



## AGENDA

### COUNCIL MEETING

Date: Wednesday, 26 February 2020

Time: 7.00pm

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

#### RECORDING NOTICE

Please note: this meeting may be recorded and may be published on the Council's website.

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

---

	Pages
1. Prayers	
2. Emergency Evacuation Procedure	
<p>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.</p> <p>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.</p> <p>The Chairman will inform the meeting that:</p> <p>(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. Nobody must leave the assembly point until</p>	

everybody can be accounted for and nobody must return to the building until the Chairman has informed them that it is safe to do so; 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.

3. Apologies for Absence

4. Minutes

To approve the [Minutes](#) of the Meeting held on 8 January 2020 (Minute Nos. 411 - 424) as a correct record, subject to the removal of questions and response 8, 9 and 10 as the Members were not in attendance at the meeting.

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.

(c) Where it is possible that a fair-minded and informed observer, having considered the facts would conclude that there was a real possibility that the Member might be predetermined or biased the Member should declare their predetermination or bias and then leave the room while that item is considered.

**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 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. Nominations for Mayor - speeches

Each candidate's proposer and seconder will be invited to speak for up to three minutes in support of their nomination.

If more than one nomination is received for the position a secret ballot will be taken.

8. Nominations for Deputy Mayor - speeches

Each candidate's proposer and seconder will be invited to speak for up to three minutes in support of their nomination.

If more than one nomination is received for the position a secret ballot will be taken.

9. Questions submitted by the Public

To consider any questions submitted by the public. (The deadline for questions is 4.30pm on 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).

10. Questions submitted by Members

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

11. Leader's Statement

12. Council Tax Support Scheme 2020/21 5 - 40

13. Budgets and Council Tax for 2020/21 41 - 90

14. Treasury Management Strategy 2020/21 91 - 106

15. Pay Policy Report 107 - 142

16. Election of Mayor Elect and Deputy Mayor elect

The Mayor will declare at this point in the meeting who has been elected Mayor and Deputy Mayor elect for 2020/21 and Council will be asked to approve the appointment for Mayor and Deputy Mayor.

17. Appointment to Outside Bodies - Queenborough Fisheries Trust 143 - 146

18. Appointment to Outside Bodies - Faversham Pools 147 - 150

19. Review of Polling Place - Murston Ward 151 -

20.	Timetable of meetings 2020/21	156 157 - 160
21.	Recommendations for Approval	161 - 162

Council is asked to note the recommendations from the following meetings:

Standards Committee Meeting held on 16 January 2020  
Audit Committee Meeting held on 21 January 2020  
General Purposes Committee held on 12 February 2020  
Cabinet Meeting held on 12 February 2020

### **Issued on Tuesday 18 February 2020**

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)

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

<b>Full Council</b>		<b>Agenda Item: 12</b>
<b>Meeting Date</b>	26 February 2020	
<b>Report Title</b>	Council Tax Support Scheme 2020/21	
<b>Cabinet Member</b>	Cllr Roger Truelove, Leader and Cabinet Member for Finance	
<b>SMT Lead</b>	Nick Vickers, Chief Financial Officer	
<b>Head of Service</b>	Nick Vickers, Chief Financial Officer	
<b>Lead Officer</b>	Zoe Kent, Revenues and Benefits Manager	
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. To note the outcome of the public consultation having taken consideration of the potential impact of the proposed changes on working age claimants with the protected characteristics of disability, age and sex under the Equalities Act 2010.</li> <li>2. To approve options 1- 6 as changes to the current scheme, as set out in detail in table 3, paragraph 3.6</li> </ol>	

## 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, having noted the outcome of the public consultation and having considered the potential impact of the proposed changes on working age claimants taking into account the protected characteristics of disability, age and sex, under the Equalities Act 2010, to recommend changes to the current CTS scheme listed in paragraph 3.7.

## 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:
  - 1) The duty to create a local scheme for working age applicants was placed with billing authorities;

- 2) 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
  - 3) 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 25% of their Council Tax liability, along with Folkestone & Hythe District Council this is the highest of the district councils. 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 to assist with the costs of the delivery of the scheme.
- 2.6 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. It was therefore agreed to base the allocation of the administration fee on the size of the caseload. Swale has been allocated £141,600 administration fee for 2019/20, the second highest award in Kent.
- 2.7 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.
- 2.8 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.
- 2.9 The overall level of applicants, both working age and pension age, has fallen since the introduction of CTS to 9,812 as at 1 April 2019, compared with 13,381 as at 1 April 2013. This is mainly due to a reduction in unemployment, the rise of the pension age and changes brought into the scheme from April 2017. As a result, the total cost of the scheme has reduced since its inception.
- 2.10 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. In the current financial year the Council will receive RSG of £115,000 compared with £5.5m in 2013/14 and will be nil in the future 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 a Kent wide review being undertaken.

Table 1: CTS expenditure by year

<b>Year</b>	<b>Expenditure</b>
2013/14	£10,712,895
2014/15	£ 9,940,783
2015/16	£ 9,801,120
2016/17	£ 9,723,402
2017/18	£ 8,950,857
2018/19	£ 8,854,129
2019/20	£ 8,602,987

- 2.11 It was agreed by the Kent Finance Officer’s Group to appoint a consultant to carry out the review. The consultant assisted in the evaluation of alternative scheme models. The review considered whether Kent authorities should move to a banded scheme where claimants are placed into an income band based on their family size and the level of their income.
- 2.12 As in 2016/17 when the last Kent wide review was carried out, the objectives that have been 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.

### **3 Proposal**

- 3.1 Consideration has been given to a range of options for potential change, having regard to the objectives set out in paragraph 2.12 and the suitability for Swale.
- 3.2 The conclusion 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 Collection of Council Tax from working age claimants since the commencement of the scheme is shown in table 2 below. Prior to the first year of the scheme Swale accepted a grant from DCLG which limited the amount claimants had to pay to a minimum of 8.5%, leading to a highest collection rate for 2013/14. There was a dip in collection in 2014/15 when the amount to be paid doubled. Collection since then has risen as claimants have adjusted to budgeting for this amount. It is likely that if the amounts that working age claimants have to pay continues to rise, collection rates will start to fall.

Table 2: Percentage collected by year

Year	Minimum % paid by working age claimants	Percentage collected
2013/14	8.5%	87.59%
2014/15	15%	81.80%
2015/16	15%	85.30%
2016/17	15%	85.80%
2017/18	20%	86.10%
2018/19	25%	85.00%
2019/20	25%	73.00%

*\*2019/20 figure as at 01.01.2020*

- 3.4 Given the objectives of the review set out at 2.12, it is important that we seek to not increase the overall costs of the scheme significantly 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 for the scheme for 2020/21.
- 3.5 The Council went out to consultation on these options for a 4 week period ending on 18 November 2019 via a direct email to approximately 5,000 households. The results of the consultation are contained in Appendix I.
- 3.6 Given the financial challenge facing the Council, it is recommended that the Council implements, the changes set out within the consultation, subject to the amendments set out in Table 3.

Table 3: Council Tax Support Options

Option	Recommendation	
<b>Option 1</b> – Increase the maximum amount of support from 75% to	Implement	Consultation findings support the change to increase the



80%.		amount of support to 80%.
<b>Option 2</b> - Reducing the standard level of non-dependant deduction from £15 to £10 for non-dependants who work more than 16 hours per week	Implement	Consultation findings do not support reducing the standard level of non-dependant deduction. However, the current deduction of £15 is higher than any other Kent district. Claimants are struggling to meet this amount on top of the current minimum payment of 25%. This is therefore in many cases causing hardship.
<b>Option 3</b> – Disregarding child maintenance paid to a claimant or partner in the calculation of CTS.	Implement	A higher percentage of responders said no to this question however in the comments responders have commented that maintenance is not always a regular income and is paid to support the child.
<b>Option 4</b> – Disregarding child benefit paid to a claimant or partner in the calculation of CTS.	Implement	Consultation findings support bringing in this change.
<b>Option 5</b> - Applying a fixed income period to working age claims for CTS to avoid multiple changes.	Implement	Consultation findings support bringing in this change for all working age claims.  This change will ensure that those claimants who are working will have fewer changes to the amount of Council Tax they have to pay during the year.
<b>Option 6</b> – Applying a tolerance to Universal Credit claims for Council Tax Support to avoid multiple changes.	Implement	Consultation findings support this change.  As with option 5 this will reduce the amount of times Council Tax is amended during the year.  This will help claimants to budget during the year.

## **4 Alternative Options**

- 4.1 The current scheme which was brought in on 1 April 2019 could be left in place with no amendments from 1 April 2020. However given the positive response to the consultation exercise and the reduction in the collection rate since 2018/19 many claimants are struggling on low incomes to pay their Council Tax. This then has a knock on affect to other services.
- 4.2 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.
- 4.3 Therefore, within the consultation the following questions were posed. Should Council Tax be increased for all Council Tax payers to fund the CTS scheme? Should Council reserves be used to fund the scheme? Should there be cuts to Council services to fund the scheme?
- 4.4 All options in 4.3 were rejected by the majority of responders – see Appendix I for the detail. As the Council's funding from the Government for the provision of all services is likely to be reduced in the future, and as the impact of choosing any of the alternative funding options would affect all residents in the Borough, it is not considered that any of the options in 4.3 should be taken forward for funding the CTS scheme.

## **5 Consultation Undertaken or Proposed**

- 5.1 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 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;
  - (ii) 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 There is also a duty to consult with the major precepting authorities who are statutory consultees. All major precepting authorities were consulted during the consultation period.
- 5.4 Following the report to Cabinet on 25 September 2019 a public consultation was undertaken between 18 October 2019 and 18 November 2019. The consultation was open to all Swale residents aged 18 or over, i.e. people who pay Council Tax or receive CTS. The consultation was carried out online, with a direct email to approximately 5,000 households, and was promoted on the Council's website, through social media, and in the local media. Paper copies were available on request.
- 5.5 The legal implications in the report set out the importance of following the rules around consultation in the Supreme Court ruling in the Haringey case. In reaching a decision in this matter, all members must have regard to all supporting papers, and in particular the Community Impact Assessment and having taken these into account when reaching their individual voting decision on the scheme. Failure to do so could open the Council to challenge.

## 6 Implications

Issue	Implications
Corporate Plan	The objectives and priorities in the emerging corporate plan. Performance is measured through BV9 Percentage of Council Tax collected in year.
Financial, Resource and Property	There were 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. 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 under the Local Government Finance Act 2012 and Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (as amended).As mention in paragraph 5.1, case law has determined the guiding principles for fair consultation, which we followed. 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 Moseley 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	Not directly applicable
Sustainability	Not directly applicable
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.  The Revenues and Benefits team works with other sections of the authority, CA, financial charities and the major housing providers in the area to ensure those residents who are struggling with debt or other problems are sign posted to the correct advice and agencies.
Risk Management and Health and Safety	Not directly applicable
Equality and Diversity	A full Community Impact Assessment has been carried out.
Privacy and Data Protection	All requirements have been adhered to.

## 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: CIA CTS Scheme 2019/20

## 8 Background Documents

Council Tax Support Report 2019/20 Scheme Full Council 14.11.2018

<https://services.swale.gov.uk/meetings/ieListDocuments.aspx?CId=128&MId=2018&Ver=4>

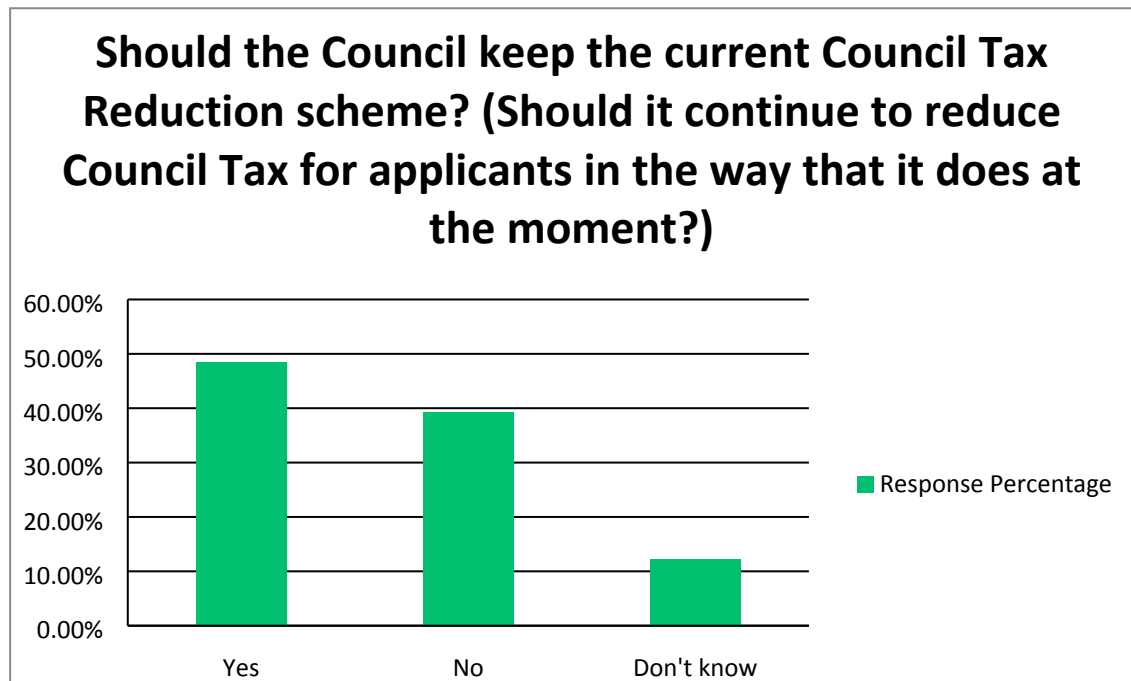
## Council Tax Support Scheme Options

A consultation was carried out for 4 weeks ending on 18 November 2019, 134 people responded to the consultation with many commenting on the proposals. Responders were asked to comment on six options to change the scheme. They were also asked whether the Council should use alternative means such as increasing Council Tax or reducing services to cover the cost of the scheme.

This paper gives an overview of the responses.

<b>Option</b>	<b>% agreeing with the option</b>
Should the Council keep the current Council Tax Support scheme? (Should it continue to reduce Council Tax for applicants in the way and to the extent that it does at the moment?)	48%
Option 1 – Should we increase the maximum level of support for working age applicants to 80%	50%
Option 2 - Should we reduce the standard level of non dependant deduction from £15 to £10 for all claimants who have a non dependant living with them who works more than 16 hours per week?	32%
Option 3 – Should we disregard Child Maintenance paid to a claimant or partner in the calculation of Council Tax Support?	43%
Option 4 – Should we disregard Child Benefit paid to a claimant or partner in the calculation of Council Tax Support?	53%
Option 5 –Should we apply a fixed income period to Universal Credit claims for Council Tax Support to avoid multiple changes?	46%
Option 6 – Should we apply a tolerance to Universal Credit claims for Council Tax Support to avoid multiple changes?	61%
Do you think we should choose any of the following options rather than the proposed changes to the Council Tax Reduction Scheme? Please select one answer for each source of funding.	
Increase the level of Council Tax	19%
Find savings from cutting other Council Services	28%
Use the Council's reserves	56%
If the Council were to choose these other options to make savings, what would be your order of preference?	
Increase the level of Council Tax – Most Preferred	18%
Least Preferred	70%
Reduce funding available for other Council Services – Most Preferred	26%
Least Preferred	47%
Use the Council's reserves – Most Preferred	51%
Least Preferred	18%

Should the Council keep the current Council Tax Support scheme? (Should it continue to reduce Council Tax for applicants in the way and to the extent that it does at the moment?)



Gender	Yes	No	Don't know
Male	21	17	6
Female	34	31	10

Age	Yes	No	Don't know
18-24	1	2	0
25-34	10	9	2
35-44	15	15	4
45-54	8	11	2
55-64	14	5	3
65-74	9	3	2
75-84	1	1	2
85+	0	0	1

Disability	Yes	No	Don't know
Disabled	19	13	6
Not Disabled	32	31	8

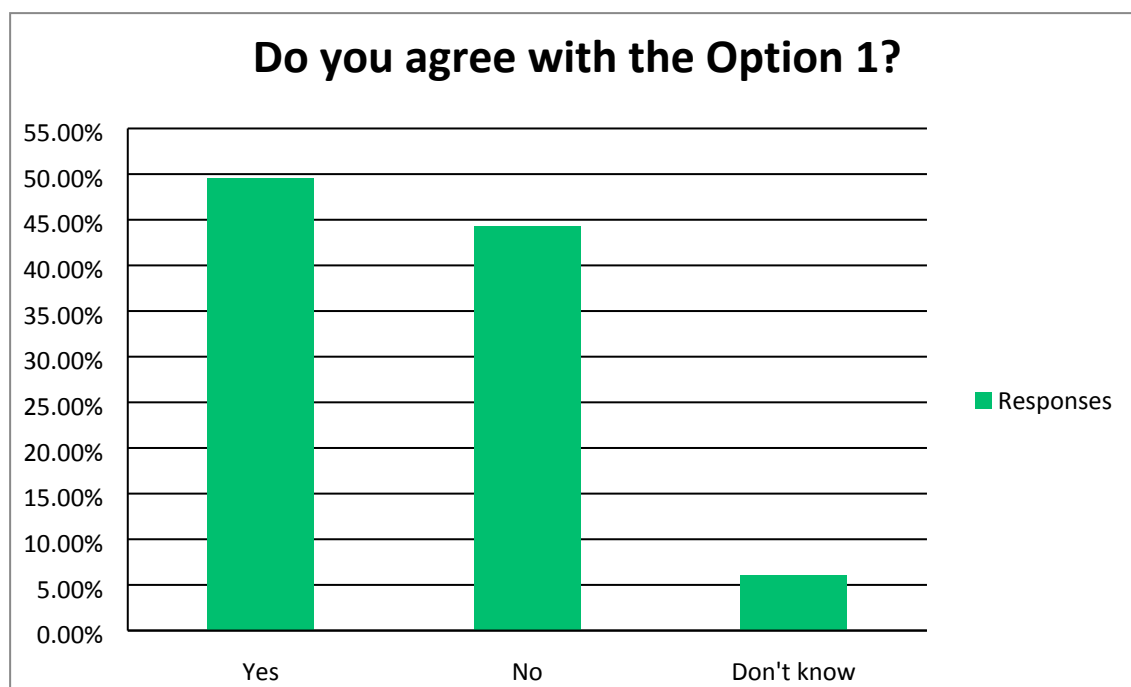
Ethnicity	Yes	No	Don't know
White British	52	41	15
Asian	2	1	0
Black	0	0	0
Mixed	0	0	0
Other	0	1	0

CTS	Yes	No	Don't know
In receipt of CTS	34	14	6
Not in receipt of CTS	25	35	9

48 % of responders felt the scheme should continue to reduce Council Tax for applicants in the way that it does at the moment. We asked those who answered yes did they agree we should increase the maximum level of support further from 75% to 80%. 50% were in favour of increasing the maximum level of support. Of those responders who agreed that support should be increased further, 88% agreed it should be increased to 80%.

Comments were equally split between those who felt the Council should be helping those on a low income, especially as Council Tax can be a large proportion of their income. Others felt that people should be encouraged to work and providing too much help isn't fair for those who do work.

**Option 1 – Should we increase the maximum level of support for working age applicants to 80%?**



Gender	Yes	No	Don't know
Male	20	25	0
Female	42	26	8

Age	Yes	No	Don't know
18-24	1	1	1
25-34	11	9	1
35-44	14	17	3
45-54	9	12	0
55-64	15	7	2
65-74	10	5	0
75-84	2	1	1
85+	0	1	0

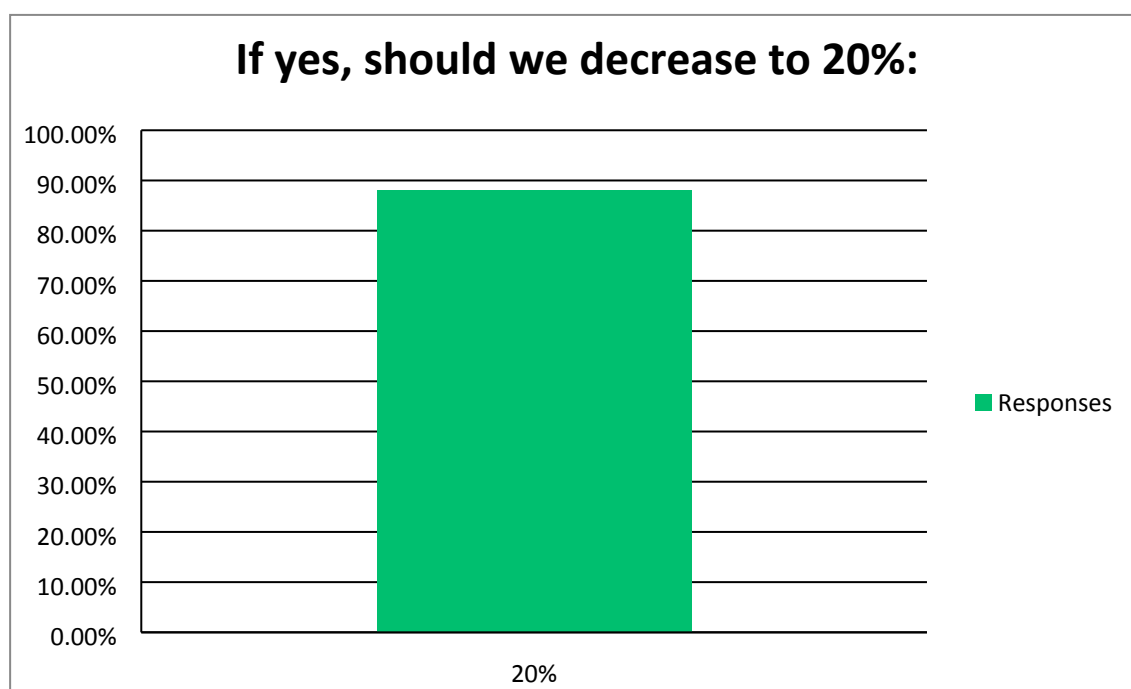
Disability	Yes	No	Don't know
Disabled	28	10	1
Not Disabled	29	39	4

Ethnicity	Yes	No	Don't know

White British	57	45	7
Asian	1	2	0
Black	0	0	0
Mixed	0	0	0
Other	0	1	0

<b>CTS</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
In receipt of CTS	38	9	6
Not in receipt of CTS	24	46	1

If you answered yes, should we decrease the percentage to 20%?



