

Public Document Pack



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23 June 2017

Dear Councillor

NOTICE IS HEREBY GIVEN THAT a meeting of the **CABINET** will be held at these offices (Council Chamber) on Monday 3 July 2017 at 11.00 am when the following business will be transacted.

Members of the public who require further information are asked to contact Kate Batty-Smith on (01304) 872303 or by e-mail at kate.batty-smith@dover.gov.uk.

Yours sincerely

A handwritten signature in black ink, appearing to read "Kate Batty-Smith", written over a white background.

Chief Executive

Cabinet Membership:

P A Watkins	Leader of the Council
M D Conolly	Deputy Leader of the Council
T J Bartlett	Portfolio Holder for Property Management and Public Protection
P M Beresford	Portfolio Holder for Housing, Health and Wellbeing
N J Collor	Portfolio Holder for Access and Licensing
N S Kenton	Portfolio Holder for Environment, Waste and Planning
K E Morris	Portfolio Holder for Skills, Training, Tourism, Voluntary Services and Community Safety

AGENDA

1 **APOLOGIES**

To receive any apologies for absence.

2 **DECLARATIONS OF INTEREST** (Page 5)

To receive any declarations of interest from Members in respect of business to be transacted on the agenda.

3 **RECORD OF DECISIONS** (Pages 6-16)

The Decisions of the meeting of the Cabinet held on 12 June 2017 numbered CAB 1 to CAB 16 (inclusive) are attached.

4 **NOTICE OF FORTHCOMING KEY DECISIONS** (Pages 17-19)

The Notice of Forthcoming Key Decisions is included in the agenda to enable the Cabinet to identify future agenda items of public interest that should be subject to pre-Cabinet scrutiny.

ISSUES ARISING FROM OVERVIEW AND SCRUTINY OR OTHER COMMITTEES

To consider any issues arising from Overview and Scrutiny or other Committees not specifically detailed elsewhere on the agenda.

5 **OLDSTAIRS BAY TO SANDWICH BAY BEACH MANAGEMENT PLAN** (Page 20)

To consider the recommendations from the Scrutiny (Policy and Performance) Committee (to follow).

6 **ACCOMMODATION CHARTER FOR DOVER DISTRICT** (Page 21)

To consider the recommendations from the Scrutiny (Policy and Performance) Committee (to follow).

BUDGET AND POLICY FRAMEWORK - NON-KEY DECISIONS

7 **TREASURY MANAGEMENT YEAR-END REPORT** (Pages 22-36)

To consider the attached report of the Director of Finance, Housing and Community.
Responsibility: Portfolio Holder for Corporate Resources and Performance

EXECUTIVE - KEY DECISIONS

8 **CLOSURE OF AREA OFFICES** (Pages 37-49)

To consider the attached report of the Assistant Director, EK Services
Responsibility: Portfolio Holder for Corporate Resources and Performance

9 **DEVELOPMENT OF NEW AFFORDABLE HOUSING - FOXBOROUGH LANE, WOODNESBOROUGH** (Pages 50-54)

To consider the attached report of the Director of Finance, Housing and Community
Responsibility: Portfolio Holder for Housing, Health and Wellbeing

10 **REVISION OF PRIVATE SECTOR HOUSING ASSISTANCE POLICY** (Pages 55-

80)

To consider the attached report of the Director of Finance, Housing and Community.

Responsibility: Portfolio Holder for Housing, Health and Wellbeing

11 **DRAFT SOUTH BARRACKS CONSERVATION AREA CHARACTER APPRAISAL** (Pages 81-93)

To consider the attached report of the Chief Executive.

Responsibility: Portfolio Holder for Environment, Waste and Planning

EXECUTIVE - NON-KEY DECISIONS

12 **OUTSOURCING OF REVENUES, BENEFITS, DEBT RECOVERY AND CUSTOMER SERVICES FUNCTIONS (REVISION OF DELEGATIONS TO THE EAST KENT SERVICES COMMITTEE)** (Pages 94-99)

To consider the attached report of the Director of Shared Services.

Responsibility: Portfolio Holder for Corporate Resources and Performance

13 **AYLESHAM VILLAGE EXPANSION - RETAIL UNITS, THIRD PARTY LAND AND POST DEVELOPMENT IMPROVEMENTS** (Pages 100-102)

To consider the attached report of the Chief Executive.

Responsibility: Leader of the Council

14 **LOCAL PLAN PROJECT ADVISORY GROUP - DRAFT TERMS OF REFERENCE** (Pages 103-104)

At its meeting held on 8 May 2017, Cabinet agreed the membership of the Local Plan Project Advisory Group for 2017/18 (CAB 195). It is anticipated that the Group will meet in July. Its Terms of Reference were drafted some years ago and require updating. Cabinet is requested to consider the attached revised draft Terms of Reference.

15 **MUNICIPAL CHARITIES OF DOVER: NOMINATION OF TRUSTEE**

At its meeting held on 8 May 2017, Cabinet resolved to defer the nomination of a trustee to replace Mr Mick Smith on the Municipal Charities of Dover until the views of the charity were available (CAB 194).

The charity has now suggested that Councillor John Heron be nominated as the Council's trustee. (It is understood that Mr Smith will be offered an appointment as a trustee on a co-opted basis. The other trustees nominated by the Council are currently Councillor P Beresford, Mrs S Nicholas, Mr A Shirley and Mr R Walkden.)

Cabinet is requested to determine whether it wishes to nominate Councillor Heron as its trustee to the charity.

16 **EXCLUSION OF THE PRESS AND PUBLIC** (Page 105)

The recommendation is attached.

MATTERS WHICH THE MANAGEMENT TEAM SUGGESTS SHOULD BE CONSIDERED IN PRIVATE AS THE REPORT CONTAINS EXEMPT INFORMATION AS DEFINED WITHIN PART 1 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AS INDICATED AND IN RESPECT OF WHICH THE PROPER OFFICER CONSIDERS THAT THE PUBLIC INTEREST IN MAINTAINING THE EXEMPTION OUTWEIGHS THE PUBLIC INTEREST IN DISCLOSING THE INFORMATION

EXECUTIVE - KEY DECISIONS

17 DEVELOPMENT OF NEW AFFORDABLE HOUSING ON LAND AT NEW DOVER ROAD, CAPEL-LE-FERNE (Pages 106-109)

To consider the attached report of the Director of Finance, Housing and Community.

Responsibility: Portfolio Holder for Housing, Health and Wellbeing

Access to Meetings and Information

- Members of the public are welcome to attend meetings of the Council, its Committees and Sub-Committees. You may remain present throughout them except during the consideration of exempt or confidential information.
- All meetings are held at the Council Offices, Whitfield unless otherwise indicated on the front page of the agenda. There is disabled access via the Council Chamber entrance and a disabled toilet is available in the foyer. In addition, there is a PA system and hearing loop within the Council Chamber.
- Agenda papers are published five clear working days before the meeting. Alternatively, a limited supply of agendas will be available at the meeting, free of charge, and all agendas, reports and minutes can be viewed and downloaded from our website www.dover.gov.uk. Minutes will be published on our website as soon as practicably possible after each meeting. All agenda papers and minutes are available for public inspection for a period of six years from the date of the meeting.
- If you require any further information about the contents of this agenda or your right to gain access to information held by the Council please contact Kate Batty-Smith, Democratic Support Officer, telephone: (01304) 872303 or email: kate.batty-smith@dover.gov.uk for details.

Large print copies of this agenda can be supplied on request.

Declarations of Interest

Disclosable Pecuniary Interest (DPI)

Where a Member has a new or registered DPI in a matter under consideration they must disclose that they have an interest and, unless the Monitoring Officer has agreed in advance that the DPI is a 'Sensitive Interest', explain the nature of that interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a DPI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation permitting them to do so. If during the consideration of any item a Member becomes aware that they have a DPI in the matter they should declare the interest immediately and, subject to any dispensations, withdraw from the meeting.

Other Significant Interest (OSI)

Where a Member is declaring an OSI they must also disclose the interest and explain the nature of the interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a OSI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation to do so or the meeting is one at which members of the public are permitted to speak for the purpose of making representations, answering questions or giving evidence relating to the matter. In the latter case, the Member may only participate on the same basis as a member of the public and cannot participate in any discussion of, or vote taken on, the matter and must withdraw from the meeting in accordance with the Council's procedure rules.

Voluntary Announcement of Other Interests (VAOI)

Where a Member does not have either a DPI or OSI but is of the opinion that for transparency reasons alone s/he should make an announcement in respect of a matter under consideration, they can make a VAOI. A Member declaring a VAOI may still remain at the meeting and vote on the matter under consideration.

Note to the Code:

Situations in which a Member may wish to make a VAOI include membership of outside bodies that have made representations on agenda items; where a Member knows a person involved, but does not have a close association with that person; or where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position. It should be emphasised that an effect on the financial position of a Member, relative, close associate, employer, etc OR an application made by a Member, relative, close associate, employer, etc would both probably constitute either an OSI or in some cases a DPI.

Record of the decisions of the meeting of the **CABINET** held at the Council Offices, Whitfield on Monday, 12 June 2017 at 11.00 am

Present:

Chairman: Councillor P A Watkins

Councillors: T J Bartlett
N J Collor
M D Conolly
N S Kenton
K E Morris

Also Present: Councillor S F Bannister
Councillor M R Eddy
Councillor P Walker

Officers: Director of Environment and Corporate Assets
Director of Governance
Head of Finance
Head of Museums and Tourism
Team Leader – Democratic Support

The formal decisions of the executive are detailed in the following schedule.

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 1 12.06.2017 Open Key Decisions No Call in to apply Yes Implementation Date 20 June 2017	<u>APOLOGIES</u> It was noted that an apology for absence had been received from Councillor P M Beresford.	None.	To note any apologies for absence.	

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Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 2 12.06.2017 Open Key Decisions No Call in to apply Yes Implementation Date 20 June 2017	<u>DECLARATIONS OF INTEREST</u> It was noted that there were no declarations of interest.	None.	To note any declarations of interest.	

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 3 12.06.2017 Open Key Decisions No Call in to apply Yes Implementation Date 20 June 2017	<u>RECORD OF DECISIONS</u> It was agreed that the decisions of the meeting of the Cabinet held on 8 May 2017 be approved.	None.	Cabinet is required to approve the Record of Decisions of the Cabinet meeting held on 8 May 2017.	

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Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 4 12.06.2017 Open Key Decisions No Call in to apply Yes Implementation Date 20 June 2017	<u>NOTICE OF FORTHCOMING KEY DECISIONS</u> It was agreed that there were no forthcoming Key Decisions identified for pre-Cabinet scrutiny at this stage.	None.	Cabinet is requested to identify any Key Decisions that it considers would be beneficial to refer to one of the Scrutiny Committees before the matter comes before Cabinet for formal decision.	

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
<p>CAB 5 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes</p> <p>Implementation Date 20 June 2017</p>	<p><u>PERFORMANCE REPORT - FOURTH QUARTER 2016/17</u></p> <p>It was agreed that the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 193, made at its meeting held on 23 May 2017 (Minute No 14), be acknowledged and that Cabinet decision CAB 193 be reaffirmed.</p>	<p>None.</p>	<p>The Scrutiny (Policy and Performance) Committee, at its meeting held on 23 May 2017, endorsed Cabinet decision CAB 193 of 8 May 2017.</p>	
<p>CAB 6 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes</p> <p>Implementation Date 20 June 2017</p>	<p><u>ADOPTION OF WATERLOO CRESCENT, DOVER CONSERVATION AREA CHARACTER APPRAISAL</u></p> <p>It was agreed that the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 190, made at its meeting held on 23 May 2017 (Minute No 12), be acknowledged and that Cabinet decision CAB 190 be reaffirmed.</p>	<p>None.</p>	<p>The Scrutiny (Policy and Performance) Committee, at its meeting held on 23 May 2017, endorsed Cabinet decision CAB 190 of 8 May 2017.</p>	

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
<p>CAB 7 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes</p> <p>Implementation Date 20 June 2017</p>	<p><u>EXTENSIONS TO THE NELSON STREET, DEAL CONSERVATION AREA</u></p> <p>It was agreed that the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 191, made at its meeting held on 23 May 2017 (Minute No 13), be acknowledged and that Cabinet decision CAB 191 be reaffirmed.</p>	None.	The Scrutiny (Policy and Performance) Committee, at its meeting held on 23 May 2017, endorsed Cabinet decision CAB 191 of 8 May 2017.	

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
<p>CAB 8 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes</p> <p>Implementation Date 20 June 2017</p>	<p><u>APPROPRIATION OF LAND FOR PLAY AREAS</u></p> <p>It was agreed that the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 192, made at its meeting held on 23 May 2017 (Minute No 15), be acknowledged and that Cabinet decision CAB 192 be reaffirmed.</p>	None.	The Scrutiny (Policy and Performance) Committee, at its meeting held on 23 May 2017, endorsed Cabinet decision CAB 192 of 8 May 2017.	

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
<p>CAB 9 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes</p> <p>Implementation Date 20 June 2017</p>	<p><u>ST RADIGUND'S PLAY AREA PROJECT</u></p> <p>It was agreed that the Scrutiny (Policy and Performance) Committee's endorsement of Cabinet decision CAB 199, made at its meeting held on 23 May 2017 (Minute No 17), be acknowledged and that Cabinet decision CAB 199 be reaffirmed.</p>	<p>None.</p>	<p>The Scrutiny (Policy and Performance) Committee, at its meeting held on 23 May 2017, endorsed Cabinet decision CAB 199 of 8 May 2017.</p>	
<p>CAB 10 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes</p> <p>Implementation Date 20 June 2017</p>	<p><u>LOCAL PLAN ENGAGEMENT STRATEGY</u></p> <p>It was agreed:</p> <p>(a) That the Scrutiny (Community and Regeneration) Committee's endorsement of Decision CAB189 at its meeting held on 24 May 2017 be acknowledged and Decision CAB189 be reaffirmed.</p> <p>(b) That in respect of the Scrutiny (Community and Regeneration) Committee's recommendation (b), the Committee be advised that schemes would be coming forward for development following the recruitment of an architect and a surveyor.</p>	<p>To adopt the recommendations without amendment.</p>	<p>The Scrutiny (Community and Regeneration) Committee, at its meeting held on 24 May 2017, endorsed Cabinet decision CAB 191 of 8 May 2017 and made additional recommendations.</p>	

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
12	<p>(c) That in respect of the Scrutiny (Community and Regeneration) Committee's recommendation (c), the Committee be advised that the property purchased by the Residential Investment Project Advisory Group would not be subject to the provisions of Right-to-Buy as it did not involve using Housing Revenue Account (HRA) land.</p> <p>(d) That in respect of the Scrutiny (Community and Regeneration) Committee's recommendation (d), the Committee be advised that the full complement of staff needed to conduct the Local Plan review had been recruited.</p> <p>(e) That the Scrutiny (Community and Regeneration) Committee's recommendation (e) be rejected as town and parish councils already used the online portal for planning applications and hard copies of the document could be purchased if required.</p> <p>(f) That the Scrutiny (Community and Regeneration) Committee's recommendation (f) be amended to delete the word 'completed' and replace with the word 'occupied' as follows:</p> <p style="padding-left: 40px;">"That the Council should ensure that it meets the National Planning Policy Framework and that infrastructure is in place and working in accordance with the test of soundness criteria before the first house is occupied in any development."</p> <p>and the Scrutiny (Community and Regeneration) Committee be advised that all sites that come forward must be able to demonstrate that the infrastructure requirements were deliverable.</p>			

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
<p>CAB 11 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes</p> <p>Implementation Date 20 June 2017</p>	<p><u>'BANKSY' ARTWORK</u></p> <p>It was agreed that the Scrutiny (Community and Regeneration) Committee's recommendation made at its meeting held on 24 May 2017 (Minute No. 10) be acknowledged and whilst noting that this was a matter for the land owner, the Cabinet would welcome keeping the 'Banksy' mural in Dover, although not necessarily on the same site, as long as it did not impede the town centre, Bench Street, Western Docks master plan development.</p>	<p>To adopt the recommendation without amendment.</p>	<p>The Scrutiny (Community and Regeneration) Committee, at its meeting held on 24 May 2017, made a recommendation to Cabinet in respect of the Dover 'Banksy' mural.</p>	
<p>↩</p> <p>Decision Status</p>	<p>Record of decision</p>	<p>Alternative options considered and rejected (if any)</p>	<p>Reasons for Decision</p>	<p>Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)</p>
<p>CAB 12 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes (a - b) No (c)</p> <p>Implementation Date</p>	<p><u>ANNUAL GOVERNANCE ASSURANCE STATEMENT 2016/17 AND REVISED CORPORATE GOVERNANCE LOCAL CODE</u></p> <p>It was agreed:</p> <p>(a) That the Annual Governance Assurance Statement be approved and that the Leader of the Council and the Head of Paid Service be requested to sign the statement on behalf of the Council.</p> <p>(b) That the Governance Committee be asked to accept the Annual Governance Assurance Statement alongside the 2016/17 Statement of Accounts.</p>	<p>To not agree the Annual Governance Assurance Statement.</p>	<p>The Annual Governance Assurance Statement and the revised Corporate Governance Local Code meets the requirements of the Accounts and Audit Regulations 2015.</p>	

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
20 June 2017 (a) – (b) 19 July 2017 (c)	(c) That it be recommended to Council that the revised Corporate Governance Local Code, which reflects the Delivering Good Governance in Local Government Framework (2016 Edition), be adopted.			

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 13 12.06.2017 Open Key Decisions Yes Call in to apply Yes Implementation Date 20 June 2017	<u>OLDSTAIRS BAY TO SANDWICH BAY BEACH MANAGEMENT PLAN</u> It was agreed: (a) That approval be given to undertake coastal protection works in the location of Oldstairs Bay to Sandwich Bay over a five year period. (b) That it be noted that the Environment Agency had approved funding for the period 2016/17 to 2020/21.	(a) To do nothing. (b) To do the minimum work required.	To not undertake the proposed coastal protection works resulting in the certain risk of erosion causing coastal flooding, loss of amenity, damage to the Sandwich Bay SSSI from shingle ingress and damage to the sea defences at Kingsdown and Deal.	

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
<p>CAB 14 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes</p> <p>Implementation Date 20 June 2017 5</p>	<p><u>ACCOMMODATION CHARTER FOR DOVER DISTRICT</u></p> <p>It was agreed:</p> <p>(a) That the Accommodation Charter be adopted to enable working with district wide non-graded accommodation.</p> <p>(b) That Visitor Information Centres within the District be permitted to book customers into non-graded accommodation through The Accommodation Charter.</p> <p>(c) That authority be delegated to the Head of Museums and Tourism to exclude a property from the Accommodation Standards Charter where it is considered necessary following investigation.</p>	<p>To not adopt the Accommodation Charter and to continue to only work with accommodation providers who were accredited.</p>	<p>The Accommodation Charter was developed by the Council with Visit Kent and Tourism South East. The policy change was important to the growth and sustainability of the Dover District's future working with the accommodation sector.</p>	

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
<p>CAB 15 12.06.2017 Open</p> <p>Key Decisions No</p> <p>Call in to apply Yes</p>	<p><u>LOCAL PLAN PROJECT ADVISORY GROUP: APPOINTMENT OF SCRUTINY REPRESENTATIVE</u></p> <p>It was agreed:</p> <p>(a) That the nomination of Councillor K Mills as the representative of the Scrutiny (Policy and Performance) Committee on the Local Plan Project Advisory Group be noted.</p>	<p>None.</p>	<p>The Cabinet at its meeting held on 8 May 2017 (CAB195) appointed the membership of the Local Plan Advisory Group including a representative from</p>	

Record of Decisions: Executive Functions

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
Implementation Date 20 June 2017	(b) That the membership of the Local Plan Project Advisory Group for the municipal year 2017/18, as confirmed by Cabinet at its meeting on 8 May 2017 (CAB195), be amended to include the addition of Councillor K Mills.		the Scrutiny (Policy and Performance) Committee. The Scrutiny (Policy and Performance) Committee nominated its representative at its meeting held on 23 May 2017.	

Decision Status	Record of decision	Alternative options considered and rejected (if any)	Reasons for Decision	Conflicts of interest (if any) declared by decision maker(s) or consultees (if any)
CAB 16 12.06.2017 Open Key Decisions No Call in to apply Yes (CAB16) Implementation Date 20 June 2017	<u>DECISION NOTICES</u> It was agreed to note decision DPH01 (Replacement of Fender Piles at Sandwich Quay) taken between meetings by the Portfolio Holder for Property Management and Public Protection.	None.	Decisions taken between meetings by Portfolio Holders are reported to the Cabinet for noting.	

The meeting ended at 11.20 am



Notice of Forthcoming Key Decisions

[This updated version of the Notice supersedes all other versions issued in previous months]

Publication Date: 2 June 2017

Notice of Forthcoming Key Decisions which will be made on behalf of the Council

Key Decisions 2017/18	Item	Date of meeting at which decision will be taken by Cabinet (unless specified otherwise)
1	Neighbourhood Plans	June 2013 and ongoing (see entry)
2	Dover Town Centre Regeneration: To consider progress on the Compulsory Purchase Order and any issues arising which may go beyond the scope of the resolutions incorporated in Minute CAB 87	8 September 2014/24 April 2015/7 March 2016 and ongoing
3	Approval to develop detailed plans for replacement of Dover Leisure Centre	25 July/20 September and 15 December 2016 (special Cabinet meetings) and 11 September 2017 (special Cabinet meeting)
4	Statutory Brownfield Register	4 December 2017
5	Review of Tenancy Strategy and Tenancy Policy	October/November 2017
6	Review of Local Plan	1 March 2017 and dates to be confirmed
7	Property Acquisitions	Ongoing (decisions to be taken by Portfolio Holder for Corporate Resources and Performance)
8	Approval for public consultation on draft South Barracks Conservation Area Appraisal	3 July 2017 and date to be confirmed
9	To consider the results of public consultation on the Waterloo Crescent Conservation Area Appraisal and approve public consultation on proposed boundary extensions	8 May 2017
10	To consider the results of public consultation on the extension of the Nelson Street Conservation Area boundary and the introduction of an Article 4 Direction	8 May and 6 November 2017
11	Approval to cease providing a face-to-face customer service function at Aylesham, Deal and Sandwich area offices	3 July 2017
12	Approval of revisions to the 2012 Housing Assistance Policy	3 July 2017
13	Approval of amended Dover District Council Events Policy and Land Hire Agreement	3 July 2017
14	Approval to release funding and carry out regular beach maintenance works between Oldstairs Bay and Sandwich Bay	12 June 2017
15	Local Plan Review – Engagement Strategy	8 May 2017

Key Decisions 2017/18	Item	Date of meeting at which decision will be taken by Cabinet (unless specified otherwise)
16	Appointment of contractor to carry out building extension and repair works at Kearsney Abbey and Russell Gardens as part of the Heritage Lottery Funded 'Parks for People' project	3 July 2017 (subject to confirmation)
17	Appointment of contractor to carry out landscape and watercourse restoration works at Kearsney Abbey and Russell Gardens as part of DDC's Heritage Lottery Funded 'Parks for People' project	3 July 2017 (subject to confirmation)
18	To approve the policy on civil penalties and rent repayment orders for private landlords	4 September 2017
19	To seek approval for wet and dryside improvements to Tides Leisure and Indoor Tennis Centre, Deal	3 July or 4 September 2017
20	Dover Waterfront Masterplan and Dover Public Realm Improvements	4 September 2017 and dates to be confirmed
21	Planning Enforcement Plan	4 September 2017 and dates to be confirmed
22	Representations on the Thanet District Council Local Plan	To be confirmed
23	Fit-out of Aylesham retail units and related funding	3 July 2017
24	Project approval for development of land at Foxborough Close, Woodnesborough to provide affordable housing	3 July 2017

- Note: (1) Key Decisions which are shaded have already been taken and do not appear in this updated version of the Notice of Forthcoming Key Decisions.
- (2) The Council's Corporate Management Team reserves the right to vary the dates set for consultation deadline(s) and for the submission of reports to Cabinet and Council in respect of Key Decisions included within this version of the notice. Members of the public can find out whether any alterations have been made by looking at the Council's website (www.dover.gov.uk).

