

AGENDA

Page No

1. MINUTES

To confirm the decisions of the meeting held on 1 November 2016 (CA.44 - CA.49), previously circulated.

2. APOLOGIES FOR ABSENCE

Resources Management

3. 2016/17 Q2 REVENUE MONITORING REPORT 2016/17

1 - 8

This report provides an update on the revenue budget position of the Council and the reserve funds at the end of September 2016.

In accepting the recommendations, Cabinet will approve and recommend to Council that the budget increase at paragraph 3.2 in Quarter 2 of £33,860 which results in a budget of £7,604,990 and the allocation from the one-off fund at paragraph 6.6 of £45,855.

Relevant Ward(s): All Wards

4. 2016/17 Q2 CAPITAL MONITORING AND TREASURY MANAGEMENT REPORT

9 - 28

This report provides the Quarter 2 update at 30 September 2016 on the progress of the capital programme 2016/17 and the treasury management position. A full schedule of the capital programme 2016/17 schemes is attached at Annex A, together with the relevant update on progress of each scheme.

In accepting the recommendations, Cabinet will approve and recommend to Council that the net decrease of £2,165,872 in the capital programme to £18,935,354 and all expenditure movements as detailed in Annex B and also in the capital programme attached at Annex A be approved; note the position of the Economic Development Fund at Annex B that it has been fully allocated until funds are returned from schemes in future years; the increase of capital expenditure £11,400 is funded from capital receipts and £67,397 is from external grants/contributions; the funding allocation to the capital programme as detailed in paragraph 3.1 and 3.2 be approved; and the treasury management and prudential indicators at Annex E be approved.

Relevant Ward(s): All Wards

5. COUNCIL TAX REDUCTION SCHEME

29 - 54

This report provides the results of the public consultation on changes to the Council Tax Reduction Scheme from 2017/18 and seeks a decision on the scheme framework for how the Council Tax Reduction scheme should look from 2017/18.

In accepting the recommendations, Cabinet will approve and recommend to Council that the results of the consultation exercise be noted; the Local Council Tax Reduction scheme for 2017/18 be based on the current scheme but in line

with the Housing Benefit legislative changes and an exception hardship policy is integrated into the scheme and the Collection Fund to support vulnerable residents who may face severe financial hardship because of the impact of the changes.

Relevant Ward(s): All Wards

Policy Implementation

6. HAMBLETON GYPSY, TRAVELLER AND TRAVELLING SHOWPEOPLE GUIDANCE NOTE 55 - 74

This report provides feedback on the consultation on the Hambleton Gypsy, Traveller and Travelling Showpeople Guidance Note and recommends changes where appropriate.

In accepting the recommendation, Cabinet will approve the Hambleton Gypsy, Traveller and Travelling Showpeople Guidance Note attached at Annex 2 of the report and will recommend it Council for adoption for Development Management purposes.

Relevant Ward(s): All Wards

7. PRIVATE SECTOR HOUSING ASSISTANCE POLICY 75 - 100

This report seeks approval of a revised Private Sector Housing Assistance Policy and seeks authority for the Energy Repayment and Home Appreciation Loans Service to be administered by Sheffield City Council.

In accepting the recommendations, Cabinet will approve and recommend to Council that the revised Private Sector Housing Assistance Policy be approved and that Sheffield City Council be authorised to administer the Energy Repayment and Home Appreciate Loans Service on behalf of Hambleton District Council.

Relevant Ward(s): All Wards

8. EXCLUSION OF THE PUBLIC AND PRESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 excluding the press and public from the meeting during consideration of item 3 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

9. MOMENTUM SALE APPROVAL 101 - 102

This report provides information on the sale of Momentum.

Relevant Ward(s): All Wards

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HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
6 December 2016

Subject: 2016/17 QUARTER 2 REVENUE MONITORING REPORT

All Wards
Portfolio Holder for Economic Development and Finance: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

- 1.1 The purpose of this report is to update Members on the revenue budget position of the Council and the reserve funds at the end of September 2016.
- 1.2 The Quarter 2 monitoring for the Capital Programme and Treasury Management position is contained in a separate report on this Cabinet agenda.
- 1.3 This report focuses on three key areas:-
- (a) Changes to the revenue budget
 - (b) Additional grant income received
 - (c) Reserve funds

2.0 REVENUE BUDGET:

- 2.1 The Council set its budget on 9 February 2016 for 2016/17 at £7,811,370 in line with the approved Financial Strategy 2016/17 to 2025/26.
- 2.2 At Cabinet on 6 September 2016, the Quarter 1 revenue monitoring report revised the budget to £7,571,130. The approved budget at Quarter 1 in accordance with the Council portfolio themes is detailed below:

	£
Customer & Leisure Services	1,671,220
Environmental Services	4,865,900
Support Services	926,520
Drainage Board levies	107,490
Net Revenue Expenditure	<u>7,571,130</u>

3.0 BUDGET POSITION TO SEPTEMBER 2016:

- 3.1 Since the budget for 2016/17 was set in February 2016, adjustments to the budget outlook have occurred. The table below details the changes that have been approved through separate reports to Cabinet and also those that have been identified and are recommended to this Cabinet for approval at budget monitoring Quarter 2:

	2016/17	2017/18	2018/19	2019/20
	£	£	£	£
Budget Outlook approved at Q1 01 Sept 2016	7,571,130	7,604,990	6,943,651	6,676,166
Changes to budget outlook:				
Inflation – salaries and contracts	0	110,083	111,984	113,893
Pension Scheme Opt Out	0	45,000	0	0
Back funded pension (NYCC)	0	20,300	21,100	21,900
Parking enforcement	0	28,000	0	0
Insurance fund	0	24,844	27,328	30,061
Fees & Charges	0	(113,026)	(115,287)	(117,592)
Efficiency target	0	(163,190)	0	0
Green Waste Scheme	0	(466,200)	(312,610)	(58,000)
Income from loan to local Housing Association	0	(165,000)	0	0
Apprenticeship Levy begins 2017-18	0	34,750	0	0
Leasing adjustment from previous years	0	25,880	0	0
New Occupational Health Contract	0	5,000	0	0
Support Services employee costs	15,410	(29,330)	0	0
Delay in Route Optimisation	58,790	(58,790)	0	0
Additional Income from Leisure Centres	(40,340)	40,340	0	0
Budget Outlook Q2	7,604,990	6,943,651	6,676,166	6,666,428
Financial Strategy 6 Sept 2016	7,811,370	7,210,597	6,923,705	7,006,158
Budget Outlook Q1 Surplus / (Shortfall)	206,380	266,946	247,539	339,730

3.2 In 2016/17 the budget started at £7,811,370 as stated in the Financial Strategy. At the end of Quarter 1, the budget had reduced by £240,240 to £7,571,130. At Quarter 2 the table shows the budget at £7,604,990 which is an increase of £33,860. An explanation of the movement in the 2016/17 budget, to be approved in this Cabinet report, is detailed below.

3.3 The changes to the 2016/17 budget at Quarter 2 totalling £33,860 are:

- (a) Department movements - an increase of £33,860
- (b) Department movements which have nil effect on the budget but exceed £20,000 and therefore require Cabinet approval as stated in the Council's financial regulations.

3.4 The changes at Quarter 2 in relation to the service areas show an overall increase in the budget £33,860. This is represented by an increase in Support Services budget of £15,410, an increase in Environmental Services budget of £58,790 and a reduction to Customer & Leisure Services budget of £40,340.

3.5 Support Services – the over spend on the budget of £15,410 is due to a combination of factors; £10,240 is due to a further requirement to use agency staff for cover of a legal officer who is on a phased return to work, which was reported at Quarter 1 as an area to monitor; £5,170 is for increased staffing requirements in Electoral Services as a result of the high workload due to the Police & Crime Commissioner's Election, the EU Referendum, a number of local elections and the annual canvass.

3.6 Environmental Services – the increase in the budget of £58,790 is due to a delay with Route Optimisation for the waste and recycling rounds which was due to be implemented on 01/09/16. A revised date of 20/02/17 has now been set.

- 3.7 Customer & Leisure Services - the reduced budget of £40,340 relates to increased usage at the Leisure Centres resulting in additional income for the Council.
- 3.8 Departmental budget movements that have nil effect on the overall budget but exceed £20,000, as detailed in the Council's Financial Regulations require Cabinet approval as follows:
- a) Leisure Centre salaries at £28,100 need to reflect the staff establishments at each centre; there are a number of adjustments required between the four centres with no resulting effect on the budget.
 - b) Community Infrastructure Levy of £22,520 is to be reflected in the budget where staff are employed to oversee the function which is funded by the income received from the 5% administrative charge that the council can retain from the developers.
 - c) A budget movement of £34,080 is required to move the cost for the Information Governance Service from the Internal Audit Partnership Function to Corporate Management, to reflect the requirements in the Accounting Code of Practice.
 - d) Off Street Parking budgets at £26,090 need to be adjusted to reflect income & expenditure for the administration of the service by Scarborough Borough Council. There is resulting effect on the budget.
- 3.9 The revised changes to the budget at Quarter 2 total a cost of £33,860. These are listed above and detailed in the recommendations section of this report for approval by Cabinet and Council. It should be noted that the Quarter 2 cumulative underspend against the financial strategy will be monitored over the rest of the year and will assist the Council's financial position throughout the year.

4.0 OTHER MATTERS - GRANTS

- 4.1 The following grants and contributions have been allocated to the Council and paid into the One-Off Fund Reserve since the Quarter 1 budget was approved in September 2016

Description	Amount £
City of York – Private Rented Sector Contribution	3,169
Department of Works & Pension– New Burdens Benefit Cap Changes	8,303
Electoral Commission – Individual Electoral Registration (IER)	11,263
Electoral Commission - IER Extension of Referendum Deadline	1,778
Department of Works & Pension – Removal of Temporary Accommodation Management Fee	884
Total	25,397

5.0 SENSITIVITY ANALYSIS

- 5.1 Further to the recommendations for changes to the budget in this Quarter 2 monitoring report, this report also highlights where there are areas of budget uncertainty. This can give Members early warning of possible issues in the future. All areas will be monitored closely and an update provided for Quarter 2 as, at this time, there is too much uncertainty surrounding these figures to include them as an adjustment to the budget. Annex A attached details the sensitivity analysis.

6.0 RESERVE FUNDING

6.1 The table below shows the position on the revenue reserves at Quarter 2 if the recommendations are approved in this Cabinet report. Further information is also described below.

Reserve Fund	Balance at 30 June 2016 £	Q2 Movement (from) / to Reserves £	Balance at 30 Sept 2016 £
General Fund	2,000,000	0	2,000,000
Council Taxpayers Reserve	3,165,355	0	3,165,355
Grants Fund	249,302	0	249,302
Economic Development Fund	225,719	113,662	339,381
One Off Fund	487,116	(370,368)	116,748
Computer Fund	580,371	103,100	683,471
Repairs & Renewal Fund	2,549,631	0	2,549,631
Community Safety Partnership	53,041	0	53,041
Strategic Forum Reserve	10,046	0	10,046
Local Plan Reserve	384,899	0	384,899
Make a Difference Fund	125,000	0	125,000
Total	9,830,480	(153,606)	9,676,874

6.2 Economic Development Fund – In Quarter 2 the opening balance which has not yet been committed was £225,719. £113,662 is no longer required for certain projects and therefore returned to the Economic Development Fund; split as £100,000 capital and £13,662 revenue. The capital programme budget requires approval at Quarter 2 and is detailed in a separate Capital Monitoring Report on the Agenda. The Revenue balance of £13,662 is due to a combination of factors. £21,662 is to be rolled forward to the Identifying & Securing Investment Scheme to support salary expenditure for 2017/18. A further £8,000 is required from the fund in 2016/17 to deliver the Vibrant Market Towns Scheme consisting of £5,000 for data collection and £3,000 to support the salary posts including advertising costs and car allowances. The balance of the Economic Development Fund at year end is estimated at Quarter 2 to be £339,381.

6.3 One Off Fund - In Quarter 2, the initial balance is £487,116 and additional income of £25,397 was received which can be seen in paragraph 4.1 above. Expenditure that has been allocated from the One-off Fund in previous Cabinet reports totals £349,910 and further expenditure to be allocated from the One-off Fund is detailed in the table below at £45,855. The balance on the One-off Fund at year end is estimated at Quarter 2 to be £116,748. If all allocated expenditure occurs in the year, then a transfer to the One-Off fund will be made during 2016/17 to increase the balance to a minimum of £200,000 in accordance with policy on Balances and Reserves that was approved in the Council Tax 2016/17 report in February 2016.

Expenditure in 2016/17 from the One-Off Fund	Amount
Northgate - Payment Deduction Programme & Local Council Tax Reduction	11,671
Northgate – Removal of Family Premium	717
Fraud & Error Reduction Incentive Scheme Staff Costs	2,257
Northallerton BID	5,000
Electoral Commission – Individual Electoral Registration	13,041
Neighbourhood Planning Grant – Ingleby Arncliffe	5,000
Neighbourhood Planning Grant – Stokesley	5,000
City of York – Private Rented Sector Contribution	3,169
Total expenditure recommended for approval at Q2	45,855

- 6.4 At Quarter 2, is it recommended to Cabinet and Council that the allocation from the One Off Fund at £45,855 is approved.
- 6.5 Computer Fund – At Quarter 2 £27,500 of capital funding has been identified to be returned to the reserve to support future requirements and £75,600 is to be adjusted for a project that is now to be funded by Capital Receipts in the year. Further detail is provided in the Quarter v2 Capital Monitoring Report on the agenda.
- 6.6 Repairs & Renewal Fund – in accordance with the Financial Strategy approved by Council in February 2016, funds have been allocated from the repairs & renewals fund for general revenue maintenance repairs at £421,000, £9,880 has been brought forward from underspends in 2015/16 totalling £430,880 expenditure from the reserve in 2016/17.
- 6.7 Make a Difference Fund – £125,000 has been allocated to the Make a Difference Fund. A further report in October 2016 approved to grant £25,000 to 5 community areas in Bedale, Easingwold, Northallerton, Stokesley and Thirsk. The fund has therefore been allocated in full.
- 6.8 Other Reserves – There has been no movement on other reserves held by the Council at Quarter 2 2016/17. These revenue reserves will be monitored on an ongoing basis and any charges will be reported at Quarter 3.
- 7.0 LINK TO COUNCIL PRIORITIES:**
- 7.1 The monitoring of the financial budget throughout the year and reporting the financial year end position assists in ensuring the Council’s service requirements are met and contributes to the achievement of the priorities set out in the Council Plan.
- 8.0 RISK ASSESSMENT:**
- 8.1 There are no major risks associated with this report.
- 9.0 FINANCIAL IMPLICATIONS:**
- 9.1 The financial implications are dealt with in the body of the report.
- 10.0 LEGAL IMPLICATIONS:**
- 10.1 It is a legal requirement under s25 of the Local Government Act 2003 to set a balanced budget and monitor the financial position throughout the year.

11.0 EQUALITY/DIVERSITY ISSUES:

11.1 There are no specific equality implications to this report.

12.0 RECOMMENDATIONS:

12.1 That Cabinet approves and recommends to Council that:-

- (1) the budget increase at paragraph 3.2 in Quarter 2 of £33,860 which results in a Budget of £7,604,990; and
- (2) the allocation from the one-off fund at paragraph 6.6 of £45,855.

LOUISE BRANFORD-WHITE
DIRECTOR OF FINANCE (ACTING) (S151 OFFICER)

Background papers: Budget Monitoring Q2 working papers

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Budget 2016/17 Sensitivity Analysis – potential savings / costs

Portfolio Area	Area of Sensitivity	Commentary
Support Services	Provision for Bad Debt	The Council makes a provision every year for debts that will potentially not be paid. The overall level of debt is currently reducing but an increase provision may be necessary for older aged debts.
	Housing Benefit Payments	Whilst any increase in Housing Benefit payments will be partly offset by subsidy, the budget is so large that a small increase in percentage terms can lead to a large amount in monetary terms.
	Investment Interest	Following the EU Referendum, interest rates are expected to fall. If the Council's investment counterparties reduce their rates the income earned by the Council's balances will reduce.
Environmental Health & Planning	Planning Fees	The Budget for Planning Fees is very large and is reliant on receiving planning applications; this area will continue to be closely monitored weekly. It is currently too early in the year to report a variance but will be reviewed for Quarter 3.
	Development Management - Staffing	Agency is currently being used to cover sickness and vacant posts, this will be reviewed during Quarter 3.
	Operational Services – Fuel Prices	This is being kept under review as prices are currently on the increase and any significant increase will have an increase on the budget.
	Operational Services – Agency	Currently experiencing high levels of sickness, therefore agency staff are being utilised to run the service.
	Recycling Contract	The market has improved since the initial basket price was calculated. This is being monitored closely as it changes each quarter. The tonnage collected is also being monitored as it is too early to make an estimate for the year.

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HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
6 December 2016

Subject: **2016/17 Q2 CAPITAL MONITORING AND TREASURY MANAGEMENT REPORT
MID YEAR REVIEW**

All Wards
Portfolio Holder for Economic Development and Finance: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

- 1.1 The purpose of this report is to provide Members with the Quarter 2 update at 30 September 2016 on the progress of the capital programme 2016/17 and the treasury management position. A full schedule of the capital programme 2016/17 schemes is attached at Annex A, together with the relevant update on progress of each scheme.
- 1.2 Capital expenditure is intrinsically linked with treasury management as the way that the capital programme is funded, directly effects the treasury management arrangements of the Council. The majority of the Council's capital expenditure is funded by grants, capital receipts and reserves, however borrowing is also considered when required. The use of the Council's funds affects the daily treasury management cash flow position, as well as the requirement to investment surplus funds.

2.0 CAPITAL PROGRAMME SUMMARY:

- 2.1 The 2016/17 capital programme was approved by Cabinet at Quarter1 on 6 September 2016 at £21,101,226.
- 2.2 At this Quarter 2 monitor, a net decrease to the capital programme of £2,165,872 results in a total revised capital programme of £18,935,354.
- 2.3 The net decrease of £2,165,872 to be approved in this report is detailed in Annex B and is made up of:-
- (a) increase in expenditure of £3,400 supported from Council reserves;
 - (b) increase in expenditure of £8,000 supported from capital reserves and rolled back from 2017/18
 - (c) increase in expenditure of £67,397 funded externally
 - (d) transfer of funds between schemes, with overall effect being zero
 - (e) decrease in expenditure of £2,022,407 due to schemes rolled forward to 2017/18
 - (f) decrease in expenditure of £222,262 due to funding no longer required

2.4 Table 2 below outlines the variances reported against each portfolio area:

Portfolio	Current Approved Expenditure £	Revised Expenditure Q2 £	Variance Increase/ (decrease) £	Request for additional funding £	Funding no longer required £	External Funding £	Schemes re-profiled to future years £	Schemes re-profiled from future years £
Environmental & Planning Services	462,272	473,458	11,186	0	0	56,186	(45,000)	0
Customer & Leisure	605,072	311,061	(294,011)	0	0	11,211	(313,222)	8,000
Support Services	2,402,582	2,211,570	(191,012)	3,400	(122,262)	0	(464,185)	0
Economic Development Fund	2,631,300	1,331,300	(1300,000)	0	(100,000)	0	(1,200,000)	0
Loan to Broadacres	15,000,000	15,000,000	0	0	0	0	0	0
Total	21,101,226	18,935,354	(2,165,872)	3,400	(222,262)	67,397	(2,022,407)	8,000

2.5 To 30 September 2016 capital expenditure of £15,730,785 had been incurred or committed representing 83% of the revised quarter 2 capital programme position of £18,935,354, this included the £15,000,000 loan to the local Housing Association.

2.6 The proposed changes to the Capital Programme, which require approval by this Cabinet, are detailed for each of the 3 portfolio areas and the Economic Development Fund at Annex B.

3.0 FUNDING THE CAPITAL PROGRAMME:

3.1 For 2016/17, at Quarter 2, the capital programme of £18,935,354 is being funded from £1,200,000 external borrowing, £344,508 external grants/contributions, £1,331,300 from the Economic Development Fund, £439,396 from the Computer Fund, £24,165 from the One Off Fund, £129,744 from the Repairs and Renewals Reserve and £1,666,241 from Capital Receipts Reserve.

3.2 In addition the £15,000,000 loan to the local Housing Association can be financed either by the Council's surplus funds or external borrowing. During Quarter 1 £15,000,000 was borrowed in the short term from 9 May 2016. This has been repaid in Quarter 2. The change in the financing of the loan is due to the Councils cash flow requirements and further borrowing is likely to be considered in the future in quarter 4 of 2016/17.

3.3 Due to the overall financial position and the underlying need to borrow for capital purposes, new external borrowing of £1,200,000 was undertaken in September 2016 from the Public Works Loan Board at a rate of 1.05% over 5 years.

3.4 The external grant funding is higher than Quarter 1 by £67,397. This is as a result of an additional £56,186 being allocated to the Disabled Facilities Grant Scheme funded from the Better Care Fund and £11,211 for a pool hoist and equipment in the changing room to help with people with disabilities.

3.5 The capital receipts estimated to be received during 2016/17 is £370,000.

- 3.6 Therefore at year end in accordance with accounting practice the capital programme will be financed using all available in year funding prior to using the Council's capital reserves. At Quarter 2 it is estimated that £1,924,605 of reserve funding will be used.
- 3.7 The overall funding position continues to be closely monitored to ensure the overall capital programme remains affordable and sustainable over the 10 year approved capital plan.
- 3.8 It should be noted that the report reflects the capital programme position as if approval has been agreed by Cabinet. This is detailed in the recommendations below.