<b>Gender</b>	
Male	20
Female	36

<b>Age</b>	
18-24	1
25-34	10
35-44	13
45-54	9
55-64	12
65-74	9
75-84	2
85+	0

<b>Disability</b>	
Disabled	26
Not Disabled	26

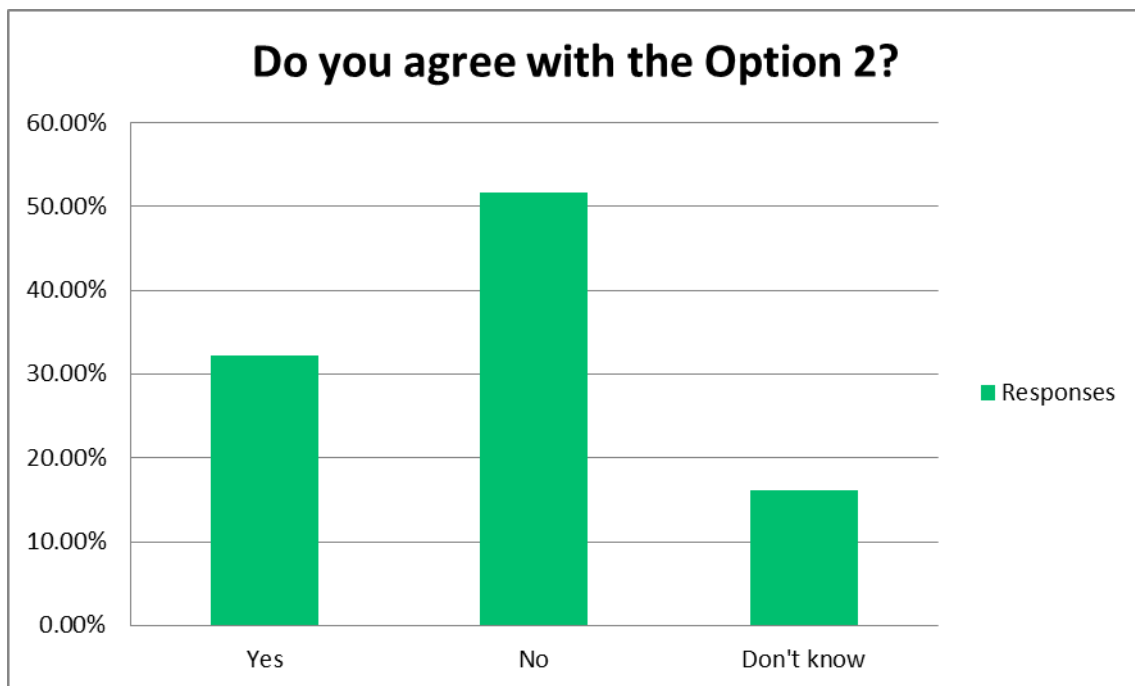
<b>Ethnicity</b>	
------------------	--



White British	52
Asian	1
Black	0
Mixed	0
Other	0

<b>CTS</b>	
In receipt of CTS	32
Not in receipt of CTS	24

**Option 2 - To reduce the standard level of non dependant deduction from £15 to £10 for all claimants who have a non dependant living with them who works more than 16 hours per week?**



Gender	Yes	No	Don't know
Male	16	25	2
Female	23	34	16

Age	Yes	No	Don't know
18-24	0	1	2
25-34	5	12	4
35-44	12	15	5
45-54	9	11	1
55-64	5	11	6
65-74	5	7	1
75-84	2	1	0
85+	0	1	0

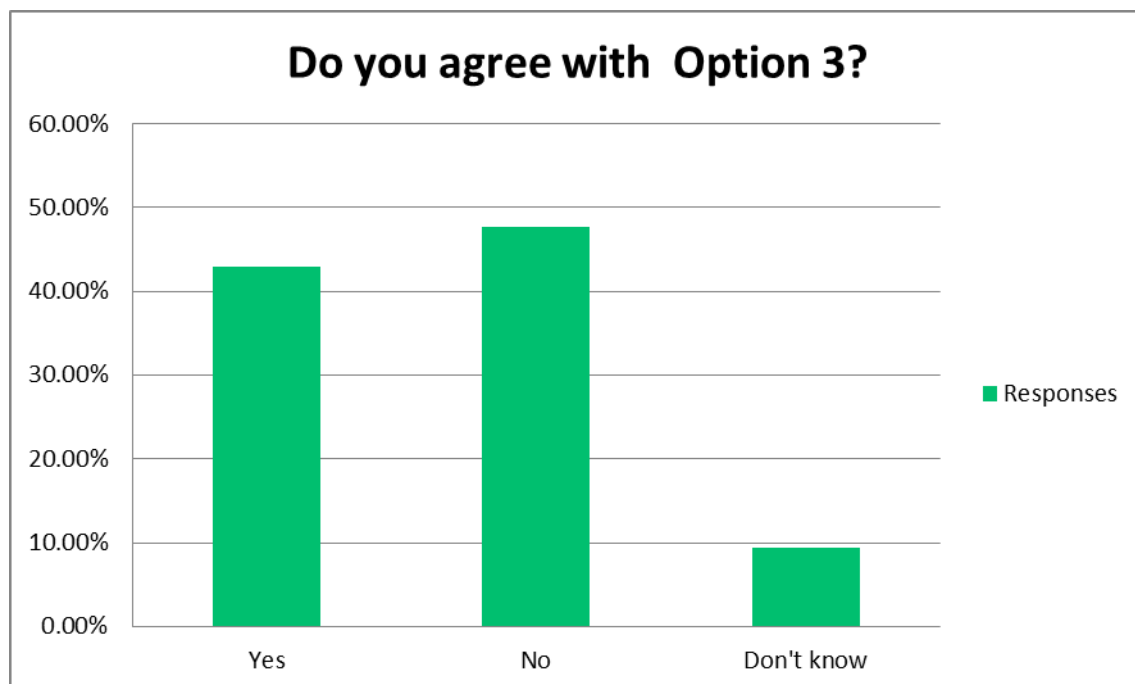
<b>Disability</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Disabled	12	19	6
Not Disabled	22	37	10

<b>Ethnicity</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
White British	34	53	18
Asian	1	2	0
Black	0	0	0
Mixed	0	0	0
Other	0	1	0

<b>CTS</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
In receipt of CTS	19	19	10
Not in receipt of CTS	17	44	7

Overall, a greater proportion of responders (52%), were not in favour of reducing the non-dependant deduction to £10 per week for working age applicants. The comments on this option were split between those who felt non-dependants are often paid a low wage so cannot afford £15 per week, to those who felt that if there are non-dependants working in a household they should be paying the higher amount as a contribution.

### **Option 3 - To disregard Child Maintenance paid to a claimant or partner in the calculation of Council Tax Support?**



<b>Gender</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Male	12	32	2
Female	40	23	10

<b>Age</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
18-24	2	0	0

25-34	8	9	4
35-44	14	18	1
45-54	10	11	0
55-64	7	10	5
65-74	8	6	2
75-84	3	1	0
85+	0	1	0

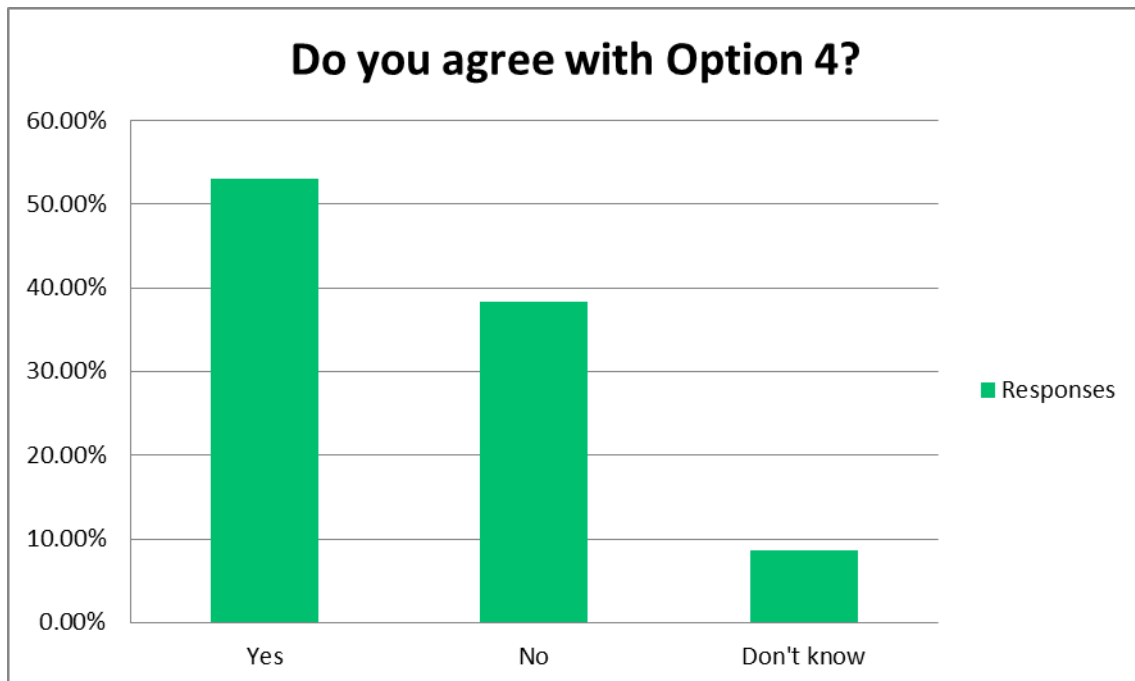
<b>Disability</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Disabled	17	19	5
Not Disabled	32	34	5

<b>Ethnicity</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
White British	48	48	11
Asian	1	1	1
Black	0	0	0
Mixed	0	0	0
Other	0	0	0

<b>CTS</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
In receipt of CTS	23	20	9
Not in receipt of CTS	29	40	1

Although less than half of responders agreed with this option, those who commented mainly felt that maintenance should be used towards the costs of raising a child. Comments were also received that it is often not a reliable source of income.

#### **Option 4 – To disregard Child Benefit paid to a claimant or partner in the calculation of Council Tax Support**



<b>Gender</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Male	16	28	2
Female	46	18	9

<b>Age</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
18-24	2	0	0
25-34	13	6	2
35-44	20	12	1
45-54	7	12	1
55-64	10	8	4
65-74	9	5	2
75-84	3	1	0
85+	0	1	0

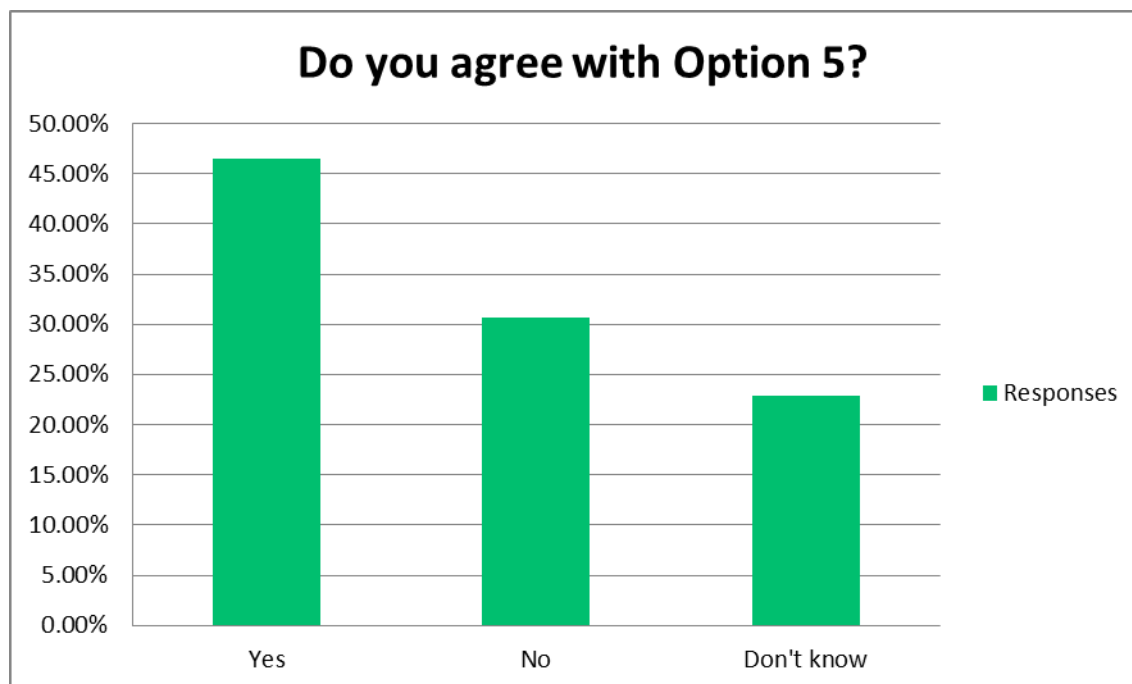
<b>Disability</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Disabled	20	15	3
Not Disabled	37	28	6

<b>Ethnicity</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
White British	26	39	10
Asian	2	0	1
Black	0	0	0
Mixed	0	0	0
Other	0	1	0

<b>CTS</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
In receipt of CTS	26	18	9
Not in receipt of CTS	40	28	1

The majority of responders agreed with this option. Those who commented felt it would simplify the system. It would also help claimants with budgeting.

### **Option 5 - Should we apply a fixed income period to Universal Credit claims for Council Tax Support to avoid multiple changes?**



<b>Gender</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Male	23	17	6
Female	32	20	21

<b>Age</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
18-24	1	1	1
25-34	9	6	6
35-44	18	9	6
45-54	8	9	4
55-64	10	6	5
65-74	8	3	5
75-84	2	1	1
85+	0	0	1

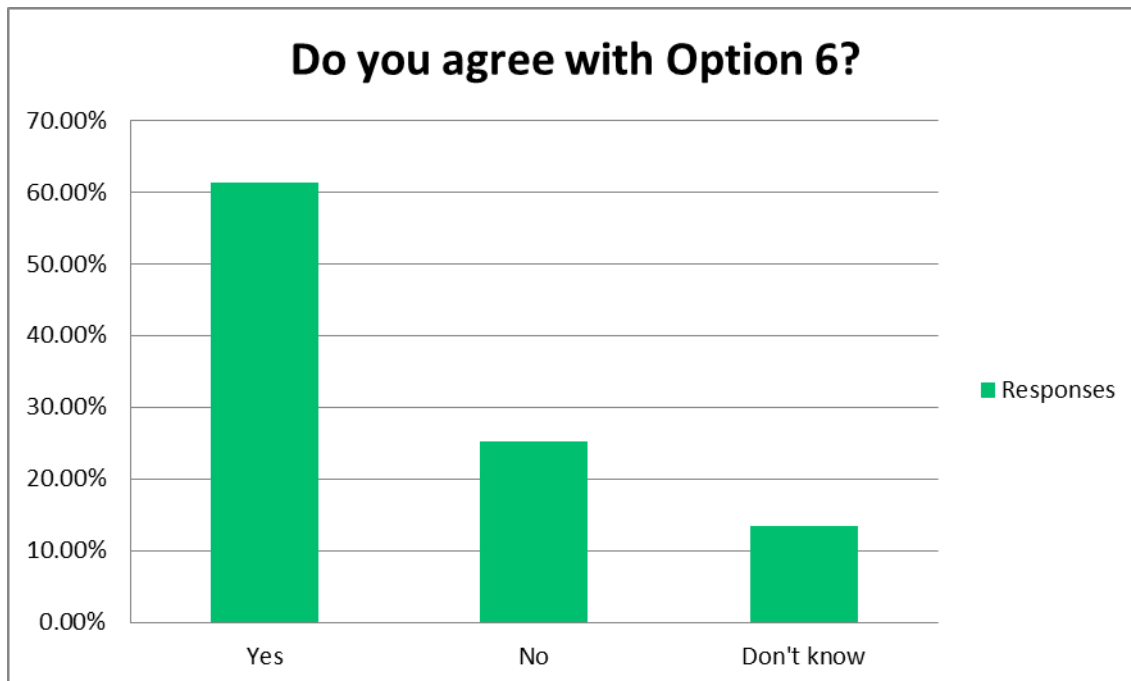
<b>Disability</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Disabled	20	10	8
Not Disabled	31	25	16

<b>Ethnicity</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
White British	47	34	26
Asian	2	1	0
Black	0	0	0
Mixed	0	0	0
Other	0	0	0

<b>CTS</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
In receipt of CTS	23	12	17
Not in receipt of CTS	35	26	9

Those who commented on this option felt that it would be good for those on zero hours contracts and felt it was difficult to budget when the amount of Council Tax payable changed each month. Some responders felt this change would make payments more manageable.

**Option 6- To apply a tolerance to Universal Credit claims for Council Tax Support to avoid multiple changes?**



Gender	Yes	No	Don't know
Male	32	12	2
Female	41	17	15

Age	Yes	No	Don't know
18-24	1	1	1
25-34	12	7	2
35-44	18	8	7
45-54	12	7	1
55-64	15	2	4
65-74	11	4	1
75-84	4	0	0
85+	0	1	0

Disability	Yes	No	Don't know
Disabled	28	4	6
Not Disabled	39	24	9

Ethnicity	Yes	No	Don't know
White British	64	27	16
Asian	2	0	1
Black	0	0	0
Mixed	0	0	0

Other	0	0	0
-------	---	---	---

CTS	Yes	No	Don't know
In receipt of CTS	29	11	12
Not in receipt of CTS	47	20	3

Option 6 received the highest number of positive responses. Most responders who commented felt this made the scheme fairer for those in receipt of Universal Credit and a sensible way of saving on administration costs.

## Survey Demographics and Applied Weighting

The table below shows the profile of the survey respondents in relation to the population of Swale.

This table tells us that men and women are correctly represented. It also shows that people aged 25 years and under and those aged 75 and over are under-represented.

Those with a disability are correctly represented.

The results in this report have not been weighted by age, sex or disability because we do not consider the variances to be significant.

	Survey		Population	
	Count	%	Count	%
<b>Gender (Over 18s Mid-year Population Estimates)</b>				
Men	46	37.4%	56,261	49%
Women	77	62.6%	58,927	51%
<b>Age (Over 18s Mid-year Population Estimates)</b>				
18 to 24 years	3	2%	11,413	10%
25 to 34 years	21	17%	18,158	16%
35 to 44 years	33	27%	17,656	15%
45 to 54 years	21	17%	21,144	18%
55 to 64 years	24	19%	18,443	16%
65 to 74 years	17	14%	16,347	14%
75 years and over	5	4%	12,027	11%
<b>Ethnicity (2011 Census 18 years and over)</b>				
White groups	112	97%	101,848	97%
BME	4	3%	3,027	3%
<b>Disability (2011 Census all people)</b>				
Disability	40	35%	25,322	19%
No Disability	73	65%	110,513	81%

Age Male	Population		Survey	
	Count	%	Count	%
18 to 24 years	6,039	5%	2	1%
25 to 34 years	9,001	8%	27	8%
35 to 44 years	8,421	7%	27	8%
45 to 54 years	10,388	9%	40	12%
55 to 64 years	9,252	8%	41	12%
65 to 74 years	7,927	7%	21	6%
75 years and over	5,233	5%	7	2%
<b>Age Female</b>				
18 to 24 years	5,374	5%	2	1%
25 to 34 years	9,157	8%	32	10%
35 to 44 years	9,235	8%	47	14%
45 to 64 years	10,756	9%	39	12%
55 to 64 years	9,191	8%	31	9%
65 to 74 years	8,420	7%	17	5%
75 years and over	6,794	6%	0	0%

Calculated using the ONS Mid-year population estimates

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnort hernireland>

Responses to the consultation questions

Have your say on the Council Tax Reduction Scheme

<b>I have read the background information about the Council Tax Reduction Scheme. This question must be answered before you can continue.</b>		
Answer Choices	Response Percentage	Response Count
Yes	98.51%	132
No	1.49%	2
<b>Answered</b>		<b>134</b>
<b>Skipped</b>		<b>0</b>



<b>Should the Council keep the current Council Tax Reduction scheme? (Should it continue to reduce Council Tax for applicants in the way that it does at the moment?)</b>		
Answer Choices	Response Percentage	Response Count
Yes	48.46%	63
No	39.23%	51
Don't know	12.31%	16
<b>Answered</b>		<b>130</b>
<b>Skipped</b>		<b>4</b>

<b>Do you agree with the Option 1?</b>		
Answer Choices	Response Percentage	Response Count
Yes	49.62%	65
No	44.27%	58
Don't know	6.11%	8
<b>Answered</b>		<b>131</b>
<b>Skipped</b>		<b>3</b>

<b>If yes, should we decrease to 20%?</b>		
Answer Choices	Responses	
20%	88.06%	59
<b>Answered</b>		<b>59</b>
<b>Skipped</b>		<b>67</b>

<b>Do you agree with the Option 2?</b>		
Answer Choices	Responses Percentage	Response Count
Yes	32.26%	40
No	51.61%	64
Don't know	16.13%	20
<b>Answered</b>		<b>124</b>
<b>Skipped</b>		<b>10</b>

<b>Do you agree with Option 3?</b>		
Answer Choices	Response Percentage	Response Count
Yes	42.97%	55
No	47.66%	61
Don't know	9.38%	12
<b>Answered</b>		<b>128</b>
<b>Skipped</b>		<b>6</b>

<b>Do you agree with Option 4?</b>		
------------------------------------	--	--

Answer Choices	Response Percentage	Response Count
Yes	53.13%	68
No	38.28%	49
Don't know	8.59%	11
<b>Answered</b>		<b>128</b>
<b>Skipped</b>		<b>6</b>

Do you agree with Option 5?		
Answer Choices	Response Percentage	Response Count
Yes	46.46%	59
No	30.71%	39
Don't know	22.83%	29
<b>Answered</b>		<b>127</b>
<b>Skipped</b>		<b>7</b>

Answer Choices	Response Percentage	Response Count
Yes	61.42%	78
No	25.20%	32
Don't know	13.39%	17
<b>Answered</b>		<b>127</b>
<b>Skipped</b>		<b>7</b>

Do you think we should choose any of the following options to fund the changes to the Council Tax Reduction Scheme? Please select one answer for each source of funding.				
	Yes	No	Don't Know	Total
Increase the level of Council Tax	24	88	16	128
Reduce funding available for other Council Services	36	73	18	127
Use the Council's savings	74	38	19	131
<b>Answered</b>	<b>132</b>			
<b>Skipped</b>	<b>2</b>			

If the Council were to choose these other options to make savings, what would be your order of preference?				
	Yes	No	Don't Know	Total
Increase the level of Council Tax	24	16	91	131
Reduce funding available for other Council Services	34	36	61	131
Use the Council's savings	68	41	24	133
<b>Answered</b>	<b>133</b>			
<b>Skipped</b>	<b>1</b>			

<b>Are you, or someone in your household, getting a Council Tax Reduction at this time?</b>		
Answer Choices	Response Percentage	Response Count
Yes	42.11%	56
No	53.38%	71
Don't know/unsure	4.51%	6
<b>Answered</b>		<b>133</b>
<b>Skipped</b>		<b>1</b>

<b>What is your sex?</b>		
Answer Choices	Response Percentage	Response Count
Female	57.89%	77
Male	34.59%	46
Prefer not to say	7.52%	10
<b>Answered</b>		<b>133</b>
<b>Skipped</b>		<b>1</b>

<b>What is your age?</b>		
Answer Choices	Response Percentage	Response Count
18-24	2.26%	3
25-34	15.79%	21
35-44	25.56%	34
45-54	15.79%	21
55-64	18.05%	24
65-74	12.78%	17
75-84	3.01%	4
85+	0.75%	1
Prefer not to say	6.02%	8
<b>Answered</b>		<b>133</b>
<b>Skipped</b>		<b>1</b>

<b>Disability: Are your day to day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?</b>		
Answer Choices	Response Percentage	Response Count
Yes	30.30%	40
No	55.30%	73
Don't know/unsure	2.27%	3
Prefer not to say	12.12%	16
<b>Answered</b>		<b>132</b>

<b>Skipped</b>	<b>2</b>
----------------	----------

<b>Ethnic Origin: What is your ethnic group?</b>		
Answer Choices	Response Percentage	Response Count
White British	84.85%	112
Mixed/Multiple ethnic groups	0.00%	0
Asian or Asian British	2.27%	3
Black/African/Caribbean/Black British	0.00%	0
Other ethnic group	0.76%	1
Prefer not to say	9.85%	13
Other (please specify)		5
<b>Answered</b>		<b>132</b>
<b>Skipped</b>		<b>2</b>

# 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](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](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 [EHRC relevant case law](#). 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

<b>Lead officer:</b>	<i>Zoe Kent</i>
<b>Decision maker:</b>	<i>Council</i>
<b>People involved:</b>	<i>Zoe Kent</i>
<b>Decision:</b> <ul style="list-style-type: none"> <li>• Policy, project, service, contract</li> <li>• Review, change, new, stop</li> </ul>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>We are required to review this scheme before 11 March of the financial year.</i></li> </ul>
<b>Date of decision:</b> The date when the final decision is made. The CIA must be complete before this point and inform the final decision.	<i>Full Council – 26 February 2020</i>
<b>Summary of the decision:</b> <ul style="list-style-type: none"> <li>• Aims and objectives</li> <li>• Key actions</li> <li>• Expected outcomes</li> <li>• Who will be affected and how?</li> <li>• How many people will be affected?</li> </ul>	<p><b><i>What are the aims and objectives?</i></b></p> <ol style="list-style-type: none"> <li><i>1. To provide help towards Council Tax as a localised Council Tax Support scheme to those on a low income in the Borough</i></li> <li><i>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 2018</i></li> <li><i>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.</i></li> <li><i>4. Support vulnerable people</i></li> <li><i>5. Support claimants back into work</i></li> </ol> <p><b><i>What are the key actions?</i></b></p> <ul style="list-style-type: none"> <li>• <i>Providing a scheme that supports those claimants on a low income</i></li> <li>• <i>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.</i></li> <li>• <i>Continuing to design and deliver services to meet the needs of vulnerable customers</i></li> <li>• <i>Consider user feedback, engagement and consultation when designing the scheme</i></li> </ul> <p><b><i>What are the expected outcomes?</i></b></p> <p><i>To put in place a scheme that balances the needs of vulnerable claimants against the budget requirements of the Borough.</i></p> <p><b><i>Who will be affected?</i></b></p> <p><i>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.</i></p> <p><b><i>How many people will be affected?</i></b></p> <p><i>5,532 working age claimants will be affected by the changes to the scheme (9% of all Council Tax account holders).</i></p>
<b>Information and research:</b> <ul style="list-style-type: none"> <li>• Outline the information and research that has informed</li> </ul>	<i>Since 1<sup>st</sup> April 2013, the Council has maintained a local Council Tax Support scheme. This replaced the national Council Tax Benefit scheme, which ended on 31 March 2013.</i>