ISSUES ARISING FROM OVERVIEW AND SCRUTINY OR OTHER COMMITTEES

OLDSTAIRS BAY TO SANDWICH BAY BEACH MANAGEMENT PLAN

Responsibility: Portfolio Holder for Environment, Waste and Planning

Report of: Director of Environment and Corporate Assets

Decision Route

Cabinet	12 June 2017	CAB 13
Scrutiny (Policy and Performance) Committee	13 June 2017	Minute No 29
Cabinet	3 July 2017	

Scrutiny (Policy and Performance) Committee Recommendations

The Scrutiny (Policy and Performance) Committee, at its meeting held on 13 June 2017, endorsed Cabinet decision CAB 13 as follows:

- (a) That approval be given to undertake coastal protection works in the location of Oldstairs Bay to Sandwich Bay over a five-year period, including the following works outlined in the Beach Management and Shoreline Management Plans:
 - (i) Regular monitoring and annual recycling works from Oldstairs Bay to Sandwich Bay.
 - (ii) Continued beach levels/surveys from Regional Coastal Monitoring Programme.
 - (iii) Research and development of new sea defences at Wellington Parade and North Deal to reduce the migration of shingle.
- (b) That it be noted that the Environment Agency had approved funding for the period 2016/17 to 2020/21.

ISSUES ARISING FROM OVERVIEW AND SCRUTINY OR OTHER COMMITTEES

ACCOMMODATION CHARTER FOR DOVER DISTRICT

Responsibility: Portfolio Holder for Skills, Training, Tourism, Voluntary Services and Community Safety

Report of: Director of Environment and Corporate Assets

Decision Route

Cabinet	12 June 2017	CAB 14
Scrutiny (Policy and Performance) Committee	13 June 2017	Minute No 30
Cabinet	3 July 2017	

Scrutiny (Policy and Performance) Committee Recommendations

The Scrutiny (Policy and Performance) Committee, at its meeting held on 13 June 2017, endorsed Cabinet decision CAB 14 as follows:

- (a) That the Accommodation Charter be adopted to enable working with district-wide, non-graded accommodation.
- (b) That Visitor Information Centres within the district be permitted to book customers into non-graded accommodation through the Accommodation Charter.
- (c) That authority be delegated to the Head of Museums and Tourism to exclude a property from the Accommodation Standards Charter where it is considered necessary following investigation.

Subject:	TREASURY MANAGEMENT YEAR-END REPORT
Meeting and Date:	Governance – 29 June 2017 Cabinet – 3 July 2017 Council – 19 July 2017
Report of:	Mike Davis, Director of Finance, Housing and Community
Portfolio Holder:	Councillor Mike Connolly, Portfolio Holder for Corporate Resources and Performance
Decision Type:	Non-Key Decision
Classification:	Unrestricted

Purpose of the report:	To provide details of the Council's treasury management for the financial year ended 31 March 2017 (Q4) and an update of activity to date.
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Recommendation:	That the report is received
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1. Summary

This report covers the outturn for the year ending March 2017, and will also be included in the Cabinet agenda. The main points to note are that, while we are outperforming the benchmark, interest rates are down, we are working to get the best returns we can, but nonetheless, we are likely to see falling income from interest in the future that will be an additional budget pressure. To mitigate this, we have appointed new treasury advisers, Arlingclose Ltd, from 1st April 2017, to explore alternative treasury management options.

As at 31st March 2017, the Council's in-house investment portfolio totalled £55.7m (see Appendix 2). The revised Treasury Management Strategy Statement (TMSS) for 2016/17 was updated and approved at the end of November 2016, with the view to increasing borrowing limits only (see section 5 below).

Additionally, cashflow funds were higher than anticipated (£10.7m at 31st March 2017) due to a capital receipt of £7.6m on 29th March 2017 relating to sale of land at Aylesham, which was temporarily placed in the Standard Life Money Market Fund. Cashflow funds have since reduced (to £6.3m at 31st May 2017), partly as a result of re-investing the capital receipt.

The Council has remained within its Treasury Management guidelines, except for briefly exceeding the counter party limit of £8m with Standard Life Money Market Fund, which stood at £9.5m for two days only, due to the Aylesham capital receipt. The Council has remained within the Prudential Code guidelines during the period.

The Council's investment return for the year was 0.50%, which outperformed the benchmark¹ by 0.18%. The Council's budgeted investment return for 2016/17 was £329k, and performance for the year was £342k, which is a favourable variance of

¹ The "benchmark" is the interest rate against which performance is assessed. DDC use the London Inter-Bank Bid Rate or LIBID, as its benchmark.

£13k. This is partly due to the use of notice accounts and the higher level of balances available for deposit generally, which has enabled us to maintain projected investment income against a background of decreasing interest rate returns.

2. Introduction and Background

CIPFA (the Chartered Institute of Public Finance and Accountancy) issued the revised Code of Practice for Treasury Management in November 2011: it recommends that members should be updated on treasury management activities at least twice a year, but preferably quarterly. This report therefore ensures this council is implementing best practice in accordance with the Code.

In order to comply with the CIPFA code referred to above, a brief summary is provided below and Appendix 1 contains a full report from the Council's treasury management advisers, Arlingclose Ltd. Please note that our previous treasury advisers, Capita Asset Management, ceased to provide the advisory function as at 31st March 2017 and the details at Appendix 1 have therefore been provided by their successors, Arlingclose.

Members are asked to note that in order to minimise the resource requirements in producing this report, Arlingclose's report has been taken verbatim with regards to their explanation of the economic background. Generally, treasury advisers use a more journalistic style than is used by our officers, but in order to avoid changing the meaning or sense of Arlingclose's work, this has not been edited out.

Council adopted the 2016/17 Treasury Management Strategy Statement (TMSS) on 4 March 2016 as part of the 2016/17 Budget and Medium Term Financial Plan. This has been updated twice during the year, for borrowing limits (see section 5 below, "New Borrowing").

With the appointment of new treasury advisers, we expect to revise the TMSS for 2017/18 to potentially use additional investment instruments and consider other approaches to the Council's investment strategy. Approval will be sought for the revised TMSS through the normal committee reporting processes prior to taking any action recommended by the new treasury advisers that is currently outside the TMSS for 2017/18 approved at Council on 1st March 2017.

3. Annual Investment Strategy

The Gilt holding of £1.9 million remains with King and Shaxson and will be held until its maturity date of July 2018.

The investment portfolio as at the end of March is attached at Appendix 2. Since the end of the quarter, three deposits have matured. The £8m Barclays' deposit that matured on 5th April 2017 has been invested with two Local Authorities for a period of three months from 10th April at a rate of 0.30% (£5m with Suffolk County Council and £3m with Blackpool Borough Council). The Leeds Building Society investment of £5m that matured on 6th April 2017 was returned to cashflow funds and used to repay a £4m temporary loan from South Holland District Council. Separately, £7.5m of the capital receipt received from the sale of land at Aylesham has been invested with Birmingham City Council for 12 months at a rate of 0.70%. The Lloyds investment of £1m that matured on 11th May 2017 has not yet been reinvested and is currently part of the Bank of Scotland 'call account' balance.

Cash flow funds decreased from £14.2m at 31st December 2016 to £10.7m at 31st March 2017 (see Appendix 2). This is normal and expected, as there are reduced council tax receipts in February and March (generally paid over 10 months from April to January), while preceptors on the Collection Fund are paid their shares of Council Tax income evenly over the year. There was also a further six-monthly PWLB loan instalment of £2.35m paid for the 2016/17 year at the end of March. Cashflow funds have decreased from £10.7m at the end of March 2017 to £6.3m at the end of May 2017 (see Appendix 4), which partly arises from the decision to invest the Aylesham land sale money in a fixed term deposit with another local authority.

Please note that, following the Brexit vote and the reduction in bank base rate, interest rates dropped with all institutions. There is some expectation of a further base rate cut and some institutions may price this in, leading to further reductions in rates offered and pressure on investment income for 2017/18. However, the Arlingclose central case is for bank rate to remain at 0.25%, but there is a low possibility of a drop to close to zero.

4. **Economic Background**

The report attached (Appendix 1) contains information up to the end of March 2017; since then we have received the following update from Arlingclose. Please note that any of their references to quarters are based on *calendar* years:

Introduction

Commodity prices slid back in April with oil falling below \$50 a barrel – a 5 month low – as did industrial metal prices (iron ore, copper, zinc). The primary factor in the oil price fall was oversupply and a lack of belief in OPEC's (Organisation of Petroleum Exporting Countries) ability to deliver on agreed production caps of members.

UK Data

UK Consumer Price Index (CPI) rose over the quarter and the data print for May showed CPI at 2.9%, its highest since June 2013. The effect of the fall in fuel prices was offset by rises in a number of other categories in the CPI 'basket' as the fall in the value of sterling following June 2016's referendum result continued to feed through into higher import prices. The most recent labour market data for April 2017 showed that the unemployment rate at 4.6% remained at its lowest since July 1975 but that the squeeze on real wages (i.e. after inflation) is intensifying and resulting in negative real wage growth. Q1 GDP data released in April and revised in May showed economic activity growing at a much slower pace of 0.2%. However recent surveys indicate that the slowdown in the first quarter is being viewed as an anomaly and that Q2 GDP could rebound. Understandably, the Bank of England made no change to monetary policy and none is expected at its meeting on 15th June.

US Data

Having raised rates in March, the US Federal Reserve made no change to monetary policy at the conclusion of its meeting in May. The recent weakness witnessed in the first print of Q1 US GDP was noted in the accompanying statement but the Fed viewed this as a transitory issue and was of the view that the GDP path and household spending would recover during 2017. The Fed's outlook supports two further rate hikes during 2017 with the first likely in June when a 0.25% increase would take US official interest rates into the 1.00%-1.25% range. (please note that the outcome of the Federal Reserve meeting will be known around 1900 hours on Wed 14th June).

Impact of General Election

The non-economic event which has and will continue to have a significant impact in the medium term is June's General Election which was called by Prime Minister Theresa May to resolve uncertainty and in the hope of providing her an enhanced mandate to enter the forthcoming Brexit negotiations. The shock result was of no winner in overall political party terms, and the ultimate outcome of this election now hinges on the ability of the Conservatives to reach an agreement with the Democratic Unionist Party (DUP) in Northern Ireland and its 10 sitting MPs to form a coalition government that can work cohesively over a challenging two year period ahead. On a more immediate note there is real pressure to demonstrate that a Queen's Speech can be passed in the new Parliament with Brexit negotiations due to commence on 19th June so as to remain within the 2 year timeframe triggered by Article 50. This political impasse clearly results in an enhanced level of political uncertainty, however the potential for a so-called hard Brexit are now much diminished, reducing the associated economic headwinds for the UK economy from a 'no deal' or hard Brexit.

Up to now the reaction from the markets on the election's outcome has been fairly muted, business confidence now hinges a lot on the progress or not on Brexit negotiations, the success of concluding new trade treaties and whether or not the UK continues to remain part of the EU customs union post the country's exit from the EU (the pre-election objective of the government was for the UK to be outside the EU Common External Tariff).

Bank Base Rate

Arlingclose expects the Bank of England will look through periods of high inflation, and maintain its low-for-longer stance on policy rates for an extended period.

BANK RATE

Q2 2017	0.25%
Q3 2017	0.25%
Q4 2017	0.25%
Q1 2018	0.25%

5. New Borrowing

The Council's borrowing portfolio is attached at Appendix 3. The only new borrowing undertaken during the quarter was a short-term loan of £4m. This was taken out on 22nd March 2017 to cover an expected shortfall in cash flow money over the year-end, but this shortfall did not materialise due to the capital receipt from the sale of land at Aylesham. The loan was repaid on 21st April 2017. The interest paid was minimal and is offset within the final investment income figure of £342k, which exceeded budget by £13k.

Council approved a revised TMS on 28th September 2016 to increase *borrowing limits* to enable the borrowing to support the Dover Leisure Centre project to be undertaken, and a further update on 30th November 2016 to approve a further increase in *borrowing limits* to fund the separate Property Investment Strategy, which itself was approved at the 30th November meeting. Details of any specific borrowing will be advised to Members as part of the quarterly update reports when it is undertaken. None was undertaken in the quarter to March 2017. However, it is likely that borrowing *will* be undertaken in 2017/18, dependent on timing of projects and progress under the property investment strategy.

6. **Debt Rescheduling**

At this time it is not of benefit to the Council to consider rescheduling of its long-term debt.

7. **Compliance with Treasury and Prudential Limits**

The Council has operated within the Prudential Indicators in compliance with the Council's Treasury Management Practices, but has briefly exceeded the level of permissible deposit with Standard Life Money Market Fund as mentioned above (for two days only). Otherwise the Council has remained within its Treasury Management guidelines.

8. **Corporate Implications**

Comment from the Section 151 Officer: Finance have no further comments to make. (SG)

Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

Comment from the Equalities Officer: This report does not specifically highlight any equalities implications however, in discharging their responsibilities members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

Appendices

Appendix 1 – Arlingclose treasury management outturn report for 2016/17

Appendix 2 – Investment portfolio as at 31 March 2017

Appendix 3 – Borrowing portfolio as at 31 March 2017

Appendix 4 – Investment portfolio as at 31 March 2017

Background Papers

Medium Term Financial Plan 2016/17 – 2018/19

Contact Officer: Stuart Groom, extension 2072

Treasury Management Outturn Report 2016/17

Introduction

In March 2012 the Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management annual report after the end of each financial year.

This report fulfils the Authority's legal obligation to have regard to the CIPFA Code.

The Authority's treasury management strategy for 2016/17 was approved at a meeting of the Authority on 2 March 2016. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

External Context

Economic background: Politically, 2016/17 was an extraordinary twelve month period which defied expectations when the UK voted to leave the European Union and Donald Trump was elected the 45th President of the USA. Uncertainty over the outcome of the US presidential election, the UK's future relationship with the EU and the slowdown witnessed in the Chinese economy in early 2016 all resulted in significant market volatility during the year. Article 50 of the Lisbon Treaty, which sets in motion the 2-year exit period from the EU, was triggered on 29th March 2017.

UK inflation had been subdued in the first half of 2016 as a consequence of weak global price pressures, past movements in sterling and restrained domestic price growth. However the sharp fall in the Sterling exchange rate following the referendum had an impact on import prices which, together with rising energy prices, resulted in CPI rising from 0.3% year/year in April 2016 to 2.3% year/year in March 2017.

In addition to the political fallout, the referendum's outcome also prompted a decline in household, business and investor sentiment. The repercussions on economic growth were judged by the Bank of England to be sufficiently severe to prompt its Monetary Policy Committee (MPC) to cut the Bank Rate to 0.25% in August and embark on further gilt and corporate bond purchases as well as provide cheap funding for banks via the Term Funding Scheme to maintain the supply of credit to the economy.

Despite growth forecasts being downgraded, economic activity was fairly buoyant and GDP grew 0.6%, 0.5% and 0.7% in the second, third and fourth calendar quarters of 2016. The labour market also proved resilient, with the ILO unemployment rate dropping to 4.7% in February, its lowest level in 11 years.

Following a strengthening labour market, in moves that were largely anticipated, the US Federal Reserve increased rates at its meetings in December 2016 and March 2017, taking the target range for official interest rates to between 0.75% and 1.00%.

Financial markets: Following the referendum result, gilt yields fell sharply across the maturity spectrum on the view that Bank Rate would remain extremely low for the foreseeable future. After September there was a reversal in longer-dated gilt yields which moved higher, largely due to the MPC revising its earlier forecast that Bank Rate would be dropping to near 0% by the end of 2016. The yield on the 10-year gilt rose from 0.75% at the end of September to 1.24% at the end of December, almost back at pre-referendum levels of 1.37% on 23rd June. 20- and 50-year gilt yields also rose in Q3 2017 to 1.76% and 1.70% respectively, however in Q4 yields remained flat at around 1.62% and 1.58% respectively.

After recovering from an initial sharp drop in Q2, equity markets rallied, although displaying some volatility at the beginning of November following the US presidential election result. The FTSE-100 and FTSE All Share indices closed at 7342 and 3996 respectively on 31st March, both up 18% over the year. Commercial property values fell around 5% after the referendum, but had mostly recovered by the end of March.

Money market rates for overnight and one week periods remained low since Bank Rate was cut in August. 1- and 3-month LIBID rates averaged 0.36% and 0.47% respectively during 2016-17. Rates for 6- and 12-months increased between August and November, only to gradually fall back to August levels in March, they averaged 0.6% and 0.79% respectively during 2016-17.

Credit background: Various indicators of credit risk reacted negatively to the result of the referendum on the UK's membership of the European Union. UK bank credit default swaps saw a modest rise but bank share prices fell sharply, on average by 20%, with UK-focused banks experiencing the largest falls. Non-UK bank share prices were not immune, although the fall in their share prices was less pronounced.

Fitch and Standard & Poor's downgraded the UK's sovereign rating to AA. Fitch, S&P and Moody's have a negative outlook on the UK. Moody's has a negative outlook on those banks and building societies that it perceives to be exposed to a more challenging operating environment arising from the 'leave' outcome.

None of the banks on the Authority's lending list failed the stress tests conducted by the European Banking Authority in July and by the Bank of England in November, the latter being designed with more challenging stress scenarios, although Royal Bank of Scotland was one of the weaker banks in both tests. The tests were based on banks' financials as at 31st December 2015, 11 months out of date for most. As part of its creditworthiness research and advice, the Authority's treasury advisor Arlingclose regularly undertakes analysis of relevant ratios - "total loss absorbing capacity" (TLAC) or "minimum requirement for eligible liabilities" (MREL) - to determine whether there would be a bail-in of senior investors, such as local authority unsecured investments, in a stressed scenario.

Local Context

On 31st March 2017, the Authority had net borrowing / investments of £25m arising from its revenue and capital income and expenditure, an increase on 2016 of £14m. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors and the year-on-year change are summarised in table 1 below.

Table 1: Balance Sheet Summary

	31.3.16 Actual £000	2016/17 Movement £000	31.3.17 Actual £000
General Fund CFR	11,685	0	11,685
HRA CFR	78,358	2,081	76,277
Total CFR	90,043	2,081	87,962
Less: Usable reserves	(46,010)	10,918	(56,928)
Less: Working capital	(4,920)	801	(5,721)
Net borrowing	39,113	13,800	25,313

Net borrowing has decreased due to a fall in the CFR as new capital expenditure was lower than the financing; together with an increase in usable reserves, especially due to £17m in the capital receipt reserve; and a rise in working capital due to the timing of receipts and payments.

The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low. The treasury management position as at 31st March 2017 and the year-on-year change in show in table 2 below.

Table 2: Treasury Management Summary

	31.3.16 Balance £000	2016/17 Movement £000	31.3.17 Balance £000	31.3.17 Rate %
Long-term borrowing	87,669	(2,154)	85,515	3.39
Short-term borrowing	2,086	4,068	6,154	0.40
Total borrowing	89,755	1,914	91,669	
Short-term investments	34,452	21,252	55,704	0.50
Cash and cash equivalents	16,190	(5,538)	10,652	0.50
Total investments	50,642	15,714	66,356	
Net borrowing	(39,113)	13,800	(25,313)	

The decrease in net borrowing in table 1 has translated into a rise in investment balances due to the Authority's internal borrowing policy. The increase in investment balances is mainly due to a capital receipt of £7.6m received in March 2017.

Borrowing Activity

At 31st March 2017, the Authority held £92m of loans, an increase of £2m on the previous year, as part of its strategy for funding previous years' capital programmes. The year-end borrowing position and the year-on-year change in show in table 3 below.

Table 3: Borrowing Position

	31.3.16 Balance £000	2016/17 Movement £000	31.3.17 Balance £000	31.3.17 Rate %
Public Works Loan Board	86,756	(2,087)	84,669	3.39
Banks (LOBO)	3,000	0	3,000	4.75
Banks (fixed-term)	0	0	0	
Local authorities (long-term)	0	0	0	
Local authorities (short-term)	0	4,000	4,000	0.40
Total borrowing	89,756	1,913	91,669	

The Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.

The Authority continues to hold £3m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. No banks exercised their option during 2016/17.

Investment Activity

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2016/17, the Authority's investment balance ranged between £55.7 and £66.7 million due to timing differences between income and expenditure. The year-end investment position and the year-on-year change is shown in table 4 below.

Table 4: Investment Position

	31.3.16 Balance £000	2016/17 Movement £000	31.3.17 Balance £000	31.3.17 Rate %
Banks & building societies (unsecured)	39,182	12,737	51,919	0.48
Covered bonds (secured)	0	0	0	
Government (incl. local authorities)	1,910	3,000	4,910	0.85
Corporate bonds and loans	0	0	0	
Money Market Funds	9,550	(23)	9,527	0.32
Other Pooled Funds	0	0	0	
Total investments	50,642	15,714	66,356	

Both the CIPFA Code and government guidance require the Authority 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 Authority'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.

In furtherance of these objectives, and given the increasing risk and falling returns from short-term unsecured bank investments, the Authority is looking to further diversify into more secure and/or higher yielding asset classes during 2017/18. The progression of risk and return metrics are shown in the extracts from Arlingclose’s quarterly investment benchmarking in table 5 below. The potential benefits of future diversification can be seen by comparison to other local authorities (LAs) below.