4.0 TREASURY MANAGEMENT POSITION 2016/17

4.1 The Treasury Management review at Quarter 2 2016/17 is attached at Annex C and provides Members with an update on the:

- (a) treasury management position
- (b) economy and interest rates
- (c) investment policy
- (d) investment performance
- (e) borrowing position
- (f) compliance with prudential and treasury indicators

4.2 The Treasury Management Strategy Statement (TMSS) for 2016/17 which details the Council's approach to treasury management was approved by this Council on 25 February 2016. There are no policy changes to the Treasury Management Strategy Statement, however it should be noted that where the Strategy is influenced by the capital expenditure plans for 2016/17 the Council's Capital Financing Requirement (need to borrow) relates to the entire 2016/17 capital expenditure programme and not only the loan to the local Housing Association. This aligns with reports that have been approved by Cabinet and Council in the first half of 2016/17 and the Local Government Act 2003.

4.3 The investment position at Quarter 2 30 September 2016 was £7,390,000 with an average interest rate return of 0.47%. For surplus funds invested for 3 months or more, a return of 0.62% was achieved which was 0.24% greater than the 3 month benchmark at 0.38%. For funds invested short term 0.40% was achieved compared to the 7 day benchmark of 0.28%.

4.4 The interest received from the loan to the local Housing Association is not included in this section of the report because it is classed as capital expenditure under economic development to support local businesses.

4.5 The Council borrowed £1,200,000 in Quarter 2 from the Public Works Loan Board (PWLB) at a rate of 1.05 over five years to fund capital expenditure. Further borrowing is predicted in Quarter 4.

4.6 The Council has operated within the treasury and prudential indicators set out at Annex E. The approved limits were not breached during the first three months of 2016/17.

5.0 LINK TO COUNCIL PRIORITIES:

5.1 All schemes approved as part of the capital programme have been evaluated against key corporate priorities. Schemes are only undertaken and approved by Cabinet in accordance with the Council Plan and supporting project initiation documentation.

5.2 Treasury Management supports all aspects of the Council's priorities as with good management of surplus funds, investment interest earned can be used to support Council services.

6.0 RISK ASSESSMENT:

6.1 There are no risks associated with approving this report. However, the risks associated with not receiving regular monitoring reports are potentially more serious.

7.0 FINANCIAL IMPLICATIONS:

7.1 The financial implications are dealt with in the body of the report.

8.0 LEGAL IMPLICATIONS

8.1 Treasury Management activities and the Capital programme conform to the Local Government Act 2003 and the Council has adopted the **Chartered Institute of Public Finance and Accountancy** (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice.

9.0 EQUALITY/DIVERSITY ISSUES

9.1 The capital programme seeks to address key equality issues that affect the Council and the public. The main scheme that specifically addressed equalities in the second quarter of 2016/17 is the disabled facilities grant scheme and a pool hoist and equipment in the changing room at Bedale Leisure Centre to help people with disabilities.

10.0 RECOMMENDATIONS:

10.1 That Cabinet approves and recommends to Council that:-

- (1) the net decrease of £2,165,872 in the capital programme to £18,935,354 and all expenditure movements as detailed in Annex B and also in the capital programme attached at Annex A;
- (2) to note the position of the Economic Development Fund at Annex B that it has been fully allocated until funds are returned from schemes in future years;
- (3) the increase of capital expenditure £11,400 is funded from capital receipts and £67,397 is from external grants/contributions;
- (4) the funding allocation to the capital programme as detailed in paragraph 3.1 and 3.2; and
- (5) the treasury management and prudential indicators at Annex E.

LOUISE BRANFORD-WHITE
DIRECTOR OF FINANCE (ACTING) (S151 OFFICER)

Background papers: Capital programme working papers Q2
Treasury management working papers Q2
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Councillor / Officer	Capital Scheme	Budget Approved at Qtr1	Qtr 2	Qtr 2 + 2016/17	Third Party Contn	Third Party Cont Qtr 2	Cost to the Council £	Expenditure at 30/09/16	Anticipated Expenditure Year End	Variance	Change in Funding Taken / (Returned) Capital Reserve	Explanation
		£	£	£	£		£	£	£	£	£	
Clr Phillips MJ	Environmental & Planning Services											
	Purchase of bins and boxes for refuse and recycling	60,000		60,000	10,000		50,000	24,420	60,000	0	0	Bins and Boxes to be purchased by the year end DFG £276,007 externally funded with £50,000 funded by capital receipts and £9,895 b/fwd funded by capital receipts - estimated that budget will be spent by year end.
MJ	Disabled Facilities Grant	279,716	56,186	335,902	100,000	176,007	59,895	46,390	335,902	56,186	0	Demonstrations of the system are to be scheduled for later in the year
MJ	Waste and Street Scene - Telematics	12,300		12,300			12,300	250	12,300	0	0	Scheme design complete, completion due in Q3
MJ	Waste and Street Scene - Training Room	9,500		9,500			9,500	296	9,500	0	0	Parking and sandbag storage areas complete, additional fence to screen sandbag area to complete Q3.
MJ	Central Depot - Additional Parking	15,756		15,756			15,756	15,107	15,756	0	0	Temporary facilities to be installed in car park in Q3, long term solution to be confirmed.
MJ	Bedale Sweeper Shed	15,000		15,000			15,000	0	15,000	0	0	Final design of scheme being agreed with WASS, start of works planned for Q3.
MJ	Central and Stokesley Depot - Welfare Facilities Improvements	25,000		25,000			25,000	0	25,000	0	0	This scheme is now scheduled to take place in 2018/19
MJ	Central Depot - HGV Full Roof Replacement	45,000	(45,000)	0			0	0	0	(45,000)	(45,000)	
	Total Scheme Value Environmental & Planning Services	462,272	11,186	473,458	110,000	176,007	187,451	86,463	473,458	11,186	(45,000)	
Clr Mrs Fortune	Customer & Leisure Services											
DG	Hambleton Leisure Centre - Fire Alarm System	15,217	(15,217)	(0)			(0)	0	(0)	(15,217)	(15,217)	Roll forward £15,217 to 2017-18 as scheme will run alongside the gym project
DG	Hambleton Leisure Centre - External Render	8,000	(8,000)	0			0	0	0	(8,000)	(8,000)	Roll forward £8,000 to 2017-18 as scheme will run alongside the gym project
DG	Hambleton Leisure Centre - Pool Balustrades	15,000	(15,000)	0			0	0	0	(15,000)	(15,000)	Roll forward £15,000 to 2017-18 as scheme will run alongside the gym project
DG	Hambleton Leisure Centre- Pool Changing Village	175,000	(175,000)	0			0	0	0	(175,000)	(175,000)	Roll forward £175,000 to 2017-18 as scheme will run alongside the gym project
DG	Hambleton All Weather Pitch Refurbishment	14,291		14,291			14,291	0	14,291	0	0	Scheme nearly finished, lighting to be completed by December
DG	Hambleton Leisure Centre Improvement Scheme	50,005	(50,005)	0			0	0	0	(50,005)	(50,005)	Roll forward £50,005 to 2017-18 as no costs are anticipated in 2016-17
DG	Hambleton Leisure Centre Cold Water Storage Tank	8,000	(8,000)	0			0	0	0	(8,000)	(8,000)	This scheme will now take place in 2017-18 so need to roll forward £8,000
DG	Hambleton Leisure Centre Sauna Replacement	12,000	(12,000)	0			0	0	0	(12,000)	(12,000)	Roll forward £12,000 to 2017-18 as scheme will run alongside the gym project
DG	Hambleton Leisure Centre Air Handling Energy Saving	7,823		7,823			7,823	0	7,823	0	0	Work completed, awaiting invoice
DG	Hambleton Leisure Centre Wave Machine	30,000	(30,000)	0			0	0	0	(30,000)	(30,000)	Roll forward £30,000 to 2017-18 as scheme will run alongside the gym project
DG	Bedale Leisure Centre Improvement Scheme	14,809		14,809			14,809	14,809	14,809	0	0	Scheme complete.
DG	Stokesley Leisure Centre Improvement Scheme	0		0			0	0	0	0	0	Further expenditure is likely to go through on this scheme due to a retention which will be finalised by Quarter 3.
DG	Thirsk All Weather Pitch Refurbishment of Showers	10,000		10,000			10,000	0	10,000	0	0	Roll forward £10,000 to 2017-18
DG	Thirsk & Sowerby Sports Village	0		0			0	19,803	0	0	0	Determined by S106 contributions, detailed masterplanning underway
DG	Stokesley Leisure Centre Sauna Replacement	8,000		8,000			8,000	0	8,000	0	0	Work planned for December 2016
DG	Stokesley Leisure Centre Underfloor Pipework	12,000		12,000			12,000	0	12,000	0	0	To be delivered in 2016-17, awaiting confirmation of work dates
DG	Stokesley Leisure Centre Re-design of Reception Area	15,000		15,000			15,000	0	15,000	0	0	To be delivered in 2016-17, awaiting confirmation of work dates
DG	Stokesley Leisure Centre Menerga Air Handling Unit	11,000		11,000			11,000	0	11,000	0	0	Work planned for December 2016
DG	Stokesley Leisure Centre Sub Circuit Distribution	14,000		14,000			14,000	0	14,000	0	0	To be delivered in 2016-17, awaiting confirmation of work dates
DG	Leisure Centre Automatic Doors	30,000		30,000			30,000	0	30,000	0	0	Awaiting quotations
DG	Forum - Capital Repairs	41,300		41,300			41,300	0	41,300	0	0	Priority projects identified. Meeting with the Forum Board planned in Qtr3 for delivery of the work.

Councillor / Officer	Capital Scheme	Budget Approved at Qtr1	Qtr 2	Qtr 2 + 2016/17	Third Party Contn	Third Party Cont Qtr 2	Cost to the Council £	Expenditure at 30/09/16	Anticipated Expenditure Year End	Variance	Change in Funding Taken / (Returned) Capital Reserve	Explanation
DG	Bedale Leisure Centre Hoist	0	11,211	11,211		11,211	0	9,711	11,211	11,211	0	Hoist has been fitted and was externally funded
DG	Sandbag Storage at Leisure Centres	10,000		10,000			10,000	0	10,000	0	0	To be delivered in 2016-17 awaiting confirmation of work dates
Cllr Wilkinson		0		0			0	0	0	0	0	
DG	CCTV Camera Replacement Programme / wireless network & upgr	62,987		62,987			62,987	16,055	62,987	0	0	Programme of work complete- ongoing snagging issues to be resolved during Q3.
DG	Workspaces Air Con Refurbishments	5,480		5,480			5,480	0	5,480	0	0	Ongoing scheme
DG	Workspaces Health and Safety Aspects	18,000		18,000			18,000	0	18,000	0	0	Ongoing scheme - JT working on programme
DG	Workspaces - Roller Shutter Doors	0	8,000	8,000			0	0	8,000	8,000	8,000	Scheme has been brought forward from 2017-18
DG	Car Park Creation Leeming Bar LBFEC	4,660		4,660			4,660	2,824	4,660	0	0	Signage and line markings to complete during Q3
DG	Springboard Car Park Resurface with Tarmac	12,500		12,500			12,500	0	12,500	0	0	Quote documents in preparation, target completion by March 2017
	Total Scheme Value Customer & Leisure Services	605,072	(294,011)	311,061	0	11,211	291,850	63,201	311,061	(294,011)	(305,222)	
Cllr Knapton	Support Services											
DG	Public lighting replacement	54,965		54,965			54,965	3,296	54,965	0	0	Scheme in progress
DG	Public lighting energy reductions	799		799			799	177	799	0	0	Scheme substantially complete, final remedials being completed
DG	Public Lighting LED Lights	174,000	(87,000)	87,000			87,000	21,716	87,000	(87,000)	(87,000)	£87,000 not needed, to return to the fund
DG	Air Conditioning - Legislation requirement Corporate	44,779	(20,000)	24,779			24,779	8,910	24,779	(20,000)	(20,000)	Roll forward £20,000 to 2017/18 for future priority needs which will arise with this scheme.
DG	Civic Centre - Toilet Refurbishment	655		655			655	655	655	0	0	Civic suite toilets complete and in use, minor additional work to ambulant toilet identified for completion in Q3.
DG	Civic Centre - Disabled Access Doors and Ramp	20,014		20,014			20,014	0	20,014	0	0	Access doors complete, ramp design and quote documentation in progress
DG	Civic Centre Replacement of Computer Room Air Conditioning	19,500		19,500			19,500	0	19,500	0	0	Work in progress as part of server room relocation
DG	Civic Centre UPS and Fire Suppression Replacement Scheme	48,500		48,500			48,500	1,219	48,500	0	0	Work in progress as part of server room relocation
DG	Civic Centre Food Lab	6,000	(335)	5,665			5,665	0	5,665	(335)	(335)	Overspend of £335 in Refurbishment of Kitchenettes to be taken from this scheme as some of the work is combined. The work on the Civic Centre Food Lab will commence in Q3
DG	Civic Centre Refurbishment of Kitchenettes	10,000	3,735	13,735			13,735	10,335	13,735	3,735	3,735	The original scheme is complete with a small overspend of £335 which will be funded from the Civic Centre Food Lab. An additional £3,400 is requested for a fire proof compartment for the leisure kitchenette following a fire risk assessment
DG	Civic Centre Toilets Part 2	83,705		83,705			83,705	0	83,705	0	0	Design and quote documents in preparation planned start Q3
DG	ICT Improvements	245,198	(30,085)	215,113			215,113	27,012	215,113	(30,085)	0	Ongoing schemes, £11,000 no longer required, to be returned to fund, £19,085 no longer needed - to move to Customer Excellence for CRM project
DG	ICT Server Room Civic Centre & Springboard	75,600		75,600			75,600	12,219	75,600	0	0	Springboard & Civic Centre work in progress. Completion Q4.
DG	ICT COA Upgrade V5.0	38,880		38,880			38,880	16,038	38,880	0	0	Upgrade complete in Quarter 1, awaiting final invoice
DG	All Leisure Centres - Digital Transaction Software	5,900	(5,900)	0			0	0	0	(5,900)	(5,900)	Scheme complete, return £5,900 to fund
DG	ICT Leisure Improvements	68,268		68,268			68,268	11,193	68,268	0	0	Ongoing schemes
DG	ICT Customer Excellence	68,050	19,085	87,135			87,135	5,155	87,135	19,085	0	Ongoing schemes, increase in CRM funding from other scheme savings
DG	ICT Customer Feedback	12,000	(500)	11,500			11,500	11,500	11,500	(500)	(500)	Scheme complete, £500 to return to fund
DG	ICT Leisure Time Management System	12,150	(12,150)	0			0	0	0	(12,150)	0	Roll forward £12,150 to 2017/18 as scheme has been delayed.
DG	ICT Security Compliance	16,000	(16,000)	0			0	0	0	(16,000)	(16,000)	No Longer required, £16,000 to return to fund
DG	ICT Council Chamber	10,000		10,000			10,000	0	10,000	0	0	Scheme currently in progress
DG	ICT GIS Upgrade	8,500		8,500			8,500	4,710	8,500	0	0	Upgrade complete in Quarter 1, waiting for further work
DG	PC Screens (Planning)	10,765		10,765			10,765	10,765	10,765	0	0	PC screens for planning funded by the one off fund. Work complete

Councillor / Officer	Capital Scheme	Budget Approved at Qtr1	Qtr 2	Qtr 2 + 2016/17	Third Party Contn	Third Party Cont Qtr 2	Cost to the Council £	Expenditure at 30/09/16	Anticipated Expenditure Year End	Variance	Change in Funding Taken / (Returned) Capital Reserve	Explanation
DG	Bid Software(Northgate)	13,400		13,400			13,400	13,400	13,400	0	0	Software for Northgate to be funded by the one off fund. Software now live. Scheme complete.
DG	Car Park Reinstatements	55,450	(30,000)	25,450			25,450	0	25,450	(30,000)	0	Roll forward £30,000 as planned schemes have now been prioritised to 2017/18.
DG	Car Park Upgrading Pay and Display Machines	8,000	(1,862)	6,138			6,138	6,138	6,138	(1,862)	(1,862)	Scheme complete, software upgraded during tariff change April 2016. £1,862 saving returned to fund.
DG	Adoptions - Electric Bollards - Thirsk & Northallerton	40,000		40,000			40,000	0	40,000	0	0	Bollards now received, revised quotes being sought due to delay in receiving bollards target start Q3.
DG	Bedale Cycle Scheme	392,035	(392,035)	0	335,000	(335,000)	0	0	0	(392,035)	0	Options appraisal work is on-going with Sustrans and NYCC. The scheme is unlikely to happen in this financial year so need to roll forward £392,035 to 2017/18
DG	Adoption of Roads - Leeming Bar	243,489		243,489			243,489	243,489	243,489	0	0	Scheme complete, highway adoption confirmed and certificate issued by NYCC.
MAJ	Bedale Gateway Car Park	605,980		605,980			605,980	55,790	605,980	0	0	Planning application submitted July 2016, due to be considered at October 2016 planning committee.
DG	St Marys Closed Churchyard Boundary Wall Repairs	10,000	(10,000)	0			0	0	0	(10,000)	(10,000)	Scheme to be rolled forward to 2017-18
	Total Scheme Value Support Services	2,402,582	(583,047)	1,819,535	335,000	(335,000)	1,819,535	463,718	1,819,535	(583,047)	(137,862)	
Cllr Wilkinson	Economic Development Fund											
DG	ED Improvement Infrastructure Central Northallerton	612,319	200,000	812,319			812,319	9,468	812,319	200,000	200,000	An additional £200,000 is required for demolition costs at the Prison site. Work has now commenced on this scheme.
DG	Market Towns Investment Plans - Bedale	5,000		5,000			5,000	0	5,000	0	0	VMT Trainee Project Officer due to start 31/10/16. VMT Officer interviews 02/11/16
DG	Market Towns Investment Plans - Easingwold	6,000		6,000			6,000	0	6,000	0	0	VMT Trainee Project Officer due to start 31/10/16. VMT Officer interviews 02/11/16
DG	Market Towns Investment Plans - Northallerton	10,000		10,000			10,000	0	10,000	0	0	VMT Trainee Project Officer due to start 31/10/16. VMT Officer interviews 02/11/16
DG	Market Towns Investment Plans - Stokesley	10,000		10,000			10,000	0	10,000	0	0	VMT Trainee Project Officer due to start 31/10/16. VMT Officer interviews 02/11/16
DG	Market Towns Investment Plans - Thirsk	10,000		10,000			10,000	0	10,000	0	0	VMT Trainee Project Officer due to start 31/10/16. VMT Officer interviews 02/11/16
DG	Industrial Estates/Employment land	75,000		75,000		25,000	50,000	0	75,000	0	0	Waiting for completion of Local Plan Employment
DG	WIFI Market Towns	9,115		9,115			9,115	1,200	9,115	0	0	Phase 2 extension to wi-fi coverage in Northallerton complete. Work on-going in Stokesley market place.
DG	ED Improve Infrastructure North Northallerton	2,290		2,290		2,290	0	0	2,290	0	0	Scheme to begin
DG	Industrial Park Review	150,000		150,000			150,000	0	150,000	0	0	Scheme to begin
DG	ED Improvement Infrastructure Dalton Bridge	1,741,576	(1,500,000)	241,576		20,000	221,576	106,736	241,576	(1,500,000)	(300,000)	£300,000 is no longer required due to changes to the scheme. £1,200,000 is to be rolled forward to 2017/18 as it is unlikely that the business loan will be paid to NYCC before 1 April 2017.
	Total Scheme Value EDF	2,631,300	(1,300,000)	1,331,300	0	47,290	1,284,010	117,404	1,331,300	(1,300,000)	(100,000)	
Cllr Wilkinson	Finance											
	Loan to Third Party Housing Association	15,000,000	0	15,000,000			15,000,000	15,000,000	15,000,000	0	0	Loan to Housing Association to support the delivery of affordable housing in the district
	Total Scheme Value Loan to Housing Association	15,000,000	0	15,000,000	0	0	15,000,000	15,000,000	15,000,000	0	0	
	Total Capital Programme 2016/17	21,101,226	(2,165,872)	18,935,354	445,000	(100,492)	18,582,846	15,730,785	18,935,354	(2,165,872)	(588,084)	

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PROPOSED CHANGES TO THE CAPITAL PROGRAMME:

- 1.1 The proposed changes to the capital programme, detailed for each of the portfolio areas are listed below:
- 1.2 Environmental & planning Services – 2 schemes affect the capital programme at quarter 2:
- (a) Disabled Facilities Grant – An additional £56,086 external funding has been received from the Better Care Fund and therefore this scheme has been increased.
 - (b) Central Depot – HGV Full Roof Replacement – This scheme is now scheduled to take place in 2018/19 and £45,000 has been rolled forward.
- 1.3 Customer & Leisure Services – 10 schemes affect the capital programme at quarter 2:
- (a) Hambleton Leisure Centre – Fire Alarm System - £15,217 is to be rolled forward to 2017/18 as work is planned to take place alongside the Hambleton Leisure Centre Improvement Scheme.
 - (b) Hambleton Leisure Centre – External Render - £8,000 to roll forward to 2017/18 as work is planned to take place alongside the Hambleton Leisure Centre Improvement Scheme.
 - (c) Hambleton Leisure Centre – Pool Balustrades - £15,000 to roll forward to 2017/18 as work is planned to take place alongside the Hambleton Leisure Centre Improvement Scheme.
 - (d) Hambleton Leisure Centre – Pool Changing Village - £175,000 to roll forward to 2017/18 as work is planned to take place alongside the Hambleton Leisure Centre Improvement Scheme.
 - (e) Hambleton Leisure Centre – Improvement Scheme - £50,005 to roll forward to 2017/18 as no costs are anticipated in 2016/17.
 - (f) Hambleton Leisure Centre – Cold Water Storage Tank - £8,000 to roll forward to 2017/18 as work is planned to take place alongside the Hambleton Leisure Centre Improvement Scheme.
 - (g) Hambleton Leisure Centre – Sauna Replacement - £12,000 to roll forward to 2017/18 as work is planned to take place alongside the Hambleton Leisure Centre Improvement Scheme.
 - (h) Hambleton Leisure Centre – Wave Machine - £30,000 to roll forward to 2017/18 as work is planned to take place alongside the Hambleton Leisure Centre Improvement Scheme.
 - (i) Bedale Leisure Centre – Pool Hoist – £11,211 has been added to the programme for a pool hoist and equipment in the changing room that will help people with disabilities. This has been funded externally by 4 and Twenty which is a Charity.
 - (j) Workspaces – Roller Shutter Doors - £8,000 has been moved from 2017/18 to 2016/17 as the work needs to be carried out following a safety assessment.

