

South Hams Council



Title:	Agenda																																										
Date:	Thursday, 21st February, 2019																																										
Time:	2.00 pm																																										
Venue:	Council Chamber - Follaton House																																										
Full Members:	<p style="text-align: center;">Chairman Cllr Holway Vice Chairman Cllr Rowe</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Cllr Baldry</td> <td style="width: 33%;">Cllr Hitchins</td> <td style="width: 33%;"></td> </tr> <tr> <td>Cllr Bastone</td> <td>Cllr Hodgson</td> <td></td> </tr> <tr> <td>Cllr Birch</td> <td>Cllr Hopwood</td> <td></td> </tr> <tr> <td>Cllr Blackler</td> <td>Cllr May</td> <td></td> </tr> <tr> <td>Cllr Bramble</td> <td>Cllr Pearce</td> <td></td> </tr> <tr> <td>Cllr Brazil</td> <td>Cllr Pennington</td> <td></td> </tr> <tr> <td>Cllr Brown</td> <td>Cllr Pringle</td> <td></td> </tr> <tr> <td>Cllr Cane</td> <td>Cllr Saltern</td> <td></td> </tr> <tr> <td>Cllr Cuthbert</td> <td>Cllr Smerdon</td> <td></td> </tr> <tr> <td>Cllr Foss</td> <td>Cllr Steer</td> <td></td> </tr> <tr> <td>Cllr Gilbert</td> <td>Cllr Tucker</td> <td></td> </tr> <tr> <td>Cllr Green</td> <td>Cllr Vint</td> <td></td> </tr> <tr> <td>Cllr Hawkins</td> <td>Cllr Wingate</td> <td></td> </tr> <tr> <td>Cllr Hicks</td> <td>Cllr Wright</td> <td></td> </tr> </table>	Cllr Baldry	Cllr Hitchins		Cllr Bastone	Cllr Hodgson		Cllr Birch	Cllr Hopwood		Cllr Blackler	Cllr May		Cllr Bramble	Cllr Pearce		Cllr Brazil	Cllr Pennington		Cllr Brown	Cllr Pringle		Cllr Cane	Cllr Saltern		Cllr Cuthbert	Cllr Smerdon		Cllr Foss	Cllr Steer		Cllr Gilbert	Cllr Tucker		Cllr Green	Cllr Vint		Cllr Hawkins	Cllr Wingate		Cllr Hicks	Cllr Wright	
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Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.																																										
Committee administrator:	Member.Services@swdevon.gov.uk																																										

1. Minutes	1 - 20
to approve as a correct record and authorise the Chairman to sign the minutes of the meeting of the Council held on 6 December 2018;	
2. Urgent Business	
the Chairman to announce if any item not on the agenda should be considered on the basis that he considers it as a matter of urgency (any such item to be dealt with under 'Business Brought forward by the Chairman');	
3. Exempt Information	
to consider whether the consideration of any item of business would be likely to disclose exempt information and if so the category of such exempt information;	
4. Declarations of Interest	
Members are invited to declare any personal; or disclosable pecuniary interests, including the nature and extent of such interests they may have in any items to be considered at this meeting;	
5. Chairman's Engagements	
6. Business Brought Forward by the Chairman	
to consider business (if any) brought forward by the Chairman;	
7. 2019/20 Revenue Budget Proposals	21 - 42
8. Capital Budget Proposals for 2019/20	43 - 58
9. Review of the Staffing Establishment	59 - 72
10. Peer Challenge Report	73 - 96
11. Draft Calendar of Meetings 2019/20	97 - 102
12. Council Tax Reduction Scheme 2019/20	103 - 250
13. South Devon AONB Management Plan Review 2019-2024 Final Draft	251 - 298

14. Tamar Valley AONB Management Plan Review 2019-2024 Final Draft	299 - 328
15. Questions to consider the following questions (if any) received in accordance with Council Procedure Rule 8.	
16. Notice of Motion to consider the following motions received (if any) in accordance with Council Procedure Rule 10.1	
17. Reports of Bodies * Indicates minutes containing recommendations to Council	
(a) Development Management Committee - 12 December 2018	329 - 336
(b) Executive * - 13 December 2018	337 - 348
(c) Development Management Committee - 16 January 2019	349 - 354
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(f) Salcombe Harbour Board * - 28 January 2019	371 - 378
(g) Audit Committee * - 31 January 2019	379 - 386
(h) Executive * - 7 February 2019	387 - 398

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Agenda Item 1

MINUTES OF THE MEETING OF THE SOUTH HAMS DISTRICT COUNCIL HELD AT FOLLATON HOUSE, TOTNES ON THURSDAY 6 DECEMBER 2018

MEMBERS

* Cllr T R Holway – Chairman

* Cllr R Rowe – Vice-Chairman

* Cllr K J Baldry	∅ Cllr P W Hitchins
∅ Cllr H D Bastone	* Cllr N A Hopwood
* Cllr J P Birch	* Cllr J M Hodgson
* Cllr J I G Blackler	* Cllr D W May
* Cllr I Bramble	* Cllr J A Pearce
* Cllr J Brazil	* Cllr J T Pennington
* Cllr D Brown	* Cllr K Pringle
* Cllr B F Cane	* Cllr M F Saltern
* Cllr P K Cuthbert	* Cllr P C Smerdon
* Cllr R J Foss	* Cllr R C Steer
* Cllr R D Gilbert	* Cllr R J Tucker
* Cllr J P Green	* Cllr R J Vint
* Cllr J D Hawkins	∅ Cllr K R H Wingate
* Cllr M J Hicks	* Cllr S A E Wright

* Denotes attendance

∅ Denotes apology for absence

Officers in attendance and participating:

For all items: Head of Paid Service; Section 151 Officer; Group Manager – Customer First and Support Services; Group Manager – Business Development; Deputy Monitoring Officer; Lead Specialist – Waste Strategy; and Senior Specialist – Democratic Services

37/18 MINUTES

The minutes of the meeting of Council held on 27 September 2018 were confirmed as a correct record and signed by the Chairman.

38/18 CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcements:

1. Civic Service

By way of a reminder, the Chairman highlighted that his Civic Service would be taking place on Sunday, 16 December 2018 at Ugborough Church and all Members were invited to attend this event.

2. Sue Nightingale

The Chairman advised the Council that this was to be the last Council meeting before Mrs Nightingale left the employ of the District Council.

In thanking her for her hard work and support during her time with the Council, he wished her every success in her future career. These sentiments were echoed by the wider membership.

3. Provisional Local Government Finance Settlement

At the request of the Chairman, the Deputy Leader informed the Council that notification had been received that the announcement on the provisional local government finance settlement had been delayed until week commencing 10 December 2018 at the very earliest.

4. Kingsbridge in Bloom

The Chairman informed the Council that Kingsbridge in Bloom had recently been a UK Finalist and Gold Medal winner in the Royal Horticultural Society Britain in Bloom Competition and had also been awarded 'Champion of Champions' in the 2018 South West in Bloom competition. To mark these outstanding achievements, the Chairman had invited representatives from Kingsbridge in Bloom to provide a short presentation to the Council later in the meeting (Minute 48/18 below refers).

39/18

DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of the meeting.

Cllr R F D Gilbert confirmed that, whilst he had declared a personal interest in agenda items 10 'Public Toilets Review' and 11 'Heart of the South West Joint Committee Update' at the Executive meeting on 22 November 2018 (Minute E.40/18 refers), he would be leaving this Council meeting before these items were considered and he therefore had no interests to declare.

40/18

EXCLUSION OF PUBLIC AND PRESS

Prior to the vote being taken to exclude the public and press from the meeting, a Member advised that he was of the view that the public and staff should be entitled to remain in the meeting and listen to the debate on this matter. As a result, the Member confirmed that he would be voting against this motion.

It was then:

RESOLVED

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item of business as the likely disclosure of exempt information as defined in paragraphs 3 and 5 of Schedule 12A to the Act is involved.

FRONTLINE SERVICES (WASTE AND CLEANSING) PROCUREMENT

Consideration was given to an exempt report that detailed the Final Tender Stage of the Frontline Services (Waste and Cleansing) Procurement process.

In discussion, a number of Members paid tribute to the work that had been undertaken on this project by lead officers and the Members who had served on the Frontline Services Project Board.

It was then:

RESOLVED

1. That the current market position in relation to waste and recycling services be noted, with approval being given to the recommendation of the Frontline Services Project Board to award Lot 3 of the Waste Collection, Recycling and Cleansing Services to Bidder 'A';
2. That approval be given to the recommendation of the Frontline Services Project Board to adopt the Outline Mobilisation Plan (as set out at Appendix D of the presented agenda report) that shows the high level actions required by the Council to harmonise the recycling collection services with the 'aligned waste service' (but to include free garden waste collections) as detailed in the Waste and Resource Strategy for Devon and which are to be introduced on 28 September 2020;
3. That the recommendation of the Frontline Services Project Board to accept a Bond (as set in section 4.2 of the presented agenda report) be approved;
4. That the recommendation of the Frontline Services Project Board be approved to:
 - (i) increase the contribution to the Vehicle Earmarked Reserve from 2019/20 onwards from £490,000 to £550,000 (as set out at Appendix B of the presented agenda report); and
 - (ii) borrow £1.24 million for the capital costs of the Ivybridge Depot improvements and the purchase of new containers as shown in Table 3 of Appendix B of the presented agenda report.
5. That the setting up of a Strategic Waste Earmarked Reserve (as detailed in section 4.7 of the presented agenda report) be approved; and
6. That approval be given to the continuation of a Waste Board for the duration of the Mobilisation Period, with delegated authority being given to the Executive to agree a revised set of Terms of Reference for this Board.

(NOTE: in accordance with Council Procedure Rule 15.6, Cllr K J Baldry requested that his vote against this recommendation be formally recorded).

42/18 **RE-ADMITTANCE OF PUBLIC AND PRESS**

RESOLVED

That the public and press be re-admitted to the meeting.

43/18 **SUPPORTING THE FORMATION OF SOUTH WEST MUTUAL**

A report was considered that sought to approve the granting of £49,995 from the 2018/19 Business Rate Pilot gain in order to support the formation of South West Mutual.

In discussion, reference was made to:-

- (a) the potential benefits to the local economy. Whilst acknowledging that there were risks associated with the proposals, a number of Members felt that these were outweighed by the potential economic benefits that would be generated. Furthermore, some Members felt the Business Plan was very credible and they wished the venture every success;
- (b) interest from other local authorities. The Leader informed that there was already interest in the proposal from a number of other neighbouring local authorities that included: Cornwall Council; Exeter City Council; East Devon District Council; Mid Devon District Council; and West Devon Borough Council;
- (c) the Business Rate Pilot gain. Some Members made the point that the Pilot Bid that had been submitted to Central Government had been focused around economic regeneration and this proposal was a perfect example of how to achieve this objective.

It was then:

RESOLVED

1. That a grant of £49,995 be approved from the predicted 2018/19 Business Rate Pilot gain in order to support the formation of South West Mutual (as detailed in Section 3 and Appendix 2 of the presented agenda report);
2. That authority be delegated to the Group Manager – Business Development to conclude the ordinary share acquisition; and

3. That, wherever possible, officers support the formation of the Mutual by promoting it to local authorities within the South West.

44/18

HEART OF THE SOUTH WEST JOINT COMMITTEE UPDATE

Members considered a report that summarised the progress made by the Joint Committee over recent months in key areas of activity and that set out actions proposed in the coming months.

In his introduction, the Leader reiterated his comments expressed at the Executive meeting held on 22 November 2018 whereby, on balance, the benefits to the Council were greater from being involved in the Heart of the South West Partnership than being on the outside (Minute E.42/18 refers).

In the ensuing debate, the following points were raised:-

- (a) In reply to a question, the Leader confirmed that the Devon Districts were disappointed at the lack of progress in the delivery of the Productivity Strategy and their views had been expressed accordingly;
- (b) Some Members expressed their opposition to any additional empowerment being given to the Local Enterprise Partnership. As a consequence, these Members confirmed that they were unable to support these proposals.

It was then:

RESOLVED

1. That the progress report setting out the work of the Heart of the South West (HotSW) Joint Committee since its establishment in March 2018 be noted;
2. That the development and endorsement of the HotSW Local Industrial Strategy (LIS) be delegated to the HotSW Joint Committee (noting that final approval of the HotSW LIS rests with the HotSW Local Enterprise Partnership (LEP) and the Government;
3. That the Heart of the South West Joint Committee Budget statement for 2018/19 (as set out in Appendix B of the presented agenda report) be noted. That, in accordance with the decisions taken at the time the Committee was established, the Council also note that it will be asked to make an annual budgetary provision (£1,400 for the District Council) to meet the support costs of the Joint Committee in line with the 2018/19 contribution.

(NB. final clarification on any additional 2019/20 Heart of the South West Joint Committee budget requirement will be provided following the completion of the review of the Joint Committee's role, function and management support arrangements and development of its Work Programme for 2019/20); and

4. That the Budget and Cost Sharing Agreement (as set out in Appendix B of the presented agenda report) be agreed.

45/18

POLITICAL COMPOSITION AND COUNCIL APPOINTMENTS

Members were presented with a report that provided an update on the political composition of the Council and confirmed appointments to the newly created Affordable Housing Delivery Working Group and the Local Enterprise Partnership Joint Scrutiny Committee.

In discussion, the Leader of the Opposition Group wished to put on record and pay tribute to the work undertaken by Elizabeth Huntley during her time serving as the local Ward Member for the Charterlands Ward.

It was then:

RESOLVED

That, with immediate effect and for the remainder of the 2018/19 Municipal Year:

1. the Political Composition of the Council be noted as follows:
 - 24 Conservative Group Members;
 - 6 Opposition Group Members; and
 - 1 Vacancy;
2. an Affordable Housing Delivery Working Group comprising of 3 Members be established with Cllrs Bastone, Birch and Pearce appointed to serve on it and that, for the purposes of Members' Allowances, attendance at meetings of this Group be regarded as an 'approved duty'; and
3. Cllr I Bramble be appointed as one of the three Devon District Council representatives on the Local Enterprise Partnership Joint Scrutiny Committee and that, for the purposes of Members' Allowances, attendance at meetings of this Outside Body be regarded as an 'approved duty'.

46/18

QUESTIONS

It was noted that eight questions had been received in accordance with Council Procedure Rule

From Cllr Brazil to Cllr Wright, Deputy Leader of Council

(a) 'How much has the Council spent on outside consultants since May 2015?'

In response, Cllr Wright advised that:

For 2015/16 Financial Year - £31,121 (spent mainly on the Leisure project and aligning the Coding structure for both Councils' financial ledgers);

For 2016/17 Financial Year - £25,900 (spent mainly on the Leisure project, including specialist VAT advice);

For 2017/18 Financial Year - £164,933 (spent mainly on PriceWaterhouseCoopers for the work on the Local Authority Controlled Company (£42,500) and the Council Tax equalisation work (£4,000)). Cllr Wright informed that this figure also included £106,000 for the cost of Stage 1 for Kingsbridge Quayside Masterplan for quantity surveyors, viability assessments, highways advice, visual impact assessments and ground investigations; and

For 2018/19 Financial Year - £5,262.

From Cllr Brazil to Cllr Wright, Deputy Leader of Council

(b) 'How much has the Council spent on outside legal advice since May 2015?'

Cllr Wright provided the following answer to the meeting:

For 2015/16 Financial Year - £22,608;

For 2016/17 Financial Year - £37,654;

For 2017/18 Financial Year - £116,413 (NB. this figure included £25,000 for Leisure Leases and £59,000 for planning legal advice, mainly for a public inquiry that accounted for £40,000); and

For 2018/19 Financial Year (to date) - £53,941 (NB. this figure includes some public inquiry costs).

From Cllr Brazil to Cllr Wright, Deputy Leader of Council

(c) 'How much has the Council spent on outside architects or other planning professionals since May 2015?'

For 2015//16 Financial Year - £127,163;

For 2016/17 Financial Year - £223,945 (that included the costs of the current Development Management Community Of Practice Lead (who was with an Agency) and transitional staff);

For 2017/18 Financial Year - £161,395 (that included transitional staff); and

For 2018/19 Financial Year (to date) - £46,360.

From Cllr Brazil to Cllr Wright, Deputy Leader of Council

(d) *'How much has the Council spent on agency staff since May 2015?'*

In response, Cllr Wright stated that the figures that he was about to quote excluded the planning professionals that he had already referred to in his response to question (c) above. He then proceeded to advise that:

For 2015/16 Financial Year - £1,302,662;
For 2016/17 Financial Year - £1,165,630;
For 2017/18 Financial Year - £918,285; and
For 2018/19 Financial Year (to date) - £443,362.

In providing these figures, Cllr Wright also confirmed that, in each of these years, there was approximately £400,000 per year costed to the manual workforce (Commercial Services).

Cllr Wright also confirmed that all of the figures referred to in his responses to these questions were within the approved Budgets.

47/18

NOTICE OF MOTIONS

It was noted that six motions had been received in accordance with Council Procedure Rule 10.

At this stage, the Chairman informed that, due to the close linkages between published motions (a) and (b), he had exercised his discretion to permit these to be combined into one joint motion.

(a) By Cllrs Wright and Birch & Pearce and Brazil

'This Authority urges the Government to consider the removal of 100% Business Rate Relief on the letting of self-catering holiday homes. The Government's present approach has a serious financial impact on local authorities with a high volume of Holiday Home Lettings. This Authority should continue lobbying to have the Relief removed.'

Furthermore, this Council welcomes the consultation being undertaken by the Ministry of Housing, Communities and Local Government in respect of the review of tax rules for second-homes and resolves to respond by the closing date on 16 January 2019.

In making its response, the Council will include the following:

At a time when local authorities in Devon are struggling to maintain public services and balance their budgets, a vast sum of money is lost each year due to a tax loophole available to owners of second homes and/or holiday lets in the county.

If the owners of second homes declare that they make their property available for holiday accommodation for at least 140 days out of the year, they don't have to pay Council Tax and can be registered for Business Rates instead.

In the event of the rateable value on the property being less than £12,000, the owners are exempt from paying both Business Rates and Council Tax.

Records show that there are 1,358 business rated properties in the South Hams that fall into the category of holiday lets or second-homes. If the owners of each property paid their full share of Council Tax, a total of £2.47 million would flow into SHDC, Devon County Council and the Emergency Services, such as Fire and Police. SHDC's share of the total would be around £223,000.

In order to close this tax loophole and, in recognition of the local government services provided for the benefit of the occupants of holiday lets or second homes, this Council calls upon the government to introduce legislation requiring such properties to pay 100% Council Tax.'

In their respective introductions, the proposers made reference to:-

- the current arrangements resulting in a loophole that was being exploited in a number of instances and was costing local authorities an extensive amount of money in lost Council Tax revenue. It was hoped that this loophole would be closed following the current consultation exercise;
- the South Hams having the highest concentration of second homes in the United Kingdom; and
- there currently being no requirement for owners of second homes to provide evidence that their property was available for holiday accommodation for at least 140 days each year.

In the ensuing debate, the following points were raised:-

- (a) To be consistent and fair to all, the view was expressed that all property owners should pay Council Tax as opposed to Business Rates;
- (b) It was noted that there was ministerial support for this loophole being closed and Members hoped that local MPs would also write to the Minister to express their support. Members also felt that the Local Government Association and the District Councils Network should be encouraged to lobby the Government during this consultation exercise;
- (c) Whilst supporting the motion, a Member hoped that this would be the first step towards local authorities being able to charge second home owners more than 100% Council Tax.