Table 5: Investment Benchmarking

	Credit Score	Credit Rating	Bail-in Exposure	WAM* (days)	Rate of Return
31.03.2016	4.22	AA-	66%	53	0.71%
30.06.2016	4.21	AA-	64%	57	0.69%
30.09.2016	4.30	AA-	66%	54	0.60%
31.12.2016	4.33	AA-	64%	50	0.52%
31.03.2017	4.30	AA-	60%	47	0.61%
Similar LAs	4.18	AA-	58%	137	1.68%
All LAs	4.30	AA-	60%	47	1.14%

Performance Report

The Authority measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 6 below.

Table 6: Performance

	Actual £000	Budget £000	Over/ (under)	Actual %	Benchmark %	Over/ (under)
Interest received	342	329	13	0.50	0.32	0.18
Interest payable	3,021	3,020	1	3.39	3.39	0

Compliance Report

The Director of Finance is pleased to report that all treasury management activities undertaken during 2016/17 complied fully with the CIPFA Code of Practice and the Authority’s approved Treasury Management Strategy, with the minor exception of £9.5m being held in the Standard Life Investments Money Market Fund for two full days only, following a capital receipt from the sale of land at Aylesham (29th - 31st March 2017). Compliance with specific investment limits is demonstrated in table 7 below.

Table 7: Investment Limits

	2016/17 Maximum	31.3.17 Actual	2016/17 Limit/%	Complied
Operating Bank (NatWest)	£14.3m	£1.1m	£20m	✓
Unsecured investments with other UK banks	£8m	£8m	£8m	✓
Investments held in a broker's nominee account	£8m	£1.9m	£8m	✓
Unsecured investments with Building Societies	£8m	£5m	£8m	✓
Money Market Funds	£9.5m	£8m	£8m	*
Individual Local Authorities	£3m	£3m	100%	✓

* exceeded for two days only, as previously described, otherwise £8m or less with any MMF at any time.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 8 below.

Table 8: Debt Limits

	2016/17 Maximum £000	31.3.17 Actual £000	2016/17 Operational Boundary £000	2016/17 Authorised Limit £000	Complied
Borrowing	92,000	91,913	333,000	338,500	✓
Total debt	92,000	91,913	333,000	338,500	✓

Since the operational boundary is a management tool for in-year monitoring, it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. Total debt was above the operational boundary for 0 days during 2016/17.

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Security: For 2016/17 our approved creditworthiness policy was to follow the Capita Asset Services creditworthiness service using credit ratings from the three main credit rating agencies (Fitch, Moody's and Standard and Poor's), overlaid with credit default swap spreads, sovereign ratings for countries, and other data, as laid out in the 2016/17 TMSS. The policy was complied with throughout the year.

Liquidity: The Authority seeks to maintain a bank overdraft facility of £0.5m and to maintain liquid short term deposits of at least £1m available with a week’s notice. This minimum was maintained, including by borrowing £4m from another local authority from 22nd March 2017 to 21st April 2017 to meet expected payments. The receipt of £7.6m from the sale of land at Aylesham on 29th March 2017 meant that funds were, in fact, higher than expected.

Interest Rate Exposures: This indicator is set to control the Authority’s exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of principal borrowed was:

	31.3.17 Actual	2016/17 Limit	Complied
Upper limit on fixed interest rate exposure	100%	100%	✓
Upper limit on variable interest rate exposure	0%	30%	✓

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Maturity Structure of Borrowing: This indicator is set to control the Authority’s exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing were:

	31.3.17 Actual £000	Upper Limit	Lower Limit	Complied
Under 12 months	9,729	50%	0	✓
12 months and within 24 months	3,373	50%	0	✓
24 months and within 5 years	7,243	50%	0	✓
5 years and within 10 years	13,695	100%	0	✓
10 years and above	61,282	100%	0	✓

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

In-house Investments as at 31/03/17

APPENDIX 2

Organisation	Type of investment	Current rating	Issue Date	Maturity date	Market yield %	Book cost	Government Sovereign Debt rating	Options available
Held in Custody at Kings and Shaxon								
United Kingdom	Gilt		24/05/2013	22/07/2018	1.250	950,000		
United Kingdom	Gilt		11/06/2013	22/07/2018	1.250	960,000		
						1,910,000		
In-house Investments - Portfolio:								
								Duration
Nationwide	Fixed term deposit	A/F1/5	04/01/2017	04/07/2017	0.420	1,000,000	UK - Gov 'AA'	184 days
Lloyds	Fixed term deposit	A+/F1/5	30/01/2017	31/07/2017	0.600	2,000,000	UK - Gov 'AA'	185 days
Nationwide	Fixed term deposit	A/F1/5	01/02/2017	01/08/2017	0.370	3,000,000	UK - Gov 'AA'	184 days
Nationwide	Fixed term deposit	A/F1/5	24/02/2017	24/08/2017	0.370	3,000,000	UK - Gov 'AA'	184 days
Barclays	Fixed term deposit	A/F1/5	04/10/2016	05/04/2017	0.451	8,000,000	UK - Gov 'AA'	183 days
Leeds BS	Fixed term deposit	A-/F1/5	06/10/2016	06/04/2017	0.460	5,000,000	UK - Gov 'AA'	182 days
Lloyds	Fixed term deposit	A+/F1/5	11/11/2016	11/05/2017	0.600	1,000,000	UK - Gov 'AA'	182 days
Lloyds	Fixed term deposit	A+/F1/5	19/12/2016	20/06/2017	0.600	3,000,000	UK - Gov 'AA'	183 days
Bank of Scotland	Fixed term deposit	A+/F1/5	28/12/2016	28/06/2017	0.600	7,400,000	UK - Gov 'AA'	182 days
Lloyds	Fixed term deposit	A+/F1/5	28/12/2016	28/06/2017	0.600	2,000,000	UK - Gov 'AA'	182 days
Eastleigh Borough Council	Fixed term deposit	A+/F1/5	24/02/2017	24/08/2017	0.430	3,000,000	UK - Gov 'AA'	182 days
HSBC (Evergreen)	Notice Savings Account	AA-/F1+/1	26/02/2016		0.357	7,526,025	UK - Gov 'AA'	90 days notice required to withdraw funds
Santander	Notice Savings Account	A/F1/2	02/04/2016		0.650	7,868,176	UK - Gov 'AA'	95 days notice required to withdraw funds

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53,794,200

Total Portfolio

55,704,200

Cashflow:

Call Accounts/MMF (as at 31/03/17)

Rate

Global Treasury Fund (Goldman Sachs Money Market Fund)	1,527,106	0.23%
Standard Life Investments (Money Market Fund)	8,000,000	0.29%
Natwest SIBA	966,452	0.01%
Natwest SIBA - SEEDA (DTIZ)	56,096	0.01%
Natwest SIBA - EP (HCA)	47,779	0.01%
Natwest SIBA - ASDA	0	0.01%
Santander	502	0.05%
Bank of Scotland (BOS)	37,333	0.15%
HSBC Business Acc	0	0.00%
Barclays	16,054	0.00%

Total Cash flow

10,651,322

Total Portfolio and Cashflow

66,355,522

On 10/3/17 we arranged a temporary loan of £4,000,000 from 22/3 to 21/4 as it looked like there would be a short fall of cash flow funds at year end.
 On 22/3/17 the Planning Delivery Manager advised that we would shortly be receiving a capital receipt for Aylesham circa £6 million, but actually received £7.6 million on 29/3/17.
 On 31/3/17 we made a fixed term deposit with Birmingham City Council £7,500,000 from 28/4/2017 - 27/4/2018 @0.70% - see also Appendix 4.

Dover District Council Borrowing - 2016/17

APPENDIX 3

Interest Type	Date Loan Taken Out	Date Loan Matures	Repayment Dates	Loan Number	Principal Balance 01-Apr-16	Interest Rate %	Principal To Be Repaid 2016/17	Annual Interest 2016/17	Lender	Type of loan
Fixed	02/10/1997	02/10/2057	APR-OCT	479961	1,000,000	6.75		67,500	PWLB	Principal due on Maturity
Fixed	28/05/1997	28/05/2057	MAY-NOV	479542	2,000,000	7.38		147,500	PWLB	Principal due on Maturity
Fixed	23/08/1946	23/06/2026	JUNE-DEC	131582	468	2.50	44.64	13	PWLB	Equal Instalment of Principal (EIP)
Fixed	27/09/1946	27/06/2026	JUNE-DEC	131583	87	2.50	8.40	2	PWLB	Equal Instalment of Principal (EIP)
Fixed	16/11/2001	30/09/2026	SEPT-MAR	486237	1,000,000	4.75		47,500	PWLB	Principal due on Maturity
Variable	16/12/2002	16/12/2042	JUNE-DEC	N/A	3,000,000	4.75		142,500	KA Finanz AG Bank	Repayable if called by Bank
Fixed	26/03/2012	26/03/2042	SEPT-MAR	499853	82,754,565	3.18	2,086,670.69	2,615,137	PWLB	Annuity - HRA Financing
Fixed	01/05/2012	01/11/2027	MAY-NOV		95,806	0.00	8,709.60	0	Lawn Tennis Association	Interest free
					89,850,927		2,095,433	3,020,152		

In-house Investments as at 31/05/17

Organisation	Type of investment	Current rating	Issue Date	Maturity date	Market yield %	Book cost	Government Sovereign Debt rating	Options available
Held in Custody at Kings and Shaxon								
United Kingdom	Gilt		24/05/2013	22/07/2018	1.250	950,000		
United Kingdom	Gilt		11/06/2013	22/07/2018	1.250	960,000		
						1,910,000		

In-house Investments - Portfolio:

								<i>Duration</i>
Lloyds	Fixed term deposit	A+/F1/5	19/12/2016	20/06/2017	0.600	3,000,000	UK - Gov 'AA'	183 days
Bank of Scotland	Fixed term deposit	A+/F1/5	28/12/2016	28/06/2017	0.600	7,400,000	UK - Gov 'AA'	182 days
Lloyds	Fixed term deposit	A+/F1/5	28/12/2016	28/06/2017	0.600	2,000,000	UK - Gov 'AA'	182 days
Nationwide	Fixed term deposit	A/F1/5	04/01/2017	04/07/2017	0.420	1,000,000	UK - Gov 'AA'	184 days
Suffolk County Council	Fixed term deposit		10/04/2017	10/07/2017	0.300	5,000,000	UK - Gov 'AA'	91 days
Blackpool Borough Council	Fixed term deposit		10/04/2017	10/07/2017	0.300	3,000,000	UK - Gov 'AA'	91 days
Lloyds	Fixed term deposit	A+/F1/5	30/01/2017	31/07/2017	0.600	2,000,000	UK - Gov 'AA'	185 days
Nationwide	Fixed term deposit	A/F1/5	01/02/2017	01/08/2017	0.370	3,000,000	UK - Gov 'AA'	184 days
Nationwide	Fixed term deposit	A/F1/5	24/02/2017	24/08/2017	0.370	3,000,000	UK - Gov 'AA'	184 days
Eastleigh Borough Council	Fixed term deposit	A+/F1/5	24/02/2017	24/08/2017	0.430	3,000,000	UK - Gov 'AA'	182 days
Birmingham City Council	Fixed term deposit		28/04/2017	27/04/2018	0.700	7,500,000	UK - Gov 'AA'	364 days
HSBC (Evergreen)	Notice Savings Account	AA-/F1+/1	26/02/2016		0.357	7,532,714	UK - Gov 'AA'	90 days notice required to withdraw funds
Santander	Notice Savings Account	A/F1/2	02/04/2016		0.650	7,868,176	UK - Gov 'AA'	95 days notice required to withdraw funds

33

55,300,889

Total Portfolio

57,210,889

Cashflow:

Call Accounts/MMF (as at 31/05/17)

Rate

Global Treasury Fund (Goldman Sachs Money Market Fund)	106	0.18%
Standard Life Investments (Money Market Fund)	4,379,000	0.25%
Natwest SIBA	715,014	0.01%
Natwest SIBA - SEEDA (DTIZ)	56,097	0.01%
Natwest SIBA - EP (HCA)	47,780	0.01%
Natwest SIBA - ASDA	0	0.01%
Santander	502	0.05%
Bank of Scotland (BOS)	1,040,297	0.15%
HSBC Business Acc	0	0.00%
Barclays	34,136	0.00%

Total Cash flow

6,272,933

Total Portfolio and Cashflow

63,483,822

Lloyds Fixed term deposit A+/F1/5 11/11/2016 11/05/2017 0.600 1,000,000 UK - Gov 'AA' 182 days
 Lloyds investment matured on 11/05 and was paid into Bank of Scotland account. Currently reviewing TMS and so not reinvesting maturing fixed deposits as looking at other options with new treasury advisers.

Subject:	CLOSURE OF AREA OFFICES
Meeting and Date:	Cabinet – 3 July 2017 Scrutiny (Policy and Performance) Committee – 11 July 2017
Report of:	Andrew Stevens, Assistant Director, EK Services
Portfolio Holder:	Councillor Mike Conolly, Portfolio Holder for Corporate Resources and Performance
Decision Type:	Key
Classification:	Unrestricted

Purpose of the report:	To withdraw DDC face to face customer services at Aylesham, Sandwich and Deal and close the DDC service desks at these locations.
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Recommendation:	To withdraw face to face customer services at Aylesham, Sandwich and Deal and the closure of the DDC service desks at these locations during 2017/18
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1. Summary

1.1 This report seeks approval to withdraw face to face customer services at the DDC area offices (Aylesham, Sandwich and Deal) during 2017/18. Overall, footfall is reducing as more and more people are choosing to contact us by telephone or online. We have gathered an advanced level of customer insight and research which has been pivotal in bringing us to this point of questioning the need for face to face customer service at these offices. Withdrawing face to face service at these offices will progress the Council's digitisation agenda, enable EKS to continue to develop its services and help EK Services to meet its challenging budget savings targets for 2017/18.

2. Introduction and Background

- 2.1 DDC have provided a face to face customer service at Aylesham, Sandwich and Deal for many years. Staff at these offices deal with a variety of transactions for the council such as benefits, Council Tax and parking. Despite vastly increasing numbers of people choosing to contact us by other means (telephone and online) the design of the face to face service hasn't adapted or changed to meet customers' expectations. We still offer a very traditional service at these offices where customers can turn up without an appointment and wait to be seen. Other organisations who also deal with our customers have moved away from face to face services due to their cost and strategy to move customers online (Pension Service, Jobcentres, utility companies etc). Pensioners who claim pension credit carry out all their transactions online, by phone or by post. An Equality Impact Assessment is included as Appendix 5.
- 2.2 There are rarely queues in these offices and the sheer conveniences of the facilities are causing much of the footfall even though many of the enquiries can be dealt with in other ways.
- 2.3 EK Services staff have been gathering and analysing an advanced level of customer information over the last 12 months. We have spent a lot of time with the customers at all of these offices finding more about why they are choosing to come in face to

face to deal with the council, who they are (age, disability status, sex, how far they have travelled to come in) as well as whether they have access to the internet at home or elsewhere and whether they are confident in using it or not. EKS “Digital Champions” have also spent time at these offices helping customers to access the services in other ways and raising awareness of online and telephone services. Customer reaction to this has been very positive.

- 2.4 Most of the transaction types at Aylesham, Sandwich and Deal can be dealt with in other, more cost-effective, ways. At most of our offices, most of the transactions are about housing benefit. EK Services are procuring a new digital benefits system which allows people to submit new claims and change of circumstances 24/7 as well as upload documents directly to their claim. This negates the need for people to bring documents to the office to be copied (which is a very common transaction type) For exceptional cases only there is a provision to visit people in their own homes to help them transact with the council. This will be adopted on a case by case basis and only in cases where there is no other assistance available.
- 2.5 Universal Credit is just about to roll out in the Dover district. We will monitor the roll out of this before closure to ensure there are no new issues arising that were not identified in the production of this report. If any new issues are identified then these would be fully considered before closure proceeds.
- 2.6 Given the above, we are now in a situation where we recommend closing face to face customer service at Aylesham, Sandwich and Deal during 2017/18. Exact dates to be confirmed but we would recommend closing Aylesham & Sandwich in September and Deal in October 2017. Customers will still be able to make their enquiries to the council but will do so in a more modern, convenient and cost effective way. Similar recommendations are being made to Canterbury & Thanet Councils in relation to their area offices as well. This will have the dual advantage of helping deliver our services in a way that the majority of our customers expect as well as helping EK Services achieve its savings targets for 2017/18.
- 2.7 To be clear, the proposal is only to close the DDC service desks at these locations. The principal use of these buildings as a library (Deal), health centre (Aylesham) etc will continue.

3. Identification of Options

- 3.1 Withdraw face to face service at Aylesham, Sandwich and Deal - This withdrawal will happen during 2017/18 and customers will be encouraged to transact with us either on the telephone or online. Customers who are currently bringing in documents will be encouraged to either upload them online if they have access or post them to us as they do with many other organisations they deal with.
- 3.2 Do not withdraw face to face services at Aylesham, Sandwich and Deal – This will hamper EK Services and DDC’s digital ambitions and make it much more difficult for EK Services to realise its savings targets for 17/18. Increasingly, face to face service is becoming more expensive per transaction as we maintain the same number of staff in the offices whilst the footfall is falling. We have 1 staff member at Aylesham, 1 at Sandwich and 2 at Deal.

4. Evaluation of Options

- 4.1 Withdraw face to face services at Aylesham, Sandwich and Deal – This option is recommended. Given all the customer insight work and research we have carried

out over the last 12 months we now have a better understanding than ever before about the customers who are visiting our offices. We know who they are, how far they have travelled, their ages, sex, disability status and, crucially, we know the reasons why they have chosen face to face over other channels such as online and telephone. We also have data on their levels of digital literacy and whether they have access to the internet. This research has challenged the traditional assumptions that the main users of face to face services are the elderly who have not got access to the internet at home and who are digitally excluded. We have found that many people of working age who are digitally literate and have access to the internet are still choosing to use face to face services due to convenience and/or perceptions of a speedy service. There have also been cases where customers were simply not aware of the option of an online service and greatly appreciated being shown how to do this as an alternative to travelling to an office to hand documents in for example. All of the transaction types that happen in these offices can be carried out by customers using other channels such as online or telephone. If implemented then the DDC service desks at Aylesham, Deal and Sandwich will close.

- 4.2 If approved officers of the District Council and EK Services will determine the arrangements and timing for the closure of the area offices at Aylesham, Sandwich and Deal in accordance with the mechanisms and officer delegations in the East Kent Services Collaboration Agreement.
- 4.3 Do not withdraw face to face services at Aylesham, Sandwich and Deal – This option is not recommended. We have an obligation to provide services in a manner preferred by the majority of our customers whilst making sure the minority who do not have internet access have alternative ways of dealing with us. If we do not withdraw face to face services at these offices customers will still choose to use them (albeit a reducing number) and we will still need to resource them which will act as a significant barrier to EK Services and DDC's digital ambitions as well as make it more difficult for EKS to attain its budget savings target.

5. **Resource Implications**

There will be part year savings of £22.5k in 2017/18 (assuming full implementation by 1st October 2017) and then on-going savings of £45k per annum in subsequent years.

6. **Corporate Implications**

- 6.1 Comment from the Section 151 Officer: The Section 151 Officer and the Accountancy Section have been consulted on the report and have no further comments to add (LS)
- 6.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 6.3 Comment from the Equalities Officer: In preparation for the report an Equality Impact Assessment has been carried out which highlights an impact on both age and disability. Measures have been outlined in order to mitigate the impact on the protected characteristics. Members are reminded that, in discharging their responsibilities they are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

7. **Appendices**

Appendix 1 – Customer insight data at Aylesham

Appendix 2 – Customer insight data at Sandwich

Appendix 3 – Customer insight data at Deal

Appendix 4 – ONS national statistics (internet access per age band)

Appendix 5 – Equality Impact Assessment

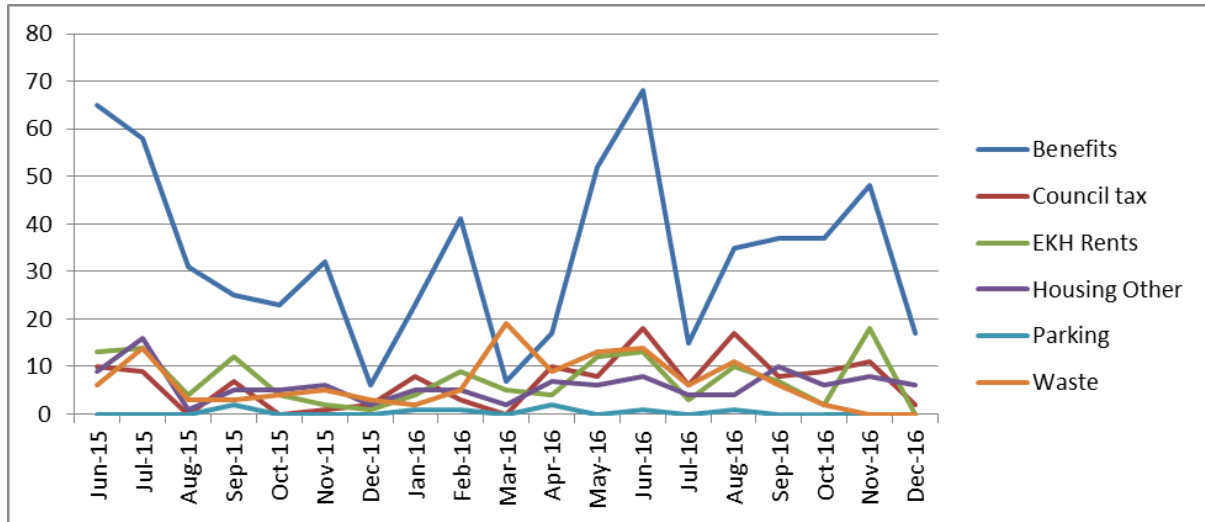
8. **Background Papers**

Contact Officer: Andrew Stevens, Assistant Director, EK Services

Andrew.stevens@ekservices.org 07525 668450

Appendix 1 – Aylesham data and customer insight

- Visitor numbers at Aylesham (June 15 to Dec 16)



- Results from customer surveys (49 completed)

“Average” Aylesham customer is a female aged over 65, travels 0.8 miles to come into the office to hand in documents and has a 50% chance of possessing a smartphone and/or having access to the internet.