<p>the decision.</p> <ul style="list-style-type: none"> <li>• Include sources and key findings.</li> <li>• Include information on how the decision will affect people with different protected characteristics.</li> </ul>	<p><i>Council Tax Support helps provide support to council taxpayers who have a low income. It supports the taxpayers by providing a reduction in the actual amount in Council Tax payable.</i></p> <p><i>The Council has the ability to determine the level of support given to working age applicants only. The scheme for pension age applicants is determined by Central Government, and therefore the ability of the Council to vary that part of the scheme is limited and can only enhance the national scheme in any event.</i></p> <p><i>When Council Tax Support was first introduced, Central Government provided a specified level of grant, which was approximately 10% lower than the amounts previously given (pre 1 April 2013). This has now been replaced by a general duty to provide a scheme and funding is not separately identified within the grants given to the Council.</i></p> <p><i>After the original consultation, the Council decided to introduce a Council Tax Support scheme that differed from the original Council Tax Benefit in that, instead of granting a maximum level of support of 100%, it would limit the maximum support to 91.5% in 2013/14 (due to an extra grant being received from DCLG), decreased to 85% from 2014/15.</i></p> <p><b>Changes since 2013</b></p> <p><i>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.</i></p> <p><i>From April 2017 changes were made to the scheme including:</i></p> <ul style="list-style-type: none"> <li>• <i>the more accurate targeting of support to those working age applicants who most need it;</i></li> <li>• <i>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</i></li> <li>• <i>to address potential shortfalls in funding due to the continued reduction in Central Government grants.</i></li> </ul> <p><i>The changes brought in were:</i></p> <ol style="list-style-type: none"> <li>1. <i>Reducing the maximum level of support for working age applicants from 15 per cent to 20 per cent.</i></li> <li>2. <i>Removing the Family Premium for all new working age applicants</i></li> <li>3. <i>Reducing backdating to one month</i></li> <li>4. <i>Using a set income for self-employed earners after 18 months self-employment.</i></li> <li>5. <i>Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks.</i></li> <li>6. <i>To introduce a standard level of non dependant deduction of £15 for all working-age claimants who have non-dependants resident with them who work 16 hours or more per week.</i></li> </ol> <p><i>In April 2018 further changes were made to the scheme including:</i></p> <ul style="list-style-type: none"> <li>• <i>The need to change the scheme to align with Universal Credit as the caseload changed to more claimants receiving Universal</i></li> </ul>
--	---



*Credit to top up their earnings.*

- *To again address potential shortfalls in funding due to the continued reduction in Central Government grants.*

*The changes brought in were*

1. *Reducing the maximum level of support for working age applicants from 20 per cent to 25 per cent.*
2. *Reducing the capital limit from the existing £16,000 to £10,000.*
3. *Restricting the level of the maximum level of Council Tax Support payable to the equivalent of a Band D charge*
4. *Applying a fixed income period to Universal Credit claims for Council Tax Support to avoid multiple changes*
5. *To disregard Bereavement Support payments inline with the Housing Benefit regulations*

*In April 2019 no major changes were made to the scheme.*

### ***The Proposed Scheme for 2020/21***

*An annual review is being undertaken as to the effectiveness of the current Council Tax Support scheme; and a public consultation has been carried out to gather views as to whether the current scheme should be changed. The review will ensure changes to the working age scheme meet the following:*

- *to increase the more accurate targeting of support to those working age applicants who most need it;*
- *to continue to align the scheme with proposed changes to Housing Benefit and Universal Credit; and*
- *to address potential shortfalls in funding due to the continued reduction in Central Government grants.*

*The Council will 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, subject to the referendum limits?*
2. *Should Council reserves be used to fund the scheme?*
3. *Should there be further cuts to Council services?*

*The Council proposes to maintain a similar methodology as in the past. Any changes, if adopted, will be effective from 1st April 2020. The proposed options will be put out to consultation, will be as follows:*

- a. *Should a reduction be made to the minimum payment reducing it from 25% to 20%?*
- b. *Should a reduction be made to the standard level of non dependant deduction reducing it from £15 to £10 for all claimants who have a non dependant living with them who works more than 16 hours per week?*
- c. *Should Child Maintenance paid to a claimant or partner be disregarded in the calculation of Council Tax Support?*
- d. *Should Child Benefit paid to a claimant or partner be disregarded*

*in the calculation of Council Tax Support?*

- e. Should a fixed income period be put in place for all working age claims where the claimant or partner are either working or in receipt of Universal Credit?*
- f. Should a tolerance be applied to Universal Credit claims so information received from the DWP can be automated?*

### **Scope of the Community Impact Assessment**

*The following identifies the potential impact on claimants and particularly groups of claimants.*

*It should be noted that Pensioners will continue to be protected under the rules prescribed by Central Government. These broadly replicate the council tax benefit scheme, which existed prior to 1 April 2013.*

*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.*

*The Council has given consideration to the effects of the options on working age claimants, in particular, vulnerable groups.*

### **Disability**

*Working age people with disabilities continue to make up a high proportion of the caseload at 23%. Working age people with disabilities receive more per week than working age people without disabilities on average, due to the design of the scheme that ignores certain disability benefits and awards higher applicable amounts.*

### **Age**

*The age groups of person receiving CTS broadly reflect the overall population, the main difference being those between the ages of 18-24. This difference is probably caused by the lower applicable amounts for single claimants in this group reducing the amount of people who are entitled to CTS. Those aged 54-64 currently receive the highest weekly amount, on average. Those aged 18-24 currently receive the lowest weekly amount, on average.*

### **Carers**

*There is a slightly higher proportion of claimants with a carer in the household, than the population generally overall (13%). Working age claimants with a carer in the household receive more per week, on average, than working age claimants without a carer in the household. The main reason for this is the treatment of both disability and care within the existing scheme.*

### **Gender**

*Females continue to make up a high proportion of the caseload at 63%. Although, there is a difference between the average amounts females and males receive per week, this is due to factors relating to circumstances which directly affect the calculation of council tax reduction, and is not linked to a claimant's sex directly.*

### **Ethnicity**

*This information is not collected from all claimants as it is not relevant*

to the calculation of council tax reduction.

**Other protected characteristics**

We do not collect information about the following characteristics from claimants as it is not relevant to the calculation of council tax reductions:

- Religion or belief
- Sexual orientation
- Gender reassignment
- Marital or civil partnership status
- Pregnancy or maternity

**Actions to mitigate any identified impacts**

The Council has an Exceptional Hardship Scheme; the design of this allows any claimant to apply for additional support. It examines their overall circumstances, examining both income and expenditure with a view to determining whether exceptional hardship exists.

Under the scheme, claimants will potentially be able to receive additional support up to the full level of their Council Tax.

**Method of Consultation**

The Council has used the following methods to obtain the view of taxpayers.

**Stakeholders Methodology**

1. Existing claimants (both working age and pensionable age web based questionnaire)

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

4. 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 provided

**Consultation:**

- Has there been specific consultation on this decision?
- What were the results of the

Yes

The results of the consultation can be found in Appendix I: CTS

<p>consultation?</p> <ul style="list-style-type: none"> <li>▪ Did the consultation analysis reveal any difference in views across the protected characteristics?</li>   <li>▪ Can any conclusions be drawn from the analysis on how the decision will affect people with different protected characteristics?</li> </ul>	<p><i>scheme review of the consultation</i></p> <p><i>Options 1, 4 and 6 received a higher amount of responses in favour of accepting the changes across the protected characteristics. In the case of option 1 disabled responders had a higher positive response to this option which asked whether the scheme should remain the same with the same level of support. This was also the case with the responses from those in receipt of CTS.</i></p> <p><i>Those with a protected characteristic often receive a premium giving them extra help, e.g. a carer or disability premium, giving them higher levels of help towards their Council Tax payments.</i></p> <p><i>Claimants with children will have less income for their living expenses and for caring for their children if they have to pay more towards their Council Tax.</i></p>
--	---

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

<b>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.</b>		
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.		
<b>Characteristic</b>	<b>Relevance to decision</b> High/Medium/Low/None	<b>Impact of decision</b> Positive/Negative/Neutral
Age	Medium	Negative
Disability	Medium	Negative
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 <sup>1</sup>	Low	Negative
---	-----	----------

<p><b>Conclusion:</b></p> <ul style="list-style-type: none"> <li>Consider how due regard has been had to the equality duty, from start to finish.</li> <li>There should be no unlawful discrimination arising from the decision (see <a href="#">PSED Technical Guidance</a>).</li> </ul> <p>Advise on the overall equality implications that should be taken into account in the final decision, considering relevance and impact.</p>	<p><b>Summarise this conclusion in the body of your report</b></p> <p>We have considered how all groups with protected characteristics will be affected by the scheme. As part of our consultation we asked responders their gender, age ethnicity, whether they considered themselves disabled and whether they claimed CTS. A breakdown of how they responded to the options is available in Appendix I: CTS Scheme review of the consultation.</p> <p>We also asked for comments on each option. Although the results show those with a disability were more likely to respond negatively to the scheme in their comments about the options, more than half of disabled responders agreed yes to most options.</p> <p>As in previous year's schemes, those with a protected characteristic such as the disabled or those with children, receive a higher income (due to extra benefits being awarded to cover these costs) than a single claimant or couple especially those who are under 25. To mitigate these issues the Council provides a Section 13A discretionary hardship scheme.</p> <p>The evidence from the database of current claimants suggests that there could be some limited potential for the scheme to impact more adversely on people with particular protected characteristics (primarily women and people with a disability than on people without those characteristics, and thus not to contribute to the advancement of equality of opportunity for people with and without protected characteristics. However, the adverse impact on individuals is relatively small and as the scheme is being made more generous this should mitigate the annual increase to Council Tax for 2020/21. This position is clearly supported by a majority of consultation responses, including those from current council tax support recipients.</p>
---	--

## 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](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.**

---

<sup>1</sup> 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



## Action Plan

Issue	Action	Due date	Lead Officer	Manager	Cabinet Member
Views needed on the proposed scheme from claimants, residents and stakeholders	Consultation to be carried out	12/2019	Zoe Kent	Nick Vickers	Cllr Roger Truelove
Financial hardship for CTRS working age claimants	Further consultation work to be carried out in Quarter 3 2019/20	02/2020	Zoe Kent	Nick Vickers	Cllr Roger Truelove
Drop in collection rate for Council Tax	The collection of Council Tax to be monitored throughout the financial year 2019/20	02/2020	Zoe Kent	Nick Vickers	Cllr Roger Truelove
Financial hardship for residents with an empty property	Advice on alternative help to be sent out with Council Tax bills and adjustment notices	02/2020	Zoe Kent	Nick Vickers	Cllr Roger Truelove

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

This page is intentionally left blank



<b>Council Meeting</b>	<b>Agenda Item:</b> 13
------------------------	------------------------

<b>Meeting Date</b>	<b>26 February 2020</b>
<b>Report Title</b>	<b>Budgets and Council Tax for 2020/21</b>
<b>Cabinet Member</b>	<b>Cllr Roger Truelove, Leader and Cabinet Member for Finance</b>
<b>SMT Lead</b>	<b>Mark Radford, Chief Executive</b>
<b>Head of Service</b>	<b>Nick Vickers, Chief Finance Officer</b>
<b>Lead Officer</b>	<b>Philip Wilson, Financial Services Manager</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Classification</b>	<b>Open</b>

<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That Members note the Chief Finance Officer’s opinion on the robustness of the budget estimates and the adequacy of reserves.</li> <li>2. That Minute Number 515/02/20 approved by the Cabinet on 12 February 2020 on the report on the Medium Term Financial Plan and the 2020/21 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 2020/21 Budget and Council Tax.</li> </ol>
------------------------	--

## 1. Purpose of Report and Executive Summary

- 1.1 At their meeting on 12 February 2020, the Cabinet recommended the 2020/21 Revenue Budget, the Capital Programme for 2020/21 to 2021/22 and the Medium Term Financial Plan for 2020/21 to 2022/23.
- 1.2 The purpose of this report is for the Council to approve the Council Tax Requirement, Revenue Budget and Capital Programme and Council Tax for the year 2020/21 as set out in the report to the Cabinet on 12 February 2020, 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 (11 February). Should there be any changes to these, members will be informed.

## 2. Background

- 2.1 As part of the 2020/21 budget setting process, the Cabinet first received a report on the budget proposals for 2020/21 and an update on the Medium Term Financial Plan on 18 December 2019. The draft budget was considered by Scrutiny on 22 January 2020 and by the Cabinet at its meeting on 12 February 2020.

## 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 Chief Finance Officer), in accordance with Local Government Act 2003, hereby has confirmed his opinion that the 2020/21 budget submitted is robust and that the reserves are reasonable given an assessment of risks. The Budget report to the Cabinet on 12 February 2020 set out the background to this opinion.
- 3.2 All councils have to provide the Government with a forecast for their business rates to be collected for the forthcoming financial year (NNDR1), which has a statutory deadline of 31 January. For 2020/21 the Council is part of the Kent Business Rate Pool and the NNDR1 forms for the other Pool authorities are being collated and any significant changes will be reported to members as part of the monitoring reports during 2020/21.
- 3.3 The Town and Parish Council Precepts for 2020/21 are detailed in Appendix I and total £1,573,555. The increase in the average Band D Council Tax for parished areas is 13.82% and results in an average Band D Council Tax for parishes of £49.09 for 2020/21 (£32.73 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 and Medway Fire and Rescue Authority and the Kent Police & Crime Commissioner.
- 3.5 At the time of writing this report, Kent and Medway Fire and Rescue Authority were due to meet on 14 February 2020. This report is based upon a precept of £3,811,682, which results in a Band D Council Tax of £79.29 (1.97%, £1.53 increase).
- 3.6 The Police and Crime Panel met on 6 February 2020 to consider the budget proposals from the Kent Police & Crime Commissioner. The decision was for a precept of £9,765,963, which results in a Band D Council Tax of £203.15 (5.18%, £10.00 increase).

- 3.7 At the time of writing the report, Kent County Council were due to meet on 13 February 2020 and set their precept at £64,958,676 resulting in a Band D Council Tax of £1,351.26 (3.99%, £51.84 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 12 February 2020.
- 3.10 In January 2020 the Treasury announced a number of changes to National Non Domestic Rates (NNDR). These changes increase the relief given to retail businesses from 1 April 2020 with a rateable value under £51,000. The retail discount will increase from one third to 50% and the discount will now also extend to cinemas and music venues. Pubs will receive an additional discount of £1,000 as well as the retail relief. The local newspaper discount will also continue for 2020/21. These changes will be applied from 1 April 2020 as per the Business Rate Retail Relief report that was approved by Cabinet on 6 February 2019.

#### **4. Alternative Options**

- 4.1 The options are detailed in the Budget report to the Cabinet on 12 February 2020.

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

- 5.1 Details on the consultation on the budget are in the Budget report to the Cabinet on 12 February 2020.

#### **6. Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	As detailed in the Budget report to the Cabinet on 12 February 2020.
Financial, Resource and Property	As detailed in the Budget report to the Cabinet on 12 February 2020.
Legal, Statutory and Procurement	As detailed in the Budget report to the Cabinet on 12 February 2020.
Crime and Disorder	As detailed in the Budget report to the Cabinet on 12 February 2020.
Environmental Sustainability	As detailed in the Budget report to the Cabinet on 12 February 2020.
Health and Wellbeing	As detailed in the Budget report to the Cabinet on 12 February 2020.
Risk Management and Health & Safety	As detailed in the Budget report to the Cabinet on 12 February 2020.
Equality and Diversity	As detailed in the Budget report to the Cabinet on 12 February 2020.
Privacy and Data Protection	As detailed in the Budget report to the Cabinet on 12 February 2020.

## **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 2020/21  
(ii) Calculation of Band D Council Tax 2020/21
- Appendix III: Budget Report to Cabinet 12 February 2020

## **8. Background Papers**

8.1 [As detailed in the Budget report to the Cabinet on 12 February 2020.](#)

Council is recommended to resolve as follows:

1. That it be noted that, further to the Officer Delegated decision taken on 30 January 2020, the Council calculated:
  - 1.1 the Council Tax Base 2020/21 for the whole Council area as 48,072.67 (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	460.15
Bobbing	1,004.80
Borden	1,085.28
Boughton-Under-Blean	699.83
Bredgar	286.02
Doddington	228.60
Dunkirk	518.27
Eastchurch	827.07
Eastling	150.27
Faversham Town Council	6,363.72
Graveney & Goodnestone	189.28
Hartlip	369.11
Hernhill	288.91
Iwade	1,452.95
Leysdown	1,150.39
Lower Halstow	460.80
Luddenham	43.81
Lynsted	473.79
Milstead	88.73
Minster	5,642.03
Newington	939.69
Newnham	159.34
Norton & Buckland	187.57
Oare	173.40
Ospringe	284.62
Queenborough Town Council	901.75
Rodmersham	246.97
Selling	369.87
Sheerness Town Council	2,831.98
Sheldwich, Leaveland & Badlesmere	346.34
Stalisfield	100.53
Teynham	907.45
Throwley	140.89
Tonge	439.07
Tunstall	707.92
Upchurch	1,025.96
Warden	508.30
<b>Total Parished Areas</b>	<b>32,055.46</b>

2. That, as a preliminary step, the calculation of the Council Tax requirement for the Council's own purposes for 2020/21 (excluding parish precepts) is £8,622,795, as detailed in the report to Cabinet on 12 February 2020.
3. That the following amounts be calculated for the year 2020/21 in accordance with Sections 30 to 36 of the Act:
  - 3.1 £91,087,060 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 £80,890,710 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
  - 3.3 £10,196,350 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 £212.10 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 £1,573,555 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act.
  - 3.6 £179.37 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	206.51
Bobbing	199.32
Borden	234.23
Boughton-Under-Blean	264.96
Bredgar	215.29
Doddington	217.57
Dunkirk	208.13
Eastchurch	226.68
Eastling	214.37
Faversham Town Council	257.42
Graveney & Goodnestone	238.70
Hartlip	201.04
Hernhill	215.71
Iwade	214.80
Leysdown	210.57
Lower Halstow	261.27
Luddenham	179.37
Lynsted	215.35
Milstead	241.36
Minster	214.37
Newington	234.22
Newnham	213.66
Norton & Buckland	215.07
Oare	231.27
Ospringe	205.72
Queenborough Town Council	255.33
Rodmersham	221.89
Selling	214.52
Sheerness Town Council	228.79
Sheldwich, Leaveland & Badlesmere	204.20
Stalisfield	208.51
Teynham	233.90
Throwley	203.56
Tonge	184.38
Tunstall	210.48
Upchurch	233.87
Warden	208.88

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	114.73	137.67	160.62	183.56	206.51	252.40	298.29	344.18	413.02
Bobbing	110.73	132.88	155.03	177.17	199.32	243.61	287.91	332.20	398.64
Borden	130.13	156.15	182.18	208.20	234.23	286.28	338.33	390.38	468.46
Boughton-Under-Blean	147.20	176.64	206.08	235.52	264.96	323.84	382.72	441.60	529.92
Bredgar	119.61	143.53	167.45	191.37	215.29	263.13	310.97	358.82	430.58
Doddington	120.87	145.05	169.22	193.40	217.57	265.92	314.27	362.62	435.14
Dunkirk	115.63	138.75	161.88	185.00	208.13	254.38	300.63	346.88	416.26
Eastchurch	125.93	151.12	176.31	201.49	226.68	277.05	327.43	377.80	453.36
Eastling	119.09	142.91	166.73	190.55	214.37	262.01	309.65	357.28	428.74
Faversham Town Council	143.01	171.61	200.22	228.82	257.42	314.62	371.83	429.03	514.84
Graveney & Goodnestone	132.61	159.13	185.66	212.18	238.70	291.74	344.79	397.83	477.40
Hartlip	111.69	134.03	156.36	178.70	201.04	245.72	290.39	335.07	402.08
Hernhill	119.84	143.81	167.77	191.74	215.71	263.65	311.58	359.52	431.42
Iwade	119.33	143.20	167.07	190.93	214.80	262.53	310.27	358.00	429.60
Leysdown	116.98	140.38	163.78	187.17	210.57	257.36	304.16	350.95	421.14
Lower Halstow	145.15	174.18	203.21	232.24	261.27	319.33	377.39	435.45	522.54
Luddenham	99.65	119.58	139.51	159.44	179.37	219.23	259.09	298.95	358.74
Lynsted	119.64	143.57	167.49	191.42	215.35	263.21	311.06	358.92	430.70
Milstead	134.09	160.91	187.72	214.54	241.36	295.00	348.63	402.27	482.72
Minster	119.09	142.91	166.73	190.55	214.37	262.01	309.65	357.28	428.74
Newington	130.12	156.15	182.17	208.20	234.22	286.27	338.32	390.37	468.44
Newnham	118.70	142.44	166.18	189.92	213.66	261.14	308.62	356.10	427.32
Norton & Buckland	119.48	143.38	167.28	191.17	215.07	262.86	310.66	358.45	430.14
Oare	128.48	154.18	179.88	205.57	231.27	282.66	334.06	385.45	462.54
Ospringe	114.29	137.15	160.00	182.86	205.72	251.44	297.15	342.87	411.44
Queenborough Town Council	141.85	170.22	198.59	226.96	255.33	312.07	368.81	425.55	510.66
Rodmersham	123.27	147.93	172.58	197.24	221.89	271.20	320.51	369.82	443.78
Selling	119.18	143.01	166.85	190.68	214.52	262.19	309.86	357.53	429.04
Sheerness Town Council	127.11	152.53	177.95	203.37	228.79	279.63	330.47	381.32	457.58
Sheldwich, Leaveland & Badlesmere	113.44	136.13	158.82	181.51	204.20	249.58	294.96	340.33	408.40
Stalisfield	115.84	139.01	162.17	185.34	208.51	254.85	301.18	347.52	417.02
Teynham	129.94	155.93	181.92	207.91	233.90	285.88	337.86	389.83	467.80
Throwley	113.09	135.71	158.32	180.94	203.56	248.80	294.03	339.27	407.12
Tonge	102.43	122.92	143.41	163.89	184.38	225.35	266.33	307.30	368.76
Tunstall	116.93	140.32	163.71	187.09	210.48	257.25	304.03	350.80	420.96
Upchurch	129.93	155.91	181.90	207.88	233.87	285.84	337.81	389.78	467.74
Warden	116.04	139.25	162.46	185.67	208.88	255.30	301.72	348.13	417.76
All other parts of the Council's area	99.65	119.58	139.51	159.44	179.37	219.23	259.09	298.95	358.74

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 2020/21, Kent County Council, the Kent Police & Crime Commissioner, and the Kent and Medway Fire and 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:

**Valuation Bands**

**SWALE BOROUGH COUNCIL**

-A	A	B	C	D	E	F	G	H
£99.65	£119.58	£139.51	£159.44	£179.37	£219.23	£259.09	£298.95	£358.74

**KENT COUNTY COUNCIL**

-A	A	B	C	D	E	F	G	H
£750.70	£900.84	£1,050.98	£1,201.12	£1,351.26	£1,651.54	£1,951.82	£2,252.10	£2,702.52

**THE KENT POLICE & CRIME COMMISSIONER**

-A	A	B	C	D	E	F	G	H
£112.86	£135.43	£158.01	£180.58	£203.15	£248.29	£293.44	£338.58	£406.30

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

-A	A	B	C	D	E	F	G	H
£44.05	£52.86	£61.67	£70.48	£79.29	£96.91	£114.53	£132.15	£158.58

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 2020/21 for each of the categories of dwellings shown below:

## Council Tax Resolutions

## Appendix I

	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	1,022.34	1,226.80	1,431.28	1,635.74	1,840.21	2,249.14	2,658.08	3,067.01	3,680.42
Bobbing	1,018.34	1,222.01	1,425.69	1,629.35	1,833.02	2,240.35	2,647.70	3,055.03	3,666.04
Borden	1,037.74	1,245.28	1,452.84	1,660.38	1,867.93	2,283.02	2,698.12	3,113.21	3,735.86
Boughton-Under-Blean	1,054.81	1,265.77	1,476.74	1,687.70	1,898.66	2,320.58	2,742.51	3,164.43	3,797.32
Bredgar	1,027.22	1,232.66	1,438.11	1,643.55	1,848.99	2,259.87	2,670.76	3,081.65	3,697.98
Doddington	1,028.48	1,234.18	1,439.88	1,645.58	1,851.27	2,262.66	2,674.06	3,085.45	3,702.54
Dunkirk	1,023.24	1,227.88	1,432.54	1,637.18	1,841.83	2,251.12	2,660.42	3,069.71	3,683.66
Eastchurch	1,033.54	1,240.25	1,446.97	1,653.67	1,860.38	2,273.79	2,687.22	3,100.63	3,720.76
Eastling	1,026.70	1,232.04	1,437.39	1,642.73	1,848.07	2,258.75	2,669.44	3,080.11	3,696.14
Faversham Town Council	1,050.62	1,260.74	1,470.88	1,681.00	1,891.12	2,311.36	2,731.62	3,151.86	3,782.24
Graveney & Goodnestone	1,040.22	1,248.26	1,456.32	1,664.36	1,872.40	2,288.48	2,704.58	3,120.66	3,744.80
Hartlip	1,019.30	1,223.16	1,427.02	1,630.88	1,834.74	2,242.46	2,650.18	3,057.90	3,669.48
Hernhill	1,027.45	1,232.94	1,438.43	1,643.92	1,849.41	2,260.39	2,671.37	3,082.35	3,698.82
Iwade	1,026.94	1,232.33	1,437.73	1,643.11	1,848.50	2,259.27	2,670.06	3,080.83	3,697.00
Leysdown	1,024.59	1,229.51	1,434.44	1,639.35	1,844.27	2,254.10	2,663.95	3,073.78	3,688.54
Lower Halstow	1,052.76	1,263.31	1,473.87	1,684.42	1,894.97	2,316.07	2,737.18	3,158.28	3,789.94
Luddenham	1,007.26	1,208.71	1,410.17	1,611.62	1,813.07	2,215.97	2,618.88	3,021.78	3,626.14
Lynsted	1,027.25	1,232.70	1,438.15	1,643.60	1,849.05	2,259.95	2,670.85	3,081.75	3,698.10
Milstead	1,041.70	1,250.04	1,458.38	1,666.72	1,875.06	2,291.74	2,708.42	3,125.10	3,750.12
Minster	1,026.70	1,232.04	1,437.39	1,642.73	1,848.07	2,258.75	2,669.44	3,080.11	3,696.14
Newington	1,037.73	1,245.28	1,452.83	1,660.38	1,867.92	2,283.01	2,698.11	3,113.20	3,735.84
Newnham	1,026.31	1,231.57	1,436.84	1,642.10	1,847.36	2,257.88	2,668.41	3,078.93	3,694.72
Norton & Buckland	1,027.09	1,232.51	1,437.94	1,643.35	1,848.77	2,259.60	2,670.45	3,081.28	3,697.54
Oare	1,036.09	1,243.31	1,450.54	1,657.75	1,864.97	2,279.40	2,693.85	3,108.28	3,729.94
Ospringe	1,021.90	1,226.28	1,430.66	1,635.04	1,839.42	2,248.18	2,656.94	3,065.70	3,678.84
Queenborough Town Council	1,049.46	1,259.35	1,469.25	1,679.14	1,889.03	2,308.81	2,728.60	3,148.38	3,778.06
Rodmersham	1,030.88	1,237.06	1,443.24	1,649.42	1,855.59	2,267.94	2,680.30	3,092.65	3,711.18
Selling	1,026.79	1,232.14	1,437.51	1,642.86	1,848.22	2,258.93	2,669.65	3,080.36	3,696.44
Sheerness Town Council	1,034.72	1,241.66	1,448.61	1,655.55	1,862.49	2,276.37	2,690.26	3,104.15	3,724.98
Sheldwich, Leaveland & Badlesmere	1,021.05	1,225.26	1,429.48	1,633.69	1,837.90	2,246.32	2,654.75	3,063.16	3,675.80
Stalisfield	1,023.45	1,228.14	1,432.83	1,637.52	1,842.21	2,251.59	2,660.97	3,070.35	3,684.42
Teynham	1,037.55	1,245.06	1,452.58	1,660.09	1,867.60	2,282.62	2,697.65	3,112.66	3,735.20
Throwley	1,020.70	1,224.84	1,428.98	1,633.12	1,837.26	2,245.54	2,653.82	3,062.10	3,674.52
Tonge	1,010.04	1,212.05	1,414.07	1,616.07	1,818.08	2,222.09	2,626.12	3,030.13	3,636.16
Tunstall	1,024.54	1,229.45	1,434.37	1,639.27	1,844.18	2,253.99	2,663.82	3,073.63	3,688.36
Upchurch	1,037.54	1,245.04	1,452.56	1,660.06	1,867.57	2,282.58	2,697.60	3,112.61	3,735.14
Warden	1,023.65	1,228.38	1,433.12	1,637.85	1,842.58	2,252.04	2,661.51	3,070.96	3,685.16
All other parts of the Council's area	1,007.26	1,208.71	1,410.17	1,611.62	1,813.07	2,215.97	2,618.88	3,021.78	3,626.14

6. That it be determined the Council's relevant basic amount of Council Tax for 2020/21 is not excessive in accordance with principles approved under Section 52ZC of the Local Government Finance Act 1992. The principles for the 2020/21 financial year are set out in Annex A of the Referendums Relating to Council Tax Increases (Principles) (England) Report 2020/21. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2020/21 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 2020/21 in Appendix III be approved.