It was then:

RESOLVED

That this Authority urges the Government to consider the removal of 100% Business Rate Relief on the letting of self-catering holiday homes. The Government's present approach has a serious financial impact on local authorities with a high volume of Holiday Home Lettings. This Authority should continue lobbying to have the Relief removed.

Furthermore, this Council welcomes the consultation being undertaken by the Ministry of Housing, Communities and Local Government in respect of the review of tax rules for second-homes and resolves to respond by the closing date on 16 January 2019.

In making its response, the Council will include the following:

At a time when local authorities in Devon are struggling to maintain public services and balance their budgets, a vast sum of money is lost each year due to a tax loophole available to owners of second homes and/or holiday lets in the county.

If the owners of second homes declare that they make their property available for holiday accommodation for at least 140 days out of the year, they don't have to pay Council Tax and can be registered for Business Rates instead.

In the event of the rateable value on the property being less than £12,000, the owners are exempt from paying both Business Rates and Council Tax.

Records show that there are 1,358 business rated properties in the South Hams that fall into the category of holiday lets or second-homes. If the owners of each property paid their full share of Council Tax, a total of £2.47 million would flow into SHDC, Devon County Council and the Emergency Services, such as Fire and Police. SHDC's share of the total would be around £223,000.

In order to close this tax loophole and, in recognition of the local government services provided for the benefit of the occupants of holiday lets or second homes, this Council calls upon the government to introduce legislation requiring such properties to pay 100% Council Tax.

(b) By Cllrs Green and Hodgson

'This Council:

- *Welcomes the steps taken in Parliament to encourage more women and a greater diversity of people to become involved in politics;*

- *Recognises the importance of Councillors on South Hams District Council coming from a wide diversity of backgrounds; and*
- *Accepts that the present low level of the allowances made to Councillors could act as a barrier to some groups of people deciding to stand for election.*

Therefore, from May 2019, the Basic Allowance given to Councillors will be set at £10,000 per year, rising annually by the Retail Price Index.

(NOTE. that an alternative recommendation that I would also accept is for an additional allowance of up to £5,000 per year to be provided on top of the existing allowance (rising in line with the Retail Price Index) to Councillors who self-certify that their annual income including the allowance remains below £18,000 per year AND they have unencumbered assets of less than £100,000.'

In support of his motion, the proposer highlighted that the current Basic Allowance (£5,151 per annum) was a barrier to prospective candidates standing for election and he hoped that this proposal would overcome this hurdle.

During the ensuing debate, reference was made to:-

- (i) the public perception. Whilst recognising the sentiments of the motion, a number of Members felt that, particularly in the current difficult financial climate, the approval of such a drastic increase in the Basic Allowance would convey totally the wrong message to the residents and communities of the South Hams;
- (ii) an annual Basic Allowance of £10,000. Some Members expressed the view that an increase to £10,000 would still not be sufficient to enable for the vast majority of potential candidates to consider a change in their circumstances (e.g. leaving full-time employment). In addition, other Members cited examples of other local authorities that had a larger Basic Allowance yet still had a similar demographic of elected Members to South Hams District Council. As a consequence, these Members felt that the focus should be on the culture, attitudes and behaviours of elected Members as opposed to the remuneration that they were entitled to claim;
- (iii) the role of the Independent Remuneration Panel. Having been informed that any such increase in Basic Allowance would first require the views of the Independent Remuneration Panel to be sought, the proposer and seconder amended their motion to read as follows:

'This Council:

- *Welcomes the steps taken in Parliament to encourage more women and a greater diversity of people to become involved in politics;*

- *Recognises the importance of Councillors on South Hams District Council coming from a wide diversity of backgrounds; and*
- *Accepts that the present low level of the allowances made to Councillors could act as a barrier to some groups of people deciding to stand for election.*

*Therefore, **the Independent Remuneration Panel should be convened to consider a proposal whereby** from May 2019, the Basic Allowance given to Councillors will be set at £10,000 per year, rising annually by the Retail Price Index.*

(NOTE. that an alternative recommendation that I would also accept is for an additional allowance of up to £5,000 per year to be provided on top of the existing allowance (rising in line with the Retail Price Index) to Councillors who self-certify that their annual income including the allowance remains below £18,000 per year AND they have unencumbered assets of less than £100,000.'

When put to the vote, this motion was declared **LOST**.

(c) By Cllrs Green and Hodgson

'It has been recognised that at present SHDC Officers do not have the capacity to monitor the implementation of environmental mitigation measures that are specified as conditions in planning approvals. The requirement for mitigation measures being put in place is often fundamental to Councillors giving approval for developments and there is concern that, without a significant increase in monitoring, many mitigation measures will not be implemented. Therefore, the Council will recruit a full-time Officer to be responsible for checking on the implementation of environmental mitigation conditions specified in planning approvals and helping to enforce compliance.'

In his introduction, the proposer highlighted that he had tabled this motion to reflect the public concerns that he had been made aware of whereby there was a perception that those conditions related to environmental mitigation measures were not being monitored or checked.

During the debate, particular reference was made to:-

- (i) the role of Members. A Member was of the view that it was part of his roles and responsibilities (and indeed the wider membership) to monitor the compliance of conditions within his local Ward. Another Member disputed this viewpoint and stated that conditions that related to environmental mitigation measures was a particularly specialised area of work that should be the ultimate responsibility of a dedicated officer resource;

- (ii) funding any increase to the Council's staffing establishment. Whilst there was a great deal of sympathy for the motion, there was also general recognition that this meeting was not the appropriate Forum to approve an increase to the Council's staffing establishment. It was therefore concluded that the joint Overview and Scrutiny Panel / Development Management Committee budget consultation meeting (that was also scheduled to consider a Development Management Service Review) on 24 January 2019 would be the appropriate meeting for this matter to be debated.

The proposer and seconder of the motion put forward an amendment to reflect this point that, when put to the vote, was declared **CARRIED**.

It was then:

RESOLVED

It has been recognised that at present SHDC Officers do not have the capacity to monitor the implementation of environmental mitigation measures that are specified as conditions in planning approvals. The requirement for mitigation measures being put in place is often fundamental to Councillors giving approval for developments and there is concern that, without a significant increase in monitoring, many mitigation measures will not be implemented.

Therefore, as part of the 2019/20 draft Budget Setting process, the joint Overview and Scrutiny Panel / Development Management Committee meeting on 24 January 2019 will give consideration to a proposal to recruit a full-time Officer to be responsible for checking on the implementation of environmental mitigation conditions specified in planning approvals and helping to enforce compliance.

(d) By Cllrs Hodgson and Green

'This Council notes that:

- 1. Humans have already caused irreversible climate change, the impacts of which are being felt around the world. Global temperatures have already increased by 1 degree Celsius from pre-industrial levels. Atmospheric CO2 levels are above 400 parts per million (ppm). This far exceeds the 350ppm deemed to be a safe level for humanity;*
- 2. In order to reduce the chance of runaway Global Warming and limit the effects of Climate Breakdown, it is imperative that we as a species reduce our CO2eq (carbon equivalent) emissions from their current 6.5 tonnes per person per year to less than 2 tonnes as soon as possible;*

3. *Individuals cannot be expected to make this reduction on their own. Society needs to change its laws, taxation, infrastructure, etc., to make low carbon living easier and the new norm;*
4. *Carbon emissions result from both production and consumption;*
5. *South Hams District Council has already shown foresight and leadership when it comes to addressing the issue of climate change and has recognised this in its strategies, actions plans, public statements and advice to businesses, residents and parish councils;*
6. *Unfortunately, our current plans and actions are not enough. The world is on track to overshoot the Paris Agreement's 1.5 degrees Celsius limit before 2050;*
7. *The IPCC's Special Report on Global Warming of 1.5 degrees Celsius, published last month, describes the enormous harm that a 2 degrees Celsius rise is likely to cause compared to a 1.5 degrees Celsius, and told us that limiting Global Warming to 1.5 degrees Celsius may still be possible with ambitious action from national and sub-national authorities, civil society, the private sector, indigenous peoples and local communities;*
8. *Local Authorities around the world are responding by declaring a 'Climate Emergency' and committing resources to address this emergency.*

This Council believes that:

1. *All governments (national, regional and local) have a duty to limit the negative impacts of Climate Breakdown, and local governments that recognize this should not wait for their national governments to change their policies. It is important for the residents of Devon and the UK that counties commit to carbon neutrality as quickly as possible;*
2. *Local Authorities are uniquely placed to lead the world in reducing carbon emissions;*
3. *The consequences of global temperature rising above 1.5 degrees Celsius are so severe that preventing this from happening must be humanity's number one priority; and*
4. *Bold climate action can deliver economic benefits in terms of new jobs, economic savings and market opportunities (as well as improved well-being for people worldwide).*

Full Council calls on the Leader to:

1. *Declare a 'Climate Emergency';*
2. *Pledge to make the district of South Hams carbon neutral by 2030, taking into account both production and consumption emissions (scope 1, 2, 3);*

3. *Call on Westminster to provide the powers and resources to make the 2030 target possible;*
4. *Work with other governments (both within the UK and internationally) to determine and implement best practice methods to limit Global Warming to less than 1.5 degrees Celsius;*
5. *Continue to work with partners across the county and region to deliver this new goal through all relevant strategies and plans;*
6. *Report to Full Council within six months with the actions the Council will take to address this emergency.*

In introducing the motion, the proposer advised that similarly worded motions had already obtained the support of other local authorities including Manchester City Council and Bristol City Council. In addition, the motion had also been approved at a recent meeting of Totnes Town Council. In stating that it was now time to recognise the urgency of the situation, the proposer hoped that the Council would be able to support her motion.

During the debate, the following points were raised:-

- In stating that the climate had always changed, some Members were of the view that there was a need for further rigour and scientific examination to be carried out before they would be minded to support any such motion;
- The Leader felt there to be little point in the Council approving this motion without the support of other neighbouring local authorities. Therefore, whilst he was not minded to support the motion at this time, he did give a commitment to gauge the views of his colleagues at the Devon Districts Forum meeting in January 2019;
- It was felt that climate change should not be looked at in isolation and some Members emphasised the importance (and relevance) of other factors such as population growth.

When put to the vote, the motion was declared **LOST**.

(e) By Cllrs Green and Hodgson

'This Council will write to Gary Streeter MP and Sarah Wollaston MP and the Secretary of State for Work & Pensions requesting that the roll-out of Universal Credit is paused whilst amendments are made.

Without the needed vital changes, it is highly likely that Universal Credit will have a significant detrimental impact on many residents & families in the South Hams, including those with severe disabilities.

The recent Secretary of State for Work & Pensions, Esther McVey, acknowledged that many people would be financially worse off as a result of their existing benefits being consolidated into one payment.'

In his introduction, the proposer advised that he had received a great deal of correspondence from constituents who were suffering as a direct consequence of the roll-out of Universal Credit. As a consequence, it was the intention of the motion to call for a pause to the roll-out as quickly as was practically possible.

In discussion, reference was made to:-

- (i) the recently appointed Secretary of State for Works & Pensions. The Leader informed that the newly appointed Secretary of State had already indicated that she would be listening carefully to concerns over Universal Credit. As a result, the Leader felt that the Secretary of State should be given the opportunity to carry out this task;
- (ii) the workload of Council officers. Whilst the support offered to residents by Council officers was felt to be superb, some concerns were raised that these officers could be swamped by the additional workload. The Group Manager – Customer First and Support Services confirmed that, since officers were already dealing with the impact of full service roll-out in the South Hams, there would be no additional impact or change if it was to be now paused;
- (iii) consideration of a new Council Policy. In an attempt to mitigate the negative impact of these new measures, it was noted that a new Policy would be presented to Members for approval in due course.

When put to the vote, the motion was declared **LOST**.

48/18

KINGSBRIDGE IN BLOOM

As highlighted above (Minute 31/18(4) refers), the Chairman invited representatives from Kingsbridge in Bloom to address the Council. In so doing, the representatives provided examples of their work and specifically highlighted that:

- the organisation had an ever growing, enthusiastic team of volunteers;
- support continued to increase from both the local community and local businesses; and
- the organisation had a clear vision for the future.

Upon the conclusion of their address, Members paid tribute to the work of the organisation and thanked the volunteers for their hard work and efforts that had deservedly been recognised by the Royal Horticultural Society.

(At this point (1.30pm), the meeting was adjourned and was then reconvened at 2.15pm).

RESOLVED

That the minutes and recommendations of the undermentioned bodies be received and approved subject to any amendments listed below:-

(a) Salcombe Harbour Board 17 September 2018

SH.16/18: 2019/20 Fees and Charges**RESOLVED**

That the proposed 2019/20 Fees and Charges be approved for implementation (to come into effect from 1 April 2019).

SH.17/18: 2019/20 Budget**RESOLVED**

1. That the proposed 2019/20 Budget be approved for implementation (to come into effect from 1 April 2019); and
2. That the Board set out a Five Year Medium Term Financial Strategy (for the ultimate approval of the Council) that will underpin its annual Budget Setting process from 2020/21.

(b) Development Management Committee 3 October 2018

(c) Overview and Scrutiny Panel 4 October 2018

(d) Audit Committee 11 October 2018

A.32/18: Strategic Risk Assessment – Regular Update**RESOLVED**

1. That the updated Risk and Opportunity Management Strategy (as outlined in Appendix 3 of the presented agenda report) be adopted; and
2. That the Joint Risk Management Policy 2012 and the Joint Risk Management Strategy 2013 be rescinded.

(e) Overview and Scrutiny Panel 1 November 2018

O&S.60/18: Town Centres Strategy

In response to a question, officers agreed to provide a progress update on when the meeting with Town Councils, their Neighbourhood Planning Groups, local Ward Members and Council Officers was to take place.

- (f) Development Management Committee 7 November 2018

DM.40/18: Planning Scheme of Delegation

RESOLVED

That the amended Planning Scheme of Delegation (as set out in Appendix A of the agenda report presented to the Committee) be approved.

- (g) Licensing Committee 8 November 2018

L.11/18: Three Yearly Review of Gambling Statement of Licensing Principles

RESOLVED

That the amended Draft Scheme of Licensing Principles (as attached at Appendix A of the agenda report presented to the Committee) for the period 31 January 2019 to 30 January 2022 be approved.

- (h) Executive 22 November 2018

E.44/18: Annual Review of Health and Safety Policy Statement

RESOLVED

That the revised Policy be adopted and signed by the Head of Paid Service and the Leader of Council.

E.45/18(a): Drug and Alcohol Abuse – Outcome Report

RESOLVED

That the Council support and participate (wherever possible) in Police and Public Health England campaigns around drug reporting, harm minimisation and education.

E.45/18(b)2: Regulation of Investigatory Powers Act 2000 (RIPA)

RESOLVED

That the updated RIPA Policy (as attached at Appendix B of the agenda report presented to the Overview and Scrutiny Panel) be approved.

E.45/18(b)3: General Data Protection Regulation (GDPR) and Data Protection Policy Update

RESOLVED

1. That the updated Data Protection Policy (as detailed in Appendix A of the presented agenda report to the Overview and Scrutiny Panel) be approved;
2. That approval be delegated to the related Codes of Practice and Protocol Documents (as summarised in Section 3 of the agenda report presented to the Overview and Scrutiny Panel) to the Council's Data Protection Officer; and
3. That the approach and progress made towards GDPR readiness by the Information Governance Group be noted and supported.

E.46/18: Public Toilet Review

A Member asked the Council to note that a call-in had been invoked on the resolution arising from this Minute Number. It had now been confirmed that this call-in would be considered at a Special Overview and Scrutiny Panel meeting that was to be held on Wednesday, 12 December 2018.

(Meeting commenced at 10.00 am and concluded at 2.30 pm)

Chairman

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**SOUTH HAMS DISTRICT
COUNCIL**

21 FEBRUARY 2019

**2019/20
REVENUE BUDGET PROPOSALS**

2019/20 REVENUE BUDGET PROPOSALS – FINAL RECOMMENDATIONS

Purpose of the Report

This report provides an update of our overall financial position and details the formal proposals of the Executive to achieve a balanced budget. The minutes of the Executive meeting of 7 February 2019 are included elsewhere on this agenda and provide a more complete picture of the decisions taken.

The General Fund Revenue Budget, Medium Term Financial Strategy (MTFS) and the recommendations for the 2019/20 financial pressures and savings are summarised in Appendices A to E of this report. The MTFS has been rolled forward to enable Members to look ahead to future years in considering their spending plans and council tax levels.

The final Local Government Finance Settlement has been published by the Government. There are no significant changes from the draft Settlement published in December 2018.

Overall over the four year funding settlement from 2016/17 to 2019/20, it can be seen that South Hams District Council has had a 39.5% reduction in Government funding. This compares against 38.8% for the average for Shire District Councils.

The Council Tax Referendum limits for District Councils will remain the same (the higher of £5 or 2.99%).

Negative Revenue Support Grant (RSG) for 2019/20 will be eliminated by the Government. There has been no news on what will happen to negative RSG from 2020/21 onwards and therefore the modelling in this report has assumed negative RSG will remain for 2020/21 onwards in some form (e.g. as part of the business rates baseline reset).

Rural Service Delivery Grant (RSDG) in 2019/20 will increase to £81m; an increase of £16m on the previously planned £65m allocation. This has increased South Hams' allocation from £327,451 for 19/20 to £408,055 – an increase of £80,604.

The Finance Settlement for 2019/20 only covered the last year of the four year settlement. The point is being made by the Local Government Association (LGA) that Councils need more certainty of their funding longer term post 2020.

This report sets out the revenue budget proposals for a balanced budget for 2019/20. The Council is currently forecasting a budget gap of £0.47m for 2020/21.

Statutory Powers: Local Government Act 1972, Section 151
Local Government Finance Act 1992

2019/20 REVENUE BUDGET PROPOSALS – FINAL RECOMMENDATIONS

RECOMMENDATIONS:-

(The references in the Recommendations below refer to the Appendices in this report or to the relevant Section of the 2019/20 Revenue Budget report presented to the Executive at its meeting on 7 February 2019).

It is RECOMMENDED that:

- i) Council Tax is increased by £5 (which equates to a Band D council tax of £165.42 for 2019/20, an increase of £5 per year or 10 pence per week). This equates to a Council Tax Requirement of £6,315,689.**
- ii) The financial pressures in Appendix B of £1,383,700 be agreed.**
- iii) The schedule of savings identified in Appendix B totalling £1,067,226 be agreed.**
- iv) The Collection Fund Surplus of £112,000 as shown in Appendix B be agreed.**
- v) The net contributions to reserves (£714,300) to be included within the Authority's budget, as set out in Appendix C be agreed (this includes using £500,000 of New Homes Bonus funding to fund the 2019/20 Revenue Budget.**
- vi) Delegation is given to the S151 Officer, in consultation with the Leader and Executive Member for Finance to agree the final amount of New Homes Bonus funding for the Dartmoor National Park for 2019/20.**
- vii) The Council Tax Support Grant paid to Town and Parish Councils is reduced by 9.85% for 2019/20 as per Appendix A. This equates to a payment of £74,473 for 2019/20.**
- viii) The Council should set its total net expenditure for 2019/20 as shown in Appendix B as £8,832,752.**
- ix) The minimum level of the Unearmarked Revenue Reserves is maintained at £1,500,000, as per Section 10 of the Revenue Budget report to the Executive on 7 February 2019.**
- x) The level of reserves as set out within the report to the Executive on 7 February 2019 and the assessment of their adequacy and the robustness of budget estimates are noted.**

2019/20 REVENUE BUDGET PROPOSALS – FINAL RECOMMENDATIONS

This is a requirement of Part 2 of the Local Government Act 2003.

