



## CABINET

<b>DATE:</b>	<b>Friday, 4 November 2016</b>
<b>TIME:</b>	<b>10.30 am</b>
<b>VENUE:</b>	<b>Essex Hall, Town Hall, Clacton-on-Sea, CO15 1SE</b>

### MEMBERSHIP:

Councillor Stock	- Leader of the Council
Councillor C Guglielmi	- Deputy Leader of the Council / Enforcement and Community safety Portfolio Holder
Councillor Ferguson	- Tourism and Culture Portfolio Holder
Councillor Honeywood	- Housing Portfolio Holder
Councillor Howard	- Finance and Revenues and Benefits Portfolio Holder
Councillor Hughes	- Corporate Services Portfolio Holder
Councillor McWilliams	- Leisure, Health and Wellbeing Portfolio Holder
Councillor Talbot	- Environment Portfolio Holder
Councillor Turner	- Commercialisation Portfolio Holder
Councillor Watling	- Planning and Regeneration Portfolio Holder

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**Meeting papers can be provided, on request, in large print, in Braille, or on disc, tape, or in other languages.**

**For further details and general enquiries about this meeting, contact Ian Ford on (01255) 686584.**

**DATE OF PUBLICATION: WEDNESDAY, 26 OCTOBER 2016**

## AGENDA

### **1 Apologies for Absence**

The Cabinet is asked to note any apologies for absence received from Members.

### **2 Minutes of the Last Meeting held on Friday 9 September 2016 (Pages 1 - 8)**

To confirm and sign the minutes of the last meeting of the Cabinet held on Friday 9 September 2016.

### **3 Declarations of Interests**

Members are invited to declare any Disclosable Pecuniary Interests, or other interests, and the nature of them, in relation to any item on the agenda.

### **4 Announcements by the Leader of the Council**

The Cabinet is asked to note any announcements made by the Leader of the Council.

### **5 Announcements by Cabinet Members**

The Cabinet is asked to note any announcements made by Members of the Cabinet.

### **6 Matters Referred to the Cabinet by the Council**

There are none.

### **7 Reference from Audit Committee - A.1 - Policy in Respect of Land Purchases in Jaywick (Pages 9 - 10)**

To enable Cabinet to consider the comments made by the Audit Committee in respect of the Council's policy of land purchases in Jaywick.

### **8 Reference from Community Leaderships and Partnerships Committee - A.2 - Careers Advice Within Schools (Pages 11 - 12)**

To enable the Cabinet to consider the comments made by the Community Leadership and Partnerships Committee in respect of careers advice within schools.

### **9 Reference from Corporate Management Committee - A.3 - Rent Reduction (Pages 13 - 14)**

To enable Cabinet to consider the recommendations made by the Corporate Management Committee in respect of rent reduction.

### **10 Reference from Corporate Management Committee - A.4 - Fly Tipping (Pages 15 - 16)**

To enable Cabinet to consider the recommendations made by the Corporate Management Committee in relation to fly tipping.

**11 Reference from Service Development and Delivery Committee - A.5 - Dog Fouling and Bin Provision (Pages 17 - 18)**

To enable Cabinet to consider the recommendations of the Service Development and Delivery Committee in respect of dog fouling and bin provision.

**12 Report of the Enforcement and Community Safety Portfolio Holder - A.6 - A Surrender of the Current Lease and Grant of a New Lease over the Skate Park adjacent to the Swimming Pool, Low Road, Recreation Ground, Dovercourt (Pages 19 - 22)**

To approve the principle of agreeing the surrender of the current lease and the granting of a new lease of the Skate Park adjacent to the Swimming Pool, Low Road Recreation Ground, Dovercourt.

**13 Report of the Enforcement and Community Safety Portfolio Holder - A.7 - Disposal of Access Land for Development off Main Road, Dovercourt (Pages 23 - 26)**

To seek approval, in principle, for the disposal of 166m<sup>2</sup> of land at Dovercourt Green to facilitate development of the redundant Delford's factory site.

**14 Report of the Portfolio Holder for Enforcement and Community Safety - A.8 - Principle of Granting a New Lease, Eastcliff Playing Fields, Holland-on-Sea (Pages 27 - 30)**

To seek approval for the principle of granting a new lease of land to the rear of Eastcliff Playing Fields, off Dulwich Road, Holland-on-Sea.

**15 Report of Finance, Revenues & Benefits Portfolio Holder - A.9 - Local Council Tax Support Scheme, Council Tax Discounts 2017/18, Annual Minimum Revenue Provision and Hardship Policy (Pages 31 - 74)**

To enable Cabinet to consider and agree the proposed Local Council Tax Support Scheme 2017/18 (including associated exceptional hardship policy) and Council Tax Exemptions and Discounts 2017/18 for recommendation to full Council along with seeking Cabinet's approval of the Annual MRP policy statement for 2017/18 for recommendation to Council.

**16 Management Team Items**

There are none.

**17 Exclusion of Press and Public**

The Cabinet is asked to consider the following resolution:

"That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of Agenda items 18, 19, 20 and 21 on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1 of Schedule 12A, as amended, of the Act."

**18 Exempt Minute of the Last Meeting held on Friday 9 September 2016 (Pages 75 - 76)**

To confirm and sign as a correct record the exempt minute of the meeting of the Cabinet held on Friday 9 September 2016.

**19 Report of the Enforcement and Community Safety Portfolio Holder - B.3 - The Terms for the Granting of a new Lease, Eastcliff Playing Fields, Holland-on-Sea (Pages 77 - 80)**

To approve terms proposed for the grant of a new lease of land north of Eastcliff Playing Fields, off Dulwich Road, Holland-on-Sea to Holland Football Club.

**20 Report of Enforcement and Community Services Portfolio Holder - B.1 - Terms for the Surrender of the Current Lease and the Grant of a new Lease over the Skate Park on Low Road Playing Fields, Dovercourt (Pages 81 - 84)**

To approve terms for the surrender of the current lease and the granting of a new lease of the Skate Park adjacent to the Swimming Pool, Low Road Recreation Ground, Dovercourt.

**21 Report of the Enforcement and Community Safety Portfolio Holder - B.2 - The Terms for the Disposal of Access Land for Development off Main Road, Dovercourt (Pages 85 - 88)**

To approve terms for the disposal of 166m<sup>2</sup> of land at Dovercourt Green to facilitate development of the redundant Delfords factory site.

### **Date of the Next Scheduled Meeting**

*The next scheduled meeting of the Cabinet is to be held in the Essex Hall, Town Hall, Clacton-on-Sea, CO15 1SE at 10.30 am on Friday, 25 November 2016.*

#### **The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012**

### **Notice of Intention to Conduct Business in Private**

Notice is hereby given that, in accordance with Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, Agenda Item Nos. 18 to 21 are likely to be considered in private for the following reason:

“The item detailed below will involve the disclosure of exempt information under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) to Schedule 12A, as amended, to the Local Government Act 1972”

## **Information for Visitors**

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**MINUTES OF THE MEETING OF THE CABINET, HELD ON FRIDAY 9 SEPTEMBER 2016  
AT 10.35 AM IN THE ESSEX HALL, TOWN HALL, CLACTON-ON-SEA**

**PRESENT:**

Councillor N R Stock  
Councillor G V Guglielmi  
  
Councillor T M Ferguson  
Councillor P B Honeywood  
Councillor T A Howard  
Councillor M J Hughes  
Councillor L A McWilliams  
Councillor M J Talbot  
Councillor N W Turner

**PORTFOLIO:**

Leader of the Council (Chairman)  
Deputy Leader of the Council, Portfolio Holder for  
Enforcement and Community Safety  
Portfolio Holder for Tourism and Culture  
Portfolio Holder for Housing  
Portfolio Holder for Finance and Revenues & Benefits  
Portfolio Holder for Corporate Services  
Portfolio Holder for Leisure, Health and Well-being  
Portfolio Holder for Environment  
Portfolio Holder for Commercialisation

**Group Leaders Present by Invitation:**

Councillors Broderick (Leader of the Holland-on-Sea Residents' Group), I J Henderson (Leader of the Labour Group), M J D Skeels (Leader of the Coastal Independents Group) and B A Poonian (Deputy Leader of the Tendring Independents Group)

**Also Present:** Councillor Steady

**In Attendance:** Chief Executive (Ian Davidson), Corporate Director (Operational Services) (Paul Price), Head of Governance and Legal Services & Monitoring Officer (Lisa Hastings), Head of Finance, Revenues & Benefits & Section 151 Officer (Richard Barrett), Head of Environmental Services (John Fox), Head of Property Services (Andy White), Management and Members' Support Manager (Karen Neath), Committee Services Manager (Ian Ford), Deputy Management and Members' Support Manager (Lizzie Ridout) and Committee Services Officer (Janey Nice)

**51. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillors G F Watling (Portfolio Holder for Planning and Regeneration), J Chittock (Leader of the Tendring Independents Group) and M E Stephenson (Leader of the UKIP Group).

**52. MINUTES OF THE LAST MEETING HELD ON FRIDAY 5 AUGUST 2016**

It was moved by Councillor Talbot, seconded by Councillor Ferguson and **RESOLVED** that the minutes of the last meeting of the Cabinet, held on Friday 5 August 2016, be approved as a correct record and signed by the Chairman.

**53. DECLARATIONS OF INTEREST**

There were no declarations of interest made at this meeting.

**54. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL**

There were no announcements by the Leader of the Council on this occasion.

**55. ANNOUNCEMENTS BY CABINET MEMBERS**

There were no announcements by members of the Cabinet on this occasion.

**56. MATTERS REFERRED TO THE CABINET BY THE COUNCIL**

There were no matters referred to the Cabinet by the Council on this occasion.

**57. MATTERS REFERRED TO THE CABINET BY A COMMITTEE**

There were no matters referred to the Cabinet by a Committee on this occasion.

**58. LEADER OF THE COUNCIL'S ITEMS**

There were no items from the Leader of the Council on this occasion.

**Cabinet Members' Items – Report of the Portfolio Holder for Corporate Services**

**59. PERFORMANCE REPORT – QUARTER ONE REPORT – APRIL TO JUNE 2016 (Report A.1)**

There was submitted a report by the Portfolio Holder for Corporate Services (Report A.1), which presented to Cabinet the performance report for the period April 2016 to June 2016 (Quarter One).

The Cabinet was reminded that the Performance Report 2016/17 set out the detailed actions and targets for the delivery of the Council's priorities for 2016/2017. It reported on 11 projects, 5 performance indicator targets and 3 headline performance indicators, which included complaints and staff absence rates.

- The projects in the Performance Report were:-
  - *Transforming the way we work*
  - *Financial Self Sufficiency*
  - *Improved Broadband*
  - *Jaywick Community Development*
  - *Cliff Stabilisation (Protecting our Coastline)*
  - *Health and Wellbeing*
  - *Local Plan*
  - *Economic Development Delivery*
  - *Maximising Tourism and Leisure Opportunities*
  - *Enhancing Leisure Facilities*
  - *Garden Community*
  
- The performance indicator targets in the Performance Report were:-
  - *Fly tipping*
  - *Missed Bins*
  - *Recycling Rate*
  - *Handling of Planning Applications*
  - *5 Year Housing Supply Approvals*

The Performance Report for Quarter One, 2016/17, included the Corporate Plan and Priorities and Projects 2016. The Corporate Plan focussed on the Council's Community Leadership role in addressing the various key challenges in the District. Other key themes include:-

- *Health and Housing*
- *Employment and Enjoyment*



- *Council and Community*

All projects and targets detailed in the performance report for 2016/17 linked back to those headings.

#### Current Performance

It was reported that three of the indicators and projects highlighted in the report were deemed 'non measurable' as this Council's role was one of influence only. Of the 14 indicators and projects where performance was measured, 12 (86%) were on, or above, their expected target and 2 (14%) were not currently in line with the expected performance. Explanations of the performance and the supporting data were included in each topic.

Cabinet was informed that this report would be submitted to the Corporate Management Committee at its meeting to be held on 26 September 2016. Any comments or recommendations from that Committee would be reported to a future meeting of the Cabinet.

Having considered the reported information:-

It was moved by Councillor Hughes, seconded by Councillor Turner and:-

**RESOLVED** that the contents of the report be noted.

#### **Cabinet Members' Items – Report of the Portfolio Holder for Enforcement and Community Safety**

**60. NEW LEASE FOR THE FORMER TOURIST INFORMATION CENTRE, WALTON-ON-THE-NAZE (Report A.2)**

There was submitted a report by the Portfolio Holder for Enforcement and Community Safety (Report A.2), which sought Cabinet's approval, in principle, for the granting of a new lease of the former tourist information centre in Walton-on-the-Naze, following its relocation.

Cabinet was aware that the Council owned the freehold of the former tourist information office in Walton-on-the-Naze, which was situated on the seafront opposite the High Street and close to the town centre. The building was semi detached, with the other side being an established kiosk. The tourist information centre had closed after the 2015 summer season and had been relocated to the new visitor centre at The Naze.

Cabinet was informed that the site had now been fully marketed and details had been sent out to those persons who had previously expressed an interest in that kind of property. Two tenders had been received and evaluated, resulting in one tenderer being identified as the strongest in terms of the use of the site, jobs creation and regeneration and the other as the strongest in terms of financial gain. It was the Officers' recommendation to grant a lease of the site to the first party in terms of use, job creation and regeneration of the site, due to the prominent location on the seafront. Further details of the tenders and evaluation process were set out in item B.1 of the Report of the Portfolio Holder for Enforcement and Community Safety.

Having considered the information provided together with the advice of Officers:-

It was moved by Councillor G V Guglielmi, seconded by Councillor Turner and:-

**RESOLVED** that Cabinet approves, in principle, the granting of a new lease of the site.

**Cabinet Members' Items – Reports of the Portfolio Holder for Finance, Revenues & Benefits**

**61. CORPORATE BUDGET MONITORING REPORT FOR THE FIRST QUARTER OF 2016/2017 (Report A.3)**

There was submitted a detailed report and appendices by the Portfolio Holder for Finance, Revenues & Benefits (Report A.3), which provided an overview of the Council's actual financial position against the budget as at the end of June 2016 and to set out budget adjustments required in 2016/17.

That overview covered the following areas of the budget:-

- (1) General Fund Revenue;
- (2) Expenditure Budgets;
- (3) Income Budgets;
- (4) Other Budgets;
- (5) 2016/2017 Budget Adjustments and Issues;
- (6) Housing Revenue Account – Revenue;
- (7) Capital Programme – General Fund;
- (8) Capital Programme – Housing Revenue Account;
- (9) Corporate Debt; and
- (10) Treasury Activity.

Having considered the report and appendices:

It was moved by Councillor Howard, seconded by Councillor Honeywood and:-

**RESOLVED** that

- (a) the financial position as at the end of June 2016 be noted;
- (b) the 2016/17 budget be amended via the transfer of up to £0.150m from employee budgets to a planning inquiry budget to meet this cost pressure which has emerged during the first quarter of 2016/17;
- (c) delegation be given to the Head of Finance, Revenues and Benefits to amend the 2016/17 budgets to reflect the IT service being brought in-house from April 2016 with no net impact on the Council's overall budget and;
- (d) delegation be given to the Head of Finance Revenues and Benefits, in consultation with the Finance, Revenues and Benefits Portfolio Holder, to accept the Government's 4 year revenue support grant offer, via the submission of an efficiency plan, if favourable to the Council.

**62. CAPITAL STRATEGY 2016/17 TO 2019/20 (Report A.4)**

There was submitted a detailed report by the Portfolio Holder for Finance, Revenues & Benefits (A.4) which sought Cabinet's approval for a revised Capital Strategy covering the period 2016/17 to 2019/20.

Cabinet was reminded that it had approved the current Capital Strategy in September 2011. Officers had felt that it was therefore timely to update the Strategy to not only take account of changes to the Council's financial environment but also to include

more practical guidance on what was expected to be included in individual capital investment decisions in order to promote consistency and to reflect the most up-to-date financial governance requirements.

Having discussed the proposed revised Strategy:-

It was moved by Councillor Howard, seconded by Councillor G V Guglielmi and:-

**RESOLVED** that the updated Capital Strategy covering the period 2016/17 to 2019/20 be approved.

### **Cabinet Members' Items – Report of the Portfolio Holder for Leisure, Well-being and Partnerships Portfolio Holder**

#### **63. UPDATE ON COMMUNITY PROJECTS – EDUCATION AND HEALTH**

There was submitted a report by the Portfolio Holder for Leisure, Well-being and Partnerships (Report A.5), which provided an update on community projects relating to education and health and sought Cabinet's endorsement of those projects.

Cabinet was aware that the Council's Corporate Plan 2016-2020 put Community Leadership at the heart of the Council's activities and within this context a number of projects were being undertaken to support the education and health agendas across the District.