**Council Tax 2020/21**

Our Council Tax requirement is:

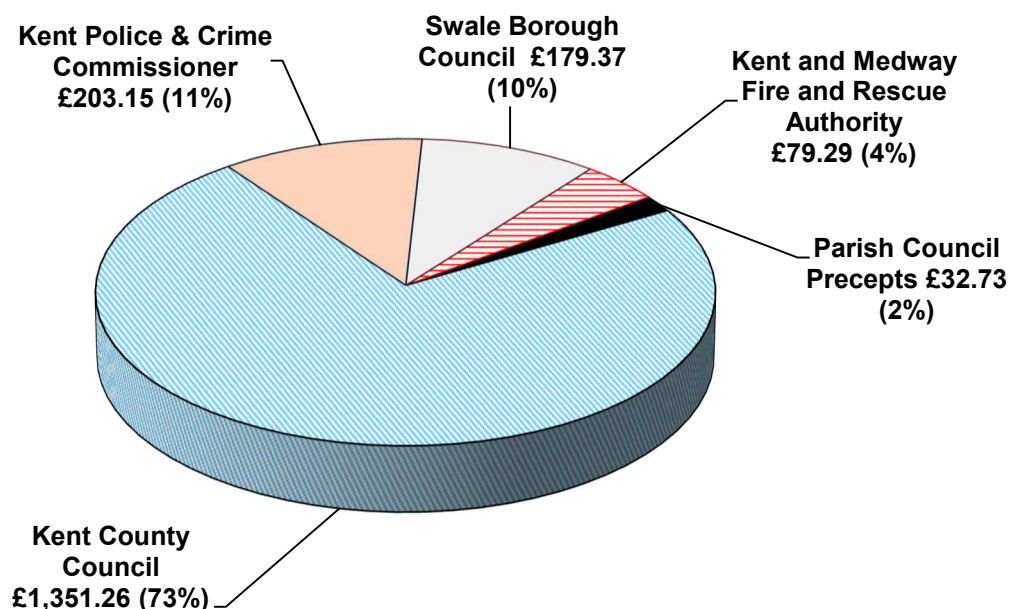
	<b>2019/20</b> <b>£</b>	<b>2020/21</b> <b>£</b>
<b>Swale Budget Requirement</b>	<b>16,138,754</b>	<b>17,487,795</b>
Less Revenue Support Grant	(113,000)	(115,000)
Less Business Rates	(7,768,000)	(8,750,000)
<b>Council Tax Requirement</b>	<b>8,257,754</b>	<b>8,622,795</b>
Band D Council Tax	174.42	179.37
<b>Tax Base</b>	<b>47,344.08</b>	<b>48,072.67</b>

As well as our own Council Tax, we collect on behalf of the other 'precepting authorities', i.e. Kent County Council (3.99%, £51.84 increase), the Kent and Medway Fire and Rescue Authority (1.97%, £1.53 increase) and the Kent Police & Crime Commissioner (5.18%, £10.00 increase). For a Band D property this equates to an overall increase of 3.92%, £68.32 compared to the increase of 5.60%, £92.58 in 2019/20. 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).

2019/20		Authority	2020/21	
Precept £	Band D Council Tax £		Precept £	Band D Council Tax £
61,519,844	1,299.42	Kent County Council	64,958,676	1,351.26
9,144,509	193.15	Kent Police & Crime Commissioner	9,765,963	203.15
3,681,476	77.76	Kent and Medway Fire and Rescue Authority	3,811,682	79.29
8,257,754	174.42	Swale Borough Council	8,622,795	179.37
<b>82,603,583</b>	<b>1,744.75</b>	<b>BASIC COUNCIL TAX</b>	<b>87,159,116</b>	<b>1,813.07</b>
1,367,403	28.88	Parish Council Precepts *	1,573,555	32.73
83,970,986	1,773.63	Council Tax inc. Parish Precepts	88,732,671	1,845.80

\* 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 Meeting</b>	
<b>Meeting Date</b>	12 February 2020
<b>Report Title</b>	2020/21 Revenue Budget/ Medium Term Financial Plan and Capital Strategy
<b>Cabinet Member</b>	Cllr Roger Truelove, Leader and Cabinet Member for Finance
<b>SMT Lead</b>	Nick Vickers, Chief Financial Officer
<b>Head of Service</b>	Nick Vickers, Chief Financial Officer
<b>Lead Officer</b>	Phil Wilson, Financial Services Manager
<b>Key Decision</b>	Yes
<b>Classification</b>	Open
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. To approve the 2020/21 Revenue Budget proposals.</li> <li>2. To approve the proposed Council Tax Band D increase for 2020/21 to £179.37.</li> <li>3. To note the Medium Term Financial Plan.</li> <li>4. To approve the Capital Strategy.</li> <li>5. To approve the Capital Programme proposals.</li> <li>6. To note the additional amount of Council Tax for Parish Precepts.</li> <li>7. To consider the recommendation of Scrutiny Committee.</li> <li>8. To approve the Minimum Revenue Provision Statement as set out in Appendix VIII</li> </ol>

## 1. Purpose of Report and Executive Summary

- 1.1 This report sets out the Council's Revenue and Capital budget proposals for 2020/21, the Medium Term Financial Plan (MTFP) and the Capital Strategy.
- 1.2 Cabinet received a budget report on 18 December prior to the Provisional Local Authority Grant Settlement announced on 20 December. This report reflects the implications of the settlement.
- 1.3 At its meeting on 22 January 2020, Scrutiny Committee recommended "that the Cabinet considers providing increased staff resource for the climate and environment emergency when it considers the budget".
- 1.4 This report, if agreed by Cabinet, will then go forward to Council on 26 February.

## **2. Background**

### **Provisional Local Government Finance Settlement 2020/21**

- 2.1 As we have previously reported, the whole system of local government finance was due to change from 1 April 2020. This was put back because of the impact of Brexit on the legislative process last year. At the time of the December budget report we were anticipating a one year settlement and this is what was announced on 20 December.
- 2.2 The main issues to highlight from the settlement are:
- The Council can increase Council Tax by up to £5 per annum,
  - Revenue Support Grant as forecast at £115k (with no element for Parish or Town Councils), and
  - New Homes Bonus £28k higher than forecast.
- 2.3 There is no clarity whatsoever about the funding regime which will apply from 1 April 2021. The Medium Term Financial Plan therefore assumes that major funding streams from 1 April 2021 continue as they are now. We have no other basis of forecasting at this point. At a Kent Finance Officers' meeting on 16 January 2020, the Local Government Association Finance Lead suggested that there would be a housing incentivisation grant to replace the New Homes Bonus. We will use the quarterly Finance reports to update as we get more information about Government intentions. There is a high probability that we will have very little hard information before the next Settlement in December 2020.

### **Flexible homelessness support grant and homelessness reduction grant**

- 2.4 A major theme of the December 2019 budget report was the cost pressure from homelessness and rough sleeping. In the budget presented we were assuming that the Council funded additional base budget of £468k and that Specific Government Grants increased by £100k. Early in the new year the grant allocations were announced, and the grants have increased by £174k over this year. This frees up £74k of the base funding increase.

### **Lower Medway Internal Drainage Board Precept**

- 2.5 The Lower Medway Internal Drainage Board (LMIDB) have increased their precept by 3.6%, 1.6% above the assumption that we had made. This gives an additional £14k cost pressure.

**Capital Strategy**

- 2.6 The 2019/20 financial year was the first where there was a requirement for councils to set out a Capital Strategy. The Capital Strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services. The proposed Treasury Management Strategy is reported separately to this meeting. The proposed Capital Programme and its funding are detailed in Appendix VI to this report.
- 2.7 Councils are required to balance their revenue budget annually and cannot borrow to achieve a balanced position. However, they have very far reaching powers to borrow to fund capital expenditure. This has historically been funded from borrowing from the Public Works Loan Board, which is part of the Debt Management Office which is part of the Treasury. Borrowing can be for up to 50 years at rates which are below commercial rates.
- 2.8 Council borrowing has traditionally been to fund long term assets such as roads and schools. The cuts to Council funding since 2010 have led to councils increasing their borrowing for capital for two main purposes for:
- Regeneration or social benefits. This could be funding leisure or industrial assets, or housing related, and
  - Generating new revenue streams to address revenue funding reductions. Government has generally looked unfavourably on Council borrowing solely to buy commercial property assets, often outside their geographical area.
- To reinforce just how unhappy Government is with borrowing to buy commercial assets the Chartered Institute of Public Finance and Accountancy (CIPFA) has recently published a guidance document on Prudential Property Investment.
- 2.9 The International Financial Reporting Standard 16 will come into effect for 2020/21, which will change the accounting treatment of leases. This may result in the Council having to recognise assets on its balance sheet which are currently being leased. Preparation work on the implementation of this accounting standard has begun and will be reported on in the 2020/21 annual accounts.
- 2.10 This Council has historically been debt free and had a very limited Capital Programme, restricted largely to the use of Disabled Facilities Grants for home improvements with these grants being provided 100% by Government.



- 2.11 In March 2016, Council agreed to a borrowing facility of up to £30 million subject to individual business case and in November and December 2016 Cabinet agreed a business case for borrowing up to £28 million for Sittingbourne Town Centre (STC) regeneration. This facility was extended to £60 million in February 2017 with any additional borrowing being subject to business cases to Cabinet. The only business cases which have been agreed are for STC and the Leisure Centre refurbishment. At time of this report, the Council has five loans for periods of between 12 to 18 months from other councils which total £25 million. The details of any project funded from borrowing will be provided in future Cabinet reports.
- 2.12 The borrowing decisions set out above are historic. In future rather than announcing a borrowing facility with no linkage to a particular project the specific project agreed by Cabinet will have a borrowing limit associated with it. This limit can be varied by Cabinet. In the December 2019 budget report Cabinet agreed that an additional £10 million could be borrowed to fund housing projects.
- 2.13 This administration takes the view that the Capital Strategy should reflect the following principles:
- Investing in sustainable, affordable and social housing to increase overall supply,
  - Using the ability to borrow at low rates of interest for the benefit of the physical and social infrastructure of the borough and for broader social value, and
  - Ensuring that the costs of borrowing are manageable long term within the Revenue budget.
- 2.14 The Council has not made and will not make any direct commercial investments outside of the Borough. Capital funds will be used for the benefit of local residents.
- 2.15 In January it was announced that the Development Agreement with Spirit of Sittingbourne had been terminated. One of the implications of this is that the Council regains control of the Swale House site. It has long been acknowledged that the current Swale House (a 1980's build) is not fit for purpose. The Cabinet Member for Economy and Property will bring forward a report to the March Cabinet setting out the options for a refurbishment which will create a carbon neutral building with much lower running costs, a modern fit for purpose work space which will allow for significantly more space to be let out on a commercial basis. The business case is being prepared.
- 2.16 Debt is only a temporary source of finance, since loans must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as Minimum Revenue Provision (MRP). MRP is a charge to the revenue budget which then accrues on the Balance Sheet; it is not an external payment. Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance.

- 2.17 All organisations need to manage their cash flow. For most councils their cash flow level is much larger than their reserves as they take in funds through sources such as Business Rates and Council Tax which they hold before making payments to other bodies such as Kent County Council (KCC). The Council's daily cash balances are typically £31 million. With short-term deposit rates continuing to be very low, where a Council is investing in a capital project it can fund this capital investment from cash flow and this is known as internal borrowing. Internal borrowing defers the financial commitment to external borrowing. MRP still has to be made. The Council to date has been using internal borrowing to fund expenditure on STC, the Multi-Storey Car Park, the purchase of land adjoining Swale House and the Leisure Centre refurbishment. The Chief Financial Officer closely monitors cash flow to ensure that there is no adverse impact.
- 2.18 For any significant investment the Council will supplement the expertise of Members and Officers with appropriate external specialist expertise to ensure that proposals are fully tested and risks considered.
- 2.19 The Chief Financial Officer believes that the Capital Strategy and Capital Programme proposed are sustainable.

**CIPFA Financial Management Code**

- 2.20 After 10 years of severe funding reductions it is noteworthy that to date only one local authority, Northamptonshire County Council, has failed financially. But clearly Government are concerned that other councils will fail. It is against this backdrop that CIPFA have issued this new code in October 2019. The Code is designed to support good practice in financial management and to assist councils in demonstrating their financial sustainability. It intended to have the same force as the Prudential Code, it is advisory not statutory, but Councils will have to show how they comply. Compliance is the responsibility of members, the Chief Financial Officer and the senior leadership team.
- 2.21 The guidance suggests that 2020/21 should be a shadow year and full compliance will be from 1 April 2021.
- 2.22 The Chief Financial Officer's view is that the Council performs well against the 17 financial management standards. A report will be brought to Cabinet late in 2020.

### **3. Proposals**

#### **Medium Term Financial Plan**

3.1 The updated Medium Term Financial Plan is attached in Appendix I.

#### **Balanced Budget Proposals**

3.2 The 18 December Cabinet report showed a gap in the revenue budget of £375,000 which the additional Lower Medway Internal Drainage Board pressure increases to £389,000.

3.3 The Balanced Budget proposals are set out below:

<b>Budget Heading</b>	<b>Saving £</b>	<b>Description</b>
Staff Salaries	200,000	Full and part year effect savings from Planning, Economy and Community Services, Leisure, Policy and Resources.
Delete Planning Admin pressure	22,000	Pressure and budget clarified.
Additional licensing income	20,000	Pressure and budget clarified.
Additional homelessness grant	74,000	Additional grant income over that forecast releases £74,000 of the base budget increase
Mid Kent Services (MKS)	56,000	The MKS Director has proposed the deletion of a long term vacant post in IT and a number of small efficiency savings.
Additional New Homes Bonus	28,000	As reported above.
Additional income from the Council Tax Base.	4,000	Small change in the Council Tax Base from earlier report.
<b>Total</b>	<b>404,000</b>	

3.4 Detailed revenue budget proposals are attached in Appendix II.

#### **Council Tax**

3.5 The budget proposals assume an increase of £4.95 in the Band D Council Tax to £179.37.

3.6 The Collection Fund and Council Tax are set out in Appendix III.

3.7 The Council Tax base was set at 48,072.67 by the Chief Financial Officer.

3.8 The calculation of the Budget Requirement and Council Tax Requirement is shown in Appendix IV.

3.9 Parish precepts are shown in Appendix V.

## **Capital Programme**

3.10 The Capital Budget is attached in Appendix VI.

## **Reserves**

3.11 The key principles for the management of Reserves moving forward are:

(1) Maintain a prudent level of reserves to allow the Council to deal with unexpected one-off events;

(2) Funding the Council's strategic priorities; and,

(3) Fund one-off items of expenditure to support service delivery.

3.12 When the Council is considering its budget requirement, it is the Chief Financial Officer's duty under S25 of the Local Government Act 2003 to report on the adequacy of reserves. These have been reviewed in line with guidance from the Chartered Institute of Public Finance and Accountancy.

3.13 The Council seeks to maintain a minimum of £1.5m as its General Fund balance and there is no reason to change this - the balance at 1 April 2019 was £4.358 million. The Council holds earmarked reserves for specific purposes. The remaining unallocated funds form the General Reserve. The Chief Financial Officer's view is that the level of reserves and balances held by the Council are at a reasonable level. Reserves and balances are set out in Appendix VII.

3.14 The Council's Section 151 Officer (Chief Financial Officer), in accordance with the Local Government Act 2003, has hereby confirmed his opinion that the 2020/21 budget is robust, and the reserves are reasonable given the risks faced by the Council.

## **4. Alternative Options**

4.1 Do nothing - this is not recommended as the Council is legally required to set a balanced budget.

4.2 The December report upon which this report builds has been considered by Scrutiny Committee and any of their recommendations will be brought to this meeting of Cabinet.

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

5.1 The budget proposals were reported to Cabinet on 18 December 2019 and were examined by Scrutiny Committee on 22 January.

5.2 Consultation with the business community has taken place.

## **6. Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	The budget proposals for 2020/21 support the emerging Corporate Plan objectives.
Financial, Resource and Property	The report sets out the approach to the 2020/21 budget and the medium term financial plan.
Legal, Statutory and Procurement	The report reflects the legal requirement for the Council to set a balanced budget.
Crime and Disorder	Any potential impact has been assessed by service managers.
Environmental Sustainability	Any potential impact has been assessed by service managers.
Health and Wellbeing	No issues identified.
Risk Management and Health and Safety	The financial risks are reflected in the Council's Risk Register.
Equality and Diversity	Any potential impact has been assessed by service managers.
Privacy and Data Protection	No issues identified.

## **7. Appendices**

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

- Appendix I: Medium Term Financial Plan
- Appendix II: Detailed Revenue Budget Proposals
- Appendix III: Collection Fund and Council Tax Base
- Appendix IV: Budget Requirement and Council Tax Requirement
- Appendix V: Parish Precepts
- Appendix VI: Capital Programme and Funding
- Appendix VII: Reserves
- Appendix VIII Minimum Revenue Provision Statement

## **8. Background Papers**

[Cabinet budget report 18 December 2019](#)

Medium Term Financial Plan

	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Base Budget	18,613	18,664	18,534	18,564
Growth items	0	1,237	1,307	1,387
Unavoidable cost pressures	0	2,694	2,593	2,681
Loss of income	0	391	391	391
Additional income	0	(1,992)	(2,201)	(2,405)
Committed price increases	0	273	481	686
Lower Medway Internal Drainage Board	817	847	878	910
<u>Salary Related:</u>				
Pay Award (2%)	0	257	520	787
Other Pay Increases	0	78	125	150
Contribution to/(from) reserves	(740)	(613)	(483)	(513)
Revenue Support Grant	(113)	(115)	0	0
Business Rates	(7,768)	(8,750)	(8,845)	(9,010)
<i>This does not reflect the changes from Fair Funding Review, Baseline Reset and New Approach to Business Rates which are due to be implemented in 2021/22</i>				
Contribution from Business Rates Reserves	(250)	(250)	0	0
Levy account surplus	(65)	(173)		
Council Tax	(8,258)	(8,623)	(8,994)	(9,374)
New Homes Bonus	(1,875)	(1,633)	(752)	(371)
<b>Savings Required</b>	<b>361</b>	<b>2,292</b>	<b>3,554</b>	<b>3,883</b>
Service savings	0	(2,307)	(2,261)	(2,205)
Requirement for balanced position	0	0	(1,293)	(1,678)
<b>Committed savings</b>	<b>0</b>	<b>(2,307)</b>	<b>(3,554)</b>	<b>(3,883)</b>
<b>Contribution from/ (to) from General Fund</b>	<b>361</b>	<b>(15)</b>	<b>0</b>	<b>0</b>

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
1	ADAMS	Swale House	Fees and Services	271	0	Growth items	Cost of security service	30,000	30,000	30,000
2	ADAMS	Central House	Electricity	6,260	6,260	Service savings	Management to be transferred to Swale Community Leisure	-6,260	-6,260	-6,260
3	ADAMS	Central House	Service Charge	-9,443	-6,300	Loss of income	Management to be transferred to Swale Community Leisure	6,300	6,300	6,300
Page 63	ADAMS	Central House	Recharge of Utility costs	-10,941	-9,200	Loss of income	Management to be transferred to Swale Community Leisure	9,200	9,200	9,200
	ADAMS	Miscellaneous General Fund Properties	Rents - Properties	-361,213	-360,500	Loss of income	No income from Fountain Street properties	10,500	10,500	10,500
6	<b>ADAMS</b>	<b>Sub Total</b>						<b>49,740</b>	<b>49,740</b>	<b>49,740</b>
7	BEATTIE	Environmental Health Administration	MKS Charges Environmental Services	38,812	43,860	Service savings	Reduction in shared service recharge.	-3,290	-2,480	-1,650
8	BEATTIE	Food & Safety	MKS Charges Environmental Services	247,001	283,900	Service savings	Reduction in shared service recharge.	-25,710	-20,550	-15,280
9	BEATTIE	Environmental Protection	MKS Charges Environmental Services	179,448	181,170	Growth items	Shared service recharge not including Air Quality Officer	6,430	10,180	14,010

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
10	BEATTIE	Environmental Protection	MKS Charges Environmental Services	0	50,000	Growth items	Air Quality Project Officer added to 2019/20 Budget for 2 years only funded from reserves.	-11,000	-50,000	-50,000
11	BEATTIE	Contributions from funds	Expenditure funded from reserves	0	-50,000	Growth items	Air Quality Project Officer added to 2019/20 Budget for 2 years only funded from reserves.	11,000	50,000	50,000
12	BEATTIE	Shellfish Classification	Sampling / Monitoring	17,375	25,000	Service savings	Savings in cost of contract	-6,250	-6,000	-5,500
13	BEATTIE	Pollution Prevention Control	Environmental Protection Act Fees	-17,209	-30,500	Loss of income	To reflect actual reduction in income	12,500	12,500	12,500
14	BEATTIE	Kent & Medway Air Quality Data Management Network	Private Contractors	17,479	0	Growth items	The Kent & Medway Contract ends 20-21.	17,480	0	0
15	BEATTIE	Kent & Medway Air Quality Data Management Network	Fees and charges	-18,741	0	Additional income	Offset of growth item above.	-17,480	0	0
16	<b>BEATTIE</b>	<b>Sub Total</b>						<b>-16,320</b>	<b>-6,350</b>	<b>4,080</b>
17	CLIFFORD	Democratic Services	Salaries	216,490	186,690	Growth items	Additional resource for providing Election and Democratic Service	10,000	10,000	10,000
18	CLIFFORD	General Democratic Costs	Members Travel	0	6,990	Service savings	Budget not required due to mileage rate being set at 45p	-6,990	-6,990	-6,990
19	CLIFFORD	General Democratic Costs	MKS Accounts	0	38,720	Service savings	Savings to fund Information Governance Assistant	-25,000	-25,000	-25,000