Recommendations from OSDM.3/18 REVIEW OF FEES AND CHARGES (report to the Joint Development Management Committee and Overview and Scrutiny Panel on 24 January 2019) and Executive (Agenda Item 8 on the Executive meeting held on 7 February 2019).

It is RECOMMENDED that:-

- xi) the proposed fees and charges set out for Parks, Open Spaces and Outdoor Sports be approved;**
- xii) the proposed Environmental Health Charges (as outlined in Appendix B of the Fees and Charges report to the meeting on 24 January 2019) be approved;**
- xiii) the proposed Fees and Charges for Development Management (as set out in Appendix C of the Fees and Charges report to the meeting on 24 January 2019) be approved;**
- xiv) delegated authority be given to the Group Manager for Commercial Services and Section 151 Officer, in consultation with the lead Executive Member, to set the Dartmouth Lower Ferry Fees to take account of market conditions, including competitor charges;**
- xv) there are no changes to the Car Park Charges for 2019/20, except for where this has been agreed as an alternative to the implementation of Pay on Entry at public toilets;**
- xvi) the proposed changes to Boat Storage Charges (as set out in paragraph 3.7 of the Fees and Charges report to the meeting on 24 January 2019) be approved;**
- xvii) delegated authority is given to the Group Manager for Commercial Services and Section 151 Officer, in consultation with the Portfolio holder, to set the Commercial Waste charges, once all the price modelling factors are known;**
- xviii) officers undertake a review into all aspects of fees and charges related to zoo licensing, with these being reported back to the joint Budget Consultation meeting in January 2020.**

2019/20 REVENUE BUDGET PROPOSALS – FINAL RECOMMENDATIONS

Officer contact:

Lisa Buckle, Strategic Finance Lead (S151 Officer)

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[01803 861413](tel:01803861413)

Part 1: The Executive's considerations in arriving at its final proposals for financial pressures, savings and Council Tax (Executive meeting held on 7th February 2019).

1. Over the last six months, the Executive has given the budget very detailed consideration and has sought views on budget proposals. This process has enabled and informed Members in their consideration of the appropriate level of service provision and council tax levels.
2. The Executive are recommending increasing council tax by £5 and are recommending that Full Council approve this. This would mean the council tax would increase to £165.42 for 2019/20, an increase of £5 per year or 10 pence per week.
3. At a Members' Budget Setting Workshop held on 11th October 2018, there was early support for increasing council tax by the maximum allowable percentage. At this event it was recognised that this measure would increase the base budget for ensuing years and protect the delivery of services and the Council's financial resilience. To balance the budget of £8.8 million, the Council has identified £1.067 million in savings. The Council is still forecasting a £0.47 million budget gap by 2020/21.
4. The Executive also recommends a capital works programme for 2019/20 amounting to £15,291,000. This is covered in detail in a separate report 'Capital Budget Proposals for 2019/20' on this Council Agenda. Projects include:-
 - Public Sector Renewals (including Disabled Facility Grants)
 - The fifth year of a five year planned programme of coastal assets repairs based on a marine survey
 - Development of four new employment units at Ermington
 - Waste fleet replacement programme
 - Commercial Development opportunities

(A capital budget was not requested by officers for affordable housing in 2019/20, due to the amount of funding already available through the community housing fund (£1.88 million was received in 2016/17), s106 contributions and second homes monies).
5. Sensitivity analysis and risk analysis – The figures within the Budget proposals have been subject to a sensitivity analysis and a risk analysis.

2019/20 REVENUE BUDGET PROPOSALS – FINAL RECOMMENDATIONS

This has identified a potential adverse revenue effect of £1.05 million (from the sensitivity analysis in Appendix E). Revenue Reserves are recommended to be maintained at a minimum of £1.5 million. The S151 Officer therefore confirms the robustness of the Budget Proposals and the adequacy of the reserves.

Part 2: Conclusion

6. The above paragraphs summarise the overall position faced by the Council and the considerations of the Executive in arriving at its final proposals to achieve a balanced budget.
7. The proposed budget will leave the Council on a stable financial footing with a level of reserves which will help us manage the uncertainty of the forthcoming Spending Review.
8. In line with 2018/19, the Council will receive no central Government funding (Revenue Support Grant) next year and the Council will need to be self-sufficient. The Council is currently facing a budget gap in 2020/21 of £0.47 million as shown in Appendix B.
9. The Council continues to do everything it can to make sure that residents, businesses and front-line services come first. Forward planning has allowed us to ease the pressures on front line services and for those in our community who face financial difficulties.
10. In this financial climate, income generation becomes a key priority area. The Council will continue to maximise its current sources of income through business development, ensuring the maximum utilisation of our assets, identifying new income streams, and actively pursuing all opportunities to increase the resources available and further reduce costs. The Council will also continue to transform services through the use of digital technology.
11. This is a budget to maintain frontline services, invest in economic regeneration and employment to create local jobs and to better support the local economy, whilst also preserving the longer term future of the Council. Strong financial management over many years and the continual drive for efficiency has enabled the Council to accommodate service pressures while still maintaining a low level of council tax. I commend the budget proposals to the Council.

Councillor R J Tucker
Leader of the Council

11 February 2019

2019/20 REVENUE BUDGET PROPOSALS – FINAL RECOMMENDATIONS

APPENDICES

Appendix A – Summary of Budget pressures, savings and income generation and contributions to Earmarked Reserves

Appendix B – Summary of Budget Position for the years 2019/20 to 2023/24

Appendix C – Analysis of Contributions to/ (from) Earmarked Reserves

Appendix D – Summary of Revenue Budget for 2019/20

Appendix E – Sensitivity Analysis and Risk Analysis of the MTFs

BACKGROUND PAPERS

Executive 7 February 2019 – Item 11 Revenue Budget Proposals 2019/20

Executive 7 February 2019 – Item 12 Capital Budget Proposals 2019/20

Executive 13 September 2018 – Medium Term Financial Position 2019/20 onwards

Joint Development Management Committee and Overview and Scrutiny Panel 24 January 2019.

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BUDGET PROPOSALS 2019/20 FEBRUARY 2019
(This shows the changes to the existing Base Budget)

APPENDIX A

	BASE	Yr1	Yr2	Yr3	Yr 4	Yr 5
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
BUDGET PRESSURES						
Inflation and increases on goods and services * (see note 1 below)	220,000	220,000	220,000	220,000	220,000	220,000
Torr Quarry Transfer Station	137,500	142,500				
Triennial Pension revaluation			75,000			
Salaries - provision for pay award at 2% * (see note 1 below)	255,000	280,000	90,000	90,000	90,000	90,000
National Living Wage and National Insurance * (see note 1 below)	60,000	50,000	25,000	25,000	25,000	25,000
Additional Level 5 Planning Specialist post (shdc share of costs of 60%)		29,000				
Employer's pension costs - Waste collection, recycling and cleansing contract		290,000				
Depot annualised costs - Waste collection, recycling and cleansing contract		22,200	60,762	60,761		
Devon aligned service for waste			175,000	175,000		
Implementation costs for Devon aligned service for waste (one-off) This is additional staffing support for implementation such as roadshows, communications and customer services support.			125,000	(125,000)		
Reduction in recycling income		125,000				
Blue and Clear recycling bag processing (safe working practice requirement)		75,000				
Haulage contract		60,000				
Salaries provision for steady state review	30,000					
Reduction in Housing Benefit administration subsidy and Council Tax Support Admin Grant	20,000	15,000				
Planning - legal fees	20,000					
Cost of lease renewal (car park lease)	23,000					
Car parking costs - collection fees		25,000				
ICT future service provision			150,000			
ICT support contracts - increase the budget to better align to actual expenditure	40,000	50,000				
Reduce the income target for income from business rated domestic properties for trade waste collection - to reflect actual income being achieved	40,000					
IT - Replace ageing network switches (£15K) and fixed line to Ivybridge Depot (£6K)	21,000					
Waste service - Train staff to be HGV drivers	16,000					
Fees and Charges report - review of Taxi Licensing fees - Licensing Committee on 11 January	11,200					
Increase the contribution to Ivybridge Ring and Ride	2,000					
TOTAL BUDGET PRESSURES	895,700	1,383,700	920,762	445,761	335,000	335,000

* Note 1 - These figures will be split between frontline services and non-frontline services

Changes to contributions to Earmarked Reserves

Reduce the contribution from the New Homes Bonus Reserve (£641,084 in 2018/19 - assumes a contribution of £500,000 in 19/20 with reduced contributions thereafter e.g. to £400,000 in 2020/21 and £250,000 21/22)	(91,503)	141,084	100,000	150,000	100,000	100,000
Vehicle Fleet Replacement Reserve (Council 6th December 2018)	(197,000)	60,000				
Contribution to Economic Regeneration Projects Reserve (Business Rates Pilot gain). This contribution is one-off for 2018/19 only.	475,000	(475,000)				
Contribution to Planning Policy and Major Developments Reserve	25,000					
Reduce contribution to Land and Development Reserve		(43,000)				
Reduce contribution from the Strategic Issues Reserve as the reserve is Nil	7,000					

BUDGET PROPOSALS 2019/20 FEBRUARY 2019
(This shows the changes to the existing Base Budget)

APPENDIX A

Transformation Project (T18) - Approved at 11 December 2014 Council
Contribution to Strategic Change Reserve to meet pension strain costs

(75,000) (150,000) (60,000)

Total changes in contributions to Earmarked Reserves

143,497 (466,916) 40,000 150,000 100,000 100,000

BUDGET PROPOSALS 2019/20 FEBRUARY 2019
(This shows the changes to the existing Base Budget)

APPENDIX A

SAVINGS AND INCOME GENERATION IDENTIFIED	BASE 2018/19 £	Yr1 2019/20 £	Yr2 2020/21 £	Yr3 2021/22 £	Yr 4 2022/23 £	Yr 5 2023/24 £
Boat Storage Charges (as per Fees and Charges report)	(14,300)	(3,000)				
Income from fees and charges report	(33,300)					
Food hygiene rating scheme revisits	(1,250)					
Increase in car parking charges (2%)	(38,000)					
Additional car parking income - increase income projection to reflect actual income	(70,000)					
Car Parking - Withdrawal of weekly parking tickets	(15,000)					
Duty Planning - charged appointment basis (as per Fees and Charges report)	(5,000)	(9,000)				
Savings from re-procurement of contracts (e.g. leisure contract)	0	(22,000)	(165,000)	(105,000)	(76,000)	0
Procurement of waste collection, recycling and cleansing contract (Note - The employer's pension costs of £290,000, the depot annualised costs of £22,200 and the increase to the Vehicle Earmarked Reserve of £60,000 are deducted from this figure to show the total net annual saving as per the report to Council on 6th December 2018)		(658,351)	(129,674)	(129,672)		
Income from Commercial Developments (Executive 13/12/18)			(34,458)	(81,453)	(41,096)	
Planning fee income	(110,000)	(40,000)				
Income from commercial developments	(30,000)					
Licensing income - shellfish export certificates	(30,000)					
Housing Benefit recoveries of overpayments - increase income projection to reflect actual income being achieved	(40,000)					
Dartmouth Lower Ferry	(75,000)	(25,000)				
Reduce RNLI Contracted Lifeguarding provision	(40,000)					
Public Conveniences - Pay on Entry, contributions and transfer to Parish Council/ closure 1.9.2019 where agreement has not been reached for transfer - Includes rate relief from 2020 - Savings as set out in the Executive report 22nd November 2018	(26,000)	(118,275)	(112,053)	(5,187)		
Other budget savings (cessation of Communities Together Fund)	(4,000)	(7,000)				
Reduce partnership grant funding to the CVS (£12,600) and South Devon AONB (£9,700) - see 4.11 and 4.12 of the report	(20,000)	(22,300)	(5,000)			
Cessation of accepting cash and cheques (and other banking changes)	(35,000)					
Savings from the re-procurement of the Insurance contract	(77,000)					
Saving on External Audit Fees	(10,000)					
Cessation of South Devon Green Infrastructure Partnership (£6,500)	(6,500)					
Advertising on website and e-bulletins		(3,500)				
Corporate consultancy income		(20,000)				
Energy Certificate for Eco Schemes (as per Fees and Charges report)		(10,000)				
Food and Health and Safety advice		(3,000)				
Increase investment in CCLA from £1.5m to £3.5m (treasury management income) - Appendix F		(60,000)				
Dartmouth Park and Ride - charging review				(30,000)	(20,000)	(10,000)
Interim Senior Leadership Team arrangements		(34,000)				
Review ICT contracts		(10,300)	(6,300)			
Review cleaning contract Follaton		(5,000)				
Vehicle Trackers		(2,900)				
Digital Downloads of Planning applications		(3,500)	(3,500)			
Implement e-billing for Council Tax		(2,100)	(2,100)	(2,100)	(2,100)	(2,100)
Council Tax reduction scheme - 9.85% reduction in Town and Parish Grant in 19/20	(9,000)	(8,000)	(74,000)			

TOTAL SAVINGS AND INCOME GENERATION

(689,350) (1,067,226) (532,085) (353,412) (139,196) (12,100)

Note - Items shaded in Grey denote the savings and additional income considered at the Members' Budget Workshop which have received support from the Members' Budget Survey

Line	Appendix B - Council Tax is increased by the higher of £5 or 2.99% each year	BASE	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
No.	Modelling for the financial years 2019/20 onwards	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
		£	£	£	£	£	£
1	Base budget brought forward	8,346,074	8,983,194	8,832,752	8,791,332	9,120,937	9,459,052
2	Budget pressures (as per Appendix A)	895,700	1,383,700	920,762	445,761	335,000	335,000
3	Savings already identified (as per Appendix A)	(689,350)	(1,067,226)	(532,085)	(353,412)	(139,196)	(12,100)
4	Changes in contributions to Earmarked Reserves (App A)	143,497	(466,916)	40,000	150,000	100,000	100,000
	Reverse Use of Reserves to close 2017/18 Budget gap						
5	Transfer from Budget Surplus Contingency Earmarked Reserve	287,273					
6	Projected Net Expenditure:	8,983,194	8,832,752	9,261,429	9,033,681	9,416,741	9,881,952
	Funded By:-						
	(See Note 1 below regarding New Homes Bonus funding)						
7	Council Tax income - Modelling a £5 increase in 2019/20	6,072,207	6,315,689	6,583,277	6,858,882	7,144,997	7,442,225
8	Collection Fund Surplus	73,000	112,000	100,000	100,000	100,000	100,000
9	Revenue Support Grant (RSG - Nil from 2018/19 onwards)	0	0	0	0	0	0
10	Localised Business Rates (baseline funding level - includes Rural Services Delivery Grant of £408,055 in 2018/19 due to Pilot status)	2,262,987	1,897,008	1,944,000	1,994,000	2,046,000	2,096,000
11	Tariff/Top Up Adjustment amount (negative RSG)			(400,000)	(400,000)	(400,000)	(400,000)
12	Business Rates Pilot Gain plus estimated growth for 2018/19	575,000	100,000				
13	Business Rates - changes to Baseline Need following the Reset			156,000	160,000	160,000	160,000
14	Rural Services Delivery Grant	0	408,055	408,055	408,055	408,055	408,055
15	Total Projected Funding Sources	8,983,194	8,832,752	8,791,332	9,120,937	9,459,052	9,806,280
	Budget Gap per year						
16	(Projected Expenditure line 6 - Projected Funding line 15)	0	0	470,097	-87,256	-42,311	75,672
	Actual Predicted Cumulative Budget Gap	0	0	470,097	382,841	340,529	416,201
	Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)	0	0	470,097	852,939	1,193,468	1,609,668

Modelling Assumptions:	<i>An assumption of an additional 450 Band D equivalent properties per year has been included in the Tax Base and modelling above for 2019/20 onwards</i>					
Council Tax (Band D) (Modelling the higher of £5 or a 2.99% increase)	160.42	165.42	170.42	175.51	180.75	186.15
Council Tax Base	37,851.93	38,179.72	38,629.72	39,079.72	39,529.72	39,979.72

Note 2 - New Homes Bonus Funding

The modelling for 2019/20 includes a contribution of £500,000 from New Homes Bonus funding to fund the Base Budget. This is shown in Appendix C and Appendix A shows the movement between years of the funding from New Homes Bonus. Funding from NHB has decreased from £641,084 in 18/19 to £500,000 in 19/20 - a decrease of £141,084.

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ANALYSIS OF CONTRIBUTIONS TO/(FROM) EARMARKED RESERVES

Estimate 2018/19			Estimate 2019/20	
To £	(From) £		To £	(From) £
475,000		Economic Regeneration Projects (pilot gain)		
181,600		Capital Programme	181,600	
16,900		Community Parks & Open Spaces	16,900	
10,000		District Elections	10,000	
87,000		Ferry major repairs & renewals	87,000	
	(641,084)	New Homes Bonus		(500,000)
20,800		Pay & Display Equipment	20,800	
99,000		Pension Fund Strain Payments	99,000	
55,000		Repairs and maintenance	55,000	
210,000		Strategic Change Reserve	60,000	
0		Strategic Issues	0	
490,000		Vehicles & Plant Renewals	550,000	
50,000		Land and Development Reserve	7,000	
50,000		IT Development Reserve	50,000	
25,000		Sustainable Waste Management	25,000	
50,000		Planning Policy and Major Developments	50,000	
2,000		Interest credited to reserves	2,000	
1,822,300	(641,084)	TOTALS	1,214,300	(500,000)
1,181,216		GRAND TOTAL	714,300	

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Service Group	18/19 Base Net Budget	18/19 Virements	18/19 Revised Net Budget	19/20 Pressures (Savings)	Budget Changes to reflect the Waste & Cleansing Contract	19/20 Inflation Allocation	IAS19 Budget Removal	19/20 Draft Net Budget
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
a) Customer First	2,371,173	34,740	2,405,913	40,700	0	58,700	(250,900)	2,254,413
b) Strategy and Commissioning	894,614	97,085	991,699	32,500	0	7,900	(52,100)	979,999
c) Commercial Services	3,591,572	(17,590)	3,573,982	(197,026)	0	76,400	(172,300)	3,281,056
d) Support Services	3,377,619	(114,235)	3,263,384	440,300	0	(143,000)	(24,700)	3,535,984
	10,234,978	0	10,234,978	316,474	0	0	(500,000)	10,051,452
Contributions to/(from) Reserves (Appendix C) Note 3	1,181,216							714,300
Reversal of Depreciation	(1,933,000)							(1,933,000)
Reversal of Pension Costs (IAS19) Note 1	(500,000)						500,000	0
Net Budget Total	8,983,194	0	10,234,978	316,474	0	0	500,000	8,832,752
Funded by:								
Localised Business Rates (Note 2)	2,262,987							1,897,008
Business Rates Pilot Gain and Growth	575,000							100,000
Rural Services Delivery Grant (Note 2)	0							408,055
Council Tax (assuming an increase of £5)	6,072,207							6,315,689
Collection Fund Surplus	73,000							112,000
Total	8,983,194	0	0	0	0	0	0	8,832,752

Note 1: The notional pension costs (IAS19) have been removed from the 2019/20 base budget, both above and below the line (as shown above). This was a historic adjustment for presentational purposes only and has no impact on the overall budget.

Note 2: Rural Services Delivery Grant of £408,055 has been included within the business rates baseline as part of the business rates pilot for 2018/19.