Cabinet was reminded that:-

- Current specific projects in relation to education were formed around the following:-
  - Teacher recruitment
  - Emotional and Wellbeing Health School Hub
  - Post 16 provision
  - Teacher accommodation
  - Building bridges with universities
  - School places
- Current specific projects in relation to health are formed around the following:-
  - Parkrun Clacton
  - Falls prevention
  - Housing checklist
  - Breastfeeding Friendly Cafes
  - Making every contact count
  - Tending Mental Health Hub
  - Tending Health and Wellbeing Board

It was proposed that the health projects identified above were those that would be monitored through the Performance Plan in relation to the target around Health and Wellbeing with further projects being added as they were developed.

Cabinet was informed that the above projects would continue to form the subject of regular updates to the Portfolio Holder and that engagement in those areas was supplemented by the work of the Community Leadership and Partnerships Committee which provided an overview and scrutiny of those sectors as part of its work programme.

Having considered the update:

It was moved by Councillor McWilliams, seconded by Councillor Ferguson and:

**RESOLVED** that

- (a) Cabinet endorses the listed projects as those which will continue to be delivered in 2016/17 in support of the Corporate Plan priorities;
- (b) the currently identified health related projects be monitored through the Council's Performance Plan as part of the Health and Well-being indicator, together with future projects agreed with the Portfolio Holder; and
- (c) the educational update be presented to the next meeting of the Community Leadership and Partnerships Committee.

**Cabinet Members' Items – Joint Report of the Portfolio Holder for Finance, Revenue & Benefits and the Portfolio Holder for Enforcement and Community Safety****64. ACQUISITION OF INVESTMENT PROPERTY**

There was submitted a joint report by the Portfolio Holder for Finance, Revenues and Benefits and the Portfolio Holder for Enforcement and Community Safety (Report A.6), which sought Cabinet's approval of a Commercial Property Investment Policy in order to enable the acquisition of Commercial Property within the budgets set out in the Capital Programme and in accordance with the Council's Treasury Management Strategy.

The proposed Commercial Property Investment Policy was before the Cabinet as Appendix A to the aforementioned report.

Having considered the proposed Policy, the Officers' advice and the implications of this decision:-

It was moved by Councillor G V Guglielmi, seconded by Councillor Howard and:-

**RESOLVED** that Cabinet:

- (a) authorises the acquisition of investment properties within the budget, criteria and delegations in resolutions (b), (c) and recommendation (d) below;
- (b) approves the Commercial Property Investment Policy set out in Appendix A to item A.6 of the Joint Report of the Portfolio Holder for Finance, Revenues and Benefits and the Portfolio Holder for Enforcement and Community Safety, subject to resolution (a) above; and
- (c) authorises the Corporate Director (Corporate Services) to acquire and invest in property within the investment portfolio, subject to the budget and criteria above, in consultation with the Leader of the Council and the Portfolio Holder for Enforcement and Community Safety, and to enter into, and conclude, all legal agreements and in every respect manage the proposed investment portfolio within the criteria set out.

**RECOMMENDED TO COUNCIL** (d) that the Property Dealing Procedure contains a new exclusion at 1.2.5 that investment properties which become vacant through the duration of an existing lease be re-let swiftly through a Corporate Director (Corporate Services) decision, with the concurrence of the Portfolio Holder, ensuring maximum return.

**65. MANAGEMENT TEAM ITEMS**

There were no items from the Management Team on this occasion.

**66. EXCLUSION OF PRESS AND PUBLIC**

It was moved by Councillor Stock, seconded by Councillor G V Guglielmi and:

**RESOLVED** that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of Agenda Items 17 and 18 on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1 of Schedule 12A, as amended, of the Act.

**67. EXEMPT MINUTE OF THE LAST MEETING HELD ON FRIDAY 5 AUGUST 2016**

The exempt minute of the last meeting of the Cabinet, held on Friday 5 August 2016, was approved as a correct record and signed by the Chairman.

**68. LEASE OF THE FORMER TOURIST INFORMATION PREMISES, WALTON-ON-THE-NAZE: TENDER SELECTION AND TERMS**

**RESOLVED** that

- (a) the tender submitted by a named individual be accepted as the successful one;
- (b) the terms for a new lease, as set out in the Current Position section of item B.1 of the Report of the Portfolio Holder for Enforcement and Community Safety be approved; and
- (c) the Corporate Director (Corporate Services) be authorised to enter into a lease of the former tourist information centre to the named individual, on the terms set out and on such other terms as he considers appropriate.

**DATE AND TIME OF NEXT SCHEDULED MEETING**

The next scheduled meeting of the Cabinet was due to take place on Friday 7 October 2016 at 10.30 a.m. in the Essex Hall, Town Hall, Station Road, Clacton-on-Sea.

The meeting was declared closed at 11.31 a.m.

Chairman

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<b>Key Decision Required:</b>	<b>No</b>	<b>In the Forward Plan:</b>	<b>No</b>
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## CABINET

4 NOVEMBER 2016

### REFERENCE REPORT FROM THE AUDIT COMMITTEE

**A.1 COMMENTS TO CABINET FROM THE AUDIT COMMITTEE – POLICY IN RESPECT OF LAND PURCHASES IN JAYWICK**

(Report prepared by Richard Barrett)

<b>BACKGROUND</b>
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At their meeting on 22 September 2016, the Committee considered the actions in respect of the Annual Government Statement 2016 and in particular the acquisition and development of sites in Jaywick.

At the same meeting, the Committee were informed as part of the Statement of Accounts process that an impairment charge had been made to the HRA in 2015/16 totalling **£0.700m**, which reflected the lower balance sheet or ‘book’ value of land purchased in Jaywick compared with the actual purchase price.

The existing policy in respect of the purchase and development actions in Jaywick was set out in a report to Cabinet on 5 September 2014 where it was acknowledged that the Council would need to take a leadership role to ‘kick start’ regeneration in Jaywick and that it can take a longer term view on its initial investment.

<b>COMMITTEE RECOMMENDATIONS AND COMMENTS TO CABINET</b>
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The Committee agreed **COMMENTS TO CABINET** as follows:

***That Cabinet review the policy in respect of any future land purchases in Jaywick given the impairment loss of £0.700m in 2015/16.***

<b>PORTFOLIO HOLDER’S COMMENTS AND RECOMMENDATIONS TO CABINET</b>
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It has been and remains the policy that all land purchases are carefully considered to fully assess the financial implications.

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<b>Key Decision Required</b>	<b>No</b>	<b>In the Forward Plan</b>	<b>No</b>
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## CABINET

4 NOVEMBER 2016

### REFERENCE REPORT FROM THE COMMUNITY LEADERSHIP AND PARTNERSHIP COMMITTEE ON 3 OCTOBER 2016

#### A.2 CAREERS ADVICE WITHIN SCHOOLS (Report prepared by Anastasia Simpson)

##### **BACKGROUND**

At the Community Leadership and Partnership Committee meeting on 3<sup>rd</sup> October 2016 the Committee raised concerns about the lack of careers advice for students within schools

Following the closure of the Connexions career's advice service, the Committee discussed the availability and consistency of career's advice across schools. They expressed concern that opportunities could be missed if advice was not available. In particular the Committee raised concern that students may not have access to advice to raise aspirations and awareness of higher learning opportunities, such as university, which could have a detrimental effect on the student's future job options and career.

Schools are legally obliged to provide independent careers guidance in England to all year 8 — 13 pupils (12 — 18 year olds). It must be provided in an impartial manner, no bias or favouritism towards a particular education or work option. It should explore the range of education or training options, including apprenticeships and other vocational pathways and advice should promote the students' best interest.

Schools must provide students with access to some external sources of careers guidance.

This could include:

- careers fairs
- mentoring
- employer visits and talks
- college and university visits
- access to careers websites
- telephone and helpline services

Schools can also have staff providing advice and guidance to pupils.

Face-to-face advice and guidance should be arranged by a school where it is the most suitable for young people to make successful next steps — particularly for students at risk of disengaging from education or training, or those with special educational needs.

##### **COMMITTEE RECOMMENDATIONS AND COMMENTS TO CABINET**

Cabinet is now asked to consider the comments of the Community, Leadership and Partnership Committee:

The Committee **RECOMMENDED TO CABINET** that:

- (a) Cabinet look into the lack of career's advice in schools and what else can be done to assist pupils when making career choices.

##### **PORTFOLIO HOLDER'S COMMENTS AND RECOMMENDATIONS TO CABINET**

Whilst not considered to fall within the remit of Cabinet, the Portfolio Holder will look into this matter in line with her influencing role on Education projects.

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<b>Key Decision Required</b>	<b>No</b>	<b>In the Forward Plan</b>	<b>No</b>
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## CABINET

4 NOVEMBER 2016

### REFERENCE REPORT FROM CORPORATE MANAGEMENT COMMITTEE OF 26 SEPTEMBER 2016

#### A.3 RENT REDUCTION

(Report prepared by Anastasia Simpson)

#### **BACKGROUND**

At the Corporate Management Committee meeting on 26 September 2016 the Committee raised concerns about the 1% rent reduction and the impact of this policy within Tendring.

As part of the Committees review of the Corporate Budget Monitoring report for the First Quarter 2016/17, the Committee discussed the 1% rent reduction and the implications for Tendring. The Committee recommends to Cabinet that this matter is raised as a concern across all groups wherever there is an opportunity to raise this matter with Local Government Authority colleagues

The Housing Revenue Account (HRA) deals with all the finances associated with the housing stock in the ownership of the Council. The HRA is “ring-fenced” from other activity. The main income is housing rent, and all expenditure related to council housing (such as dealing with lettings; managing, maintaining and repairing the stock; collecting rent) is charged to this account.

In April 2012 council housing finance moved to a ‘self-financing’ regime nationally. Councils took on full responsibility for the long-term financial management of council housing. This means that councils keep their rental income and use it to manage and maintain their housing stock. At the point of self-financing councils whose debt was lower than the assessed value of their stock borrowed to pay the difference to the government.

Self-financing requires the Council to take a much longer-term planning approach – to ensure that practically all of the Council’s housing stock continues to meet the ‘decent homes standard’, to repay the debt and to ensure the continued viability of the Housing Revenue Account. The Council prepares and keeps up to date a financial plan for the Housing operation over a 30 year period. The financial model shows the estimates of rent and other income, the day to day management and repair costs as well as the long term major investment needs to maintain the stock and the cost of servicing the debt over 30 years.

Rent increases have been made in the past few years against the then national guidance – CPI + 1% increase p.a. This would normally be applied in April. However, subsequently the 2015 autumn Spending Review announced that Government would require social housing rents to be reduced by 1% p.a. for each of the next 4 years. The legal power to require this appeared shortly thereafter in the draft Welfare Reform & Work Bill.

The legislation requires a reduction of social rents of 1% over the relevant year (which

commenced on 1 April 2016).

The legislation, now the Welfare Reform & Work Bill 2016 has a requirement for a further 1% decrease in 2017/18, 2018/19, and 2019/20.

Secondary legislation has exempted some accommodation from this reduction in recognition of the special factors that apply. The Council needs to decide what to do in cases where an exemption applies. The default position would be to apply the agreed policy.

Supported housing including temporary accommodation, sheltered and extra care housing are exempt from the 1% reduction in 2016/17 whilst the Government is considering the longer term position for supported housing – this presents a number of risks to the viability of supported housing across providers longer term. Rents for these types of accommodation are able to be increased in line with the former national rent policy – CPI + 1%, which for 2016/17 would equate to a rise of 0.9%.

The table below shows the impact of the 1% rent reduction through to 2019/20:

2015/16	2016/17	2017/18	2018/19	2019/20
<b>£13,906,439.04</b>	<b>£13,790,046.22</b>	<b>£13,652,651.79</b>	<b>£13,516,631.30</b>	<b>£13,660,762.08</b>
	2015 to 2016	2016 to 2017	2017 to 2018	2018 to 2019
				£144,130.78
				(extra week in
Difference	-£116,392.82	-£137,394.43	-£136,020.49	this year)

#### **COMMITTEE RECOMMENDATIONS AND COMMENTS TO CABINET**

Cabinet is now asked to consider the comments of Corporate Management Committee:

The Committee **RECOMMENDED TO CABINET** that:

- (a) That Cabinet notes the concerns about the 1% rent reduction and the impact for Tendring District Council.
- (b) Members of the Cabinet raise this matter as a concern at any relevant Local Government Association conferences.

#### **PORTFOLIO HOLDER'S COMMENTS AND RECOMMENDATIONS TO CABINET**

Cabinet shares the Committee's concerns about the implications of the 1% rent reduction and will raise these concerns where the opportunity exists.

<b>Key Decision Required</b>	<b>No</b>	<b>In the Forward Plan</b>	<b>No</b>
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**CABINET**

**4 NOVEMBER 2016**

**REFERENCE REPORT FROM CORPORATE MANAGEMENT COMMITTEE  
OF 26 SEPTEMBER 2016**

**A.4 FLY TIPPING**

(Report prepared by Anastasia Simpson)

<b>BACKGROUND</b>
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At the Corporate Management Committee meeting on 26 September 2016 the Committee raised concerns about the potential for increased fly tipping as a result of business waste no longer being accepted at Essex Recycling Centres from 31 October 2016. The Committee raised their concerns about the possibility of increased fly tipping and costs associated with the removal of fly tipping, throughout the District following the changes at Essex Recycling Centres.

The Committee understands that from 31 October 2016 further restrictions will be applied to three of the Recycling Centres for Household Waste in the district, Dovercourt, Kirby le Soken and Lawford in an attempt to stop the illegal disposal of business waste at these sites.

To prevent the disposal of business waste at these sites it is understood that the sites will no longer accept soil, hardcore, plasterboard, bathroom ceramics, kitchen units door and window frames and in addition will no longer permit access to trucks, vans, pickups or trailers with more than one axle.

Although the Clacton site will still be able to receive these materials there is to be a restriction on the quantity and light commercial vehicles, whilst being allowed to enter the site, will be subject to further scrutiny to ensure they are not depositing business waste.

The Committee is concerned that this may lead to an increase in fly tipping as those who illegally deposit their waste at the centres may then illegally dump it as fly tipping and therefore can the Environment Portfolio Holder inform the Committee what steps will be taken to ensure that when these restrictions come into force there is not an increase in fly tipping and if so what actions will be taken to deal with the fly tipped business waste which would have previously been accepted by the Recycling Centre for Household Waste.

Could the Portfolio Holder inform the Committee of who will cover the cost of any increase in fly tipping associated with these changes.

<b>COMMITTEE RECOMMENDATIONS AND COMMENTS TO CABINET</b>
--

Cabinet is now asked to consider the comments of Corporate Management Committee:

The Committee **RECOMMENDED TO CABINET** that:

- (a) The Committee would like Cabinet to note their concerns about the restrictions to the Recycling Centres within the District from 31<sup>st</sup> October 2016 and the potential for increased fly tipping across the District.
- (b) Members of the Committee would like to ask the Environment Portfolio Holder for information about who will be responsible for covering the cost of any increase in fly tipping, associated with these changes.

**PORTFOLIO HOLDER'S COMMENTS AND RECOMMENDATIONS TO CABINET**

The Portfolio Holder is in active discussion with the County Council to obtain the best possible outcome in relation to this matter.

<b>Key Decision Required</b>	<b>No</b>	<b>In the Forward Plan</b>	<b>No</b>
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## CABINET

**4 NOVEMBER 2016**

### **REFERENCE REPORT FROM SERVICE DEVELOPMENT AND DELIVERY COMMITTEE**

#### **A.5 DOG FOULING AND BIN PROVISION**

(Report prepared by Mark Westall)

#### **BACKGROUND**

At its meeting held on 19 September 2016 the Environmental Services Technical Officer, Mr Hamlet, gave an overview of the services currently offered by his team in relation to dog fouling in Tendring.

Mr Hamlet informed Members that the Council had two designated dog wardens that covered the whole of the Tendring District and that they could issue a fixed penalty notice to any dog-fouling or littering offenders. He also mentioned that other authorised Officers, including himself, had the ability to issue Fixed Penalty Notices. Mr Hamlet informed the Committee that there were around 1,200 litter bins around the District and that wrapped or bagged dog waste could also be put in the normal black waste bins.

Mr Hamlet said that the street sweeping contract also had a dog waste disposal machine called Faeces Intake Disposal Operation (FIDO) which could collect dog waste on grassed areas such as the Greensward and other grassed areas and playing fields. Finally Mr Hamlet reported that By-Laws were in place for certain fenced-off play areas and that that a Public Space Protection Order could be used in the future to make it a lot easier to enforce and protect sensitive areas such as children's play areas.

There was a general discussion amongst Members about the different services undertaken by Essex County Council, Tendring District Council, and Town and Parish Councils, including grass cutting and street cleaning. It was noted that there was some overlap and that there might be opportunities to improve efficiencies and save funds.

#### **COMMITTEE RECOMMENDATIONS AND COMMENTS TO CABINET**

Cabinet is now asked to consider the comments of the Service Development and Delivery Committee.