1.4 Support Services – 14 schemes affect the capital programme at quarter 2:

- (a) Public Lighting LED Lights - £87,000 is no longer needed as the scheme can be completed with less funding therefore returned to the fund.
- (b) Air Conditioning – Legislation Requirement Corporate - £20,000 needs to be rolled forward to 2017/18 for future priority needs which will arise with this scheme but not needed in 2016/17.
- (c) Civic Centre Food Lab – A small overspend of £335 in the refurbishment of the Civic Centre Kitchenettes Scheme. As some of the work is combined with the Food Lab, the overspend will be taken from this scheme.
- (d) Civic Centre Refurbishment of Kitchenettes – The scheme is now complete with a small overspend of £335 which will be taken from the Civic Centre Food Lab. An additional £3,400 is also requested for a fire proof compartment for the leisure kitchenette following a fire risk assessment.
- (e) ICT Improvements – Ongoing schemes with £11,000 no longer required so it will be returned to the Computer Fund. There is also £19,085 that needs to be transferred to Customer Excellence for the Customer Relationship Management Project.
- (f) All Leisure Centres – Digital Transaction Software – This scheme is now complete and £5,900 to be returned to the fund.
- (g) ICT Customer Excellence – The additional £19,085 is being funded from ICT Improvements. The extra budget is required for the additional e-forms.
- (h) ICT Customer Feedback – Scheme is now complete and a saving of £500 is to be returned to the fund.
- (i) ICT Leisure Time Management System - £12,150 to roll forward to 2017/18 as scheme has been delayed due to assessing the functionality of iTrent for leisure centres to ensure that all staff can utilise the system.
- (j) ICT Security Compliance – No longer required, scheme being completed from alternative funding therefore return £16,000 to the Computer Fund.
- (k) Car Park Reinstatements - £30,000 to roll forward to 2017/18 as planned schemes have now been prioritised to 2017/18.
- (l) Car Park Upgrading Pay and Display Machines – Scheme is now complete with a small saving of £1,862 being returned to the fund.
- (m) Bedale Cycle Scheme - £392,035 to be rolled forward to 2017/18 as the scheme is currently on hold for 6 months following discussions with NYCC regarding traffic flows and the opening of the Bypass
- (n) St Mary's Closed Churchyard Boundary Wall Repairs – £10,000 will be rolled forward to 2017/18 as resources are available next year.

- 1.5 Economic Development Fund – 2 schemes affect the capital programme at quarter 2:
- (a) Infrastructure Central Northallerton – An additional £200,000 is required for demolition costs at the prison site, where demolition is scheduled to complete by the end of the financial year. The additional £200,000 is being funded from Infrastructure Dalton Bridge Scheme within the Economic Development Fund. Work has now commenced on this scheme.
 - (b) Infrastructure Dalton Bridge - £300,000 is no longer required due to changes to the scheme. £200,000 is being used to fund the Infrastructure Central Northallerton demolition costs and £100,000 is being returned to the fund to be used for further allocations in the Economic Development Fund. £1,200,000 is also to be rolled forward to 2017/18 as it is unlikely that the expenditure for the works to the bridge will be required before 1 April 2017.
- 1.6 Capital schemes are monitored on a monthly basis and reported to Cabinet quarterly, ensuring that the majority of schemes are held within budget or reported to Council at the earliest opportunity.
- 1.7 New Schemes added to the capital programme all have supporting Project Initiation Documentation to ensure projects are affordable, sustainable and prudent.

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TREASURY MANAGEMENT POSITION 2015/16 – MID YEAR REVIEW & QUARTER 2 UPDATE**1.0 LEGISLATIVE REQUIREMENT**

- 1.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.
- 1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.3 Accordingly, treasury management is defined as:
"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.4 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management recommends that Members be updated on Treasury Management activities regularly (Treasury Management Strategy Statement, Annual and Mid-Year reports, as well a quarterly updates). This report therefore ensures this council is implementing best practice in accordance with the code.
- 1.5 The regulatory environment places responsibility on Members for the review and scrutiny of Treasury Management policy and activities. This Mid-Year report therefore:-
- a) updates Members on the current Treasury Management position
 - b) updates Members on the changes to the Council's credit rating methodology for the investments of its surplus funds. This is in line with the credit rating agencies (Fitch, Moody's and Standard & poor's) approach to credit ratings and the Council's treasury management advisers – Capita Asset Services – advice
- 1.6 The Treasury Management Strategy Statement (TMSS) for 2016/17 was approved by this Council on 25 February 2016. There are no policy changes to the TMSS, however it should be noted that where the Strategy is influenced by the Capital expenditure plans for 2016/17 the Council's Capital Financing Requirement (need to borrow) relates to the entire 2016/17 capital expenditure programme and not only the loan to Broadacres Housing Association. This relates to reports that have been approved by Cabinet and Council in the first half of 2016/17. The details in this report update the TMSS position in the light of the updated economic position and budgetary changes during the first six months of 2016/17.
- 1.7 The Council's capital expenditure plans at Quarter 2 are financed by either external grants or contributions, capital receipts received in the year, capital reserves or borrowing.
- 1.8 During 2016/17 the Council supported the loan to the Local Housing Association by short term borrowing. This was repaid in quarter 2 and the council used surplus funds to fund the expenditure. Due to the overall financial position and the underlying need to borrow for capital purposes, new external borrowing of £1,200,000 was undertaken in September 2016 from the Public Works Loan Board at a rate of 1.05% over 5 years.

- 1.9 The capital financing requirement, which is the amount of borrowing required to support the capital expenditure programme, is set at £25,000,000. The capital expenditure of the Council is mainly supported by grants, contributions and reserves. The capital financing requirement refers to the amount of borrowing that could be taken to support the loan to the local Housing Association of £25,000,000 at Quarter 1 or the loan to the Dalton Bridge Business Improvement District project of £1,200,000
- 1.10 The following table shows the treasury management position as at 30 September 2016:-

	30 Sept 16	Rate
	£000's	%
Capital Financing Requirement	25,000	
Borrowing	1,200	1.05
Investments	7,390	0.60

Table 1: Borrowing and Investment position at 30 September 2016

- 1.11 The table shows that changes in the capital expenditure programme only affects the treasury management position through the surplus funds that are available to the Council to invest, to earn investment income. The loan to the local Housing Association has been supported by surplus funds, therefore the investment position at 30 September 2016 £7,390,000 is lower compared to the position on 30 September 2015 at £29,650,000.

2.0 THE ECONOMY, INTEREST RATES AND TREASURY MANAGEMENT STRATEGY:

- 2.1 The economic background and interest rate forecast, which sets the environment in which the Council's treasury management operates, is attached at Annex D.

3.0 ANNUAL INVESTMENT STRATEGY 2016/17 – Quarter 2:

- 3.1 **Investment Policy** – the Council's investment policy is governed by the Department for Communities and Local Government guidance, which was implemented in the Treasury Management Strategy Statement (TMSS) for 2016/17, and includes the Annual Investment Strategy approved by Cabinet on 9 February 2016. It sets out the Council's investment priorities as being:

- Security of capital;
- Liquidity;
- Yield

- 3.2 The Council's priority is security of its surplus funds when investing with financial institutions. However the Council will always aim to achieve the optimum return (yield) on investments in line with its risk appetite and which is commensurate with proper levels of liquidity and security. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months. Investment are placed with highly credit rated financial institutions, using the Council's treasury Management advisers – Capita Asset Services - suggested creditworthiness approach including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Capita Asset Services.

- 3.3 **Investments held by the Council** – As set out in Annex D, investment rates available in the market were broadly stable during the first half of the quarter but then took a slight downward path in the second half concluding with a significant drop after the referendum on a sharp rise in expectations of an imminent cut in Bank Rate and "lower for longer" expectations thereafter.

3.4 The average level of funds available for investment purposes during Quarter 2 – 30 September 2016 - was £17,429,261. The level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme. The Council held core cash balances of £2,000,000 at Quarter 2 and £5,390,000 cash flow movement balances. Total investment balance at 30 September 2016 was £7,390,000.

3.5

Benchmark	Benchmark Return	Council Performance	Investment Interest Earned
7 day	0.28%	0.41%	£16,371
3 month	0.38%	0.62%	£24,632

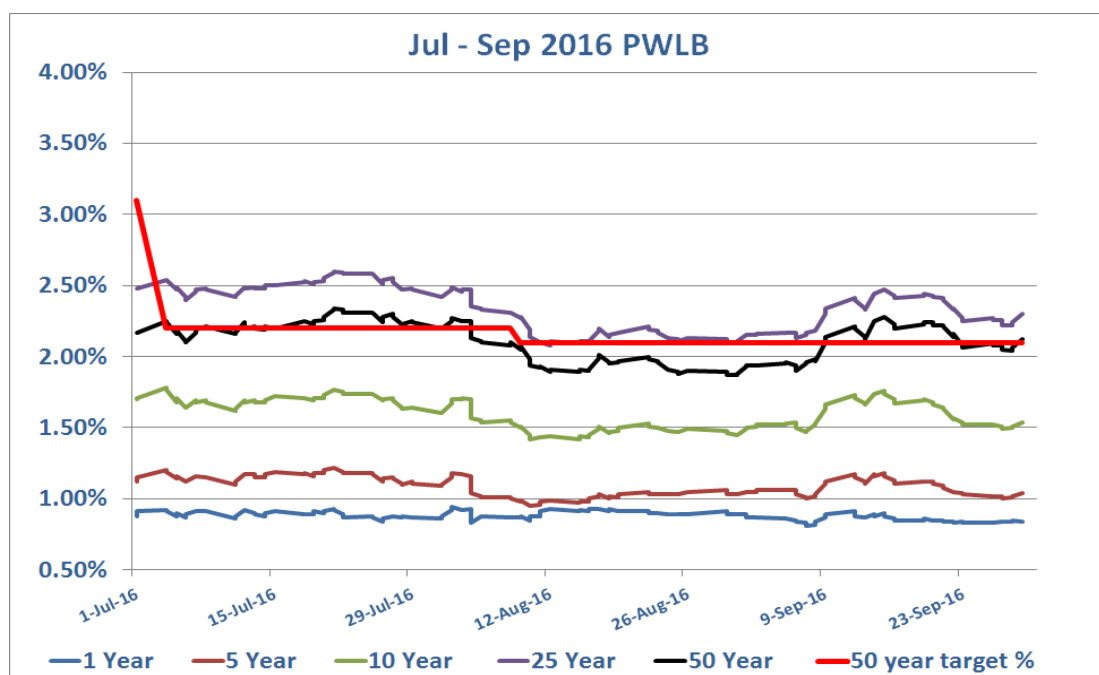
Table 2: Investment performance for quarter 2 at 30 September 2016

3.6 The table shows that the Council monitors its core cash against 3 month LIBID – London Inter Bank Investment Rates – and its cash flow investments against the 7 day rate. The Council outperformed the 3 month benchmark by 0.24% and the 7 day benchmark by 0.13%.

3.7 The Council’s budgeted investment return for 2016/17 was approved at £94,500. This was reduced by £51,330 in Quarter 1 to £43,170. This was due to the use of the Council’s surplus funds to support the capital expenditure loan to the local Housing Association, therefore a lower amount of investment interest is earned. This will be continue to be closely monitored as if the expected Bank of England Base Rate is reduced the rates available to the council will also be affected.

4.0 **BORROWING 2016/17 – Mid Year Review & Quarter 2 Update**

4.1 As depicted in the graph(s) below, there has been significant volatility in Public Works Loan Board rates during quarter 1 culminating in a progressive fall in rates during the first three weeks in June as confidence rose that the polls were indicating an ‘IN’ result for the referendum, followed by a sharp rise in the run up to the referendum day as the polls swung the other way, followed by a sharp fall to the end of the month in anticipation that there is likely to be further quantitative easing purchases of gilts in the coming months.



- 4.2 During the quarter ended 30 September 2016, the 50 year PWLB target (certainty) rate for new long term borrowing started at 3.00% and ended at 2.10%. Capital Asset Services – the Council’s treasury management advisers – review this rate on a regular basis and therefore this will be closely monitored in the coming weeks with regards to the general volatility on the market.
- 4.3 The table below shows the Public Works Loans Board interest rates which were available for loans during quarter 2 of 2016/17. The Public Works Loans Board is the mechanism by which the Government allows local authorities to borrow at slightly lower interest rates than are available to other institutions. Certainty rates, as detailed in the table, are interest rates available to local authorities if they inform the Government of their borrowing requirements at the beginning of the financial year and are 0.02% (or 20 basis points) below Public Works Loans Board rates. This was introduced by the Government in October 2012.

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.81%	0.95%	1.42%	2.08%	1.87%
Date	07/09/2016	10/08/2016	10/08/2016	12/08/2016	30/08/2016
High	0.94%	1.22%	1.78%	2.60%	2.34%
Date	02/08/2016	21/07/2016	04/07/2016	21/07/2016	21/07/2016
Average	0.88%	1.09%	1.60%	2.34%	2.11%

Table 3: Public Works Loan Board (PWLB) certainty rates, quarter ended 30 Sept 2016

- 4.4 **Treasury Borrowing** – Due to the overall financial position and the underlying need to borrow for capital purposes, new external borrowing of £1,200,000 was undertaken in September 2016 from the Public Works Loan Board at a rate of 1.05% over 5 years.
- 4.5 It is anticipated that further borrowing will be undertaken in Quarter 4 of this financial year.
- 4.6 **Rescheduling of Borrowing** – the Council had no debt that could be rescheduled in Quarter 2 of 2016/17 under the regulations.
- 4.7 **Repayment of Borrowing** – the Council repaid a short term loan of £15,000,000 in Quarter 2 of 2016/17.

5.0 COMPLIANCE WITH PRUDENTIAL AND TREASURY INDICATORS:

- 5.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council’s approved Treasury and Prudential Indicators (affordability limits) were approved in the Treasury Management Strategy Statement by Council on 25 February 2016 and are in compliance with the Council’s Treasury Management Practices. No changes have been made or are required to be made in the first six months of 2016/17 to the Prudential and Treasury Indicators that were set prior to the beginning of the financial year.
- 5.2 During the financial year to date the Council has operated within the Treasury and Prudential Indicators approved which are attached at Annex E.
- 5.3 Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 30 September 2016.

ECONOMIC UPDATE

1.1 ECONOMIC BACKGROUND

UK Gross domestic product (GDP) growth rates in 2013 of 2.2% and 2.9% in 2014 were strong but 2015 was disappointing at 1.8%, though it still remained one of the leading rates among the G7 countries. Growth improved in quarter 4 of 2015 from +0.4% to 0.7% but fell back to +0.4% (2.0% y/y) in quarter 1 of 2016 before bouncing back again to +0.7% (2.1% y/y) in quarter 2. During most of 2015, the economy had faced headwinds for exporters from the appreciation during the year of sterling against the Euro, and weak growth in the EU, China and emerging markets, plus the dampening effect of the Government's continuing austerity programme. The referendum vote for Brexit in June this year delivered an immediate shock fall in confidence indicators and business surveys, pointing to an impending sharp slowdown in the economy. However, subsequent surveys have shown a sharp recovery in confidence and business surveys, though it is generally expected that although the economy will now avoid flat lining, growth will be weak through the second half of 2016 and in 2017.

The Bank of England meeting on 4th August addressed this expected slowdown in growth by a package of measures including a cut in Bank Rate from 0.50% to 0.25%. The Inflation Report included an unchanged forecast for growth for 2016 of 2.0% but cut the forecast for 2017 from 2.3% to just 0.8%. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (i.e. without tariffs), to the EU single market. He also warned that the Bank could not do all the heavy lifting and suggested that the Government will need to help growth by increasing investment expenditure and possibly by using fiscal policy tools (taxation). The new Chancellor Phillip Hammond announced after the referendum result, that the target of achieving a budget surplus in 2020 will be eased in the Autumn Statement on November 23.

The Inflation Report also included a sharp rise in the forecast for inflation to around 2.4% in 2018 and 2019. The Consumer Price Index (CPI) has started rising during 2016 as the falls in the price of oil and food twelve months ago fall out of the calculation during the year and, in addition, the post referendum 10% fall in the value of sterling on a trade weighted basis is likely to result in a 3% increase in the Consumer Price Index over a time period of 3-4 years. However, the Monetary Policy Committee (MPC) is expected to look through a one off upward blip from this devaluation of sterling in order to support economic growth, especially if pay increases continue to remain subdued and therefore pose little danger of stoking core inflationary price pressures within the UK economy.

The American economy had a patchy 2015 with sharp swings in the growth rate leaving the overall growth for the year at 2.4%. Quarter 1 of 2016 disappointed at +0.8% on an annualised basis while quarter 2 improved, but only to a lacklustre +1.4%. However, forward indicators are pointing towards a pickup in growth in the rest of 2016. The US Federal Reserve ("Fed") embarked on its long anticipated first increase in rates at its December 2015 meeting. At that point, confidence was high that there would then be four more increases to come in 2016. Since then, more downbeat news on the international scene and then the Brexit vote, have caused a delay in the timing of the second increase which is now strongly expected in December this year.

In the Eurozone, the European Central Bank commenced in March 2015 its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected EZ countries at a rate of €60bn per month; this was intended to run initially to September 2016 but was extended to March 2017 at its December 2015 meeting. At its December and March meetings it progressively cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. At its March meeting, it also increased its monthly asset purchases to €80bn. These measures have struggled to make a significant impact in boosting economic growth and in helping inflation to rise from around zero towards the target of 2%. Gross domestic product growth rose by 0.6% in quarter 1 2016 (1.7% y/y) but slowed to +0.3% (+1.6% y/y) in quarter 2. This has added to comments from many forecasters that central banks around the world are running out of ammunition to stimulate economic growth and to boost inflation. They stress that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand in the their economies and economic growth.

Japan is still bogged down in anaemic growth and making little progress on fundamental reform of the economy while Chinese economic growth has been weakening and medium term risks have been increasing.

1.2 INTEREST RATE FORECAST

The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Bank rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.25%	0.25%	0.25%	0.25%	0.50%
5yr PWLB rate	1.00%	1.00%	1.10%	1.10%	1.10%	1.10%	1.20%	1.20%	1.20%	1.20%	1.30%
10yr PWLB rate	1.50%	1.50%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.70%	1.80%
25yr PWLB rate	2.30%	2.30%	2.40%	2.40%	2.40%	2.40%	2.50%	2.50%	2.50%	2.50%	2.60%
50yr PWLB rate	2.10%	2.10%	2.20%	2.20%	2.20%	2.20%	2.30%	2.30%	2.30%	2.30%	2.40%

Capita Asset Services undertook a quarterly review of its interest rate forecasts after the Monetary Policy Committee meeting of 4th August cut Bank Rate to 0.25% and gave forward guidance that it expected to cut Bank Rates again to near zero before the year end. The above forecast therefore includes a further cut to 0.10% in November this year and a first increase in May 2018, to 0.25%, but no further increase to 0.50% until a year later. Mark Carney, has repeatedly stated that increases in Bank Rate will be slow and gradual after they do start. The Monetary Policy Committee is concerned about the impact of increases on many heavily indebted consumers, especially when the growth in average disposable income is still weak and could well turn negative when inflation rises during the next two years to exceed average pay increases.

PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits – the Authorised Limit and the Operational Boundary - as detailed below. The Council approved the Treasury and Prudential Indicators (affordability limits), for the 2016/17 financial year at Council on 25 February 2016 in the Treasury Management Strategy Statement.

The main purpose of the indicators is to control how much a Council needs to borrow. In 2016/17, The Treasury Management Strategy Statement approved the capital financing requirement at £25 million which gives the Council the ability to either use surplus funds to support the capital expenditure for the loan to a local Housing Association or for other capital expenditure purposes or to take external borrowing.