**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
20	CLIFFORD	General Democratic Costs	MKS Accounts	0	See no. 19	Service savings	Deletion of MKS support officer post	-13,720	-13,720	-13,720
21	CLIFFORD	General Democratic Costs	MKS Director	39,809	36,840	Unavoidable cost pressures	Council's share of costs	5,190	6,030	6,890
22	CLIFFORD	Contributions from funds	Expenditure funded from reserves	0	-120,000	Growth items	Removal of 19/20 Budget to fund 19/20 elections from reserves	120,000	120,000	120,000
23	CLIFFORD	Borough & Parish Elections	Elections	0	120,000	Growth items	Removal of 19/20 Budget to fund 19/20 elections from reserves	-120,000	-120,000	-120,000
24	CLIFFORD	Borough & Parish Elections	Contribution from Other Local Authorities	-1,820	-15,000	Loss of income	Budget originally to cover parish and town elections in May 2019. Council will only recharge parish councils if there are by-elections	15,000	15,000	15,000
25	CLIFFORD	Electoral Registration	Postage	21,204	31,100	Service savings	Canvass reform result in reduced postage	-5,100	-5,100	-5,100
26	<b>CLIFFORD</b>	<b>Sub Total</b>						<b>-20,620</b>	<b>-19,780</b>	<b>-18,920</b>
27	CASELL	Environment Wardens	Hire & Leases	15,549	15,750	Growth items	Hire 6 electric vehicles (or hybrid if suitable electric vehicles are not available).	26,250	26,250	26,250
28	CASELL	Head of Commissioning, Environment & Leisure	Staffing	0	0	Service savings	Restructure savings	-60,000	-60,000	-60,000

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
29	CASELL	Environment and Leisure Finance Lease	Contracts	223,980	223,980	Service savings	Repayments for Finance Lease now completed - full savings on interest and principal for this finance lease is shown under Finance 117 & 118	-223,980	-223,980	-223,980
30	CASELL	Environment and Leisure Finance Lease	Contracts	-223,980	-223,980	Unavoidable cost pressures	Repayments for Finance Lease now completed - full savings on interest and principal for this finance lease is shown under Finance 117 & 118	223,980	223,980	223,980
31	CASELL	Client & Amenity Services Staff	Salaries	0	0	Growth items	Recruitment of full time Project Support Surveyor. Currently funded via a performance fund which is due expire in Jan 2020. Therefore, a Special Projects Fund has been approved.	45,000	0	0
32	CASELL	Contributions from Funds	Expenditure funded from reserves	0	0	Growth items	Recruitment of full time Project Support Surveyor. Currently funded via a performance fund which is due expire in January 2020. Therefore, a Special Projects Fund has been approved.	-45,000	0	0

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
33	CASELL	Car Park Staff	MKS Charges for Car Parking	111,604	102,990	Unavoidable cost pressures	Increase for cost of service from Maidstone Council	11,010	13,010	15,010
34	CASELL	Car Park Staff	Staff Costs Recovery - MKS	-20,576	-18,170	Additional income	Income from recovery staff costs for car park staff	-350	-700	-1,060
35	CASELL	Swale Car Parks	Fees and charges	0	0	Growth items	To reinstate free car parking at the Swallow Leisure Centre and Beachfields.	90,000	90,000	90,000
Page 67	CASELL	Disabled Parking Bays	Private Contractors	8,510	3,560	Growth items	Previously funded from reserves. To be made a permanent increase.	5,000	5,000	5,000
	CASELL	Seafront	Grants & Contributions	-2,887	-29,000	Loss of income	One-off grant not continued into future years	29,000	29,000	29,000
	38	CASELL	Seafront	Equipment	809	29,800	Service savings	One-off grant not continued into future years.	-29,000	-29,000
39	CASELL	Public Conveniences	Water	40,010	36,140	Growth items	Addition of four public conveniences	11,120	11,120	11,120
40	CASELL	Public Conveniences	Private Contractors	216,641	224,610	Growth items	New toilets at Minster Leas beach huts and Milton Creek Country Park and potential re-opening of Milton High Street. Addition of The Retreat Kiosk for 7 months	26,110	33,630	41,380

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
41	CASELL	Recycling Campaign	Garden Waste Scheme - Brown Bins	-505,375	-520,000	Additional income	Predicted growth in Garden Waste subscriptions	-10,000	-10,000	-10,000
42	CASELL	Special Collections	Fees & Charges	-29,744	-25,000	Service savings	Rezone A249 laybys to zone 1	-9,450	-10,480	-11,550
43	CASELL	Wheeled Bins	Equipment	214,345	137,000	Unavoidable cost pressures	Wheeled bins continue to need replacing due to coming to end of life - using existing reserve for 20-21 and 21-22, additional required for 22-23. Reserve £181k at 1/4/2019 & reserve increased by £35k pa.	0	0	63,000
44	<b>CASELL</b>	<b>Sub Total</b>						<b>89,690</b>	<b>97,830</b>	<b>169,150</b>
45	CLARKE	Internal Audit	MKS Charges for Audit Services	189,735	180,080	Service savings	Audit team restructure in April.	-2,440	-2,440	-2,440
46	CLARKE	Internal Audit	MKS Charges for Audit Services	0	0	Service savings	Removal of budget contingency for specialist audit services	-9,000	-9,000	-9,000
47	<b>CLARKE</b>	<b>Sub Total</b>						<b>-11,440</b>	<b>-11,440</b>	<b>-11,440</b>
48	CLIFFORD	Head of Policy	Staffing	0	0	Service savings	Restructure savings	-20,000	-30,000	-30,000
49	CLIFFORD	Sheerness Gateway	Fees and Services	0	6,330	Service savings	Budget no longer required as fees and services included in Contracts	-6,330	-6,330	-6,330

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
50	CLIFFORD	Customer Service Centre Staff	Computer Equipment & Materials	0	0	Growth items	For the annual cost of My Council services (MCS) platform. This will form part of the MKS ICT IT equipment budget but is shown here under the service responsible for the software	38,440	38,440	38,440
51	CLIFFORD	Data Protection Resource	Salaries	50,681	61,970	Service savings	Information Governance (IG) officer post for two years fixed term ending at end of May 2020	-4,410	-61,970	-61,970
52	CLIFFORD	Contributions from funds	Expenditure funded from reserves	0	0	Service savings	IG officer post funded for nine months from reserves (Performance Fund)	-43,170	0	0
53	CLIFFORD	Data Protection Resource	Salaries	0	0	Growth items	IG Assistant post permanent and funded from savings shown against Democratic Services and Chief Executive 19 & 91	37,690	38,450	39,210
54	CLIFFORD	Data Protection Resource	Salaries	0	0	Growth items	IG Support Officer post as permanent in Council's staffing establishment	28,360	30,090	31,920
55	CLIFFORD	Communication Services	Signage	0	6,010	Service savings	Reduction in cost of signage for Communication Services	-6,010	-6,010	-6,010
56	<b>CLIFFORD</b>	<b>Sub Total</b>						<b>24,570</b>	<b>2,670</b>	<b>5,260</b>

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
57	HUDSON	Closed Circuit Television - (CCTV)	CCTV Line Rental	26,209	41,900	Service savings	New contract detailed in December Cabinet report.	-14,900	-14,900	-14,900
58	HUDSON	Closed Circuit Television - (CCTV)	CCTV Monitoring Service	230,467	227,000	Service savings	New contract detailed in December Cabinet report.	-50,000	-50,000	-50,000
59	HUDSON	Head of Housing, Economy and Community Services	Staffing	0	0	Service savings	Restructure savings	-30,000	-40,000	-40,000
60	HUDSON	Members Localism Grants	Grants & Subscriptions	111,342	59,000	Growth items	Additional budget has been funded from the Regeneration Fund since 2012/13. As the Regeneration Fund is no longer available, this increase of £53,800 to provide each Councillor with £2,400.	53,800	53,800	53,800
61	HUDSON	Contributions from Funds	Expenditure funded from reserves	0	0	Growth items	Members Localism Grants to be funded from the Special Projects Fund	-53,800	-53,800	-53,800
62	HUDSON	Culture Grants	Grants & Subscriptions	37,651	0	Growth items	Culture Grants originally funded from Localism Fund.	10,000	10,000	10,000
63	HUDSON	Contributions from Funds	Expenditure funded from reserves	0	0	Growth items	Culture Grants to be funded from the Communities Fund if required for 2020/21	-10,000	0	0

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
64	HUDSON	Remembrance and Commemoration	Grants & Subscriptions	14,353	25,000	Service savings	WW1 scheme has ended - budget no longer required.	-25,000	-25,000	-25,000
65	HUDSON	Sports Development	Fees and Services	8,819	15,860	Service savings	Allocated overspend for grants for potential overspend but no longer required	-7,860	-7,860	-7,860
66	HUDSON	Housing Private Sector	Rechargeable Environ Works	7,011	5,000	Growth items	Increase in enforcement activity will result in potentially more works in default but this is recoverable and can be placed as a charge on a property.	5,000	5,000	5,000
67	HUDSON	Housing Private Sector	Recharge Works Environmental Services	-7,011	-5,000	Additional income	Increase in enforcement activity will result in potentially more works in default but this is recoverable and can be placed as a charge on a property.	-5,000	-5,000	-5,000
68	HUDSON	Housing Strategy & Development	Grant of Community Housing Fund monies	33,000	0	Growth items	Remaining community housing fund grant to be provided to Action for Communities in Rural Kent (ACRK)	93,740	93,740	93,740
69	HUDSON	Housing Strategy & Development	MHCLG Community Housing Grant	-33,000	0	Additional income	Remaining community housing fund grant to be paid as per current agreement to ACRK to continue project.	-93,740	-93,740	-93,740

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
70	HUDSON	Public Health	Salaries	0	0	Growth items	Public Health post	40,990	41,810	42,650
71	HUDSON	Temporary Accommodation (Homelessness)	Salaries	0	100,000	Growth items	Housing, Homelessness and Rough Sleepers Strategy approved in 2019/20 Budget to fund the fixed term posts as funding as a one-off but spread over a two-year period.	-100,000	-100,000	-100,000
72	HUDSON	Contributions from Funds	Salaries	0	-100,000	Growth items	Housing, Homelessness and Rough Sleepers Strategy approved in 2019/20 Budget to fund the fixed term posts as funding as a one-off but spread over a two-year period was funded from reserves	100,000	100,000	100,000
73	HUDSON	Temporary Accommodation (Homelessness)	Homeless Balance of Additional Budget	0	39,460	Service savings	This Budget only available for 2019/20	-39,460	0	0
74	HUDSON	Temporary Accommodation (Homelessness)	Salaries	0	0	Growth items	Housing Review staffing costs permanent increase to the establishment	65,000	66,300	67,630

Page 72



**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
75	HUDSON	Temporary Accommodation (Homelessness)	NL (Nightly Lets) - Homelessness Landlord Payments	1,006,378	0	Unavoidable cost pressures	Expected expenditure based on monthly monitoring	1,700,000	1,700,000	1,700,000
76	HUDSON	Temporary Accommodation (Homelessness)	B & B - Homelessness Landlord Payments	190,719	1,201,800	Service savings	Reduction in Bed and Breakfast costs for homelessness	-961,800	-961,800	-961,800
77	HUDSON	Temporary Accommodation (Homelessness)	Housing Benefit received	-502,177	-377,910	Additional income	Additional benefit income due to increase in homelessness costs.	-350,000	-350,000	-350,000
	HUDSON	Temporary Accommodation (Homelessness)	Government grants	0	0	Additional income	Additional specific Government grant for homelessness.	-174,000	-174,000	-174,000
79	HUDSON	Temporary Accommodation (Homelessness)	Optivo - Homelessness Landlord Payments	156,863	0	Unavoidable cost pressures	Expected expenditure based on monthly monitoring.	180,000	180,000	180,000
80	HUDSON	Housing - Housing Options Team	Rent Deposit Scheme Debt Recovery	6,000	0	Growth items	Finance charge for Rent Deposit Scheme Debt Recovery (See 109).	6,000	6,000	6,000
81	<b>HUDSON</b>	<b>Sub Total</b>						<b>338,970</b>	<b>380,550</b>	<b>382,720</b>
82	FREEMAN	Head of Development Services	Staffing	0	0	Service savings	Restructure savings	-60,000	-60,000	-60,000
83	FREEMAN	Local land charges	MKS charges for land charges	65,555	79,060	Service savings	MKS recharges	-4,000	-2,500	-970
84	FREEMAN	Development Management	Planning - Advertisements	2,209	8,000	Service savings	Reduction in cost of planning advertisements	-5,000	-5,000	-5,000
85	<b>FREEMAN</b>	<b>Sub Total</b>						<b>-69,000</b>	<b>-67,500</b>	<b>-65,970</b>

Page 73

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
86	NAREBOR	Legal (Clientside Costs)	Legal Fees - Planning/S106	-78,805	-72,600	Loss of income	S106 income has been weaker this year and this is expected to continue. The wider uncertainty in the property market makes a conservative income estimate based on current income for future MKLS income the most realistic approach.	40,600	40,600	40,600
87	NAREBOR	Legal (Clientside Costs)	Various	0	0	Service savings	The s106 income supports the base budget, if income reduces then costs will have to be reduced.	-40,600	-40,600	-40,600
88	NAREBOR	MKLS - Legal Services	Salaries	918,257	1,153,580	Growth items	The Legal staffing budget will be increased to complete funding for a full time corporate governance lawyer.	6,000	6,000	6,000
89	NAREBOR	MKLS - Legal Services	MKLS running costs	-1,223,768	-1,107,120	Service savings	Contributions from partner authorities to the increase for corporate governance lawyer	-4,400	-4,400	-4,400
90	<b>NAREBOR</b>	<b>Sub Total</b>						<b>1,600</b>	<b>1,600</b>	<b>1,600</b>
91	RADFORD	Corporate Costs	Salaries	0	243,520	Service savings	Savings to meet cost of Information Governance assistant	-11,000	-11,000	-11,000
92	<b>RADFORD</b>	<b>Sub Total</b>						<b>-11,000</b>	<b>-11,000</b>	<b>-11,000</b>

Page 74

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
93	SANDHER	Human Resources	Salaries	0	0	Growth items	To implement the Real Living Wage for SBC staff	68,000	68,000	68,000
94	SANDHER	Human Resources	MKS charges for HR service	222,080	262,080	Unavoidable cost pressures	MKS recharges	0	5,240	10,590
95	SANDHER	Human Resources	MKS charges for HR service	0	0	Service savings	Reduction in contingency held for iTrent consultancy	-4,000	-4,000	-4,000
96	SANDHER	Human Resources	Fees and Services	11,476	0	Growth items	To fund bHeard survey	12,000	0	12,000
97	SANDHER	Contributions from Funds	Expenditure funded from reserves	0	0	Growth items	bHeard survey to be funded from reserves	-12,000	0	-12,000
98	<b>SANDHER</b>	<b>Sub Total</b>						<b>64,000</b>	<b>69,240</b>	<b>74,590</b>
99	VICKERS	Licences (Legal)	Licence Fees (Gambling)	-21,548	-41,280	Loss of income	To align the budget with the forecast income	20,280	20,280	20,280
100	VICKERS	Licences (Legal)	Licence Fees	-121,982	-100,000	Service savings	To align the budget with the forecast income	-20,280	-20,280	-20,280
101	VICKERS	Chief Finance Officer	Salaries	0	49,930	Growth items	Increase in hours for Chief Financial Officer	21,840	23,280	24,740
102	VICKERS	Various	Various	0	0	Growth items	Increase in hours for Chief Financial Officer to be spread across other teams within Resources Directorate	-21,840	-23,280	-24,740
103	VICKERS	Chief Finance Officer	Salaries	0	0	Growth items	Restructure savings	-30,000	-40,000	-40,000

Page 75

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
104	VICKERS	Benefit and Council Tax Support Administration	Benefit Subsidy	-451,413	-432,110	Unavoidable cost pressures	Reduction in benefit administration grant from government.	52,280	71,280	89,320
105	VICKERS	Contributions from Funds	Expenditure funded from reserves	0	0	Unavoidable cost pressures	Reduction in benefit administration grant from government to be funded from Revenues and Benefits Reserve	-52,280	-71,280	-89,320
106	VICKERS	Benefit and Council Tax Support Administration	Council Tax Support Grant	-174,170	-162,780	Unavoidable cost pressures	Reduction in council tax support grant from government.	8,140	15,870	23,220
107	VICKERS	MKS Enforcement Service Council Tax	MKS Debt Recovery Service Income	-133,147	-125,000	Additional income	Additional income from this shared service for Council Tax debt recovery	-34,000	0	0
108	VICKERS	Non Specific Grants	Surplus/Deficit Council Tax Income	-178,000	-25,340	Unavoidable cost pressures	Forecast of the Council's share of surplus on Collection Fund	0	25,340	25,340
109	VICKERS	Exchequer & Banking	Recovery - Rent Deposit Scheme Debt Work	-6,000	0	Additional income	Income from Housing for debtors' work	-6,000	-6,000	-6,000
110	VICKERS	Interest Payable	Interest Payable on external loans	16,862	0	Unavoidable cost pressures	Cost of interest on existing external loans	188,260	19,010	0
111	VICKERS	Interest on balances	External interest	-292,326	-110,480	Additional income	Interest from investments	-98,290	0	0
112	VICKERS	Adjustments between accounting/funding basis	Salaries	0	-52,710	Growth items	18/19 staff savings not identified out of total £250k required savings in previous budgets	52,710	52,710	52,710

Page 26

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
113	VICKERS	Adjustments between accounting/funding basis	Pension Enhancements	229,669	240,000	Service savings	Reduction in pension enhancement costs for retired staff	-11,000	-12,000	-13,000
114	VICKERS	All staff costs	Superannuation Future Funding	1,152,270	1,258,350	Unavoidable cost pressures	Pension increase from triennial revaluation for Future Funding	202,595	231,814	261,617
115	VICKERS	Adjustments between accounting & funding basis	Superannuation Back Funding	1,414,000	1,448,430	Service savings	Pension reduction from triennial revaluation for Back Funding	-248,430	-208,430	-158,430
Page 77	VICKERS	Contributions from Funds	Expenditure funded from reserves	0	-74,050	Unavoidable cost pressures	Use of 2018/19 underspend to support 2019/20 Budget removed	74,050	74,050	74,050
117	VICKERS	Interest Payable	Interest Payable	40,639	18,740	Service savings	End of Finance lease interest element.	-18,740	-18,740	-18,740
118	VICKERS	Adjustments between accounting & funding basis	Minimum Revenue Provision (MRP)	183,000	140,000	Service savings	End of Finance lease principal element.	-140,000	-140,000	-140,000
119	VICKERS	Adjustments between accounting & funding basis	Minimum Revenue Provision	254,753	451,000	Growth items	Minimum Revenue Provision for capital items funded from internal borrowing	302,835	369,000	427,000

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
120	VICKERS	STC Princes Street Retail Park	Fees and Services	22,322	10,000	Unavoidable cost pressures	Property Management fee and unrecoverable service charges for the STC Retail Park	13,600	13,600	13,600
121	VICKERS	STC Princes Street Retail Park	Rents	-438,610	0	Additional income	Rental income from STC Retail Park	-495,000	-495,000	-495,000
122	VICKERS	STC Princes Street Retail Park	Rents	0	-240,000	Loss of income	Removal of previous budget for rental income from STC Retail Park	240,000	240,000	240,000
123	VICKERS	STC Bourne Place	Rents	0	0	Additional income	STC Bourne Place rental income for cinema, hotel and restaurants.	-584,290	-937,700	-1,137,690
124	VICKERS	STC Bourne Place	Fees & charges	0	0	Growth items	Operational costs	10,000	10,000	10,000
125	VICKERS	STC Multi-storey Car Park	Fees & charges	0	0	Growth items	Costs of managing the Multi-Storey Car Park	183,610	187,280	191,020
126	VICKERS	STC Multi-storey Car Park	Fees & charges	0	0	Additional income	Multi Storey Car Park - increased income	-100,000	-100,000	-100,000
127	VICKERS	STC Multi-storey Car Park	Rates	0	0	Growth items	New Multi Storey Car park - business rates	86,000	87,720	89,470
128	<b>VICKERS</b>	<b>Sub Total</b>						<b>-403,950</b>	<b>-631,476</b>	<b>-700,833</b>
129	WOODWARD	ICT Development, Network & Support	MKS Charges for ICT	381,190	418,800	Unavoidable cost pressures	Increase in shared services recharge as agreed at Shared Services Board	49,200	49,200	49,200
130	WOODWARD	ICT Development, Network & Support	MKS Charges for ICT	0	0	Service savings	Review of software licences and restructure savings	-30,000	-30,000	-30,000

Page 78

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Detailed Revenue Budget Proposals

Appendix II

No.	Head of Service	Description	Type of Spend/ Income	Previous Year Actual 2018/19 £	Original Budget 2019/20 £	MTFP Category	Explanation of Budget Change	2020-21 increase over and above 19/20 £	2021-22 increase over and above 19/20 £	2022-23 increase over and above 19/20 £
131	WOODWARD	GIS	MKS Charges for ICT	72,064	67,630	Unavoidable cost pressures	Increase in shared services recharge as agreed at Shared Services Board	5,370	5,370	5,370
132	<b>WOODWARD</b>	<b>Sub Total</b>						<b>24,570</b>	<b>24,570</b>	<b>24,570</b>
133	<b>Committed Price Increases</b>							<b>272,920</b>	<b>480,610</b>	<b>685,900</b>
134	<b>Minor Items</b>							<b>-38,210</b>	<b>-49,220</b>	<b>-53,620</b>
135	<b>Grand Total</b>							<b>295,520</b>	<b>310,044</b>	<b>535,827</b>

## Collection Fund and Council Tax Base

**Tax Base**

The tax base for 2020/21 is 48,072.67.

**Collection Fund**

As the Billing Authority, Swale Borough Council had to make an estimate of the surplus or deficit on the Collection Fund for Council Tax and Business Rates in January 2020, notifying Kent County Council, the Police and Crime Commissioner for Kent and the Kent & Medway Towns Fire & Rescue Authority of their proportions. The declared surplus of £401,620 is shared as follows:

	<b>£'000</b>
Central Government	355
Kent County Council	(597)
The Police and Crime Commissioner for Kent	(3)
Kent & Medway Towns Fire & Rescue Authority	(5)
Swale Borough Council	(152)
<b>Total</b>	<b>(402)</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.

**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 26 February 2020.

**Parish Council Precepts**

Parish Council precept demands have been submitted during January 2020 as and when the Parish Councils met to set their precepts. These will be expressed as an additional precept.