Note 3: In 2018/19 the contributions to earmarked reserves were approximately £475k higher due to the business rates pilot gain.

a) Customer First	18/19 Base Net Budget	18/19 Virements	18/19 Revised Net Budget	19/20 Pressures (Savings)	Budget Changes to reflect the Waste & Cleansing Contract	19/20 Inflation Allocation	IAS19 Budget Removal	19/20 Draft Net Budget
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
S1010 Customer Contact Centre	480,400	0	480,400	15,300		5,500		501,200
S1013 Localities	265,200	0	265,200	6,600		2,400		274,200
S1014 Case Management	1,188,800	69,300	1,258,100	48,600		17,900		1,324,600
S1015 Specialists	1,468,700	2,990	1,471,690	73,700		16,300		1,561,690
S1020 Planning Applications & Advice	(700,400)	(18,000)	(718,400)	(52,500)			(38,100)	(809,000)
S1021 Development Control - Enforcement	4,700	0	4,700				(4,700)	0
S1030 Economic Development	5,500	0	5,500				(6,200)	(700)
S1034 Planning Policy	16,900	0	16,900				(16,900)	0
S1040 Local Land Charges	(135,900)	(400)	(136,300)				(6,700)	(143,000)
S1060 Community Development	154,400	0	154,400	(19,600)			(2,400)	132,400
S1070 Environmental Initiatives	64,600	0	64,600	(9,700)			(8,600)	46,300
S1104 Land and Investment Properties (Note 4)	(42,700)	(591,700)	(634,400)				(1,500)	(635,900)
S1165 Follaton House	155,400	(400)	155,000	(3,400)		11,500		163,100
S1250 CoP Leads & Group Manager	156,700	2,960	159,660	1,700		600		161,960
S1301 Community Parks & Open Spaces	114,900	0	114,900			1,000	(8,900)	107,000
S1305 Cemeteries & Burials	28,700	0	28,700				(200)	28,500
S1306 Countryside Recreation	2,500	0	2,500				(2,000)	500
S1310 Leisure Centres	446,100	(87,000)	359,100	(22,000)			(2,400)	334,700
S1311 Outdoor Sports and Recreation	138,079	0	138,079				(3,100)	134,979
S1365 Flood Defence & Land Drainage	47,200	0	47,200				(800)	46,400
S1367 Coast Protection	56,000	(200)	55,800				(1,100)	54,700
S1400 Employment Estates (Note 4)	(1,004,400)	658,457	(345,943)			3,500	(5,100)	(347,543)
S1501 General Health	11,000	0	11,000					11,000
S1503 Public Health	(33,556)	20,833	(12,723)				(3,600)	(16,323)
S1531 Licensing	(162,100)	(22,100)	(184,200)				(5,700)	(189,900)
S1533 Pest Control	13,600	0	13,600				(100)	13,500
S1534 Pollution Control	2,100	0	2,100				(6,200)	(4,100)
S1535 Food Safety	14,250	0	14,250	(3,000)			(8,500)	2,750
S1536 Health and Safety at Work	15,600	0	15,600				(5,700)	9,900
S1544 Community Safety	6,500	0	6,500				(900)	5,600
S1545 Emergency Planning	10,700	0	10,700				(1,100)	9,600
S1550 Housing Standards	5,200	0	5,200				(4,200)	1,000
S1551 Homelessness	156,800	0	156,800				(7,500)	149,300
S1552 Housing Advice	10,200	0	10,200				(7,200)	3,000
S1553 Housing Enabling	1,800	0	1,800				(1,800)	0
S1555 Private Sector Housing Renewal	13,700	0	13,700	(10,000)			(3,700)	0
S1558 Housing Strategy	11,200	0	11,200				(8,100)	3,100
S1565 Housing Benefit Payments	(87,000)	0	(87,000)					(87,000)
S1568 Housing Benefit Administration	(187,400)	0	(187,400)	10,500			(18,400)	(195,300)
S1571 Council Tax Collection	(278,200)	0	(278,200)				(35,600)	(313,800)
S1574 Council Tax Support	(64,600)	0	(64,600)	4,500			(23,900)	(84,000)
	2,371,173	34,740	2,405,913	40,700	0	58,700	(250,900)	2,254,413

Note 4: This virement of £591,700 from Employment Estates to Land and Investment Properties reflects the reclassification of land at Lee Mill from an employment estate to an Investment Property as detailed in the 2017/18 Statement of Accounts.

b) Strategy & Commissioning	18/19 Base Net Budget	18/19 Virements	18/19 Revised Net Budget	19/20 Pressures (Savings)	Budget Changes to reflect the Waste & Cleansing Contract	19/20 Inflation Allocation	IAS19 Budget Removal	19/20 Draft Net Budget
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	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
S3001 Electoral Registration	138,200	(300)	137,900	2,800		1,000	(6,300)	135,400
S3010 District Elections	1,100	0	1,100				(1,100)	0
S3030 Staff Forum	0	5,000	5,000					5,000
S3041 Communications & Media CoP	69,830	0	69,830	(1,800)		600		68,630
S3050 Democratic Representation & Management	336,454	(3,800)	332,654	4,600		4,600	(25,500)	316,354
S3051 Member Support & Democratic Services Staffing	87,000	0	87,000	3,700		1,300		92,000
S3075 Waste & Place Strategy	59,700	0	59,700					59,700
S4501 Performance, Intelligence & Strategic Finance	128,200	6,315	134,515	1,000		400		135,915
S4510 Building Regulations (Building Control P'ship)	(20,670)	20,670	0					0
S4511 Other Building Control Work	94,800	(17,800)	77,000				(19,200)	57,800
S6040 Interest Payable	0	87,000	87,000	22,200				109,200
	894,614	97,085	991,699	32,500	0	7,900	(52,100)	979,999

c) Commercial Services	18/19 Base Net Budget	18/19 Virements	18/19 Revised Net Budget	19/20 Pressures (Savings)	Budget Changes to reflect the Waste & Cleansing Contract £'s	19/20 Inflation Allocation	IAS19 Budget Removal	19/20 Draft Net Budget
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
S1304 Grounds Maintenance General	481,493	(23,298)	458,195	5,100		4,800		468,095
S2002 Beach and Water Safety	41,700	(500)	41,200				(700)	40,500
S2005 Salcombe Harbour	0	0	0					0
S2010 Dartmouth Ferry	9,300	(1,000)	8,300	(9,000)		10,000	(22,700)	(13,400)
S2017 Street and Beach Cleaning (Note 5)	775,317	19,743	795,060	24,500	245,087		(29,700)	1,034,947
S2030 Totnes Depot (Note 5)	28,300	(5,800)	22,500		(100)			22,400
S2040 Dartmouth Depot	3,800	(3,800)	0					0
S2041 Transfer Station Torr Quarry (Note 5)	261,500	0	261,500	143,600	(405,100)			0
S2043 Ivybridge Depot (Note 5)	46,300	(1,500)	44,800		(20,325)			24,475
S2044 Torr Quarry Depot (Note 5)	25,300	(3,200)	22,100		(11,100)			11,000
S2101 Car Parking	(1,887,675)	13,425	(1,874,250)	22,900		42,800	(20,800)	(1,829,350)
S2310 Dog Warden Service	5,000	0	5,000					5,000
S2400 Public Conveniences (Note 5)	657,885	39,564	697,449	(102,675)	(90,295)	10,100	(13,100)	501,479
S2701 Waste and Recycling collection services (Note 5)	0	0	0	0	2,810,110		0	2,810,110
S2702 Household Waste Collection (Note 5)	1,960,247	(24,995)	1,935,252	(600,851)	(1,286,001)		(48,400)	0
S2705 Recycling Services (Note 5)	536,558	13,170	549,728	272,400	(800,028)		(22,100)	0
S2713 Trade Waste Services (Note 5)	(46,232)	(320)	(46,552)	6,200	(290,548)		(13,700)	(344,600)
S2716 Food Waste Services	(3,400)	0	(3,400)					(3,400)
S2720 Waste & Recycling Services (Note 5)	330,200	0	330,200	10,600	(139,900)			200,900
S2721 Environment Services - Manual Staff (Note 5)	14,122	(14,122)	0	17,100	(17,100)			0
S2733 Other Commercial Services	527,700	(111,000)	416,700	13,100		4,800		434,600
S2734 Pannier Markets Overheads	(89,800)	0	(89,800)				(1,100)	(90,900)
S2841 Repairs and Maintenance	(70,743)	70,743	0			3,900		3,900
S2884 Supervisors Vehicles (Note 5)	(7,000)	7,000	0			5,300		5,300
S2887 Street Scene Vehicles	(8,300)	8,300	0					0
	3,591,572	(17,590)	3,573,982	(197,026)	0	76,400	(172,300)	3,281,056

Note 5: Some budgets within Commercial Services have been amalgamated to reflect the new arrangements.

d) Support Services	18/19 Base Net Budget	18/19 Virements	18/19 Revised Net Budget	19/20 Pressures (Savings)	Budget Changes to reflect the Waste & Cleansing Contract £'s	19/20 Inflation Allocation	IAS19 Budget Removal	19/20 Draft Net Budget
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
S4001 Executive Directors	133,640	(23,205)	110,435	(30,300)		1,300		81,435
S4004 Corporate Training & Occ Health	42,300	(3,400)	38,900					38,900
S4009 Non Distributed Costs	470,200	0	470,200	290,000				760,200
S4010 Inflation Provision	74,201	(73,470)	731	180,400		(181,131)		0
S4011 Steady State Review Provision	0	30,000	30,000					30,000
S4041 Internal Audit	81,400	(2,200)	79,200	2,300		800		82,300
S4082 Landline Telephones	0	39,700	39,700					39,700
S4084 ICT Software & Support Contracts	391,620	(900)	390,720	39,700		18,531		448,951
S4085 Mobile Phones	0	19,000	19,000					19,000
S4086 Client Hardware Replacement	36,600	0	36,600					36,600
S4087 Photocopiers	0	33,900	33,900					33,900
S4100 Human Resources CoP	141,300	(6,300)	135,000	(14,700)		1,900		122,200
S4101 Legal CoP	170,960	0	170,960	3,500		1,300		175,760
S4102 Design CoP	55,500	0	55,500	2,300		800		58,600
S4103 Finance CoP	216,900	(12,000)	204,900	7,700		2,800		215,400
S4104 ICT CoP	264,000	(2,000)	262,000	13,200		4,800		280,000
S4150 Support Services Case Management	446,000	(5,600)	440,400	6,800		3,200		450,400
S4160 Corporate Management	169,300	(10,000)	159,300				(24,700)	134,600
S4180 Support Services Mgmt & O' Heads	92,900	25,640	118,540	3,900		1,400		123,840
S4196 Customer Support	85,200	0	85,200	3,500		1,300		90,000
S4199 Central Service Overheads	163,500	(70,000)	93,500					93,500
S4200 Insurance	382,440	(53,400)	329,040					329,040
S6021 Parish Support Grant	82,658	0	82,658	(8,000)				74,658
S6050 Interest & Investment Income	(123,000)	0	(123,000)	(60,000)				(183,000)
	3,377,619	(114,235)	3,263,384	440,300	0	(143,000)	(24,700)	3,535,984

Sensitivity analysis and risk analysis of the Medium Term Financial Strategy (MTFS)

1. The budget assumes approximately £7.5 million of income from fees and charges, recycling and investments. Whilst this assumption is realistic, given the position of the economy there is a risk that income could fall or be less than anticipated. A 5% reduction in income would result in a loss of £375,000.
2. The MTFS relies on proposed savings over the next 5 years of £2.1 million. A 5% reduction in the savings would equate to £105,000.
3. The MTFS assumes budget pressures over the next 5 years of £3.42 million. A 5% increase in the budget pressures would equate to £171,000.
4. Council Tax Income and New Homes Bonus have been modelled based on an extra 450 Band D Equivalent properties per annum increase. Each extra property attracts £1,272 in NHB. If this figure were to actually be say 400 properties (i.e. 50 properties less), this would mean that Council Tax Income would be £8,300 less and New Homes Bonus income would be £64,000 less.
5. Council Tax has been assumed in the MTFS to increase by the higher of £5 or 2.99% over each of the five years. For example, for 2019-20 this would equate to a Band D of £165.42 (an increase of £5). The additional council tax income this would generate is £192,000. If council tax for 2019/20 were to remain at £160.42, the income from council tax would be overstated by this amount in the MTFS.
6. If Council Tax income collection fell by 1% (collection in 17/18 was 98.15%), this would mean a reduction of council tax income of around £60,000. Similarly if Business Rates income collection fell by 1% (collection in 17/18 was 97.68%), this would mean a reduction in business rates income of £19,000.
7. Income from investments has been assumed to increase in line with the expected interest rate forecasts. A 0.25% variation in interest rates on investment income equates to £60,000.

Borrowing Levels

Exempt Appendix G to the Medium Term Financial Strategy (MTFS) in September 2018 gave advice on the borrowing level for the Council and the Interest payments on the borrowing as a percentage of available Reserves.

The Council set an Upper Limit on External Borrowing (for all Council services) as part of the MTFS of £75 million. The tables below show the impact that a change of Interest payable at 2.5% on borrowing to 3% on borrowing has on this Indicator.

Total Borrowing	Interest repayments at 2.5%	Level of Reserves (£1.8m Unearmarked and £9.6m Earmarked)	Interest payments (at 2.5%) as % of available Reserves
£75m	£1,875,000	£11,400,000	16.4%

Total Borrowing	Interest repayments at 3%	Level of Reserves £m (£1.8m Unearmarked and £9.6m Earmarked)	Interest payments (at 3%) as % of available Reserves
£75m	£2,250,000	£11,400,000	19.7%

8. An allowance of 2.5% for inflation is included in the budget. Inflation costs are being managed through cost effective procurement.
9. The capital programme is funded by receipts, grants, contributions and prudential borrowing. Realistic assumptions about these have been made for the future.
10. Known liabilities have been provided for and there are no significant outstanding claims.

Summary & conclusion

Sensitivity analysis and risks are identified above with a potential total adverse revenue effect for 2019/20 of **£1,054,300**. However, revenue reserves are recommended to be maintained at a minimum of £1.5 million. I therefore confirm the robustness of the Medium Term Financial Strategy and the adequacy of the reserves.

Mrs Lisa Buckle, Strategic Finance Lead (S151 Officer)

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NOT FOR PUBLICATION

This report contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (applies to Appendix B)

Report to: **Council**

Date: **21 February 2019**

Title: **Capital Budget Proposals for 2019/20**

Portfolio Area: **Budget Proposals – Cllr Tucker**

Wards Affected: **All**

Relevant Scrutiny Committee: **Joint Development Management Committee and Overview and Scrutiny Panel**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Author: **Lisa Buckle** Role: **Strategic Finance Lead (S151 Officer)**

Contact: **Tel. 01803 861413**
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Recommendations:

That Council be RECOMMENDED to approve:

- 1. The content of the Capital Programme Proposals for 2019/20, which total £1,290,000 (Appendix A);**
- 2. The content of the Capital Programme Proposals for 2019/20, which total £14,001,000 (Exempt Appendix B); and**
- 3. The proposed financing of the 2019/20 Capital Programme of £15,291,000 from the funding sources set out in Section 4.**

1. Executive summary

- 1.1** The report sets out the Capital Bids to the 2019/20 Capital Programme totalling £15,291,000 and a suggested way that these Bids can be funded. All items in this proposed Capital Programme are based on budget estimates and will be subject to the normal project appraisal procedures.
- 1.2** The Council has limited resources, in the form of capital receipts, to fund Capital Projects in 2019/20.

Consideration needs to be given to the funding options for the 2019/20 Capital Programme. The Capital Programme is set by the Council and may be funded by sale proceeds from the disposal of assets (capital receipts), external grants and contributions, directly from revenue or from borrowing.

- 1.3** The Prudential Code for capital, which came into effect from 1st April 2004, replaced the previous Government regulated limits on capital expenditure and borrowing. In its place Councils now have the power to determine their own appropriate levels of capital expenditure and borrowing for capital purposes, based on the principles of affordability, prudence and sustainability.
- 1.4** The Code requires the Council, in setting its capital spending plans, to assess the impact on its revenue account and council tax levels. Section 4 demonstrates that there are sufficient capital funds (which includes PWLB borrowing mainly for commercial acquisitions) in 2019/20 to fund the bids which have been submitted by project officers within the Council.

2. Background

- 2.1** The capital programme for 2018/19 was approved by Council on 22 February 2017 (62/17 and E.46/17 refer).
- 2.2** A new Capital Programme is proposed for 2019/20. The Head of Finance Practice invited bids for capital funding from all service areas, for a new capital programme during July 2018 on the strict proviso that all bids must go towards meeting a strategic priority. All capital bids received would be ranked against a prescribed priority criteria set out in the bid process.

2.3 The submitted capital bids have now been assessed against the categories in each priority. Priority 1 categories include meeting strategic priorities and statutory obligations (e.g. Health and Safety, DDA etc) and other capital works required to ensure the existing Council property assets remain open. Priority 2 categories link to good asset management whereby the capital work proposed would either generate capital/revenue income or reduce revenue spending. A capital bid that will enable rationalised service delivery or improvement is also considered a Priority 2 category to meet the Council's aims and objectives.

2.4 The programme outlines the principles of the projects proposed for capital expenditure and includes an estimate of predicted costs including fees. All projects will be subject to project appraisals as required under the Council's Asset Strategy.

2.5 The capital budget proposals were considered by the Joint Development Management Committee and Overview and Scrutiny Panel on 24th January 2019 (minute OSDM.5/18 refers). It was recommended that the Joint Meeting **RECOMMEND** that the Executive **RECOMMEND** to Council that:-

1. the content of the Capital Programme Proposals for 2019/20 that totals £1,290,000 (as set out in Appendix A of the presented agenda report) be supported;

2. the content of the Capital Programme Proposals for 2019/20 that totals £14,001,000 (as set out in exempt Appendix B of the presented agenda report) be supported; and

3. the proposed financing of the 2019/20 Capital Programme of £15,291,000 from the funding sources (as set out in Section 4 of the presented agenda report) be supported.

2.6 This capital budget proposals report for 2019/20 has the same content as the capital budget proposals report considered by the Joint Development Management Committee and Overview and Scrutiny Panel with the exception of a change to the proposed funding for the Batson Harbour Workshops.

2.7 Following consultation with the Harbour Board, a report setting out the recommendations of the Harbour Board was considered on the 28th January 2019 and it was proposed and agreed to reduce the Harbour Authority's exposure to the revenue strain by capping the borrowing at £800,000 (this was previously £1m). Any additional project spend up to the budget of £1m is now recommended to be funded by the Marine Infrastructure Reserve (£200,000).

3. Outcomes/outputs

Members are requested to give their views on the proposals for the Capital Programme for 2019/20. Appendix A and exempt Appendix B set out the bids which total £15,291,000.

3.1 Capital Programme 2019/20

3.2 Play Parks – replacement of play equipment

Due to slippage in the 2017/18 budget nothing was approved for 2018/19. Spend of these funds was set back a year while options for asset transfers of play parks were discussed with Town and Parish Councils.

The capital budget of £190,000 is required in 2019/20 with tenders being sought for play parks work early in 2019. A priority and outline investment list of just under 30 play areas has been agreed by the Public Spaces Working Group. A detailed list of play parks has been distributed to all Members.