The Prudential and Treasury Indicators are detailed below as approved at Council prior to the beginning of the 2016/17 financial year – Original Budget - and at Q2 Actual:

1. PRUDENTIAL INDICATORS	2016/17	2016/17
Extract from budget and rent setting report	Original Budget	Actual Q2
	£'000	£'000
Capital Expenditure	20,530	18,935
Ratio of financing costs to net revenue stream	Nil	Nil
Net borrowing requirement General Fund		
brought forward 1 April	Nil	Nil
carried forward 31 March	25,000	25,000
in year borrowing requirement	25,000	25,000
Capital Financing Requirement 31 March 2017	25,000	25,000
Incremental impact of capital investment decisions	£	£
Increase in Council Tax (band D) per annum	Nil	Nil

2. TREASURY MANAGEMENT INDICATORS	2016/17	2016/17
	Original Budget	Actual Q2
	£'000	£'000
Authorised Limit for external debt -		
borrowing	£35,000	£35,000
other long term liabilities	£1,000	£1,000
TOTAL	£36,000	£36,000
Operational Boundary for external debt -		
borrowing	£29,000	£29,000
other long term liabilities	£600	£600
TOTAL	£29,600	£29,600
Actual external debt	£0	£1,200

Upper Limit on fixed interest rates based on net debt	106%	106%
Upper Limit on variable interest rates based on net debt	-6%	-6%
Upper limit for total principal sums invested for over 364 days (per maturity date)	£9,000	£9,000

Maturity structure of fixed rate borrowing during 2014/15	Lower limit	Upper limit
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	20%
40 years to 50 years	0%	20%

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
6 December 2016

Subject: COUNCIL TAX REDUCTION SCHEME 2017/18

All Wards
Portfolio Holder for Economic Development and Finance: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

- 1.1 Council Tax Reduction (CTR) scheme was introduced by the Department for Communities & Local Government (DCLG) in April 2013 as a replacement for Council Tax benefit. It gave a duty to billing authorities to create a local scheme for working age residents, whilst central government continues to prescribe the regulations in respect of any scheme for those of pension age.
- 1.2 The purpose of this report is to provide the results of the public consultation on changes to the Council Tax Reduction scheme from 2017/18 and to seek a decision on the scheme framework for how Council Tax Reduction scheme should look from 2017/18
- 1.3 There have been a number of reports relating to Council Tax collection since the introduction of localised support in 2013. The Children's Society make reference in their recent report that Council Tax is now the main reason for debt in the country.
- 1.4 Schemes across the country vary with households expected to make a contribution ranging from 8.5% to 30%. Hambleton's scheme requires working and non-working age households to pay a minimum of 20% towards their Council Tax bill.
- 1.5 Council Tax collection rates have remained high over the last few years at 98%; however the collection rate for working age residents receiving Council Tax reduction has remained around 78% with accounts carrying arrears into the following years.
- 1.6 Whilst the current scheme rules largely align with the Housing Benefit process the scheme can often be out of sync due the timing of Housing Benefit legislation changes and the restriction that any local scheme for Council Tax Reduction cannot be changed in year. However, the similarity in rules does allow for some administrative efficiencies to be achieved.
- 1.7 Hambleton District Council has around 40,000 households liable for Council Tax. The current means-tested Council Tax Reduction scheme currently provides support to 4,440 low-income and vulnerable households in the district. The caseload split is 57% (2519) pensioner age and 43% (1921) working age. Recent statistics show that 526 households are in employment and 1395 households are not working, which includes those who are disabled and unable to work.
- 1.8 The Council has to consider its Council Tax reduction scheme year on year and has a legal requirement to consult on any proposed changes. Legally when a revision to or replacement of the scheme, which has the effect of reducing or removing entitlement, occurs then transitional provision should be considered.
- 1.9 The Council undertook a consultation during September for 8 weeks exercised to establish residents and preceptors views on the following:

- Keep the current scheme
- Proposed changes to the current scheme to align with Housing Benefit legislation changes making administration simpler and the scheme more cost effective
- Alternative options to fund the scheme if changes were not made as detailed above.

1.10 Only 79 responses were received, therefore the responses only represent a small number of residents' views within the district.

1.11 No responses from the preceptors were received despite requesting nil returns.

1.12 The questions along with the results of the consultation are attached for information at Appendix A.

1.13 In summary the results showed the following:

Keep the Current Scheme - 52% were in favour of keeping the current level of support. The comments reflected the need to protect vulnerable groups of people and those on low incomes due to the current economic impact on families who were struggling.

Proposed changes to current scheme to align with Housing Benefit changes – the majority were in favour of the changes which reduced costs of the scheme and align the scheme with Housing benefit and Universal Credit to make administration simpler. Again the comments reflected the need to support those who face adversity either short or long term.

1.14 The suggested changes to align the scheme with Housing benefit and Universal Credit are detailed in the table below:

Options	% in favour
1. Removing the Family Premium for all new working age applicants	
2. Reducing Backdating to one month	68.4
3. Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks	80.5
4. To remove the element of a Work Related Activity Component in the calculation of the current scheme for new Employment and Support Allowance applicants	76.9
5. To limit the number of dependent children within the calculation for Council Tax Reduction to a maximum of two	73.1
6. To remove entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them	76.6
7. Using a set income for self-employed earners after one year's self-employment	60.3
8. To introduce a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship	76.3

1.15 **Alternative options to fund the scheme if changes were not made** - The proposals set out in the consultation could reduce costs. If the Council keeps the current scheme, the costs implication should be considered against future funding, the need to support the most vulnerable and the current trend of reducing administration costs. Budgets would need to be found from other areas to help meet any increase in costs.

1.16 If changes to the scheme occur then the consultation showed that the preferences to fund the scheme, if required, would be as detailed below; however it is more likely to generate cost savings due to bringing it in line with Housing Benefit and Universal Credit schemes.

- Use the council's savings
- Reduce funding from other services
- Increase the level of council tax

1.17 In conclusion to the consultation undertaken, the preferred option would be to:

- Maintain a scheme similar to the current scheme which aligns with the Housing Benefit legislative changes
- Staff are familiar with the administration of this scheme which has advantages of 'economies of scale'
- Due to the potential impact of changes on vulnerable residents it is suggested that an exceptional hardship policy is integrated into the Council tax reduction scheme.

1.18 The Council Tax Reduction scheme it is suggested is approved for 1 year as required in legislation which allows for the implications of Universal Credit which is now fully implemented at HDC from 17 October 2016.

2.0 **LINK TO COUNCIL PRIORITIES:**

- 2.1 The Council has a statutory duty to provide a local Council Tax Reduction scheme for working age residents who are struggling to meet their Council tax liability.
- 2.2 The scheme provides financial support to those on low incomes allowing them to live more independent lives and support their health and wellbeing.

3.0 **RISK ASSESSMENT:**

- 3.1 There are no significant risks in approving the recommendations.
- 3.2 The key risk in not approving the recommendations is as shown below:-

Risk	Implication	Prob*	Imp*	Total	Preventative action
That a Local Scheme will not be adopted by Council within the timescales.	The Council has not fulfilled its statutory duty and runs the risk of challenge	3	4	12	To ensure that the Council adopts a Local Scheme by 31 January 2017

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

4.0 **FINANCIAL IMPLICATIONS:**

4.1 Since 2013/14 the amount paid out in respect of Council Tax reduction has been reducing year on year which is also reflected in the number of residents in receipt of the support.

Year	Average caseload	Amount awarded
2013/14	5018	£4,207,667
2014/15	4769	£3,782,782
2015/16	4576	£3,578,246
2016/17	4440 (sept)	£3,688,735 (sept)

4.2 When the scheme started in April 2013 it meant some households having to pay Council Tax for the first time with the remaining accounts seeing increases in their bills.

- 4.3 Council Tax collection rates have remained high over recent years at 98%. Whilst the collection rate on the accounts of working age residents has been encouraging at around 78%, it has been challenging for what is a relatively small number of accounts. Due to the requirement to pay a minimum of 20% some accounts are carrying arrears into the following years making the prospect of collection more time consuming and costly in comparison to usual collection.
- 4.4 The cost of awards under the Council Tax Reduction scheme impact on the tax base and therefore the Council Tax income. If the cost of awards were to reduce this would mean that the Council Tax base could increase as would the income. Any increase in income would be shared through the Collection Fund with the preceptors.
- 4.5 The introduction of the exceptional hardship policy being integrated into the Council Tax reduction scheme means that all preceptors through the collection fund share the reduction in income that may result.

5.0 LEGAL IMPLICATIONS:

- 5.1 The Council has a statutory duty to consult upon a proposed scheme. Case law has determined the guiding principles for fair consultations through the Supreme Court ruling in the case of R (on the application of Moseley) V London Borough of Haringey (2014) in particular the need to set out alternative choices within the consultation.
- 5.2 The Local Government Finance Act provides that the making or revision of a Council Tax reduction scheme can only be discharged by the Authority.

6.0 EQUALITY/DIVERSITY ISSUES

- 6.1 The proposed changes to the Council Tax Reduction Scheme 2017/18 have resulted in the undertaking of the full Equality Impact Assessment being carried out.
- 6.2 The Equality Impact Assessment has highlighted overall it is working age residents who are negatively impacted by the proposed changes to the scheme.
- 6.3 The proposed changes to the working age Council Tax Reduction scheme affect adults of all ages (below the state pension age) regardless of other equality factors. The proposed changes have a low relevance to the Equality Act.
- 6.4 The Equality impact assessment is attached at Appendix B, which also includes further information attached at Appendix C.

7.0 HEALTH AND SAFETY ISSUES

- 7.1 There are no health and safety issues in relation to the adoption of a Council tax Reduction scheme.

8.0 RECOMMENDATIONS:

- 8.1 That Cabinet approves and recommends to Council that:
- (a) the Results of the consultation exercise are noted;
 - (b) the Local Council Tax Reduction Scheme for 2017/18 be based on current scheme but in line with the Housing Benefit legislative changes; and

- (c) an exceptional hardship policy is integrated into the scheme and the Collection Fund to support vulnerable residents who may face severe financial hardship because of the impact of changes

LOUISE BRANFORD-WHITE
DIRECTOR OF FINANCE (ACTING) (S151 OFFICER)

Background papers: None
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Council Tax Reduction Scheme 2017/18 Consultation Questionnaire

8 August - 2 October 2016
26 paper and 53 online responses = 79 total

Q1	I have read the background information about the Council Tax Reduction Scheme	
	79 (100%)	Yes
	This question must be answered before you can continue.	

Paying for the Scheme

Q2	Should the Council keep the current Council Tax Reduction Scheme? (Should it continue to administer the scheme and have the same level of support as it does at the moment?)	
	41 (52.6%)	Yes
	23 (29.5%)	No
	14 (17.9%)	Don't know

Q3	Please use the space below to make any comments you have on protecting the Council Tax Reduction Scheme from these changes:
	<ol style="list-style-type: none"> 1) A COUNCIL SHOULD PROTECT VULNERABLE PEOPLE 2) As a pensioner I would obviously prefer to keep the discount the same as it is at the moment but I do not want to be labelled as mean as long as the increase is reasonable. 3) Concentrate on lowering councillors expenses!! 4) Council should keep scheme as it is by either using savings or raising Council Tax. However some of the changes put forward result in no drawback for recipients of the scheme and could be implemented in order for the Council to make some savings. Questionnaire completed with this in mind. 5) Council Tax Reduction already penalises those on what was previously classed as the 'minimum' a person could live on per week excluding housing costs'. I know of people who currently struggle to pay their Council Tax Payments after the Council Tax Reduction is calculated. This is not an isolated case, many are really struggling, particularly with the 0% increase in benefits in the 2015/16 year. With the post 'Brexit' economy it is likely that the April 2016/17 benefit increases will be either nil again or only circa 1%. Any change to Council Tax Reduction will put people in even more poverty. 6) Efficient provision of services is the priority. This must not be done in isolation and all associated processes but be reviewed for waste. 7) Further reductions affect vulnerable groups of people and increase the risk of intervention needed by other council services-such as children's services 8) I am concerned that any change will be to reduce the discount thus making poorer families suffer. 9) If administering the scheme is so costly, then this is something that should be born by all residents, not just the less wealthy or the sick and disabled who are unable to work at all. This county is well run and has many more well off people than other counties, judging by the many large expensive houses. I believe the benefits system includes those who are chronically sick and disabled, not just those who are working and this could have a devastating effect on those people as well. 10) If the changes are due to the increase in population that is continuing to change Northallerton beyond recognition and bringing into the area more people needing this kind of support, why should the original inhabitants have to pay for this. You are penalising us twice.

Q3	continued ...
	<p>11) It is hard enough to manage now as a working single parent</p> <p>12) It is no sustainable long term.</p> <p>13) Not all working age people are able to work and any support we can give them to ensure that they have an acceptable standard of living should be done.</p> <p>14) Not being in work despite being working age is NOT ALWAYS A CHOICE. As a single parent, doing as much self-employed work from home as I possibly can I am also SOLE CARER for a child with a chronically ill, disabled child. I struggle financially. I receive NO HELP FROM THE COUNCIL for funded care provision for my child so working away from my home is not possible for me although very much desired. I receive only the 25% single adult occupant discount but I do recognise others may need the CT discount for genuine reasons. Perhaps segregate those who have genuine illness or carer roles as eligible as opposed to others who CHOOSE not to work although there are no other barriers to work? However if jobs are not available how can some who also, like me, wish to be in fulfilling employment if there is no job to be had?</p> <p>15) Only for pensioners</p> <p>16) People on low income need help to be able to stay in their homes</p> <p>17) The council should stop picking on the easy undefended targets, stop duplication of services by joining with neighbour councils and Councillors put there petty turf wars in storage.</p> <p>18) The system needs to be as efficient as possible - due to reducing resources across the council areas.</p> <p>19) There is a lot of people in this area on low income</p> <p>20) This is an important support to struggling families</p> <p>21) Those on a lower income should be protected</p> <p>22) Through my job I see many working age clients who are struggling with council tax arrears even at the current rate of CTR payment. To increase the level of payment would cause even more financial hardship.</p> <p>23) Ticked 'Yes' and 'No'. The whole 'scheme' proposed (like Council Tax generally) is deplorably totally UNFAIR and at a MINIMUM the existing meagre miserly scheme needs enhancing and extending</p> <p>24) To ensure there is a fair system for all taxpayers and non-taxpayers</p> <p>25) Your other alternatives (on the first page) are not desirable either. It seems the council is leaning to options 4 or 6 because of lack of drawbacks. This seems fair.</p>

Option 1 - Removing the Family Premium for all new working age applicants

Q4	Do you agree with this change to the scheme?	
	43 (55.1%)	Yes
	28 (35.9%)	No
	7 (9.0%)	Don't know

Q5	If you disagree, what alternative would you propose?
	<p>1) As a MINIMUM, introduce proper means testing - so that multiple incomes & from multiple residents occupancies are taken into account. Perhaps as an interim measure a few extra 'Bands' should be introduced. Also push the government into REVALUATION prior to totally reorganising council financing.</p> <p>2) Basically people should pay an equal amount of council tax for the benefits they receive.</p> <p>3) Cost efficiency</p> <p>4) Cutting help will increase the risk of families requiring more support elsewhere. Alternatives should be considered</p>

Q5	continued ...
	<p>5) If this only applies to NEW residents then they will be made aware of their position before buying a house in this area and have the option to buy elsewhere. Not sure if that is fair to either the area, which is building many new large family homes, if the buyers have resided here all their lives. It would also stop the amount of income for the council if people decide to live elsewhere. Will more residents contribute more to the local economy to more than offset the benefits system. Amongst all the proposals so far it seems to me that we should still protect the low paid, in order to help keep our residents well cared for. This does not take into account the massive costs of childcare or the distances rural areas residents have to travel for work and services such as certain health problems to name just two.</p> <p>6) It may mean that those families on low income but striving to stay off general benefits will not be able to offer their children extra-curricular activities eg sport club fees, cubs fees etc. Those children with such experiences outside school tend to have better educational achievements and will become independent, tax paying citizens of the future.</p> <p>7) It should not go on someone's income, it should be the same for everyone whether you earn more or not as its feeding into the 'do less get more' system like benefits</p> <p>8) Keep the system used now.</p> <p>9) Leave the scheme as it is.</p> <p>10) Maintain existing arrangement.</p> <p>11) n/a (live alone)</p> <p>12) No costs or number of claimants shown so not possible to give an alternative Is current cost significant?</p> <p>13) Options 4 or 6</p> <p>14) Raising Council Tax overall. Under the proposed changes the worst off households are yet again hit hardest.</p> <p>15) REDUCE EMPTYING OF RECYCLE BIN TO ONCE EVERY TWO WEEKS, ENCOURAGE NEIGHBOURS TO SHARE BINS</p> <p>16) See answer above i.e. I would prefer to keep the discount as it is if possible</p> <p>17) Sell the prison</p> <p>18) The council should stop picking on the easy undefended targets, stop duplication of services by joining with neighbour councils and Councillors put there petty turf wars in storage. Stop wasting money on silly plans to change anything, there are obvious favourite pork fat schemes. Bin them.</p> <p>19) This option will make it more difficult for recipients to cope financially on a clearly already stretched budget, with the knock on effect of bad nutrition, ill health, low morale etc. which just raises costs in other areas of the public budget. Use savings or raise Council Tax to cover the extra cost.</p> <p>20) Use reserves</p> <p>21) Again, with the nil benefits increase in April 2016 and a predicted very low increase in April 2017, it will put the poorest in Hambleton in even more dire circumstances.</p>

Option 2 - Reducing Backdating to one month

Q6	Do you agree with this change to the scheme?	
	54 (68.4%)	Yes
	16 (20.3%)	No
	9 (11.4%)	Don't know

Q7	If you disagree, what alternative would you propose?
	<ol style="list-style-type: none"> 1) Another sign of the Government penalising those who for whatever reason were unable to claim. 2) Backdating is fine so long as a legitimate reason for it. If entitled, should not miss out because of having not applied. 3) Does this not penalise the most vulnerable - those not able to apply themselves, in hospital or awaiting third party help eg social services which may take a long time 4) I don't like it and there should always be discretionary circumstances where this can be overridden. Many people have genuine reasons for not claiming on time. But as costs have to be cut this would be a better option than reducing still further the help low income families get with Council Tax. 5) I sort of agree with this but feel there must be some "exception" to the rule for genuine cases that could not apply within the one month limit. 6) I think a 2 to 3 month claim period is necessary. When life circumstances take a negative step the stress it causes throughout a family can mean you are not able to understand, access, process the benefit system that we are fortunate to have in the UK to protect genuine adversity. Appointments for advice are not available within days or often weeks so the correct advice can take more than the month period you are proposing. 7) I think it would be fair for the proposed applicants, but an 'exceptional circumstances' clause should be included in order to help genuine 8) Leave well alone. If it ain't broke don't fix it. 9) Maintain existing scheme. 10) Need to know cost of not changing. Possible low overall cost but large impact on a few claimants 11) Options 4 or 6 12) Perhaps bring this in to effect by increments. ie in the first year reduce the back claims to 3 months then in the following financial year introduce the 1 month limit. This will seek to mitigate people falling foul of the system by ignorance if it is adequately publicised. 13) See answer in Q5 (See answer above i.e. I would prefer to keep the discount as it is if possible) 14) The council should stop picking on the easy undefended targets, aligning a scheme is a way of just avoiding the Council's responsibilities. Sorry but it's a scrounge mentality and compassion is cut as well.... guess that's a Cameron ism for the big society. 15) This option does not mean anyone already in receipt of this element of the scheme will lose money, so could be introduced without being detrimental to the position of those already in receipt. Savings could be made if this option were to be introduced. 16) Three months 17) You don't have to slavishly follow this evil Tory Govt even if you are a matching L.A. - which probably fed Thatcher, Major, Blair etc. with 'useful' prejudices ?? as to how to cut taxes - and 'crucify' the POOR. Perhaps Hammond/May may be not so nasty - but they avidly follow the electors prejudices and greed.

Option 3 - Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks

Q8	Do you agree with the change to the temporary absence rule?	
	62 (80.5%)	Yes
	7 (9.1%)	No
	8 (10.4%)	Don't know

Q9	If you disagree, what alternative would you propose?
	<p>1) 4 weeks seems a very short period of time for someone to lose their benefits for being out of the country. While they are out of the country they are not using the services provided by Council Tax, and it is not known how long it would take for the benefit to be reinstated on their return. Four weeks is not long enough for someone, if they leave the country for job-seeking purposes, to get securely established in the new situation, or if someone has relatives abroad who become ill and they go to support them, it could take longer than four weeks. In both cases the recipient would then be in a less secure financial situation on their return than when they left and it could deter them from making a necessary trip out of the country. For this reason I think the period should stay at 13 weeks.</p> <p>2) Council Tax.</p> <p>3) If you can afford to be out of the country you are not available for work within the UK or to attend interviews so that is actively not engaging with the employment process. On return to the UK either the benefit can be reinstated WITHOUT back pay or a delay in reapplication process eligibility. Those leaving the country are either able to afford an overseas holiday (in which case they do not need benefits!!) or they have alternative homes that they are able to fund or reside in and are therefore not struggling and no requiring welfare support in the UK.</p> <p>4) If you can afford to go on holiday you can afford your council tax</p> <p>5) It should stay the same. If for some reason say an extended holiday to visit relatives or care for a relative then that person is penalised through no fault of their own</p> <p>6) Maintain the existing rule.</p> <p>7) More of the same, cut the poor whenever you can, Do not change a thing, The council should stop picking on the easy undefended targets, stop duplication of services by joining with neighbour councils and Councillors put there petty turf wars in storage. Stop wasting money on silly plans to change anything, there are obvious favourite pork fat schemes. Bin them.</p> <p>8) More trite and trivial nit picking. So no 'alien' magnanimity or social justice from any supporters of the existing evil regime.</p> <p>9) Not planning to go abroad. 77 in August. Another 20 years would be welcome - but highly unlikely.</p> <p>10) Options 4 or 6</p> <p>11) See answer in Q5 (See answer above i.e. I would prefer to keep the discount as it is if possible)</p>

Option 4 - To remove the element of a Work Related Activity Component in the calculation of the current scheme for new Employment and Support Allowance applicants.