The Committee **RECOMMENDED TO CABINET** that it **NOTED** the **RECOMMENDATIONS** of the Service Development and Delivery Committee:

- (a) That the relevant Officers work with the Council's Communications**

**Manager to compose a press release reminding residents of the number of litter bins the Council provided and that they could be used for bagged dog waste and that the press release should include details of the number of Fixed Penalty Notices that had been issued regarding dog fouling;**

**(b) That the relevant Officers produce a schedule for the Faeces Intake Disposal Operation (FIDO) which would state when and where FIDO would be in operation and that the schedule should be placed on the Council's website;**

**(c) That an information sharing forum be created to include Members from the Council, County Council and Town and Parish Councils, to discuss topics affecting them, such as street sweeping, dog fouling and waste bin provision, in order to promote the co-ordination of activities and promote best practice; and**

**(d) That the relevant group look at incorporating dog fouling within the new Open Space Public By-law.**

**PORTFOLIO HOLDER'S COMMENTS AND RECOMMENDATIONS TO CABINET**

The Portfolio Holder for Environment has confirmed that he is very happy with the report of the Service And Development Committee and its recommendations to Cabinet.



<b>Key Decision Required:</b>	<b>No</b>	<b>In the Forward Plan:</b>	<b>No</b>
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## CABINET

### REPORT OF THE PORTFOLIO HOLDER FOR ENFORCEMENT AND COMMUNITY SAFETY

4 NOVEMBER 2016

**A.6 A SURRENDER OF THE CURRENT LEASE AND GRANT OF A NEW LEASE OVER THE SKATE PARK ADJACENT TO THE SWIMMING POOL, LOW ROAD RECREATION GROUND, DOVERCOURT**

(Report prepared by Jennie Weavers)

#### PART 1 – KEY INFORMATION

##### **PURPOSE OF THE REPORT**

To approve the principle of agreeing the surrender of the current lease and the granting of a new lease of the Skate Park adjacent to the Swimming Pool, Low Road Recreation Ground, Dovercourt.

##### **EXECUTIVE SUMMARY**

The current tenants, Harwich Town Council, took a Lease over the land on Low Road Recreation Ground in 2002 and built the skate park. They advise that the current facility is now over 10 years old and becoming more expensive to repair and maintain. They are proposing to fully replace the skate park and wish to apply for grant funding to do this. The current Lease is due to expire in 2023 and in order to qualify for a grant they need a longer unexpired term.

It is proposed to accept the surrender of the current Lease and grant a new 21 year Lease in accordance with the Heads of Terms set out in the report in Part B of this Agenda.

##### **RECOMMENDATIONS**

**That Cabinet approves the principle of accepting the surrender of the current Lease and the granting of a new Lease of the site to the Lessees.**

#### PART 2 – IMPLICATIONS OF THE DECISION

##### **DELIVERING PRIORITIES**

The new lease will facilitate renovation of the skate park which will contribute to the following Council priorities:

- To support local regeneration
- To provide first rate leisure facilities
- To regenerate the District and improve deprived areas

## **FINANCE, OTHER RESOURCES AND RISK**

### **Finance and other resources**

The granting of a new lease will enable the regeneration of the facility whilst continuing to provide a small income to the council and retaining the freehold of the asset.

### **Risk**

If grant funding cannot be secured then the total replacement of the skate park may not be possible. The tenant is however responsible for the full repair and maintenance of the equipment under the Lease and Officers will monitor the property and ensure that the conditions within the Lease are met.

## **LEGAL**

In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the district.

Section 123(1) of the Local Government Act 1972 indicates that, a local authority may dispose of land held by it in any way it wishes so long as (section 123 (2)) the land is disposed for a consideration not less than the best that can reasonably be obtained.

Section 123(2A) of the Local Government Act 1972 indicates that a local authority must advertise potential disposals of open space in the local press before disposing of land.

The General Disposal Consent Order (England) 2003 gives consent for disposal at below best consideration reasonably obtainable provided that the undervalue is less than £2m and the proposal enhances the environmental economic and social wellbeing of the area.

In this case the area in question will remain publicly available and is subject to a current lease that includes statutory protection under the Landlord and Tenant Act 1954. Accordingly it is not proposed to advertise the potential new lease.

The Council's ordinary approach to meeting the obligation to obtain the Best Consideration reasonably obtainable is to openly market land for disposal. In this case the marketing of the site is impractical and therefore it is proposed that Cabinet uses the discretionary power under the General Disposal Consent Order (England) 2003 to grant a lease without marketing it. The proposed new lease is on similar terms to the existing one.

## **OTHER IMPLICATIONS**

**Consideration has been given to the implications of the proposed decision in respect of Crime and Disorder, Equality and Diversity, Health Inequalities, Consultation/Public Engagement and Wards; and any significant issues are set out below.**

None

### **Ward**

Harwich West Central

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

A lease of the Skate Park site was granted in 2002 for a term of 21 years and the current tenants built the skate park on the site with planning permission. They have maintained the equipment on site but advise that it is starting to cost more in maintenance as it is now over ten years old.

<b>CURRENT POSITION</b>
-------------------------

The current tenants have approached the Council with a proposal to fully replace the skate park, however to do this they require grant funding. In order to secure funding they need a lease with a with a longer unexpired term than the 7 years on their current Lease. They have requested that the Council accept the surrender of their current Lease and grant them a new 21 year Lease on the same terms which are set out in the report in Part B of this agenda.
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<b>FURTHER HEADINGS RELEVANT TO THE REPORT</b>
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None
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<b>BACKGROUND PAPERS FOR THE DECISION</b>
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None
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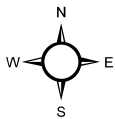
<b>APPENDICES</b>
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<b>Appendix A: Location Plan</b>
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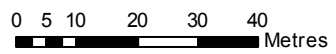
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Page 22

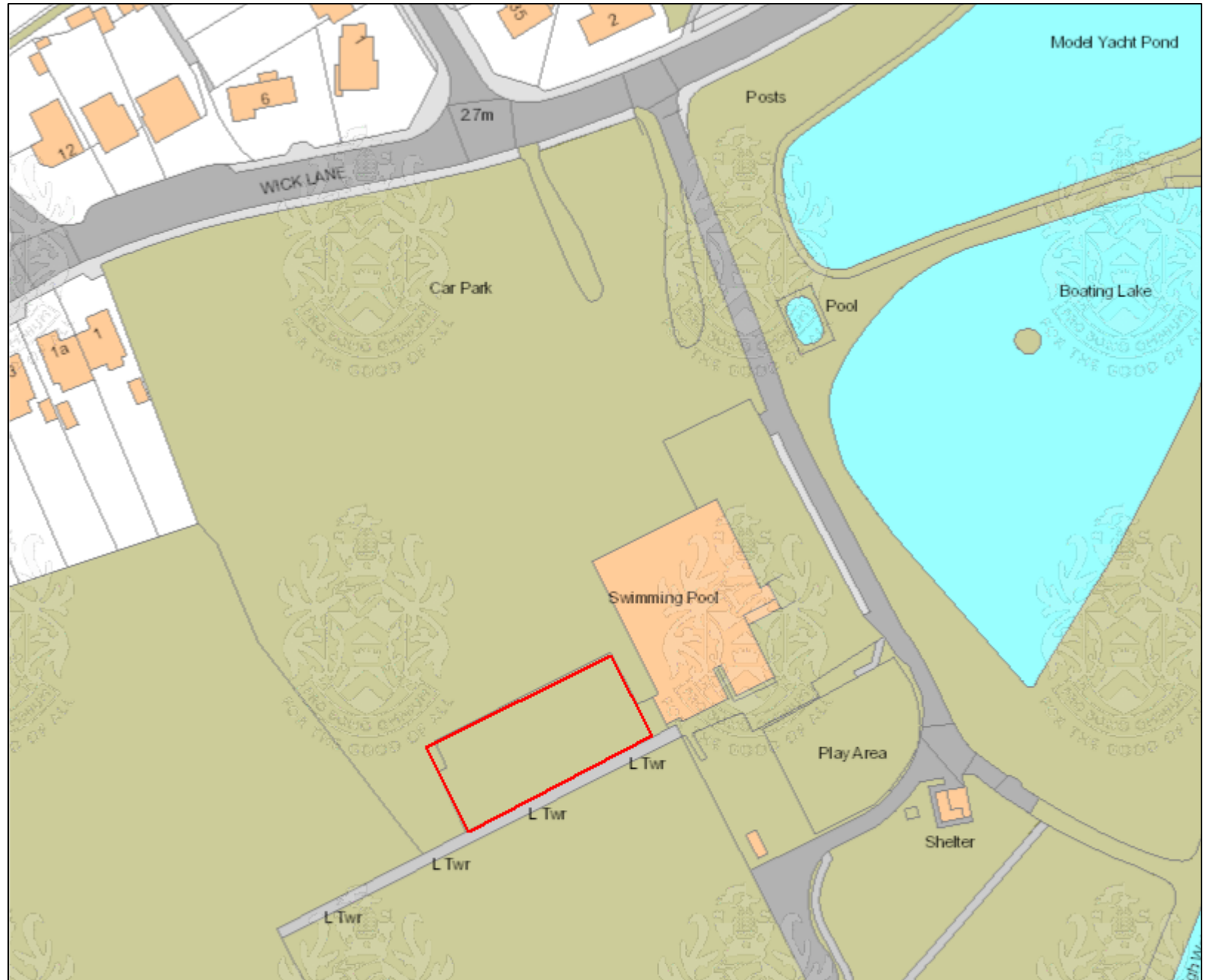
Date: 09/09/2015



Author:



## Map Notes



<b>Key Decision Required:</b>	<b>No</b>	<b>In the Forward Plan:</b>	<b>No</b>
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## CABINET

4 NOVEMBER 2016

### REPORT OF THE PORTFOLIO HOLDER FOR ENFORCEMENT AND COMMUNITY SAFETY

#### **A.7 THE PRINCIPLE OF DISPOSAL OF ACCESS LAND FOR DEVELOPMENT OFF MAIN ROAD DOVERCOURT**

(Report prepared by Andy White)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To seek approval in principle for the disposal of 166m<sup>2</sup> of land at Dovercourt Green as shown edged and hatched dark blue on the plan attached at Appendix A to facilitate development of the redundant Delford’s factory site.

##### **EXECUTIVE SUMMARY**

The redundant Delfords Factory site, edged red on the plan, lies immediately North of Dovercourt Green, off Main Road Dovercourt. It has lain vacant and derelict for some years.

Between the redundant factory site and Main Road the Council owns Dovercourt Green, shaded grey on the plan, which is public open space and registered as a Town or Village Green.

The current owner has agreed to sell the site factory site to a housing association which plans to develop around 70 new homes.

In order too provide highway access requested by Essex County Council the existing access, edged light blue on the plan, must be reconstructed and widened to include footways as shown edged dark blue on the plan.

Terms have been provisionally agreed with the current owner to dispose of the access land. The detail of those terms is outlined in the report in Part B of this agenda.

##### **RECOMMENDATION(S)**

**That Cabinet approves the principle of disposing of the 166m<sup>2</sup> of land at Main Road, Dovercourt in order to provide access for development.**

#### **PART 2 – IMPLICATIONS OF THE DECISION**

##### **DELIVERING PRIORITIES**

The development of homes will contribute to the following priorities:

- Promoting sustainable economic growth.
- Reduce health inequalities and disadvantage.
- Ensure all our residents live in high quality housing which meets local needs.
- Regenerating the District and improving deprived areas.
- Protecting and enhancing our environment, countryside and coast.

## **FINANCE, OTHER RESOURCES AND RISK**

### **Finance and other resources**

Disposal of the land will provide a capital receipt. The proposed terms are outlined in the report in Part B of this agenda.

### **Risk**

Unless access is provided the redundant site will continue to be derelict.

The site owner is aware of the Town or Village Green registration and has agreed to resolve these at their own risk and expense together with any highway and adoption issues.

## **LEGAL**

In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the district.

Section 123(1) Local Government Act 1972 indicates that, a local authority may dispose of land held by it in any way it wishes so long as (in accordance with section 123 (2)) the land is disposed for a consideration not less than the best that can reasonably be obtained.

Section 123(2A) Local Government Act 1972 indicates that, a local authority may not dispose of land held by it as public open space without advertising its intention to do so in the local press.

In this case the land is open space and advertisement has been placed in the local press and on the Council's web site. No responses were received. Further opportunity to comment will be available during the Village Green process.

The land is worth little in financial terms except as access to the proposed development. Negotiation on terms has been ongoing for some time and it is the view of officers that the terms set out in the report in part B of this agenda represent Best Consideration Reasonably Obtainable.

## **OTHER IMPLICATIONS**

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder/Equality and Diversity/Health Inequalities/Consultation/Public Engagement

### **Crime and Disorder**

Consideration has been given to the Crime and Disorder Act 1998. The productive use of the factory site will reduce opportunities for antisocial behaviour. There is therefore likely to be a marginal positive effect on reducing crime and disorder.

### **Ward**

The Access land is in Harwich West Central. The former factory site is in Harwich West.

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

The redundant Delfords Factory site, edged red on the plan attached at Appendix A, lies

immediately North of Dovercourt Green, off Main Road Dovercourt. It has lain vacant and derelict for some years. Previous proposals for a supermarket did not succeed. The site has been subject to many intrusions, damage and fire.

Dovercourt Green, shown shaded grey on the plan, which is public open space and registered as a Town or Village Green, lies between the redundant factory site and Main Road. The green and the highway at the rear, are owned by the District Council, although footpaths also form part of the adopted highway. The existing access to the factory, edged light blue on the plan, has been present for many years but is not subject to any documented rights.

The current owner has agreed to sell the factory site to a housing association which plans to develop 66 new homes. A planning application is pending.

The existing access is shown edged light blue on the plan. In order to provide highway access to the proposed new homes as requested by Essex County Council the access must be improved by reconstructing and widening it to include footways as shown dark blue on the plan.

#### **CURRENT POSITION**

Officers and the Council's valuer have negotiated terms for the sale of the access to the current owner. The terms are outlined in the report in part B of this agenda.

The total area extends to 166m<sup>2</sup> but 22m<sup>2</sup> of this is already highway and 72m<sup>2</sup> is already surfaced as the existing access. The result is a net loss of 72m<sup>2</sup> of existing grass, although this will mainly remain publicly accessible once constructed as footpath.

#### **FURTHER HEADINGS RELEVANT TO THE REPORT**

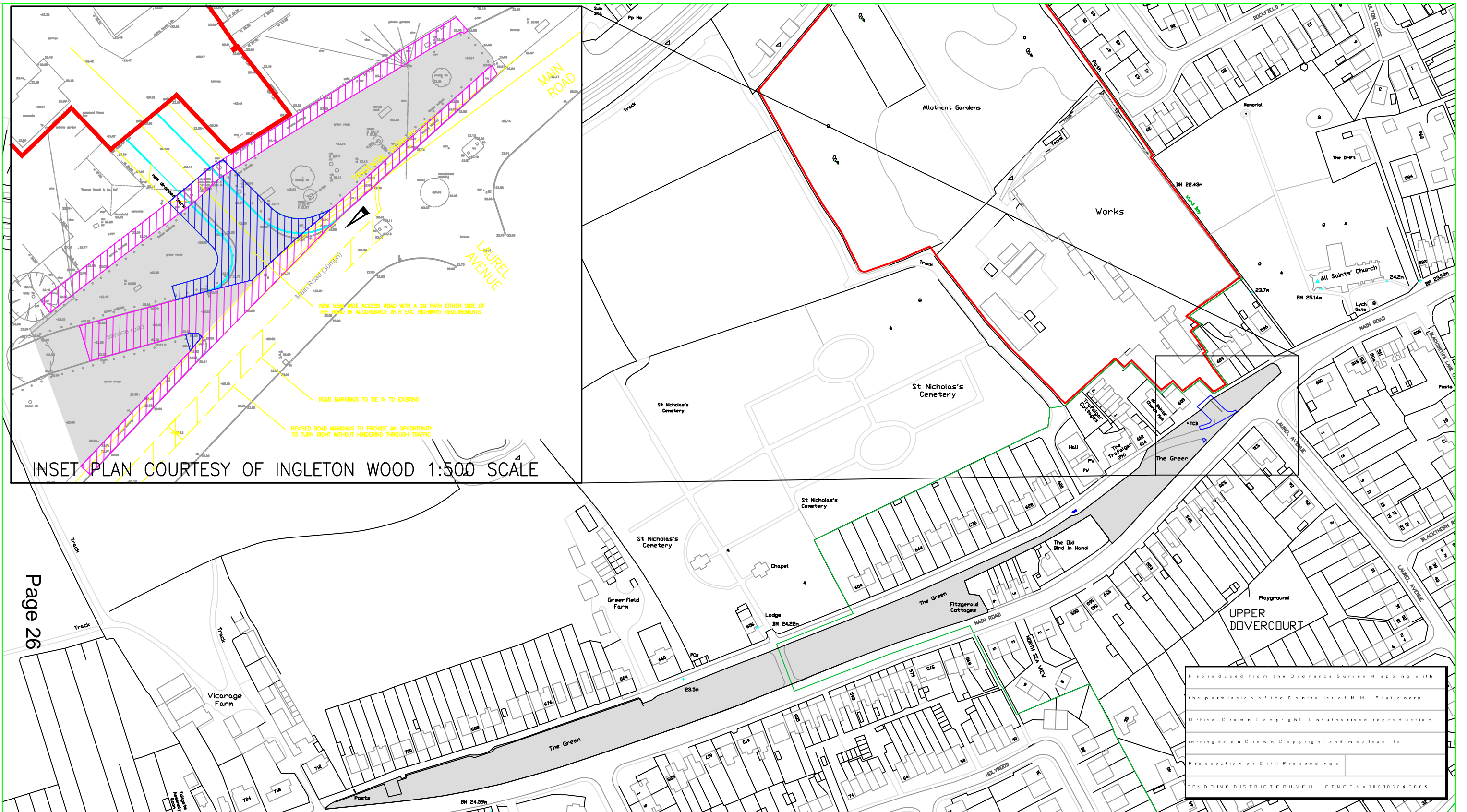
None

#### **BACKGROUND PAPERS FOR THE DECISION**

None

#### **APPENDICES**

Appendix A – Location plan.