Budget Requirement and Council Tax Requirement

	<b>2020/21</b>
	<b>£'000</b>
<b>2020/21 Swale Operating Expenditure Budget Before Savings and Growth Items</b>	<b>19,338</b>
Growth items	1,237
Unavoidable cost pressures	2,694
Loss of income	391
Additional income	<b>(1,992)</b>
Committed price increases	273
Pay increases	78
Pay award	257
Contribution to/ (from) reserves	<b>(848)</b>
Service savings	<b>(2,307)</b>
<b>Sub total</b>	<b>19,121</b>
New Homes Bonus	<b>(1,633)</b>
<b>Swale Budget Requirement (to be agreed)</b>	<b>17,488</b>
Revenue Support Grant	<b>(115)</b>
Business Rates	<b>(8,750)</b>
<b>Council Tax Requirement (to be agreed)</b>	<b>8,623</b>
Council Tax Income (assuming £179.37 for Band D)	<b>(8,623)</b>

## Parish Precepts

Parish / Town Council	Additional Council Tax for Band D 2019/20 £	Tax Base 2020/21	Parish Precept (rounded) 2020/21 £	Additional Council Tax for Band D 2020/21 £	Additional Council Tax for Band D 2020/21 % Change
Bapchild	26.40	460.15	12,489.00	27.14	2.80%
Bobbing	19.95	1,004.80	20,046.00	19.95	0%
Borden	54.42	1,085.28	59,542.00	54.86	0.81%
Boughton-under-Blean	81.65	699.83	59,897.00	85.59	4.83%
Bredgar	35.70	286.02	10,273.00	35.92	0.62%
Doddington	38.04	228.60	8,732.00	38.20	0.42%
Dunkirk	24.26	518.27	14,907.00	28.76	18.55%
Eastchurch	41.93	827.07	39,125.00	47.31	12.83%
Eastling	35.00	150.27	5,259.00	35.00	0%
Faversham Town Council	57.99	6,363.72	496,710.00	78.05	34.59%
Graveney & Goodnestone	59.33	189.28	11,230.00	59.33	0%
Hartlip	22.08	369.11	8,000.00	21.67	-1.86%
Hernhill	34.76	288.91	10,500.00	36.34	4.55%
Iwade	35.43	1,452.95	51,478.00	35.43	0%
Leysdown	21.04	1,150.39	35,890.00	31.20	48.29%
Lower Halstow	81.87	460.80	37,740.00	81.90	0.04%
Luddenham	0	43.81	0	0	0%
Lynsted	35.70	473.79	17,049.00	35.98	0.78%
Milstead	63.83	88.73	5,500.00	61.99	-2.88%
Minster	27.61	5,642.03	197,471.00	35.00	26.77%
Newington	52.69	939.69	51,542.00	54.85	4.10%
Newnham	34.29	159.34	5,464.00	34.29	0%
Norton & Buckland	34.24	187.57	6,696.00	35.70	4.26%
Oare	51.32	173.40	9,000.00	51.90	1.13%
Ospringe	26.42	284.62	7,500.00	26.35	-0.26%
Queenborough Town Council	75.65	901.75	68,500.00	75.96	0.41%
Rodmersham	42.96	246.97	10,500.00	42.52	-1.02%
Selling	54.80	369.87	13,000.00	35.15	-35.86%
Sheerness Town Council	50.00	2,831.98	139,962.00	49.42	-1.16%
Sheldwich, Leaveland & Badlesmere	24.39	346.34	8,600.00	24.83	1.80%
Stalisfield	29.13	100.53	2,929.00	29.14	0.03%
Teynham	54.78	907.45	49,480.00	54.53	-0.46%
Throwley	21.49	140.89	3,408.00	24.19	12.56%
Tonge	5.58	439.07	2,200.00	5.01	-10.22%
Tunstall	28.70	707.92	22,021.00	31.11	8.40%
Upchurch	50.00	1,025.96	55,915.00	54.50	9.00%
Warden	29.65	508.30	15,000.00	29.51	-0.47%
<b>TOTAL</b>			<b>1,573,555.00</b>		

Capital Programme and Funding

Appendix VI

	Funding SBC/ Partnership	2019/20 Original Budget	2019/20 Revised Budget	2020/21 Original Budget	2021/22 Original Budget	Budget Later Years
		£	£	£	£	£
<b>Housing, Economy &amp; Community Services - C. Hudson</b>						
CCTV – Reserves	SBC	15,000	30,000	0	0	0
CCTV Monitoring Control Centre – Reserves	SBC	0	250,000	0	0	0
The Mill Project, Sittingbourne Skate Park – S106	P	0	1,350	0	0	0
The Mill Project, Sittingbourne Skate Park – Capital Grant	P	15,000	15,000	0	0	0
The Mill Project, Sittingbourne Skate Park – Capital Receipts	SBC	150,000	200,000	0	0	0
Faversham Creek Basin Regeneration Project (Swing Bridge) – Capital Receipts	SBC	200,000	200,000	0	0	0
Sittingbourne Town Centre – Internal/External Borrowing	SBC	14,212,758	15,250,640	44,250	0	0
Disabled Facilities Grant – External Grant	P	2,062,800	3,676,730	2,062,800	2,062,800	2,062,800
<b>Total Housing, Economy &amp; Community Services</b>		<b>16,655,558</b>	<b>19,623,720</b>	<b>2,107,050</b>	<b>2,062,800</b>	<b>2,062,800</b>
<b>Commissioning, Environment &amp; Leisure - M. Cassell</b>						
Barton's Point Coastal Park - replacement bridge - Capital Receipts	SBC	0	120,000	0	0	0
Car Park Improvements/Enhancements – Beach Street	SBC	0	21,570	0	0	0
Faversham Recreation Ground Improvements – External Grants	P	1,103,000	1,103,000	104,080	104,080	156,210
Faversham Recreation Ground Improvements – Reserves	SBC	0	50,000	0	0	0
Faversham Recreation Ground Improvements – S106	P	225,920	225,920	21,320	21,320	21,320
Gunpowder Works Oare Faversham – S106	P	0	9,000	0	0	0
Leisure Centres – Internal /External Borrowing	SBC	0	1,079,000	0	0	0
Milton Creek Access Road – Reserves	SBC	40,000	40,000	0	0	0
Modular Toilet Kiosks – Reserves	SBC	30,000	0	0	0	0
New Play Area – Iwade Schemes – S106	P	45,000	45,000	0	0	0
Hugh Price Close Play Area Improvements – External Grants	P	0	30,000	0	0	0
Open Spaces Play Equipment – S106	P	226,000	226,000	130,000	100,000	0
Play Improvements – Reserves	SBC	150,000	0	150,000	100,000	0
Play Improvements – Rectory Road Playing Field - Reserves	SBC	0	51,510	0	0	0
Play Improvements – Balas Drive – External Grant	P	0	1,000	0	0	0
Play Improvements – Balas Drive – Reserves	SBC	0	10,000	0	0	0

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Capital Programme and Funding

Appendix VI

	Funding SBC/ Partnership	2019/20 Original Budget	2019/20 Revised Budget	2020/21 Original Budget	2021/22 Original Budget	Budget Later Years
		£	£	£	£	£
Play Improvements – Diligent Drive – Reserves	SBC	0	18,000	0	0	0
Play Improvements – Minster Leas – Reserves	SBC	0	22,000	0	0	0
Play Improvements – Minster Leas – External Grant	P	0	9,000	0	0	0
Play Improvements – Milton Creek County Park – Reserves	SBC	0	27,200	0	0	0
Play Improvements – Shellness Road – Reserves	SBC	0	30,000	0	0	0
Play Improvements – Shellness Road – External Grant	P	0	15,000	0	0	0
Play Improvements – Shellness Road – S106 Grant	P	0	11,750	0	0	0
Play Improvements – Rectory Play Area (Fitness) – S106 Grant	P	0	20,000	0	0	0
Public Toilets - Forum Sittingbourne - Capital Receipts	SBC	0	50,000	0	0	0
Public Toilets - Central Car Park Faversham - Capital Receipts	SBC	0	40,000	0	0	0
Public Toilets - Milton Creek Country Park – Capital Receipts	SBC	0	150,000	0	0	0
Public Toilets/ Showers - Barton Point – Capital Receipts	SBC	0	100,000	0	0	0
Public Toilets - Spinney Leysdown - Capital Receipts	SBC	0	40,000	0	0	0
Public Toilets - Minster Leas – Reserves	SBC	0	30,000	0	0	0
Public Toilets - Minster Leas - Capital Receipts	SBC	0	80,000	0	0	0
Resurfacing Promenade, The Leas – External Grant	P	84,970	84,970	0	0	0
Wheeled Bins - Reserves	SBC	0	94,000	157,000	35,000	63,000
Beach Huts - Capital Receipts	SBC	0	0	60,000	0	0
<b>Total Commissioning, Environment &amp; Leisure</b>		<b>1,904,890</b>	<b>3,833,920</b>	<b>622,400</b>	<b>360,400</b>	<b>240,530</b>
<b><u>Environmental Health - T. Beattie</u></b>						
Replacement of Air Pollution Monitoring Station – Capital Receipts	SBC	0	49,050	0	0	0
<b>Total Environmental Health</b>		<b>0</b>	<b>49,050</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Property - A. Adams</u></b>						
Folder Inserter Machine – Capital Receipts	SBC	0	20,110	0	0	0
<b>Total Property</b>		<b>0</b>	<b>20,110</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Capital Programme and Funding

Appendix VI

	Funding SBC/ Partner- ship	2019/20 Original Budget	2019/20 Revised Budget	2020/21 Original Budget	2021/22 Original Budget	Budget Later Years
		£	£	£	£	£
<b><u>Finance - N. Vickers</u></b>						
Finance System Upgrade – Reserves	SBC	0	5,210	0	0	0
<b>Total Finance</b>		<b>0</b>	<b>5,210</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>ICT - C. Woodward</u></b>						
ICT Infrastructure & Equipment Replacement - Reserves	SBC	91,200	92,500	76,200	274,000	0
<b>Total ICT</b>		<b>91,200</b>	<b>92,500</b>	<b>76,200</b>	<b>274,000</b>	<b>0</b>
<b><u>Planning – J. Freeman</u></b>						
Land Charges Shared Service – Online Submission Module – Capital Receipts	SBC	0	0	6,400	0	0
<b>Total Planning</b>		<b>0</b>	<b>0</b>	<b>6,400</b>	<b>0</b>	<b>0</b>
<b>Total Capital Programme Funded by SBC</b>	SBC	14,888,958	18,150,790	493,850	409,000	63,000
<b>Total Capital Programme Funded by Partners</b>	P	3,762,690	5,473,720	2,318,200	2,288,200	2,240,330
<b>Total Capital Programme</b>		<b>18,651,648</b>	<b>23,624,510</b>	<b>2,812,050</b>	<b>2,697,200</b>	<b>2,303,330</b>

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Capital Programme and Funding

Appendix VI

<b>Funding Analysis</b>		<b>2019/20 Original Budget £</b>	<b>2019/20 Revised Budget £</b>	<b>2020/21 Original Budget £</b>	<b>2021/22 Original Budget £</b>	<b>Budget Later Years £</b>
<b>Total Capital Expenditure</b>		<b>18,651,648</b>	<b>23,624,510</b>	<b>2,812,050</b>	<b>2,697,200</b>	<b>2,303,330</b>
<b>Partnership Funding</b>		<b>3,762,690</b>	<b>5,473,720</b>	<b>2,318,200</b>	<b>2,288,200</b>	<b>2,240,330</b>
<b>Revenue Contributions</b>						
(a) Repairs & Renewals Reserves						
- CCTV		15,000	30,000	0	0	0
- CCTV Monitoring Control Centre		0	0	50,500	50,500	50,500
- Wheeled bins		0	94,000	157,000	35,000	63,000
<b>Sub Total</b>		<b>15,000</b>	<b>124,000</b>	<b>207,500</b>	<b>85,500</b>	<b>113,500</b>
(b) General Reserve						
Play Improvements		150,000	0	150,000	100,000	0
Play Improvements (roll forward)		0	0	0	0	0
Play Improvements - Faversham Recreation Ground		0	50,000	0	0	0
- Play Improvements - Balas Drive		0	10,000	0	0	0
- Play Improvements - Diligent Drive		0	18,000	0	0	0
- Play Improvements - Minster Leas		0	22,000	0	0	0
- Play Improvements - Shellness Road		0	30,000	0	0	0
- Play Improvements - Milton Creek Country Park		0	27,200	0	0	0
- Milton Creek Access Road		40,000	40,000	0	0	0
- Play Improvements - Rectory Road Playing Field		0	40,300	0	0	0
- Public toilets - Minster Leas		30,000	30,000	0	0	0
- Adelante Upgrade		0	5,210	0	0	0
- ICT Infrastructure & Equipment Replacement		91,200	92,500	76,200	274,000	0
<b>Sub Total</b>		<b>311,200</b>	<b>365,210</b>	<b>226,200</b>	<b>374,000</b>	<b>0</b>
(c) Special Projects Fund						
- Play Improvements - Rectory Road Playing Field		0	11,210	0	0	0
<b>Sub Total</b>		<b>0</b>	<b>11,210</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Budget Report to Cabinet 12 February 2020**

**Appendix III**

Capital Programme and Funding

Appendix VI

<b>Funding Analysis</b>		<b>2019/20 Original Budget £</b>	<b>2019/20 Revised Budget £</b>	<b>2020/21 Original Budget £</b>	<b>2021/22 Original Budget £</b>	<b>Budget Later Years £</b>
(d) Civil Parking Enforcement Reserve						
- Play Improvements - Rectory Road Playing Field		0	21,570	0	0	0
<b>Sub Total</b>		<b>0</b>	<b>21,570</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Revenue Contributions</b>		<b>326,200</b>	<b>521,990</b>	<b>433,700</b>	<b>459,500</b>	<b>113,500</b>
<b>Capital Receipts</b>						
- Beach Huts		0	0	60,000	0	0
- Bartons Point Coastal Park - Replacement Bridge		0	120,000	0	0	0
- Faversham Creek Basin Regeneration Project (swing bridge)		200,000	200,000	0	0	0
- Folder Inserter Machine		0	20,110	0	0	0
- Land Charges Shared Service		0	0	6,400	0	0
- Replacement of Air Quality Stations		0	49,050	0	0	0
- The Mill Project, Sittingbourne Skate Park		150,000	200,000	0	0	0
- Public toilets - Forum Sittingbourne		0	100,000	0	0	0
- Public toilets - Barton Point		0	50,000	0	0	0
- Public toilets - Central Car Park Faversham		0	40,000	0	0	0
- Public toilets - Milton Creek Country Park		0	150,000	0	0	0
- Public toilets - Spinney Leysdown		0	40,000	0	0	0
- Public toilets - Minster Leas		0	80,000	0	0	0
<b>Total Capital Receipts</b>		<b>350,000</b>	<b>1,049,160</b>	<b>66,400</b>	<b>0</b>	<b>0</b>
<b>Internal / External Borrowing</b>		<b>14,212,758</b>	<b>16,329,640</b>	<b>44,250</b>	<b>0</b>	<b>0</b>
<b>Total SBC Funding</b>		<b>14,888,958</b>	<b>17,900,790</b>	<b>544,350</b>	<b>459,500</b>	<b>113,500</b>
<b>Funding Less Capital Spend (CCTV Centre funded from revenue savings)</b>		<b>0</b>	<b>-250,000</b>	<b>50,500</b>	<b>50,500</b>	<b>50,500</b>

Page 87

Reserves

	<b>Balance as at 31/03/19</b>	<b>Movements in Year</b>	<b>Balance as at 31/03/20</b>	<b>Movements in Year</b>	<b>Balance as at 31/03/21</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Special Projects	0	(420)	(420)	420	0
Communities	(122)	(292)	(414)	214	(200)
Performance	(494)	257	(237)	225	(12)
Pension & Redundancy	(86)	0	(86)	0	(86)
Regeneration	(437)	437	0	0	0
Local Loans Fund	(175)	0	(175)	0	(175)
General Reserve	(2,186)	1,466	(720)	716	(4)
Business Rates Volatility	(4,935)	1,300	(3,635)	1,155	(2,480)
Kent Pool Economic Development Reserve	(2,065)	250	(1,815)	0	(1,815)
Housing & Commercial Growth Business Rates	(846)	(860)	(1,706)	0	(1,706)
Other Earmarked Reserves	(6,485)	(534)	(7,019)	126	(6,893)
<b>Sub Total Earmarked Reserves</b>	<b>(17,831)</b>	<b>1,604</b>	<b>(16,227)</b>	<b>2,856</b>	<b>(13,371)</b>
<b>Capital Receipts Reserve</b>	(517)	445	(72)	66	(6)
<b>Capital Grants Unapplied Account</b>	(329)	0	(329)	0	(329)
<b>General Fund</b>	(4,358)	1,133	(3,225)	(40)	(3,265)
<b>Total Reserves</b>	<b>(23,035)</b>	<b>3,182</b>	<b>(19,853)</b>	<b>2,882</b>	<b>(16,971)</b>

Note: This shows the Budget position, but all in-year changes will be reflected in closedown and in the Council's financial accounts.



**Minimum Revenue Provision Statement**

Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2018.

The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed 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 that grant.

The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods.

For 2020/21 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 Annuity Method over 50 years;
- 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; and
- where loans are made to other bodies for their capital expenditure, no MRP will be charged but the Council would apply the capital receipt arising from the principal repayments to reduce the CFR instead.

For 2019/20 to 2021/22 it is recommended that MRP charges can be varied between years from those calculated on the above bases, providing they equal the total due within the three year period in order to provide some flexibility between years with a minimum charge of £591,000 in each year.

Capital expenditure incurred during 2020/21 will not be subject to a MRP charge until 2021/22. MRP on property is not required until the asset is operational.

The budget implications of MRP are detailed elsewhere in this report and the estimated Capital Financing Requirement is detailed in the Annual Treasury Management Report for 2020/21.

This page is intentionally left blank

<b>Council</b>	<b>Agenda Item: 14</b>
<b>Meeting Date</b>	26 February 2020
<b>Report Title</b>	Treasury Management Strategy 2020/21
<b>Cabinet Member</b>	Cllr. Roger Truelove, Leader and Cabinet Member for Finance
<b>SMT Lead</b>	Nick Vickers, Chief Financial Officer
<b>Head of Service</b>	Nick Vickers, Chief Financial Officer
<b>Lead Officer</b>	Phil Wilson, Financial Services Manager and Olga Cole, Management Accountant
<b>Key Decision</b>	Yes
<b>Classification</b>	Open
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. To approve the Treasury Management Strategy 2020/21 and the Prudential and Treasury Management Indicators.</li> <li>2. To approve the Treasury Management Policy in Appendix II.</li> </ol>

## 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, the Prudential and Treasury Management Indicators for 2020/21 and the Treasury Management Policy.
- 1.4 This report fulfils the Council’s legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the Ministry of Housing, Communities and Local Government (MHCLG) Guidance. Should the assumptions upon which this report is based change significantly, then a revised Treasury Strategy will be submitted for approval.

## 2. Background

### Interest Rate Forecast and Market Outlook

- 2.1 The low risk nature of the Council's treasury activities means that there is a degree of insulation from wider economic developments. We remain in a low interest rate and low inflation environment. Arlingclose, the Council's treasury advisers, forecast the Bank Rate to remain at 0.75% for the foreseeable future but there remain substantial risks to this forecast, dependent on Brexit/trade deal outcomes as well as the evolution of the global economy. Arlingclose also expects gilt yields to remain at low levels for the foreseeable future and judges the risks to be weighted to the downside. Other commentators, such as Capital Economics, believe there is a much higher chance of an early reduction to 0.5%. Arlingclose's forecast is set out below:

Bank Rate	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-21	Jun-22	Sep-22	Dec-22	Mar-23
	%	%	%	%	%	%	%	%	%	%	%	%	%
Upside Risk	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside Risk	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75

### Borrowing Strategy

- 2.2 The Council's chief objective, when borrowing money, is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. With short-term interest rates currently lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead of borrowing at fixed rates for long periods. By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal/short-term borrowing will be monitored regularly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. The advice from Arlingclose is to continue to borrow short term from other local authorities.
- 2.3 In March 2016, Council agreed to a borrowing facility of up to £30 million subject to individual business case and in November and December 2016 Cabinet agreed a business case for borrowing up to £28 million for Sittingbourne Town Centre (STC) regeneration. This facility was extended to £60 million in February 2017 with any additional borrowing being subject to business cases to Cabinet. The only business cases which have been agreed are for STC and the Leisure Centre refurbishment. At the time of this report, the Council has five loans for periods of between 12 to 18 months from other councils which total £25 million. The details of any project funded from borrowing will be provided in future Cabinet reports.
- 2.4 The borrowing decisions set out above are historic. In future, rather than announcing a borrowing facility with no linkage to a particular project, the specific project agreed by Cabinet will have a borrowing limit associated with it. This limit can be varied by Cabinet. In the December 2019 budget report Cabinet agreed that an additional £10 million could be borrowed to fund housing projects.

2.5 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;
- UK Local Authorities;
- 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.

2.6 On 9 October 2019, the PWLB, without any consultation, raised the cost of certainty rate borrowing by 1% to 1.8% above UK gilt yields as HM Treasury was concerned about the overall level of local authority debt. PWLB borrowing remains available but the margin of 180bp above gilt yields appears relatively expensive. Market alternatives are currently available and new products will be developed.

2.7 The Council has the following loans outstanding:

<b>Lender</b>	<b>Amount (£ million)</b>	<b>Borrowing rate</b>	<b>Date of loan</b>	<b>Duration</b>
Wycombe District Council	5	1.21 %	20/02/2019	18 months
London Borough of Camden	5	0.95 %	05/08/2019	12 months
London Borough of Islington	5	1.10 %	30/08/2019	18 months
Greater London Authority	5	1.00 %	16/12/2019	12 months
Brighton & Hove City Council	5	1.25 %	20/01/2020	18 months
<b>Total</b>	<b>25</b>			

### **Investment Strategy**

2.8 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has averaged £31m compared with £28m in the previous financial year.

2.9 In considering investing in assets, the Council proposes three overriding principles to be applied:

- Investing in sustainable, affordable and social housing to increase overall supply,
- Using the ability to borrow at low rates of interest for the benefit of the physical and social infrastructure of the borough and for broader social value, and
- Ensuring that the costs of borrowing are manageable long term within the Revenue budget.

- 2.10 The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council’s objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 2.11 Given the increasing risk and very low returns from short-term unsecured bank investments, the Council largely uses Money Market Funds for short-term investments. The only long-term investment remains the £3 million in the Church, Charities and Local Authorities (CCLA) Property Fund.
- 2.12 The Council could make use of the following asset classes for both Treasury and Non Treasury investments:

Government	Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
Banks Unsecured	Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.
Banks Secured	Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank’s assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
Corporates	Loans, bonds and commercial paper issued by organisations other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made either following an external credit assessment or to a maximum of £1 million per company as part of a diversified pool in order to spread the risk widely.
Non Treasury Investments	The Council is a significant owner of assets in the borough and will, where there are opportunities, invest either to generate an income stream or for a capital gain.

Registered Providers	Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing. As providers of public services, they retain the likelihood of receiving government support if needed.
Pooled Funds	<p>Shares or units in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.</p> <p>Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.</p>
Operational Bank Accounts	The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

2.13 The strategy for the coming year will not change significantly. The Council will retain the CCLA fund and keep the remaining monies primarily in Money Market Funds. The Chief Financial Officer does not believe that investing in equity or bond funds is advisable at the current time, given equity market valuations and the impact on bond investments. This will be reviewed as market conditions develop.

2.14 As at 30 September 2019, Commercial Property values had fallen over the quarter, continuing the decline which began in the final months of 2018. The prime cause of the decline was continued weakness in the retail sectors. There was better news elsewhere in the sector, in offices and particularly industrial assets which, by the end of the quarter, had risen for 36 months in succession, but these improvements were not enough to fully offset weakness elsewhere. Transaction volumes remained at low levels and the reduced flow of market data increased the subjectivity of sector valuations, a development which increased volatility at the single asset pricing level. CCLA have a limited retail exposure and the total fund value has increased to £1.173bn.

- 2.15 Currently the Council makes no direct investments in equities or corporate bonds. If this changed in the year the Chief Financial Officer will ensure that investments are consistent with the Council's health and climate change objectives.
- 2.16 Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded, so that it fails to meet the approved investment criteria then:
- no new investments will be made;
  - any existing investments that can be recalled or sold at no cost will be; and,
  - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 2.17 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.
- 2.18 The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will, therefore, be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.
- 2.19 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. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.



2.20 The Council currently has the following Investments:

<b>Counterparty</b>	<b>Long-Term Rating</b>	<b>Balance Invested at 22 January 2020 £'000</b>
Debt Management Office (Bank of England)	AA	9,345
Invesco Money Market Fund	AAAmmf	3,000
Deutsche Money Market Fund	AAAmmf	3,000
Goldman Sachs Money Market Fund	AAAmmf	3,000
Aberdeen Money Market Fund	AAAmmf	3,000
Black Rock Money Market Fund	AAAmmf	3,000
JP Morgan Money Market Fund	AAAmmf	2,850
Amundi Money Market Fund	AAAmmf	3,000
Morgan Stanley Money Market Fund	AAAmmf	3,000
SSGA Money Market Fund	AAAmmf	3,000
CCLA Property Fund		3,000
<b>Total Investments</b>		<b>39,195</b>

2.21 The ratings above are from Fitch credit rating agency. A description of the grading is provided below:

- AA Investments are judged to be of a high quality and are subject to very low credit risk.
- AAAmmf Funds have very strong ability to meet the dual objectives of providing liquidity and preserving capital.

2.22 The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council, as well as other non-financial assets which the Council holds primarily for financial return. This is replicated in the Ministry of Housing, Communities and Local Government's (MHCLG's) Investment Guidance, in which the definition of investments is further broadened to also include all such assets held partially for financial return.

2.23 The Council has not made, and will not make, any direct commercial investments outside of the Borough. Capital funds will be used for the benefit of local residents.

2.24 At 31 March 2019 the Council held £3 million of longstanding investments in 14 directly owned properties. These investments generated £0.2 million of investment income for the Council in 2018/19 after taking account of direct costs, representing a rate of return of 5% and this level of income is forecast for 2019/20 and 2020/21. No significant change in this investment is anticipated in 2019/20 or 2020/21.

2.25 Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments carry similar risks to the Council and are included here for completeness.

2.26 The loans made by the Council are shown below:

	<b>31 March 2019</b>
	<b>£'000</b>
Housing repair loans	2,124
Employee car loans	128
Opportunities for Sittingbourne Limited	118
Other long term debtors	125
Other short term debtors	1,175
<b>Total</b>	<b>3,670</b>

2.27 The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, a loss allowance is calculated for each debt reflecting the statistical likelihood that the debtor will be unable to meet their contractual commitments to the Council, which for 2018/19 was £0.2 million. The loss allowance has been calculated by reference to the Council's historic experience of default. In addition, to mitigate risk, all debts have to be managed in accordance with the Council's Financial Regulations.

2.28 The most significant loans shown are the Housing Repair Loans which are loans for private sector housing home adaptations – landlords and owner-occupiers can apply for a loan for adaptations that will enable them to stay in their own homes. The risk relating to these loans is low as they are a charge of the property and are repayable when a property is sold.

2.29 An analysis of short term debtors is reported to Cabinet as part of the quarterly Financial Management Report.

### **Treasury Management Policy**

2.30 To reflect some amendments required by the most recently published Chartered Institute of Public Finance and Accountancy's (CIPFA) Code, an updated Treasury Management Policy Statement is attached in Appendix I.