2019/20 will now be year 2 of a three year programme as shown below:

Capital budget for Play Parks (2017/2018 approved, 2019/20 and 2020/21 budget to be confirmed)

2017/18	2018/19	2019/20	2020/21	Total
£190,000	Nil	£190,000	£140,000	£520,000

3.3 Follaton House – roof repairs

The proposed capital programme includes a contribution of £50,000 per annum into a reserve for Follaton House roof repairs. Roofing repairs are required on the Old House which includes the localised replacement of defective slate and lead valleys. Defective guttering on Phases 1, 2 and 3 also needs replacing.

3.4 Coastal Assets repairs - 5 year planned programme

The financial year 2019/20 is the fifth year (of a 5 year programme) of an allocation of £300,000 per annum for the planned programme for Coastal Assets repairs.

3.5 Private Sector Renewals (including Disabled Facilities Grants)

This budget is used to fund Private Sector Renewals, primarily Disabled Facilities Grants (DFG's). DFG's are mandatory, means tested and enable people to live independently within their own home. Adaptations range from simple stair lifts and Level Access Showers through to full extensions.

The term 'Private Sector Renewals' are loan and grant funded initiatives that relate to the private sector and not to registered social landlords. The increase in the number of Disabled Facilities Grants applications alongside a reduction in renovation and minor works grants has meant that private sector renewal grants has decreased.

The Regulatory Reform Order policy sets out the various grant funding and loans that the Council currently offers:

<https://mg.southhams.gov.uk/documents/s17191/Appendix%20-%20DFGRRO%20policy.pdf>

When an application is received for a DFG, or a housing inspection reveals disrepair or financial hardship, the health and wellbeing board that comprises Officers from different disciplines meets to consider the best long term housing options for the client.

The budget of £700,000 will be funded from the Better Care Fund (Government Grant). The demand for DFG's is not under our control and cannot be predicted at this stage.

3.6 Follaton House – Replacement Lifts

The proposed capital programme includes a contribution of £30,000 per annum into a reserve for replacing lifts at Follaton House.

There are two lifts which are maintained under contract and regularly serviced. They are increasingly requiring repair and lift engineers have advised that parts are becoming increasingly obsolete. Replacements will be required in the next few years.

3.7 Depot Improvements

A report on Frontline Services (Waste and Cleansing Procurement) was presented to Council in December 2018. Council resolved to approve borrowing for the capital costs of depot improvements.

3.8 Waste Fleet Replacement

A report on Frontline Services (Waste and Cleansing Procurement) was presented to Council in December 2018. Council resolved to approve an increase of £60,000 in the contribution to the Vehicle Earmarked Reserve in 2019/20 (C.41/18 refers). This increases the contribution per year from £490,000 to £550,000.

3.9 Ermington New Units

A capital budget for the provision of new units at Ermington was approved in 2018/19 with a proposal for additional funds in 2019/20. Tenders have been received and work is due to commence during 2019.

3.10 Improvement of the existing units at Ermington

A capital budget was approved for improvements to existing units at Ermington in the 2018/19 capital budget with a proposal for additional funds in the 2019/20 capital budget.

The architect is midway through the commission to ascertain the best solution for the upper floors of the Mill building. Early indications are that it should be possible to bring all the building back into commercial use. The report is expected towards the end of February 2019. The tender process would then follow, with works anticipated in September.

3.11 New Sub Lift at Salcombe

The 2018/19 capital budget included a contribution into a reserve towards the purchase of a new sub lift. The proposed capital programme includes a further contribution in 2019/20 as well as a proposal for a contribution in 2020/21.

3.12 New Entrance, Batson Creek Car Park

A capital budget is required to deliver ancillary car park upgrades to Batson Creek Car Park. This relates to alteration of the car park entrance and spaces layout such that any development within the car park footprint does not result in any loss of capacity. There will also be a requirement to create space for the recycling facilities at Batson through the creation of a hard standing area adjacent to the existing site. This is linked to the construction of the Employment Units and the Trailer Park.

3.13 Car Park Resurfacing

Officers have identified a number of car parks across the District which are in need of resurfacing. The proposed capital budget includes a provision for this purpose.

3.14 South Devon Tennis Centre, Ivybridge

Under the existing lease, the Council is required to fund works to replace the tennis courts at the South Devon Tennis Centre in Ivybridge. This was last carried out 10 years ago and a LTA Court Inspection has now highlighted the need to carry out such works in 2019. A proposal has been put forward for the 2019/20 capital programme.

3.15 Commercial Development Opportunities

Details of commercial development opportunities within the district are included in exempt Appendix B. A Report and Briefing Note presented to Executive on 13th December gave more information (E.62/18 refers). This report requests the funding for these projects, and the projects are subject to normal project appraisal procedures.

3.16 Affordable Housing

No further capital budget has been requested for 2019/20 to support affordable housing due to the previous year's budgets being sufficient to finance the current schemes which are being progressed. The breakdown of money available through s106 contributions, second homes monies and the community housing fund (£1.88m received in 2016/17) means that further sums are not requested at this time.

Should additional schemes materialise, that aren't currently known about by officers, and which would require additional finance, a report will be brought back to Members during the year to request funding on a case by case basis.

3.17 Contingency

It is proposed that a contingency budget of £50,000 be included in the capital programme. This has been included to allow for variations on tendered prices to the estimates provided in the programme, where emergency works are required on assets not currently included in the programme or where additional external resources are required to deliver the programme. Use of this contingency budget will be subject to the Council's existing processes for the expenditure of capital funds.

4 FINANCING THE CAPITAL PROGRAMME

4.1 Capital bids shown in Appendix A total £1,290,000 with the total of bids in exempt Appendix B being £14,001,000. Funding of £15,291,000 is therefore required. The table below shows the recommended way that these projects are financed:-

Capital Programme 2019/20 <i>Appendix A (£1,290,000) and Appendix B bids (£14,001,000)</i>	£ 15,291,000
Funded By:	
Capital Programme Reserve (See Note 1 below – this includes the 19/20 allocation of £181,600 plus previous funds unallocated)	220,000
Community Parks & Open Spaces Reserve (South Devon Tennis Centre)	65,000
Vehicle & Plant Renewals Reserve*	550,000
Business Rate Retention Reserve	1,500,000
Marine Infrastructure Reserve (for Batson Harbour Workshops)	200,000
Capital Receipts	960,000
Better Care Grant funding towards Disabled Facilities Grants (estimated)	700,000
New Homes Bonus	690,000
Borrowing – Waste and Cleansing Procurement*	740,000
Borrowing – development opportunities (this is a proportion of the total PWLB borrowing for the projects shown within the South Hams Commercial Developments report and relates to the capital expenditure in the 19/20 year only)	9,666,000
TOTAL	15,291,000

* This funding has already been approved by Council on 6th December 2018 as part of the report on Frontline Services (Waste and Cleansing Procurement)

Note 1 – The current proposed funding of the Capital Programme includes the Council continuing to make a revenue contribution to the Capital Programme Reserve in 2019/20 of £181,600.

5. IMPLICATIONS

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/ Governance	Y	<p>The Executive is responsible for control of the Council's capital expenditure. The Head of Finance and Assets Practices are responsible for providing Capital Monitoring reports to the Executive, detailing the latest position of the Council's Capital Programme. Council is responsible for setting the Capital Programme and approving the Capital Budget, following consideration and recommendation from the Executive.</p> <p>Since there is commercially sensitive information in Appendix B, regarding the budgets for individual projects, there are grounds for the publication of this Appendix to be restricted, and considered in exempt session.</p> <p>The public interest has been assessed and it is considered that the public interest will be better served by not disclosing the information in the Appendix. Accordingly this report contains exempt Information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.</p>
Financial	Y	<p>The report sets out the Capital Bids to the 2019/20 Capital Programme totalling £15,291,000 and a suggested way that these bids can be funded. All items in this proposed Capital Programme are based on budget estimates and will be subject to the normal project appraisal procedures.</p> <p>Section 4 demonstrates that there are sufficient capital funds (which includes PWLB borrowing mainly for commercial acquisitions) in 2019/20 to fund the bids which have been submitted by project officers within the Council.</p>

		The Treasury Management Strategy, Investment Strategy and Capital Strategy will be presented to Council in March 2019.
Risk	Y	<p>There is a risk that the Capital Programme does not meet the Council's strategic priorities in line with the Council's Asset Strategy and the opportunity to assess emerging projects, which could contribute to the Council's priorities. The mitigation is that there is a project appraisal for each proposal.</p> <p>This is taken into account when assessing possible implementation timescales. Complex capital programmes have a relatively long lead-in period. The Council demonstrates that capital investment contributes to strategic priorities, provides value for money and takes account of the revenue implications of the investment. Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.</p> <p>There is regular quarterly monitoring of the Capital Programme to Members where any cost overruns are identified at an early stage</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity		None directly arising from this report.
Safeguarding		None directly arising from this report.
Community Safety, Crime and Disorder		None directly arising from this report.
Health, Safety and Wellbeing		None directly arising from this report.
Other implications		None directly arising from this report.

Supporting Information

Appendices:

Appendix A – Summary of Capital Bids for 2019/2020

EXEMPT - Appendix B – Summary of exempt Capital Bids for 2019/2020 (table)

Background papers

Capital Programme for 2018/19 - Council 22 February 2018 (62/17 and E.46/17 refer).

Commercial Development Opportunities – Executive 13 December 2018 (E.61/18 refers).

Capital Budget Proposals 2019/20 – Executive 7 February 2019 Item 12.

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed	Yes
SLT Rep briefed	Yes
Relevant Exec Director sign off (draft)	Yes
Data protection issues considered	Yes
If exempt information, public (part 1) report also drafted. (Committee/Scrutiny)	N/A

Appendix A

Proposed Capital Projects 2019/20 - 2021/22 - PART I							
Priority Criteria							
Statutory Obligations	1		Compliance, H&S, DDA				
	2		Essential to keep Operational Assets open				
Good Asset Management	3		Rationalise service delivery or service improvement				
	4		Generate income, capital value or reduce revenue costs				
Service	Site	Project	Lead officer	Proposed 2019/20 £'000	Proposed 2020/21 £'000	Proposed 2021/22 £'000	Priority code / notes
	Play Parks	Replacement equipment	RS	190	140		1,2
HQ	Follaton House	Refurbishment of roof to old house and replacement guttering	ST	50	50	50	1,2
Engineering	SHDC Coastal Assets Repairs	5 year planned programme based on marine survey	CB	300			1
Public Sector Renewals (inc Disabled Facility Grants)			IL	700			1
Sub Total				1,240	190	50	
Contingency				50	150	150	
Totals				1,290	340	200	

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Agenda Item 9

Report to: **Council**
Date: **21 February 2019**
Title: **Review of the Staffing Establishment**
Portfolio Area: **The Leader**

Wards Affected: **All**

Relevant Scrutiny Committee:

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **N/A**
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **Andy Wilson** Role: **Head of Human Resources Practice**

Contact: **Andy.wilson@swdevon.gov.uk**

RECOMMENDATIONS

That the Council:

- 1. Notes the impact of the T18 Transformation programme on the Establishment.**
- 2. AGREES that the Roles identified at paragraph 3.13 are added to the Establishment with effect from 21 February 2019.**
- 3. AGREES to the appointment of the current Executive Director for Service Delivery and Head of Paid Service in to the role of Chief Executive with effect from 21 February 2019.**
- 4. AGREES to extend the interim senior management arrangements and for a Report to be brought to Council recommending a new structure within 6 months of the 2019 Council elections.**
- 5. Notes the current approach to staff appraisals and the**

outcome of the recent steadier state review of roles and salaries.

6. Approves the new pay and grading structure in line with new national pay spines

1. Executive summary

- 1.1. There are a number of reasons for bringing this report to Members:
- 1.1.1. To highlight the significant changes in the Council's staffing Establishment since the T18 Transformation programme.
 - 1.1.2. To ask Council to approve an increase to the Establishment in a number of cases where the funding stream for the activities is secure and the creation of a permanent role will increase the Councils' ability to appoint and/or retain the employees with the right level of skills, experience and behaviours.
 - 1.1.3. To request the Council to approve the appointment of the current Executive Director for Service Delivery and Head of Paid Service into the role of Chief Executive and an extension to the current interim Senior Management arrangements.
 - 1.1.4. To provide a brief summary of the 'steadier state review' that was undertaken in autumn of 2018 to ensure that the Council has the right number of roles in the right activity areas and that employees are paid at the right level.
 - 1.1.5. To highlight the current approach to staff appraisals to support all employees to make a positive impact
 - 1.1.6. To request the Council to approve the new pay and grading structure due to be implemented in April 2019 as a result of national pay bargaining.

2. Background

- 2.1. Under the provisions of section 4.2 of the Local Government and Housing Act 1989, the Council's Head of Paid Service has a duty (where s/he considers it appropriate to do so) to prepare a report setting out proposals for the organisational structure, number and grades of staff required by the authority for the discharge of their functions.
- 2.2. Following the formal closure of the T18 Transformation programme in July 2018, it is appropriate to report to Council on the current staffing structure and to consider changes to the

Council's Establishment to support the effective delivery of services to our customers and communities.

3. Outcomes/outputs

The impact of the T18 Transformation Programme on the Council's staffing Establishment

3.1. The following table shows the number of employees employed by South Hams District Council and West Devon Borough Council by full-time equivalent roles (FTE) and by the total number of roles on the budgeted Establishment at the following three periods:

- In July 2014 before the start of the T18 Transformation programme
- In June 2016 after the conclusion of the main Phase 2 of T18
- In December 2018 to reflect the current position

	FTE Budget	FTE Actual
July 14	553.8	496.97
June 16	455.4	425.62
Dec 18	451.7	443.56

3.2. The table shows that the budgeted shared Establishment reduced by 102.1 FTE posts between the start and finish of T18.

3.3. The current difference between the FTE Budget and FTE Actual is attributable to use of temporary agency workers use to fill vacant posts pending recruitment and roles held vacant pending the commencement of the Waste contract.

3.4. The table below 1 shows the current distribution of employees by Grade/Level.

Combined	FTE Budget	Head count	FTE Actual
Level 1	2	1	1
Level 2	4	4	4
Level 3	19	19	18.73
Level 4	32.6	36	33.21
Level 5	60.5	65	61.02
Level 6	69.6	72	67.21
Level 7	56.9	72	62.56
Level 8	151.3	152	139.25
Level 9	55.8	62	56.58
	451.7	483	443.56

- 3.5. The high concentration of employees within Level 9 is because of the significant majority of the Commercial Services workforce (in South Hams) are paid a spot salary within the Level 9 pay range.
- 3.6. The table below shows the current distribution of the shared workforce by activity area.

Activity/ Area	FTE Budget	FTE Actual
Exec Director	2	1
AONB	5.3	5.4
Customer Contact	25.9	20.82
Support Desk	6.5	3.54
Localities	16	16.46
Customer First Specialists	58.2	60.14
Customer First Case Management	73	77.98
Commercial Services	184.8	177.66
Strategy & Commissioning Specialists	11.7	12.26
Strategy & Commissioning Case Management	6.5	7.31
Support Services Specialist	37.8	37.63
Support Services Case Management	24	23.36
	451.7	443.56

- 3.7. Since the implementation of T18, there has been movement of employees between the different activity areas and senior officers keep the distribution of resources under review and are able to use the greater flexibility built into the new operating model and employee terms and conditions of employment to make sure resources are allocated appropriately.
- 3.8. The T18 Closedown Report approved by South Hams Council on 14 June and by West Devon Council on 5 June 2018 identified that the reduction was mainly achieved through a voluntary redundancy programme that was put in place to reduce the need to make compulsory redundancies.
- 3.9. In total, 137 employees left the Councils' employment. This compared to 110 anticipated at the start of the Transformation Programme. The Councils experienced some resourcing challenges as rationalisation meant that some key skills were no longer available or limited during implementation. This led to the engagement of some transitional resources and the appointment of new employees to certain key roles that remained vacant after the T18 selection process.

3.10. The T18 Closedown Report also identified that in 2014/15, South Hams achieved £290,000 of T18 salary savings. In 2015/16 the salary savings achieved were £1.2 million. By 2016/17, the T18 salary savings realised totalled £2.54 million. The £2.54 million is an annual salary saving from 16/17 onwards.

3.11. In 2014/15, West Devon achieved £160,000 of T18 salary savings. In 2015/16 the salary savings achieved were £700,000. By 2016/17, the T18 salary savings realised totalled £1.385 million. The £1.385 million is an annual salary saving from 16/17 onwards.

3.12. The current Establishment at South Hams will be significantly reduced following the TUPE transfer of employees on 1 April 2019 as a consequence of awarding the new Waste contract.

Approval for new posts on the Establishment

3.13. A number of roles are currently filled on a temporary basis and following review of those roles, Council is asked to approve the transfer of the following temporary roles onto the Councils' permanent Establishment:

3.14. Table A shows posts that were outside of the T18 programme

3.15. Table B shows posts that were part of the T18 programme

3.16. Table C show an additional post that has been included in the 19/20 budget proposals.

Table A

Service Area / Role	Rationale	FTE
Commercial Services – Grounds Maintenance (SH roles only, WD not affected)	<p>There are currently five temporary roles in Grounds Maintenance (ES636, ES637, ES614, ES615, and ES616). Two of the roles are seasonal gardeners to meet the increased demand in the summer season and the remaining three roles are apprenticeships.</p> <p>Historically these posts have been filled by agency workers however this is not a long-term solution and is a more expensive option.</p> <p>The two gardener roles will remain seasonal and we will continue to bring in apprentices as the incumbent apprentices</p>	5 FTE

	<p>complete their qualification</p> <p><u>Funding and Risk</u> This report requests that these posts are added to the establishment as there will be no increase in overall cost to the Councils (the agency budget would be reduced and the Salaries budget increased). Apprenticeships are short term and therefore they do not attract the same contractual rights as permanent employees.</p>	
	Total posts proposed to add to establishment	5.0 FTE

Table B

Service Area / Role	Rationale	FTE
Customer First – Case Management Export Licences (SH role only. WD not affected)	<p>This post is currently filled by an employee at Level 8 on a fixed term contract to administer the Export License service and other environmental health case management functions within the Environmental Health function.</p> <p><u>Funding and Risk</u> This post is funded by the revenue generated by charging customers for the export license. Members are asked to add the role to the permanent establishment. This will enable the Council to offer a permanent contract to the post holder and reduce the risk of losing their experience and skills to more secure employment.</p> <p>In the event of the funding ending, the post holder is entitled to the same contractual rights as permanent employees and therefore the financial risk to the Council is not increased.</p>	1 FTE
Customer First – Assets	<p>Assets Specialist This temporary post is managing the re-negotiation of commercial leases for the Councils’ property estate.</p> <p>The successful re-negotiation of leases has generated recurring additional income and further recurring income will be</p>	1 FTE

	<p>generated from the re-negotiation of further commercial contracts</p> <p>Assets Case Manager To support the work of the Assets Specialists, Two part-time Case Managers have also been providing temporary support (total 1.1FTE). Of this, 0.4 FTE budget is already available within post CF412, therefore 0.7 FTE is required to be funded from the additional income generated from re-negotiating commercial contracts.</p> <p><u>Funding and Risk</u> Transferring these posts to the permanent establishment will ensure that we have the right resources to ensure leases are regularly reviewed. As such the additional income received from the renegotiated leases will fund these posts in the future with no additional pressure on the budget.</p>	0.7 FTE
Customer First – Case Management	<p><u>Disabled Facilities Grants</u> We currently employ 1.5 Level 7 FTE temporary resource to support Disabled Facilities Grants schemes.</p> <p>It is anticipated that this work will increase over the two next financial years and funding is available through the Better Care Fund.</p> <p><u>Funding and Risk</u> The funding for these posts would be from the Better Care Fund which is to continue in the future.</p> <p>In the event of the funding ending, these post holders are entitled to the same contractual rights as permanent employees and therefore the financial risk to the Council is not increased.</p>	1.5 FTE
Customer First – Case Management (Housing)	<p><u>Devon Home Choice</u> We currently employ 0.8 FTE temporary resource at Level 8 to manage the Council housing responsibilities through Devon Home Choice. This is a statutory responsibility and there is therefore a continuing requirement that the Council</p>	0.8 FTE

	<p>will need to resource.</p> <p><u>Funding and Risk</u> The funding for these posts is from Young Person's funding.</p> <p>In the event of the funding ending, the post holder would already be entitled to the same contractual rights as permanent employees and therefore the financial risk to the Council is not increased.</p>	
	Total posts proposed to add to establishment	5.0 FTE

Table C

Service Area / Role	Rationale	FTE
Customer First – Development Management	<p>As a result of a review into the team's capacity, the need for an additional L5 specialist has been identified to meet predicted work levels and improve customer satisfaction with the service.</p> <p>Funding and risk The post will be funded by planning income and is included in the budget proposals presently under consideration by Council.</p>	1.0FTE
	Total posts proposed to add to establishment	1.0 FTE

Interim Senior Leadership arrangements

3.17. Following the resignation of the former Executive Director in February 2018, Council approved interim senior management arrangements, including additional responsibilities for three members of ELT, until May 2019. The interim arrangements were reviewed on 1 November 2018 and were found to be fulfilling the responsibilities required.