INSET PLAN COURTESY OF INGLETON WOOD 1:500 SCALE

Page 26

- Disused factory site
- Existing access
- Proposed new access
- Extent of village Green
- Extent of adopted highway

**TENDRING DISTRICT COUNCIL**  
 M. KNAPPETT  
 BA(hons). DMS.  
 HEAD OF CORPORATE PERFORMANCE

title: DOVERCOURT GREEN AND DELFORDS  
 drawing: LOCATION PLAN

scale: 1:2000 at A3  
 drawn by: AR WHITE  
 date: 06 NOV 2009  
 drwg.No. 1  
 revision

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 TENDRING DISTRICT COUNCIL LICENCE No 10019864 2005



<b>Key Decision Required:</b>	<b>No</b>	<b>In the Forward Plan:</b>	<b>No</b>
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## CABINET

4 NOVEMBER 2016

### REPORT OF THE PORTFOLIO HOLDER FOR ENFORCEMENT AND COMMUNITY SAFETY

#### **A.8 PRINCIPLE OF GRANTING A NEW LEASE, EASTCLIFF PLAYING FIELDS, HOLLAND-ON-SEA**

(Report prepared by Andy White)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To seek approval for the principle of granting a new lease of land to the rear of Eastcliff Playing Fields, off Dulwich Road, Holland-on-Sea. The site is shown edged red and coloured yellow on the attached Appendix A.

##### **EXECUTIVE SUMMARY**

Scott Residential Limited is developing a number of bungalows on land edged green on the plan attached as Appendix A and is under a s106 obligation to provide open space including a basic football pitch and construct a new pavilion on the land shown edged red on the plan and transfer both to the Council. The proposals include provision of a new car park on the land coloured yellow on the plan. Work on the bungalow development is under way.

The Council owns the land shown edged blue on the plan. It leases the land shown coloured yellow on the plan to The Holland Sports Association.

Holland Sports Association has changed to Holland Football Club (“Holland FC”). Holland FC is holding over on a 14 year lease that reached the end of its contractual term on the 30 November 2007. In July 2016 the Council served notice to end that lease in order to facilitate the development of the new facilities.

Holland FC is seeking a new the lease of the land edged red an the land coloured yellow on the plan for a 25 year term which will facilitate the seeking of grant funding for further enhancements to the ground.

Holland FC is building up a fund to improve and develop the main pitch to the standards required for Step 6 Football following its promotion to the Thurlow Nunn Eastern Counties League.

Provisional terms for such a lease have been agreed by officers. Details of the terms are set out in the report in Part B of this agenda.

##### **RECOMMENDATION(S)**

**That Cabinet approves the principle of granting of a new 25 year lease of the land shown edged red and coloured yellow on the plan attached as Appendix A to Holland Football Club.**

## PART 2 – IMPLICATIONS OF THE DECISION

### DELIVERING PRIORITIES

Sports activities contribute to the following priorities:

- to promote healthy and active lifestyles
- to reduce health inequalities and disadvantage

### FINANCE, OTHER RESOURCES AND RISK

#### Finance and other resources

The new lease will provide a rental income to the Council, subject to the Community Assets Rent Offsetting Scheme. Details of the terms of the lease are set out in the report in Part B of this agenda.

#### Risk

The Holland Sports Association has been the tenant of this facility for the last 35 years and have complied with the lease terms throughout. Its successor, Holland FC, has strong management and has secured promotion in the football hierarchy. Officers therefore consider that there is little risk associated with the grant of the lease.

### LEGAL

In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the district.

Section 123(1) Local Government Act 1972 indicates that, a local authority may dispose of land held by it in any way it wishes so long as (in accordance with section 123 (2)) the land is disposed for a consideration not less than the best that can reasonably be obtained.

The General Disposal Consent Order (England) 2003 gives consent for disposal at below best consideration reasonably obtainable provided that the undervalue is less than £2m and the proposal enhances the environmental economic and social wellbeing of the area.

Section 123(2A) Local Government Act 1972 indicates that, a local authority may not dispose of land held by it without advertising its intention to do so in the local press. Although the red edged land is presently used by Holland FC as a playing pitch it is privately owned and not available generally to the public. The land coloured yellow is already subject to an ongoing lease. Accordingly officers consider that advertisement of the disposal is not necessary.

### OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of Crime and Disorder, Equality and Diversity, Health Inequalities, Consultation and Public Engagement. Any significant issues are set out below.

Holland FC is a successful club which encourages youth and adult participation. The success of the club is likely to have a positive effect on crime and disorder, health inequalities and on public engagement in sport.

#### Ward

St Paul's Ward (Immediately adjoining St Bartholomew's Ward)

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

Tendring District Council owns the freehold of the Eastcliff playing fields shown edged blue on the plan, including the Holland Sports Association site shown shaded yellow.

Scott Residential Limited is developing a number of bungalows on the land shown edged green on the plan and is under a s106 obligation to provide open space land where shown edged red on the plan including the construction of a new pavilion, demolition of the old one and creation of basic pitches. Scott Residential limited will transfer the land shown edged red including both the pitches and new building to the Council.

The Holland Sports Association has been the tenant of the site shaded yellow on the plan attached as Appendix A to the North of Eastcliff Playing Field site since the 1 October 1979. During that time they have used the land as the site for a sports pavilion and car park. The lease has passed its contractual end date and officers have served notices to end it so that the new facilities can be constructed.

Holland Sports Association has evolved into Holland FC. Holland FC has been promoted for 2016/17 to Step 6 within the Football Association's National League System following its promotion to the Thurlow Nunn Eastern Counties League. Holland FC is building up a fund to improve and develop the pitch to the standards required for that league and potential further promotion.

Holland FC seeks a new lease of both the yellow coloured land (as the existing lease) and the red edged land which is to be transferred to the Council. Provisional terms for such a lease have been agreed by officers. Details of the terms are set out in the report in Part B of this agenda.

### **CURRENT POSITION**

Work on the housing is under way.

Officers have served formal notices to end the existing lease in January 2017.

Officers have provisionally agreed terms for a lease of the land edged red and the land shaded yellow to Holland Football Club. Details are set out in the report in Part B of this Agenda.

### **FURTHER HEADINGS RELEVANT TO THE REPORT**

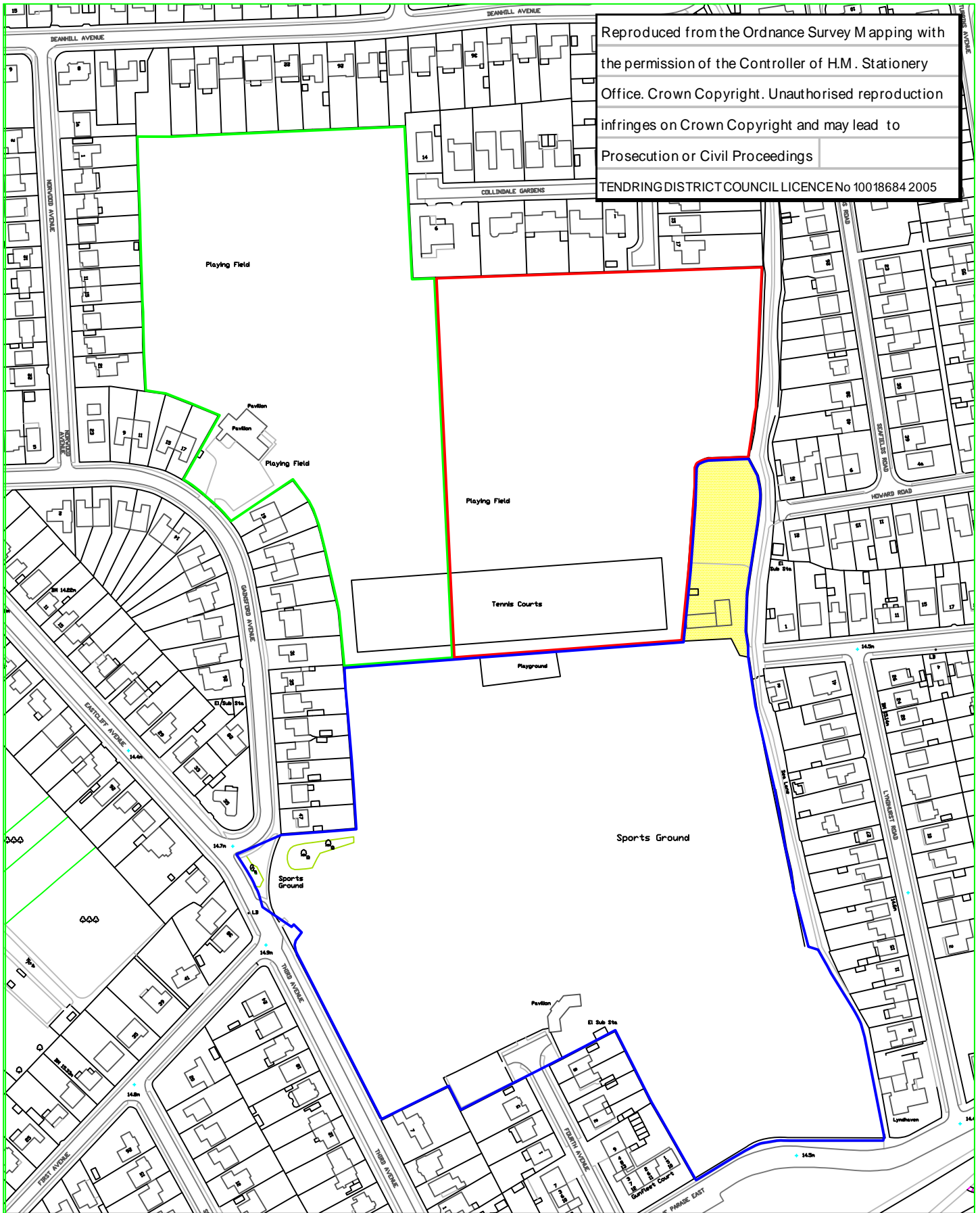
None

### **BACKGROUND PAPERS FOR THE DECISION**

None

### **APPENDICES**

Appendix A – Location plan.



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 TENDRING DISTRICT COUNCIL LICENCE No 10018684 2005

**TENDRING DISTRICT COUNCIL**

M. KNAPPETT  
 BA(hons), DMS.  
 CORPORATE DIRECTOR: CORPORATE SERVICES

title: LAND OFF GAINSFORD AVENUE  
 CLACTON ON SEA

drawing:  
 LOCATION PLAN  
 Page 30

scale: 1:2500  
 drawn by: AR WHITE  
 date: 21 AUG 14

1

<b>Key Decision Required:</b>	<b>Yes</b>	<b>In the Forward Plan:</b>	<b>Yes</b>
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## CABINET

**4 NOVEMBER 2016**

### REPORT OF FINANCE, REVENUES AND BENEFITS PORTFOLIO HOLDER

#### **A.9 THE LOCAL COUNCIL TAX SUPPORT SCHEME, COUNCIL TAX EXEMPTIONS / DISCOUNTS FOR 2017/18 AND ANNUAL MINIMUM REVENUE PROVISION POLICY STATEMENT 2017/18**

(Report prepared by Richard Barrett)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To enable Cabinet to consider and agree the proposed Local Council Tax Support Scheme 2017/18 (including associated exceptional hardship policy) and Council Tax Exemptions and Discounts 2017/18 for recommendation to full Council along with seeking Cabinet's approval of the Annual MRP policy statement for 2017/18 for recommendation to Council.

##### **EXECUTIVE SUMMARY**

- This report outlines the proposed Local Council Tax Support (LCTS) scheme and Council Tax exemptions and discounts for 2017/18
- In respect of the LCTS scheme for 2017/18 it is proposed to continue with the current scheme which was approved by Full Council on 24 November 2015, which provides for a maximum discount of 80% for working age claimants.
- The associated exceptional hardship policy has been reviewed for 2017/18 and it is proposed to increase the eligibility criteria to include all Council Tax payers and not just those receiving an LCTS discount along with backdating such support where applicable.
- In respect of council tax discounts and exemptions for 2017/18, it is proposed to continue with the same level of discounts as agreed for 2016/17 that were approved by Full Council on November 2015.
- The Annual Revenue Provision Policy Statement has also been reviewed for 2017/18 with no changes proposed.
- If it is agreed that no changes are necessary, there will be no need for public consultation. However, if any amendments are proposed and approved at Full Council on 22 November 2016, then public consultation will be required before the final scheme can be agreed and adopted. Consequently, if consultation is required, this Council will have to notify the precepting authorities that the final Council Tax base will be delayed and not available until late in the budget cycle. Although associated with the LCTS scheme, the exceptional hardship policy is a standalone policy and therefore does not 'trigger' the requirement to undertake public consultation.
- In addition to the above, The Annual Minimum Revenue Provision Policy Statement for

2017/18 has been prepared with the associated policy set out at Appendix D which needs to be considered by Cabinet before recommending on to Full Council.

## **RECOMMENDATION**

**It is recommended:**

- a) That Cabinet agrees that the LCTS scheme will remain the same as the current year, as set out as Appendix A and recommends to full Council:
  - i) that the LCTS set out as Appendix A be approved with the maximum LCTS award being 80% for working age claimants.
  - ii) that subject to a)i) above, delegation be given to the Corporate Director (Corporate Services) in consultation with the Finance, Revenues & Benefits Portfolio Holder to undertake the necessary steps to put in place the LCTS scheme from 1 April 2017;
- b) that Cabinet agrees the Council Tax Exceptional Hardship Policy as set out in Appendix B;
- c) that Cabinet agrees the proposed Council Tax exemptions and discounts as set out in Appendix C and recommends the same to full Council for approval:
  - i) that subject to c) above, delegation is given to the Corporate Director (Corporate Services) in consultation with the Finance, Revenues & Benefits Portfolio Holder to undertake the necessary steps to put in place the Council Tax exemptions and discounts from 1 April 2017; and
- d) Cabinet recommends to Council that the Annual Minimum Revenue Provision (MRP) Policy Statement for 2017/18 as set out in Appendix D be approved.

## **PART 2 – IMPLICATIONS OF THE DECISION**

### **DELIVERING PRIORITIES**

In developing a local scheme the Council must be mindful of their duties to vulnerable groups, and Council Tax payers set against the Council's overall financial position.

### **FINANCE, OTHER RESOURCES AND RISK**

#### **LCTS scheme for 2017/18**

LCTS is treated as a discount within the council tax calculations which means that the council's taxbase will reduce (as will the taxbase for County, Fire and Police and Parishes).

Although the link to funding coming from the Government via the Revenue Support Grant has weakened over time as that grant continues to reduce year on year, the cost of the LCTS scheme needs to be considered in the context of the Council's overall budget position like any other area of the Councils expenditure / income.

There is some logic in arguing that the 36% reduction in revenue support grant for 2017/18 should be 'passported' across to the LCTS and therefore reduce the support available to claimants. However for 2017/18 it is proposed on protecting the current position within the Council's overall budget with the scheme proposed remaining unchanged from 2016/17 where

a maximum discount of 80% can be awarded to working age claimants.

From a practical perspective it is also recognised that continuing to reduce the level of discount awarded will eventually arrive at a tipping point where people are no longer prepared to pay a proportion of Council Tax if receiving support through the LCTS. This is something that is being kept under review and may need to be reflected in future schemes.

It is not proposed to remove the family premium element from the LCTS which is covered in more detail further on in this report. The estimated cost to the Council of maintaining the family premium in 2017/18 is **£22,000**.

The total estimated 'cost' of the LCTS is **£11.700m**, with approximately 10% of this amount (**£1.170m**) falling to TDC with the remainder being met by the major preceptors. It is also worth highlighting that for every 5% decrease / increase in the discount the council would gain / lose approximately **£50,000** per year.

