2.5 If the Council went out to tender and the contract was awarded to another provider, the costs of change would be significant and experience of a recent tender exercise at KCC is that pricing between the main suppliers is very tight. The costs would include cheque wastage and reprint of new cheques, development of new software for bank reconciliation and staff time internally for the changeover. There would be administrative difficulties in changing all

- customers; standing orders, as well as dealing with unpresented cheques, uncleared credits, etc. together with the costs of printing and stationery.
- 2.6 When the Council went out to tender in 2011, it changed its bank service from NatWest to Lloyds and the process took nine months until fully completed. From market intelligence, these terms are highly competitive and re-tendering would not achieve additional savings to offset these significant costs.
- 2.7 Therefore, it is proposed that this contract with Lloyds is extended to 30 June 2020.
- 2.8 Total expenditure on bank charges in 2015/16 was £17,500. The whole life of the proposed four-year extension is £70,000.

3. Alternative Options

3.1 The alternative options to consider are not to extend the current contract with Lloyds Bank to 2020 for the banking service or to go out to tender before 2020.

4. Consultation Undertaken or Proposed

4.1 No consultation has taken place in preparing this report.

5. Implications

Issue	Implications
Corporate Plan	A Council to be proud of
Financial, Resource and Property	Payments made under this contract for the first five years of the contract are estimated to be £54,500. The value of the four-year extension is £70,000. The total whole life value of the contract is £124,500.
Legal and Statutory	The tendering process was carried out according to the EU regulations on contracts. The whole life value of the contract including the proposed extension requires Cabinet agreement.
Crime and Disorder	None identified at this stage
Sustainability	None identified at this stage
Health & 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

6. Appendices

6.1 There are no appendices to this report.

7. Background Papers

- 7.1 Report to Executive 9 June 2010 on banking services.
- 7.2 Report to Cabinet 16 March 2011 on bank contract (restricted).

Cabinet Meeting

Meeting Date	25 May 2016
Report Title	Appointments to outside bodies
Cabinet Member	Leader
SMT Lead	Director of Corporate Services
Head of Service	n/a
Lead Officer	Democratic and Electoral Services Manager
Key Decision	No
Classification	Open

Recommendation	1. That Cabinet considers making appointments to the outside bodies listed in Appendix I (to follow) for the 2016/17 municipal year.
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1 Purpose of Report and Executive Summary

1.1 This report is asking Cabinet to consider the list of outside bodies set out in Appendix I and agree representation for the municipal year 2016/17. It should be noted that appointments to other outside bodies, trusts administered by Swale Borough Council and statutory bodies were made at Annual Council on 18 May 2016. The remainder are to be made by the Cabinet as they are linked to the discharge of Executive functions.

2 Background

2.1 Proposals for nominations are set out in Appendix I.

The Council Leader is appointed to some bodies as Leader and others he has been appointed to as a consequence of being a member of a body, as shown on Appendix I.

2.2 **Register of Interests –** Members are required to record any changes to their interests arising from their appointment to an outside body.

Further guidance and advice on outside body appointments will be forwarded to Members.

3 Proposal

3.1 Cabinet are asked to consider the list of outside bodies, and then make appointments to them.

4 Alternative Options

4.1 Cabinet can decide not to make appointments to some or all of the outside bodies listed.

5 Consultation Undertaken or Proposed

5.1 Following the review of outside body appointments undertaken during 2011/12 municipal year, arrangements were audited and a protocol was agreed; although this protocol does not cover Cabinet appointments or representation on outside bodies.

6 Implications

Issue	Implications
Corporate Plan	A Council to be proud of.
Financial, Resource and Property	None identified at this stage, although should the Cabinet recommend to Council to review the process and policy of nominations on outside bodies, this would have a human resource implication.
Legal and Statutory	The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 sets the responsibilities between Council and the Executive.
	Some appointments are as Trustees or Directors which have specific legal responsibilities and liabilities for the individual member.
	To ensure compliance with the Members' Code of Conduct any member appointed to an outside body must review their declaration in the Members' Register of Interests within 28 days of any change.
Crime and Disorder	None identified at this stage.
Sustainability	None identified at this stage, although should there be a further review of the process and policy of nominations on outside bodies, this could have equality and diversity implications.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	The audit of outside bodies reviewed the roles and capacities of Members the Council nominates to outside bodies. The audit enabled the Council to identify and manage any risks that may arise from making appointments to outside bodies and allows members to take informed decisions about whether or not they wish to accept appointments that could impose significant legal obligations on them.
Equality and	None identified at this stage, although should there be a further

Diversity	review of the process and policy of nominations on outside bodies,
	this could have equality and diversity implications.