3.18. The Review Panel, consisting of the Leaders of each Council and senior Members recommend that the previous structure incorporating two Executive Directors be replaced with a Chief Executive officer. The Panel further recommends that the remaining incumbent Executive Director, Mrs Sophie Hosking, is appointed to the role of Chief Executive.

- 3.19. The Panel recommends that once in post, the Chief Executive brings forward a proposed new senior leadership structure that builds upon the recommendations of the Peer Review and will be along the lines of:
- i. Director of Customer Service and Delivery
 - ii. Director of Place and Enterprise
 - iii. Director of Governance
 - iv. Director of Strategic Finance
- 3.20. The proposed new senior leadership structure will be further developed in consultation with senior officers and Members to determine the allocation of responsibilities and delegated authority and a report brought to Council within 6 months of the Council elections due to be held in May 2019 and prior to the appointment of candidates to the new senior leadership team.
- 3.21. The Review Panel also recommends that the Group Manager for Customer First and Support Services be retitled Interim Deputy Chief Executive to reflect the additional responsibilities being undertaken.
- 3.22. The impact of any restructure will be almost entirely limited to the Senior and Extended Leadership Teams and to where particular functions are positioned within the organisation.
- 3.23. The Review Panel also agreed to accept an offer of fully funded consultancy time from the Local Government Association to support a review of a permanent new senior leadership structure, including remuneration, and to commission further external support as necessary. The review will be widened to consider the structure for ELT. Members of the current ELT have been asked for their views on a new leadership structure that will inform the review.

Steadier State Review

- 3.24. In October 2018, a review of the current staffing arrangements was undertaken in conjunction with the ELT. The purpose of the review was to examine how the staffing structure had evolved since T18 and to make sure we had the right number of roles in the right activity areas and paid at the right level.
- 3.25. The 'steadier state' review involved ELT and line managers presenting a business case to the HR Panel (consisting of the Head of Paid Service and two others members of SLT) to support any proposed changes. Individual employees were also afforded the opportunity to present a case for re-grading.
- 3.26. As a result of the Steadier State Review a small number of changes were agreed within the existing staffing budget.

- 3.27. SLT also took the opportunity to realign some service areas within the Councils' structure in light of the decision not to set up a wholly owned company. This led to the transfer of line management reporting responsibilities for Member Services, Elections and Communications to the Support Services Specialist Manager and the transfer of the supporting case management team into the Customer First structure.
- 3.28. The HR Panel continues to evaluate requests from managers to make changes within the budget to the staffing structures, such as the transfer of funding from one post to another or re-grade a particular role because of a change in responsibilities and/or duties.

New approach to staff appraisals

- 3.29. Following a review by iESE and in line with emerging best practice, the annual appraisal scheme was reviewed and is being replaced with a regular 1:1 discussion between employees and the appropriate manager.
- 3.30. This reflects the matrix management approach adopted since T18 and enables employees to have structured discussions with the right managers. For example, a Specialist will have discussions about professional issues with the Community of Practice Lead Specialist but will have discussions about career development with the Specialist Manager. The matrix management approach has been successful and has developed naturally as employees understand the management arrangements.
- 3.31. The new approach to staff performance management is known as 'Personal Continual Improvement (PCI)' and is designed to allow staff to raise issues about health and well-being, career progression, make suggestions for continual improvement in service delivery. The PCI is also the opportunity to discuss progress against targets and discuss and mitigate any barrier to meeting objectives and agreed delivery outcomes. The objective of the PCI discussions is to help employees make a positive impact.
- 3.32. The Head of Human Resources Practice will monitor the impact of PCI and make an initial report to SLT in April 2019.

New pay and grading scheme

- 3.33. The 2016/2017 national pay negotiations resulted in the adoption of a new National Joint Council pay spine. The new structure sought to address the impact of the increasing national living wage on the bottom points of the national pay spine and also consolidated some current pay points to new single point to address inconsistencies in the financial progression between spinal column points. The national agreement also awarded a 2% pay increase across all pay points, with further 'bottom loading' to give

additional increases to staff employed at the lower spinal pay points.

3.34. As a result, the Councils' have migrated its existing pay and grading structure to the new national pay spine. This has been achieved without adding significant costs to the overall budget and without adversely affecting any individual employee. The proposal has the support of the recognised trade unions. The new pay structure will come into effect from 1 April 2019.

3.35. The proposed new pay and grading structure is shown at Appendix 1.

4. Proposed Way Forward

4.1. Senior Officers will continue to keep the Establishment under review and make sure employees and resources are allocated flexibly and in response to Council priorities, fluctuations in demand and to deliver new commercial opportunities.

4.2. The new operating model implemented as part of T18 provide greater opportunity for the flexible deployment of employees and resources. This enables officers to mitigate risks to specific service areas during periods of heightened demand or system failure and to meet changes in Council priorities.

5. Implications

Implications	Relevant to proposals Y/N	
Legal/Governance		An increase in the Council's Establishment requires the approval of Council. The Report is brought before the Council under the provisions of the Local Government and Housing Act 1989 which requires the Head of Paid Service to bring a report to Council (where she considers to appropriate) to consider proposals on the number and grade of staff required by the Council to discharge its functions.
Financial		The report identifies in paragraph 3.13 the source of funding for the additional roles to be added to the Establishment. The roles are funded from within existing funding sources and therefore do not impact negatively on the Councils MTFS
Risk		The transfer of the identified roles onto the Establishment will reduce the risk of being unable

		<p>to attract and retain appropriate employees to deliver the services because the offer of a permanent role is more attractive to employees seeking security.</p> <p>Additionally it is important to note that when temporary employees complete 2 years' service with the Council, they are entitled to the same benefits around redundancy etc.</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity		There are no Equality and Diversity implications.
Safeguarding		There are no Safeguarding implications.
Community Safety, Crime and Disorder		There is no potential positive or negative impact on crime and disorder reduction.
Health, Safety and Wellbeing		There are no significant implications for Health, Safety and Wellbeing
Other implications		There are no other implications

Supporting Information

Appendices:

Appendix 1: New pay and structure

Background Papers:

Local Government and Housing Act 1989
T18 Closedown Report to Council – O & S.112/17c (South Hams), Hub HC8 (West Devon)

	SPINAL COLUMN POINT 2018-2019 (WEF 01/04/2018)			SPINAL COLUMN POINTS 2019-2020 (WEF 01/04/2019)				
	SCP	ANNUAL SALARY	MONTHLY RATE	HOURLY RATE	SCP	ANNUAL SALARY	MONTHLY RATE	HOURLY RATE
Scale 1	6	16,394	1366.17	8.50	1	17,364	1447.00	9.00
	7	16,495	1374.58	8.55				
	8	16,626	1385.50	8.62	2	17,711	1475.92	9.18
	9	16,755	1396.25	8.68				
	10	16,863	1405.25	8.74				
9	11	17,007	1417.25	8.82	3	18,065	1505.42	9.36
	12	17,173	1431.08	8.90				
	13	17,391	1449.25	9.01	4	18,426	1535.50	9.55
	14	17,681	1473.42	9.16				
	15	17,972	1497.67	9.32	5	18,795	1566.25	9.74
	16	18,319	1526.58	9.50				
8	17	18,672	1556.00	9.68	6	19,171	1597.58	9.94
	18	18,870	1572.50	9.78	7	19,554	1629.50	10.14
	19	19,446	1620.50	10.08	8	19,945	1662.08	10.34
	20	19,819	1651.58	10.27	9	20,344	1695.33	10.54
	21	20,541	1711.75	10.65	10	20,751	1729.25	10.76
7	22	21,074	1756.17	10.92	11	21,166	1763.83	10.97
	23	21,693	1807.75	11.24	12	21,589	1799.08	11.19
	24	22,401	1866.75	11.61	13	22,021	1835.08	11.41
	25	23,111	1925.92	11.98	14	22,462	1871.83	11.64
	26	23,866	1988.83	12.37	15	22,911	1909.25	11.88
	27	24,657	2054.75	12.78	16	23,369	1947.42	12.11
	28	25,463	2121.92	13.20	17	23,836	1986.33	12.35
6	29	26,470	2205.83	13.72	18	24,313	2026.08	12.60
	30	27,358	2279.83	14.18	19	24,799	2066.58	12.85
	31	28,221	2351.75	14.63	20	25,295	2107.92	13.11
	32	29,055	2421.25	15.06	21	25,801	2150.08	13.37
N/A	33	29,909	2492.42	15.50	22	26,317	2193.08	13.64
	34	30,756	2563.00	15.94	23	26,999	2249.92	13.99
5	35	31,401	2616.75	16.28	24	27,905	2325.42	14.46
	36	32,233	2686.08	16.71	25	28,785	2398.75	14.92
	37	33,136	2761.33	17.18	26	29,636	2469.67	15.36
	38	34,106	2842.17	17.68	27	30,507	2542.25	15.81
4	39	35,229	2935.75	18.26	28	31,371	2614.25	16.26
	40	36,153	3012.75	18.74	29	32,029	2669.08	16.60
	41	37,107	3092.25	19.23	30	32,878	2739.83	17.04
	42	38,052	3171.00	19.72	31	33,799	2816.58	17.52
	43	39,002	3250.17	20.22	32	34,788	2899.00	18.03
N/A	44	39,961	3330.08	20.71	33	35,934	2994.50	18.63
	45	40,858	3404.83	21.18	34	36,876	3073.00	19.11
	46	41,846	3487.17	21.69	35	37,849	3154.08	19.62
3	47	42,806	3567.17	22.19	36	38,813	3234.42	20.12
	48	43,757	3646.42	22.68	37	39,782	3315.17	20.62
	49	44,967	3747.25	23.31	38	40,760	3396.67	21.13
	50	45,812	3817.69	23.75	39	41,675	3472.92	21.60
	51	46,964	3913.66	24.34	40	42,683	3556.92	22.12
				41	43,662	3638.50	22.63	
				42	44,632	3719.33	23.13	
				43	45,591	3799.25	23.63	
				44	46,728	3894.02	24.22	
				45	47,903	3991.94	24.83	

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Report to: **Council**
Date: **21 February 2019**
Title: **Peer Challenge Report**
Portfolio Area: **Leader of the Council**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Author: Neil Hawke Role: **Support Services Specialist Manager**

Contact: **01803 861323** neil.hawke@swdevon.gov.uk

Recommendations:

- 1. That Council endorses the recommendations set out in the Peer Challenge report attached as Appendix A to this report;**
- 2. That Council agrees to form a Member/Officer Working Group to develop a draft action plan, jointly with West Devon Borough Council, with delegated authority being given to the Leader of the Council to nominate the Member representatives for South Hams District Council; and**
- 3. That the draft action plan be presented to the Executive for approval at its meeting on 14 March 2019 with responsibility for the ongoing monitoring of progress against the action plan being allocated to the Overview and Scrutiny Panel.**

1. Executive summary

- 1.1 All Councils are able to access a fully funded sector-led Corporate Peer Challenge every 4 to 5 years.
- 1.2 The Council requested that the Local Government Association ("LGA") undertake a Peer Challenge of South Hams District

Council and West Devon Borough Council in order to identify their strengths and any areas for improvement.

- 1.3 A team from the LGA spent 4 days on site during November 2018 during which time they spoke to more than 115 people including Council staff Councillors, external partners and stakeholders.
- 1.4 The week concluded with the Peer Team presenting their initial findings to Councillors and staff.
- 1.5 This report sets out a summary of the Peer Team's findings and sets out what happens next with regard to developing an action plan for considering and implementing the Peer Team's recommendations.

2. Background

- 2.1 The Council last commissioned an LGA Peer Challenge in October 2012 prior to the implementation of the current operating model (known as T18).
- 2.2 Corporate Peer Challenges are fully funded and have been designed to assist the continuous improvement approach adopted across local government. The Peer Challenge programme is sector-led (delivered by local government colleagues and Members from other local authorities).
- 2.3 It is recommended that councils undertake a Peer Challenge every 4-5 years. As the Councils' new operating model has been implemented and embedded over the last four years, now was the right time to commission a Peer Challenge.
- 2.4 As the Council shares services with West Devon Borough Council, the Peer Challenge was a joint review but with individual recommendations for the Governance and Political element of the Council.
- 2.5 The Peer Challenge core components are:-
 - 2.5.1 Understanding of the local place and priority setting
 - 2.5.2 Leadership of Place
 - 2.5.3 Organisational leadership and governance
 - 2.5.4 Financial planning and viability
 - 2.5.5 Capacity to deliver
- 2.6 In addition to the core components, we specifically asked the Peer Challenge to focus on:
 - 2.6.1 Options to secure the financial sustainability of the two Councils
 - 2.6.2 Resource pressures for both Councils and the implication for the delivery of non-statutory services
 - 2.6.3 Proposed plans for investment and commercial delivery
 - 2.6.4 The extent to which the Council has embraced the use of e-technology
 - 2.6.5 Ability to deliver economic growth and housing
 - 2.6.6 Working arrangements of elected Members across the two Councils and how these may be improved

- 2.7 Ahead of the Peer Challenge, the Council provided the Peer Team with a self-assessment of our current position which contained key facts, figures and background information for both Councils.
- 2.8 During the 4 days on site, the Peer Challenge Team met with more than 115 stakeholders including:
- Elected Members
 - Staff & the Leadership Team
 - Town and Parish Councils
 - Partner organisations
 - Members of the public
- 2.9 Overall, 260 hours of interviews and assessment have been brought together into a report setting out the Peer Challenge Team's findings and recommendations (Appendix A – Peer Challenge Report).

3 Options available and consideration of risk.

- 3.1 The Peer Challenge Report provides a positive endorsement of the resilience and dedication of Members and Officers in implementing the current operating model. It also highlights exemplar pieces of work such as the Joint Local Plan and the recent Leisure and Waste procurements.
- 3.2 The Report does set out a number of observations and recommendations for the Council to consider.
- 3.2.1 Ensure there is both sufficient strategic capacity and direction to enable the Councils to effectively plan for and deliver their aspirations into the medium term
- 3.2.2 Strengthen the Councils' political governance arrangements
- 3.2.3 Ensure there is a continued organisational focus on achieving financial sustainability
- 3.2.4 Prepare a viable accommodation strategy for future service delivery
- 3.2.5 Clarify partnership priorities and seek to strengthen key sub-regional partnerships
- 3.2.6 Clarify what new IT solutions are required for the future
- 3.3 It is important to note that the Council is already taking steps to implement actions which will address many of the Peer Team's recommendations:
- 3.3.1 A review of the Senior Leadership and Extended Leadership structure has commenced with the intention that a revised structure is implemented within 6 months of the new Council
- 3.3.2 The Council is already developing Corporate Theme delivery plans with drafts being considered at Member workshops in February and the final plans being considered in May/June 2019

- 3.3.3 A robust Member induction programme has been approved, with ongoing Member training and support being a core focus
- 3.3.4 Accommodation Strategy proposals for the Council are being developed for consideration by the Executive on 14 March 2019
- 3.3.5 Project plan for the future IT platform is in development with an external assessment of requirements due to be undertaken in March 2019
- 3.4 In addition to the recommendations above, the Peer Review report clearly sets out that restarting joint working between the two Councils should be a focus for the coming months. As the Peer Review was a joint report, with some joint recommendations, it is recommended that a joint Member and officer group develops a detailed action plan for approval by each Council and with ongoing monitoring by the Overview & Scrutiny Panel. It is proposed that the Group includes provision for six elected Members (three Members from each Council) and it is recommended that the Leader of Council be given delegated authority to nominate the Council's three Member representatives

4 Proposed Way Forward

- 4.1 To develop a joint action plan with West Devon Borough Council to address the recommendations of the Peer Challenge Team for consideration by the Executive on 14 March 2019 through a joint working group of Members and officers.
- 4.2 Provide quarterly update reports on progress against the action plan to the Overview and Scrutiny Panel.
- 4.3 Arrange an LGA Peer review follow up visit to take place, no later than the end of 2020 to assess progress made against the recommendations in the Peer Challenge Report.

6. Implications

Implications	Relevant to proposals Y/N	
Legal/Governance	Y	There are no direct legal implications to this report but any Constitutional changes that are proposed in the action plan will be brought back to Members.
Financial	N	There are no direct financial implications to this report.
Risk	Y	<ol style="list-style-type: none"> 1. That the report is not adequately considered to assist in our continuous improvement activities <ol style="list-style-type: none"> a. Sufficient time needs to be provided to enable consideration of the recommendations and

		<p>develop an action plan</p> <ol style="list-style-type: none"> 2. The process is not considered to have been worthwhile <ol style="list-style-type: none"> a. Follow up with all individuals that took part in the process and share the recommendations with them b. Public engagement through press release with key findings c. Ensure resulting action plan also made publically available 3. Insufficient resources to deliver action plan <ol style="list-style-type: none"> a. Prioritisation of resources through programme board / SLT
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None
Community Safety, Crime and Disorder	N	None
Health, Safety and Wellbeing	N	None
Other implications	N	None

Supporting Information

Appendix A – Peer Challenge report and recommendations

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Corporate Peer Challenge **South Hams District Council and West Devon Borough Council**

27 – 30 November 2018

Feedback Report

1. Executive Summary

South Hams and West Devon councils have been characterised by their energy and creativity, promoted by the political commitment to drive change. The decision to work together, beginning in 2007 with a shared Chief Executive, is one of the earliest examples in local government and was consolidated by the move to a shared management team and services in place by 2012. The record of shared working and services provides annual savings of more than £6m across both councils.

The councils' transformation programme T18 – transformation 2018 – was bold and required firm political leadership. It has secured the councils' immediate financial future with essential savings of £1.5m at West Devon and £2.93m per year at South Hams. The programme of change, running from 2013 to 2018, involved huge upheaval and, as expected, a dip in performance in some areas as new approaches were implemented, but now performance in key areas has recovered and continues on an upward trend.