### **Council Tax Hardship Scheme**

The Council has operated a council tax exceptional hardship policy since the inception of the LCTS Scheme with the total cost of the scheme over recent years as follows:

<b>Year</b>	<b>Applications Rec'd</b>	<b>Amount Awarded</b>
2014-2015	46	£12,838.84
2015-2016	24	£5,201.73
2016-2017 (to date)	5	£2,435.44

Following a review this year, a revised policy is attached. Although fundamentally remaining the same as the current year's scheme, the eligibility criteria has been extended to include those not receiving LCTS support and provides the flexibility to backdate awards.

As with any exceptional hardship scheme, it is difficult to define exceptional hardship or descriptive criteria that will apply as there may be a number of variables to consider when an application is made. However the proposed policy sets out broad guidelines, which promotes transparency and openness in the Council's decision making processes. The policy also has a focus on 'reasonable' expenditure and affordability for the claimant and is based on evidence that they are also being proactive themselves in managing the situation. This mirrors the same approach being applied to discretionary housing payments where in consultation with the Department for Works and Pensions, support is focused on those claimants who are seeking employment for example.

The policy also highlights that a senior officer will review all decisions to demonstrate fairness and consistency to the application process.

The cost of the exceptional hardship scheme is met by contributions from TDC and the major preceptors based on their respective proportion of the overall Council Tax bill. Therefore TDC is required to meet approximately 10% of the cost of any award up to an annual aggregate total of **£24,000**. For any awards over and above this annual amount, 100% of the cost is met by TDC in accordance with the wider Council Tax sharing agreement with the major preceptors.

### **Council Tax exemptions and discounts for 2017/2018**

It is proposed to keep the level of exemptions and discounts at the same level as 2016/17

which are as follows:

Class A – Unoccupied and furnished dwellings with a planning restriction preventing occupation for at least 28 days.

- **0% discount** (on the days when the property cannot be used due to a planning restriction an exemption is allowed under Class G).

Class B – Unoccupied and furnished dwellings without a planning restriction preventing occupation for at least 28 days.

- **0% discount**

Class C – Unoccupied and substantially unfurnished dwellings.

- **0% discount**

Class D – Unoccupied and unfurnished requiring major repairs or alterations.

- **100% discount**

By leaving the current level of discounts / exemptions unchanged it supports the Council Tax base which is one of the Council's core income streams especially as the revenue support grant decreases year on year. It is worth highlighting that for every 10% increase in any one class of discount, the Council's would lose up to approximately **£25,000** per year income.

As highlighted in previous years, the Council receives feedback from owners of empty and furnished properties who consider it to be unfair that they are charged 100% for a property that demands little from local services while a single occupant of the property receives a 25% discount. However, this approach supports this Council's ambition to reduce the number of empty properties and therefore does not necessarily directly link the amount paid for the services received.

Council tax Income raised from the above locally determined discounts also has the additional benefit of increasing the contribution receivable from the major preceptors under the current council tax sharing agreement which is based on total council tax income collectable.

### **Minimum Revenue Provision Policy Statement (MRP)**

In respect of the annual MRP policy statement, this sets out how the Council will make provision for the repayment of loans taken out to finance capital investment. For General Fund the MRP is a direct charge on the revenue budget. At present no MRP over and above the amount of principal being repaid is calculated for Housing Revenue Account capital investment although future provision will be considered within the business planning process in future years.

### **Other Financial Considerations**

Although the Government are reviewing the New Homes Bonus (NHB), a current factor in the calculation of any NHB Homes Bonus due to the Council is the number of empty properties. The more empty properties there are the lower the NHB receivable will be.

In terms of the Council's overall collection fund performance to date, at the present time it is forecast that the overall amount of council tax collected for the year will be in line with the budgeted amount.



## **Risk**

The LCTS affects low income working age families, and therefore a key risk is their ability to pay if the level of support awarded reduced which would have a knock on impact on the overall collection rate. This is potentially compounded by the Government's ongoing welfare reforms such as benefit 'capping'.

The proposals therefore seek to balance this issue along with the Council's overall financial position.

## **LEGAL**

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (SI 2012/2885).

The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013 (SI 2013/501).

In respect of the Council Tax Exceptional Hardship Policy, S13a of the Local Government Finance Act 1992 allows Councils to reduce the amount of Council Tax payable.

The Local Government Finance Act 1992. Schedule 1A of the 1992 Act states that if a LCTS is revised or replaced, full consultation is required. As the recommendation is to continue with the current scheme for 2016/17, consultation is not required. However, should Council make any amendments to the scheme, consultation will be necessary before the scheme can be approved and adopted.

The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 set out the requirements of a Minimum Revenue Provision (MRP) Policy Statement which must be approved by Council each year.

## **OTHER IMPLICATIONS**

**Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.**

**Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.**

The LCTS scheme set out in the body of the report will not disproportionately impact on the following groups in that the relevant income will continue to be disregarded in calculating entitlement to support:-

- Families in receipt of child benefit; The Child Poverty Act 2010
- Disabled in receipt of Disability Living Allowance (DLA) / Employment and Support Allowance (ESA)/Personal Independence Payment(PIP); The Equality Act 2010
- War widows/disabled. The Armed Forces Covenant 2011

The recommendations on discounts apply a 0% (zero percentage) discount to all second homes and a 0% discount on empty properties, across the entire district. The implications will apply to all property owners and it is considered that there are no equality and diversity issues specific to this issue

Empty properties can attract vandalism and increase the potential for crime. The approach taken to the amount of council tax charged on empty properties aims to encourage their return to occupation.

## PROPOSED LCTS SCHEME 2017/18

### LCTS scheme

A level of funding is received from the Government via the RSG to support the cost of the scheme. Given the significant reductions in RSG over recent years it is difficult to identify the funding that specifically relates to the LCTS but it is accepted that it is now significantly lower than the 90% commitment originally made by the Government, which will be reducing to nil by 2020 in any case. The cost of the scheme is therefore no different to any other expenditure item within the Council's budget which is subject to review each year as part of the annual budget cycle.

There are two parts to the LCTS scheme;

- one for pension age claimants where 100% support is provided
- one for working age claimants.

The Pension Age Scheme is set in accordance with rules laid down by the Government whereas the Working Age Scheme rules are decided locally by each local authority (billing authority).

The Government have recently removed the family premium element for housing benefit applications for new claims. This change in effect reduces the amount of money claimants can earn before they lose benefit. The Council could follow the government's lead and make the same adjustment to its LCTS scheme but it is not proposed to do so. Therefore LCTS claimants in Tendring will not be faced with having support reduced as is the case with claims for housing benefit which is not a local scheme.

The Pensioner age group under the Council's LCTS scheme remains unchanged.

Authorities must adopt a scheme on an annual basis which must be agreed by 31 January each year for the subsequent year's scheme. A summary of the proposed scheme for 2017/18 is set out as **Appendix A**.

The LCTS scheme proposed for 2017/18 continues as in 2016/17 which includes the following elements :-

- Include all child minders income
- Include all household income (i.e. remove deductions for non-dependents)
- No backdating of claims
- No underlying entitlement
- No second adult rebate
- Further 25% reduction in support for those who have been in receipt of Job Seekers Allowance (JSA) for more than 3 years
- Blanket charge of 20% on all "non-pensioner" Council Tax liability

Based on current forecasts, the above approach would enable the scheme to be delivered without adding additional financial pressure to the 2017/18 budget.

Although other Essex LA's have yet to agree their LCTS for 2017/18, the Council's current scheme provided the same or higher level of maximum discount than all but one authority across Essex.

### Current LCTS scheme 2016/2017

There are currently 14,860 household receiving LCTS at a cost (forgone income due to the

discount awarded) of approximately **£11.700m**

As at the end of September 2016 some key LCTS facts are as follows:

Total Working age households receiving support – 7,052

Total Pensioner households receiving support – 7,808

Collection performance for those accounts where LCTS has been awarded – 47.59% (total overall council tax collection performance is 56.59%)

#### **PROPOSED COUNCIL TAX DISCOUNTS AND EXEMPTIONS 2017/18**

The discounts proposed for 2017/18 remain the same as those agreed for 2016/17 by Full Council on 24 November 2015.

Full details of the proposed discounts are set out in **Appendix C**, which remain based on the underlying principle of encouraging property to be maintained in use or brought back into use.

#### **Annual Minimum Revenue Provision Policy Statement (AMRP)**

Attached as **Appendix D** is the proposed Annual MRP policy statement for 2017/18 that sets out how assets funded by borrowing are accounted for, which is required to be approved by Full Council each year.

The policy sets out how the Council will make provision for the eventual repayment of any borrowing undertaken to finance capital expenditure. The policy, which is unchanged from 2016/17, proposes that where new borrowing is undertaken in accordance with the prudential code, and is therefore not supported by Central Government via the formula or specific grant, the provision is calculated on a straight line method over the initial life expectancy of the asset.

Although there are no expectations of supported borrowing within the General Fund, for completeness the policy in respect of any potential future supported borrowing has also been set out and is based on a rate of 4% pa.

The timing of approval of the MRP is to enable it to be taken into account when setting the budget for 2017/18 over the coming months.

#### **BACKGROUND PAPERS**

None

#### **APPENDICES**

**Appendix A** Proposed Local Council Tax Support Scheme (summary) 2017/18

**Appendix B** Council Tax Exceptional Hardship Policy

**Appendix C** Council Tax Discounts and Exemptions 2017/18

**Appendix D** Annual Minimum Revenue Provision Policy Statement 2017/18



## **Local Council Tax Support Scheme (LCTS) 2017/2018**

**A summary of the scheme for Working Age persons and  
the Government scheme for Pension Age claimants**

**DRAFT**

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## Introduction

As part of the major changes to the Welfare Benefits system, from 1<sup>st</sup> April 2013 Council Tax Benefit ended and was replaced by a new scheme called Localised Support for Council Tax or Local Council Tax Support (LCTS). Both systems are means tested which means that they compare your income and capital against an assessment of your needs.

The new scheme is decided by each Council rather than nationally by Central Government. The monies available to each Council have been reduced and if you are of working age the amount of help you receive will be less than under the previous national scheme (Council Tax Benefit).

Central Government has decided to protect pensioners (persons who are of an age where they can claim pension credit) therefore if you are a pensioner, then the amount of help you receive under the new LCTS scheme will be broadly the same and operate in a similar way to the previous Council Tax Benefit system

To assist certain vulnerable groups, the Council has also decided that there will be additional protection given. More details are given later within this document.

The rules of the LCTS scheme divide the persons who can claim support into various classes. The classes or groups are set by Central Government for pensioners and the classes or groups for working age applicants are set by the Council.

### The LCTS scheme for working age persons

The Council has decided that there will be two classes and the Council will decide which class each applicant is in. The class will determine the level of LCTS that can be provided:

Any reference to "income" in the working age scheme refers to household income (i.e. including Non-Dependants income)

#### Class A

To obtain support the individual must:

- a. have not attained the qualifying age for state pension credit; or
- b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance, on maximum Universal Credit or income-related employment and support allowance.
- c. be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;
- d. not have capital savings above the capital limit set by the Council
- e. be a person who's *income* is **less** than their living allowances (*applicable amount*) or the claimant or partner is in receipt of Income Support, Jobseekers allowance (income based), on maximum Universal Credit or Employment and Support Allowance (income related); and
- f. have made a valid claim for support.

#### Class B

To obtain support the individual must:

- a. have not attained the qualifying age for state pension credit; or
- b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance, on maximum Universal Credit or on an income-related employment and support allowance.
- c. be liable to pay Council Tax in respect of a dwelling in which they are solely or mainly resident
- d. be somebody in respect of whom a maximum LCTS amount can be calculated

- e. not have capital savings above the capital limit set by the Council
- f. be a person who's *income* is **more** than their living allowances (*applicable amount*)
- g. have made a valid claim for support

### What LCTS will be payable to working age person?

If a person matches the criteria in Class A, including that their *income* is less than their *applicable amounts*, that person qualifies for a reduction on their council tax liability. The Council has decided that for 2017/18, the maximum council tax liability used in the calculation of LCTS, will be a Council agreed percentage of council tax the person is liable to pay.

If a person matches the criteria in Class B, it will mean the person's *income* is greater than their *applicable amount*. Twenty per cent of the difference between the two will be subtracted from the maximum council tax liability allowed. The Council has decided that for 2017/18, the maximum council tax liability used in the calculation of LCTS, will be a Council agreed percentage of council tax the person is liable to pay.

### Protection for certain working age persons

Relevant income disregards in the calculation of Local Council Tax Support will be applied to the following groups:-

- Families in receipt of child benefit;
- Disabled in receipt of Disability Living Allowance (DLA) / Employment and Support Allowance (ESA) / Personal Independence Payment (PIP)
- War widows.

### The LCTS scheme for Pensioners (persons who have reached the age at which pension credit can be claimed)

The Government has created three classes and the Council will decide which class each applicant is in. The class will determine the level of LCTS that can be provided:

#### Class A

To obtain support the person must:

- a. have attained the qualifying age for state pension credit;
- b. not be somebody with a partner of working age in receipt of income support, income-based jobseeker's allowance, on maximum Universal Credit or income-based employment and support allowance;
- c. be liable to pay council tax in respect of a dwelling in which they are resident;
- d. not have capital savings above £16,000;
- e. must have their assessed income less than or equal to the set living allowances (applicable amounts) set by Central Government; and
- f. have made a valid application for the support

The class also includes persons who have successfully claimed Pension Credit Guarantee.

#### Class B

To obtain support the person must:



- a. have attained the qualifying age for state pension credit;
- b. not be somebody with a partner of working age in receipt of income support, income-based jobseeker's allowance, on maximum Universal Credit or income-based employment and support allowance;
- c. be liable to pay council tax in respect of a dwelling in which they are resident;
- d. not have capital savings above £16,000;
- e. have made a valid claim for the scheme; and
- f. have assessed income above the set living allowances (applicable amounts) set by Central Government

### Class C

To obtain support the person must:

- a. have attained the qualifying age for state pension credit;
- b. not be somebody with a partner of working age in receipt of income support, income-based jobseeker's allowance, on maximum Universal Credit or income-based employment and support allowance;
- c. be liable to pay council tax in respect of a dwelling in which they are resident;
- d. made a valid claim for the scheme;
- e. be somebody who has at least one second adult living with them who is not his/ her partner, not somebody who pays rent, and who is on a prescribed low wage and/or prescribed benefit, as set out by Central Government.

### What LCTS will be payable to Pension Age persons?

If a person matches the criteria in Class A, including that their *income* is less than their *living allowances (applicable amounts)* that person qualifies for 100% reduction on their council tax liability. This also applies if a person is in receipt of state pension credit guarantee credit from the Department for Work and Pensions (Pensions Service).

If a person matches the criteria in Class B, it will mean the person's *income* is greater than their *applicable amount (living allowances)*. Twenty per cent of the difference between the two will be subtracted from this individual's council tax liability.

LCTS for a person in Class C may be awarded in respect of a second adult sharing the household who would normally be expected to contribute towards the council tax bill, but who cannot afford to do so, based on their low income or on prescribed benefits. This reduction will equate to the *second adult rebate* available under the Council Tax Benefit scheme and may be awarded at 100%, 25%, 15% or 7.5% of the council tax liability, depending on individual circumstances

### How LCTS works

#### Who can claim?

If you have to pay Council Tax, you may be able to get LCTS

You can only get support if you have a right to reside and are habitually resident in the United Kingdom (UK). If you have entered the UK within the 2 years before your claim for benefit, the council will ask you about this.

People given refugee status, humanitarian protection or exceptional leave to remain in the UK will be eligible for support.

Most full-time students are not entitled to LCTS.

### How much LCTS can I get?

Maximum LCTS depends on:

- Whether you are in the Pension Age scheme (attained the qualifying age for state pension credit) or are in the Working Age scheme;
- How much council tax you have to pay; and
- Who you live with.

### How is maximum LCTS calculated for the Working Age Scheme

For the Working Age the maximum LCTS is set by the Council as a percentage of the council tax you are liable to pay.

For the Working Age in receipt of income-based jobseeker's allowance (JSA IB) for a period of 3 or more years the maximum council tax liability used in the calculation of LCTS may be subject to a further reduction as decided by the council.

### How is maximum LCTS calculated for the Pension Age Scheme

For the Pension Age Scheme the maximum LCTS is set by the Government as up to 100% of the council tax you are liable to pay less any non-dependant deductions (see non-dependant deductions later in this document). If you are already getting or have claimed Pension Credit Guarantee the Council will grant maximum LCTS

### Extended Payments

This is if your Income Support, income-based Jobseeker's Allowance or income-related Employment & Support Allowance or Incapacity Benefit, Severe Disablement Allowance or contributory Employment & Support Allowance stops because of work.

Extended Payments of LCTS are available and the payment is an extra four weeks of support to help pay towards your Council Tax when certain other benefits stop because you are going back to work, working more hours or earning more money.