What is your postcode?
CT3 3DL

What is your age?
 16-24 25-34 35-44 45-54
 55-64 65-74 75+ (please circle)

Are you:
 Male Female (please circle)

Do you consider yourself to have a disability?
 Yes No (please circle)

Can you use a computer/smart-phone/tablet?
 Yes No (please circle)

Does anyone in your house use a computer/smart-phone/tablet?
 Yes No (please circle)

Do you have access to a computer/smart-phone/tablet at home?
 Yes No (please circle)

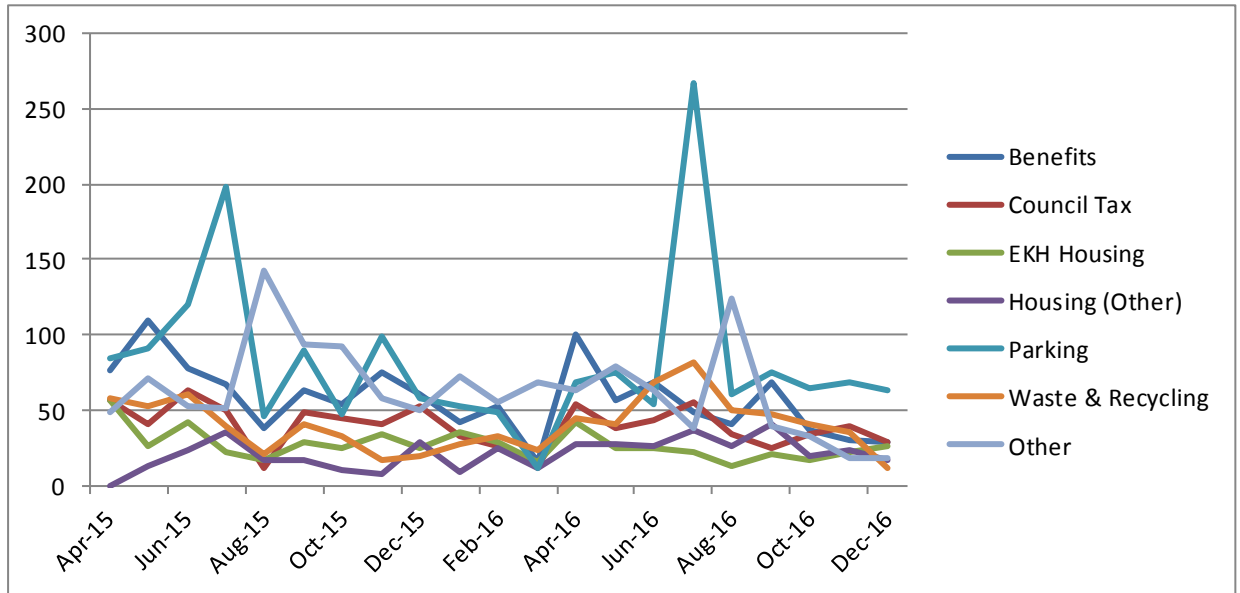
Do you have access to a computer at a library, council office or similar?
 Yes No (please circle)

Why did you visit today instead of going online or phoning?
easier.

A

Appendix 2 – Sandwich data and customer insight

- Visitor numbers at Sandwich (April 15 to Dec 16)



- Results from customer surveys (155 completed)

“Average” Sandwich customer is aged over 75, travels 2.1 miles to come into the office to pay a council bill or ask about parking and has just over a 50% chance of possessing a smartphone and/or having access to the internet.

What is your postcode?

Do you have access to a computer/smart-phone/tablet at home?
 Yes No (please circle)

What is your age?
 16-24 25-34 35-44 45-54
 55-64 65-74 75+ (please circle)

Do you have access to a computer at a library, council office or similar?
 Yes No (please circle)

Are you:
 Male Female (please circle)

Why did you visit today instead of going online or phoning?

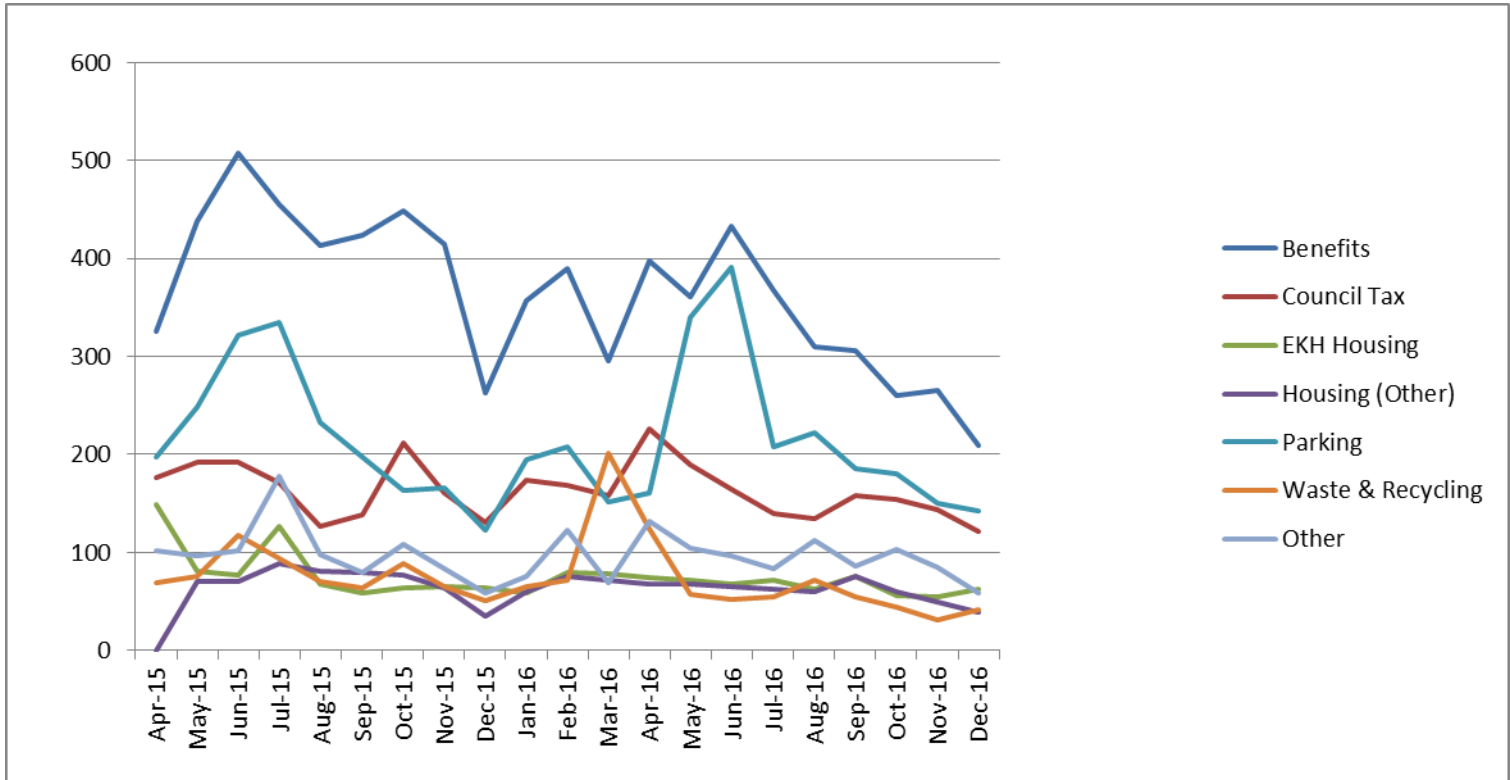
Do you consider yourself to have a disability?
 Yes No (please circle)

Can you use a computer/smart-phone/tablet?
 Yes No (please circle)

Does anyone in your house use a computer/smart-phone/tablet?
 Yes No (please circle)

Appendix 3 – Deal data and customer insight

- Visitor numbers at Deal (June 15 to Dec 16)



- Results from customer surveys (384 completed)

“Average” Deal customer is aged between 45-54, travels 2.13 miles to come into the office to hand in documents. They are likely to possess a smart phone / access to the internet.

What is your postcode?

What is your age?
 16-24 (25-34) 35-44 45-54
 55-64 65-74 75+ (please circle)

Are you:
 Male Female (please circle)

Do you consider yourself to have a disability?
 Yes No (please circle)

Can you use a computer/smart-phone/tablet?
 Yes No (please circle)

Does anyone in your house use a computer/smart-phone/tablet?
 Yes No (please circle)

Do you have access to a computer/smart-phone/tablet at home?
 Yes No (please circle)

Do you have access to a computer at a library, council office or similar?
 Yes No (please circle)

Why did you visit today instead of going online or phoning?

Appendix 4 – National internet access statistics (ONS)

ONS Internet stats 2016

Figure 3: Recent internet users in last 3 months by age group and sex, UK, 2016

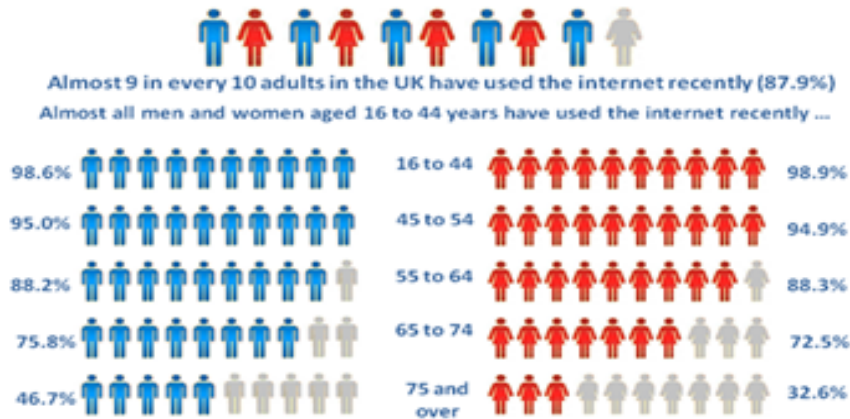
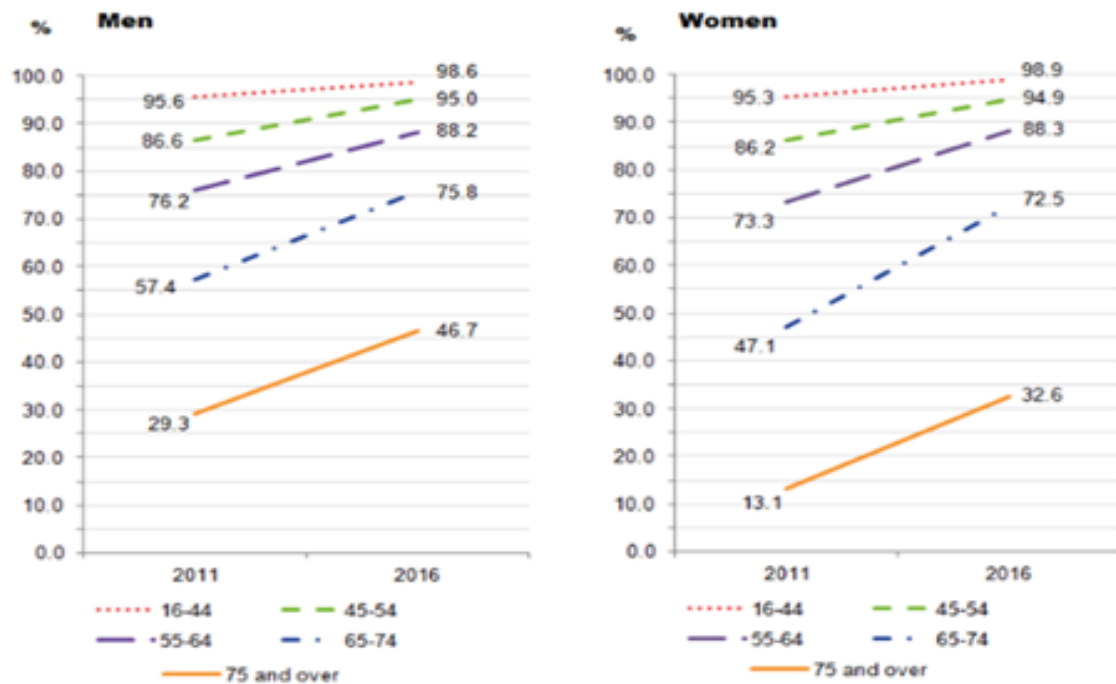


Figure 4: Recent internet use in 2011 and 2016 by age group and sex, UK



Appendix 5 – Equality Impact Assessment

Equalities Impact Assessment

Lead Officer:-	Andrew Stevens, Assistant Director, EK Services
Decision Maker(s):-	Cabinet – 3 rd July 2017
Name and Type of decision:- e.g. Policy, contract, service delivery change.	Service delivery change. The reports recommends that face to face customer service is withdrawn from Aylesham, Sandwich and Deal.
Date of decision When will the final decision be taken?	3 rd July 2017.
Aims of the decision <ul style="list-style-type: none"> • Objectives • Intended outcomes • Key actions • Who and how many will be affected 	<p>The objectives of the decision are to withdraw face to face customer service at Aylesham, Sandwich and Deal. Although face to face service will be withdrawn we still intend to offer a comprehensive service on the telephone and online. The intended outcome is for customers to interact with us in a more cost effective way as face to face service provision carries significantly higher overheads than dealing with people on the telephone or online.</p> <p>The key actions are to seek approval in principle from Cabinet on 8th May 2017 and then embark on a communications campaign to publicise the closures. It is anticipated that the face to face service will be withdrawn by July 2017.</p> <p>In terms of numbers of people affected, the numbers of customers using these offices varies from month to month but we generally see about 10 customers a week at Aylesham, 75 at Sandwich and around 220 customers at Deal. We don't know how many of these customers are "unique" customers and how many are repeat customers.</p>

<p>Information and Research</p> <ul style="list-style-type: none"> • Summarise research and information that you used to prepare your proposals / preferred options • What data did you use to research your proposals • List anything you found that will affect people with protected characteristics. 	<p>We have been collecting a great deal of data and information on customers using our face to face services over the last 12 months. This has been using feedback cards and we have collected information regarding age, sex, distance travelled, disability status and whether the customer is digitally literate or not and had access to the internet. Across the three locations we have collected over 600 survey forms which have subsequently informed these recommendations.</p> <p>These survey forms have been accompanied by EKS “Digital Champions” spending time in these offices talking to the customers about how they prefer to contact the office and helping them deal with the council in a different way. These sessions have been very positively received and a special “Go online” session held at Aylesham was very well received by the public.</p> <p>Generally speaking, we have found that Aylesham and Sandwich are used by older people (over 65) and Deal is mostly used by people aged between 45-54. A minority of people using face to face at these offices consider themselves to be disabled. Most of the customers we surveyed are female and around 50% of customers at Aylesham and Sandwich told us they have internet access compared to around 75% at Deal. We have also carried out research looking at other similar organisations who provide services to our customers. For older people in particular anyone dealing with the Pension Service would be expected to interact with them online or by telephone. Documents can be posted to them as well. HMRC also encourage this type of contact rather than face to face. Utility companies such as water, gas and electricity companies offer no face to face services either.</p>
<p>Consultation</p> <ul style="list-style-type: none"> • Has there been any specific consultation done • What were the consultation results • Did the consultation analysis show any difference for people with protected characteristics. • What conclusions did you draw from the consultation 	<p>There has been significant consultation through a process of discussions and surveys with over 600 users of the face to face service to build up a detailed understanding of who are customers are and to find out why they were choosing to contact us face to face rather than use more modern, cost effective ways of contacting us.</p>

Assessing if the decision is likely to be relevant to the three aims of the Equality Duty.

Aim	Relevance Yes / No
Eliminate discrimination, harassment, victimisation	No
Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not.	Yes
Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.	No

If you have decided that this decision is relevant to the three aims of the Equality Duty, use the section below to show how it is relevant and what the impact will be.

Protected Characteristic	Relevance High/Medium/Low	Impact of the decision Positive / Negative
Age	Medium	Negative.
Disability	Medium	Neutral
Gender reassignment		
Gender		
Marriage and Civil Partnership		
Pregnancy and Maternity		
Race		
Religion, Belief or Lack of Belief		
Sexual Orientation		

<p>If you have found negative impact, outline the measures you intend to take to mitigate it.</p>	<p>National ONS data reveals that older people are less likely to have access to the internet than younger people. Withdrawing the face to face customer service will not disadvantage older people as we will still provide a telephone service for enquiries and customers always have the opportunity to upload documents on their phone if they have the facility and access or post documents where they do not. This is entirely consistent with other organisations such as Pension Service and HMRC who are also encouraging customers to interact with them in a more modern, cost effective way.</p> <p>In terms of disability, again, statistics show disabled people are less likely to have internet access than non-disabled people. The mitigating factors mentioned above remain applicable. We will offer a full digital service for those who have got access to the internet and a telephone service for those who do not. As many of the transaction types we deal with are customers simply bringing in documents for us to see we will of course accept these via the postal system like many other organisations they already deal with.</p>
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	<p>For exceptional cases only there is a provision to visit people in their own homes to help them interact with the council. This will be adopted on a case by case basis and will only be carried out where there is no other help available to the customer.</p>
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This Equality Impact Assessment must attach to any report throughout the decision making process, to allow the final decision makers to have Due Regard.

Subject:	DEVELOPMENT OF NEW AFFORDABLE HOUSING - FOXBOROUGH CLOSE, WOODNESBOROUGH
Meeting and Date:	Cabinet – 3 July 2017
Report of:	Mike Davis, Director of Finance, Housing and Community
Portfolio Holder:	Councillor Pauline Beresford, Portfolio Holder for Housing, Health and Wellbeing
Decision Type:	Key Decision
Classification:	Unrestricted

Purpose of the report: To seek project approval for the development of two affordable homes on Council-owned land at Foxborough Close, Woodnesborough

Recommendation:

1. That Cabinet approves in principle the proposed project to build two affordable homes for rent on land owned by the Council at Foxborough Close, Woodnesborough.
2. That Cabinet authorises the Director of Environment and Corporate Assets, acting in consultation with the Director of Finance, Housing and Community and the Portfolio Holder for Housing, Health and Wellbeing, to take the necessary decisions to progress the development of the site to the construction phase including decisions relating to the award of contracts.

1. Summary

- 1.1 The Council recently purchased a small area of land from Town & Country Housing Group (TCHG) in Foxborough Close, Woodnesborough. Based on an undertaking that the Council would look to develop the land for affordable housing, TCHG agreed to sell it for £1 but included an overage clause in the agreement which would be activated in the event that the land was developed to provide anything other than affordable housing.
- 1.2 The land adjoins a disused play area also owned by the Council and held for housing purposes. The combined area of land is considered suitable for the construction of 2, two bedroom semi-detached houses.
- 1.3 The report therefore recommends that the Council seeks planning permission to build 2 affordable homes for rent on the site and if successful procures the necessary contracts for their construction with the cost to be met from a combination of Housing Initiatives Reserve monies, developer financial contributions and Right to Buy receipts which are ring-fenced for 'one for one' affordable housing replacement.

2. Introduction and Background

- 2.1 In 2001 the Council transferred ownership of land and dwellings at Foxborough Close, Woodnesborough to TCHG. The dwellings were of a prefabricated construction designated as defective under the Housing Defects Act 1984. Following acquisition, TCHG demolished the dwellings and redeveloped the site. However, they

left a small area of land undeveloped which is shown hatched on the plan attached at Appendix 1.

- 2.2 The Council has retained ownership of a small play area adjoining the undeveloped TCHG land. The Council subsequently took a decision not to continue maintaining the play area and the play equipment was removed a number of years ago.
- 2.3 TCHG recently agreed to sell their area of land to the Council and, on the understanding that the land would be developed to provide affordable housing, they agreed a nominal purchase price of £1. However, to protect their interest an overage clause was included in the agreement which will be activated should the land be developed for anything other than affordable homes. The land purchase has now been completed and the land is in the process of being registered in the Council's name with the Land Registry. A development feasibility assessment indicates that the combined areas of land should be suitable, subject to planning, for the construction of a pair of two bedroom semi-detached houses (see Appendix 2).
- 2.4 There is a significant need for more affordable housing in the district and the development of two affordable homes for rent can be funded from a combination of Housing Initiative Reserve money accumulated from HRA annual surpluses, RTB 'one for one' replacement receipts and developer financial contributions.
- 2.5 If the land is not developed, it will need to be maintained by the Council on an on-going basis.
- 2.6 It is therefore proposed that a planning application should be made with a view to developing the site for affordable housing. If planning permission is granted the Council will need to procure a contractor to build the homes and it is recommended that the Director of Environment and Corporate Assets, acting in consultation with the Director of Finance, Housing and Community and the Portfolio Holder for Housing, Health and Wellbeing, should be authorised to approve the award of related contracts.

3. Identification of Options

- 3.1 Option 1: Approve the project as proposed in the report.
- 3.2 Option 2: Pursue an alternative option for the site e.g. sale of the site or develop the site for market housing.
- 3.3 Option 3: Retain and maintain the site.

4. Evaluation of Options

- 4.1 Option 3 is not recommended as it will not provide the additional housing needed in the district and will have a cost implication in respect of on-going maintenance.
- 4.2 Option 2 is not recommended as the value that can be achieved will be reduced by the overage clause and the opportunity to build affordable homes to help meet local housing need will be lost.
- 4.3 Option 1 is recommended because it will provide affordable additional affordable housing to meet local need. It will also enable the Council to use 'one for one' RTB receipts which have to be used to fund affordable housing schemes and are time restricted. Failure to use them within the time period will mean the Council has to pay

the money to government with interest. In addition, it will enable the Council to use a developer financial contribution to affordable housing within the required local housing market area.

5. Resource Implications

5.1 Based on the cost of developing the 3 affordable, two-bedroom houses at Adelaide Road, Elvington it has been estimated that the cost of this development should be in the region of £250,000. This has been included in the amount allowed for HRA projects in the 2017/18 MTFP.

5.2 It is anticipated that the scheme will be funded as follows:

Developer contribution: £122k

RTB receipts: £75k

Housing Initiatives Reserve: £53k

In the event that the build cost exceeds £250k, then subject to a value for money assessment, the additional cost will be met from the HIR.

6. Corporate Implications

6.1 Comment from the Section 151 Officer: Accountancy have been consulted and have no further comments to add (BW).

6.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

6.3 Comment from the Equalities Officer: The report does not specifically highlight any equalities implications, however in discharging their responsibilities members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

6.4 Other Officers (as appropriate): None received.

7. Appendices

Appendix 1 – Plan showing location of former TCHG land

Appendix 2 – Indicative feasibility layout for combined site

8. Background Papers

None.