In addition to the savings achieved, T18 has led to a more agile organisation, with morale having turned the corner – the latter confirmed by improving staff survey trends over the last 3 years. It has contributed towards improving service performance through re-mapping business processes. It is to the credit of the head of paid service and the senior leadership team (SLT) that they have steered this organisational transformation, during a difficult period, to achieve the original objectives set, and to create the springboard for the future.

Both councils recognise they need to plan for the next phase of change but, at the moment, this is proving difficult to progress. Senior members need to take the initiative, working with the advice and support of SLT, to develop a future vision. This will need to be ready shortly after May 2019, when all-out elections at both councils will produce new council administrations for the four years to 2023. The vision will set the direction for the next phase of the councils' shared working.

Bringing members from both councils together, to start laying the groundworks for the new vision, is vital and the best vehicle for this would be a version of the former Joint Steering Group. In 2017 the councils worked up outline proposals to join together as one council. In October 2017 South Hams voted for the proposal and West Devon against. This led to, what is acknowledged to be, a period of strained relations between members of the two councils and the end to meetings of the Joint Steering Group. As a result joint working has stalled at a senior member level as illustrated by work on the revised corporate strategy which failed to gain full member commitment and support. Reconvening a version of the Joint Steering Group, with senior officer support, will be essential to begin work on a proposed vision, in readiness for the May 2019 elections, so that the new administrations can move with confidence and assurance in the new direction set.

In common with many other local authorities, both councils continue to have financial pressures with South Hams facing a cumulative gap of £1.8m and West Devon £724k by 2023-24¹. Although this is challenging, and will require sustained focus, it certainly is not

¹ This was the position at September 2018 are set out in the councils' Medium Term Financial Strategies.

parlous and the councils have a number of options available that should guide them to a more secure and sustainable financial future. These include the savings projected from the recent leisure contract, proposals for the waste and recycling contract and income generation from investment in property. Members will have an important role to play to ensure that the councils' savings programme delivers a sustainable future.

The councils need to review the senior management structure to ensure it is fit for the future and to fill gaps in capacity in priority areas. The current structure reflects previous plans to develop a hard client/ contractor split, which were not pursued. This will need to be looked at again to provide clarity and ensure the councils have the leadership and skills they need to deliver against their new corporate strategy priorities.

In reviewing the senior structure the councils need to consider whether to re-establish the position of chief executive. T18 and the commissioning model proposed two executive directors, one of whom left in early 2018. The councils have continued to operate effectively with the remaining executive director acting as head of paid service. The intention is that this be reviewed, along with the senior management structure, in 2019. The peer team recommend that the councils consider the option of reverting back to the chief executive model.

There is a strengthened relationship with Plymouth City Council (PCC). The success of the two councils, with PCC, to produce the Plymouth and South West Devon Joint Local Plan (JLP), in less than 3 years is a remarkable achievement. It provides a powerful demonstration of the benefits of effective partnership working. The relationship with PCC provides an important platform for future growth that can also be built on for mutual benefit. Other external partners are encouraging the councils to work more with them to lever and harness resources for mutual benefit and to deliver shared priorities.

Ensuring that residents are able to easily access the services they need, including through streamlined on-line processes, is important. The councils have recently undertaken a benchmarking exercise to test the customer experience and are committed to ensuring a stronger customer focus in the next phase of transformation.

2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the councils:

- 1. Ensure there is both sufficient strategic capacity and direction to enable the councils to effectively plan for and deliver their aspirations into the medium-term. Specifically to:**
 - a. Initiate member/officer arrangements to agree the building blocks for a new councils' vision from May 2019.** Setting aside current member relationship issues will enable the councils to consider the next phase of shared work and to pass on proposals to the new councils' administrations after all-out elections in May 2019.

- b. **Link the work on the new vision to a refresh of corporate and business planning arrangements.** Corporate planning is essential to set out a vision and a strategy and the means to achieve this. It enables resources to be aligned to objectives and provides clarity for members and staff on what the councils are working towards
 - c. **Reconvene the Joint Steering Group** to provide strategic political direction and oversight for the two councils.
 - d. **Consider the appointment of a new post of Chief Executive**, instead of the current two Executive Directors model, to provide the managerial leadership to drive through the next phase of the councils' strategic plans and operating model.
2. **Strengthen the councils' political governance arrangements.** This report describes how current practices are adversely affecting decision-making, backbencher engagement, group management and relationships between members and officers.
 3. **Ensure a continued organisational focus on achieving financial sustainability.** The councils have a challenging financial two year period ahead in 2019-20 and 2020-21. Both councils - members and staff - will need to maintain focus and further define detailed savings plans and implement them effectively in order to achieve longer-term financial sustainability.
 4. **Prepare a viable future accommodation strategy.** In the short-term this should investigate the disposal and the alternative use value of both councils' headquarters and test with members the desire for greater use of shared accommodation and a reduction in member-only accommodation. In the longer-term consideration should be given to the councils moving to a new purpose-built shared accommodation. This could assist the councils' finances and make a powerful statement in terms of working together.
 5. **Clarify partnership priorities and seek to strengthen key sub-regional partnerships.** The councils have not surprisingly concentrated on the internal change programmes that have demanded attention. Now is the moment to re-engage with partnership working to leverage additional capacity to deliver on councils' and partners' shared objectives. A partner strategy would map out potential partnerships and evaluate those that have most to offer.
 6. **It will be essential to ensure clarity on what the new IT is expected to provide and confidence that it will deliver this.** It will be vital that a thorough assessment is undertaken as to what IT is retained and what new IT will be required to complement this. This will require a clear understanding of what the priorities are for the councils, for example case management, customer care, the extension of 'channel shift', mobile working and the needs of members etc.

3. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer

challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at South Hams and West Devon were:

- Alan Goodrum, former Chief Executive of Chiltern and South Bucks Councils
- Councillor Michelle Lowe, Deputy Leader, Sevenoaks District Council
- Councillor Paul Middlebrough, Wychavon District Council
- Sue Nelson, Service Director, Revenues, Benefits and Customer Services, Luton Borough Council
- Andy Wood, Projects Director, Exeter and East Devon Growth Point Team, East Devon District Council
- Clive Mason, Head of Resources (including Chief Financial Officer), Huntingdonshire District Council
- Emma Cooper, Senior Transformation Advisor, Cambridgeshire County Council and National Graduate Development Programme (NGDP)
- Andrew Winfield, Peer Challenge Manager, LGA.

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, you asked the peer team to consider/review/provide feedback on the:

- various options to secure the financial sustainability of the two councils

- resource pressures for both councils and the implication for the delivery of non-statutory services and how the councils may manage this in the future?
- proposed plans for investment and commercial delivery across both councils
- extent that organisational change has embraced the use of e-technology across the two councils
- priority of both councils for economic growth and housing and their ability to deliver on this. In particular to consider the opportunities for West Devon which is constrained by 45 per cent of land in the area forms part of Dartmoor National Park.
- working arrangements of elected members across the two councils and how these may be improved.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focused and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge every 4 to 5 years. South Hams and West Devon councils had a Corporate Peer Challenge in 2012. Where relevant to do so, findings from that previous peer challenge have been referenced in this report.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the councils and the challenges it is facing. The team then spent 4 days onsite at South Hams and West Devon, during which they:

- spoke to more than 115 people including a range of council staff together with councillors and external partners and stakeholders.
- gathered information and views from more than 55 meetings and focus groups and additional research and reading.
- collectively spent more than 260 hours to determine their findings – the equivalent of one person spending more than 7 weeks at the two councils.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit on 30 November 2018. In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

Feedback

3.1 Understanding of the local place and priority setting

South Hams and West Devon are both essentially rural areas located adjacent to the city of Plymouth. As is often the case for rural areas economic growth and housing are important and both areas have an ageing population with its own needs.

The councils use Devon County Council's (DCC) analysis of census data, along with other local data and intelligence, to identify local needs. This is used to inform the councils in the development of corporate priorities. In early 2018 the councils reviewed their priorities and produced new corporate strategies, each with the identical strategy themes of:

1. Council - delivering efficient and effective services
2. Homes - enabling homes that meet the needs of all
3. Enterprise - creating places for enterprise to thrive and business to grow
4. Communities - council and residents working together to create strong and empowered communities
5. Wellbeing - supporting positive, safe and healthy lifestyles and helping those most in need
6. Environment - protecting, conserving and enhancing our built and natural environment

This work is to be applauded but there is more to be done to confirm and then embed corporate planning to ensure agreed priorities drive councils' activity. For example, more work is needed – from political leaders and senior managers - to ensure fuller member engagement, and a stronger understanding, of the importance of corporate planning. The above work to recently refresh the councils' corporate plans had only limited member buy-in which has weakened its effectiveness by reducing the understanding of corporate priorities and progress on service planning.

A more detailed corporate strategy, with associated business plans, will be needed to direct activity and provide clarity on who does what. It will be important that this work is undertaken in advance of the elections in May 2019 and would benefit from being informed by: a resident's survey, the development of district profiles, work on priority themes, the development of key performance indicators (KPIs) and performance management arrangements. This should produce a strategy that sets out: objectives and outcomes for residents and businesses from service delivery; aligns resources to these objectives and outcomes; and specifies the means for measuring success.

Housing is a key strategic theme/priority for both councils with the ratio of average housing cost to average salaries being 13.3:1 in the South Hams and 10.7:1 in West Devon. There is a Community Housing Prospectus to secure the development of 90 homes in South Hams and 29 in West Devon over the next five year period, partly funded through the Community Housing Fund.

However, the peer team found that this priority lacks strategic direction and no structured means for delivering a longer-term housing programme. As a consequence activity may not always be directed to areas of priority and may be opportunistic rather

than strategic. It is recommended that a housing strategy be produced, in association with partners, to set out: housing need, delivery plans, funding, partner roles etc. so that this can be effectively addressed.

It will be important for both councils to demonstrate housing delivery because this will demonstrate a commitment to Homes England (HE) who are inclined to fund areas of need and with a record of delivery. This will be essential so as to increase the likelihood of future funding. HE is targeting housing areas with high ratios of average housing cost to average salaries, a criterion which South Hams and West Devon both meet.

It will be essential for both councils to be aware and open to emerging housing options. Housing is a government priority and nationally this is a fast-moving landscape. Both councils have given consideration to establishing a housing company but decided it was not necessary at this time. With the recent relaxation of the Housing Revenue Account (HRA) borrowing cap, and depending on the success in delivering the above community housing programme, the councils may choose to review this once they reach the threshold of building that would require a HRA². As outlined above the councils are recommended to develop a housing strategy that not only sets out future proposals but also draws together all the initiatives underway across the councils.

Economic growth is important to develop a higher value economy that will attract inward investment and provide opportunities for residents. Both councils have economic growth as a strategic theme/priority but we found no strategy to plan for the future economy, inward investment, skills development, land assembly, commercial use and investment etc. There are substantial employment allocations in the urban fringe area for example which, given the right approach, have the potential to support not just large-scale employment growth but also new and productive sectors in the economy. This would benefit residents but also the councils through the financial dividend from growth in terms of the uplift in the business rate base. The peer team recommend that an economic growth strategy be developed in association with partners, aligned to the Local Industrial Strategy, being prepared for the wider Heart of the South West area.

Both councils need to work closely with businesses that already operate in their areas as these form the basis for the current and future economy. There is always the potential for economic shocks - for example two large local businesses are both facing possible closure with high job losses (350 and 200) - and councils have a key role, along with other partners, in responding to and mitigating the impact of these. In a similar vein it is important that the councils maintain a continuing dialogue with the business sector so that they can be aware of those businesses seeking to expand and how they may be able to assist this.

Many of the partners we spoke with value working with the councils and want to be more engaged. Partnership working has suffered in recent years with the councils' internal focus understandably being on a massive change programme. It is now time to rebuild partnership working and to be clear on which partnerships derive the greatest value, leveraging the key themes and priorities the councils are setting to help determine this and then once confirmed, ensuring those most relevant receive appropriate resource commitment and contribute in the delivery of shared priorities.

² Councils can build up to 200 traditional social rented council homes outside of an HRA before government will require them to open an HRA for those homes.

One area that lends itself to this is the ageing population at South Hams and West Devon that will require increased strategic partnership working. The proportion of the population over 65 years around 24 per cent for both councils - significantly higher than the national average of 17 per cent. This will add future pressures on health, housing and care needs and reinforces the need to build on work with DCC and the Clinical Commissioning Group (CCG) on health and related matters.

3.2 Leadership of Place

South Hams and West Devon have worked together, with Plymouth City Council (PCC) to produce a Joint Local Plan (JLP) that provides a strategic framework to support growth delivery. The JLP is a clear demonstration of commitment to produce a spatial strategy to support delivery of the councils' ambitions for economic growth and housing. The success in producing this in under 3 years is a remarkable achievement and testament to the close working of the three councils. The JLP is expected to be adopted in spring 2019 and has gained £820k capacity funding from the Homes and Communities Agency (HCA).

Members and officers from South Hams and West Devon worked together with PCC to produce the JLP. The councils established effective governance arrangements involving a Joint Member Steering Group, a Joint Local Plan team and a Senior Management Team, along with close collaboration at officer level. The strength of these arrangements were key to ensure progress.

There is the opportunity to build on the achievement of the JLP and be involved in more joint work with PCC for the future delivery of housing and economic growth. An example of what is possible is provided by the current development of a new market town at Sherford which will provide a community and facilities for 12,000 people on completion with most of the development land being located in South Hams.

It will be important for the councils to develop such opportunities. The three councils share a travel to work area, a housing market and functioning economy that means a considerable overlap of interests with the prospect that joint working could offer considerable added value. This is already beginning with joint activity on the Urban Fringe and Local Plan teams but consideration could also be given to: shared strategies around economic growth and housing; sub-regional growth funding bids; joint arrangements around inward investment and shared resources, for example on shared specialist areas. The JLP provides an ideal foundation from which many more opportunities could be built on for the benefit of both councils and their residents.

It is important to recognise that South Hams and West Devon contribute a unique offer - coast, countryside, towns and villages full of character. Some members told the peer team that they perceive themselves to be junior partners to the JLP. However, it is clear that PCC see the two councils as essential partners who are important for Plymouth to enhance the overall inward investment offer. Evidence of this is provided by the JLP's Urban Fringe team focusing on delivering key strategic sites, including the 5,000 homes at Sherford and 2,000 homes at Woolwell. Both are important sites to accommodate Plymouth's housing growth and are mostly located within South Hams.

There is a lack of a longer-term political vision for the two councils which needs to be addressed. This may be attributable, in part, to the fall-out resulting from the collapse of the One Council proposal and deteriorating member relations across the two councils. It may also be due to some members feeling the councils' financial positions were so parlous that there was little the councils could do to manage the future. This perception held by some members is misplaced – although the financial pressures are challenging, they are certainly not insurmountable. The councils' members need to begin immediate work on the future vision, and use this as the basis to engage with residents and businesses on its proposals. In developing this officers will need to support members by setting out what this might look like, based on evidence of need, to inform the production of options.

The relationship with the Dartmoor National Park Authority (DNPA) has many strengths but further work is needed to gain improved outcomes from it. The peer team heard of good joint working where the three authorities had collaborated on the roll out of superfast broadband. However, while the team were also told of strong member relationships with the DNPA these were more distant for officers. The reasons for this were not clear but could be due to the inward looking working of the two councils in recent years and the effect on partnership. Given that 45 per cent of West Devon's area falling within the DNPA boundaries of responsibility, this is a principal relationship. This has meant that some of the key benefits that should be realised, for example working together on issues of shared importance such as housing, economic growth and tourism – the latter important with the park attracting 2m visitors a year - are not being fully exploited.

Adopting a more proactive approach with partners will have benefits across the piece. For example, we found that partnerships with the voluntary sector tend to be traditional in that they are generally grant-based rather than commissioned. More value could be gained by conducting a dialogue on what services the voluntary sector is able to offer and how well this matches what the councils require. The extent of alignment would indicate the levels of funding support the councils might then provide. Another example was provided by town and parish councils who felt that the relationship was somewhat one-sided. Some told the peer team that they were only asked to run services when the councils were considering closing them, instead of being involved in discussions early enough to effect real change.

3.3 Organisational leadership and governance

The councils will need to review the organisational structure to ensure it is fit for the future and to fill gaps in capacity in priority areas. The current structure reflects previous intentions to develop a hard client/ contractor split, which were not pursued.

In reviewing the senior structure the councils will need to consider whether to re-establish the position of chief executive. T18 and the commissioning model (now discarded) proposed two executive directors, one of whom left in 2018. The councils have continued to operate effectively with the remaining executive director who has managed a highly challenging T18 programme and provided strategic oversight of both councils. The peer team recommend that the councils consider the option of reverting back to the chief executive model as this would provide the:

- drive to work with senior elected members on the councils' future direction and to guide the organisation accordingly to deliver on the councils' priorities

- strategic managerial leadership that two councils require
- focus necessary to engage effectively with principal partners on matters of strategic importance and an identifiable lead for partners to engage with the councils.

The Senior Leadership Team (SLT) contains a strong set of skills and is regarded by staff as both approachable and empowering. It has led effectively the officer cadre through the challenging T18 programme and has been important to deliver financial savings required. Achieving the latter has involved the councils moving into new areas of activity, with SLT guidance, for example in acquiring a commercial property portfolio to generate new income streams.

At this stage of the councils' development the peer team felt there was a need for more political ambition combined with a clearer strategic direction. The work required to ensure the ownership of the new corporate strategy and the vision for the next phase of the councils' shared working, are examples of this. A key challenge, primarily to the councils' respective political leadership but also the SLT, is that they now need to jointly engage more effectively to prompt a dialogue on the ways and means they will work together for this ambition to be developed.

The Extended Leadership Team (ELT) is a forum with great potential that has not yet been harnessed fully. In order to gain maximum benefit from this group of experienced officers ELT need a clearer remit to ensure that additional strategic capacity is released and, equally, a clearer relationship with SLT to align officer leadership, drive and influence. To illustrate this ELT has no terms of reference and no clarity on: its role and purpose; its reporting relationship to SLT; and what outcomes are sought from its work. Recalibrating these relationships will ensure that ELT becomes more involved in strategic planning to take forward ideas and initiatives.

The councils have demonstrated effective leadership through fundamental organisational change which means they are now unrecognisable from what existed before. The T18 programme was radical in outlook and has influenced many similar change programmes in English local government. It has produced a positive change in culture through new agile working arrangements, the use of technology and an entirely new way for customer access and delivery shaped by the distinction between specialists and case workers. The remapping of business processes has contributed to service improvements, for example, decisions on planning applications within target times improved greatly from 2012 to 2018. Similarly the processing times for new housing benefits claims improved from 2015 to 2018.

A success from the new customer access arrangements has been the introduction of the Localities Team. Based in the community, these staff take on a wide range of activities that were previously spread across all service areas and were costly and time-consuming to deliver. These activities can be as diverse as playground safety inspections, investigating fly tipping incidents, assisting residents with benefit applications, putting up formal planning notices and educating people on waste and recycling issues. This model is capable of being developed further and could be rolled out with partners to support other agencies' work in the community.

After the initial implementation difficulties of T18 there is strong evidence of improving staff morale, shown in the improving trend in the staff survey over the last 3 years.

Agile working has been embraced by the workforce and is widely valued in offering flexibility, better outputs and savings. An example is last winter's 'Beast from the East' cold snap which saw the councils successfully continue working and managing a bad weather response by officer and member planning through home working and the use of Skype. There is certainly potential to build on T18 and this is acknowledged by officers who are preparing for IT upgrades with additional functionality and offering new ways of providing customer access. This will need to be built into future planning on corporate strategies and the future vision for the two councils' next phase of shared services.