Q10	Do you agree with this change to the scheme?	
	60 (76.9%)	Yes
	9 (11.5%)	No
	9 (11.5%)	Don't know

Q11	If you disagree, what alternative would you propose?
	<ol style="list-style-type: none"> 1) Again, xxxx the poor The council should stop picking on the easy undefended targets, stop duplication of services by joining with neighbour councils and Councillors put there petty turf wars in storage. Stop wasting money on silly plans to change anything, there are obvious favourite pork fat schemes. Bin them. 2) Allow claimants to continue to receive FULL ?? of Council Tax demands and to continue to receive full Housing Benefit (which is still bloody meagre!) 3) As they are not receiving full wages 4) I don't understand what the Work Related Activity Group actually means or involves. 5) It is fundamentally flawed system that reduces those in the WRAG will in future receive the same as those on JSA etc. Council Tax Reduction changes will cause those in Hambleton and already on the breadline to struggle even more. 6) See answer in Q5 (See answer above i.e. I would prefer to keep the discount as it is if possible) 7) There appear to be no reductions experienced by existing recipients with this option.

Option 5 - To limit the number of dependent children within the calculation for Council Tax Reduction to a maximum of two

Q12	Do you agree with this change to the scheme?	
	57 (73.1%)	Yes
	13 (16.7%)	No
	8 (10.3%)	Don't know

Q13	If you disagree, what alternative would you propose?
	<ol style="list-style-type: none"> 1) As they are still in education. 2) Do not see why larger families should be penalised so leave well alone. 3) Even China changed their minds on one child per family did not the Mao was on the council 4) It is all very academic - put up the Council Tax (pro temp) and campaign for a much fairer system of funding Local Government as if Hammond continues fuehrer Osborne's evil rostrum of funding all Local Expand from each L.A.; there will be mega trouble and injustice!!! 5) Its limiting the size of a family. Why stop at 3 ? why not penalise those with 2 or even 1 child ? 6) Maintain the existing arrangement. 7) Options 4 or 6 8) The number of children should be increased to 3. This is not an unusual size for an ordinary family and restricting the number to two penalises families for being at the lower end of the earning spectrum - many of the recipients of benefit are in work but earning a low wage. 9) We cannot penalise children & push families with children further into poverty. 10) Yes - provided exemptions outlined above are kept & not gradually phased out.

Option 6 – To remove entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them

Q14	Do you agree with this change to the scheme?	
	59 (76.6%)	Yes
	9 (11.7%)	No
	9 (11.7%)	Don't know

Q15	If you disagree, what alternative would you propose?
	<p>1) Are those receiving carers allowance for looking after a family member disadvantaged by this rule? I have no alternative but to provide full care for my teenager who through illness cannot attend school for education and I receive no council provision for care for her to enable me to leave her at home safely whilst I go out to work (therefore I do low paid self-employed work from home) to earn a better wage. £60 per week carers allowance does not equate to a salary I could earn if out working 35 hours per week. I am therefore 'paid' under 50 pence per hour to provide the care that she needs - somewhat below the minimum wage!</p> <p>2) No draw back !!! funny I don't believe you, why make a change then ?? The council should stop picking on the easy undefended targets, stop duplication of services by joining with neighbour councils and Councillors put there petty turf wars in storage. Stop wasting money on silly plans to change anything, there are obvious favourite pork fat schemes. Bin them.</p> <p>3) See answer in Q5 (See answer above i.e. I would prefer to keep the discount as it is if possible)</p> <p>4) This option would appear to save the Council money without being detrimental to recipients.</p> <p>5) This seems to assume that carers will not be cut back and the benefit system cuts will not increase either. I think we need more clarification on whether 'Care' for the severely disabled is going to increase with the ever ageing population from chronic illnesses. Anyone young and severely disabled and has a carer now may lose that carer due to the cut backs and shortages. It worries me that hospital closures are costing more and more in travel and usually carers are the ones who do the driving for these people.</p> <p>6) You need a degree in Social Science to work out most of the fiscal garbage proposed in this document. I am against the changes because HDC would not progress (to fall in line with the Tory Masters in London) if it wasn't all for cuts in expenditure.</p>

Option 7 - Using a set income for self-employed earners after one year's self-employment

Q16	Do you agree with the principle that applicants who are self-employed for more than one year should have a minimum income floor applied to their claim?	
	47 (60.3%)	Yes
	22 (28.2%)	No
	9 (11.5%)	Don't know

Q17	If you disagree, what alternative would you propose?
	<ol style="list-style-type: none"> 1) Again a person trying to earn a living is penalised. It should remain the same. 2) Again I do not believe and your assumptions are usually wrong and cause hardship 3) Continue to take actual income into account. 4) If your self-employed then you don't earn a minimum of 'living wage'. A good example of this is a childminder who may work 50 hours a week but at a fee of £4 per hour per child they wouldn't be eligible therefore better off financially not working at all and claiming benefits 5) It will make self-employed people who have a period of poor trade suffer disproportionately. 6) Options 4 or 6 7) Our entrepreneurs are the people to encourage to expand, but if only given 1 year this is not long enough to even provide a profit or get the business up and running well enough to expand. Any business owners, especially new business owners will tell you that it takes more than 1 year to assess how a business will do in future years. The time period should be long enough to show that the business is capable of expanding after several years of good profits, not just a minimum living wage. Without profit no business can expand and there are many other pitfalls to consider in running a small business e.g. bank lending rates, business rates going up, petrol prices etc. 8) people work different hours for all sorts of reasons and it's unfair to penalise them for this - you may get cases where it doesn't 'pay to work' and has the opposite effect with these businesses ceasing. 9) Same again - put up the CT - until it is totally changed to something much fairer. Judging by the number of adverts from the ?? self-employed there just isn't the work needed to be done and paid for at exorbitant rates (they try to charge) & of course dodge ALL tax responsibly 10) Self-employed can include van delivery men who cannot get regular 35 hours work. 11) Self-employed people are renowned for their fantasy accounts and undeclared income. this proposal would encourage under-reporting. be more rigorous on assessing "self-employed" declarations. 12) Self-employment wages can fluctuate and the early years of small losses (and needing the support) could lead to the person being much more stable long term. Don't discourage them! 13) This will penalise self-employed people who even with their best efforts do not after one year earn up to the National Living Wage. This could result in them giving up their self-employed status and returning onto the unemployment register. They presumably have to produce figures to show how much above the National Living Wage they have earned. If these figures show they have not earned the National Living Wage then they should receive benefit accordingly. 14) To look at the circumstance. As a carer I CANNOT earn the minimum living wage. Previous to being a carer my work was as a Childminder. The most parents in this area will pay is £4 per hour for their child care and even the governments proposed 3-4 year old funding is barely above £5 per hour per child. This pay is BEFORE considerable expenses. It is not always possible to care for multiple children, for example if you care for a disabled child like I previously agreed to do I was disadvantaged financially as the maximum number of children I could care for was 2 children due to the care one of them needed. 15) You should use what they earn. If it is in the first year, an estimate should be applied and then after one year a check should be done to see if they owe the Council money or vice versa

Option 8 – To introduce a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship

Q18	Do you agree with the introduction of a targeted protection scheme based on Exceptional Hardship?	
	58 (76.3%)	Yes
	12 (15.8%)	No
	6 (7.9%)	Don't know

Q19	If you disagree, what alternative would you propose?
	<ol style="list-style-type: none"> 1) As long as the targets are set at reasonable levels. 2) I don't think that there is an alternative. I don't think that there should be a hardship allowance unless administered by the DWP. 3) If we look after those at the bottom end of the pay scale and those who are struggling with health etc before they get into severe hardship, we wouldn't have severe hardship at all. 4) In all the guff you have something of value but I will believe it when I see it. 5) it could be subjective, or no guarantee to help those with the greatest need. I it not better not to put them in that position to start with by protecting their benefit if possible such as the back dated benefit? 6) Options 4 or 6 7) There should be no exceptions to payments once all other avenues have been exhausted. 8) This could handle cases outlined under Option 7 previously as well as providing a flexibility taking into account individual circumstances. 9) Ticked 'Yes' and 'No'. It's a nasty throwback to Victorian ?? with the concept of 'Deserving Poor' & the rest (to be punished mercilessly). In 1909 Stepney Council revolted against being forced to fund unaided the destitute who filled their borough. 10) Use current system

Alternatives to reducing the amount of help provided by the Council Tax Reduction Scheme

Q20	Do you think we should choose any of the following options rather than the proposed changes to the Council Tax Reduction Scheme? Please select one answer for each source of funding.			
		Yes	No	Don't know
	Increase the level of Council Tax	16 (22.2%)	51 (70.8%)	5 (6.9%)
	Find savings from cutting other Council Services	21 (29.2%)	42 (58.3%)	9 (12.5%)
	Use the Council's savings	33 (48.5%)	25 (36.8%)	10 (14.7%)

Q21	If the Council were to choose these other options to make savings, what would be your order of preference? Please rank in order of preference, where 1 is the option that you would most prefer and 3 is the least.			
		1	2	3
	Increase the level of Council Tax	15 (20.5%)	16 (21.9%)	42 (57.5%)
	Reduce funding available for other Council Services	21 (28.8%)	28 (38.4%)	24 (32.9%)
	Use the Council's savings	40 (56.3%)	19 (26.8%)	12 (16.9%)

Q22	Please use this space to make any other comments on the scheme:
	<ol style="list-style-type: none"> 1) I have concerns that people at the lower end of the scale may be pushed further into financial, followed by the related health, problems. Once people get into difficulties, through no fault of their own e.g. the cancer rate now standing at almost half the population, then not only is the NHS finding cut backs but all services are, which helps no one. If we take care of the vulnerable then they will thrive and be able to make more of a contribution to society as a whole. There is no information, that I can see which would offer the alternative of recruiting schemes into voluntary gardening or decorating etc for those who need a little help from time to time. Some of the voluntary services are very good and vital. I think more schemes should be considered and people could pay at a reduced level according to their circumstances. The Car Scheme for essential travel to hospital is very good and more volunteers of this and it's scheme type would relieve the burden for elderly people. It also provides much needed contact for the isolated and lonely. 2) If Council savings are to be used to help people with their council tax then it should be done in cases of financial hardship. 3) My perception is that cuts are being made without reviewing how efficiently things are being done. This is a false economy - savings are better made with reviewing and re-tendering. 4) Please make the scheme as efficient and cost effective as possible. 5) Prison site ideas are daft, why did you buy it? 6) reduce council spending should look at all possibilities, such as salaries and pensions of staff, not just services to the people who pay for those services and salaries through their council tax. take a hard look at real priorities rather than pet projects 7) Reduction of funding and cutting of servicing should be avoided wherever possible as should the dipping into the savings. If this is done in either case too much it will react badly for the local people and their lives. 8) The tenor of the options put forward appears to be to save money for the Council and thus those paying Council Tax by penalising those in receipt of benefit. They are the least able to cope with this. I feel we should not always be trying to save money for those who are in better financial circumstances to the detriment of those less fortunate - using the Council's savings or increasing Council Tax would enable the less fortunate not to be penalised by the introduction of this scheme. 9) The wording throughout this survey and the accompanying information has been biased and suggestive that those with good incomes are 'subsidising' others who can't be bothered to work. I know MANY families, previously financially self-supporting who have been made redundant and are now struggling to make basic ends meet. Such people are travelling up and down the country to interview after interview, unsuccessfully and are desperate to work again. 10) Words now fail me at the presumptions and assumptions behind this barrage of nit-picking questions to the ?? of this RICH ?? 11) You said 3 was least so I put that as I don't understand

Q23	Please use the space below if you would like the Council to consider any other options:
	<ol style="list-style-type: none"> 1) As the population increases in this area, I would like to see more encouragement for businesses to open and provide more local work for the residents. This would cut travel, costs, advance the areas prospects of visitors to spend more and provide much needed income into the area. I know this has been proposed, but feel it needs to be highlighted more, as shops with local produce, be it food or crafts or shops which draw visitors in will provide 'interest and raise awareness of these products' as well as the large local and national companies who are always there for the 'whole' end of the market. 2) As we are both pensioners living in a Broadacres housing, why must we pay the same in Council Tax as non-pensioners? 3) Council Tax should be based on income related means but part-time and self-employed could be gauged on per monthly as 0-hours contracts are still apparent. 4) Cut overheads to save money 5) Ensure that Council Tax is collected efficiently and effectively from all households. That is, that households actually pay their dues, so we are maximising income. Defaulters should be prosecuted. 6) For those who have paid into the State via taxes in previous employment support them through benefits. For those who have never paid into the State taxes offer them meaningful part time voluntary work and then enable them to access benefits. For those on long term unemployment regardless of previous education levels offer them free meaningful college training so they can restart in a new area of employment. The need to pay your mortgage, insurances, food, basic living costs can stop you being able to attend college again to reskill (a college course fee loan doesn't pay for your basic life running costs) so people cannot afford to reskill and start a new career when doors close in their old job. 7) I believe Council Tax should be paid by all who enjoy the benefit. Council Tax fraud should be more vigorously interrogated so honest taxpayers are not put at disadvantage. 8) If the council can obtain the money in any other way or ways e.g. government or from any other gift or award etc. this should be considered wherever possible. 9) People should be offered free and impartial advice on budgeting and managing money. 10) Resign en-masse and let's have a fair election without the barrage of the Tory Propaganda & AID from Tories in Parliament just to get ONE WOMAN elected in a recent by-election enabling the 'One Party Freedom' to continue with no 'checks' & opposition. 11) The value for money is already poor, you charge big yet Nthn is a dump 12) What is the expected cost of the change .Needs to be stated otherwise any opinion survey is worthless

Q24	If you have any further comments or questions to make regarding the Council Tax Reduction Scheme that you haven't had opportunity to raise elsewhere, please use the space below:
	<ol style="list-style-type: none"> 1) Amalgamation with other services 2) I think I've raised them all (& more). I think North Yorks would be better served WITHOUT District Council some (like Selby) should be transferred to York (also Tadcaster) and Stokesley & Yarm to Stockton leaving a contracted area round Northallerton as a unitary authority. A BIG weakness in the Council Tax is that no note was taken of the number of people 'in work' in the property. 3) Make the current assessment scheme easier to understand, such as the working tax credit calculator. 4) the questionnaire seems somewhat biased - all questions and possible responses are along the lines of "do you are with our wonderful cost saving proposal, our do you want bad things to happen" - i suspect the alternatives are not as stark or as binary as they are portrayed. As mentioned above, why do you only "offer" reduction in services and not a reduction in council staff numbers or benefits ? 5) the tenant shouldn't lose their 25% discount when their son/daughter return from uni in the holidays then have to reapply it brings on more hardship when they return when the loan parent has to support them when they return eg another mouth to feed more elec and gas used then extra council tax to pay 6) There is no mention of increases such as green waste collection and planned charges. It is the added costs of something like this that makes a cumulative cost that and insurances, proposed bank closures, petrol prices etc at the moment exceeds wages and pensions. All these rises with extremely low interest rates are impacting very heavily on us all. I think this council do a very good job and I'm proud to live here so I would like to see us value all our residents and our public services, hospitals etc staying strong through hard times. Thank you 7) We do not get a lot out of the council tax money we pay now so it would not be fair to increase it. 8) Whichever you pick, please consider those on low incomes. For those earning only the equivalent of Jobseeker's Allowance, it is necessary to watch all spending and costs. Also: sorry about the crossings out. Thank you.

About You

Q25	Are you, or someone in your household, getting a Council Tax Reduction at this time?	
	28 (35.9%)	<i>Yes</i>
	49 (63.8%)	<i>No</i>
	1 (1.3%)	<i>Don't know/not sure</i>

Q26	What is your gender?	
	29 (38.2%)	<i>Male</i>
	46 (60.5%)	<i>Female</i>
	1 (1.3%)	<i>Prefer not to say</i>

Q27	What is your age?					
	0 (0.0%)	<i>18-24 yrs</i>	3 (3.9%)	<i>25-34 yrs</i>	10 (13.2%)	<i>35-44 yrs</i>
	22 (28.9%)	<i>45-54 yrs</i>	15 (19.7%)	<i>55-64 yrs</i>	16 (21.1%)	<i>65-74 yrs</i>
	7 (9.2%)	<i>75-84 yrs</i>	2 (2.6%)	<i>85+ yrs</i>	1 (1.3%)	<i>Prefer not to say</i>

Q28	Disability: Are your day to day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?	
	19 (25.3%)	Yes
	52 (69.3%)	No
	2 (2.7%)	<i>Don't know/not sure</i>
	2 (2.7%)	<i>Prefer not to say</i>

Q29	Are you responding to this consultation in your capacity as a representative of any of the following:		
		Yes	No
	Housing Association	2 (3.3%)	58 (96.7%)
	Landlord	1 (1.7%)	57 (98.3%)
	Voluntary Organisation	2 (3.3%)	59 (96.7%)
	Other	6 (10.7%)	50 (89.3%)
	Please state the name below:		
	1) Council Tax payer 2) CTR claimant 3) General member of the public 4) general resident of HDC 5) Geoffrey Brooke 6) Householder 7) Householder 8) Pensioner		

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Equality Impact Assessment Summary

Council Tax Reduction Scheme 2017/18

To be completed for ALL assessments Stage 1 and Stage 2.

Policy Name	Council Tax Reduction scheme 2017/18
Relevance <i>Summary - of Stage 1- Screening</i>	Changes to the working age scheme affect adults of all ages (below the state pension age) equally irrespective of any other equalities factors.
Likely impact <i>Please summarise your conclusions on the proposal's likely impact –negative, positive, or neutral. Please also include a brief explanation of how the proposal was assessed?</i>	The proposals may mean financial hardship for those on low incomes and who could struggle to pay their council tax liability. There is potential for additional costs to be added to residents bills should further recovery action be needed to collect outstanding monies.
Positive or Neutral Impact : <i>If you consider the outcome of this matter will have a Positive or Neutral impact, no further action is required at this time.</i>	
Negative Impact : Proceed to EIA Stage 2 <i>List the actions that you intend to take to prevent or limit any potential adverse or negative effects on different community groups.</i>	Advice and support will be available to claimants from several sources including: Citizen's Advice Bureau – available to all residents they will be the main avenue of support for tenants in the private rented sector Step change – debt advice Hambleton District Council <ul style="list-style-type: none"> • support for people in difficulty with Council Tax payments • Council Tax Support Discretionary Hardship payments, where the need for additional financial support is demonstrated
Monitoring <i>Please summarise the action you intend to take to monitor the actual impact of the policy.</i>	Monitoring of accounts will be through performance statistics such as collection rates and discretionary hardship policies.
EIA Completed by	Sue Grant
SERVICE MANAGER	Taxation and Benefits
Date	18 /07 /2016
EIA Approved by	
SERVICE DIRECTOR	Louise Branford-White <i>Head of Service – Finance (s151 Officer)</i>
Date	22/07/2016

EIA Stage 1 – Screening (Partial Assessment)

Keep all versions of your EIA. An EIA should be finalised once a final decision is taken.

Guidance Notes	EIA Stage 1 – Screening (Partial Assessment)
	1.1 Council Tax Reduction Scheme
<p><i>Include its main aim(s); activities and beneficiaries</i></p>	<p>1.2 The aim of the scheme is to provide financial support to residents of the district who find it difficult to pay their Council Tax liability. The scheme is means tested and supports those on low incomes.</p> <p>The pensioner scheme regulations are prescribed by central government. Billing authorities have a duty to provide a local scheme for those of working age</p>
<p><i>Will the proposed decision have consequences for local communities or the people that we employ?</i></p> <p><i>Is the proposed policy likely to affect either our relations with certain groups or the relationship between different groups?</i></p>	<p>1.3 Is the proposed product, project or policy relevant to the Council’s general objective to promote equality of opportunity and good relations between persons of different community groups?</p> <p>The council has a statutory duty to provide a scheme for the residents of the district.</p>
<p><i>Could these consequences differ for different groups?</i></p> <p><i>Do people of different groups have different expectations of the policy?</i></p>	<p>1.4 Is the equality impact of this proposal likely to be positive or neutral? <i>If the answer is yes, submit this report & summary to Management Team.</i></p> <p>The impact will be on working age residents only and only those who will qualify for any support.</p>
<p><i>Is there any evidence that any part of the proposed policy could discriminate unlawfully, directly or indirectly, against particular groups of people?</i></p> <p><i>Please explain why.</i></p>	<p>1.5 This proposal will equally affect working age persons who are affected by the changes irrespective of:</p> <ul style="list-style-type: none"> • Disability • Gender reassignment • Marriage and civil partnership • Pregnancy and maternity • Race • Religion or belief • Sex • Sexual orientation

EIA Stage 2 – Full assessment

Keep all versions of your EIA. An EIA should be finalised once a final decision is taken.