7 Appendices

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

• Appendix I: Sets out the current representation on trusts and outside bodies and proposed nominations (to follow).

8 Background Papers

None.



TABLED REPORT APPENDIX 1 – ITEM 9 – CABINET 25 MAY 2016

PART 3.6.2 - Outside Bodies Nominations for 2015/16 - appointments made by Cabinet

	Organisation:	Nominations for 2015/16	Nominations for 2016/17			
19	Adjudication Joint Committee (Parking)	Cabinet Member for Environmental and Rural Affairs - Cllr David Simmons	Cabinet Member for Community and Regulatory Services – Cllr Alan Horton			
20	AmicusHorizon Area	Cllr Mike Dendor - Mid Kent	Cllr Mike Dendor – Mid Kent			
	Panel	Cllr Ken Ingleton - Kent Gateway	Cllr Ken Ingleton – Kent Gateway			
		Cllr Ted Wilcox - East Kent	Deputy Cabinet Member for Finance & Performance - Cllr Ted Wilcox – East Kent			
21	Building Control Joint Committee	Cabinet Member for Planning - Cllr Gerry Lewin	Cabinet Member for Planning – Cllr Gerry Lewin			
		Lead Member – Cllr Derek Conway	Deputy Cabinet Member for Planning Cllr Bryan Mulhern (substitute)			
22	Children's Operational Group	Cabinet Member for Community Safety & Health - Cllr Ken Pugh	Cabinet Member for Housing & Wellbeing - Cllr Ken Pugh			
23	CCTV Partnership Board	Cabinet Member for Community Safety & Health - Cllr Ken Pugh	Cabinet Member for Community & Regulatory Services – Cllr Alan Horton			
24	Health Overview and Scrutiny Committee	Cabinet Member for Community Safety & Health - Cllr Ken Pugh was nominated. Cllr Joe Howes from Canterbury and Cllr Michael Lyons from Shepway were appointed	Representation on HOSC will be decided at the Kent Council Leaders' Meeting			
25	Kent Association of Local Councils (Swale	Cabinet Member for Localism - Cllr Mike Whiting	Leader – Cllr Bowles			
	Area Committee) added August 2014	Lead Member for Localism – Cllr Samuel Koffie-Williams (substitute)	Cabinet Member for Community & Regulatory Services – Cllr Alan Horton			
26	Kent Downs and Marshes LEADER (Executive Body)	Leader – Cllr Bowles Added at Cabinet on 2 March 2016	Leader – Cllr Bowles			
27	Kent Resource Partnership was Kent Waste Partnership	Cabinet Member for Environmental & Rural Affairs - Cllr David Simmons	Cabinet Member for Environmental & Rural Affairs – Cllr David Simmons			
28	Local Government Association (LGA)	Leader - Cllr Bowles	Leader – Clir Bowles			
29	Coastal Issues - Special Interest Group	Cabinet Member for Environmental and Rural Affairs - Cllr David Simmons Cabinet Member for Environmental & Rural & Cllr David Simmons				
30	Police and Crime Panel	Leader - Cllr Bowles	Cabinet Member for Community & Regulatory Services – Cllr Alan Horton			
31	South East Employer	Cabinet Member for Performance - Cllr Ted Wilcox	Cabinet Member for Finance & Performance – Cllr Duncan Dewar-Whalley			
		Cabinet Memb p த்து Eirgg ce - Cllr Duncan Dewar-Whalley (substitute)	Deputy Cabinet Member for Finance & Performance Cllr Ted Wilcox (substitute)			