## **3. Proposal**

3.1 The Council may invest its surplus funds with any of the counterparty types in the table below, subject to the cash limits (per counterparty) and the time limits shown.

<b>Counterparty</b>	<b>Cash Limits</b>
Debt Management Office (Debt Management Account Deposit Facility) and Treasury Bills	Unlimited
Local Authorities	£3m
Major UK banks / building societies. (Barclays, HSBC, Lloyds Banking Group, RBS Group, Santander UK, Nationwide, Standard Chartered) unsecured deposits	£3m
Svenska Handelsbanken unsecured deposits	£3m
Leeds Building Society unsecured deposits	£1.5m

<b>Counterparty</b>	<b>Cash Limits</b>
Close Brothers unsecured deposits	£1.5m
Money Market Funds	£3m each
Pooled Funds e.g. Absolute return, Equity income, Corporate Bond Funds	£3m each
CCLA Property Fund	£3m
Supranational Bonds	£3m in aggregate
Corporate Bonds	£3m in aggregate
Non treasury investments	To be agreed on a case by case basis
Covered Bonds	£3m in aggregate with £1m limit per bank

- 3.2 Currently the maximum duration for unsecured term deposits is 13 months. The Chief Financial Officer in consultation with the Leader may consider longer duration depending on market conditions. For bonds, the maximum duration will be five years including, where applicable, the 5-year benchmark government bond, which may at the point of issue, have a maturity a few months in excess of five years.
- 3.3 The Council may also purchase property for investment purposes and may also make loans and investments for service purposes, for example in shared ownership housing, as loans to local businesses and landlords, or as equity investments and loans to the Council's owned companies.
- 3.4 The Council does not directly invest in financial derivatives although these may be present in pooled funds and will be managed in line with the overall treasury strategy.
- 3.5 The Council adopted the International Financial Reporting Standard 9 (IFRS 9) from 1 April 2018. A key issue is the treatment of gains and losses on the fair value of the Council's £3 million investment in the CCLA Property Fund. Previously, losses and gains were only realised when the assets were disposed of. Under IFRS 9, gains and losses will be reported every year in the accounts so that if there is a loss then it would become a 'real' cost to the Council's reserves and/or Council taxpayers. However, the MHCLG has introduced a 'statutory override', currently until March 2023, whereby the Council's accounts would meet IFRS 9 requirements, but any financial impact would be reversed out so it would not be a 'real' charge to the Council.

### **Treasury Adviser**

- 3.6 The Council has appointed Arlingclose Limited as its treasury management adviser and receives specific advice on investment, debt and capital finance issues. Officers meet with Arlingclose on a quarterly basis, receive information daily and attend relevant training courses.

3.7 The day to day treasury management activity is undertaken on the Council's behalf by Kent County Council's Treasury & Investments team to the criteria set out in this report. This has been particularly beneficial in using their relationships to obtain the low cost loans from other Councils.

#### 4. Alternative Options

4.1 The Strategy is intended to give flexibility with regard to borrowing and investment options.

4.2 The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Financial Officer, having consulted the Leader and Cabinet Member for Finance, believes that the above Strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

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

#### 5. Consultation Undertaken or Proposed

5.1 Consultation has been taken with Arlingclose.

#### 6. Implications

<b>Issue</b>	<b>Implications</b>
Corporate Plan	Good management of the Council's cash balances assists the overall financial position of the Council and this helps to meet the emerging Corporate Plan objectives.

<b>Issue</b>	<b>Implications</b>
Financial, Resource and Property	The budget for net investment income in 2020/21 is £20,510.
Legal, Statutory and Procurement	Ministry of Housing, Communities and Local Government and CIPFA requirements complied with.
Crime and Disorder	Not applicable
Environmental 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
Privacy and Data Protection	Not applicable

## 7. Appendices

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

- Appendix I Prudential and Treasury Management Indicators
- Appendix II Treasury Management Policy Statement

## 8. Background Papers

None

## Prudential and Treasury Management Indicators

### 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 Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

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

This is a key indicator of prudence. Statutory guidance states that external debt should not exceed the capital financing requirement in the previous year plus the estimates of any increase in the CFR at the end of the current year and the next two years. The table below demonstrates that the Council is complying with this aspect of the Prudential Code.

<b>Gross Debt and the Capital Financing Requirement</b>	<b>2019/20 Revised</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Capital Financing Requirements	42,475	43,736	42,859	41,981
Gross External Debt	(25,000)	(5,000)	0	0
<b>Net Investments</b>	<b>17,475</b>	<b>38,736</b>	<b>42,859</b>	<b>41,981</b>

### Estimates of 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. (See Capital Programme in 2020/21 Budget Report to Cabinet 12 February 2020.)

<b>Capital Expenditure and Financing</b>	<b>2019/20 Revised</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Total Expenditure</b>	<b>23,625</b>	<b>2,812</b>	<b>2,697</b>	<b>2,303</b>
Revenue contributions	522	434	460	113
Capital receipts	1,049	66	0	0
Grants	5,474	2,318	2,288	2,240
Internal/ External borrowing	16,330	44	0	0
Funded from revenue savings	250	(50)	(51)	(50)
<b>Total Financing</b>	<b>23,625</b>	<b>2,812</b>	<b>2,697</b>	<b>2,303</b>

## Prudential and Treasury Management Indicators

### 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	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
	%	%	%	%
<b>General Fund Total</b>	<b>2.80</b>	<b>4.41</b>	<b>4.23</b>	<b>4.13</b>

### 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.

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).

Authorised Limit for External Debt	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
	£'000	£'000	£'000	£'000
Borrowing	60,000	55,000	55,000	55,000
Other long-term liabilities	2,000	2,000	2,000	2,000
<b>Total</b>	<b>62,000</b>	<b>57,000</b>	<b>57,000</b>	<b>57,000</b>

### Operational Boundary for External Debt

The operational boundary is based on the Council's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Council'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 but form part of the Council's debt.

## Prudential and Treasury Management Indicators

<b>Operational Boundary</b>	<b>2019/20 Revised £'000</b>	<b>2020/21 Estimate £'000</b>	<b>2021/22 Estimate £'000</b>	<b>2022/23 Estimate £'000</b>
Borrowing	55,000	45,000	45,000	45,000
Other long-term liabilities	500	500	500	500
<b>Total Operational Boundary</b>	<b>55,500</b>	<b>45,500</b>	<b>45,500</b>	<b>45,500</b>

**Interest Rate Risk**

The Council regularly reviews its interest rate exposures with its Treasury adviser Arlingclose and this is reflected in the monitoring of the budget. It is the aim of the Council to minimise interest paid on borrowing and maximise the interest earned on investments, but in the case of investments, protection of the capital sum must take precedence over the rate of return. As reported in the 2019/20 Half Year Treasury Report the Council had achieved a return of 1.09% on its investments and therefore an estimate of the impact of a 0.5% change in this return would be worth £145,000.

**Maturity Structure of Borrowing**

This indicator is set to control the Council'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 for 2020/21 %</b>	<b>Upper Limit for 2020/21 %</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

**Principal Sums Invested for Periods Longer than a Year**

The purpose of this indicator is to control the Council'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>2019/20 Revised £'000</b>	<b>2020/21 Estimate £'000</b>	<b>2021/22 Estimate £'000</b>	<b>2022/23 Estimate £'000</b>
Limit on principal invested longer than 1 year	10,000	10,000	10,000	10,000



## Treasury Management Policy

### Introduction and Background

- 1.1 The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 5 of the Code.
- 1.2 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:-
  - A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
  - Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- 1.3 The Council (i.e. full Council) will receive reports on its treasury management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
- 1.4 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to Cabinet and for the execution and administration of treasury management decisions to the Chief Financial Officer, who will act in accordance with the Council's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
- 1.5 The Council nominates Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

### Policies and Objectives of Treasury Management Activities

- 1.6 The Council defines its treasury management activities as:
 

“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.”
- 1.7 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 1.8 This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.”
- 1.9 The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.

## Treasury Management Policy

- 1.10 The Council's primary objective in relation to its treasury investments remains the security of capital. The liquidity or accessibility of the Council's investments followed by the yield earned on investments remain important but are secondary considerations.

<b>Council</b>		<b>Agenda Item: 15</b>
<b>Meeting Date</b>	26 February 2020	
<b>Report Title</b>	Pay Policy Statement	
<b>Cabinet Member</b>	Cllr. Roger Truelove	
<b>SMT Lead</b>	Emma Wiggins	
<b>Head of Service</b>	Bal Sandher, Head of HR Shared Service	
<b>Lead Officer</b>	Bal Sandher, 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>	<p>That the proposed Pay Policy Statement be agreed for publication on the council's web site.</p> <p>That the information within the Pay Policy Statement is updated with actual year-end figures before final publication.</p>	

## 1 Purpose of Report and Executive Summary

- 1.1 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.
- 1.2 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 facility time and the number of trade union representatives for each of the recognised trade unions.

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 2019 are set out below:
- (i) Section 3.1 outlines the recent change to pay grades in relation to the move to the real Living Wage which is independently calculated by the Living Wage Foundation;
  - (ii) the figures for payments made in 2019/20 set out in the categories in section 3.5 of the Pay Policy Statement have been updated;
  - (iii) section 5 of the Pay Policy statement reflects the requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017 that came into force on 1<sup>st</sup> April 2017. The figures to reflect the time spent on trade union duties have been updated in the tables;
  - (iv) details of remuneration for senior staff have been updated in appendix I (H)

## **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 Leader of eth Council, members of the Senior Management Team, and UNISON. As this is not a change to existing policies no further consultation is required.

## **6 Implications**

<b>Issue</b>	<b>Implications</b>
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, Statutory and Procurement	Localism Act 2011
Crime and Disorder	None specific to this report.
Environmental Sustainability	None specific to this report.
Health and Wellbeing	None specific to this report.
Risk Management and Health and Safety	<p>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 Fol requests received.</p> <p>There is a risk to the Council if it does not produce a Pay Policy Statement as this is a statutory requirement.</p>
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.
Privacy and Data Protection	There is no impact to Privacy and Data Protection.

## 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 - March 2020**

## 8 Background documents

None

# Swale Borough Council

## Pay Policy Statement – March 2020

### 1. Introduction

The new Workforce Strategy for 2019 – 2022 sets out four key themes:

- Performance and Development;
- Reward and Recognition;
- Engagement and Wellbeing; and
- Workforce for the future

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 Workforce 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 Member panel. Senior appointments are also the responsibility of a Member panel, 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 in 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 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).

In July 2019, the council agreed to move to the real Living Wage which is independently calculated by the Living Wage Foundation. This gave a significant increase to the low paid by matching them to the hourly rate of £9.00 per hour and this was backdated to April 2019. The Lowest Paid employees are defined as those whose posts have INBUCON points of 121 to 153, which place them into grade 2 of the pay scale.



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 2018 and 2019, the pay inflation agreed with the Trade Unions was a 2% increase across all grades.

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). Staff receiving market supplements are from the Planning and Legal teams. Currently, there are thirty two employees in receipt of Market Supplements that are either working in Planning or Legal teams.

### 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 £14,100	5.50%	2.75%
£14,101 - £22,000	5.80%	2.90%
£22,001 - £35,700	6.50%	3.25%
£35,701 - £45,200	6.80%	3.40%
£45,201 - £63,100	8.50%	4.25%
£63,101 - £89,400	9.90%	4.95%
£89,401 - £105,200	10.50%	5.25%
£105,201 - £157,800	11.40%	5.70%
More than £157,801	12.50%	6.25%

The employer contribution rate, calculated as the future service rate excluding past service deficit for 2020/21 will be 18.5%, 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.

The government has also proposed to introduce legislation that will cap exit payments at £95,000 on the total value of the payment for public sector workers and introduce a statutory requirement to recover exit payments made to workers whose minimum salary is £80,000 at the point of leaving employment and returning to work with another public sector employer within a 12 month period. Council policies will be

amended to incorporate these requirements once these have been finalised 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; normally for an agreed period of up to 6 months. This is often as a cost saving measure when there is a vacancy, maternity leave etc. In 2019/20 there were fourteen people in receipt of honoraria, the same as 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 March 2020 there were ten people in receipt of this payment. 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:** a review of standby duties and payments was carried out in August 2019. This resulted in amending the Standby Allowance Policy to ensure that those employees who are required to take part in standby rotas and respond to call out duties are treated consistently across the Council and remunerated fairly for the duties. The standby payments are paid to a small number of employees (sixteen in 2019/20, an decrease 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 outcome of the review has also increased the level of remuneration to £125 each week of being on-call compared to the previous rate of £100.

**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 was given to those employees that are required to have a vehicle for their role and that drive a minimum of 2,000 miles annually. This changed in June 2016 with the allowance being reduced to £1000 per annum and pro-rata for part time staff as well as an increase to the mileage threshold to 2,500. At the end of March 2020 this allowance was allocated to fifty two members of staff which is a decrease of two from the previous year. The majority of 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 were set at the HMRC level (in 2015/16 this was 45 pence per mile). However, this has changed in June 2016 with a reduction in the mileage rate to 37.8 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. In previous years the ceremony took place in the evening in the form of a dinner and dance for nominees and partners and the cost of the occasion is off-set through sponsorship from businesses and partners. From 2020, the awards ceremony will take place during the day and all staff will be invited to attend the event to recognise staff achievements during the year.

The Council offers a **salary sacrifice scheme** to employees for the purchase of bicycles. In December 2018, the Council introduced another salary sacrifice scheme for the purchase of cars. 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 Services (MKS) partners.

The Council introduced the opportunity for employees to **buy additional annual leave**, and seven employees have used this benefit during 2019/20. 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.

From April 2017 under the Equality Act 2010 employers with more than 250 employees are required to publish statutory gender pay gap calculations on an annual basis. The data must be a snapshot of salary data on 31 March and must be published on our own website and a government website by 30 March 2019.

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 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>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>	£135,143	£21,881	6.18
<b>% change from previous year*</b>	-7.91%	4.25%	-11.59%
<b>2016/17*</b>	£154,077	£22,176	6.95
<b>% change from previous year*</b>	14.1%	1.35%	12.46%
<b>2017/18*</b>	£122,076	£22,546	5.41
<b>% change from previous year*</b>	-20.8%	1.67%	-22.16%
<b>2018/19*</b>	£125,826	£23,032	5.46
<b>% change from previous year*</b>	3.07%	2.15%	0.92%
<b>2019/20*</b>	£105,352	£23,244	4.53
<b>% change from previous year*</b>	-16.27	0.92%	-17.03%

\*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.

The main difference in the Chief Executive pay during 2019/20 relates to his absence from work on long term sickness. The median earnings of all employees have slightly increased compared with the previous year's calculation, which reflects the pay award increase for 2019/20.

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 Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1<sup>st</sup> April 2017 which requires public sector employers to publish specified information relating to facility time provided by trade union officials. Under the regulations, the relevant information will need to be published on an annual basis for the period 1<sup>st</sup> April to 31<sup>st</sup> March.

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.)

The number of trade union representatives is as follows:

	<b>Headcount</b>	<b>FTE</b>
UNISON	5	5

Percentage of time spent by union officials on facility time is:

Percentage of time	Number of employees
0%	0
1-50%	5
51%-99%	0
100%	0

Note: only 2% of facility time is spent by union officials.

Percentage of pay bill spent on facility time:

Total cost of facility time	£4,981
Total pay bill	£10,751,882
Percentage of pay bill	0.05%

There has been no time spent on paid trade union activities.

**6. Contact for further information**

If you require any further information regarding the salary policy of the council you should contact Bal Sandher, Head of HR Shared Services, on 01622 602165, or by email on [baljinder.sandher@midkent.gov.uk](mailto:baljinder.sandher@midkent.gov.uk)

## Pay Scale 2019/20

Grade	1	2	3	4	5
1	<b>GRADE 1 IS NO LONGER IN USE</b>				
2	17,365	17,558	17,735		
3	18,957	19,711	20,498	21,320	
4	22,099	22,987	23,907	24,860	
5	24,936	25,934	26,975	28,049	
6	28,245	29,374	30,546	31,774	
7	31,942	33,088	34,414	35,795	
8	35,893	37,329	38,818	40,375	
9	42,395	44,089	45,848	47,684	
10	50,525	52,548	54,646	56,832	
11	59,120	61,484	63,945	66,503	69,158
12	70,519	73,336	76,271	79,326	82,500
13	86,785	90,261	93,866	97,622	101,530
14	134,733	140,119	145,721	151,550	157,617



## 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.

## 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 Chief Financial Officer. 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 Chief Financial Officer. 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.

Senior 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 Chief Financial Officer, 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 Chief Financial Officer 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, Chief Financial Officer 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, Chief Financial Officer 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, Chief Financial Officer 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 Chief Financial Officer 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 well being 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
- 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 to 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 Chief Financial Officer and Head of Organisation Development to extend this period.

### 4. Calculation of Protection

Earnings protection will be calculated as an average of the earnings in the four months preceding the organisational change. This will include basic salary, essential car user allowance, lease car cash allowance, stand-by payments and an average of overtime and out of hour's payments.

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.

Where the period of protection spans the annual pay award the protected pay will be reduced by an amount equivalent to any increase in pay in the new substantive post.

#### 5. Conditions of Protection

Protection of earnings is conditional upon the employee undertaking any shift work, standby or other duties which may be required in the new post. Where there are increased earnings as a result of these additional duties this will result in an equivalent decrease in pay protection. In circumstance where the employee is required to drive and the post is designated as an Essential Car User or the level of mileage is such that the employee qualifies for the Essential Car User Allowance this will be paid but the level of pay protection will be reduced by the equivalent amount.

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

It has been the Borough Council's policy to issue a certificate of protection of pension benefits to protect employees who suffer detriment by being required to take a cut in pay or who are prevented from having future pay increases by having their pay frozen. Any certificates issued may continue to apply to pension forecasts whilst they are still valid. Following the pension changes on 1 April 2008 there were no further certificates of protection issued but up to 31 March 2014 there are options for pension calculation to be based over a longer time period, affected employees should contact the pension administrator.

#### 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 effective from the date of transfer.

## ELECTORAL REGISTRATION OFFICERS AND STAFF (Kent AEROS) – SCALE OF FEES

### Proposed scale of fees for District/Borough and Parish Council elections and Neighbourhood Referendum held on or after 1<sup>st</sup> April 2019

1. The scale of fees are uplifted annually, by using the NJC award pay award for local government and approved by the Kent Chief Executives Group.
2. Kent County Council's scale of fees uses a calculation based upon per 1000 electorate. Kent AEROS' scale uses a calculation of per 500 electorate because of small parishes.
3. The NJC Pay Award for Local Government Services for both 2018/2019 and 2019/2020 was approved at 2%.
4. The Kent Chief Executives Group has already approved Kent Scale of Fees for 2018/2019. This report seeks approval for the Kent Scale of Fees 2019/2020.

	Item	Current 2017 £	Proposed 2018 £
<b>Stationery and Equipment</b>			
1.	Printing and publishing all notices, forms and other documents, providing stationery and sundries, and other miscellaneous expenditure including postage, telephone calls and faxes	Reasonable and appropriate cost	Reasonable and appropriate cost
2.	Stationery and equipment at each polling station, including depreciation		
3.	Hire of any building or room for the purpose of the election and the expenses attending the use of any building or room, including temporary polling stations if necessary		
4.	Fitting-up polling stations including the provision, transport and erection of voting compartments, the hire of necessary furniture (where this is not otherwise available) and the return to store afterwards		

5.	Ballot Papers – provision and printing		
6.	Register of Electors – purchase		
7.	Printing or production of official poll cards and postal vote packs		
8.	Delivery of official poll cards by hand	Second class postage rate	Second class postage rate
<b>Travelling expenses</b>			
9.	Travelling expenses to DRO's staff to make arrangements for the poll or otherwise in connection with the conduct of the election	46p per mile	47p per mile
10.	Presiding Officer travelling expenses	14.58	14.87
11.	Poll Clerk travelling expenses	8.47	8.64
12.	Travelling expenses for staff in connection with the counting of votes, at the discretion of the DRO	8.47	8.64
<b>Polling Station Staff</b>			
13.	One Presiding Officer at each Polling Station – single election	212.59	216.84
14.	For each PO at a Polling Station – combined election or difficult station due to local circumstances (at the discretion of the Returning Officer (RO))	261.15	266.37
15.	For a PO who acts as a supervisor at a Polling Place where there is more than one Polling Station	(additional) 10.30	(additional) 10.51
16.	Supervising Officer (SO) – for every 10 polling station overseen	212.59	216.84
17.	For each Poll Clerk (PC) at a Polling Station – single election	127.55	130.10
18.	For each Poll Clerk at a Polling Station – joint election or difficult station due to local circumstances (at the discretion of the Returning Officer (RO))	157.92	161.07

19.	For each training session provided by the DRO for Presiding Officers, Poll Clerks or count staff	182.24	185.89
20.	For each Presiding Officer and Poll Clerk attending training	47.19	48.13
21.	An allowance for each polling station to have available a mobile phone on polling day	5.10	5.20
22.	For the employment of persons in connection with the counting of the votes, clerical and other assistance required by the RO – for each 500 electors or part in a contested election	74.37 (per 500)	75.86
23.	For the employment of persons in connection with the issue and opening of postal ballot papers – for each 100 postal voters or part	72.89	74.35
24.	For the recount of votes – for each 500 electors or part	4.28	4.37
25.	Payment to the District/Borough for the use of Council staff to support the RO in the conduct of elections as follows:		
(a)	Contested election – (i.e. <b>without</b> District/Borough) for each <b>500</b> electors (or part)	57.60 (per 500)	58.75 (per 500)
(b)	Contested joint election (i.e. <b>with</b> District/Borough) – for each <b>500</b> (or part)	28.80 (per 500)	29.38 (per 500)
26.	Contested single election – payment to DRO for the management and conduct of the election – for each 500 electors or part	32.19	32.83
27.	Contested joint election – payment to DRO for the management and conduct of the election – for each 500 electors or	44.45	45.34



	part		
28.	For each Counter attending training	15.30	15.61
29.	For each Count Supervisor and Count General Assistant attending training	30.60	31.21
30.	Reasonable refreshments for staff involved in the verification and count	Maximum £5 per head	Maximum £5 per head
31.	Payment to District/Borough Council for the use of Council staff at an uncontested election – for each 500 electors or part	15.89 (per 500)	16.21 (per 500)
32.	RO fee for the conduct of elections as follows:		
(a)	Uncontested District/Borough election – single fee	55.13	56.23
(b)	Uncontested Parish election – single fee	18.89	19.27
33.	For clerical and other assistance required by the Returning Officer at an uncontested election – for each 500 electors (or part)	20.23	20.63

## 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 24** – in special circumstances, the RO may recover actual costs
4. **Items 10, 11 and 12** – variable mileage rates may be applied where fixed travel is considered appropriate.
5. **Item 31** – the payment referred to applies (in the case of a parish election) to each ward of the 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 basic salary is between £50,000 and £150,000.