Guidance Notes	EIA Stage 2 – Full assessment
	2.1 Council Tax Reduction scheme – revised scheme for 2017/18
<p><i>What are the aims of the policy?</i></p> <p><i>What is it designed to achieve?</i></p> <p><i>Why is it needed?</i></p> <p><i>What outcomes are expected? Who are the main beneficiaries? How will outcomes be measured? What are the risks, and do any of them relate to the Council's objective to promote equality?</i></p>	<p>The Council Tax benefit scheme was abolished by the Welfare Reform Bill from April 2013 and replaced with the Council Tax Reduction scheme. The pensioner scheme is a nationally prescribed scheme but the working age is a locally designed scheme. The scheme is means tested and provides financial support to residents of the district who are on a low income to help pay their council tax liability</p> <p>The government is continuing with a national programme of welfare reform and it is appropriate to consider whether some of the changes to other welfare systems should be reflected in the Councils CTR scheme</p>
<p><i>Could the proposed policy affect different groups in society differently?</i></p> <p><i>Will the policy or its implementation break the law or have the potential to break the law?</i></p> <p><i>Is there a public concern (in the media etc) that this function or policy is discriminatory?</i></p> <p><i>What do stakeholders think?</i></p> <p><i>What does available data, information, research, or consultation responses reveal about the likely impact of the policy?.</i></p>	<p>Pensioners are unaffected by the proposed changes to the Council's Working Age Council Tax Support Scheme.</p> <p>Overall working age people are negatively impacted by the proposed changes to the scheme.</p> <p>Changes to the working age scheme affect adults of all ages (below the state pension age) equally irrespective of any other equalities factors. The proposed changes are relatively small in financial terms.</p> <p>The consultation outlining the proposed changes has been undertaken and is attached at Appendix A.</p> <p>Further information detailing the likely impact of the proposed scheme is attached at Appendix C.</p>
<p><i>Will it promote equality?</i></p> <p><i>Cite the evidence to support your</i></p>	

Guidance Notes	EIA Stage 2 – Full assessment
<i>conclusion</i>	
<p><i>How was this EIA completed?</i></p> <p><i>How did you engage or involve stakeholders like the staff diversity networks?</i></p>	<p>The current caseload data was used to model the different proposed scenarios to establish the impact where possible.</p> <p>Consultation on the proposed changes available to residents of the district</p>
	<p>The proposed changes mirror those already taken place within the HB and Universal Credit schemes and EIA undertaken by DWP. The Governments welfare reform program to encourage people into work will mitigate some of the financial impacts</p>
<p><i>What measures do you intend to take mitigate any negative or adverse impact on particular groups?</i></p>	<p>Any savings to the CTR scheme must be made to working-age customers. For this reason the scheme has a negative impact on working-age customers. This is mitigated in part with providing budgeting and money advice support and having an Exceptional Hardship Fund to help our most vulnerable customers cope with the changes.</p>
<p><i>Indicate how you intend to evaluate the successful implementation of the proposal?</i></p> <p><i>How will this evaluation assess impact on equality?</i></p>	<p>Through quarterly management information on the amount of Council Tax Reduction paid to residents and applications for exceptional hardship. Also through Council Tax collection statistics</p>

Equality Impact Assessment

Council Tax Reduction scheme 2017/18

There are 7 changes which mirror changes being made by DWP to Housing Benefit, Universal Credit and several other state benefits as part of the government's welfare reform programme. DCLG are amending the Prescribed Council Tax Support Scheme for Pension Age in the same way.

Some of these changes have already been implemented by DWP and DCLG from April 16 – the remainder will come in from April 17.

Removing the family premium for all new working age applicants

The removal of the family premium will cause an impact to families who have responsibility for children (who claim support from April 2017) as the additional allowance for children will not be awarded in future. Anyone who is already in receipt of the family premium will continue until they have a relevant change in circumstances. The removal of the family premium is impossible to predict as the amount of claims that will be affected is unknown. Those affected by this measure may apply for additional support under the Council's hardship scheme

Reducing backdating to 1 month

Reduce the period for the backdating of claims to 1 month – no accurate modelling data is available as the number of claimants requesting backdates; the periods requested for and the reasons given vary too much year of year.

Reducing period of absence outside of GB to 4 weeks

Withdraw CTS entitlement for people who leave great Britain for 4 weeks or more – again no accurate modelling data is available. It is believed that this will mainly affect two groups:

- a. migrant claimants who return to their homeland to visit relatives for an extended period
- b. claimants who would normally winter abroad

Remove the work related component for new employment and support allowance applicants

This will only affect new claims to employment support allowance and we are unable to assess the impact as we do not know the numbers that will be affected by this change introduced by the Department for Works and Pension.

Limit the number of dependent children to a maximum of 2

This will only affect new claims or new parents and limit the number of dependent children additions for CTR to a maximum of 2. It will not apply to current families with 3 or more children already receiving CTR. The number of claims where families will increase their family size to 3 or more children from 1 April 2017 is impossible to predict

Remove entitlement to the Severe Disability premium where another person is paid Universal Credit to look after them

Remove the Severe Disability Premium where the Carer's Element of Universal Credit is received – this does not affect any current claimants; it is brought in to have the same effect as currently applies to households where Universal Credit is not received.

Use a minimum level of income for those who are self-employed after 1 years trading

The introduction of the Minimum Income Floor for self-employed will affect all working-age self-employed customers who do not currently have earnings at or above the income floor.. Currently 53 claims are based on self-employed impact and this proposal could affect approximately 11 (20%) of our customers who have dependent children.

To protect claims having this protected characteristic we will offer budgeting and money advice support. Also signpost customer to our vulnerability/hardship fund to provide additional financial help and economic development dept. who may be able to sign post to other business support networks

Introduce scheme to help, applicants suffering exceptional hardship

Scheme will be available to all recipients of Council Tax Reduction and will be looked at on their own merit. To date there hasn't been any request from customers therefore it is not possible to predict what the cost will be. The scheme can be adapted to meet individual circumstances

To promote the positive impact or reduce the negative impact

Overall working age people are negatively impacted by the proposed changes to the scheme.

Changes to the working age scheme affect adults of all ages (below the state pension age) equally irrespective of any other equalities factors. The proposed changes are relatively small in financial terms.

Advice and support will be available to claimants from several sources including:

- Citizen's Advice Bureau – available to all residents
- Hambleton District Council
 - support for people in difficulty with Council Tax payments
 - Council Tax Hardship scheme, where the need for additional financial support is demonstrated

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
6 December 2016

Subject: **HAMBLETON GYPSY, TRAVELLER AND TRAVELLING SHOWPEOPLE GUIDANCE NOTE**

All Wards
Portfolio Holder for Planning: Councillor B Phillips

1.0 PURPOSE AND BACKGROUND:

- 1.1 The purpose of this report is to feedback on the consultation on the Hambleton Gypsy, Traveller and Travelling Showpeople Guidance Note, to recommend changes where appropriate and to request that Cabinet recommends to Council that the Guidance Note is adopted for Development Management purposes.
- 1.2 In order to reflect the new ‘planning’ traveller definition and the findings of the Gypsy and Traveller Accommodation Assessment which was considered by Cabinet in July 2016, the Council prepared a Draft Guidance Note for Gypsies and Travellers. This seeks to provide clear and practical advice for Gypsies and Travellers who are considering submitting a planning application for accommodation. Once adopted it will provide a tool for Development Management to use when handling planning applications and appeals and hopefully reduce the number of enforcement cases.
- 1.3 The Note provides guidance on when a planning application is needed, choosing a site and the planning application process itself. It offers clarification around what the Council will consider when determining planning applications and critically includes a form which must be completed and submitted as part of a planning application. This form requires information to be provided by the applicant to support the application and will ensure a rigorous and consistent approach.
- 1.4 In July 2016 Cabinet agreed that the Draft Guidance Note should be subject to a six week period of consultation. Consultees included neighbouring local authorities, the Showmen’s Guild, the Gypsy Council, York Traveller’s Trust, Horton Housing (support provider), agents and members of the local Gypsy, Traveller and Showpeople community who were all sent individual letters notifying them of the consultation and encouraging them to respond in order to shape the document. Consultation on the Draft Guidance Note was publicised on the Council’s website, through a press release and the Council’s Agents Forum.
- 1.5 Summer is a time when travellers could be away visiting fairs or family and therefore the consultation was extended to eight weeks, ending on 23 September 2016, to increase the opportunity for feedback.
- 1.6 There have been two responses to the consultation and a table summarising the comments is attached as Annex 1. The comments relate to issues around flooding and drainage and also site licences and the Draft Guidance Note has been amended accordingly. There is now a section on flooding and drainage with hyperlinks to the Environment Agency’s advice and the need to obtain a site licence is also referred to on page 5.

2.0 LINK TO COUNCIL PRIORITIES:

- 2.1 This Guidance Note once adopted will provide clear and accessible planning advice for Travellers. It links to two Council priorities: Enhancing Health and Wellbeing and Providing a Special Place to Live. The guidance will help to ensure that the Council provides for the needs of this group thereby reducing homelessness. It will also ensure that any new Traveller sites are located close to existing services and facilities such as schools and

doctors as well as promoting social cohesion between Travellers and the settled community.

3.0 RISK ASSESSMENT:

3.1 There are no risks in approving the recommendations.

3.2 The key risk in not approving the recommendation is shown below:-

Risk	Implication	Prob*	Imp*	Total	Preventative action
Not adopting a Gypsy, Traveller and Showpeople Guidance Note	Applicants and officers will be unclear as to site suitability and what is required to be submitted as part of the planning application. This will lead to confusion and/or inconsistency of advice and delays in the validation process and decision making.	4	3	12	Adopt a Gypsy, Traveller and Travelling Showpeople Guidance Note.

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

4.0 FINANCIAL IMPLICATIONS:

4.1 There are no cost implications to the Council in agreeing the recommendations.

5.0 LEGAL IMPLICATIONS:

5.1 There are no legal implications in agreeing the recommendations.

6.0 EQUALITY/DIVERSITY ISSUES

6.1 The Traveller community has been consulted on the Draft Guidance Note and the timing of the consultation was extended into late September to allow for the fact that members of the community may have been travelling to fairs or to visit relatives during the summer holidays. Once adopted the guidance will assist this group who might otherwise find the planning application process difficult to navigate and will hopefully mitigate some of the issues that Travellers currently experience and reduce the need for the Council to take enforcement action.

7.0 RECOMMENDATION:

7.1 It is recommended that Cabinet approves the Hambleton Gypsy Traveller and Travelling Showpeople Guidance Note (attached at Annex 2) and recommends to Council that it is adopted for Development Management purposes.

MICK JEWITT

Background papers: Hambleton Gypsy and Traveller Accommodation Assessment 2016.
Author ref: SWT
Contact: Sue Walters Thompson - Housing and Planning Policy Manager
 01609 767176

061216 Hambleton Gypsy Traveller and Travelling Showpeople Guidance Note

CONSULTATION RESPONSES

Annex 1

Name	Group/Organisation	Page	Response
Phillip Mephram	Environment Health - HDC	5	after Applications must be made to the Council to get planning permission. Please add “An application will also need to be made to the Council for a Caravan Site Licence before the site can be occupied. Consideration should be given to model licence conditions when setting out the site layout and facilities”.
Clare Dance	Environment Agency	Flood Risk	<p>Given the difficulties councils often face when providing land for Gypsy and traveller sites, and the propensity for such sites to subsequently be located in areas of high flood risk, we would like the guidance note to make it clear that Gypsy and traveller sites should not be located in areas at a high risk of flooding. There is little mention of flood risk in the draft guidance note other than stating that when the LPA is determining a planning application they will consider whether a site floods. National planning policy in the Planning Practice Guidance to the National Planning Policy Framework (table 3) states that ‘highly vulnerable’ development (including caravans, mobile homes and park homes intended for permanent residential use) should not be permitted in Flood Zone 3. This is backed up by the government’s Planning Policy for Travellers Sites which states that LPAs should ensure that their policies ‘do not locate sites in areas at high risk of flooding...given the particular vulnerability of caravans’. Given the clear stance set out in national policy, we feel that the guidance note should go further to steer potential traveller sites away from areas at risk of flooding, and make it clear that Flood Zone 3 is inappropriate for traveller sites due to the high flood risk and the associated vulnerability classification. In line with national guidance, any potential traveller sites in Flood Zone 2 will also need to demonstrate that the Sequential Test and Exception Test have been carried out in a satisfactory manner. The guidance note should also highlight that a flood risk assessment (FRA) may be required in support of a planning application (depending on variables such as the flood zone and the size of the site) and direct readers to more detailed guidance: https://www.gov.uk/guidance/flood-risk-assessment-for-planning-applications.</p>
		Foul Drainage	<p>The guidance note acknowledges that planning conditions relating to non-mains foul drainage are likely to be attached to any planning permission granted. Applicants should also be aware that in addition to planning permission they may also require an Environmental Permit from the Environment Agency where non-mains foul drainage is proposed. Further guidance is available at: https://www.gov.uk/permits-you-need-for-septic-tanks/overview.</p> <p>Government guidance contained within the national Planning Practice Guidance (Water supply, wastewater and water quality – considerations for planning applications, paragraph 020), sets out a hierarchy of drainage options that must be considered and discounted in the following order:</p> <ol style="list-style-type: none"> 1. Connection to the public sewer 2. Package sewage treatment plant (adopted in due course by the sewerage company or owned and operated under a new appointment or variation) 3. Septic Tank <p>Foul drainage should be connected to the main sewer. Where this is not possible, under the Environmental Permitting Regulations 2010 any discharge of sewage or trade effluent made to either surface water or</p>

Name	Group/Organisation	Page	Response
			groundwater will need to be registered as an exempt discharge activity or hold a permit issued by the Environment Agency, in addition to planning permission. This applies to any discharge to inland freshwaters, coastal waters or relevant territorial waters. Applicants should note that the granting of planning permission does not guarantee the granting of an Environmental Permit
		Groundwater	<p>There are several different geologies across Hambleton ranging from principal to unproductive strata and hence a range of groundwater sensitivities. There is one public water supply Source Protection Zone (SPZ) for groundwater abstraction at Ainderby Steeple west of Northallerton. Therefore this is a sensitive area for groundwater and the following paragraphs from our 'Groundwater protection: principles and practice GP3' guidance apply to discharges in SPZ1:</p> <p>G2 - Sewage effluent discharges inside SPZ1 Inside SPZ1 we will require all sewage effluent discharges (new or existing) to hold a permit. All permit applications will be considered on the basis of risk assessment and the appropriateness of the discharge with respect to the local environmental setting. Where necessary we will use a notice to stop any unacceptable discharge.</p> <p>G6 - Cesspools and cesspits Inside SPZ1 we will only agree to the use of sealed sewage storage (cesspools and cesspits) if it can be demonstrated that there is no practical alternative. Outside of SPZ1 we do not encourage their use, except in anything other than exceptional End 3 circumstances. A cesspool or cesspit is a sealed unit with no discharge to the environment that is used for the storage of untreated sewage. Poorly managed cesspools and cesspits present a considerable risk of causing pollution, which can be difficult to monitor and correct.</p>

Hambleton Gypsy, Traveller and Travelling Showpeople Guidance Note

GUIDANCE
PLANNING PERMISSION
POLICY
SITES
CONDITIONS
TRAVELLER
LOCAL ENFORCEMENT
APPLICATIONS
ADVICE
GYPSY
NATIONAL

Adopted December 2016

There are Gypsies, Travellers and Showpeople living within Hambleton District and the council has a duty 'to ensure fair and equal treatment for travellers, in a way that facilitates the traditional and nomadic way of life of travellers while respecting the interests of the settled community' (Planning Policy for Traveller Sites DCLG 2015, para3)

It must consider the needs of these communities when determining relevant planning applications and also when preparing its Local Plan, just as it does for the settled community.

Purpose of this Guidance Note

This guidance note sets out the information and evidence that the council will require to be provided by Gypsies, Travellers and Showpeople who are considering submitting a planning application for a new residential Traveller site or who are seeking to extend or improve an existing Traveller site. The same information and evidence will be sought in the investigation of any unauthorised sites. The Guidance Note draws upon national planning policy and the council's most recent research, and seeks to ensure that future provision for Traveller Sites will only be permitted where it meets a proven need that cannot be accommodated on an existing site and where it accords with national and local planning policy.

In this document "traveller" should also be taken to mean "gypsy" or "travelling showperson" except where a specific distinction is made.

The guidance clearly sets out when planning permission will be required, what the planning application process involves and what information and evidence the council will need to determine a planning application. Failure to provide satisfactory evidence to support the need for a new site or to extend an existing one will delay the planning application being considered and could ultimately lead to a refusal of planning permission.

National Planning Policy

A new Planning Policy for Traveller Sites was published in August 2015. It sets out the Government's aims in respect of traveller sites including local planning authorities making their own assessment of need, working collaboratively to develop fair and effective strategies to meet need, addressing under provision, reducing the number of unauthorised encampments and for Local Plans to include fair, realistic and inclusive policies. An extract from this document setting out the Government's aims in respect of traveller sites is attached as Appendix 1 of this guide.

The new national planning policy redefines 'traveller' (including gypsies) and travelling showpeople to exclude those who no longer travel permanently. The planning definition of travellers is now limited to those who have a nomadic habit of life. If someone has given up travelling, except where on the grounds of only their own or their family's dependent's needs for reasons of health, education or old age they have ceased to travel temporarily, they are to be treated no different from the settled population.

Travelling Showpeople are defined as members of a group organised for the purposes of holding fairs, circuses or shows, whether or not travelling together. They include people who on the grounds of their own or their own family's dependents more localised pattern of trading, educational, health needs or old age have ceased to travel temporarily.

Definitions taken directly from Annex1 of the national planning policy are attached as Appendix 2 of this note.

The guidance can be downloaded at:
planningguidance.communities.gov.uk

Local Planning Policy

Planning applications for traveller sites will be assessed in the light of national planning policy and policies contained in the Hambleton Local Development Framework, primarily policy CP8 (Type, Size and Tenure of Housing) of the Core Strategy document, adopted April 2007, and the policy DP14 (Gypsies and Travellers' Sites) of the Development Policies document which are attached at Appendix 3 of this document.

The council is preparing a new Local Plan which once adopted in 2018 will contain the policies against which planning applications will be assessed up to 2035. As part of this process the council will review, amongst other policies CP8 and DP14 to ensure it is up to date and reflects national policy.

Policy DP14 only permits provision of new accommodation where it would meet an established need and all criteria are met. Criteria cover matters such as scale, size and location and the need for development to enable integration with neighbouring communities.

Gypsy, Traveller and Showpeople's Needs

In December 2015 independent consultants were commissioned to assess the accommodation needs of Gypsies, Travellers and Showpeople in Hambleton up to the period 2035. This provides a key evidence base for the preparation of policy and against which the council will assess any planning applications for new residential sites and extensions to existing sites and also for the allocation of additional sites and extensions to existing sites through the emerging Local Plan.

The findings of the study can be downloaded at:

[hambleton.gov.uk/info/20036/housing/232
gypsies_roma_travellers_and_showmen_in_hambleton/3](https://hambleton.gov.uk/info/20036/housing/232/gypsies_roma_travellers_and_showmen_in_hambleton/3)

It is important that the findings of this research are kept up to date and therefore the study will be reviewed regularly.

Planning Applications

In almost all cases, planning permission is needed for new homes even where no 'building' as such is taking place. A 'new home' includes a caravan or other type of mobile home as well as a bricks and mortar house.

Travellers who are seeking to live in their own caravan on their own site must get planning permission. Extensions to existing sites also need planning permission and those planning to adapt or change their site in any way may also need planning consent, including for the construction of sheds, kennels, outbuildings etc.

Applications must be made to the council to get planning permission. An application will also need to be made to the council for a Caravan Site Licence before the site can be occupied. Consideration should be given to model licence conditions when setting out the site layout and facilities.

Finding a site

Before looking for a new site, Travellers should consider moving to a vacant pitch or plot on an existing site if there are any available. The supply of vacant pitches or plots will be a material consideration in determining any planning application for new provision (including extensions to existing sites) and the council will require evidence that these options have been exhausted if a new site is proposed. Applications will not normally be permitted where there is evidence of existing supply.

In the event a new site is being considered, undertaking research, including

finding out the likelihood of planning permission being granted, should be carried out before buying a site. It is important that copies of any permissions and licences are obtained.

Flooding

Sites will not be supported where they are in Flood Zone 3 given the high flood risk and the vulnerability of caravans. Any potential sites in Flood Zone 2 will also need to demonstrate that the Sequential Test and Exception Test have been carried out in a satisfactory manner.

A flood risk assessment (FRA) may be required in support of a planning application. Further advice can be found at:

[gov.uk/guidance/flood-risk-assessment-for-planning-applications](https://www.gov.uk/guidance/flood-risk-assessment-for-planning-applications)

An Environmental Permit from the Environment Agency may be required where non-mains foul drainage is proposed. Further guidance is available at:

[gov.uk/permits-you-need-for-septic-tanks/overview](https://www.gov.uk/permits-you-need-for-septic-tanks/overview)

Foul drainage should be connected to the main sewer. Where this is not possible, any discharge of sewage or trade effluent made to either surface water or groundwater will need to be registered as an exempt discharge activity or gain a permit issued by the Environment Agency.

Groundwater

The Environment Agency's 'Groundwater protection: principles and practice GP3' guidance applies to discharges in Groundwater Source Protection Zones 1. For more details visit:

apps.environment-agency.gov.uk/wiyby/37833.aspx

Before applying for planning permission applicants are encouraged to seek formal pre-application advice from the council to get a view on the need for and the suitability of the site. There is a charge for this but it will help identify the planning issues and provide an indication of whether the application is likely to be approved or refused so may save abortive costs going forward.