Contact Officer: Paul Whitfield, Head of Strategic Housing

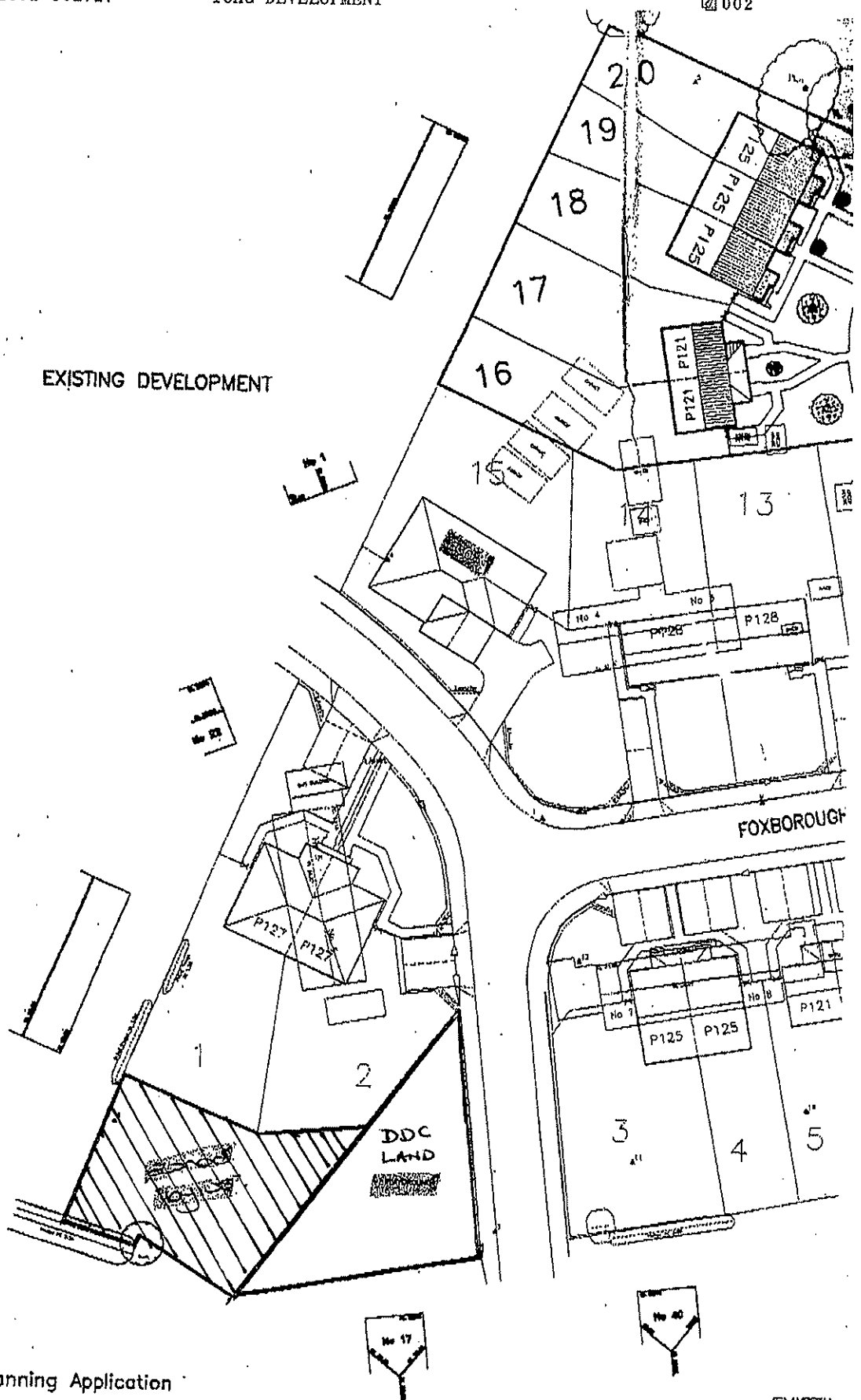


EXISTING DEVELOPMENT

ULE OF HOUSE TYPES

- 1 BED HOUSE 2
- 2 BED HOUSE 3

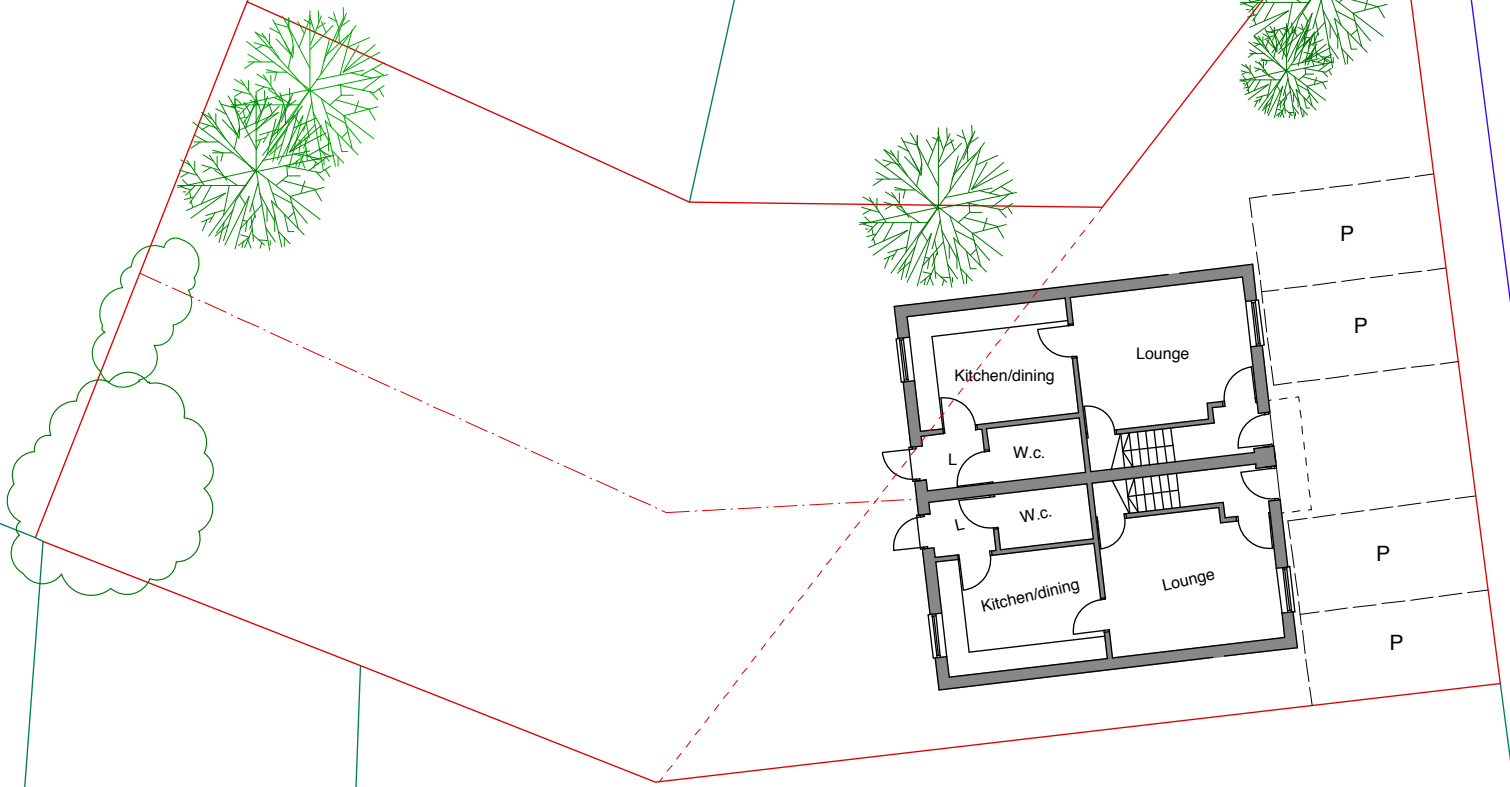
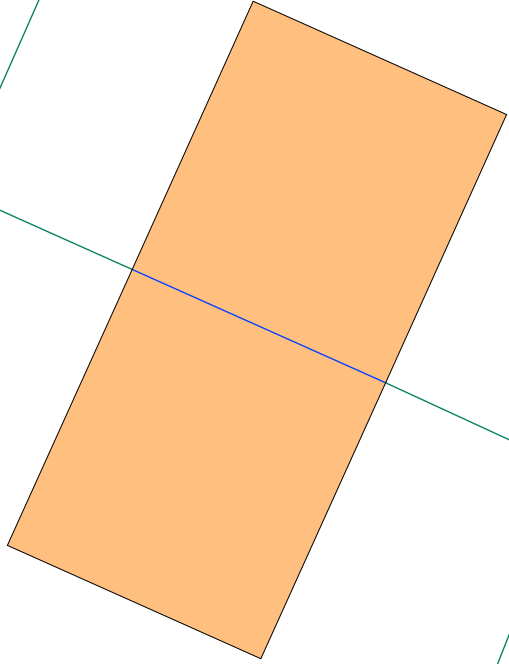
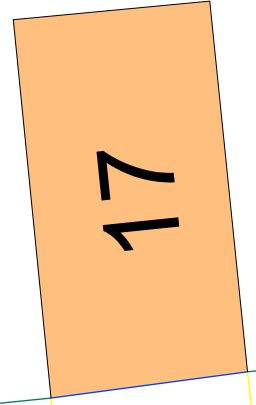
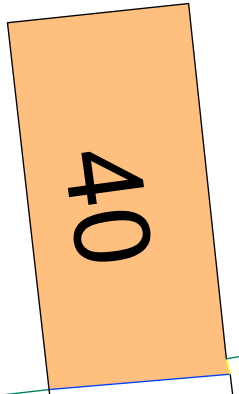
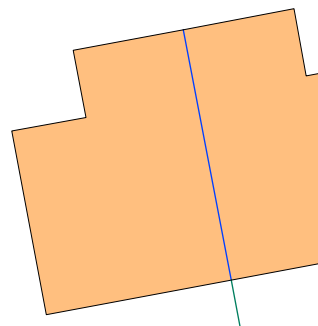
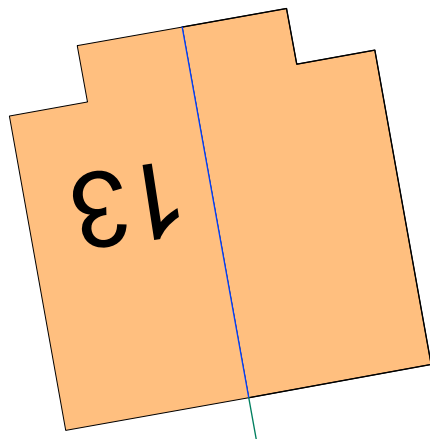
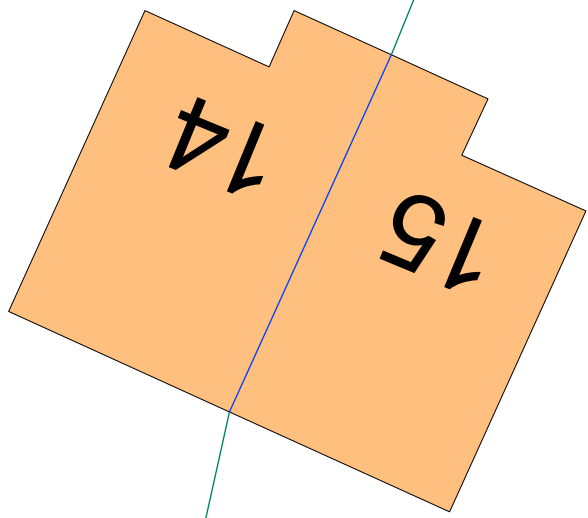
TOTAL 5



(Plots 1 to 15 inc,) Planning Application
 Plan No DOV/00/01040 Approved 19 March 2001

EXISTIN

FOXBOROUGH CLOSE



54

Scheme A

Subject:	REVISION OF EXISTING HOUSING ASSISTANCE POLICY
Meeting and Date:	Cabinet – 3 July 2017
Report of:	Mike Davis, Director of Finance, Housing and Community
Portfolio Holder:	Councillor Pauline Beresford, Portfolio Holder for Housing, Health and Wellbeing
Decision Type:	Key Decision
Classification:	Unrestricted

Purpose of the report: To obtain approval for a revised Housing Assistance Policy in order to assist with delayed hospital discharge (bed-blocking), bring more empty homes into use and to provide more assistance to enable people to live independently at home for longer (see the revised Housing Assistance Policy attached at Appendix 1).

Recommendation: That Cabinet approves revisions to the Private Sector Housing Assistance Policy to:

- (i) Amend the types of assistance available in order to spend the additional funding provided through the Better Care Fund for Disabled Facilities Grants.
- (ii) Provide additional financial assistance to bring empty homes back into use.
- (iii) Authorise the Director of Finance, Housing and Community to make further minor changes to the policy.

1. Summary

1.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. (RRO), allows a Local Housing Authority (LHA) to give financial assistance to homeowners for repairs and improvements to their homes. The order requires the LHA to agree and publish a Housing Assistance Policy before assistance can be given. The policy should detail the conditions and types of grants and loans that are to be made available. The current policy was approved by the Council in 2012.

1.2 This report recommends that Cabinet agrees some revisions to the Policy to enable the provision of additional types of funding in relation to the following areas of service:

- Disabled Facilities Grants (DFG's): these are mandatory grants and the conditions and eligibility criteria are strictly controlled by the Housing Grants and Construction Act 1996. Since April 2016 all Councils have received substantial increase in grant funding from central Government for DFG's. This allows the Council to consider providing funding for additional types of assistance as set out in the report and the draft revised policy attached.
- Empty Homes: since 2012 the only financial assistance to property owners to help bring empty homes back into use has been through the KCC No Use Empty scheme. The scheme has been very successful in helping to tackle empty homes and has helped lever significant private investment into the District. However, the

funding is limited and it is proposed that the Council provides additional funding to help meet demand.

- 1.3 Costs relating to additional DFG services can be met from the increased DFG grant received from government through the Better Care Fund and the costs related to empty homes funding will be met from the Council's private sector housing loan capital budget

2. **Introduction and Background**

Disabled Facilities Grant Funding

- 2.1 Local Housing Authorities have a duty to provide Disabled Facilities Grants (DFG's) whose conditions and eligibility criteria are controlled by the Housing Grants and Construction Act 1996.
- 2.2 Since 2015-16, funding for DFG's has been provided via the Better Care Fund. In November 2015 the Government announced it was committed to increase DFG funding by 79% for 2016/17. Some of this increase included the Social Care Grant which KCC uses to fund equipment in a disabled person home. Even with the Social Care Grant funding taken into account, the funding for DFG's increased substantially from £599k to £859K. The funding for 2017/18 funding has been increased by a further £90k (11%) and it is expected that by 2020 the funding will be twice the amount awarded in 2015/16.
- 2.3 The combined effect of a combination of a small reduction in grant applications in 2016/17, a significant reduction in the average DFG paid and the additional funding received was a DFG budget underspend of £400k in 2016/17. The Council has no waiting list for grant approvals and applications for grants are processed quickly. Despite recent promotion of DFG's, it is unlikely that the Council will be able to spend current and future grant funding by only offering statutory DFG's.
- 2.4 One of the primary aims behind the additional funding provided through the Better Care Fund is to ensure that disabled people can live independently in their own homes for longer. It sets targets around reducing "delayed transfers of care" (hospital bed-blocking due to lack of a safe home environment to be discharged into), and reducing admissions to hospital by improving energy efficiency, security and safety in the home and expects Councils to offer additional types of assistance to alleviate these problems. The latest guidance issued in March 2017 states that this funding can help "provide further action to support people into more suitable accommodation and to adapt existing stock".
- 2.5 To help achieve the objectives set out above and make appropriate use of the additional funding, it will be necessary to revise the Private Sector Housing Assistance Policy setting out the types of assistance to be provided under the RRO and the eligibility criteria and conditions that will apply. Disabled Facilities Grants (DFG) conditions cannot be changed as these are subject to strict legislative controls but there is scope to offer additional forms of assistance. A copy of the proposed, revised policy is attached at Appendix A.
- 2.6 Listed below are the additional types of assistance that could be offered to disabled and older people and which are recommended for inclusion in the revised policy:
 - Disabled Adaptations Loan: this will provide an interest free loan of up to £15,000 for those cases where the cost of the adaptations works exceeds the maximum DFG grant of £30,000. On average there is one of these cases a year.

- Disabled Adaptation Grant:
 - (i) DFG's are subject to a strict means test which may require a financial contribution from the applicant. This can often be a barrier to the adaptation proceeding. This new proposed grant will pay up to £15,000 towards a disabled person's financial contribution.
 - (ii) In some cases an applicant's financial contribution exceeds the cost of the adaptation and they will not receive a grant. Again, this can act as a barrier. It is proposed that in such cases a Disabled Adaptation Grant with a less onerous means test will be offered. The maximum proposed grant will be £20,000.
- Stairlift Grant: this is a grant of up to £4,000 to provide an urgent stair lift in cases where a stairlift is required to prevent delayed discharge from hospital.
- Provision of a Hospital Discharge/Admissions Prevention Service through the Handy Person Service
 - (i) Family Mosaic currently manages the East Kent Homes Improvement Agency and the agencies in all other Kent Councils except for the in-house agency at Swale. Their service includes a Handy Person Service for elderly, disabled and vulnerable customers. The service provides a trusted assessor and DBS cleared 'handy person' to carry out small works at a subsidised cost e.g. putting up shelves, decorating, small repairs and maintenance type work. A number of Council's such as Shepway currently subsidise this service and it has proved to be very popular with residents. The referral rates for the service in Shepway are the highest in East Kent.
 - (ii) This service has now been widened to cover referrals from the local acute hospitals, Care Navigators, GPs, Occupational Therapists and health trainers for residents. It is being offered as a free service to patients who are over 50 years old and by tackling physical problems within the home environment it should help speed up some hospital discharges and prevent some hospital admissions. The type of practical, small works that can enable earlier discharges include installation of key safes, handrails, moving a bed into a downstairs room, clearing a room to make it easier and safer to move around in, fitting locks to doors and windows and carrying out a free home safety check.
 - (iii) The full cost of this enhanced service is £45,893 per annum which includes 1 FTE (DBS cleared) Handy Person, administration and managerial support, vehicle rental costs, insurance, fuel, vehicle tracking and graphics, uniform, blackberry and lone worker device costs, training (trusted assessor) and stationery (leaflets etc). It is proposed that the hospital discharge element of the service would be offered to clients for free, and a small materials budget of approximately £5000 would be allocated from the DFG budget. The total cost to be met from the Council's DFG allocation to provide this service would therefore be £50,893 pa.

- 2.7 Existing assistance to support people in their homes will continue with minor changes. These are:
- Disabled Home Assistance Grant; grant increased from £5,000 to £7,000
 - Disabled Relocation Grant; changed from a loan to a grant and increased to £20,000
 - Winter Warmth Grant increased from £5,000 to £7,000
- 2.8 The proposed new policy has been developed following a significant period of consultation with key stakeholders including; East Kent Coastal CCG, KCC, other East Kent Councils, East Kent Homes Improvement Agency, Dover District Disability Association, Dover Adult Strategic Partnership and NHS hospital discharge team.

Empty Homes Funding

- 2.9 Since 2007 Dover District Council has worked in partnership with KCC to deliver its No Use Empty (NUE) Home scheme. This provides interest free loans limited up to a maximum of £25k per unit to bring empty properties back into use. By 2015 the scheme had brought over 170 units back into use and resulted in over £8m of investment in the district.
- 2.10 Over the years, the scheme has been expanded to include more Councils but the amount of funding overall hasn't increased. As a result it has become more difficult for Council's to secure the amount of funding required. A number of Councils in Kent including Shepway, Thanet and Tunbridge Wells are now providing additional assistance to make the KCC scheme more attractive and to enable some of the larger projects obtain the level of funding needed. In recognition of the financial support being provided, KCC is now prioritising these Councils areas for NUE funding. If KCC NUE budget for loans becomes depleted those Councils not offering additional assistance may find that NUE funding in their district becomes more restricted.
- 2.11 It is therefore recommended that in addition to the KCC NUE loans the Council provides an additional loan of up to £15,000 per unit. This will increase the maximum available loan funding to £40,000 per dwelling. The DDC funding for each project will be restricted to a maximum of five dwellings which means the total DDC loan for any project would not exceed £75,000. The loans will be administered by KCC and the loan repayment period will be 3 years. It is proposed that projects in the wards of Castle, Maxton and Elms Vale and Tower Hamlets should receive priority for loans.
- 2.12 It is proposed that the total budget for the DDC empty homes loans scheme will be limited to £300,000. This money will be provided from the private sector housing loan capital budget. The loans will be secured by a charge on the property and the money repaid will be recycled into the scheme to help bring further empty homes back into use. The outcomes from increased funding will be monitored and if it is successful a recommendation to further increase the funding further may be made to Cabinet.

3. Equalities Considerations

- 3.1 The proposed revised policy has been developed in consultation with a range of organisations representing people protected by the Equality Act. The proposed changes will have a high positive impact on elderly and disabled people. An equality impact assessment has been made which indicates no negative impact on any person with a protected characteristic.

3.2 The proposed service enhancements relating to the use of DFG funding reflects government guidance and will benefit older and physically disabled persons. An Equality Impact Assessment has been carried out which supports this.

4. Identification of Options

4.1 Option 1: To approve the revisions to the Private Sector Housing Assistance Policy as set out in this report and included in the draft policy attached.

4.2 Option 2: Approve the revised Private Sector Housing Assistance Policy subject to further amendments.

4.3 Option 3: To reject the revised Housing Assistance Policy.

5. Evaluation of Options

5.1 Option 1 is the recommended option as it will enable the Council to:

- More effectively utilise DFG funding in accordance with Government guidance.
- Maintain investment in tackling empty homes with the associated social and financial benefits for the District.

5.2 Option 2 will need to take account of:

- The increased additional DFG funding that will need to be spent and the objectives the funding is expected to meet in the Better Care Fund Policy Framework.
- The need to increase the number of homes in the District and the benefits to continue to obtain investment to reduce the number of empty properties particularly in the town centre of Dover. The benefit of leveraging in larger funds from third parties at a time of scarce financial resources.

5.3 Option 3 is not recommended as it will mean that DFG funding is not used effectively and in accordance with government guidance while a shortfall in empty homes funding is likely to result in fewer homes being brought back into use.

6. Resource Implications

6.1 The additional funding that is being proposed for the different services is shown in the table below together with the source of the funding.

Service Provision	Funding Provision	Funding Source
Empty Homes Loans: additional loan funding to encourage property owners to bring empty homes back into use	£15k per home Maximum of £300k	PSH Loan Budget
Urgent Homes Loan:	Up to £17k per application	PSH Loan Budget
Disabled Adaptations Loan: interest free loan where cost of works exceeds £30k	Up to £15k per DFG application	Government DFG funding
Disabled Adaptation Grant: (i) DDC contribution to a DFG applicant's personal financial contribution	Up to 15K per application	Government DFG funding

(ii) Financial assistance where a DFG applicant's financial contribution exceeds the cost of the adaptation	Up to £20k per application	
Stairlift Grant: to fund urgent stairlift installations where it will avoid delayed hospital discharge	Up to £4k per application	Government DFG funding
Hospital discharge/admissions service: service delivered via the Home Improvement Agency handyperson service to enable small works aimed at cutting hospital admissions and reducing discharge times	£50,893 per annum	Government DFG funding
Disabled Home Assistance Grant:	Grant increased from £5-7k	PSH Renovation Grant Budget
Disabled Relocation Grant: changed from a grant to a loan	Increase from £15k To £20k	Government DFG funding
Winter Warmth Grant: help for vulnerable, low income households with boiler replacements etc	Grant increase from £5-£7k	Government DFG funding

6.2 All of the proposed new funding and increases in funding can be contained within current budgets. However, it is recognised that most of these services are largely demand led and that we are also in a period of financial uncertainty. Budget spend will therefore need to be closely monitored and the scheme reviewed and amended should a potential budget pressure be identified. However, government DFG funding has increased significantly in recent years and it's important that we try to utilise the current funding in the most effective way possible.