You do not have to claim an Extended Payment if you or your partner/civil partner (and they remain a partner throughout the claim) have stopped getting one of the benefits mentioned below because one of you is expected to do one of the following for five weeks or more:

- Return to work full time
- Work more hours
- Earn more money

And you have been getting one of the following benefits:

- Jobseeker's Allowance, Income Support, or income-related Employment & Support Allowance or a combination of these benefits continuously for at least 26 weeks
- Incapacity Benefit, Severe Disablement Allowance or contributory Employment & Support Allowance continuously for at least 26 weeks

and

- you have not been getting Income Support, income-based Jobseeker's Allowance or income-related Employment & Support Allowance with your Incapacity Benefit, Severe Disablement Allowance or contributory Employment & Support Allowance when it ceased.

Normally you will get the same amount of LCTS as you did before your income-based Jobseeker's Allowance, Income Support, income-related Employment & Support Allowance, Incapacity Benefit, Severe Disablement Allowance or contributory Employment & Support Allowance stopped.

It is paid by the Council directly to your Council Tax account. The Council will decide whether or not you're entitled to an Extended Payment. The Council will also consider whether you are entitled to in-work LCTS. Once your extended payment period has ended, you can move onto in-work LCTS (provided you are entitled to it) without having to make a new claim.

### **If you do not get Pension Credit Guarantee, Income Support, income-based Jobseeker's Allowance or income related Employment and Support Allowance**

Even if you do not get Pension Credit Guarantee, Income Support, income-based JSA or income-related Employment & Support Allowance you may still get some help with paying your council tax.

This is worked out by comparing the maximum LCTS you could get with:

- your needs (called your living allowances or applicable amounts); and
- your income and capital resources

### **Capital**

Savings and investments (capital) may have an effect on the assessment of your income. Capital will only affect your income if you have more than the capital limit set by the Council and are of working age or £10000 if you are of pension age. If you have more than £16,000, you will not normally be able to get LCTS (unless you are aged 60 or over and receive the Pension Credit Guarantee, in which case there is no limit to the amount of capital you can have).

### **Absences from home**

There are some special situations in which you may continue to get LCTS and these are explained below.

#### **Going away**

You should normally let the council know if you are temporarily absent, for example if you go away on holiday. However the Council may not need to know if you will be absent for only a short time (for example less than 4 weeks) and your circumstances remain unchanged. If in doubt, please ask us.

- If you are temporarily absent you can normally get LCTS for a maximum of 13 weeks as long as you intend to return home; and
- in your absence you will not let or sub-let the part of your home where you normally live; and
- you will not be away for longer than 13 weeks.

In certain circumstances, you may be able to get LCTS for up to 52 weeks, for example if you are in hospital, or are held in custody on remand, provided that:

- you intend to return home; and
- in your absence you will not let or sub-let the part of your home where you normally live; and
- you will not be away for longer than 52 weeks.

### **How to claim**

Claims for LCTS can be made in writing, by telephone and electronically. Contact the Council on the Helpline 01255 686811 for details.

All claims will need to be supported by evidence of your circumstances and this will need to be provided to the Council. If you are claiming Housing Benefit as well as LCTS, the Council will

provide you with a joint claim form.

If you are married and your husband or wife normally lives with you, or if you live with someone as though you are a married couple, only one of you can make the claim for LCTS. You may choose who is to make the claim, or if you cannot agree who is to claim, the Council will nominate one of you to be the claimant.

### **Appointees**

An appointee, for the purposes for LCTS, is someone over 18 appointed by the Council, to manage the LCTS claim of someone who is incapable of doing so themselves (mainly because of mental incapacity).

If you are already an appointee for other benefits and wish to be the appointee for LCTS, you should write to be appointed by the Council. The role and responsibilities are the same. If you wish to become an appointee you should get in touch with the Council; they will explain the process and your responsibilities. The Council can end the appointment at any time. It is ended automatically if one of the people listed below is appointed. As an appointee you can resign at any time. An appointee cannot be made where there is already someone acting for the customer's financial affairs in any of the following capacities:

- a receiver appointed by the Court of Protection
- under Scottish law, a tutor, curator or other guardian, a continuing attorney or welfare attorney
- someone appointed to have the power of attorney.

### **Information and evidence**

The Council may need more information or supporting evidence so that they can calculate your LCTS. If all the information they need is not on the claim form, or they need to clarify something or want some more verification of your circumstances the Council will write to you. If you do not reply within one month a decision will be made on your claim based on the evidence you have provided.

### **How long will it take to decide your claim for LCTS**

The Council will deal with your claim for LCTS as soon as possible after receiving all the information from you that they need to work out your entitlement

### **Date of claim**

The date of claim will be the date of first contact, typically by phone, provided that the claim form is returned to an office of the Council within one month of the claim form being issued.

### **If you change your address**

If you move to a different area, you must make a new claim for LCTS at your new Council. If you move within the same area, you must still tell the Council.

### **Backdating a claim (Pension Age Scheme only)**

If you have reached the qualifying age for state pension credit your LCTS may be paid for up to 3 months before the date you made your claim. You do not have to ask for this and you do not have to show "good cause" for not having claimed earlier.

### **Start of LCTS**

If you become liable for the Council Tax for the first time, for example if you move to a new address or reach the age of 18 or stop being a registered student, you should claim either in advance (you may claim up to 13 weeks before you expect to become liable), or in the week that your liability starts. You then get support from the day you start being liable for Council Tax. If you

claim later than this, your support starts on the Monday after the day you claim

If you are already paying Council Tax and become entitled to support because you have less money or your applicable amount changes, you also start getting support on the Monday after you claim.

### **Start of LCTS where a claimant acquires a partner**

If you acquire a partner, you and your partner will be jointly and severally liable for Council Tax.

If you notify the Council of the change, either before, or in, the week that your partner becomes jointly and severally liable, support for you and your partner, as a couple, can be paid from the day that joint liability for Council Tax begins.

If you notify the Council of the change after the week in which your partner becomes jointly liable for Council Tax, support for you and your partner, as a couple, can only be paid from the Monday following the day you told the Council about the change. In this case, the Council will re-assess your support entitlement from the Monday following the day you and your partner become a couple, and they will take any income and capital your partner has into account and will look at your joint needs.

### **End of LCTS**

If you stop being liable for the Council Tax, for example if you move away from an address or become exempt or start being a registered student, your LCTS stops on the day you stop being liable. If you no longer qualify for LCTS because, for example, your income increases or your applicable amount changes, your LCTS will be stopped from the beginning of the next support week.

### **End of Pension Credit Guarantee, Income Support, income-based Jobseeker's Allowance or income related Employment and Support Allowance entitlement**

If you stop getting Pension Credit Guarantee, Income Support, income-based Jobseeker's Allowance, on maximum Universal Credit or income related Employment and Support Allowance, you must tell the Council and they will have to stop your LCTS. At the same time they will ask you to explain your new circumstances, because you may still be able to get some help with your Council Tax.

### **People who live with you - non-dependants**

People who normally share your accommodation but are not dependent on you for financial support are known as non-dependants. Others who live with you as a family and any children you have fostered do not count as non-dependants.

### **Non-dependants for Pension Age Scheme**

Any non-dependants who normally share your accommodation could affect the amount of LCTS you get whether or not you are also getting Income Support, income-based Jobseeker's Allowance, on maximum Universal Credit, income related Employment and Support Allowance or Pension Credit Guarantee

The following people do not count as non-dependants, whether they share accommodation or not:

- carers employed by a charity that charges for the service;
- joint tenants;
- subtenants;
- boarders;
- tenants of owner occupiers; and

- Landlords and their partners.

They do not count as part of your household.

Non-dependants are people like grown-up sons or daughters and elderly relatives. If you have non-dependants living with you, your LCTS may be affected by Non-Dependant deductions for the Pension Age Scheme, or inclusion of their income in the LCTS calculation for the Working Age Scheme.

### **Non-dependant deductions from LCTS for Pension Age Scheme**

Deductions will be made from your LCTS for non-dependants aged over 18 who normally live with you. There are four levels of deduction. If the non-dependant is working less than 16 hours a week, the lowest deduction will apply. If the non-dependant is doing paid work for 16 hours or more a week, the level of deduction will depend on the non-dependant's gross income.

A deduction will not be made from your LCTS if:

- the non-dependants' normal home is somewhere else; or
- you, or your partner, are registered blind or treated as blind; or
- you, or your partner, are receiving the care component of Disability Living Allowance or Attendance Allowance in respect of yourself or your partner; or
- the non-dependant is receiving Pension Credit Guarantee, Income Support or income-based JSA or income-related Employment & Support Allowance; or
- the non-dependant is a prisoner; or
- the non-dependant is severely mentally impaired; or
- the non-dependant is over 18 but Child Benefit is still payable for them; or
- the non-dependant is a student nurse or apprentice or on Youth Training; or
- the non-dependant has been a patient in hospital for 52 weeks or more; or
- the non-dependant is living in a residential care or nursing home; or
- the non-dependant is a care worker; or
- the non-dependant is a resident of a hostel or night shelter for the homeless; or
- the non-dependant is a full-time student (even if they work full-time in the summer vacation).

A deduction may be delayed for 26 weeks if you or your partner is aged 65 or more and a non-dependant moves into your home, or the non-dependant's circumstances change to increase the deduction.

### **Working out the amount of LCTS**

The maximum amount of LCTS depends on:

- Whether you are in the Pension Age scheme (attained the qualifying age for state pension credit) or are in the Working Age scheme;
- How much Council Tax you have to pay; and
- Who you live with.

### **How is maximum LCTS calculated for the Working Age Scheme**

For the Working Age the maximum LCTS is set by the Council as a percentage of the Council Tax you are liable to pay.

For the Working Age in receipt of income-based jobseeker's allowance (JSA IB) for a period of 3 or more years the maximum council tax liability used in the calculation of LCTS may be subject to a further reduction as decided by the council.

**How is maximum LCTS calculated for the Pension Age Scheme**

For the Pension Age Scheme the maximum LCTS is set by the Government as up to 100% of the council tax you are liable to pay less any non-dependant deductions (see non-dependant deductions later in this document). If you are already getting or have claimed Pension Credit Guarantee the Council will grant maximum LCTS

**What if I do not receive Pension Credit Guarantee, Income Support, income-based Jobseeker’s Allowance, maximum Universal Credit or income related Employment and Support Allowance?**

If you do not get Pension Credit Guarantee, income Support, income-based JSA, maximum Universal Credit or income related Employment and Support Allowance, the council has to work out if you can get LCTS and if so, how much you can get.

To do this, the Council works out your maximum LCTS, and then compares your needs – called the living allowances or applicable amount – with your resources (your income and capital).

For customers receiving the Savings Credit of Pension Credit, the Council will use a statement supplied by The Pension Service to assess your resources (income and capital).

**Second Adult Discount (SAD) for Pension Age Scheme**

Apart from LCTS for yourself, you may also be able to get LCTS if you share your home with one or more adults. This is separate form of LCTS for you and is called Second Adult Discount (SAD). Second Adult Discounts are intended to assist you with Council Tax if you share your home with someone who is on a low income. Second Adult Discounts may be awarded in the following circumstances:

- if you are treated as living on your own for benefit purposes, and share your home on a non-commercial basis with a person who is on a low income and who is not liable to pay the council tax;
- the second adult is aged 18 or over; and
- no other person is paying rent to you for living in your home.

In order to be classed as a second adult, they must not be:

- liable for the council tax;
- a joint owner or tenant with you;
- your married or unmarried partner;
- someone who is disregarded for the purposes of a discount; or
- living with more than one liable person.

You will need to make a claim for SAD unless you have already claimed LCTS for yourself. The gross income of the second adult will be taken into account when assessing entitlement to SAD.

Gross income includes earnings from employment, as well as other income such as social security benefits and occupational pensions and actual income from the second adult’s capital. Any Attendance Allowance or Disability Living Allowance paid to a second adult is completely disregarded. You may apply for SAD even if your own capital exceeds £16,000.

SAD is awarded on the basis of your Council Tax bill, after any reductions that you may be entitled to, are deducted. The amount of SAD that can be awarded is as follows;

<b>Second Adult</b>	<b>Alternative Maximum LCTS</b>
(a) Where the second adult or all	25 per cent of the Council Tax

<p>second adults are in receipt of income support, maximum Universal Credit, an income-related employment, and support allowance or state pension credit or are persons on an income-based jobseeker's allowance;</p>	<p>due in respect of that day;</p>
<p>(b) where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, maximum Universal Credit an income-related employment and support allowance, state pension credit or an income-based jobseeker's allowance—</p>	<p>Gross Income is less than £187.00 per week; 15 per cent of the Council Tax due in respect of that day;</p> <p>Gross Income is not less than £187.00 per week but less than £243.00 per week; 7.5 per cent of the Council Tax due in respect of that day;</p>
<p>(c) If the dwelling is occupied by a second adult/adults on state pension-credit, income-related jobseeker's allowance, maximum Universal Credit income-related employment and support allowance or income support, living with a full-time student(s).</p>	<p>100 % of the Council Tax due in respect of that day.</p>

**Income less than applicable amount (see “Living Allowances or Applicable Amounts” below)**

In this case you get maximum LCTS (depending on whether you are of Pension Age or Working Age this may vary in amount).

You will also get maximum LCTS as allowed under the scheme if your income is the same as your applicable amount.

**Income greater than applicable amount (see “Living Allowances or Applicable Amounts” below)**

In this case you will get an amount less than your maximum LCTS. The amount by which your LCTS is reduced is based on the difference between your income and your needs.

A percentage of this difference – called a taper – is taken away from your maximum LCTS

**Calculating your needs**

Your needs are known as your living allowance or applicable amount and this is an amount that is set each year. For the Pension Age scheme this is set and approved by Parliament. For the Working Age scheme this is set by the Council. Your applicable amount takes into account the size of your family, your age and extra needs you may have. It is made up of personal allowances and premiums. Premiums are included if you have a family, or disability, or a disabled child.



## Living Allowances or Applicable Amounts

The living allowances or applicable amount represents the needs of you and your family if you have one. The larger your family then the larger your applicable amount. The applicable amount is made up of three parts:

- a personal allowance; and
- personal allowances for children in your family; and
- premiums.

### Personal allowance

Your applicable amount always includes a personal allowance. Different amounts apply according to your age and whether you have a partner.

### Personal allowances for children

If you are looking after children (other than foster children) then you get an allowance for each child included in your applicable amount according to his or her age. This allowance is included until that child leaves school or reaches their 20th birthday.

A special rule applies if the child has left school and started work before Child Benefit stops.

### Premiums for your family

Once personal allowances and allowances for children have been worked out, premiums can be added – if they apply – to make up your applicable amount.

### Your children

A family premium will be included if you have any dependent children in your household. No matter how many children you have, you can only get one family premium.

### Premiums or components for disabilities

These premiums are included in your applicable amount for people in your family with disabilities. There are three premiums and two components in this group:

- disabled child premium (for each disabled child in your household);
- disability premium (if you or your partner gets one of the benefits listed below or you have been off sick for more than 52 weeks);
- severe disability premium (if you are disabled and live in special circumstances);
- work related activity component; and
- support component.

### Disabled child premium

The disabled child premium is a flat-rate premium, which may be awarded for each disabled child in your household and can be included with any other premiums. Your child is considered disabled if they are:

- registered blind
- or receiving Disability Living Allowance / Personal Independence Payment

### Disability premium

Disability premium will be included in your applicable amount if you and your partner are aged less than pension credit age and:

- either of you is registered blind; or
- either of you gets one of the qualifying benefits listed below; or

- has been off sick for 52 weeks or more.

### **Qualifying benefits**

You will get the disability premium if you or your partner gets any of the following benefits:

- Disability Living Allowance ;or
- Personal Independence Payment
- Working Tax Credit Disability Element; or
- Constant Attendance Allowance; or
- War pensioners' mobility supplement; or
- Severe Disablement Allowance; or
- Incapacity Benefit – long term rate or short-term higher rate paid at the long term rate.

### **Severe disability premium**

This premium cannot be included on its own. You must first qualify for the disability premium.

*If you are single or a lone parent* - The severe disability premium may be included in your applicable amount if you:

- receive the care component of Disability Living Allowance at the highest or middle rate, Personal Independence Payment, Attendance Allowance or Constant Attendance Allowance; and
- live alone (but if others live with you, see below); and
- no one receives Carer's Allowance for looking after you.

*If you have a partner*

You may get the severe disability premium if you both:

- receive the care component of Disability Living Allowance (DLA) at the highest or middle rate, Personal Independence Payment, Attendance Allowance (AA) or Constant Attendance Allowance; or
- your partner is blind and you receive the care component of DLA at the highest or middle rate, Personal Independence Payment, Attendance Allowance (AA) or Constant Attendance Allowance; and
- no one lives with you; and
- no one receives Carers Allowance for looking after either one or both of you.