Position	Reporting Unit	Remuneration	No of staff	Budget responsibility	Other services/responsibilities
Chief Executive	Chief Executive Services	£100,000 - £104,999	303	£1,271,020	Returning Officer responsible for all elections and Head of Paid Service.
Director of Regeneration	Regeneration	£95,000 - £99,999	138	£9,846,160	
Head of Legal Partnership	Mid Kent Legal Services	£85,000 - £89,999	29	£399,910	Head of partnership with Maidstone and Tunbridge Wells Borough Councils.
Chief Financial Officer	Resources	£80,000 - £84,999	90		Section 151 Officer.
Chief Executive Thames Gateway Kent Partnership	Thames Gateway Kent Partnership	£80,000 - £84,999	1	£8,970	Funded by Medway, Swale and other partners.
Head of Planning Services	Planning Services	£80,000 - £84,999	33	£991,200	
Head of Policy, Communications & Customer Services	Policy, Communications & Customer Services	£80,000 - £84,999	31	£899,100	
Head of Housing, Economy and Community Services	Housing, Economy and Community Services	£80,000 - £84,999	58	£3,198,090	
Head of Commissioning, Environment & Leisure	Commissioning, Environment & Leisure	£75,000 - £79,999	41	£5,517,130	
Head of Property Services	Property Services	£65,000 - £69,999	18	£451,710	
Information Governance Officer	Information Governance	£65,000 - £69,999	1	£60,000	
Financial Services Manager	Financial Services	£65,000 - £69,999	13	£762,190	
Principal Lawyer - Commercial	Mid Kent Legal Services	£60,000 - £64,999	11	£0	

Head of Policy	Thames Gateway Kent Partnership	£55,000 - £59,999	0	£8,970	Funded by Medway, Swale and other partners.
Economy & Community Services Manager	Culture and Places	£55,000 - £59,999	5	£512,400	
Estates Surveyor	Property Services	£55,000 - £59,999	1	-£439,960	
Economy & Community Services Manager	Economy and Regeneration	£55,000 - £59,999	4	£375,150	
Development Manager	Development	£55,000 - £59,999	22	-£69,950	
Revenues & Benefits Manager	Revenues and Benefits	£55,000 - £59,999	49	£220,280	
Housing Options Manager	Housing Options	£55,000 - £59,999	18	£1,051,570	
Economy & Community Services Manager	Safer & Stronger Communities	£55,000 - £59,999	5	£525,420	
Leisure & Technical Services Manager	Leisure & Technical Services	£55,000 - £59,999	16	£716,310	
Resilience & Licensing Manager	Emergency Planning & Business Continuity	£55,000 - £59,999	5		
Principal Lawyer - Contentious/Corporate Governance	Mid Kent Legal Services	£50,000 - £54,999	7	£0	
Private Sector Housing Manager	Private Sector Housing	£50,000 - £54,999	17	£308,500	
Environmental Services Manager	Environmental Services	£50,000 - £54,999	15	£550,320	

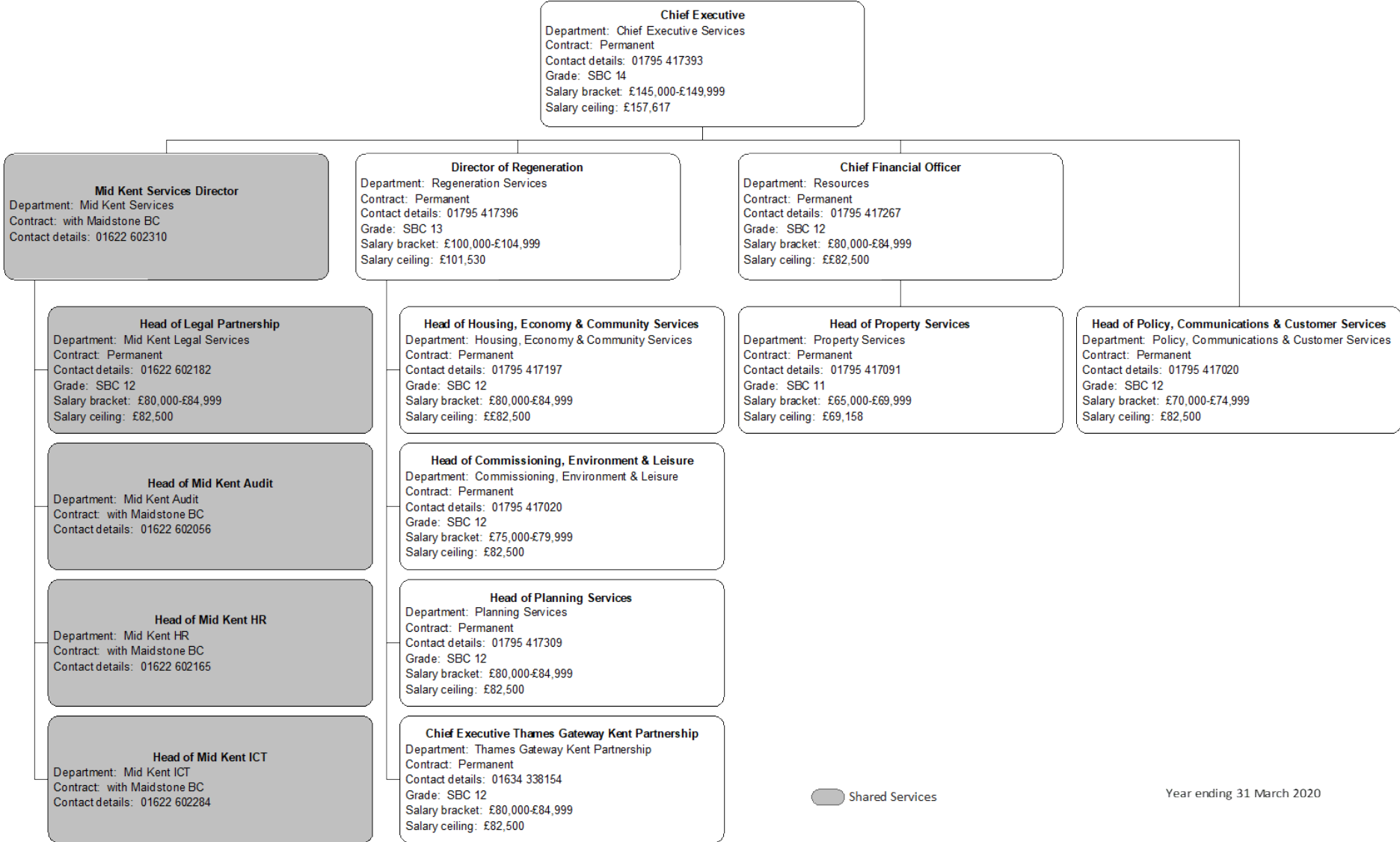
**Number of employees whose remuneration in 2019/20 is at least £50,000, in brackets of £5,000**

<b>Remuneration band</b>	<b>Number of employees in band</b>
£50,000 - £54,999	9
£55,000 - £59,999	10
£60,000 - £64,999	1
£65,000 - £69,999	3
£70,000 - £74,999	0
£75,000 - £79,999	1
£80,000 - £84,999	5
£85,000 - £89,999	1
£90,000 - £94,999	0
£95,000 - £99,999	1
£100,000 - £104,999	1
<b>Total</b>	<b>32</b>

The Council has three shared services and a secondment arrangement 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



This page is intentionally left blank

<b>Council Meeting</b>	<b>Agenda Item: 17</b>
<b>Meeting Date</b>	26 February 2020
<b>Report Title</b>	Nomination to Outside Bodies – Queenborough Fishery Trust
<b>Cabinet Member</b>	Councillor Roger Truelove - Council Leader
<b>SMT Lead</b>	David Clifford -
<b>Head of Service</b>	Head of Policy, Communications and Customer Services
<b>Lead Officer</b>	Jo Millard - Senior Democratic Services Officer
<b>Key Decision</b>	No
<b>Classification</b>	Open
<b>Recommendations</b>	1. The Council is asked to nominate a member to sit as a trustee on the Queenborough Fishery Trust (QFT)

## 1 Purpose of Report and Executive Summary

- 1.1 At the Council meeting held on 16 December 2015, the Council agreed the nomination of Councillor Ken Pugh to sit as a trustee on the Queenborough Fishery Trust (QFT) for a period of 4 years, to 31 January 2020. The term of the other nominee, former Councillor Ted Wicox, expires on 31 January 2022.
- 1.2 The Council is asked to nominate a member to sit as a trustee on the Board from 1 February 2020 to 31 January 2024.

## 2 Background

- 2.1 Queenborough Fishery Trust is a registered incorporated charity run by ten trustees. The trustee position carries with it responsibilities and liabilities in law, and nominees should consider these carefully before accepting the position. Further information can be obtained from the legal team.
- 2.2 Council agreed a protocol on nominations to outside bodies in 2011. This includes a requirement that a nominee's role is clearly defined, that the outside body is properly constituted, and that its aims and objectives are compatible with the Council's. The protocol further requires that the nominee is indemnified against relevant liabilities by the outside body.
- 2.3 Nomination to an outside body, once accepted, is a disclosable non-pecuniary interest under Swale's code of conduct, and the nominee will need to amend their register of interests accordingly.

### **3 Proposals**

- 3.1 The Council is asked to nominate a member to sit as a trustee on the Board from 1 February 2020 until 31 January 2024.

### **4 Alternative Options**

- 4.1 Council can decide whether or not to make nominations to these outside bodies and there is no obligation to make any nomination at all.

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

- 5.1 Group Leaders will have been made aware that a nomination will be sought at the Council meeting, and may consider putting forward a nomination.

### **6 Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	Nominations to outside bodies are in accordance with the priorities established in the emerging corporate plan.
Financial, Resource and Property	None identified at this stage
Legal and Statutory	Nominations to some outside bodies are as trustees and/or directors, which carries specific legal responsibilities and liabilities for the individual member.  To ensure compliance with the Members' Code of Conduct any member taking up a position on an outside body must review the interests declared in their register of interests within 28 days of the position becoming effective.
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**

7.1 None.

## **8 Background Papers**

Council minutes from 23 February 2011:

<https://services.swale.gov.uk/meetings/Data/Council/20110223/Agenda/Report%20for%20Item%2015%20-%2015051131F33041B1B595332F96BA4B87.pdf>

This page is intentionally left blank

<b>Council Meeting</b>	<b>Agenda Item:</b>
<b>Meeting Date</b>	26 February 2020
<b>Report Title</b>	Nomination to Outside Bodies – Faversham Pools
<b>Cabinet Member</b>	Councillor Roger Truelove – Council Leader
<b>SMT Lead</b>	David Clifford - Head of Policy, Communications and Customer Services
<b>Head of Service</b>	
<b>Lead Officer</b>	Jo Millard – Senior Democratic Services Officer
<b>Key Decision</b>	No
<b>Classification</b>	<b>Open</b>
<b>Recommendations</b>	1. The Council is asked to nominate a member to sit as a trustee on the Board of Faversham Pools Trustees.

## 1 Purpose of Report and Executive Summary

- 1.1 This report sets out a request from Faversham Pools to nominate a Swale Borough Councillor as a trustee to join the Board of Trustees.
- 1.2 The Council is asked to nominate a member to sit as a trustee on the Board from 1 February 2020 to 31 January 2024.

## 2 Background

- 2.1 Council agreed a protocol on nominations to outside bodies in 2011. This includes a requirement that a nominee’s role is clearly defined, that the outside body is properly constituted, and that its aims and objectives are compatible with the Council’s. The protocol further requires that the nominee is indemnified against relevant liabilities by the outside body.
- 2.2 Faversham Pools is run by a charity, Faversham Swimming Pools Management Committee Limited. The charity is an incorporated limited company run by seven trustees. Any Council nominee accepted onto the board would therefore become both a charity trustee and a company director. Each of these positions carries with it responsibilities and liabilities in law, and nominees should consider these carefully before accepting the position. Further information can be obtained from the legal team.
- 2.3 Nomination to an outside body, once accepted, is a disclosable non-pecuniary interest under Swale’s code of conduct, and the nominee will need to amend their register of interests accordingly.

### **3 Proposals**

- 3.1 The Council is asked to nominate a member to sit as a trustee on the Board from 1 February 2020 to 31 January 2024.

### **4 Alternative Options**

- 4.1 Council can decide whether or not to make nominations to these outside bodies, and there is no obligation to make any nomination at all.

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

- 5.1 Group leaders will have been made aware that a nomination will be sought at the Council meeting, and may consider putting forward a nomination.

### **6 Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	Nominations to outside bodies are in accordance with the priorities established in the emerging corporate plan.
Financial, Resource and Property	None identified at this stage.
Legal and Statutory	Nominations to some outside bodies are as trustees and/or directors, which carries specific legal responsibilities and liabilities for the individual member.  To ensure compliance with the Members' Code of Conduct any member taking up a position on an outside body must review the interests declared in their register of interests within 28 days of the position becoming effective.
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.
Privacy and data protection	None identified at this stage.

## **7 Appendices**

7.1 None.

## **8 Background Papers**

Council minutes from 23 February 2011:

<https://services.swale.gov.uk/meetings/Data/Council/20110223/Agenda/Report%20for%20Item%2015%20-%2015051131F33041B1B595332F96BA4B87.pdf>

This page is intentionally left blank

<b>Council</b>	<b>Agenda Item: 19</b>
<b>Meeting Date</b>	26 February 2020
<b>Report Title</b>	Review of Polling Place – Murston ward (MUN polling district) – Sunnybank Primary School
<b>Portfolio Holder</b>	Leader – Councillor Roger Truelove
<b>SMT Lead / Head of Service</b>	David Clifford – Head of Policy, Communications and Customer Services
<b>Lead Officer</b>	Keith Alabaster – Electoral Services Officer
<b>Key Decision</b>	<b>No</b>
<b>Classification</b>	<b>Open</b>
<b>Recommendation</b>	That Council agrees to change the polling place for the Murston ward from Sunnybank Primary School to Woodcombe Sports and Social Club.

## 1. Purpose of Report and Executive Summary

- 1.1 The Council is asked to agree to change arrangements for voting in the Murston North (MUN) polling district in Murston ward at the request of Sunnybank Primary School.

## 2. Background

- 2.1 The Electoral Administration Act 2006 introduced a requirement for councils to undertake a review of polling districts and places in 2007 and every four years thereafter. In practice, however, we monitor this more regularly and have, when necessary, made arrangements for alternative polling places/stations with the agreement of the Council and Returning Officer.
- 2.2 The last full review was carried out in 2018, prior to the all-out Borough and Parish elections held in May 2019.
- 2.3 To clarify, the Council is responsible for setting the polling district (a geographical area of a ward) and polling places (a geographical area within a polling district that the polling station must be located within). The Returning Officer is responsible for locating the polling station, which must be within the polling place.

## 3. Proposal

- 3.1 It is proposed that Sunnybank Primary School is no longer used as a polling station, and that Woodcombe Sports & Social Club, in Church Road, is used instead.
- 3.2 Whilst Sunnybank Primary School has been used for many years, it is becoming increasingly difficult for the school to accommodate us, and in recent years the school has asked the Council to look for an alternative venue.

- 3.3 As an alternative venue is available nearby and is suitable in terms of size, disabled access and car parking, it is recommended that the polling place is extended to include Woodcoombe Sports & Social Club, so that the Returning Officer may use this venue at future elections while retaining the option to use Sunnybank Primary School if necessary.

#### **4. Alternative Options**

- 4.1 Council may make suggestions for alternative venues; however, consideration does need to be given to practical aspects in terms of the venues available within the wards, which will be used for the Kent Police & Crime Commissioner election in May 2020.

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

- 5.1 Ward Members have been asked for their views regarding the proposed changes. Cllrs James Hall and Ann Hampshire support the proposal.

#### **6. Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	Ensuring voters are able to vote at the most convenient and commodious venue within the polling place contributes to the objective to strengthen democracy within the emerging corporate plan.
Financial, Resource and Property	We are seeking to retain the current number of polling stations (which must be located within the polling place); the quote from Woodcoombe is cheaper than we pay at Sunnybank Primary.
Legal and Statutory	The Council is required to take a full review in accordance with the Electoral Administration Act 2006, but in practice keeps polling stations under regular review.
Crime and Disorder	None identified at this time.
Sustainability	None identified at this stage
Health & Wellbeing	None identified at this stage
Risk Management and Health and Safety	The purpose of the review is to ensure that all voters have reasonable facilities for voting. It is important that venues meet health and safety requirements so as not to put voters at risk. Polling Station staff are encouraged to give feedback on venues and each station is visited by a Polling Station Inspector on election day.
Equality and Diversity	One 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.
Privacy and data protection	None identified at this time.



## **7. Appendices**

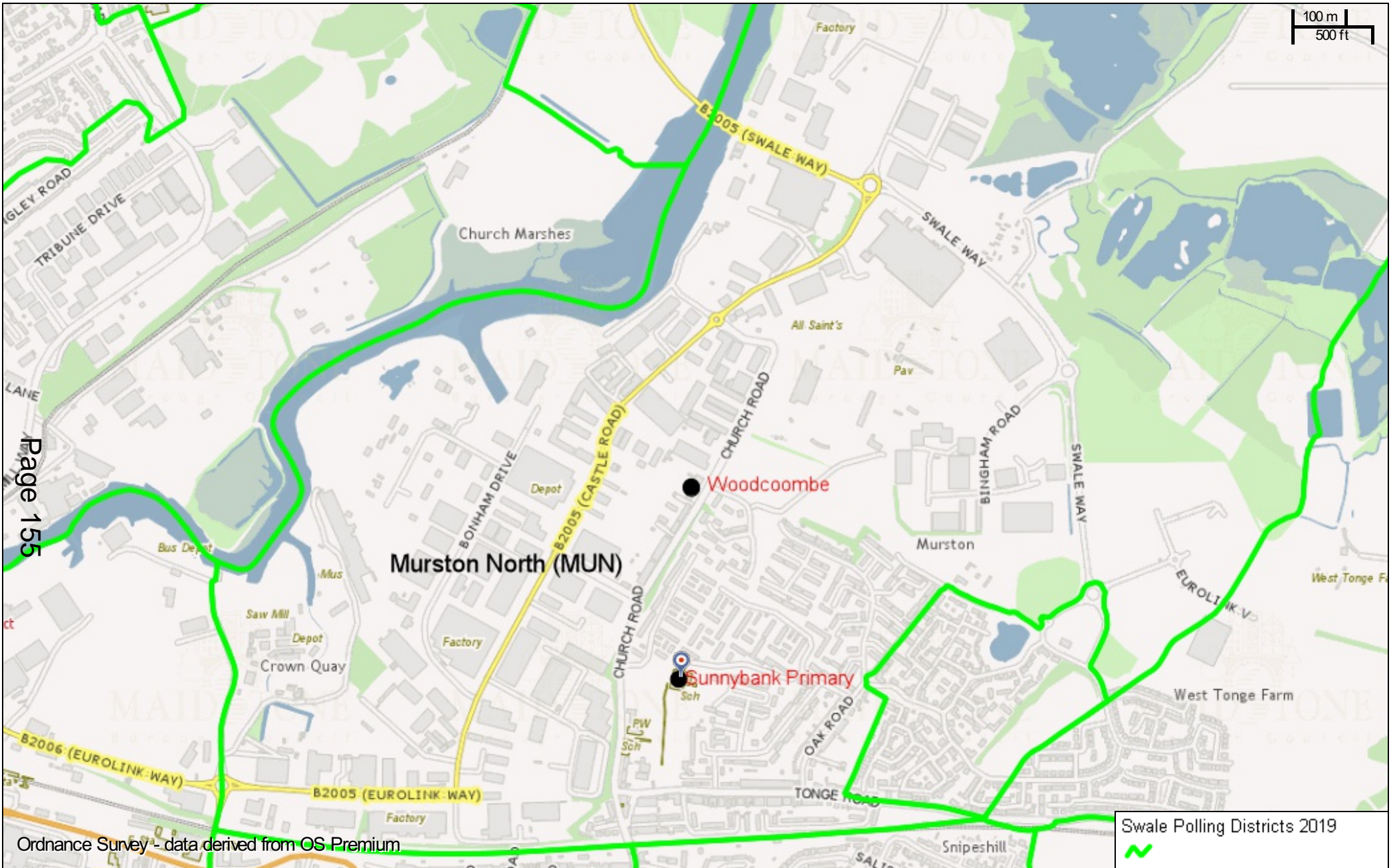
7.1 The following appendices are to be published with this report and form part of the report:

- Appendix 1 – Map of Murston North showing locations of Sunnybank Primary and Woodcoombe Sports & Social Club.

## **8. Background Papers**

None.

This page is intentionally left blank



Ordnance Survey - data derived from OS Premium

Swale Polling Districts 2019



Sunnybank Woodcombe

Scale: 1:10000

Printed on: 29/1/2020 at 8:45 AM by KeithA1



© Astun Technology Ltd

This page is intentionally left blank

<b>Council Meeting</b>	<b>Agenda Item: 20</b>
------------------------	------------------------

<b>Meeting Date</b>	26 February 2020
<b>Report Title</b>	Timetable of Meetings
<b>Cabinet Member</b>	Cllr Roger Truelove, Council Leader
<b>SMT Lead</b>	David Clifford, Head of Policy, Communications and Customer Services
<b>Head of Service</b>	David Clifford, Head of Policy, Communications and Customer Services
<b>Lead Officer</b>	Jo Millard, Senior Democratic Services Officer
<b>Key Decision</b>	No
<b>Classification</b>	Open
<b>Forward Plan</b>	Reference number: n/a

<b>Recommendations</b>	1. That Council agrees the programme of meetings set out in Appendix I to this report.
------------------------	--

## 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 adoption 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 largely based on the previous year's programme, with Council and Cabinet meetings scheduled to be more spread out throughout the year in order that deadlines for decision-making can be met.

2.3 The timetable also takes account of the need to ensure that important financial decisions such as the budget are taken in a timely manner, that meetings of the planning committee are scheduled to allow timeliness targets to be achieved, and that dates are allocated for possible area committee meetings, even though the establishment of these committees has not yet been formally agreed.

2.4 The timetable tries to ensure that as far as possible extraordinary meetings of committees will not be necessary, as these can be difficult to arrange and can have unplanned-for resource implications.

## 3 Proposal

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

## 4 Alternative Options

- 4.1 The Council could suggest changes to the timetable of meetings, but the timetable proposed has been carefully planned to ensure key deadlines for decision-making can be met. Any changes to the Committee structure would lead to amendments to the timetable of meetings.

## 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, and the Strategic Management Team.

## 6 Implications

Issue	Implications
Corporate Plan	Agreeing a timetable of meetings in advance of the year ahead supports the delivery of all the Council's corporate plan priorities.
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, Statutory and Procurement	None identified at this stage.
Crime and Disorder	None identified at this stage.
Environment and 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.
Privacy and Data	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 2020-21

Meeting	Day	May 2020	June 2020	July 2020	Aug 2020	Sept 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	March 2021	April 2021	May 2021
Council	Wed	20	17	22			7	11		6	24	31		19
Cabinet	Wed		3	8		23	28		9		10	17		
Cabinet Agenda Planning	Mon	18	22			7	12	23		25		1		
Audit Committee	Wed			27 <sup>Mon</sup>		16		25				10		
General Licensing Committee	Thurs			2						21				
General Purposes Committee <sup>i</sup>														
Licensing Act 2003 Committee	Thurs					10						11		
Local Plan Panel	Thurs	27 <sup>Wed</sup>		9		3	8	26		28		25		
Planning Committee	Thurs	28	25	23	20	17	15	12	10	7	4	4	1, 29	27
Policy Dev. & Review Committee	Wed		4 <sup>Thu</sup>	1		9	14	4		27		3		
Scrutiny Committee <sup>ii</sup>	Wed		10	15		15 <sup>Tu</sup>		18		13, 20	25 <sup>Thu</sup>	24		
Standards Committee <sup>iii</sup>	Tues		30					17						
Swale Joint Transportation Board	Mon		22			7			7			1		
Reserved for Area Committee 1	Tues		2			1			1			2		
Reserved for Area Committee 2	Tues		9			8			8			9		
Reserved for Area Committee 3	Tues		16			22			15			16		
Reserved for Area Committee 4	Tues		23			29			17 <sup>Th</sup>			23		
Member Training	Tu/Th		11 <sup>Th</sup>	28 <sup>Tu</sup>		24 <sup>Th</sup>	1 <sup>Th</sup> , 13 <sup>Tu</sup>	5 <sup>Th</sup>	3 <sup>Th</sup>		2 <sup>Tu</sup>	18 <sup>Th</sup>	8 <sup>Th</sup> , 13 <sup>Tu</sup>	

Notes:

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

<sup>ii</sup> 20 January 2021 – meeting for consideration of the budget (Cabinet Members expected to attend)

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

This page is intentionally left blank



**Council: 26 February 2020**

## **Recommendations for Approval**

**Council is asked to note the following recommendations:**

### **Standards Committee Meeting – 16 January 2020**

Minute no. 460 – Disclosure of Gifts and Hospitality for Members

#### ***Recommended:***

***(1) That the wording in paragraph 3.1 of the report be approved for inclusion in Swale’s code of conduct subject to the following amendments: “.....any gifts and hospitality received over a value of £100” be deleted and replaced with the following: “....any gifts and hospitality received over a value of £50, or totalling £100 over a year, from a single source”. That delegated authority be given to the Monitoring Officer to produce a briefing note for members.***

### **Audit Committee Meeting – 21 January 2020**

Minute no. 466 – Mid-year Treasury Management Review for 2019/20

#### ***Recommended:***

- (1) That the performance information for 2019/20 be noted.***
- (2) That the prudential and treasury management indicators be approved.***

### **General Purposes Committee – 12 February 2020 (subject of a separate report on the Agenda)**

Minute no. 509 – Review of Polling Place – Murston Ward (MUN Polling District) – Sunnybank Primary School

#### ***Recommended:***

***(1) That the proposed change to the polling place for the Murston ward be approved.***

### **Cabinet Meeting – 12 February 2020 (all subject of separate reports on the Agenda)**

Minute No. 515 – Medium Term Financial Plan and 2018/19 Budget

#### ***Recommendations:***

***(1) That the 2020/21 Revenue Budget proposals be approved.***

- (2) That the proposed Council Tax Band D increase for 2020/21 to £179.37 be approved.**
- (3) That the Medium Term Financial Plan be noted.**
- (4) That the Capital Strategy be approved.**
- (5) That the Capital Programme proposals be approved.**
- (6) That the additional amount of Council Tax for Parish Precepts be noted.**
- (7) That the recommendation of the Scrutiny be considered.**
- (8) That the Minimum Revenue Provision Statement as set-out in Appendix VIII be approved.**

Minute No. 516 – Treasury Management Strategy Statement and Investment Strategy 2020/21

**Recommendations:**

- (1) That the 2020/21 Treasury Management Strategy 2020/21 and the Prudential and Treasury Management Indicators be approved.**
- (2) That the Treasury Management Policy in Appendix II be approved.**

Minute No. 517 – Council Tax Support Scheme 2020/21

**Recommendations:**

- (1) That the outcome of the public consultation having taken consideration of the potential impact of the proposed changes on working age claimants with the protected characteristics of disability, age and sex under the Equalities Act 2010 be noted.**
- (2) That options 1-6 as changes to the current scheme, as set-out in detail in table 3, paragraph 3.6 of the report, be approved.**