6.3 Expenditure on Empty Homes Loans will be dependent on the amount of income generated from the repayment of existing loans that can be recycled. If the scheme proves to be successful and additional funding is required to meet demand a further report will be submitted to Cabinet identifying how any enhanced scheme could be funded.

7. Corporate Implications

7.1 Comment from the Director of Finance (linked to the MTFP): Accountancy has been consulted and has no further comment to add. (DL)

7.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

7.3 Comment from the Equalities Officer: 'The report has given consideration to the equality implications and the revised policy is designed to benefit and have a positive impact on some of the protected groups under the Equality Act 2010. Members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>.'

7.4 Comments from other officers: The Home Energy Conservation Act 1995 and the Warm Homes and Energy Conservation Act 2000 place a statutory duty upon Councils to reduce levels of fuel poverty in the district. Delivering Affordable Warmth, A Fuel Poverty Strategy for Kent outlines how fuel poverty can be tackled effectively through partnership working and maximisation of resources. Therefore changes to the Private Sector Housing Assistance Policy that release additional funding to increase the thermal efficiency of homes will have a positive impact on the number of households vulnerable to fuel poverty and cold home-related health problems in the district.

8. Appendices

Appendix 1 – Revised Private Sector Housing Assistance Policy 2017

9. **Background Papers**

Existing Housing Assistance Policy 2012

Department of Health/DCLG "2016/17 Better Care Fund Policy Framework"(January 2016) Private Sector Housing Policy 2010-15

Department of Health/DCLG "Integration and BCF Policy Framework 2017-19" (March 2017)

Contact Officer: Mr Robin Kennedy, Private Sector Housing Manager (ext 2221).



DOVER DISTRICT COUNCIL

Private Sector Housing Assistance
Policy and Conditions
2017

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DOVER DISTRICT COUNCIL

Regulatory Reform Order 2002 **Housing Assistance Policy and Conditions 2017**

1. INTRODUCTION

This document details Dover District Councils 2017 Housing Assistance Policy and Conditions. This policy document replaces the previous policy dated 2012.

This policy has been adopted under Article 4 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. The Order enables local authorities to develop a means of providing assistance to households living in the private sector to carry out repairs, improvements and adaptations so that they can address local needs and priorities. In order to make use of these powers, the Council has to publish a Housing Assistance Policy.

The policy also details our policy on mandatory Disabled Facilities Grant, which is provided under The Housing Grants and Reconstruction Act 1989.

The policy recognises the pressures on the Councils own capital funds and any money for future housing renewal is only likely to be funded from repayment of previous loans and grants.

The main focus of our discretionary Housing Assistance is towards;

- Schemes to improve the health and independence of persons with disabilities, the elderly and those with long term health conditions,
- To reduce the number of homes with category serious hazards,
- To reduce fuel poverty,
- To enable more effective use of the mandatory Disabled Facilities Grant,
- To encourage empty homes back into use.

The first part of the document relates to the types of Assistance available and the second part details the conditions relating to this assistance. A table of the types of assistance available is attached at Appendix A.

The Policy reflects; local housing conditions, whose details are, contained in the Private Sector House Condition Survey 2016, The Private Sector Housing Strategy 2010-15, the Empty Homes Strategy 2010-15 and the Housing Strategy 2010-15. It also reflects the contents of Circular 05/03 "Housing Renewal" issued by the Office of the Deputy Prime Minister in June 2003 and the Better Care Fund: policy framework guidance 2014

The Policy addresses the following priorities:

- To remove serious (category 1) hazards in homes occupied by households on low income
- The need to bring of empty homes back into use;
- To provide adaptations to existing homes that meet disabled person's needs.

- To assist with essential works to assist disabled, elderly and vulnerable people to remain safely and independent in their home;
- To enable homes to be efficiently heated for persons whose long term health conditions or age makes them vulnerable to the cold.
- To assist in schemes that provides help to enable residents to be discharged from hospital into their home safely.

The housing assistance conditions are to ensure that assistance is used as effectively as possible, that monies are recycled where possible and to provide assistance to those persons in greatest need.

This Policy came into force on 5 June 2017 and will be further reviewed in 2018. The Director of Finance Housing and Community may make minor changes to the policy.

Any queries relating to these Policies and Conditions should be referred to the Private Sector Housing Manager, Dover District Council, White Cliffs Business Park, Dover CT16 3PJ. Telephone: 01304 872454.

Web address: www.dover.gov.uk/publicsectorhousing

2. **FUNDAMENTAL PRINCIPLES**

It is neither possible nor desirable for the Council to offer financial assistance for all private sector housing condition problems. It can only directly assist a proportion of these through targeting the limited available resources at priority areas.

Although the responsibility to maintain private property rests firmly with the owner, it is recognised that the private housing stock is a major public asset and can have an important affect on the occupier's health and independence. Most assistance is offered as an investment in this local and national asset, for long-term public benefit, economic regeneration and to improve the health and independence of our residents which results in less demand on health and social care resources. In addition, certain forms of assistance can help balance the local housing market in a way that gives more choice and opportunities to those in housing need and bring additional good quality housing back into use.

The use of loans will be used where appropriate and loans and grants that are repaid will be recycled into further private sector housing renewal. The Council and central Government considers that this is an appropriate way forward given the pressure on resources and because, over time, it will allow more homeowners to be assisted with a limited amount of resource.

3. **TYPES OF DISCRETIONARY ASSISTANCE AVAILABLE**

Subject to sufficient funds being available financial assistance to qualifying residential premises will be provided as loans and grants. Once the budget has been committed no further offers will be made. In such circumstances, the Council may draw up a waiting list of people wanting assistance. The types of discretionary assistance available are detailed below.

3.1 Disabled Home Assistance Grant

This grant is only available to persons receiving a mandatory Disabled Facilities Grant. The application has to be made by the homeowners of the property being adapted. In the case of a tenanted property this will be the landlord. The maximum grant is £7000.

The purpose of the grant is to carry out essential works of repair to enable the Disabled Facilities Grant works to be completed. Examples of eligible works include repairs to the floor, walls or ceiling of a room being adapted or upgrading services such as electrical wiring or drainage to enable the adaptation to function properly. The grant is conditional that if the property is sold within 10 years of the certified date (completed works) it will be repayable. The grant will be recorded as a local land charge.

In exceptional cases the grant may be increased. This is at the discretion of the Private Sector Housing Manager.

3.2 Disabled Relocation Grant

In appropriate cases where a person's is eligible for Disabled Facilities Grant (DFG) assistance but the property is unsuitable for adaptation to their specific needs, or the Council believe it would be more reasonable or practical to move and adapt another property, a Disabled Relocation Grant may be offered. The maximum assistance is up to £20,000 comprising of a grant covering 70% of the eligible cost.

This grant will only be available to a disabled person following a decision by Council in consultation with Social Services that the existing property cannot be economically or reasonably adapted to their needs. The grant conditions require the total grant to be repaid if the property is sold within 10 years of the certified date, or is no longer occupied by the applicant(s). The grant will be recorded as a local land charge. The grant conditions will expire after 10 years.

The grant will only be offered where it can be shown that financial hardship would be caused to the applicant if they had to find another suitable property within their existing resources. The applicant may be asked to undertake the statutory means test for a Disabled Facilities Grant and/or provide other details to confirm there is financial hardship.

The grant will pay for legal and moving costs and any agreed reasonable additional cost to purchase a more suitable property. Social Services and the Council must agree the suitability of the new property. If the new property requires adaptation, a Disabled Facilities Grant may also be offered.

The grant will normally be paid on completion of the purchase of the property. In exceptional cases some of the grant may be released on exchange of contract.

3.3 Disabled Adaptation Loan

Where a person is in receipt of a Disabled Facilities Grant (DFG) and the Council believe that in consultation with Kent Social Services it is necessary, reasonable and practicable for the DFG adaptations works to exceed the maximum DFG grant limit of £30,000, a loan of up to £15,000 will be made available to fund the cost of eligible works that exceeds the DFG maximum.

Where no financial means test has been undertaken, then the decision whether to provide a loan will be subject to a financial test of resources to confirm the applicant is unable to fund the works themselves.

The loan will be interest free and secured by a registered charge on the property and will be repayable on sale or change of ownership of the property. The loan is only available to the owner(s) of the property. See 6.11 for details.

3.4 Disabled Adaptation Grant

A grant will be made available to the property owners in the following cases:

- a) Where a person is in receipt of a DFG but they have a financial contribution towards it following the statutory mean test, a Disabled Adaption Grant of up to £20,000 will be made available to pay for their financial contribution towards the DFG works. (Please note that the maximum a person can receive with this grant and a DFG is £30,000. Any eligible costs above £30,000 may receive a Disabled Adaptation Loan).Or;
- b) Where a person cannot receive a DFG following the statutory means test, a revised (more generous) test of resource will be calculated which will exclude the first £25,000 of income. The maximum grant will be £20,000. In cases where the applicant still has a contribution, the applicant will need to fund this contribution towards the cost of the work.

The application has to be made by the homeowners of the property being adapted.

The grant conditions require that the grant is to be repaid if the property is sold or is no longer occupied by the applicant(s). The grant conditions will apply for 10 years from the date the works are completed.

If repayment of the grant would cause undue hardship then the Council may waive repayment of the grant in accordance with the criteria stated in paragraph 5.2.

3.5 Stairlift Grant

Where there is an urgent need for a stairlift in a disabled persons home, a grant of up to £4,000 will be provided for a stairlift in the following cases;

- a) Where this has caused a delayed discharge of the patient due to the lack of a stairlift in a their accommodation or
- b) Where a person is known to become disabled following an operation (such as leg amputation) and a stairlift is required before the person can be discharged.

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

3.6 Winter warmth Grant

This grant is intended to reduce the number of cold homes occupied by older people with long term health conditions. It will pay for heating or insulation (normally replacement boilers) where the applicant is over 60 and has a long term illness. The maximum grant is £7,000. In some long term health conditions the applicant can be under 60. Confirmation is required from a health professional that the applicant has a long term health condition.

- The grant is subject to repayment conditions for 10 years from the certified date.
- During the grant condition period, the grant is repayable if the property is sold, or the applicants are deceased or no longer occupy the property.
- The grant is only available to owner occupiers.

3.7 Urgent Home loan

This interest free loan is available to owner-occupiers who are in receipt of a means tested benefit or who have a financial contribution of less than a £10,000 using the statutory (DFG) means test and whose properties give rise to a serious hazard (category 1) likely to cause a risk of harm. The hazard will be assessed using the statutory Housing Health and Safety Rating System.

The maximum loan is £17,000. The eligible works are those which eliminate the serious hazard(s) in the property. This loan will not pay for minor repairs to heating systems or general maintenance items such as broken window glazing. The loan is repayable when the property is sold or the applicant(s) dies or the property is no longer occupied by the applicants. See section 6.11.

As a general guide, works of under £1000 will not be eligible for assistance. The loan will normally be registered with land registry but in exceptional cases the loan may be placed as a local land charge.

Landlords and tenants are not eligible to apply.

3.8 Empty Property Loan

Where a property owner has an approved Kent County Council no use empty loan to bring a long term empty property back into use, the Council will provide a further interest free loan of £15,000 for each dwelling brought back into use. The loan will fund no more than a maximum of 5 units for each application (£75,000 in total). With the the no use empty loan, this will provide a loan of up to £40,000 per dwelling. The total budget will be £300k for this scheme. The loans will be administered by KCC and will be repaid after 3 years. The loans will be secured with a charge on property. These loans will be prioritised in the wards of Castle, Maxton and Elms Vale and Tower Hamlets.

4.0 OTHER ASSISTANCE

4.1 Dover Home Enablement Service

The Council will provide funding for a service called the "Dover Home Enablement Service". This is a free service to patients who are over 50 years old. It will enable earlier discharge from hospital back to the home environment, where it is a housing related issue which is preventing them from being discharged, or to improve the home environment to prevent hospital admission in the first place.

Normally referrals for the service will originate from the local hospitals, Care Navigators, GPs, Occupational Therapists and health trainers. The service will enable earlier discharge from hospital by providing improvements to the home environment which includes installation of key safes, handrails, bringing a bed from upstairs to a downstairs room, clearing a room to make it safe to move around in (including tackling hoarding), fitting locks to doors and windows and carrying out a free home safety check.

4.2 Handyperson Scheme

The East Kent Homes Improvement Agency (HIA) has for more than 20 years provided help to vulnerable households such as the elderly and disabled to remain safely and independently in their home through professional advice and help. Most households who obtain assistance from the council are assisted by the agency and they will find reliable contractors and assist with paperwork. The council believes the agency to be a valuable asset to improve housing conditions for those most vulnerable and will continue to support the local HIA.

The HIA services also include a Handyperson Scheme. This service employs a handyperson to carry out minor repairs, security and health and safety works for private sector householders, who are either vulnerable or who have a physical/mental disability which prevents them undertaking the works themselves. If funds are available, the council will provide financial assistance to the Handyperson scheme for those on low income and in particular to assist with works that will remove hazards in the home or minor adaptations to help a disabled person remain independent in their home.

5.0 MANDATORY DISABLED FACILITIES GRANT

This is a mandatory grant and is available to owners or private sector tenants to provide disabled adaptations to enable an occupier access to essential basic facilities or access their home. The conditions of the grant are contained in the Housing Grants, Construction and Regeneration Act 1996. The maximum grant is £30,000. Examples of common adaptations include:

- Providing ramps to allow a person to get in and out of their house

- Stair lifts and through floor lifts to access bedroom and bathroom
- Level access showers for people who cannot use a conventional shower or bath
- Widening of doors

All applicants will be subject to a statutory means test and in some cases applicants are required to pay some (or all) of the costs of the works. The Council must also be satisfied that the works required are "necessary and appropriate" to meet the needs of the disabled occupant and we are also legally required to consult with Kent County Council Social Services (Occupational Therapy team).

The work must be considered "reasonable and practicable" bearing in mind the layout and condition of the property. An officer of Dover District Council will assess this. Where adaptations are not practical a Disabled Relocation Grant may be offered to help the applicant obtain a more suitable property for adaptation.

Other assistance is also available to help with any contribution. See section 3.3 and 3.4.

It's the policy of the Council to only fund works that are mandatory as prescribed by the Housing Grants, Construction and Regeneration Act 1996.

Under the general consent by the Secretary of State in 2008, the Council will in most cases require repayment of some of the grant if the property is sold within 10 years from completion of the works. The first £5000 of the grant is not repayable but the remaining grant will be repayable up to a maximum of £10,000. In determining whether to require repayment, the council will consider;

- (i) The extent to which the recipient of the grant would suffer financial hardship were they to be required to repay all or any of the grant;
- (ii) Whether the disposal of the premises is to enable the recipient of the grant to take up employment, or to change the location of his employment;
- (iii) Whether the disposal is made for reasons connected with the physical or mental health or well being of the recipient of the grant or of a disabled occupant of the premises; and
- (iv) Whether the disposal is made to enable the recipient of the grant to live with, or near, any person who is disabled or infirm and in need of care, which the recipient of the grant is intending to provide, or who is intending to provide care of which the recipient of the grant is in need by reason of disability or infirmity,

Where an applicant no longer requires the installed specialist equipment, the applicant should notify the Council who may arrange to have the equipment removed for use by another disabled person.

Where an applicant successfully claims for personal injury in respect of works required under a mandatory disabled facilities grant then they will be required to repay the Council the grant, so far as is appropriate, out of the proceeds of the claim.

Grant assistance will only be paid for works that are mandatory.

With the increasing use of the DFG funding for housing associations, an agreement has been reached through the Kent Housing Group to bring more clarity for users and better equity in funding adaptations between local authorities and social housing providers.

The funding of disabled adaptations within housing association stock will be split as follows:

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

6. CONDITIONS OF ASSISTANCE

6.1 Buildings Not Attracting Grant Assistance

- Properties, which are not of a permanent nature such as houseboats, and caravans. (This condition does not apply to a Disabled Facilities Grant or Disabled Homes Assistance Grant or Disabled Adaptation Grant)
- Sheds, outhouses and extensions such as conservatories that do not have Building Regulations approval.
- Non-residential buildings. (Except Empty Property Assistance)

6.2 Eligible Applicants

Eligible applicants for grants and loans are freeholders and long leaseholders with at least 10 years interest left in the property. A tenant can only apply in the case of a Disabled Facilities Grant or a stairlift grant.

Except in the case of Empty Property assistance, the property must be the applicant's or member of their family sole residence.

6.3 Form of Application

Application for assistance must be on the forms prescribed by the Council.

Estimates and invoices cannot be accepted from the applicant or a member of the family of the applicant. In some cases assistance may be payable towards DIY works, but this will be for material cost only.

A completed application should normally be made within 18 weeks of any formal offer of assistance. An offer will expire after six months and if a completed application has not been received by this time, the offer may be cancelled. If it is evident that the applicant is making no attempt to make an application, the offer may be cancelled before six months so the funds can be reallocated. The Council can cancel an offer at any time. The applicant will be informed in writing if an offer is cancelled.

6.4 Eligible Works

Eligible works will be those that are identified by an officer of the Council's Private Sector Housing Team with reference to the Council's policy. Any relevant fees will also be eligible for assistance. Any assistance that is requested but is not determined as eligible within the assistance policy can be considered under the appeal procedure.

Works that have started before the assistance has been approved will not receive assistance. The Council may in exceptional circumstances agree to assist such works if permission is sought before the works commence. Such permission will always be in writing and will be subject to a visit by an officer from the Council's Private Sector Housing team.

Any costs, which would be eligible for assistance under an insurance claim or third party claim, will not attract grant assistance. In exceptional cases assistance may be given on condition it is repaid out of the proceeds of any future claim.

Works outside the curtilage of the property are not normally eligible for assistance unless they relate to the provision of essential services such as water, gas or electricity or access for a disabled person.

6.5 Notification of Approval of Assistance

The Council will notify an applicant in writing whether the application for assistance is approved or refused. The notification will be provided as soon as reasonably practicable after receipt of a completed application.

The approval will specify the amount of assistance, the amount that is ineligible, the applicant's contribution if any towards the eligible costs and the expiry date of the assistance. Assistance is not transferable to another person on the sale of the property.

In the case of refusal, the Council will give the reason for refusal.

In both the above cases, the applicant will be able to appeal against the decision see section 7.

6.6 Amount of Assistance

The council will specify the maximum amount for assistance. These maximum amounts are inclusive of all costs including Value Added Tax and fees. The current limits are summarised in the table, Appendix A.

If the Council is satisfied that owing to circumstances beyond the control of the applicant, the work has increased in cost due to unforeseen works, it may increase the assistance subject to the maximum limits allowed. The Council must give its approval of any increase in assistance before the additional cost is incurred.

In the case of an increase in a loan the applicant will need to agree the increase in loan in writing before approval.

In cases where eligible costs have reduced, the assistance may also be reduced accordingly and the applicant informed in writing as soon as possible.

Any works that are started before approval will not receive assistance unless agreed in writing by the Council beforehand.

6.7 Supervision of Works

Applicants are advised to use a suitably qualified person to supervise and arrange the works. This can be the East Kent Homes Improvement Agency - who specialise in this work - or another approved surveyor to assist with their applications.

Relevant fees to the Home Improvement Agency or any other approved managing agent will be included as eligible works up to a maximum of 11.5% of the eligible costs.

Building Regulations or Planning approval, or any other agreed professional fees, can be paid out of the loan or grant.

The building works contract will be between the applicant and their chosen contractor. The Council will not have any contract with the builder or any agency. An officer from the Council's Private Sector Housing team or our approved agent will check the works to ensure they are carried out according to the specification of work and in accordance with good building practice. However, the Council and its officers are **not** liable for any poor workmanship and do not provide any guarantee. Any faults with the works will be a matter between the applicant and their contractor.

Where eligible works are not of an acceptable standard, the Council may withhold monies.

6.8 Conditions of Payment

Assistance will only be paid if:

- (a) The work is completed within the time stated in the approval or such further period the council may allow. This must be confirmed in writing. This period is normally 12 months from approval,
- (b) The work is carried out in accordance with the conditions of approval,
- (c) The work is carried out by one of the contractors whose estimate accompanied the application. The Council will normally assess the assistance on the lowest estimate,
- (d) The applicant completes a request for payment form that confirms acceptance and satisfaction of the completed works and that the builders are not members of the applicant's family (see footnote 6 for definition),
- (e) The Council is provided with an acceptable invoice or receipt for payment for the works or fees. The invoice must include full details of the builder/surveyor employed including VAT registration details. The applicant or a member of his family cannot submit an invoice,
- (f) The Council has been notified in advance that the works have begun. This should normally be in writing,
- (g) That the works have been completed to a satisfactory standard and in accordance with the grant offer and estimates,
- (h) Any copies of specified guarantees and test certificates are submitted. All electrical work should only be carried out by an approved contractor approved under current Building Regulations.

6.9 Payment of Assistance

Interim payments will normally be paid, but these are at the discretion of the Council. The applicant's contribution (if any) will be taken into account in any payment. Normally the applicant will have to pay any contribution they may have towards the cost of the work first, before any grant payments are made.

Payments can only be paid for work completed and not for materials not yet used or installed. Eligible works must be carried out to the satisfaction of the council and an acceptable invoice supplied.

Normally all payments are paid direct to the builder. In appropriate situations such as for fees, payment may be made to the applicant or another third party where the applicant has already paid such costs. Where an escrow agreement exists, payment may be made to such a scheme at the agreement of both parties.

In the case of a Disabled Facilities Grant, payment of the grant may be delayed by up to six months where existing budgets have already been committed.

6.10 Grant Conditions -

A certificate of future occupation must be submitted with a Disabled Facilities Grant and some other grants.

An **Owners** certificate must be submitted except where it is a landlord's application. An owner's certificate requires the applicant to confirm they have at least 10 years interest left in the property and that it will be occupied by them or a member of their family as their main residence for 5 years from the certified date.

Landlords receiving assistance will be required to submit a landlord's certificate. This requires that the landlord has at least 10 years interest left in the property and intends to have the property available for letting as a residence for 5 years from the certified date (completion of the works). Any new letting does not include a holiday letting or a long tenancy (leasehold) or letting to a member of the owner's family.