32	South East England	Leader - Cllr Bowles	Leader – Cllr Bowles			
	Councils	Deputy Leader - Cllr Gerry Lewin (substitute)	Deputy Leader – Cllr Gerry Lewin (substitute)			
33	Swale Community Leisure Limited	Cllr Nick Hampshire	Deputy Cabinet Member for Community & Regulatory Services - Cllr Nick Hampshire			
34	Swale District Advisory Board	Cabinet Member for Community Safety and Health – Cllr Ken Pugh Updated at Cabinet on 2 March 2016	Cabinet Member for Housing & Wellbeing – Cllr Ken Pugh			
35	Staying Put	Cabinet Member for Housing - Cllr John Wright	Cabinet Member for Housing & Wellbeing – Cllr Ken Pugh			
36	Thames Gateway Kent Partnership	Leader - Cllr Bowles	Leader – Cllr Bowles			
		Cabinet Member for Regeneration - Cllr Mike Cosgrove (substitute)	Cabinet Member for Regeneration – Cllr Mike Cosgrove (substitute)			
37	Thames Gateway Innovation Growth and Enterprise (TIGER) Strategic Board	Leader - Cllr Bowles	Leader – Cllr Bowles			
		Cabinet Member for Regeneration - Cllr Mike Cosgrove (substitute)	Cabinet Member for Regeneration – Cllr Mike Cosgrove (substitute)			
	TIGER Approvals Panel	Cabinet Member for Regeneration - Cllr Mike Cosgrove	Cabinet Member for Regeneration – Cllr Mike Cosgrove			

Cabinet Meeting	Agenda Item 10				
Meeting Date	25 May 2016				
Report Title	Outgoing post distribution – award of contract				
Cabinet Member	Cllr Duncan Dewar-Whalley, Cabinet Member for Finance				
SMT Lead	Mark Radford				
Head of Service	Anne Adams				
Lead Officer	Debbie Hardy				
Key Decision	Yes				
Classification	Open				
Forward Plan	Reference number:				
Recommendations	1 That this report amends the previous decision taken by Cabinet on 2 March 2016,				
	2 That the Council enters into a contract with Whistl Ltd for the outgoing distribution of post from Swale House for a period of four years from 1 July 2016 at an estimated total contract value of £460,000.				
	3 To authorise the Head of the Legal Partnership, in consultation with the Head of Property Services and the Cabinet Member for Finance, to undertake all steps in relation to negotiating and entering into the contract and to sign the contract.				

1 Purpose of Report and Executive Summary

- 1.1 This report provides details of the current and proposed arrangements for outgoing post distribution from Swale House and recommends that members approve the proposal to enter into a contract with Whistl Ltd for a term of four years.
- 1.2 It supersedes the decision taken by Cabinet on 2 March 2016 to enter into a contract with a different supplier. This is because, during the negotiation stage, it became apparent that the supplier could not deliver the service stated in its submission. Further details are contained within the body of this report.

2 Background

2.1 Prior to 2010 all outgoing post was handled by Royal Mail and put through the franking machine in the Post Room. When the Swale Ashford Property Partnership commenced an opportunity was identified to "bolt on" to an existing contract between

Ashford Borough Council and TNT Post which had been procured by Ashford through a compliant process. TNT Post agreed to provide the same service for SBC and at the same rates as those paid by Ashford. This delivered significant cost savings for SBC and the arrangement has continued to the present day. Around 80% of all post is sent via TNT Post (now known as Whistl)

- 2.2 The current arrangement does not include a "next day" service so Royal Mail 1st class post has continued to be used for post that needs to be delivered the following day. This has meant that the franking machine has been retained and is still used for this purpose. This accounts for around 20% of the post at an annual cost of around £59,000.
- 2.3 Whilst the current arrangement came about through a compliant procurement process carried out by SBC's then partner, no formal contract was put in place with TNT Post.
- 2.4 Research was carried out into national framework agreements and we became aware that a new framework was in the process of being set up by a consortium comprising Crown Commercial Services, Yorkshire Purchasing Organisation (YPO) and Eastern Shires Purchasing Organisation (ESPO). We expressed an early interest in this and it was formally launched in March 2015. The details of the framework were received in August 2015 following which an internal consultation was commenced to ensure that the framework would meet the Council's needs.
- 2.5 Within the framework, there are two methods for proceeding to contract (1) direct award, and (2) further competition. It was decided that using the further competition approach was most appropriate as it provided an opportunity to prepare a statement of requirements to ensure that the provider supplies a bespoke service that meets the Council's needs.
- 2.6 The further competition exercise was carried out using the Kent Business Portal eprocurement approach. Nine suppliers were eligible to tender although several of
 these do not currently operate in this area and one failed to respond due to a lack of
 communication within their own organisation. Consequently only two tenders were
 received. These were evaluated by the Facilities Manager, Commissioning Officer
 and Business Support Officer on the basis of 40% price and 60% quality. The
 cost/quality split was stipulated in the framework agreement as being 70% quality and
 30% price but with the ability to adjust this by a maximum of 10% either way. It was
 therefore considered appropriate to increase the cost element to maximum allowed
 under the framework agreement to bring the methodology as close as possible to the
 Council's own procurement procedures.
- 2.7 In the original report on 2 March 2016 it was recommended that the tender from OnePost was accepted as this scored the highest points. However, it has now come to light that the following issues have arisen which has altered the evaluation of the tenders and hence the outcome:
 - OnePost cannot provide a 'first class service'. They would simply collect the post from Swale House (which has been prepared on an Online Business Account) and