For the purposes of severe disability premium your LCTS is not affected if other people living with you are:

- Children; or
- aged 16-17; or
- a person who is registered blind; or
- receiving the care component of Disability Living Allowance (DLA) at the highest or middle rate, Personal Independence Payment, or Attendance Allowance (AA); or
- people caring for you who are employed by a charity that makes a charge for this service

### **Enhanced Disability Premium**

- Enhanced Disability Premium is awarded where you, or a member of your family, who is aged under 60 receives the highest rate of Disabled Living Allowance (DLA), Enhanced

component of Personal Independence Payment or where the claimant is in receipt of Employment and Support Allowance Support Component. This premium will remain in payment if the DLA/PIP is suspended during hospitalisation. This premium is awarded at three different rates. They are:

- a rate for each dependent child/young person in your household who receives the highest rate of DLA/ Enhanced component of Personal Independence Payment;
- a rate for a single person who receives the highest rate of DLA/ Enhanced component of Personal Independence Payment;
- a rate for couples where at least one member of the couple receives the highest rate of DLA/ Enhanced component of Personal Independence Payment.

### **Work Related Activity Component**

This is awarded where you or your partner receives main phase Employment and Support Allowance and receives a similar component within that benefit

### **Support Component**

This is awarded where you or your partner receives main phase Employment and Support Allowance and receives a similar component within that benefit

### **Carer Premium**

The Carer Premium is awarded if either you or your partner is looking after a disabled person and:

- receive Carer's Allowance; or
- made a claim for Carer's Allowance and would be entitled but for an overlapping benefit.

If both you and your partner satisfy the qualifying conditions two premiums can be awarded.

The carer premium continues for eight weeks after caring ceases.

### **Calculating your resources**

Your resources are made up of your income and your capital. These are worked out as a weekly amount of income.

#### **Income**

Income is all the money that you have coming in from earnings, social security benefits, maintenance payments and other sources. Depending on the type of income, it may be completely or partially ignored in the calculation of your LCTS (the disregards), or taken fully into account.

For the Working Age Scheme your resources and those of your partner are taken together along with any Non-Dependants income when your household income and capital are worked out.

For the Pension Age Scheme your resources and those of your partner are taken together when your income and capital are worked out.

#### **Income from employment**

This explains what counts as your income from work you do, as an employee, when you are employed by someone else. If you are a company director or any other officeholder in a company you are classed as an employee of that company.

Earnings from employment mean any money you are paid when you work for someone else. This includes the following types of payments:

- bonuses or commission (including tips);
- money you get instead of your normal pay (for example, a liquidator may give you money when your employer stops trading and you are owed some pay);
- money you get in place of notice to end your employment, or money you get to make up for losing your job;
- money you get for holidays you did not take (holiday pay) – but not holiday pay owed to you more than four weeks after you stopped work;
- money you get if you are kept on while doing no work (for example, a retainer paid to school cooks during school holidays);
- expenses you are given to cover your travel to and from work;
- expenses you are given to cover the costs of looking after someone in your family
- any expenses you are given that are not essential for you to carry out your work;
- money you get, under the Employment Protection (Consolidation) Act 1978, when you are not given work because of bad weather, or money you get because of unfair dismissal;
- money that an industrial tribunal orders your employer to give you if the period of notice or redundancy that is required by law has not been given;
- money you get from your former employer's redundancy funds if the business goes into liquidation;
- Statutory Sick Pay or Statutory Maternity Pay;
- Statutory Paternity Pay and Statutory Adoption Pay;
- Employer's sick pay or employer's maternity pay
- earnings from permitted work, that is, work while you are getting an incapacity benefit which your doctor thinks would benefit your health.

Earnings from employment do not include:

- payment in kind (where no money is involved)
- expenses you are given that are essential for you to carry out work
- any occupational pension.

### **Net earnings**

Once your gross earnings have been worked out, your council will take away:

- your income tax payments (allowing for personal relief); and
- your National Insurance (NI) contributions; and
- half of any contributions you make to an occupational or personal pension scheme (any amounts paid to a pension scheme by your employer do not count).

This gives your net earnings, which are used to work out your LCTS

### **Self-employed earnings**

If you are self-employed, all the money you earn when you are not employed by someone else is known as your earnings from self-employment. You may have self-employed earnings even if you are also working for someone else, or if you are a franchise holder.

When working out your earnings the Council will want to know how much you earn when you are self-employed, and you will be asked to provide evidence, if possible, of how much you earn.

There are three stages in working out your self-employed earnings. The first is calculating the gross profit of your business. In the second stage, deductions – which are called allowable expenses – are taken away from the gross profit to give the net profit of the business. In the third stage, tax, NI, and pension payments are taken away from your net profit to give your net earnings.

The Council will apply a minimum income floor calculation in such cases where the declared income is less than an amount determined as appropriate for the type of business.

### **Child-minders**

If you are a child-minder only one third of your earnings from child-minding will be taken into account when the council works out your LCTS for the Pension Age Scheme.

For the Working Age Scheme all of your earnings from child-minding will be taken into account.

### **Earnings and earnings disregards**

After working out your net earnings, any amount that is not counted in the calculation of your LCTS is known as a disregard.

The amount of your earnings that is not counted depends on which premium is included in your applicable amount. There is more information on the applicable amount and premiums.

**When £5 is not counted** - If you are single and you cannot get a greater disregard by any of the means explained below, up to £5 of your weekly earnings will not be counted (the £5 disregard).

**When £10 is not counted** - If you have a partner and you cannot get the £20 disregard by any of the means explained below, up to £10 of your joint weekly earnings will not be counted (the £10 disregard).

**When £20 is not counted** - £20 per week of your earnings will not be counted if your applicable amount includes:

- the disability premium; or
- the severe disability premium; or
- the carer premium (where the carer is working).

If both you and your partner are carers, the total disregard cannot be more than £20. The carer premium and this earnings disregard can continue for a further eight weeks after caring ceases.

If you have a partner, your earnings are added together when your LCTS is worked out.

If you cannot get the £20 disregard under the above categories, you may still be able to get it if you are:

- a part-time fire-fighter; or
- an auxiliary coastguard; or
- a part-time member of a crew launching or manning a lifeboat; or
- a member of the Territorial Army or the Reserve Forces.

### **Additional disregard**

If you work on average 30 hours a week or more you will usually be able to get an extra earnings disregard. In certain circumstances you can also qualify for the higher earnings disregard if you work 16 hours or more e.g. if you are a lone parent or disabled. This is the same amount as the 30-hour tax credit in your Working Tax Credit (WTC)

### **Childcare charges**

In certain circumstances, average childcare charges of up to £175 (for one child) or up to £350 for 2 or more children per week per family can be offset against your earnings. This disregard, which is in addition to the other earnings disregards, is available to:

- lone parents who are working 16 hours or more per week;
- couples where both are working 16 hours or more per week;
- couples where one member is working 16 hours or more per week and, generally, the disability premium, or, in certain circumstances, the higher pensioner premium, is included in the applicable amount on account of the other member's incapacity or the other member is in hospital or in prison.

It applies where formal childcare is provided by, for example, registered child-minders or day nurseries for children until the first Monday in September following their 15th birthday (or the 16th birthday for children who are entitled to Disability Living Allowance or who are registered blind).

In certain circumstances, help with childcare costs can be given while you are on maternity leave or paternity or adoption leave or you are sick. The authority will be able to give you more details.

In some other cases explained here, different amounts of your earnings are not counted.

If you are in receipt of Pension Credit Guarantee, Income Support, income-based Jobseeker's Allowance or income related Employment and Support Allowance then any earnings you get will not be counted again in working out LCTS.

### **Notional Earnings**

If you have done some work and you seem to have been paid very little for it, then the Council will estimate what that work is worth. If you have a good reason for the pay being so low – for example, if you worked for someone who had very little money – then you should let the Council know. If necessary, the Council may check your statement of earnings by asking your employer.

### **Other income**

Other income is all the other money you have coming in apart from earnings from employment or self-employment. It is sometimes called unearned income. In some cases none of your unearned income is counted. Sometimes part of it is counted, and in other cases it is all counted.

### **State benefits**

The following benefits are counted in full as income for LCTS:

- Contribution-based Jobseeker's Allowance
- Contribution-based Employment and Support Allowance
- Universal Credit
- State Pension
- Incapacity Benefit
- Severe Disablement Allowance
- Carer's Allowance
- Industrial Injuries Disablement Benefit
- Industrial Death Benefit
- Working Tax Credit
- Child Tax Credit (ignored if you or your partner are pension age)
- Savings Credit of Pension Credit
- Bereavement Benefits (ignored if you or your partner are pension age).

### **Unearned income that is not counted**

The following types of income are not counted by the Council when it works out your LCTS:

- any income you get if you are getting the Guarantee Credit of Pension Credit, Income Support, income related Employment and Support Allowance (ESAIR) or income-based Jobseeker's Allowance (JSA);
- Disability Living Allowance (DLA)/ Personal Independence Payment (PIP);
- Attendance Allowance (AA) or Constant Attendance Allowance (CAA);
- Attendance allowances paid as part of a War Disablement Pension or Industrial Injuries Disablement Benefit;
- Child Benefit;
- Child Maintenance;
- money you get which takes the place of DLA, AA, CAA, or Income Support;
- war pensioners' mobility supplement;
- any money you get from the Social Fund;
- Guardian's Allowance;
- money you get as a holder of the Victoria Cross, the George Cross, or any comparable award;
- any grants or allowances you get from your local education authority if you have a dependent child who continues in education after school leaving age;
- any training premium and any refunded travelling expenses or living away from home allowances when you are on a Department for Education and Employment Training Scheme training course or at an employment rehabilitation centre;
- any money such as interest or dividends from savings or investments;
- any expenses you get from an employer that you need to carry out your work;
- any expenses you get from a charity so that you can carry out unpaid work;
- any income in kind (where you are given something other than money);
- any income you have which has been held back outside this country, as long as it remains held back, and it is not within your control;
- any money you get for fostering a child;
- any money you get for looking after an elderly or disabled person temporarily (community boarding out schemes);
- any money you get from a local Social Services Department to help keep a child at home instead of putting them into care;
- any Council Tax Benefit you have received;
- special payments made with your War Widow's Pension if you have been designated as a pre-1973 war widow;
- any charitable or voluntary payments which are made regularly;
- payments made under the Employment Department's 'Access to Work' scheme for disabled people; or
- War Disablement Pension or a War Widow's/Widower's Pension, or any similar payment from another country (Local Scheme)

Some types of income may be counted as capital.

### **Unearned income that is counted in part**

The following are the types of unearned income that are only partly counted.

- the first £15 of Widowed Mother's Allowance or Widowed Parent's Allowance;
- the first £20 of any money from sub-tenants; or
- the first £20 then 50% of the excess of money you receive from a boarder is ignored. The balance is treated as income.

### **Notional income**

The council may think that there is income, which you could get, but you are not claiming it. This is known as notional income because you do not actually receive that income. The Council may take this into account for LCTS purposes

### **Parental contributions to students**

If you are making a parental contribution to a student then part of your income is not counted to take account of this.

### **Capital**

Your capital includes savings and investments held by yourself in any form (for example, bank and building society accounts, investment trusts, and shares) from any source (for example, inheritance, redundancy payments, and irregular payments from a charitable or voluntary source). It will normally also include the net sale value of land and housing that you do not occupy, after deducting 10% for expenses of sale.

If you have a partner, capital belonging to your partner is treated as yours for the purposes of LCTS

### **Capital outside the United Kingdom**

If you have capital – in the form of liquid or fixed assets – outside this country, the Council will need to know how soon it can be transferred and how much it is worth. If the capital cannot be brought into this country, enquiries will be made about how easily it can be sold, and whether a willing buyer can be found. If no willing buyer can be found, it may not be counted.

### **Capital for Working Age**

The first £6,000 of capital is not counted. Capital over £6,000 up to £16,000 will be taken into account at £1 a week for each £250 (or part of £250) of capital over £6,000. Actual interest payments or dividends are not counted as income but as capital.

### **Capital for Pension Age**

The first £10,000 of capital is not counted. Capital over £10,000 up to £16,000 will be taken into account at £1 a week for each £500 (or part of £500) of capital over £10,000. Actual interest payments or dividends are not counted as income but as capital.

For customers who receive the Guarantee Credit of Pension Credit there is no upper limit on the capital you can have.

For the Pension Age scheme if you have capital over £16,000, you may still be entitled to Second Adult Discount, as your income and savings are not taken into account. However, the actual income received from the second adult's capital will be taken into account.

### **Personal possessions**

Personal possessions – for example, a car, furniture and fittings in your house, and family belongings – are usually not included in the calculation of capital. However, this may not be the case where the Council has good reason to believe that something has been bought to reduce your capital in order to gain or increase entitlement to benefit. If the Council decides that you deliberately disposed of capital just so that you can get LCTS, it may assume that you have notional capital to the value of the capital you disposed of.



### **If you own your home**

The value of your property (including the house, garage and outbuildings) is not counted unless any part of the property could reasonably be sold off separately. Loans raised on the property will be counted as capital.

### **Property you own but do not occupy**

The value of this property is counted as capital but you may be able to get LCTS even if the value of the property means that your savings are more than £16,000. This is because the value of the property may be ignored when your savings are worked out, in certain circumstances.

If the property is occupied by an elderly or disabled relative as their home, its value is not taken into account for as long as it is so occupied.

If you have recently acquired the property and you intend to occupy it as your home, its value may not be counted for 26 weeks, or for a longer period if reasonable, from the date you acquired it.

If you are trying to sell the property, its value may not be counted for the first 26 weeks after you start doing this. It may not be counted for longer than this if you are finding it difficult to sell the property.

If you are carrying out essential repairs or alterations so that you can live in the property, its value may not be counted for a period of 26 weeks from the date you first arranged for repairs to be carried out. It may not be counted for longer than this if you are finding it difficult to finish the work.

If you are taking legal action so that you can live in the property, its value may not be counted for the first 26 weeks after you start doing this. It may not be counted for longer than this if legal action is continuing and you cannot live in the property.

If you have left the property after the breakdown of a relationship, and it is occupied by your former partner, its value may not be counted for the first 26 weeks after you left. If the property is occupied by your former partner and they are a lone parent, the property will not be counted for as long as it continues to be so occupied.

### **Deposits on your accommodation**

Sums that have to be deposited with a housing association as a condition of your tenancy are not counted.

### **Earmarked capital**

If capital from the sale of a house is kept for a house purchase, it is not counted for up to six months, or longer if:

- major repairs or adaptations are needed for you to occupy your home; or
- the completion of the purchase of your new home is unavoidably delayed.

Compensation received for a burglary or for damage to or loss of a house is also not counted for six months, as long as it is to be used for repair or replacement

### **Valuation of property**

Property will be valued at the price it would be expected to fetch on the open market, less any outstanding mortgage or legal charges on the property. Ten per cent of the current market value will also be deducted to take into account the cost of the sale.

If you have property outside Great Britain and there is no restriction on transferring money to this country, your property will be valued at its local sale value. If there is a restriction, its notional value will be the value of a sale to someone in the UK. In both cases, any outstanding mortgage or legal charges will be deducted, together with 10% of the total to cover the cost of the sale.

### **National Savings Certificates**

National Savings Certificates of the current issue are valued at purchase price. Certificates of a previous issue are valued as if they were purchased on the last day of that issue.

### **Life assurance policies**

The surrender value of life assurance policies is not taken into account when assessing LCTS.

### **Arrears of benefits**

Any arrears of Disability Living Allowance, Attendance Allowance, Pension Credit, Income Support, income-based Jobseeker's Allowance, Personal Independence Payment, Universal Credit, Working Tax Credit and Child Tax Credit that you get are not counted for up to 12 months.

### **Lump sum payment of deferred State Pension**

The gross amount of lump sum, or an interim payment made on account of a final lump sum, paid at the end of the period of deferring State Pension will be disregarded as capital for the life of the recipient.

### **Compensation payments**

For LCTS purposes, compensation payments will normally be counted in full as capital. Capital will not be counted if it is held in trust or by the 'Court of Protection' as a result of a personal injury payment – for example, a criminal injury payment or a vaccine damage payment. For persons of Pension Age compensation payments made as a result of personal injury are ignored whether or not placed in a trust.

### **Business assets**

Business assets of a self-employed earner are not counted while engaged in that business. Nor are they counted in certain other circumstances, but any shares owned will be treated as capital.

### **Notional Capital**

The council may think that there is capital which you could get but which you do not have. This is known as notional capital because you do not actually possess that capital.

- Capital you have disposed of - You will be treated as having notional capital if you have disposed of capital in order to get LCTS or to get more LCTS.
- Capital you could have got - If you have the right to money held in a private trust, then that is actually your capital, and will be taken fully into account.

If the Council has decided to treat you as possessing notional capital they will reduce the amount of this capital on a regular basis by a set calculation. This calculation reduces your notional capital by the amount of support you have lost as a result of deprivation.

### **How LCTS is paid**

If you are liable to pay the Council Tax, the Council will normally send you a Council Tax bill from which your LCTS has already been deducted. You will then have to pay only the reduced amount. This means that you will not actually receive any money, but your Council Tax bills will be reduced.

### How you will be notified about your LCTS

The Council will reach a decision on your entitlement to LCTS as soon as possible after our claim and all supporting evidence is received.

### How can I appeal?

If you disagree with the decision you will need to write to the Council stating the reasons. The Council has two months to reply to you. If the Council agrees with your appeal then the LCTS will be amended and you will receive another Council Tax bill showing the revised amount.