Disposal – It is also a condition of most grants (except stairlift grant, winter warmth grant) that it will have to be re-paid in whole or in part, if the property or part of it is disposed of or sold during the period of the grant/loan conditions. This is normally 10 years from the date the works are completed. In the case of a Disabled Facilities Grant the first £5000 of the grant is not repayable and the maximum repayment is £10,000.

Death of the applicant(s) – During the 10 year grant repayment conditions, the grant will become repayable on the death of the applicant or in the case of a joint application, both applicants.

The owner is required, within 21 days of written notice by the Council, to give a statement that the property is occupied in accordance with the grant/loan conditions.

Where the property is still subject to grant/loan conditions, the owner must also inform the Council in writing of his intention to dispose of the property.

Unless stated otherwise, a grant will normally have conditions lasting 10 years requiring repayment of the grant if the property is sold or the applicants have died or vacated the property. Such condition will be recorded as a local land charge. If there is evidence that repayment of a grant will cause extreme hardship then the grant

repayment amount will be reduced or waived. Any request must be put in writing and agreed by the Private Sector housing Manager.

6.11 **Loan Conditions**

A loan will normally be subject to the loan being registered as a legal charge at the Land Registry office. The charge for this (currently £50) will be added to the loan. In some exceptional cases where it is not possible to place a charge with land registry the loan may still be approved but will instead be recorded as a local land charge. In the case of a breach of loan conditions the whole loan becomes repayable to the Council. All loans paid will be repayable in the following cases:

- On disposal of the relevant dwelling or otherwise part with possession, by way of lease or otherwise of it or;
- On the death of the applicant or in the case of joint applicants, on the death of the both applicants;
- If the property is not occupied in accordance with the certificate of future occupation or loan agreement. (Loans will normally be repaid where the applicants have not occupied the property for six months or longer.)

Where repayment of the loan becomes due, the applicant will be notified, in writing of the due date for repayment of the loan.

No interest will be charged on the loan, except where the loan is not repaid by the due date, **or** in any event of a breach of the loan conditions.

If the loan is not repaid by the due date, interest will be charged on the full amount of the loan from the last date by which the loan was required to be repaid to the local authority. This will be a variable rate set at the Bank Base Lending Rate + 4%. The actual rate applied will be the Bank Base Lending Rate current on the last day by which the loan was due for repayment + 4%.

Interest will be calculated daily and will be based on the amount of the loan outstanding.

In exceptional circumstances the Council may exercise its discretion not to require repayment of the loan, or require a lesser amount.

If conditions are breached after approval of Council assistance and before completion of works, then payments made in respect of partially completed works shall be repaid to the Council in full, together with compound interest.

In all such cases, the applicant will be informed of the appeal procedure against any decision. The Council may in exceptional circumstances determine not to require repayment or require a lesser amount.

6.12 **Repayment upon Breach of Conditions**

In the case of a breach of grant/loan conditions the grant/loan becomes repayable to the Council.

In the case where an applicant ceases to be the owner, or it appears to the Council that the applicant was not at the time of the application being approved entitled to the grant, no payment shall be made and the grant/loan cancelled. In the case where

interim payments have been paid, no further payments will be made and the Council may recover any previous payments.

In all such cases, the applicant will be informed of the appeal procedure against any decision. The Council may in exceptional circumstances determine not to require repayment or require a lesser amount.

6.13 **Second Grants or Loans**

Grants and loans will not be paid for items of work that have received housing assistance before under this or any previous schemes. Exceptions may be made where the item has reached its normal life expectancy.

A property will normally only receive a second grant or loan when the original grant and loan has been repaid or its conditions expire. At the discretion of the Private Sector Housing Manager another loan or grant will be paid in exceptional circumstances.

7. **DEFINITIONS**

7.1 **Relevant Means Tested Benefit**

A pass-porting benefit for loans and grants is someone that receives a relevant means tested benefit. Such benefits change from time to time but at the time this policy was written the relevant means tested benefits were the following:

- Working Tax Credit (with an income less than £17,700);
- Child Tax Credit (with an income less than £16,190);
- Housing Benefit;
- Income Support;
- Income based Job Seekers Allowance;
- Guarantee Pension Credit;
- Income-based Employment and Support Allowance;
- Universal Credit.

7.2 **Certified Date**

This is the date when Dover District Council private sector housing deems the work to be satisfactorily completed.

7.3 **Disposal**

A disposal includes the whole or part of the property and is a conveyance of the freehold or assignment of the lease or the grant of a lease for more than 21 years.

8 APPEAL PROCEDURE

An appeal can be made in the following cases:

- In the event of disagreement with a decision,
- In the case that one of the conditions of one of the aforementioned loans and grants should be waived or changed,
- That there is an exceptional case for providing assistance which is not within the Councils existing policy,
- There has been some error or excessive delay in the processing of a loan or grant,
- Where repayment of the loan or grant would cause undue hardship.

In such cases the person should write in the first instance to:

Private Sector Housing Manager
Dover District Council
White Cliffs Business Park
Dover
Kent CT14 3PG

We will normally respond within 21 Days of our decision.

If you are still unhappy with our decision then you should contact the Head of Strategic Housing to make a further appeal or make a formal complaint to our complaint officer.

These conditions are dated July 2017.

APPENDIX A

DOVER DISTRICT COUNCIL **SUMMARY OF HOUSING ASSISTANCE POLICY 2017**

Type of Assistance Available	Special Conditions
<p>1. <u>Disabled Home Assistance Grant</u></p> <p>A person who is in receipt of a Disabled Facilities Grant can obtain a Disabled Home Assistance Loan of up to;</p> <p>£7000 in order to carry out essential works, e.g. Electrical repairs to enable the Disabled Facilities Grant works to proceed.</p>	<ul style="list-style-type: none">• Repayable if property sold within 10 years;• Applicant must be in receipt of Disabled Facilities Grant.
<p>2. <u>Disabled Relocation Grant</u></p> <p>In appropriate cases where a property is unsuitable for adaptation with a Disabled Facilities Grant and it represents better value for money, a Disabled Relocation Grant will be offered up to a maximum of £20,000. This will pay for legal and moving costs and any agreed increase in the cost to purchase a more suitable property.</p>	<ul style="list-style-type: none">• Grant to pay for 70% of costs;• Repayable if property sold or applicant(s) die;• Applicant must be eligible for a Disabled Facilities Grant;• Will be subject to a means test.
<p>3. <u>Disabled Adaptation Loan</u></p> <p>Where a person is in receipt of a Disabled Facilities Grant (DFG) and adaptations works to exceed the maximum DFG grant limit of £30,000, a loan of up to £15,000 will be made available to fund the cost of eligible works that exceeds the DFG maximum.</p>	<ul style="list-style-type: none">• Repayable if property sold unoccupied or on death ;• Applicant must be in receipt of a Disabled Facilities Grant;• Will be subject to a means test.

HOUSING ASSISTANCE POLICY 2017

<p>4. <u>Disabled Facilities Grant</u></p> <p>A mandatory grant to provide adaptations to homes occupied by disabled people.</p>	<ul style="list-style-type: none"> • Means tested grant for disabled person over 18; • Some grant may be repayable if sold or the applicant(s) die within 10 years; • Both owner occupiers and private tenants can apply
<p>5. <u>Disabled Adaptation Grant</u></p> <p>a) A grant of up to £20,000 will be made available where the applicant has a financial contribution towards a DFG following the statutory mean test or;</p> <p>b) Where an applicant does not qualify for a DFG following the statutory means test, a mean tested disabled adaptation grant will be offered. The maximum grant will be £20,000</p>	<ul style="list-style-type: none"> • Grant repayable if sold or the applicant(s) die within 10 years; • Only owners can apply
<p>6. <u>Starlift Grant</u></p> <p>Where there is an urgent need for a stairlift, a grant of up to £4,000 may be provided in eligible cases.</p>	<p>No means test or conditions.</p>
<p>7. <u>Urgent Home Assistance Loan</u></p> <p>This is a loan of up to £17,000 to owner-occupiers who whose home contains a serious hazard(s).</p>	<ul style="list-style-type: none"> • Interest free loan; • Repayable if property sold, unoccupied or on death; • Only owner occupiers can apply; • Subject to a means test.
<p>8. <u>Winter Warmth Grant</u></p> <p>A grant of up to £7,000 to pay for heating or insulation for the over 60's with health conditions</p>	<ul style="list-style-type: none"> • repayable if sold within 10 years; • Applicant to be over 60 with long term health condition.

<p>9. <u>Empty Property Loan</u></p> <p>Where a KCC no use empty loan has been approved a further loan is available from DDC.</p>	<ul style="list-style-type: none"> • Only available to owners receiving a KCC no-use empty loan; • Loan administered by KCC. • Loan repayable after 3 years
<p>10. <u>Other Assistance</u></p> <p>a) Dover Home Enablement Service</p> <p>b) Handyperson scheme</p>	<p>This assistance is provided by the East Kent Homes Improvement Agency to provide help and increase the independence in the home for vulnerable people.</p>

DRAFT

Subject:	DRAFT DEAL SOUTH BARRACKS CONSERVATION AREA CHARACTER APPRAISAL
Meeting and Date:	Cabinet – 3 July 2017
Report of:	Nadeem Aziz, Chief Executive
Portfolio Holder:	Councillor Nick Kenton, Portfolio Holder for Environment, Waste and Planning
Decision Type:	Key Decision
Classification:	Unrestricted

Purpose of the report: To seek Cabinet approval to carry out a 6-week public consultation on the draft Deal South Barracks Conservation Area Character Appraisal.

Recommendation: Cabinet agrees to:

1. a public consultation for a period of 6 weeks on the draft Deal South Barracks Conservation Area Character Appraisal, as set out in appendix 1.
2. authorise the Head of Regeneration and Development to make any necessary editorial changes to the appraisal to assist with clarity, consistency, explanation and presentation in conjunction with the Portfolio Holder.

1. Summary

1.1 The Dover District Heritage Strategy acknowledges that most of the districts conservation areas do not have an approved character appraisal, and it recommends that the Council should encourage local community groups to carry out such appraisals in conjunction with the Council. The Deal Society has prepared a draft conservation area character appraisal for the Deal South Barracks Conservation Area and Cabinet’s agreement is now sought to carry out a formal public consultation on the draft document for a period of 6 weeks.

2. Introduction and Background

2.1 There is a requirement under the Planning (Listed Buildings and Conservation Areas) Act 1990, for local planning authorities to review their conservation areas, ‘from time to time’ and to formulate and publish proposals for their preservation and enhancement. A fundamental part of this process is to produce a character appraisal for each conservation area.

2.2 A conservation area appraisal should consider what features make a positive or negative contribution to the significance of the conservation area, thereby identifying opportunities for beneficial change, or the need for further planning control. This information will be helpful to those considering investment in an area, and can be used to guide and inform new development. Character appraisals also have a wider application as educational and informative documents for the local community.

- 2.3 The Dover District Heritage Strategy highlighted the lack of conservation area character appraisals for the districts conservation areas. It acknowledged the limited resources that are available for carrying out this work, and recommended that the Council worked with local community and interest groups to try and address this issue. This is the third conservation area appraisal to be produced by a local organisation since the Heritage Strategy was adopted in 2013.
- 2.4 The Deal Society, in conjunction with the Council, has produced a draft appraisal for the Deal South Barracks Conservation Area, and this is appended to this report. For the benefit of this report the appraisal is provided as a word document, but for the public consultation this will be undertaken using the Council's 'Objective software' and will include relevant maps and photographs.
- 2.5 The appraisal looks at:
- The origins and growth of the site;
 - Reviews the existing boundary of the conservation area;
 - Highlights both positive and negative aspects of its character, and
 - Makes recommendations for its future enhancement.
- 2.6 If the draft appraisal is agreed by Cabinet, public consultation would be undertaken for a period of 6 weeks. The results of the consultation process would then be reported back to Cabinet.
3. **Identification of Options**
- 3.1 That the draft Deal South Barracks Conservation Area Character Appraisal is agreed for public consultation.
- 3.2 That the draft Deal South Barracks Conservation Area Character Appraisal is not agreed.
4. **Evaluation of Options**
- 4.1 The Deal South Barracks Conservation Area Character Appraisal has been prepared by a local organisation and would be used to identify opportunities for environmental improvements, inform new development and to act as an evidence base for the evaluation of new proposals. It would also be used by Planning Inspectors in appeal situations. If the document is not subject to public consultation then little weight can be attributed to it in the planning process.
- 4.2 In view of the above it is recommended that the draft appraisal is agreed for public consultation.
5. **Resource Implications**
- The resource implications are limited to consultation and printing costs, which would be approximately £50, and this would be covered by the existing LDF budget.
6. **Corporate Implications**

- 6.1 Comment from the Section 151 Officer: “Finance has been consulted and has nothing further to add (SB)”.
- 6.2 Comment from the Solicitor to the Council: ‘The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make’.
- 6.3 Comment from the Equalities Officer: ‘The report does not specifically highlight any equalities implications, however in discharging their responsibilities members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>’.

7. **Appendices**

Appendix 1 – Draft Deal South Barracks Conservation Area Character Appraisal

8. **Background Papers**

The Dover Heritage Strategy 2013

Contact Officer: Alison Cummings, Principal Heritage Officer

Deal South Barracks
Conservation Area Appraisal
Draft for consultation

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1. Introduction

1.1. Background

“The symmetry and orderly layout of the old barracks buildings and their somewhat forbidding and functional design are typical of 19th century institutions such as barracks, hospitals and prisons.” (Walmer Design Statement 2006)

The Deal South Barracks Conservation Area is in Lower Walmer. It was designated on the 9th of January 1997 based on the historic boundary of the barracks. The principal use of the conservation area is residential but it also contains the Rugby Club and car park, the Deal Parochial Church of England primary school and St Michael and All Angels Church (now converted into residences). The conservation area contains 133 homes. Seven of the historical buildings are Grade II listed, most of the listings postdate the creation of the conservation area.

The construction of the Barracks commenced in 1795. There was further building following the occupation of the site by the Royal Marines in 1869, and further development at the beginning of the 21st century following the departure of the Royal Marines and subsequent closure of the Barracks.

An appraisal is intended to provide an understanding of the special interest of a conservation area and to set out options and recommendations to help ensure that any changes are informed by an understanding of the local character and distinctiveness of the conservation area. When this appraisal is adopted by Dover District Council (DDC) it will become a Supplementary Planning Document which will be material consideration in the determination of applications for planning permission within and adjacent to the conservation area.

This appraisal looks at the following issues:

1. The origins and evolution of the area under consideration.
2. The current boundary of the area and any review that should be made of that.
3. The positive and negative factors that contribute to or detract from the current condition of the conservation area.
4. Any recommendations that will protect and enhance the conservation area. Any changes proposed must sustain and enhance the historic environment and its heritage.

1.2. Planning Policy Context

The Planning (Listed Building and Conservation Areas) Act 1990 sets out the statutory definition of a Conservation Area, which is “an area of special architectural or historic interest, the character and appearance of which it is desirable to preserve or enhance” (s.69(1)). Dover District currently has 57 designated Conservation Areas.

There is a requirement under the legislation to review Conservation Areas “from time to time” to ensure that the boundary captures all the area that is of special interest and to assist in developing plans for the management of change within the conservation area. This is further endorsed by the National Planning Policy Framework (2012) which urges the need to ensure that an area justifies the designation because of its special architectural or historic character or appearance.

The Dover District Heritage Strategy (2013) presents the district’s Heritage Assets as Themes; Theme 13 dealing with conservation areas. The districts conservation areas are considered to be heritage assets of **outstanding significance**, and in addition to being attractive places to live and work, contribute to the economic wealth of the district by being a magnet for visitors. Seven Conservation Areas lie within the area that the Deal Society undertook to monitor - four of these lie in the Town of Deal and three lie within the Parish of Walmer.

A methodology was developed for the Heritage Strategy enabling a rapid desk-based assessment of the general condition of the district's conservation areas and was applied to 19 of the conservation areas, of which Deal South Barracks is one. The results of this overview, using a "traffic-light" system to classify their condition, indicate that of the 57 conservation areas in the district 12 of these conservation areas were identified as 'performing well' and achieved a green light, six achieved an amber light, requiring some enhancement, and one area required considerable enhancement or potential "de-designation" as a conservation area, due to the substantial loss of its character of special interest.

Theme 13 prescribes methods and techniques by which an area's condition may be measured, assessed and managed; Article 4 Direction is one method. An Article 4 Direction removes permitted development rights from residential properties to ensure that certain changes, such as the replacement of windows, is managed to ensure that the change is appropriate to the special character of the conservation area. Article 4 Directions have been applied so far to two of the 19 conservation areas, one of them being the Middle Street Conservation Area in Deal.

The Heritage Strategy also suggested the formulation of a system for the assessment of a conservation areas condition such as that developed and adopted by the Oxford City Council, endorsed by Historic England and used by the Oxford Preservation Trust. An amended version of that system is used in this character appraisal.

1.3. Community Involvement

This character appraisal has been prepared by The Deal Society in close liaison with DDC. The Dover District Heritage Strategy highlights the importance of local community involvement in the protection of the historic environment. There are two specific areas where that involvement is encouraged. First of all, local civic groups are encouraged to develop appraisals of conservation areas within their locality. Secondly, the production of a List of Heritage Assets is encouraged. This appraisal is, therefore, consistent with the aspirations of the Heritage Strategy. (For a more detailed analysis of the Strategy see 1.2).

Every resident in this conservation area was informed by letter that the appraisal would be carried out in the early summer of 2016. The letter also contained a short questionnaire to which the residents were invited to respond. A small percentage did so and the issues raised by the residents are reflected in this appraisal. A presentation was also made to Walmer Parish Council; the members passed a motion unanimously supporting conservation area character appraisals.

1.4. Summary of Significance

- a. The historical development of the Barracks from the late 18th century and throughout the mid to late 19th century defines the significance of the area. Its appearance as a military complex is inescapable. It was a critical element in the national response to the Napoleonic wars and later as a Depot for the Royal Marines.
- b. The additional buildings created after its closure as a military establishment in the late 20th century have enhanced that sense of continuity. The site has been further developed with considerable sensitivity to its historic and architectural character and to the heritage of the site.
- c. The sense of cohesion in the use of building materials, building form and layout, the design of windows and doors, the architectural detailing and the character of the street furniture and landscaping creates an overall environment that respects the historic character but is also fit for 21st century living.
- d. The open spaces are key contributors to the character of the conservation area. The relationship between buildings and open spaces are interdependent. In parts of the conservation area the open spaces counteract a strong sense of enclosure that might otherwise be detrimental.
- e. When carrying out this appraisal, most of the estate was comparatively quiet with a small amount of car movement and not a lot of pedestrian movement. The perimeter walls significantly reduce traffic noise from the surrounding roads leading to a tranquillity which is in contrast to the busyness outside the boundary walls.
- f. The conservation area is a pleasingly attractive, mainly residential, community with well-maintained buildings and landscape, and generous open spaces with a distinct sense of place. A few residents would welcome a higher standard of maintenance but the appraisal group was impressed by the high standards of both the buildings and the grounds.

2. The Character Appraisal

2.1. Overview

The overwhelming impression of the conservation area is one of cohesion and strong architectural uniformity despite buildings being separated by over two centuries. The high boundary wall which encloses three sides of the residential area physically cuts the conservation area off from the surrounding town and creates a sense of separation. Inside the wall the sense is one of openness and this is enhanced by the very large open spaces adjacent to and adjoining the residential buildings. A remarkable degree of continuity has been achieved in the transformation of the site from a military complex to a residential estate.

The vast majority of the properties are of an exceptionally high standard. The low response to the residents' questionnaire may suggest a very high level of satisfaction among those living there to their built environment. The natural environment is also maintained to a very high standard. Lawns, trees and shrubs and other natural planting enhance the residential complex in many places. A few of the residents' responses reflected some dissatisfaction with the car parking arrangements and also with a lack of signage in relation to dog walking. However the uniformity of street furniture in street signage, street lighting and flower planters enhance the uniformity and coherence of the whole complex.

2.1.1. Buildings

The buildings, regardless of the date they were constructed, show the characteristics typical of a Georgian development. This is characterised by respect for the proportions of the design, the use of brick with slate or tile roofs, and the character of detailing around windows and doors.

The buildings dating from the late 18th and 19th centuries reflect the history of the site as a military/administrative complex. This is also reflected in the large open spaces used as a drill field, training and sporting facilities. The newer buildings constructed between 2000 and 2013 reflect the character and personality of the historic architecture. There is, for example, continuity in the brick detailing between the old and the new. This is also reflected in the character of the windows and doors and some attempt has been made to reflect the chimney stacks which are not always an architectural enhancement. The original chimney stacks on buildings in Halliday Drive and the glass lanterns on the Old Gymnasium and canteen add interest and create a refreshing sense of originality and distinctiveness to the area.

St. Michael and All Angels, the Garrison Church, built between 1905 and 1907, is at some distance from the main barracks complex and is a separated gated complex. The building, with a large apse, has a dominant appearance in its immediate context but it does not impact on the wider residential environment.

The Rugby Club appears to be an early 1930's building which has been extended in the first decade of the 21st century. The Parochial School building was opened in 2001. Although of no particular historic or architectural merit in themselves they are situated on land which originally formed the drill ground for the barracks.

2.1.2. Spaces

The overall environment of the South Barracks is of open, light and gracious spaces. The drill field and lawns are a key component of the conservation area and being enclosed by walls, hedges and railings enhance the buildings as much as the buildings create defining boundaries to the spaces. The lines of trees both at the perimeter wall and along the paths and roads within the estate also give clear definition to the large spaces. The lawns and trees within the centre of Cavalry Court also create a sense of openness that might not otherwise exist in this part of the complex.

2.1.3. Streets and Paths

The street, pavements and street furniture are maintained to a high standard. Parking spaces appeared to be well defined, discretely located, and during the appraisal visits appeared to be in good supply. Some residents have commented that this is not always the case and that street parking outside of designated areas sometimes has a detrimental effect on the overall appearance of the site.

2.1.4. Views and Landscape

Because of the enclosed nature of the conservation area and limited number of openings in the high brick wall the views into and out of the conservation area are limited. The view from the Jubilee Gates towards the 1795 building with its distinctive clock tower is a classic example of the military landscape.

2.1.5. Ambience

Spacious, light, airy and quiet with comparatively low levels of traffic movement are the distinctive features of this space. The one activity that changes the ambience at specific times is the Rugby Club where events have an inevitable impact in terms of noise and greater movement in and adjacent to the Barracks.

3. Management Plan

3.1. Vulnerabilities and Negative Features

- a. Some of the boundary walls were in need of restoration and repair, particularly on the outside. This especially applied to the walls in Canada and Cornwall Roads. Some restoration had been done to the Dover Road wall but the quality of the work was irregular and the some of the materials used for the pointing do not blend in.
- b. The Rugby Club car park was not well maintained and did little to enhance the appearance of a conservation area.