- deliver it to Royal Mail. Royal Mail would continue to invoice the Council direct and therefore this element of the post would not be part of the OnePost contract,
- The tendered price for first class was 51p when we are currently paying 52p on our own Online Business Account. OnePost confirmed that this was in fact incorrect and the cost should be 52p.
- OnePost are insisting on an Indicia being added to all 2nd class post. This will cost an additional 1p per letter.
- OnePost could provide us with 9 different sub-accounts on the invoice, but the Council would need to do the sorting itself and count and keep its own record what is being handed over to them.

3 Proposals

- 3.1 A revised analysis of the tender results is attached as Appendix I. The proposal is to enter into a contract with Whistl Ltd for a period of four years. The total estimated contract value is £460,000 over four years (now excludes first class mail). The service that Whistl will provide is:
 - Premier Sort 2/3 day service (machine readable mail)
 - All Sort 3/4 day service (handwritten mail)
- 3.2 As it has now become apparent that neither tenderer can provide a next day service, the cost of first class mail (estimated as approximately £59,000 per annum) has been omitted from the tender prices. This will continue to be provided by Royal Mail but using an Online Business Account instead of a franking machine.
- 3.3 As a result of the need to omit first class mail from the contract, the total value of the contract has reduced accordingly.
- 3.4 There are likely to be a small number of items that will continue to be sent via Royal Mail (for example, packets, parcels and special delivery items) and these will be handled using the Online Business Account. This will allow the franking machine to be removed which will deliver a further saving in the region of £3,700 per annum together with time savings for the House Superintendents.
- 3.5 Recharges to departments will be carried out using a combination of (1) individual subaccounts within the Whistl contract for large users such as Revenues and Benefits, Democratic Services, Parking Services, Planning Services and Technical Services, and (2) estimated apportionment for departments sending out small quantities of mail. This will be calculated by monitoring the post for the first three months and using this as the basis for the apportionment.
- 3.6 Whistl have confirmed that, provided the post for each sub-account is presented to them in separate trays, they will count them and invoice them separately. This service was not offered by OnePost.

4 Alternative Options

- 4.1 Continue with existing arrangements: Not recommended due to the cost savings that will be delivered under the proposed new contract and the opportunity to ensure that all spend on postage is within a contract arrangement that has been entered into as a result of a compliant procurement exercise.
- 4.2 Carry out a full EU compliant procurement exercise: Not recommended as the existence of the framework agreement has removed the need for this and allowed a much simpler process to be followed.
- 4.3 Joint procurement with Maidstone and/or Tunbridge Wells Borough Councils: This option was explored with both MBC and TWBC in relation to the further competition exercise carried out within the framework agreement. Both Councils declined to take part in a joint procurement as they were not in a position to make a decision about their future post distribution arrangements within the necessary timescale. Furthermore, on balance, it was agreed that there were unlikely to be any benefits achieved from a joint procurement in this instance.

5 Consultation Undertaken or Proposed

5.1 Extensive internal consultation was carried out with the users of the postal service to identify their needs and ensure that the proposed contract will be able to deliver those needs.

6 Implications

Issue	Implications
Corporate Plan	This proposal meets the objectives of the "Council to be Proud Of" priority as it delivers a cost saving to the Council whilst ensuring that the quality of service is maintained.
Financial, Resource and Property	This proposal is expected to deliver a reduction in postal costs in the region of £27,000 per annum. It will also reduce the level of staff resources required by the removal of the franking machine. Savings in the running costs of the franking machine will be in the region of £3,700 per annum.
Legal and	Support from Legal Services will be required to prepare the contract documents associated with the national framework

Statutory	agreement. The intended start date is 1 July 2016.			
Crime and Disorder	None anticipated at this stage.			
Sustainability	None anticipated at this stage.			
Health and None anticipated at this stage. Wellbeing				
Risk Management and Health and Safety	None anticipated at this stage.			
Equality and Diversity	None anticipated at this stage.			