To seek advice please ring the Development Management Team on:

01609 779977 or download the form at:

hambleton.gov.uk/downloads/download/176/pre-application_enquiry_form

Applying for Planning Permission

A planning application form must be completed. This can be collected from the local council offices or downloaded at:

hambleton.gov.uk/downloads/20559/application_forms
or the planning portal: **planningportal.gov.uk**

If applicants are unsure what to do and what is needed in terms of providing key evidence such as confirmation of Traveller status it may be advantageous to use an agent or planning consultant to complete the form. The planning application form must be submitted alongside a signed completed version of the form attached at Appendix 4 of this note, the required fee and plans to the council. Details of planning fees can be found at:

hambleton.gov.uk/info/20174/planning_applications/244/fees_for_planning_applications_and_enquiries

Provided the council receives a planning application, and all the documentation is in order, it will be validated, given a unique reference number and allocated to a case officer.

If the required information is not submitted the application will not be processed. We will write to you advising what steps are necessary to rectify the omissions in the application.

Evidence to be provided by the applicant:

The form attached as Appendix 4 must be completed and submitted as part of the planning application.

The information provided on the form and supporting documents will be used to scrutinise the planning application and to assess whether or not the development is needed. It includes providing the necessary information for Traveller status to be considered (if this is being claimed); details of who will be living on the site, their relationships and any health issues they may have; the number and type of caravans that will normally be on the site; details of any buildings that are proposed; an explanation why the site is needed, the reasons for choosing this site and written evidence wherever possible of what efforts have been made to investigate suitability of alternative sites, including existing sites.

Applicants will be required to provide evidence to support the answers they have given to the questions asked on the form for example receipts/invoices to confirm where individuals have travelled to, the work that was undertaken whilst travelling and Council Tax information to confirm who lives as part of the family group.

If anything is missing the council will contact the applicant explaining what other information is needed and any outstanding information must be sent as quickly as possible. With the exception of sensitive personal data, any information sent will be made available for anyone to see. If all the information required is not provided the application may not be determined or may be refused.

You can speak to the case officer to check how your application is progressing.

The council will contact people and organisations eg neighbours, parish council, the local highway authority etc. that may be affected by or have a view on the application. The council will aim to reach a decision within eight weeks or an alternative date agreed between the council and the applicant although this is not always possible. Anyone can write to the council and comment on the application either to support or object but they must give valid planning reasons if they are to be considered.

Determination of planning applications

In line with Government policy the council will consider the following matters when determining applications for new Traveller sites or extensions to existing sites:

- Local Development Plan policies.
- The existing level of local provision and need for sites within the district.
- The availability (or lack) of alternative accommodation for the applicants.
- Other personal circumstances of the applicant such as health or educational issues.
- The character of the site.
- The location of the site.
- If the site is on land designated as Green Belt or subject to other environmental protection.
- Whether the site floods.
- The effect of the proposal on local infrastructure eg highways, schools, public services, utilities, drainage.

Importance will be given to the following:

- The effective use of previously developed (brownfield) untidy or derelict land.
- A site which is well planned or soft landscaped positively enhancing the environment and increasing openness.
- If the site promotes opportunity for healthy lifestyles eg adequate play equipment for children.
- Close proximity to shops and other local services ie within approximately 2km and preferably with a footway connection from the site to these facilities.
- Sites in rural areas respecting the scale of the nearest settled community.
- Avoidance of sites that are in open countryside.
- Appropriate levels of enclosure that ensure that occupants are not deliberately isolated from the rest of the community.
- Avoidance of sites that are in areas at a high risk of flooding.

The Decision

A planning officer will deal with the application but the decision will be made by the Planning Committee or a senior planner, under delegated powers.

If the decision is made by the Planning Committee, applicants can attend the meeting at which the decision is to be made and they or their agent can speak for three minutes in support of the application provided that they register beforehand to do so.

The Planning Committee does not have to make a decision if it decides it needs more information or wishes to visit the site first. The decision may then be deferred to the next meeting. The council can decide to approve the application (usually subject to conditions) or to refuse it. The decision will be detailed in a Decision Notice which will be sent out to the applicant or agent.

Planning permission will not usually be granted if it is established that there are existing sites available in the district.

Conditions

There will almost certainly be a list of planning conditions attached if planning permission is granted. These will depend on the nature and form of the application and the site. Some examples of conditions are:

- The development must commence within three years.
- Non-residential use such as a business activity is defined and limited to a certain part of the site, in order to minimise the visual impact and noise.
- Provision and maintenance of services such as septic tanks.
- The number of caravans is limited.
- Permissions for showpeople's yards will also include conditions limiting the number of trailers and regulating their repair, maintenance and testing.

In the event an applicant considers that their exceptional circumstances warrant the granting of a planning consent, whereby the use of the site is limited to the applicant and their family (personal permission) it will be for them to demonstrate such a case. This may be where there are particular circumstances allowing them to focus their search on a particular area eg health or educational issues to justify this.

Failure to comply with these conditions will leave you liable to enforcement action. In instances where business activity is allowed on a certain part of the site there will be a requirement to pay business rates.

Right to Appeal

Appeals can be made against the refusal of planning permission and also against any conditions that are felt to be unfair or unreasonable.

The appeal process involves an independent government inspector from the Planning Inspectorate who will reconsider the planning application and the council's reasons for refusing it. Applicants have six months to make an appeal from the date of the refusal.

Following an appeal it can take up to six months for a decision to be issued.

| Enforcement

The council has powers to act against anyone who does not have planning permission to live on their site. Failure to do what the council says may end in prosecution. If an injunction is issued and not acted upon this might result in a prison sentence.

The council will normally seek to recover its costs in such circumstances.

Types of Enforcement Action

- Temporary Stop Notice - which comes into force straight away and stops any further development for 28 days
- Enforcement Notice - identifies the breach of planning control and the next steps needed to be taken to resolve the issue. Appeals can be made to the Planning Inspectorate.
- Stop Notice - which can only be issued at the same time as an Enforcement Notice and is used to stop the development before the Enforcement Notice comes into effect.
- Injunction - an application to the courts to stop the development.
- Breach of Condition Notice - requires the owner or occupier to comply with any outstanding requirements of a condition imposed on the planning permission. No right of appeal.

| The Local Plan Process

Travellers who anticipate needing multiple pitch or plot sites or site extensions for more than one family should progress these matters through the Local Plan process.

Hambleton has commenced work on a new Local Plan which will guide development up to 2035. A key purpose of the Local Plan is to meet the housing needs of all groups in society and to get the right development in the right place.

The timetable for adoption of the Plan is December 2018. Should anyone have sites that they wish to be considered for inclusion in the emerging Local Plan they should:

contact the Planning Policy team on **01609 779977** or email
planningpolicy@hambleton.gov.uk

I Appendix 1

Government's aims in respect of traveller Sites (direct extract from National Planning Policy)

- a.** that local planning authorities should make their own assessment of need for the purposes of planning
- b.** to ensure that local planning authorities, working collaboratively, develop fair and effective strategies to meet need through the identification of land for sites
- c.** to encourage local planning authorities to plan for sites over a reasonable timescale
- d.** that plan-making and decision taking should protect Green Belt from inappropriate development
- e.** to promote more traveller site provision while recognising that there will always be those travellers who cannot provide their own sites
- f.** that plan-making and decision taking should aim to reduce the number of unauthorised development and encampments and make enforcement more effective
- g.** for local planning authorities to ensure that their Local Plan includes fair, realistic and inclusive policies
- h.** to increase the number of traveller sites in appropriate locations with planin permission, to address under provision and maintain an appropriate level of supply
- i.** to reduce tensions between settled and traveller communities in plan-making and planning decisions
- j.** to enable provision of suitable accommodation from which travellers can access education, health, welfare and employment infrastructure
- k.** for local planning authorities to have regard to the protection of local amenity and local environment

Appendix 2

Definitions (Extract from Planning Policy for Traveller Sites, Annex 1 Glossary, DCLG August 2015)

Gypsies and travellers: Persons of nomadic habit of life whatever their race or origin, including such persons who on grounds of only their own or their family's dependants' educational or health needs or old age have ceased to travel temporarily but excluding members of an organised group of travelling showpeople or circus people travelling together as such'

Travelling Showpeople: Members of a group organised for the purposes of holding fairs, circuses or shows (whether or not travelling together as such). This includes such persons who on the grounds of their own or their family's dependants' more localised pattern of trading, educational or health needs or old age have ceased to travel temporarily, but excludes Gypsies and Travellers as defined above.

Pitch: Means a pitch on a gypsy and traveller site.

Plot: Means a pitch on a 'travelling showpeople' site (often called a yard).

Appendix 3

Policy CP8: Type, Size and Tenure of Housing (Hambleton Local development Framework Core Strategy Document, adopted April 2007)

Proposals for housing must take appropriate account of local housing needs in terms of size, type and tenure of dwellings. These needs will include appropriate provision for all sectors of the community, for example including the needs of elderly people and also for the particular needs of gypsies and travellers.

Policy DP14: Gypsies and Travellers (Hambleton Local Development Framework Development Policies Document adopted 2008)

Permission will be granted for the provision of accommodation that meets the needs of gypsies and travellers' communities where the proposal would represent a way of meeting an established need, in accordance with the following criteria. These criteria will also be used as a basis for allocating sites to meet a need for Gypsy and Traveller accommodation identified through a Gypsy and Traveller Accommodation Assessment.

Sites should:

- i.** be located within reasonable distance of services and community facilities, within or close to a Service centre or Service Village, in order that residents should have access on the same basis to shops, social, educational and health facilities;
- ii.** provide an acceptable living environment, where there is potential for future improvements in accordance with the needs of the community
- iii.** be of an appropriate size which reflects both:
 - a.** the planned number of caravans and the need for separate space for commercial vehicles, a play area for children, access roads and space for safe circulation of vehicles and construction of amenity blocks; and
 - b.** the need to ensure a scale of development which allows integration with neighbouring local communities taking into account the size and density of development in the locality and availability of local infrastructure;
- iv.** have safe and convenient access to the road network. Vehicle movements should not cause hazard to other users, eg onto a bridleway or footpath;
- v.** avoid creating demonstrable harm to the amenity of existing communities, or to the natural, archaeological and historic environment, including wildlife sites and any trees and woodland in the area, and provide mitigating measures (such as landscaping) where necessary;
- vi.** not be located on contaminated land (unless remedial measures are undertaken first). This does not necessarily rule out all locations near or adjoining motorways, power lines, landfill sites or railways, any more than it would for conventional housing.

Appendix 4

Form to be completed and submitted as part of the Planning Application

Confirmation of Gypsy status (if this is being claimed)	
How many trips, living in a caravan or trailer has the applicant or family members made away from their permanent base in the last 12 months? When did these trips take place? (ie dates)	
Which family members travelled (ie all the family/ adult males), how long for and what was the main reason for travelling (ie work/holidays/visiting family/fairs)?	
At what time of year do the applicants or family members usually travel and for how long (ie all year/summer/winter)?	
Where do the applicant or family members usually stay when travelling (ie transit sites/roadside/friends/family etc.)?	
If the applicant has ceased to travel temporarily have they travelled in the past? If so when?	
If the applicant has travelled in the past why have they stopped and do they plan to travel again in the future?	
Other information	
Who will be living on the site including names (if known) and family relationships?	
If more than one family (parent(s) and children) intend to occupy the site, how long have they travelled together and how important is it that they stay together?	
If more than one family do the applicants want to be treated as a single group or as individual families?	
How many caravans will normally be on the site, and what type (ie touring or static)?	

Are any buildings (day rooms, stables, toilet blocks etc.) proposed? if so, provide details	
Is any business use of the site proposed?, if so provide details	
Why is a site is needed?	
Why has this site been chosen?	
Does this applicant own other sites or permanent accommodation? If so please give details.	
Can any written evidence be provided to show what efforts have been made to find an alternative site? (eg approaches to local planning authority's housing and planning departments including applications for a pitch on a Local Authority site, estate agents, landowners, other gypsies and travellers.)	
Are there any health issues which affect the day to day lives or educational needs of the applicants? (Written evidence in support of these matters must be submitted but these may become public documents and should be written with this in mind. The confidentiality of personal information will be respected in line with Data Protection laws).	
Is planning permission sought on a temporary basis? If so how long for and why? When will travel re-commence and what then will become of the site?	

**This information is available in
alternative formats and languages**



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HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
6 December 2016

Subject: PRIVATE SECTOR HOUSING ASSISTANCE POLICY

All Wards

Portfolio Holder for Environmental Health, Waste and Recycling: Councillor S Watson

1.0 PURPOSE AND BACKGROUND:

- 1.1 The purpose of this report is to seek approval for a revised Private Sector Assistance Policy, attached at Annex A, that will provide funds and support in the following instances:-
1. Energy Repayment Loans and Home Appreciation Loans for owner-occupiers who are unable to pay for energy efficiency work on their properties and where additional works are required to make the energy efficiency works effective;
 2. Disabled Facilities Grants to help people who have a disability adapt their home to make it easier for them to continue to live there or maintain their independence;
 3. Empty Property Loans for property owners to bring their properties back into/develop into occupancy;
 4. Advice/Support and Signposting for tenants and landlords.
- 1.2 Based on the most recent data from the Local Government Association, 13.2% of households in Hambleton are unable to afford to heat and power their homes to the level necessary for maintaining health and wellbeing. These households are regarded as being in fuel poverty. Although households comprising people aged 60 years and over are still likely to be fuel poor, under the new definition, the most likely groups are younger single person households and those containing children, particularly lone parent families.
- 1.3 About 20% of all older households live in rural areas and generally rural homes are older, suffer from greater disrepair and poorer energy efficiency. There is a growing body of evidence linking adverse health effects with poor housing conditions.
- 1.4 The main effects of excess cold, being a Category 1 hazard under the Housing Health and Safety Risk Assessment process, are:-
- Respiratory diseases, chronic obstructive pulmonary disease, cardiovascular conditions;
 - Increased risk of falls;
 - Worsening of symptoms of rheumatoid arthritis and leg ulcers;
 - Excess winter deaths
 - Work and school days lost impacting on educational attainment
- 1.5 Excess cold is one of the most common reasons for failure of the Decency Standard and contributes most significantly to ill health and costly fuel bills, particularly for the most vulnerable. Excess cold can and has resulted in 'bed-blocking' where a vulnerable person cannot be discharged from hospital to recover at home if their home is not capable of being kept warm.
- 1.6 The Health Profile for Hambleton 2016 reports that one of the priorities in terms of health is reducing excess winter deaths. Although the Hambleton score is not significantly different to the England average, there is scope for improvement.

2.0 LINK TO COUNCIL PRIORITIES:

2.1 Priorities of this Council include enhancing health and wellbeing and providing a special place to live. This proposed Policy will also focus on a priority of the North Yorkshire Joint Health and Wellbeing Strategy 2013-2018 by improving the availability of more affordable housing that is appropriate to people's needs. This policy would add to Hambleton's Housing Strategy by improving the current housing stock which will largely still exist in 100 years.

3.0 RISK ASSESSMENT:

3.1 There are no significant risks involved in the adoption or implementation of this Policy.

4.0 FINANCIAL IMPLICATIONS:

4.1 There are no financial implications associated with this Policy.

4.2 The Disabled Facilities Grants are already included in the budget.

4.3 Home Appreciation Loans have been administered by Sheffield Homes and Loans Service since 2007 on behalf of 21 Yorkshire authorities. The funds were originally provided by the Regional Housing Board. Although the Government scheme closed in 2010, the loans continue to be repaid and sufficient funds have accumulated such that all 21 authorities have been allocated a share which currently amounts to approximately £25,000.

4.4 Energy Repayment Loans will become available shortly when the Council will be able to access the £25,000. There is no financial risk to or obligation on this Authority. These funds would form the basis for the initial implementation of the Policy. Applications for further funding would be made in order to implement all elements of this Policy. As this Policy would contribute to the aims and priorities of many organisations bids would be made for additional resources to the Director of Public Health and the CCG.

4.5 Funds to be realised from future repayment of Property Enhancement Loans to this Authority to the value of £17,380 have been identified from existing budgets to be used to implement this Policy.

5.0 LEGAL IMPLICATIONS:

5.1 Formal arrangements with Sheffield Homes and Loans Service will be subject to the terms of a Regional Agreement. This is currently being finalised by Sheffield for formal agreement with each of the 21 local authorities involved.

6.0 EQUALITY/DIVERSITY ISSUES

6.1 This Policy is of direct benefit to those on low incomes or with disabilities.

7.0 HEALTH AND SAFETY ISSUES

7.1 There are no health and safety implications with this Policy

8.0 RECOMMENDATION(S):

8.1 That Cabinet approves and recommends to Council that:-

- (1) the revised Private Sector Housing Assistance Policy be approved; and

- (2) Sheffield City Council be authorised to administer the Energy Repayment and Home Appreciation Loans Service on behalf of Hambleton District Council.

MICK JEWITT

Background papers: Council Plan 2015-2019
North Yorkshire Joint Health and Wellbeing Strategy 2013-2018
Hambleton Health Profile 2016. Public Health England
Regulatory Reform (Housing Assistance)(England and Wales) Order
2002

Author ref: PM

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Environmental Health Manager
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PRIVATE SECTOR HOUSING ASSISTANCE POLICY

Housing Grants, Construction & Regeneration Act 1996
The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002

Effective from	13 December 2016
To be reviewed at the latest by	31 March 2018

Version 4 - Nov 2016

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CHAPTER 1 – INTRODUCTION

The Hambleton District Council Private Sector Assistance Policy 2016-2019 is made under the provisions of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 Statutory Instrument No: 1860(the RRO)

This policy sets out the range of financial assistance that Hambleton DC will make available, together with the eligibility criteria and the conditions that will be applied to each form of assistance. This document sets out the Council's policy for providing assistance under the RRO, and applies in addition to the provision of assistance which can be made under alternative statutory powers such as the provision of mandatory Disabled Facilities Grants under the Housing Grants Construction and Regeneration Act 1996. The Policy replaces the previous edition adopted by Cabinet on 09 May 2006.

The Council's view is that it is primarily the responsibility of homeowners to maintain their own property but accepts that some homeowners, particularly the elderly and most vulnerable, do not have the necessary resources to keep their homes in safe and good repair. This policy reflects this safety net approach and will develop future policies to provide advice and information to help homeowners arrange their own financial packages to maintain their homes.

The Policy makes provision for a number of types of assistance:

- Energy Repayment Loan
- Home Appreciation Loan
- Disabled Facility Grants
- Empty Property Loans
- Advice/Support and Signposting

The amount of assistance to be given each year will be dependant upon the level of capital resources available and will be subject to eligibility criteria and conditions. The Head of Service- Leisure and Environment will consider exceptional circumstances outside the scope of the policy.

CHAPTER 2 – AIMS AND PRIORITIES

2.1 Aims of the Policy

The Private Housing Assistance Policy links to the aims and objectives of the Hambleton Housing Strategy Action Plan 2015-21 and reflects national, regional and local policies.

The policy contributes to a number of the Nine Housing Priorities laid out in the York, North Yorkshire and East Riding Housing Strategy 2015 - 2021.

The Government believes that it is primarily the responsibility of homeowners to maintain their own property. Many homeowners have the necessary funds to carry out repairs and improvements - although they may benefit from receiving practical advice. However, there remains a minority of homeowners, particularly the elderly and vulnerable, who may not have access to the necessary resources to keep their homes in good repair. The Energy Act 2011 also sets out requirements on private sector landlords in relation to their tenanted properties. The Government accepts that Local Authorities have an important role to provide further assistance in these cases.

The policy will seek to improve private housing through:

- The use of public funds to assist the most vulnerable client groups who are living in inadequate housing and support to owners to return long term empty properties into residential use;
- The effective targeting of resources to secure the Council's overall strategic objectives.
- Supporting owner occupiers to improve energy efficiency and reduce fuel poverty.

Housing is recognised as playing a key role in achieving the District Council's priorities of 'Enhancing Health and Wellbeing' and 'Providing a Special Place to Live'.

2.2 Priorities of the Policy

The Policy identifies 3 key priority action areas:

- Improve the condition of private sector housing stock
- Adapting homes for people with disabilities
- Tackling fuel poverty and improving energy efficiency

CHAPTER 3 – GENERAL PROVISIONS

3.1 Introduction

The Council will publicise the adoption of the Policy widely and in doing so makes a commitment to apply the highest standards of customer care. In applying the Policy it is important to recognise that a number of conditions will be applied to all forms of assistance with additional specific conditions applying to a number of forms of assistance.

The following general provisions will apply throughout the policy:

- Before any financial assistance is provided, the Council will set out in writing to each person the terms and conditions to which the assistance is to be subject;
- A person's ability to contribute towards or repay any assistance is taken into account;
- Clear details will be given in writing to any applicant for financial assistance of any fees and charges that will be levied prior to any works commencing.
- Risk and fraud is minimised by following Government's Housing Renewal Guidance and working closely with Veritau who provide auditing services to the Council.
- Financial assistance would not normally be available to improve, adapt or repair living accommodation of a Registered Provider (RP). The only exception to this provision will be in the provision of assistance through mandatory Disabled Facilities Grant. Applications for Disabled Facilities Grant will be considered from RP tenants. However in such instances the Council will expect the RP to have explored all alternative solutions prior to encouraging such an application. The Council does have recourse to enforcement action in respect of RP property in line with its Private Sector Housing Enforcement Policy.
- The Council will only provide financial assistance for home energy efficiency measures where an individual is unable to obtain assistance through any national schemes or for a top up where other schemes do not meet the full costs.
- The Council will seek to process all grant applications from receipt of initial enquiry to completion within reasonable time scales.
- The Head of Service- Leisure and Environment will consider, in exceptional circumstances, applications not covered by the policy, where there are health or safety risks or other relevant circumstances

3.2 Complaints Procedure

The Council has adopted a formalised complaints procedure that is easily accessible in a leaflet available from the Council upon request. Where disputes cannot be resolved then the officer concerned will explain how a complaint may be made.