If the Council does not agree with your appeal or you do not receive a response within two months, you may appeal to the Valuation Tribunal. This is an independent tribunal who will hear your case (either in person or in writing). If the Valuation Tribunal agrees with you they will instruct the Council to amend your LCTS accordingly.

Throughout the appeal you will still be required to make payment of your Council Tax liability as determined by the Council.

### Changes of circumstances

You must notify your Council immediately if there is a change in anything that might affect your right to or the amount of LCTS.

This will include:

- where you live; or
- who you live with; or
- your income, savings and investments; or if you stop getting Pension Credit, Income Support, income-based Jobseeker's Allowance, Universal Credit or Employment and Support Allowance; or
- if you get a job; or
- if you or your partner go into hospital; or
- if there is any other change in your circumstances which you might reasonably be expected to know might affect your right to LCTS

The changes must be notified in writing although in certain circumstances the Council may accept this by telephone or electronically

Most of these changes will affect your LCTS in the following support week, but changes in the amount of Council Tax payable will affect your LCTS from the day on which the change occurs.

### Students

LCTS is not normally available for students. The exceptions are:

- vulnerable students, such as disabled students and lone parents;
- part-time students; and
- couples where one partner is not a student.

Students who are liable to pay the Council Tax may claim Second Adult Discount (SAD) if they are of pension age.

### Loan and grant income

The grant money you get is generally paid to cover the period you are studying. If it does not cover this period the Council, or Student Awards Agency for Scotland, will tell you the period it does

cover.

If you are eligible for a loan or have been awarded a grant the Council will assume that these amounts are paid, whether they are actually paid or not.

The money you receive in your loan is your income for the period between the beginning of September and the end of June and is divided by the number of weeks in that period to give a weekly amount.

If you receive a dependant's grant this will be taken into account over the same period as your loan unless you also receive, or only receive, a grant towards your personal maintenance.

Because much of your loan is meant for essential educational items, some of the grant is ignored when working out your income for LCTS. The following elements of your loan or grant are not counted:

- tuition and examination fees;
- any disability allowance in your grant;
- the cost of term-time residential study away from your college;
- the Two Homes Grant – given when you have to maintain another home away from college;
- an allowance for books and equipment; and
- travel expenses.

### **Students and partners**

Your grant may have been reduced to allow for your partner's income because your partner can make a contribution to your expenses. An amount – equal to that contribution – is then ignored when the Council works out your joint income for LCTS. If a student is required to contribute to his own grant income, an equivalent amount is disregarded from the income used to assess that contribution.

### **Other income**

This will be treated in the same way as grant income if it is intended for expenditure that is needed on the course. If the income is not intended for expenditure on the course, it is treated under the normal rules for income.

### **Loans from the Student Loans Company**

The maximum loan available to you will be taken into account regardless of whether you have borrowed up to your limit or not. The loan will be divided by the number of weeks between the beginning of September and the end of June to arrive at a weekly figure for assessment purposes. Up to £10 a week of the loan may be ignored.

### **Access funds**

These are discretionary payments made by educational establishments to students who are facing financial hardship.

The amount of the payment to be taken into account will depend on how it is to be paid and what the payment is for. Some payments from the funds can be disregarded in full.

### **Information and information sharing**

The Council will use information provided by the Department of Work and Pension and Her Majesty's Revenues and Customs for the purposes of LCTS, council tax liability, billing, administration and enforcement

The Council may receive and obtain information and evidence relating to claims for LCTS from–

- a. persons making claims for LCTS;
- b. other persons in connection with such claims;
- c. other local authorities; or
- d. central government departments including the DWP and HMRC

The Council may verify relevant information supplied to, or obtained for, LCTS purposes.

### **Counter Fraud and Compliance**

In order to protect the finances of the Council and also in the interests of all Council Taxpayers, the authority will undertake such actions as allowed by law to;

- a. Prevent and detect fraudulent claims and actions in respect of LCTS;
- b. Carry out investigations fairly, professionally and in accordance with the law; and
- c. Ensure that sanctions are applied in appropriate cases.

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**A.9 APPENDIX B**  
**Localised Support for Council Tax**  
**Exceptional Hardship Policy**

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## 1.0 Background

1.1 An Exceptional Hardship Fund (EHF) has been set up by the Council to assist Council Tax payers who are facing 'exceptional hardship'. Although it is envisaged that the majority of recipients will be in receipt of local council tax support (LCTS), in exceptional circumstances, applications will also be considered from council tax payers who do not qualify for LCTS.

1.2 The main features of the fund are as follows:

- The operation of the Fund will be at the total discretion of the Council;
- The Fund will be operated by the Revenues and Benefits section of the Council;
- There is no statutory right to payments from the fund although the Council will consider all applications received;
- Exceptional Hardship Fund payments are not payments of Council Tax Support (as defined within S13a of the Local Government Finance Act 1992);
- Exceptional Hardship Fund payments will only be available from 1<sup>st</sup> April 2013 and **will not be available for any other debt other than outstanding Council Tax**;
- Where an Exceptional Hardship Payment is requested for a previous period, Exceptional Hardship must have been proven to have existed throughout the whole of the period requested;
- Exceptional Hardship Payments are designed as a short-term help to the applicant and it is expected that payments will be made for a short term only to give applicants time to explore sustainable / alternative solutions; and
- All applicants will be expected to engage with the Council and undertake the application process.

## 2.0 Exceptional Hardship Fund and Equalities

2.1 The creation of an Exceptional Hardship Fund facility meets the Council's obligations under the Equality Act 2010.

2.2 This policy has been created to ensure that a level of protection and support is available to those applicants most in need. It should be noted that the Exceptional Hardship Fund is intended to help in cases of **extreme** financial hardship and not to support a lifestyle or lifestyle choice. Whilst the definition 'Exceptional Hardship' is not exactly defined by this policy, it is accepted that sudden or unexpected changes to individual circumstances may cause temporary financial hardship with any support made under this policy being at the total discretion of the Council. However exceptional hardship should be considered as 'hardship beyond that which would normally be suffered'



### **3.0 Purpose of this policy**

- 3.1 The purpose of this policy is to specify how the Council will operate the scheme, to detail the application process and indicate a number of factors, which will be considered when deciding if an Exceptional Hardship Fund payment can be made.
- 3.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally in gaining accessibility to the Fund and also in respect of the decisions made on each application.

### **4.0 The Exceptional Hardship Fund Process**

4.1 As part of the process of applying for additional support from the Exceptional Hardship Fund, all applicants must be willing to undertake **all** of the following:

- Make a separate application for assistance;
- Provide full details of their income and expenditure;
- Accept assistance from either the Council or third parties such as the CAB or similar organisations to enable them to manage their finances more effectively including the termination of non-essential expenditure;
- Identify potential changes in payment methods and arrangements to assist the applicant;
- Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted; and
- Maximise their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and identifying the most economical tariffs for the supply of utilities and services generally.
- Where applicable, explain actions they are currently exploring to find a sustainable response to their current circumstance if it is expected that exceptional hardship may continue for a longer period of time.

4.2 Through the operation of this policy the Council will look to

- Support those in exceptional hardship;
- Allow a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to “bridge the gap” during this time, whilst the applicant seeks alternative solutions;
- Enable long term support to households in managing their finances;
- Help applicants through personal crises and difficult events that affect their finances;
- Help those applicants who are trying to help themselves financially; and
- Encourage and support people to obtain and sustain employment.

4.3 It cannot be awarded for the following circumstances:

- Where full Council Tax liability is being met by Council Tax Support;
- For any other reason, other than to temporarily reduce Council Tax liability;

- Where the Council considers that there are unnecessary expenses/debts etc. and that the applicant has not taken reasonable steps to reduce these;
- To pay for any overpayment of Council Tax Support caused through the failure of the applicant to notify changes in circumstances in a timely manner or where the applicant has failed to act correctly or honestly;

## **5.0 Awarding an Exceptional Hardship Fund Payment**

5.1 The Council will decide whether or not to make an Exceptional Hardship Fund award, and how much any award might be up to a maximum of the amount of Council Tax outstanding, with each decision being reviewed by a senior manager to demonstrate fairness and consistency.

5.2 When making this decision the Council will consider:

- Whether the applicant has engaged with the Exceptional Hardship Payment process;
- All capital, income received & expenditure of the applicant, their partner and any member of their household irrespective of whether the income is included or not as household income under the Council Tax Support scheme
- How **reasonable** expenditure exceeds income;
- The difficulty experienced by the applicant that prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will last.
- The personal circumstances, age and medical circumstances (including ill health and disabilities) of the applicant, their partner any dependants and any other occupants of the applicant's home;
- Other debts outstanding for the applicant and their partner;
- The exceptional nature of the applicant and/or their family's circumstances that impact on finances;
- The length of time they have lived in the property; and
- If a Discretionary Housing Payment has already been awarded to meet a shortfall in rent;

5.3 The above list is not exhaustive and other relevant factors and special circumstances will be considered.

5.4 An award from the Exceptional Hardship Fund does not guarantee that a further award will be made at a later date, even if the applicant's circumstances have not changed.

## **6.0 Publicity**

6.1 The Council will make a copy of this policy available for inspection and will be published on the Council's website.

## **7.0 Claiming an Exceptional Hardship Fund payment**

- 7.1 An applicant must make a claim for an Exceptional Hardship Fund award by submitting an application to the Council, preferably via email to [benefitsmail@tendringdc.gov.uk](mailto:benefitsmail@tendringdc.gov.uk).
- 7.2 If it is not possible to make a claim via email or if any further help is required, assistance is available at the Council Tax Office, Pier Avenue, Clacton between 10am and 4pm Monday to Friday.
- 7.3 Where the Revenues and Benefits Service identify a household that is failing to clear previous years Council Tax but are paying current Council Tax with best endeavours, then their ability to pay arrears maybe considered for help through the hardship fund. This clause is not intended to cover those taxpayers who have not paid or have failed to pay until a summons has been issued.
- 7.4 In most cases the person who claims the Exceptional Hardship Fund award will be the person liable to pay Council Tax, however, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

## **8.0 Changes in circumstances**

- 8.1 The Council may revise an award from the Exceptional Hardship Fund where the applicant's circumstances have changed.

## **9.0 Duties of the applicant and the applicant's household**

- 9.1 A person claiming an Exceptional Hardship Fund payment is required to:
- Provide the Council with such information as it may require to make a decision;
  - Tell the Council of any changes in circumstances that may be relevant to their ongoing claim; and
  - Provide the Council with such other information as it may require in connection with their claim.

## **10.0 The award and duration of an Exceptional Hardship Payment**

- 10.1 Both the amount and the duration of the award are determined at the discretion of the Council, and will be done so on the basis of the evidence supplied and the circumstances of the claim.
- 10.2 The start date of such a payment and the duration of any payment will be determined by the Council. In any event, the maximum length of the award will not exceed the end of the financial year in which the award is given.

## **11.0 Award of the Exceptional Hardship Fund payment**

- 11.0 Any Exceptional Hardship Fund payment will be made direct onto the customer's Council Tax account, thereby reducing the amount of Council Tax payable.

**12.0 Overpaid Exceptional Hardship Fund Payments**

12.1 Overpaid Exceptional Hardship Fund payments will generally be recovered directly from the applicant's council tax account, thus increasing the amount of council tax due and payable.

**13.0 Notification of an award**

13.1 The Council will notify the outcome of each application for Exceptional Hardship Fund payments in writing. The notification will include the reason for the decision and advise the applicant of their appeal rights.

**14.0 Appeals**

14.1 Exceptional Hardship Fund payments are not part of Council Tax Support, and are therefore not subject to the statutory appeal process.

14.2 If the applicant is not satisfied with the decision in respect of an application for an Exceptional Hardship Fund payment, a decision to reduced amount of Exceptional Hardship Fund payment, a decision not to backdate an Exceptional Hardship Fund payment or a decision that there has been an overpayment of an Exceptional Hardship Fund payment, the Council will look at the decision again.

14.3 An officer, other than the original decision maker, will consider the appeal by reviewing the original application and any other additional information and/or representation made, and will make a decision within 14 days of referral or as soon as practicable. This decision will be final.

14.4 Any request for an appeal must be made within one month of the date of the notification letter confirming the original decision.

14.5 The outcome of the appeal will be set out in writing, detailing the reasons for the decision or upholding the original decision.

**15.0 Fraud**

15.1 The Council is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.

15.2 An applicant who tries to fraudulently claim an Exceptional Hardship Fund payment by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

15.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

**16.0 Complaints**

16.1 The Council's 'Compliments and Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about this policy.

**17.0 Policy Review**

17.1 This policy will be reviewed at least every year and updated as appropriate to ensure it remains fit for purpose. However, the review may take place sooner should there be any significant changes in legislation.

Under the Council Tax (Prescribed Classes of Dwellings) regulations the following discounts will apply for the 2017/2018 financial year:-

**Class A** – Unoccupied and furnished dwellings with a planning restriction preventing occupation for at least 28 days.

**0% discount** (on the days when the property cannot be used due to a planning restriction an exemption is allowed under Class G).

**Class B** – Unoccupied and furnished dwellings without a planning restriction preventing occupation for at least 28 days.

**0% discount**

**Class C** – Unoccupied and substantially unfurnished dwellings.

**0% discount**

**Class D** – Unoccupied and unfurnished requiring major repairs or alterations.

(a) which satisfies the requirement set out in the regulations unless it has been such a dwelling for a continuous period of twelve months or more ending immediately before the day in question;

(b) the requirement referred to in paragraph (a) is that the dwelling is vacant and—

(i) requires or is undergoing major repair work to render it habitable, or

(ii) is undergoing structural alteration; or

(iii) has undergone major repair work to render it habitable, if less than six months have elapsed since the date on which the alteration was substantially completed and the dwelling has continuously remained vacant since that date;

(c) For the purposes of paragraph (b) above “major repair work” includes structural repair work.

**100% discount up to 12 months**

## **ANNUAL MINIMUM REVENUE PROVISION POLICY STATEMENT for 2017/18**

The Council is required to have a policy on providing a prudent minimum revenue provision which must be approved by Full Council each year.

Unlike a mortgage where amounts of principal are repaid each month, the borrowing undertaken by this Council is usually repayable on maturity at an agreed future date. To reflect this, the minimum revenue provision (MRP) exists which is a concept whereby an amount is charged to revenue each year in order to have sufficient monies set aside to meet the future repayment of principal on any borrowing undertaken.

The regulations require Local Authorities to set aside as its annual MRP an amount that it considers to be “prudent”. The aim of the regulations is that the period over which an MRP is calculated closely relates to the life of the asset.

However in the case of the Housing Revenue Account (HRA) it has been the Council’s policy not to make any MRP charge to the HRA because the level of borrowing relating to the HRA is significantly less than the value of the housing stock. Following the implementation of the new self financing arrangements from April 2012, the structure of the borrowing to fund the associated HRA debt settlement was based on principal being repaid over the 30 years of the HRA business plan. Therefore this principal is in effect the amount set aside to repay debt and will therefore be treated as HRA MRP. In terms of MRP for ‘old’ HRA debt, this will be reviewed as part of future HRA business planning processes.

The options applicable in calculating MRP are as follows:

### ***Where Capital Expenditure is financed by Government Supported Borrowing***

- **Regulatory Method** – This is where borrowing is supported by the Government through the Formula Grant and Local Authorities can continue to use the existing approach as set out in the old regulations.
- **Capital Financing Method** – Similar to the above, Local Authorities can continue to set aside 4% of their General Fund capital expenditure financed by borrowing each year as MRP. The difference compared with the regulatory method is that it excludes a transitional adjustment that relates to the regulations that were applicable before the current regulations. As this adjustment does not apply to TDC, the two approaches are essentially the same.

### ***Where Capital Expenditure is financed by Prudential Borrowing***

- **Asset Life Method** – Two alternatives are provided within the guidance. The first is that MRP can be calculated by taking the amount borrowed and dividing it by the associated assets useful life – equal instalment method. The second is based on a more complicated annuity basis although based on the same principle.
- **Depreciation Method** – This requires that an MRP is made in accordance with current rules for depreciation accounting whereby an amount would be charged equal to the annual depreciation of the specific asset which could differ from the previous options given the alternatives for calculating depreciation.

A significant advantage of the asset life method over the depreciation method is that MRP does not have to start until the year the related asset becomes operational which may be different to the year in which depreciation would be charged.

It is important to note that subject to the type of asset acquired there may be a significant impact on the revenue budget, which would need to be taken into account in any future spending / borrowing decisions.

Having reviewed the position for 2017/18, no changes compared to 2016/17 are proposed. Therefore the Annual Minimum Revenue Provision Policy Statement for 2017/18 is as follows:

**In accordance with the Local Authorities (Capital Finance and Accounting)(England)(Amendment) Regulations 2008, the Council's policy for the calculation of MRP for 2017/18 shall be the Capital Financing Requirement Method for supported borrowing and the Asset Life (equal instalment) Method for prudential borrowing.**



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of the Local Government Act 1972.

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