7 Appendices

- 7.1 The following documents are to be published with this report and form part of the report:
 - Appendix I: Analysis of tender results

Appendix I

Analysis of tender results

	Estimated no of items	OnePo	nePost Ltd		Whistl Ltd		Existing arrangements		
		Unit price	Annual cost	Scores	Unit price	Annual cost	Scores	Unit price	Annual cost
2/3 day service (machine readable)	431770	0.306	£132,123		0.257	£110,964		0.319	£137,735
2/3/4 day	12500	0.335	£4,186*		0.32	£4,000*		0.37	£4,625
service* (handwritten)									
Total annual			£136,309			£114,964			£142,359
tender price			2100,000						2112,000
Cost of franking machine			£0			£0			£3,700
Total annual cost			£136,309			£114,964			£146,059
Total price score				33.74			40		
Total quality score				34			40		
Total score				67.74			80		

^{*} This is a 2/3 day service for OnePost and a 3/4 day service for Whistl

Agenda Item 11

Recommendations for approval

Swale Joint Transportation Board – 7 March 2016

Minute No. 564 – Public Session

(1) That a working group be set-up to examine how a 20mph limit could be implemented in Faversham and then rolled-out Borough-wide.

Minute No. 565 – Verge and Footway Parking in Swale

(1) That the previous decision made by the Board be reversed, so there was not a Borough-wide ban on parking on footways, but that existing byelaws and enforcement powers be used to address specific issues.

Minute No. 566 – Formal Objections – Traffic Regulation Order (TRO) for proposed Sittingbourne Market re-location

(1) That the report be noted and the proposed Traffic Regulation Order be progressed.

Minute No. 567 – Formal Objections – Traffic Regulation Order Amendment 17 (Grayshott Close, Sittingbourne and Church Road, Eastchurch)

(1) That the report be noted and the proposed Traffic Regulation Order be progressed.

Minute No. 568 – Fairview Road area, Sittingbourne – Parking Review

- (1) That a Residents' Parking Scheme is not implemented in the Fairview Road area due to the percentages of support received.
- (2) That officers continue to liaise with Kent Fire and Rescue and carry out further consultation with residents in the vicinity of any subsequent proposed restrictions in Fairview Road.
- (3) That officers report the enforcement comments to the Parking Enforcement Team to ensure resource is committed when required.

Minute No. 569 – Information Consultations on Proposed Waiting Restrictions

- (1) That the comments from the consultation be taken back to the Swale Quality Bus Partnership for further discussion prior to implementing restrictions in Wildish Road, Faversham.
- (2) That the proposed restrictions in The Street/Canterbury Road in Boughtonunder-Blean and Dunkirk be progressed but with the amendments suggested by Kent County Council and subject to the agreement of both Parish Councils who are funding the works.

Swale Joint Transportation Board Minutes 7th March 2016

Item No. 569 - Informal Consultations on Proposed Waiting Restrictions

Proposed Double Yellow Lines – The Street/Canterbury Road, Boughtonunder-Blean and Dunkirk

Update 4th May 2016

At the Swale Joint Transportation Board Meeting on 7th March 2016, the Board recommended that the proposed restrictions in The Street/Canterbury Road in Boughton-under-Blean and Dunkirk be progressed but with the amendments suggested by Kent County Council and subject to the agreement of both Parish Councils who are funding the works.

Following subsequent Parish Council meetings, both Parish Councils advised Officers that they did not agree with the revised proposals as suggested by Kent County Council, and requested that the original proposals submitted by the Parish Councils be progressed.

A meeting took place on Tuesday 3rd May 2016 with representatives from both Parish Councils, the KCC Member for Swale East, and officers from Kent County Council and Swale Borough Council, to discuss the proposals further. Kent County Council confirmed that they were not submitting objections to the proposals, but were advising the Parish Councils that the original proposals would almost certainly generate formal objections during the Traffic Regulation Order process, and confirmed that these objections would need to be reported to the Swale Joint Transportation Board for further consideration.

It was therefore agreed at the meeting that officers would proceed with the Traffic Regulation Order based on the original proposals, and that any formal objections would be reported to the Joint Transportation Board in due course.

For further information, please contact the Seafront and Engineering Manager, Mike Knowles, mikeknowles@swale.gov.uk 01795 417125.

Agenda Item 12

Recommendation for Approval

Agenda Item 12

South Thames Gateway Building Control Joint Committee – 17 March 2016

8 Progress Report on Consultancy Commercialisation

Resolved:

(1) That the report be noted and the respective partner authorities be recommended to allocate the necessary staff resource to deliver the objectives of the Business Plan.