3.2. Recommendations

3.2.1. Heritage Assets of Local Importance

The following should be designated Heritage Assets of Local Importance:

- The Garrison Church
- The Globe and Laurel plaque at the gates of the Parochial School
- The iron fencing around the open space, and the boundary stones on Gladstone (others may be listed as part of the wall)

3.2.2. Name of the conservation area

The current name of the conservation area 'Deal South Barracks' arises from the historical name of the military barracks. The conservation area is situated in the Parish of Walmer and we recommend that DDC investigates with Historic England the possibility of renaming the conservation area 'Walmer – South Barracks'.

4. Appendices

4.1. Historical development

In 1790 approximately 70 houses and 350 people comprised the Parish of Walmer, mainly situated around old St Mary's Church, Upper Walmer. From 1793 war with France significantly increased the number of military personnel in Deal. On 16 April 1794 George Leith senior and his son, George Leith junior, entered into an agreement to sell a portion of meadow land (Lees Pasture) in Lower Walmer, to the Board of Ordnance for the building of new barracks. From 1795 Army units occupied South Barracks. Peace with France reduced that military presence and from 1816 the site was shared with the Coast Blockade Service and the Coast Guards.

In 1869 part of the South Barracks was handed over to the Royal Marines, separated from the Cavalry Barracks by a wall. In order to meet their needs during the mid to late Victorian period some buildings were adapted and others were newly built (including the Gymnasium and a canteen). The existing Jubilee Gate was also erected. In 1905 the foundation stone for the new Garrison Church, St Michael and All Angels, was laid and the building was consecrated in January 1907. In 1937 extensions were added to the north and south ends of the Officers Mess building.

By late 1981 the Royal Marines School of Music remained the sole occupant of the South, North and East Barracks sites. In 1988 the sell-off and demolition of parts of South Barracks began. In March 1996 military occupation of all three sites ceased. By 1997 an application had been submitted to DDC for the conversion of various South Barracks' buildings for housing and for the construction of new homes on the site. This was granted in March 2000 and building was completed by 2013. In 2001 Deal Parochial Church of England Primary School relocated to a purpose built school erected on part of the former South Barracks Military Drill Field. By 2005 a change of use had been approved to convert the military drill field for civilian recreational use and sports pitches, and to upgrade the existing sports pavilion.

4.2. Maps

Barracks before 1800

From: The Historic and Topographical Survey of the County of Kent by Edward Hasted; first published 1800

Barracks in about 1897

OS Six-inch; Surveyed: 1871 to 1872; Revised: 1896 to 1897; Published: 1899

South Barracks development

OS Six-inch; Surveyed: 1871 to 1872; Published: 1877

OS Six-inch; Surveyed: 1871 to 1872; Revised: 1896 to 1897; Published: 1899

OS Six-inch; Surveyed: 1871 to 1872; Revised: 1905; Published: 1907

4.3. Acknowledgements and references

Bibliography

- Deal Past and Present by Henry Stephen Chapman – 1890
- History of Walmer and Walmer Castle by Charles R Elvin – 1894
- History of Deal by John Laker (second edition) – 1921
- Old Deal and Walmer Postcards by Gregory Holyoake – 1981
- Royal Marines Deal by Andrew Lane – 2000
- The Old Pubs of Deal and Walmer by Steve Glover and Michael Rogers - 2010

4.4. Glossary

- **Conservation Area** is an area designated so that the planning authority can control changes within it. They can be defined as “Areas of special architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance”. Details can be found in the conservation pages of the DDC website.
- **Dover District Council (DDC)** is the planning authority with responsibility for this conservation area. Their website is www.dover.gov.uk.
- **Heritage Strategy** is a DDC strategy which aims to enable them to achieve their objectives for the protection and enhancement of the historic environment. The strategy documents can be found in the conservation pages of the DDC website.
- **Historic England** is the public body that looks after England's historic environment. Their website is www.historicengland.org.uk.
- **Kent County Council (KCC)** is the authority with responsibility for, amongst other things, the highways in this conservation area. That responsibility includes road and pavement surfaces, signage and street lighting. Their website is www.kent.gov.uk.
- **Listed Building** is one designated as listed in the National Heritage List for England (NHLE). It marks and celebrates a building's special architectural and historic interest, and also brings it under the consideration of the planning system so that some thought will be taken about its future. There are three categories of listed building: Grade I, Grade II* and Grade II. Details are on the Historic England website.
- **National Planning Policy Framework** is a key part of Government reforms to make the planning system less complex and more accessible, to protect the environment and to promote sustainable growth. Details can be found at the government's planning portal www.planningportal.gov.uk.
- **Non-designated Building** refers to one which is not listed.
- **The Deal Society** is the civic society for Deal and Walmer. Their website is www.thedealsociety.org.uk.

Canterbury City Council

**Policy and Resources
Committee**

10 July 2017

Dover District Council

Cabinet

3 July 2017

Thanet District Council

Cabinet

27 July 2017

**East Kent Services
Committee**

To be advised (but following the last of the above meetings)

Subject:

Outsourcing of Revenues, Benefits, Debt Recovery and Customer Services Functions (Revision of Delegations to the East Kent Services Committee)

Director/Head of Service:

Director of Shared Services

Decision Issues:

These matters are within the authority of the executive of each of the authorities of, Dover District and Thanet District and are within the authority of the Policy and Resources Committee of Canterbury City Council.

Once agreed by the above authorities the development of the business case will fall within the authority of the East Kent Services Committee.

Decision type:

Not applicable

Classification:

Unrestricted

Summary:

This report proposes the development of a business case for the outsourcing of Revenues, Benefits, Debt Recovery and Customer Services Functions' and consequent amendments to the delegations made to the East Kent Services Committee by the three authorities in establishing revised governance arrangements for East Kent Services (EKS) and EK Human Resources (EKHR) in 2014-2016.

That the Cabinets of Dover District Council and Thanet District Council agree and approve:

That the Policy and Resources Committee of Canterbury City Council agrees and approves:

To the extent that they are not already authorised to do so, the East Kent Services Committee be authorised and requested to discharge the powers and functions of the Council to develop a business case for outsourcing the Council's functions in relation to the following:-

- Council Tax Administration and Enforcement
- National Non-Domestic Rates Administration and Enforcement
- Housing Benefit and associated services
- Council Tax Reduction Scheme and associated services
- Debt Recovery
- Customer Services

(together called 'the Revenues, Benefits, Debt Recovery and Customer Services Functions') and to determine the actions to be taken in connection therewith.

Next stage in process

The East Kent Services Committee to make appropriate delegations to each of the Director of Collaborative Services and the Director of EK Services to enable him to develop the business case and report back directly to each of the three councils prior to further consideration by the East Kent Services Committee.

SUPPORTING INFORMATION

1. Background

The revised governance structures for the delivery of the shared services by CCC DDC and TDC were approved on the report of Head of Legal Services (Canterbury), the Director of Governance (Dover), the Solicitor to the Council (Dover) and the Interim Legal Services Manager (Thanet) ("the original report") by the respective Cabinets Council at the end of 2014 and the early 2015 and finally, by the East Kent Services Committee on 11 February 2015. They were subject to minor amendments in July 2016.

As part of EK Services' ongoing operation, the Director of Shared Services and his Management Team have been examining ways to ensure the service remains relevant and viable. This has included work to assess options to maintain cost effective service delivery with high levels of performance as well as considering opportunities to grow revenue. As a result of this options appraisal, work has been underway to examine the possibilities offered by potentially contracting with commercial suppliers that may offer proposals for significant revenue savings whilst safeguarding the quality of the delivery and local employment and commercial partnership arrangements

At present, the governance arrangements outlined above do not specifically provide for the East Kent Services Committee to consider the business case for entering into contracts with a commercial operator for the discharge of the Revenues, Benefits, Debt Recovery and Customer Services Functions.

2 Current Situation and the need for change

EK Services (EKS) was formed 5 years ago to provide a range of services including IT, HR, Revenues & Benefits and Customer Services. It has been a success, delivering £6m savings back to its partner organisations whilst improving performance and increasing resilience – without significant investment.

EKS is funded by its partner Councils as well as income from other, non-partner organisations. Currently the participating Councils require EKS to operate within its own fixed budget and therefore inflationary pressure (including pay and contract inflation) means that year-on-year savings between £300K and £500K are needed to maintain the status quo.

In 2017/18, EKS will continue to deliver the required level of savings to keep within existing budgets but as employee costs form the bulk of EKS' cost base, this is not sustainable in the longer term without a significant impact on staffing.

Further savings will require a significant staff reduction (an estimated 30 redundancies are required to deliver the anticipated budget savings for 2018/19) which introduces a high degree of service risk as well as high exit costs and the economic impact of job losses in the local area.

EKS is now at the point where cutting services in line with its partner Councils' affordability constraints will start to have a direct impact on service quality, raising the risk of service failure and performance degradation on Benefits (error bonus and payment time) and Council Tax and Business Rates collection levels as well as Customer Services.

This reduction in staffing would be required in addition to any other losses that would be required as a consequence of external impacts, for example the reduction in DWP and DCLG grants for the administration of Housing Benefit and Council Tax Support as well as the likelihood of the introduction of Universal Credit creating further job losses.

A number of options have been explored, ranging from continuing the current direction of travel, through to more fundamental reshaping of EK Services. These can be broadly categorised as:

“Maintain” – refine and implement the new operating model for EK Services, exploit the existing digital ambitions as far as possible and seek further funding from councils or, alternatively, reduce costs through staff reduction

Strengths	Weaknesses
Currently very competitive costs	Risk to service, collection levels, error bonus
Mature service offering that is relatively stable	Realistic limitation on savings
	Costs of exit, impact on local employment
	Universal Credit looming so greater redundancies ahead
	Large increase in charges to Councils if they desire to maintain the current levels of staffing and service quality. This would probably be to the detriment of other council services

“Exploit” – as per the maintain option plus manage the need to contain inflation growth and deliver savings via income from new business

Strengths	Weaknesses
Currently very competitive costs	Not structured so will require investment, starting from zero baseline
Mature service offering that is relatively stable	Need realism over quantity and speed of pipeline/delivery (4 & 5 figure sums more likely, not 6 figure)
Existing corporate layer and governance structures provide a sound foundation for expansion	Competing against other players offering solutions at scale and competitive pricing
Good reputation amongst peers	Will not prevent job losses from areas such as Benefits
	To be effective would need to seek business beyond public bodies and therefore establishment of a Teckal compliant company (increasing set up costs and risk)

“Enhance” – look to bring other (transactional) council services into EKS

Strengths	Weaknesses
Leverages the corporate layer and governance	Streamline and improves value via process improvement through scale and resilience rather than deliver significant savings
Greater resilience and helps with specialist areas where recruitment/retaining is challenging	Job losses remain in areas such as Benefits through UC and Customer Services via Digital
Proven expertise in running shared services and sound governance reduces risk	Helps councils deliver savings but existing EKS staff (300+) still require growth to be maintained

“Expand” – Build out current services to other local authorities

Strengths	Weaknesses
Leverages the corporate layer and governance	Level of savings not likely to be as large as one may expect, other LAs already on a journey of staff reduction so economies limited
Greater resilience and helps with specialist areas where recruitment/retaining is challenging	Universal Credit looming so greater redundancies ahead
Complements any other work within East Kent that may seek to assess opportunities for closer working	Shared Service partnerships greater than four become very challenging; usually only achievable via a contractual style relationship rather than partner approach
Should generate further savings through sharing fixed costs, subject to specific individual service business cases	Extended time frame for delivery of savings

An additional option is to “enhance and expand” – a combination of the previous two – which has broadly the same strengths and weaknesses.

“Strategic Partnership” – use the existing service as a basis for the development of a locally-based processing hub run by a commercial organisation but sharing growth opportunities.

Strengths	Weaknesses
Financial savings from contract go-live date	Contract management capacity either with a residual EK Services of the client councils would need to be strengthened
Guaranteed performance levels and quality	Potential complexity of aligning client-side functions in a 4-way contract unless this function remains with a residual EK Services
Avoidance of redundancy for transferring staff	Long term budget commitment (albeit at a reduced level) required from contracting Councils
Staff job security for the contract duration subject to satisfactory performance	Impact of bringing staff back into the Councils at contract end is not quantifiable at present
Staff terms and conditions (including LGPS) protected	
Ongoing investment in the service	
Creation of a partnership style of operation where added value from service growth is shared;	
Local new job creation	
Provides flexibility for the Councils to consider parallel “maintain” or “enhance” options	

Rather than a traditional outsource of service, it is felt that a strategic Commercial Venture with a private partner has the potential to protect and grow jobs and develop services whilst delivering savings, and considering the pros and cons of the options detailed above, appears to be the most attractive delivery model for this service moving forward.

Any decision to proceed would of course be made subject to the production of a comprehensive business case detailing all options considered, that would be considered by the Councils.

In order to allow the East Kent Services Committee to develop such a business case the changes to existing delegations detailed above are required.

3. **Relevant Council Documents**

Schedule 5 to the Original Report.

4. **Consultation planned or undertaken**

If this report is approved appropriate consultation with all relevant stakeholders will be undertaken in the consideration of the business case.

5. **Options available with reasons for suitability**

- (i) To approve the recommendation contained in the report
- (ii) Not to approve the recommendation contained in the report

6. **Reasons for supporting option recommended, with risk assessment**

Option (i) is recommended, as it allows the East Kent Services Committee to develop the business case for outsourcing of Revenues, Benefits, Debt Recovery and Customer Services Functions. The risk to Councils, for selecting this option, is considered low; it enables the EKSC to develop a detailed business cases for potential work associated with a specific set of functions, currently delegated to them. The detailed business case will be developed in consultation with council lead officers (S151s and CEOs) and subject to appropriate council legal and finance approval. The business case will be considered by each of the councils and will contain risk assessments and all relevant information to ensure informed decision making.

7. **Implications**

(a) Financial Implications

Agreeing the recommendation would allow for the potential of significant savings to be delivered in the future.

(b) Legal Implications

The proposals in this report are considered to be lawful.

8. **Conclusions**

These amendments to the delegations to the East Kent Services Committee will enable the Committee to develop the business case for outsourcing of Revenues, Benefits, Debt Recovery and Customer Services Functions.

Contact Officer: Dominic Whelan (EK Services), 01227 862073

Subject:	AYLESHAM VILLAGE EXPANSION – RETAIL UNITS, THIRD PARTY LAND AND POST DEVELOPMENT IMPROVEMENTS
Meeting and Date:	Cabinet – 3 July 2017
Report of:	Nadeem Aziz, Chief Executive
Portfolio Holder:	Councillor Paul Watkins, Leader of the Council
Decision Type:	Non-Key Decision
Classification:	Unrestricted

Purpose of the report: To seek approval for a range of works at Aylesham to support the ongoing village expansion

Recommendation: 1. To approve the projects detailed below, their addition to the Medium Term Capital Programme (MTCP) and their funding from the Aylesham capital receipt:

- £130,000 for the fit out of the four Council-owned retail units in Market Place, Aylesham
- £10,000 for legal and related advice to support the purchase of required third party land within the Aylesham Garden Village Development.
- £25,000 to undertake further works aimed at enhancing and protecting improvements that have been made to the village, but fall outside of the current planning permission.
- £15,000 to support the installation of CCTV in the Market Place and surrounding area

1. Summary

This report draws together four individual requests for projects relating to the Aylesham development. It seeks approval to add the projects to the MTCP and to fund them from the Aylesham capital receipt in order to progress the proposals and support the on-going development.

2. Introduction and Background

- 2.1 Members will recall an earlier report of 7 November 2016 that approved the agreement of a 7th Deed of Variation that finalised the land value and overage for Phase 1A and 1B of the development and secured over £8m in Capital receipts.
- 2.2 That report also delegated authority to the Planning Delivery Manager to negotiate the purchase of the retail units in Market Place, Aylesham and to negotiate the possible purchase of land within the red-line of the development that is currently not in DDC's ownership.
- 2.3 The retail units have been purchased at a cost of £160,000 +VAT and this included the freehold of the building which incorporates affordable housing units on a long lease to Southern Housing.
- 2.4 Negotiations have also begun on the 3rd party land acquisition.
- 2.5 The majority of the infrastructure works are now complete and this has included significant enhancements to highways, verges and landscaping across the whole

village. However, some of those works have become spoiled due to the actions of some individuals and it is considered appropriate to introduce some low-key protection measures.

- 2.6 There are a small number of relatively minor improvements, particularly around the Market Place that, in hindsight, should have been incorporated into the Planning Permission. These are related to the provision of cycle racks and some improvements to areas around parking spaces.

3. The Proposals in More Detail

Retail Units

- 3.1 The units were bought as 'shell and core' with no internal fit out or shop fronts. It was always anticipated that DDC would undertake these works and the purchase price of the units reflected their incomplete state.
- 3.2 They have been vacant and boarded up since they were built and whilst they were not attractive to buyers (probably because of the need to own the entire building), there has been a lot of interest from local businesses interested in leasing the properties. A quality fit out in a prime position with a rapidly expanding local population should ensure a good commercial rate of return.
- 3.3 In order to get these tenanted as soon as possible it is anticipated that the fit out will be outsourced. The option to let them in a 'shell and core' state has been considered, but detailed inspection of the building and the need for some possible service re-routing makes this a risk that is not recommended.
- 3.4 The total cost of purchase and fit out will be up to £290,000. An independent valuation by the developers in 2015 gave a possible return of between £35,000 and £53,000. Even at the lowest quote the gross return would be c12%.

3rd Party Land

- 3.5 Negotiations are still at a very early stage. However, it has become clear that the Council will need some specialist legal advice on land ownership matters. In discussions with the Councils own legal team it has been agreed that this advice should be procured externally and it is proposed to use our retained Solicitors, Dentons, to provide this if possible.

Protection and Enhancement Measures

- 3.6 Road improvements on Dorman Avenue North have been constructed with new verges and planting. Unfortunately, some individuals are still using the grass verge to park. It is proposed to install some low key protection such as wooden bollards of a type seen on many developments. This will need permission from Kent County Council as this is an adopted road, but it is not anticipated that this will be difficult to obtain.
- 3.7 New parking areas around the retail units on both sides of the Market Place have been landscaped, but this has proven to be unsatisfactory in poor weather as motorists and passengers are getting out of their cars into damp and muddy areas. It is proposed to replace the landscaping with a more permeable solution.
- 3.8 The easy access to some of the larger landscaped areas has resulted in them being used by car owners which is not only spoiling the landscape but is also dangerous to legitimate users of these spaces. It is proposed that some natural barriers are considered to deter this activity.

CCTV

- 3.9 Linked to these enhancements is the requirement for CCTV to help protect our assets and prevent anti-social behaviour. This has support from the Parish Council.

3.10 Technological enhancements in this area now only necessitate the installation of a single 'base' unit that feeds back to the CCTV control room with any other CCTV cameras being wi-fi enabled giving flexibility on their siting and also reducing costs.

3.11 This funding request is a contribution to the overall costs and it is anticipated that this will be a project in partnership with the Parish Council and occupiers of retail units.

4. **Identification of Options**

4.1 Approve the projects and associated budget allocation.

4.2 Reject the projects and associated budget allocation.

5. **Evaluation of Options**

5.1 Approve the projects and associated budget allocation - This is recommended.

- The fit-out of the retail units is an essential piece of work and was always expected when they were approved for purchase.
- A failure to secure 3rd party land may impact on the future scope of the development and could potentially result in a costly CPO process.
- Although the Council has secured a capital receipt from the development, it has also procured c£10m on infrastructure and related works. It is the protection and enhancement of these works that this relatively small sum will be used.

5.2 Reject the projects and associated budget allocation. This is not recommended. Aylesham is becoming a destination of choice and it is important that the village remains attractive to residents that live in the village and those considering making Aylesham their home.

6. **Resource Implications**

It is proposed to fund the works from the Aylesham capital receipt received in 2016/17.

7. **Corporate Implications**

7.1 Comment from the Section 151 Officer: Accountancy has been consulted and has no further comment to add. (KW)

7.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

7.3 Comment from the Equalities Officer: This report does not specifically highlight any equalities implications, however in discharging their responsibilities members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

8. **Appendices**

None.

9. **Background Papers**

None.

Contact Officer: Dave Robinson, Planning Delivery Manager (01304 872121)

PROJECT ADVISORY GROUP (LOCAL PLAN)

TERMS OF REFERENCE

Membership:

Portfolio Holder for Environment, Waste and Planning (Chairman)

Portfolio Holder for Housing, Health and Wellbeing

Portfolio Holder for Access and Licensing

Portfolio Holder for Corporate Resources and Performance

Chairman of Planning Committee

A representative from the Kent Association of Local Councils (and nominated substitute, representing the town and parish councils of the District)

Three representatives from the voluntary sector (i.e. The Dover Society, The Deal Society and Sandwich Town Team)

Three representatives from the Dover Business Forum (i.e. Mr Gareth Doodes, Mr Matthew or Mr Stuart Jaenicke and a Megger Ltd representative)

A backbench member of the Controlling Group

A member of the Main Opposition Group

Other organisations/representatives who are not formal members of the Group may be asked by the Portfolio Holder for Environment, Waste and Planning to participate in meetings from time to time

Terms of Reference:

- The purpose of the Group is to assist and support the Cabinet/Portfolio Holder for Environment, Waste and Planning with regard to the preparation of the Local Plan and other associated documents.
- To advise Cabinet (via the Portfolio Holder for Environment, Waste and Planning) on the delivery of the Local Plan and other associated documents.

OTHER MATTERS

Powers:

The Group is not a decision-making body. Its recommendations will be reported back to the Cabinet via the Portfolio Holder for Environment, Waste and Planning.

Confidentiality:

A number of the issues that will be discussed by the Group will be of a confidential nature. Group members will be expected to respect this confidentiality, and should not discuss such matters outside the Group until they have been formally placed in the public realm.

Conflicts of Interest:

Members of the Group will be expected to declare a conflict of interest, and the precise nature of that interest, as soon as they become aware of its existence. Whilst the existence of an interest may not necessarily bar a member from participating in discussions, members are advised to refer to the relevant protocol of their organisation/governing body.

Frequency of Meetings:

It is anticipated that the Group will meet once every two to three months, but this may vary depending on workload. Meeting dates will be determined in consultation with the Portfolio Holder for Environment, Waste and Planning.

DOVER DISTRICT COUNCIL

NON-KEY DECISION

EXECUTIVE

CABINET – 3 JULY 2017

EXCLUSION OF THE PRESS AND PUBLIC

Recommendation

That, in accordance with the provisions of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the remainder of the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraph of Schedule 12A of the 1972 Act set out below:

<u>Item Report</u>	<u>Paragraph Exempt</u>	<u>Reason</u>
Development of New Affordable Housing on Land at New Dover Road, Capel-le-Ferne	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item No 17

Document is Restricted