3.3 Appeals Procedure

The process is available to anyone who is dissatisfied with an officer's decision made in line with the Council's Housing Assistance Policy. The process will also apply in cases where the Council is seeking repayment of financial assistance under conditions which were set out at the time the assistance was given, but the person from whom the repayment is being sought wishes the Council to consider waiving the repayment.

Appeals on these issues should be made in writing to the Director of Leisure and Environment stating the nature of and the reasons for the appeal.

The Director may request any additional information from the appellant that he feels necessary for a fully informed decision to be made on the matter.

The facts of the case will be reviewed by the Director and the relevant service manager. The Director will notify the appellant of the outcome of the appeal giving full reasons for the decision.

CHAPTER 4 - PARTNERS IN SERVICE DELIVERY

4.1 Services provided by the Council

As well as providing general services for all householders in the District, the Council has a role in shaping the structure of private sector housing through the following policy areas:

- Planning - facilitating affordable housing development
- Private Sector Housing Activity - including advice services, financial assistance, implementing the Hambleton Housing Strategy Action Plan and taking formal and informal enforcement action where necessary.
- Finance – administration of the Benefits service.

4.2 Services provided by Swale Home Improvement Agency

The Council has an existing partnership with Swale Home Improvement Agency.

Home Improvement Agencies are a network of small not-for-profit organisations that help people to remain in their own homes through linking Housing, Health and Social Care services. Although independent from local authorities, Home Improvement Agencies work closely with councils in the areas they operate in, as well as working with Health and Social Services and a range of other voluntary and statutory agencies. Their emphasis is on client-centred services, and therefore they will advise on and draw in appropriate services and benefits for each individual customer.

Swale Home Improvement Agency funding comes from a number of sources and Hambleton District Council is a partner to that. Home improvement agencies are able to draw in funding from other sources including additional grants and service-related income from Health and Social Services, fee income from customers, plus voluntary sector and/or charitable funding from other sources.

They visit clients in their own homes and provide a free and confidential advisory service. If works then proceed, for a small fee, they can advise and support clients throughout the process including:

- The preparation of schedules of work, detailed drawings and contract document.
- Help in finding a suitable and reliable builder and in obtaining competitive quotes.
- Obtaining the required Local Authority Planning and Building Regulations approvals.

Advice on and help in securing possible sources of funding including:

- Hambleton District Council funded housing assistance
- Warm Healthy Homes
- Charitable Funding

- Energy Company Obligation

In addition the Agency provides a number of ancillary services and details can be found on their website <https://www.yorkshirehousing.co.uk/home-improvement/swale> .

4.3 Sheffield City Council

Sheffield City Council operates and administers the Energy Repayment & Home Appreciation Loans on behalf of Hambleton District Council via the Homes and Loans Service. The loans will be subject to the conditions and operating practices and policies of the Homes and Loans Service.

CHAPTER 5 – ENERGY REPAYMENT LOANS

5.1 Purpose of the loan

The Energy Repayment Loan (ERL) is to help homeowners undertake work within their properties to address excess cold and fuel poverty issues.

The scheme is operated and administered by Sheffield City Council who are working in partnership with Hambleton District Council to make loans available.

The loan is repayable on a monthly basis by the client by direct debit from their bank account.

5.2 Eligibility for a loan

To qualify for assistance an applicant must normally:-

- a) Be aged 18 or over
- b) Have a gross income of less than £25,000 per annum, or be in receipt of Council Tax Benefit, or be in receipt of Council Tax Reduction or a Means Tested Benefit
- c) **And** unable to access commercial loans

but the Council are satisfied that the applicant, based on its assessment will be able to make the loan repayments, under the ERL.

In determining ability to repay, the offer of a loan and the repayment term requires the completion of a month based budget planner by the client, supported by evidence of key expenditure over the last three months.

Evidence of adverse credit rating, County Court judgements etc. will also be checked and taken into account.

Normally, the required monthly repayment amount will be 25% of the disposable income a client has left after payment of all necessary expenditure and living expenses.

5.3 What work can the loan be used for?

Energy efficiency works could include:-

- Central heating boilers
- Replacement radiators
- Providing radiators in rooms where none are provided
- Top up for loft and cavity wall insulation, draft proofing, hot water tank and pipe insulation where the cost of the work exceeds other grant funding
- Minor repair items that may be contributing to excess cold eg defective guttering, defective pointing, ill-fitting windows, damaged double glazing, heating controls

5.4 Amount of loan payable

The loan will operate as a monthly repayment loan, with a term of from 1 to 5 years. The loan limits will normally be from £300 to £3,000.

CHAPTER 6 – ADAPTATIONS ASSISTANCE

6.1 Disabled Facilities Grant

Purpose of the grant

The grant is to help people who have a disability adapt their home to make it easier for them to continue to live there or maintain their independence. The government sets out what the grant can be used for and a maximum amount that can be paid - this is called the mandatory grant. In certain circumstances the Council will pay an additional discretionary amount.

Who is eligible for a grant?

Homeowners, housing association tenants and private tenants can apply in respect of a disabled occupant. Applications will only be considered where an occupational therapist has recommended the work. This means that the works need to provide the most effective long-term solution, taking into account the relevant circumstances of those affected. In some instances, the existing home will not be suitable for adaptation and, with the disabled person's agreement, the Council may decide that it is better for them to move to more suitable accommodation.

What work will the grant cover?

In considering the occupational therapist's recommendations, the Council must establish that the proposed works are necessary, appropriate, reasonable and practicable having regard to the age & condition of the dwelling.

The following categories of work are eligible for mandatory disabled facilities grant:

- Facilitating access to and from the dwelling or building by the disabled occupant
- Making the dwelling or building safe for the disabled occupant
- Access to the principal family room by the disabled occupant
- Access to, or providing a bedroom for the disabled occupant
- Access to, or providing a room containing a bath or shower for the disabled occupant or facilitating the use by the occupant of such a facility
- Access to, or providing a room containing a WC for the disabled occupant or facilitating the use by the occupant of such a facility
- Access to or providing a room containing a wash hand basin for the disabled occupant or facilitating the use by the occupant of such a facility
- Facilitating the preparation and cooking of food by the disabled person
- Improving or providing a heating system for the disabled person
- Facilitating the use of power, light or heat by the disabled person by

- altering same or providing additional means of control
- Facilitating access & movement around the dwelling to enable the disabled person to provide care for someone
- Access to gardens

How much grant will be given?

Normally the disabled person and any partner are means tested to determine the amount of their contribution towards the cost of the work. However, if the disabled applicant is in receipt of a qualifying benefit the applicant will be passported through the means testing.

The maximum mandatory grant is £30,000

Fees for professional services can also be included in the grant amount.

Other conditions

Property charges will apply to all grant works that exceed £5,000 excluding any agency or professional fees.

The table below gives examples of grants and the respective charges:-

Grant	Land Charge	Comment
£4,999	No charge	Below statutory level
£5,500	£500	A charge relating to the value above the £5,000 grant level will be placed
£6,000	£1,000	
£8,000	£3,000	
£15,000	£10,000	The maximum charge of £10,000 will be placed
£30,000	£10,000	

The land charge period will be a maximum of **ten years** from the date of final grant payment.

The Council has the discretion to reclaim any or the entire grant paid, but it is required to consider the following:

- The extent to which the recipient would suffer financial hardship if the grant was reclaimed,
- Whether the disposal of the property was to enable the recipient to take up employment, or change the location of their employment,
- Whether the disposal of the property is made for reasons of the recipient's physical or mental health or well being, or
- Whether the disposal is made to enable the recipient to live with, or near, any person who will provide care for the recipient by reason of their disability.

Under this policy the discretion not to reclaim any or the entire grant paid will be delegated to the Director of Economy & Planning.

- Where a client has several Disabled Facility Grants successively, each, if over £5,000 will have its own land charge applied to it.
- The normal conditions prescribed under the Housing Grants, Construction & Regeneration Act 1996 that relate to Disabled Facilities Grants will remain

In the event of a breach of a condition, the owner of the dwelling shall, on demand, repay the Council the amount of the grant.

6.2 Discretionary Adaptation Assistance

6.2.1 Applications for all types of discretionary assistance will be considered on an individual basis by the Director of Economy & Planning.

6.2.2 Re-location loans

The Council will also offer discretionary assistance, in the form of an interest free loan of up to £10,000 where the property of an owner-occupier who qualifies for mandatory DFG is not suitable or reasonably capable of being adapted for the needs of the applicant. In these circumstances, the Council will consider on an individual basis applications for financial assistance to move to a more suitable property.

The maximum financial assistance available will be up to £25,000 of mandatory DFG grant for adaptations to the new property plus up to £10,000 of discretionary loan assistance to cover actual moving costs and any top-up assistance required for adaptation works to the new home. Applications will be considered in consultation with North Yorkshire County Council Health and Adult Services, who must confirm that the new home is suitable for adaptation to the needs of the applicant.

Discretionary interest free loan assistance will require repayment to the Council.

The value of the loan will be registered as a local land charge on the property and will be subject to repayment when the property is sold or ownership is transferred.

6.2.3 Alternative Schemes of Work

In certain circumstances consideration will be given to allowing grant assistance for a recommended scheme of adaptation works to be offset against another alternative scheme of works, providing the alternative scheme meets the needs of the disabled person.

Any proposed alternative scheme of works would be assessed by NYCC's Health & Adult Services to ensure that the scheme will still meet the needs of the disabled person.

Costs would be limited to those assessed on the original scheme or no more than the actual cost of work. The cost of the original scheme of works will be properly assessed and this will be the final sum the Council will pay towards an alternative scheme of works. The applicant would be responsible for any unforeseen works.

6.2.4 Repayment of the loan

In respect of discretionary interest free loan assistance the Council will require repayment of the loan.

Where appropriate, the value of the grant or loan will be registered as a local land charge on the property and will be subject to repayment when the property is sold or transferred.

Applications for all types of discretionary assistance will be considered on an individual basis by the Director of Economy & Planning.

CHAPTER 7 – HOME APPRECIATION LOAN

7.1 Purpose of the loan.

A Home Appreciation Loan (HAL) is an equity release loan to assist vulnerable homeowners in bringing their homes up to decent homes standards, or to assist with adapting the property.

The loan will be operated and administered by Sheffield City Council on behalf of Hambleton District Council via the Homes and Loans Service. The loan will be subject to the conditions and operating practices and policies of the Homes and Loans Service.

7.2 Who is eligible for a loan?

To qualify for assistance an applicant must normally:-

- a) Be aged 18 or over
- b) Have a gross income of less than £25,000 per annum, or be in receipt of Council Tax Benefit, or be in receipt of Council Tax Reduction or a Means Tested Benefit
- c) **And** unable to access commercial loans

7.3 What work can the loan be used for?

The HAL can only be used to cover works that have been specified and agreed on the schedule of works provided by the local authority. The types of work which will be considered are as follows:-

- To meet health & safety and decency standards - examples are rewiring, roof repairs and window replacements
- Energy efficiency works such as central heating boilers, replacement radiators
- Works to meet the decency standards such as replacing the kitchen or bathroom including tiling to these rooms if required. The amount will not normally be restricted for kitchens and bathrooms however only reasonable costs of these items will be considered to include a reasonable quality of fixture and fittings. The local authority will determine the reasonable amount. Kitchen appliances such as cookers, washers, fridge freezers etc... are not covered by the loan scheme.
- To cover the costs of any shortfall on mandatory disabled facilities grants that have been agreed by local authorities, including any clients contribution which is more than £1,000.00.

- Any disabled adaptations that a client may have to pay for themselves.

7.4 How much loan will be given?

- The minimum loan that will be available is £1,000 and the maximum loan is normally £30,000.
- The loan must not normally exceed 50% of the unimproved value of the property.
- The total borrowing, including any outstanding mortgages or secured loan, must not exceed 70% of the unimproved value of the property.
- Loan referral outside of these limits may be considered in exceptional circumstances.

There will be limited budget each year for this assistance and enquiries will be dealt with in date order in a waiting list system.

CHAPTER 8 - EMPTY PROPERTY LOAN

8.1 Purpose of the loan

An Empty Property Loan (EPL) is to help create additional rented housing accommodation by returning empty dwellings into use or by converting empty homes or unused space associated with commercial premises into new homes. In addition to reducing the number of empty properties the grants will also help to reduce the number of non-decent homes.

On completion properties must be made available for rent to tenants nominated by the Council at an affordable rent for a period of 5 years.

The loan will be paid back each month by direct debit.

The loan will be operated and administered by Sheffield City Council on behalf of Hambleton District Council via the Homes and Loans Service. The loan will be subject to the conditions and operating practices and policies of the Homes and Loans Service.

8.2 Who is eligible for a loan?

At the date of the application the following conditions must be met:-

- Property
 - The property must be an empty home or be unused space that has been unoccupied for at least 6 months
 - An empty home must fail to meet the Decent Home Standard except in cases where the grant is to convert it into two or more dwellings.
- Eligible applicants must
 - Have an owner's interest in the property
 - Have the legal right to undertake the eligible works
 - Have the legal right and any necessary consent to let the property for rent to tenants for a minimum period of 5 years.

8.3 What work can the loan be used for?

The Council will determine the reasonable cost, extent and nature of the works to be undertaken which will be eligible for grant assistance. The eligible works may include any of the following:-

- Repair and improvement work required to bring an empty property up to the Decent Home Standard including works required to prevent the dwelling from becoming not decent within 5 years.
- Additional energy efficiency works above the Decent Home Standard where required to provide a minimum 270mm loft insulation, cavity wall insulation, tank & pipe lagging, draught

proofing and Sedbuk A or B rated boiler replacement or thermostatic radiator valves.

- Works required to convert an empty home into two or more dwellings.
- Works required to convert unused space into one or more dwellings
- All relevant professional fees associated with the eligible works including architects, surveyors, planning or building control fees, Home Improvement Agency fees or any other Council fees or charges.
- On completion of the grant aided works all dwellings repaired, improved or created by conversion must meet the Decent Home Standard and be fully self-contained units.

8.4 How much loan will be given?

The amount of loan approved will be 100% of the reasonable cost of the eligible works up to a maximum of £15,000 per dwelling.

Where the application is to convert an empty dwelling into two or more dwellings or to convert unused space into one or more dwellings the maximum grant will be £15,000 per dwelling unit created.

Where the cost of the eligible works exceeds the amount of grant offered, applicants will be required to fund the excess cost from their own resources.

8.5 Priority for Assistance

Priority for loan assistance will be determined on the basis of how well applications meet the identified housing needs of Hambleton and the resources available.

Factors that will be taken into account when determining priority include:

- Demand for housing in the locality
- Suitability of the property
- The number of homes created or brought back into use
- The length of time the property has been empty
- The letting conditions agreed for the property
- The amount of financial assistance required

CHAPTER 9 - GENERAL ASSISTANCE CONDITIONS

The following general conditions will normally apply to applications for assistance:

- Properties eligible for assistance must be more than 10 years old except for Disabled Facilities Grants.
- Two competitive estimates are required for all eligible works.
- Applicants or members of their families who wish to carry out assistance aided works themselves will only be eligible for the cost of materials. Satisfactory invoices or receipts will be required before payment is made.
- The eligible works must be commenced within 3 months of approval and completed within 12 months of the date of approval of the application for assistance.
- Work must not be started before written approval is received as assistance is not available retrospectively.
- Additional or unforeseen works identified during works in progress will only attract additional financial assistance if the works are approved by the Council following a written estimate from the contractor.
- Payment will be made direct to the contractors or supervising agent on completion of the specified works, receipt of a satisfactory invoice and a satisfactory final inspection.
- Interim payments may be made as work progresses on receipt of satisfactory invoices subject to such payments not exceeding 90% of the total value of the works.
- Any works that may be covered by an insurance policy will need to be pursued through the customer's insurance policy and the outcome confirmed in writing before works commence.

Fees for Preliminary and Ancillary Service Charges

Charges incurred by the applicant may form part of the financial assistance being provided for the following types of services:

- Preparation of schedules of works
- Assistance in the completion of forms and the application process
- Assistance in the appointment of a builder
- Maintaining regular contact with the applicant during work in progress.

Where the cost of works exceeds the maximum level of assistance, financial assistance to cover the cost of the charges will be paid in addition.

Appendix 1 - Decent Homes Standard

The current decent homes target was set out in 2002 and states:

'by 2010, to bring all social housing into decent condition, with most of the improvement taking place in deprived areas, and increase the proportion of private housing in decent condition occupied by vulnerable groups.'

A decent home is one which is wind and weather tight, warm and has modern facilities. It meets the following four criteria

It meets the current statutory minimum standard for housing

- No Category 1 hazards under the Housing Health & Safety Rating System

It is in a reasonable state of repair

- Would fail if
 - One or more of the key building components are old and, because of their condition, need replacing or major repair; or
 - Two or more of the other building components are old and, because of their condition, need replacing or major repair

It has reasonably modern facilities and services

- Would fail if lack three or more of the following:
 - A reasonably modern kitchen (20 years old or less)
 - A kitchen with adequate space and layout
 - A reasonably modern bathroom (30 years old or less)
 - An appropriately located bathroom and wc
 - Adequate insulation against external noise (where external noise is a problem)
 - Adequate size and layout of common areas for blocks of flats

It meets a reasonable degree of thermal comfort

- The dwelling must have both effective insulation and efficient heating

Appendix 2 - Housing Health and Safety Rating System

The Housing Health and Safety Rating System (HHSRS) replaces the Housing Fitness Standard as the statutory minimum condition standard for housing. The HHSRS provides an evidence based assessment process which enables Councils to effectively address the hazards to health and safety within dwellings in their area.

The HHSRS:

- Is a means of identifying faults in dwellings, and of evaluating the potential effect of any faults on the health and safety of occupants, visitors, neighbours and passers-by
- Grades the severity of any dangers present in a dwelling
- Provides means of differentiating between dwellings posing a low risk to health and safety, and those posing a higher risk e.g. imminent threat of serious injury or death
- Concentrates on threats to health and safety, and is not concerned with quality, comfort and convenience
- Can be applied in the assessment of housing design and conditions and to any age of property

The principle is that a dwelling, including the structure, the means of access, any associated outbuildings and garden, yard and/or other amenity space should provide a safe and healthy environment for the occupants and any visitors.

ENERGY REPAYMENT LOAN



WHO ARE HOMES AND LOANS?

Homes and Loans is a service set up by all the Councils in the Yorkshire and Humber region. We offer affordable loans for people on a limited income.

WHAT IS AN ERL?

- An ERL is an interest free loan paid back on a monthly basis over a period of between six months and five years.
- The loan is provided to address energy efficiency works to address fuel poverty as determined by your Local Authority.
- As the loan is interest free you will only repay the original amount borrowed. This is provided that you repay it by the end of the agreed term and have made all your monthly payments on the date they are due.
- The loan is secured as a legal charge against your property.

WHO CAN APPLY FOR AN ERL?

- You can apply for a loan if you own and occupy your property as your main home.
- You must be aged 18 years old or over.
- There must be eligible works to address fuel poverty at your property as determined by the Local Authority.

HOW MUCH CAN YOU BORROW?

The minimum loan amount that can normally be borrowed is £300 and the maximum is normally £3000. The amount of loan that you can borrow is dependent on the amount you need to carry out the work on your property.

HOW WILL YOU BE ASSESSED FOR AN ERL?

- You will be assessed for an ERL by completing a budget planner as part of your loan application. The budget planner is an assessment of your income and key expenditure.
- The Homes and Loans team will then be able to determine if you are able to afford the monthly repayments on a loan and length of time you will pay your loan over. This term will be based on how you much they calculate you can afford to repay per month and the amount of loan required for the works.

HOW WILL YOUR LOCAL AUTHORITY HELP YOU?

Your Local Authority will:

- Help you with the process of applying for an ERL.
- Determine what works can be addressed to your property.
- Inspect your property when the works are complete to make sure the works are satisfactory.
- Pay your chosen contractor direct for the work once the works have been completed satisfactorily.

REPAYING YOUR LOAN

- You are required to make regular monthly repayments to your loan over the loan term we agree.
- We will confirm how much your first repayment will be, followed by how much your subsequent repayments will be. The repayments will reduce your loan balance over the term of your loan. We will collect these payments by Direct Debit.
- It is your responsibility to ensure you are able to make all the monthly repayments on the due date each month for the full term of your loan.
- If you default by failing to make a repayment on time we reserve the right to charge additional fees and interest. These fees will be added to your outstanding loan amount.
- Your property may be at risk if you do not comply with the terms and conditions of your Loan.

WHAT FEES ARE PAYABLE TO SET UP YOUR LOAN?

All loan set up fees are payable by you. You can either pay the fees in advance or add them to your loan. These fees are specific to your loan application and property and you will be advised of them in writing before you apply.

WE STRONGLY RECOMMEND YOU SHOULD SEEK INDEPENDENT LEGAL AND FINANCIAL ADVICE BEFORE COMMITTING YOURSELF TO THIS LOAN. YOUR HOME MAY BE AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR LOAN.

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