Member working arrangements across the two councils have worsened since the proposal for joining together as One Council collapsed in 2017 and needs attention. This may be a contributory factor to the lack of member engagement in the corporate strategy and planning process mentioned above. The importance of this is acknowledged with 'political commitment for change' listed as the highest rated risk in the councils' corporate risk report. With both councils having elections in May 2019, it will be essential for tangible progress to be made to rebuild relationships to shape the future vision in readiness for the new administrations.

It will be important to reconvene a revised version of the Joint Steering Group. The collapse of the One Council proposal led these meetings to fall in abeyance and member relations across the two councils have reached a point where there is little enthusiasm to meet. It is the view of the peer team that this forum is essential to plot the future strategic direction of both councils and that urgent steps – by senior members and SLT - should be taken to reconvene this.

The waste, recycling and leisure outsourced working arrangements have been important to achieve financial savings. This work has been a model for how members from both councils worked effectively together to assemble these contracts – just as was done for the JLP. This was conducted thoroughly to specify contract documentation, service and financial outcomes and contract monitoring arrangements and is one model for member working across both councils that could be replicated to good effect.

There is more work to be done to ensure that members are fully equipped to undertake their roles as effectively as possible. A number of members the peer team met did not appear to be able to balance their responsibility for council-wide and ward representation. Clearly members have a strong sense for the wards they represent, but this should not mean that this should have primacy over or be of greater importance than a corporate perspective of what may be the best for the council and the wider area they represent. Often these may be the same but there will be occasions when ward interests need to be aligned to support broader council and 'place' interests. This will be a key area for development for both councils.

There are a number of issues involving members at both councils. These cover the West Devon Hub³, political group management and liaison with senior members and backbenchers. Some of these include:

³The Hub is a hybrid of the executive and the committee models.

- the Hub comprises members of different political groups on a proportional basis and it is not always clear where the decisions, accountability and constructive challenge occur.
- although it is unusual for Hub decisions to be overturned at Full Council it has happened on some key issues, for example charging for garden waste, proposed cuts in partnership funding and budget decisions. If members of the Hub are voting differently in the Hub to Full Council that points to an issue in making and sticking to difficult decisions and/or group discipline.
- political group meetings serve generally as preparation for council meetings and miss opportunities to discuss the development of medium- and longer-term political aspirations
- both sets of backbencher members felt excluded from decision-making
- the Leader of West Devon also currently chairs the Development Management and Licensing Committee. The Planning Advisory Service has already commented on the potential risks, from this for the council and the Leader, through involvement in the determination of planning applications.

These are areas that could be addressed by various means, including:

- work to strengthen group working arrangements and discipline
- the use of Policy Advisory Groups where backbenchers can be usefully involved in policy development
- review the councils' constitution on committee membership and chairing arrangements.

Equally important will be for both councils to have ready a thorough induction programme to equip members in new positions and new members with the skills and confidence to be most effective.

3.4 Financial planning and viability

It is to the credit of both councils that frontline services have been “protected in the main” since austerity in 2010. Like the rest of the sector the councils have experienced significant financial pressures from cuts to government funding.

The financial situation going forward is challenging, especially for 2019-20 and 2020-21. The cumulative financial gap for South Hams to 2023-24 is £1.83m and for West Devon it is £724k. (This was the position as at September 2018 as set out in the councils' Medium Term Financial Strategies.) Some members the team spoke with expressed the view that this situation is dire but in the view of the peer team this is misplaced. Both councils have options available to meet budget gaps and move towards a more sustainable financial future. The s.151 officer and her team have a good grip on the finances of both councils, including the provision of prudent strategic financial advice and regular monitoring reports to both councils. They are to be congratulated on guiding the councils' finances to this point. However, it will also be important to avoid complacency and ensure that financial self-sufficiency becomes the byword over the medium term and focus is maintained to achieve this.

To enable confidence to be restored in the councils' respective financial positions their savings plans would benefit from having more detail. The councils have a good track

record from which to build - both have embraced innovation and generated considerable savings through joint management and T18. Overall these programmes have generated savings of £6.1m per year. To meet on-going financial challenges it will be important that the councils' savings plans for 2019/20 and beyond are now firmed up, along with the allocation of responsibility as to who leads on which savings elements. The objective should be to gain confidence in achieving itemised savings so that these become budget commitments incorporated within the Medium Term Financial Strategy (MTFS). This will assist future financial planning.

There are a number of options the councils are developing to further ensure their financial viability. These include:

- rationalising office accommodation - significant savings could be achieved without threatening the councils' identities or autonomy. It is recommended that a detailed options business case be developed and that members make a decision on this.
- outsourced contracts are delivering important savings. Waste and recycling and leisure contracts both expect to achieve strong savings with the leisure projected to save the councils £41m (between South Hams and West Devon) over the course of a 25 year contract and waste and recycling around £424k per year for South Hams and £254k for West Devon
- developing new income streams, for example through rental income derived from commercial property.

It will be important to drive investments and commercial opportunities further to ensure that returns and objectives are maximised. There is an ambitious commercial investment programme that addresses local priorities and generates revenue income. The commercial borrowing cap has been set at £60m for South Hams and £35m for West Devon. West Devon's portfolio is expected to achieve an income of £190k this year and projected to deliver £400-450k per year at full capacity. South Hams already has a substantial property portfolio but has yet to make any commercial investment through its investment strategy; although potential options are being considered, including a 79 bedroom hotel, a supermarket at Ivybridge and the purchase of commercial land at Sherford. At capacity the projected yields are £700k per year. This highlights the opportunities of investing in the local area that both benefits the local economy and in generating an income.

There are some risks involved in commercial investment acquisitions and the councils are actively working to manage and mitigate these. In the future it may be worth considering a joint investment strategy, possibly in association with PCC, which could invest for housing and economic growth within the JLP as well as generating a revenue return. For example, the phase 2 business park development at Langage is part of an investment portfolio for PCC that is creating jobs and estate rent income. Most of Langage falls within the South Hams area.

It will be important to capitalise on the growth dividend that can be realised from major new housing and commercial developments, for example those at Sherford, Woolwell and Langage. Unquestionably the councils are in a strong position to gain from economic growth driven by the Plymouth economy with this framed by the JLP in terms of housing, jobs and site allocations. This will grow the council tax and business rates

base and will add to the funding received from New Homes Bonus (NHB) and whatever funding mechanism is devised to replace NHB after 2020.

3.5 Capacity to deliver

The two councils have managed a complex, difficult and challenging T18 programme. This has successfully achieved the financial savings proposed at the outset, introduced new technology and, with this, new ways of working for example agile working and a new approach to customer access to services.

Delivering this programme has involved effective leadership of change. The work of the head of paid service, SLT and ELT, working closely with members, has been pivotal to oversee the process and ensure the programme's success.

Staff are passionate and committed to delivering high-quality services. The resilience of staff especially has been evidenced by the organisational delivery of the T18 programme. However, most staff told us that capacity is not sufficiently adequate and that while the structure enables the re-deployment of resources where needed even this flexibility fails to cover the gaps in capacity. The organisational restructure should be informed by an audit of capacity pressure points so that these issues can be picked up.

The councils have been able to leverage service resilience through pragmatically sharing services where appropriate. This has helped to build capacity and/or deliver financial benefits. For example, there are arrangements with Teignbridge District Council for building control services and a shared procurement function. The councils are part of the Devon Audit Partnership for internal audit services and, as already mentioned, are partners with PCC on the JLP. In addition, West Devon is re-procuring its contract for waste and recycling and South Hams is in the process of procuring this service for the first time; and both councils are already in contracts for leisure and their IT platform and software. An example of the open approach to shared services is the recent initiative to provide the Disabled Facilities Grant (DFG) programme at Torridge District Council until April 2019.

The new forms of customer access set in place - 'channel shift' - have been a success and this is an area that can go further. For example, there has been a steady decline in the number of phone calls and reception visitors since 2013. Since 2015 there has been a huge increase in online transactions, which are much less resource intensive. However, access data – showing still sizable numbers of phone calls and reception visitors - suggests 'channel shift' can go still further to obtain financial savings.

Unfortunately, the new ways of working that underpin customer 'channel shift' are still experiencing difficulties and this should be addressed. The principles of adopting a case management approach, as embodied in T18, are sound, but in practice are still problematic. For example:

- non-ELT staff – both specialists and case managers – struggle to know where to go to get things done in the current structure (roles and responsibilities are unclear)
- in many cases the advance preparation of scripts to underpin case management were written from the staff point of view and not the customer's perspective

- a significant number of IT forms which appear online but do not link successfully to the back office, leading to double-keying and unnecessary additional staff interventions in the back office
- end-to-end services have not been mapped out and those that have may need revisiting
- the practice of case management is inconsistent across the organisation, in some areas it is more like process administration not case management at all
- the casework model was designed to deliver a holistic customer experience, but this is not consistently happening. The recent pilot in Revenues and Benefits - to facilitate better customer outcomes - is an example of this need being recognised and addressed.

Good progress has been made over the last 3 years with new forms of customer access which has helped to release some, but not enough, capacity. As a result key questions now need to be asked about switching off transactional services once they are fully accessible via the web, in order to realise the efficiency/capacity improvements that these methods of access were designed to deliver.

Customer communication and engagement are acknowledged by the councils as an area for development. Recent work to review customer satisfaction, and discussions with staff, reveal that information on cases is not regularly fed back to customers. This 'customer gap' is confirmed in the recent Institute of Customer Service benchmarking report. As a member of staff told the peer team, "we're miles away from understanding what the public want..." At the same time residents don't have a good awareness of what the councils do and are responsible for. Both councils are aware of these shortcomings and are prioritising actions to address this but further work could be done to flesh out existing action plans.

There is an expectation that resolving IT issues, particularly around the IT platform, will resolve most capacity issues but there is a lack of evidence to support this. The current contract ends in 2021 and the councils are thinking ahead to future arrangements. The T18 IT implementation programme has been reviewed, which identified learning points that should be valuable for the next round of IT procurement. Budget provision has been made of £150k in each council for 2020-21 and, in the absence of information on what IT was needed and what this may cost, the peer team felt this may be an underestimate and recommend that work be conducted to specify future requirements and costs so that budget provision can be amended if necessary.

Without an audit it is impossible to gauge what capacity needs might be met from new IT systems and ways of working and what from other interventions. The peer team's work suggests that there may be other issues affecting capacity; with these being around under-developed partnership working, current decision-making arrangements, the organisational structure and the current interim working arrangements.

4. Next steps

Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Andy Bates, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). His contact details are andy.bates@local.gov.uk

In the meantime we are keen to continue the relationship we have formed with the council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the councils assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the councils. Our expectation is that it will occur within the next 2 years.

Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the councils will commission their next Peer Challenge before November 2023.

Examples of good practice

1. The production of the Joint Local Plan (JLP) in less than three years is a remarkable achievement. In many other parts of England such joint plans have taken much longer to deliver.

Achieving this is testimony to the commitment of resources by all councils to push on delivery. This has involved a JLP Working Group with active involvement from members from South Hams and West Devon councils.

2. T18 has been in the vanguard in providing a new model for local government service design and delivery. Driven by the imperative of financial savings this has redefined the working of both councils and, alongside shared services savings (achieved prior to 2014), has made savings of £6.1m per annum.

With aggregated net budgets for both councils of £16.3m per annum these are important and significant savings.

3. The work of members across two councils, working closely with officers, to prepare for contracting out leisure and waste and recycling has been exemplary. This is particularly so when member relationships have been strained. These have been successfully concluded and derived significant financial benefits at a time when both councils have challenging financial gaps to bridge. This is a model for future working across the two councils.
4. The Localities Service was a completely new customer access concept developed in 2015 as part of an overall transformation programme. The Localities team are responsible for activities previously carried out by a range of specialists from service areas across the two councils.

The support provided ranges from environmental health to planning, council tax/benefits to environmental services, from attending community engagement events to interacting with residents and parishes about the councils' services. This is important as there continues to be a need for face-to-face service delivery and it is more efficient, and better for customers, if this is delivered within the locality. The service adds value by:

- avoiding duplication
- increasing the councils' visibility in the community and improving the their reputation
- reducing travel and staff time costs
- reducing the workloads of specialists enabling them to concentrate on specialist work
- being the first point of contact for councillors to help resolve or progress local issues.

Report to: **Council**

Date: **21 February 2019**

Title: **Draft Calendar of Meetings 2019/20**

Portfolio Area: **Strategy and Commissioning – Cllr Tucker**

Wards Affected: **All**

Relevant Scrutiny Committee: **Overview and Scrutiny Panel**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **Immediately**

Author: **Kathryn Trant** Specialist - Democratic Services

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RECOMMENDATION

That Council be RECOMMENDED that the Calendar of Meetings for 2019-20 as presented at Appendix A be approved.

1. Executive summary

- 1.1 Each year, the Council is required to approve a calendar of meetings for the forthcoming year.

2. Background

- 2.1 The Constitution sets out requirements relating to the number and frequency of meetings of Council Bodies. In setting the calendar of meetings each year, the Council can ensure that these requirements are met. It also enables forward planning and avoids meeting clashes.

3. Outcomes/outputs

- 3.1 Set out at Appendix A is the draft calendar of meetings for 2019-20.
- 3.2 In drawing up the calendar of meetings, a number of parameters are set which include:
- Constitutional requirements which, for some bodies, sets the number and frequency of meetings to be held annually;
 - The addition of a full council meeting in March each year to enable approval of the Treasury Management Strategy, Investment Strategy and Capital Strategy as required by the Prudential Code;

- The wishes of Members that Thursdays are seen as Member days and therefore as many meetings as possible are arranged to take place on this day;
- The wishes of Members to avoid clashes with meetings of other organisations and events where possible;
- The wishes of Members to avoid meetings during school holidays where possible;
- Financial timescales and requirements and
- Attempting to ensure that Overview and Scrutiny Panel meetings are held two weeks prior to Executive meetings
- The recent decision that the month of August should be avoided for Member meetings. Such are the constraints of the Calendar, that Members will note that the draft Calendar proposes only informal meetings in August, with the exception of DM Committee meetings which are required to be scheduled every four weeks where possible;
- The significant impact of the District Council elections in May 2019.

3.3 Members will be aware that Development Management Committee meetings do not currently have a fixed start time and, for each meeting, the start time is only set once the length of the agenda is known. It is suggested that, with effect from May 2019, all Development Management Committee meetings start at 10.00am and, in the event of a meeting being concluded before 1.00pm, the opportunity is then taken for a training session to be held during that afternoon.

3.4 It should be noted that the calendar only lists those meetings which can or need to be programmed (for constitutional, financial or other reasons). Meetings of other Council bodies such as task and finish groups arising from the work of the Overview and Scrutiny Panel can be programmed on an ad-hoc basis.

4. Options available and consideration of risk

4.1 By approving the calendar of meetings each year, the Council will avoid potential Member meeting clashes and ensure that the Constitutional requirements are provided for, and Members wishes, where possible, are taken into account.

5. Proposed Way Forward

5.1 Approval of the calendar of meetings will prevent meeting clashes and ensure that Constitutional requirements are met.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	Statutory Powers – Local Government Act 1972

Financial	N	There are no direct financial implications
Risk	N	These are addressed in the body of the report
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	Not applicable
Safeguarding	N	Not applicable
Community Safety, Crime and Disorder	N	Not applicable
Health, Safety and Wellbeing	N	Not applicable

Supporting Information

Appendix A: Draft Calendar of meetings 2019-20

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SOUTH HAMS CALENDAR OF MEETINGS 2019/20

Committee	May 19	June 19	July 19	Aug 19	Sept 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	June 20	July 20	Aug 20	Sept 20
SH Council All at 2pm	16				26			12		13 (Or 20 am)	26		21				24
SH Council Tax Panel 2.00pm										21							
SH Executive All at 10am		6	18		19	31	28			6	19		7	18	30		17
<i>Exec Briefing</i> All at 3.30pm	23		4	29		17	14		23		5	16		4	16		3
SH O&S All at 10am		13	11		5*	17	14*		23**	27*		23*		4	16		3*
SH Audit Committee All at 10am		20	25				7			6	26			25	23		
SH Licensing Committee							7										
Salcombe Harbour All at 2.30pm		24			16		25		27		16			22			14
TRAINING DATES			4			3		5			5			11			
<i>SH Planning</i> <i>Briefing</i>	17	10	8	5	2/30	28	25		6	3	2/30		1	1/29	27	28	28
SH Site Inspections	20	17	15	12	9	7	4	2	13	10	9	6	11	8	6	3	7
DM Committee	22	19	17	14	11	9	6	4	15	12	11	8	13	10	8	5	9

Notes:

SH Informal Council dates are the morning of SH Council

SH Executive Briefing dates are internal dates and will not be published on the website (Executive Members and SLT)

***dates for O&S are between 4 and 8 weeks after quarter end for presentation of PIs, except Sept dates which are 10 weeks (to avoid August)**

**** Joint O&S and DM Committee date**

Planning Committee for SH at 4 weekly intervals except over Christmas & New Year, June 17 to avoid half term/September to avoid August

Aug 19 only Briefing meetings except DM on 12&14/8/19 and 3&5/8/20

July 19 Audit Committee moved from 18th to 25th: Sept 19 Executive moved from 12th to 19th

Report to: **Council**
Date: **21 February 2019**
Title: **Council Tax Reduction Scheme 2019/20**
Portfolio Area: **Customer First – Cllr Bastone**

Wards Affected: **all**

Relevant Scrutiny Committee: **Overview & Scrutiny Panel**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **Lorraine Mullineaux** Role: **Senior Housing Benefit Specialist**

Contact: Lorraine.Mullineaux@swdevon.gov.uk

Recommendations:

That the Council adopts a new 4 banded Council Tax Reduction Scheme ranging from 85% to 25% as set out in Appendix 1 for 2019/20 from 1st April 2019.

1. Executive summary

- 1.1 It is an annual requirement for Councils to revisit their existing council tax support scheme and make a decision as to whether to replace or revise it.
- 1.2 In order to make changes to our scheme for 2019/20 we are required by law to:
 - Consult with the major precepting authorities
 - Consult with other persons as it considers are likely to have an interest in the operation of the scheme.

The Authority undertook a comprehensive consultation from the 24th October 2018 – 19th December 2018, The Council received 47

responses, which is typical nationally of a consultation on this subject. Residents were engaged in a variety of ways including:

- On line
- E-mail
- Social Media
- A short film was also completed on social media to encourage participation.

Devon County Council have stated that they do not have any objections to a change to the Council Tax Reduction Scheme that is broadly cost neutral.

The final Council Tax Reduction Scheme must be adopted by Full Council, and cannot be delegated to an officer or Committee.

2 Background

2.1 Council Tax Reduction (CTR also known as Council Tax Support - CTS) was introduced in April 2013 and replaced the national Council Tax Benefit Scheme, with a 10% funding reduction. The CTR scheme for working-age customers is a local scheme, however the scheme that exists for pension age recipients is a national scheme prescribed by regulations and cannot be varied locally. Therefore any savings to the scheme must come from working age customers.

2.2 Local Schemes must take account of and:

- Support work incentives and in particular avoid disincentives for those moving into work
- Our duties to protect vulnerable people (these duties already exist under the Equality Act 2010, The Care Act 2014, Child Poverty Act 2010, The Housing Act 1996)
- The Armed Forces Covenant.

3 Outcomes/outputs

3.1 Since 2013/14, funding for Council Tax Reduction has been included within the overall local government funding grant. The Authority therefore decides how much funding is available to support the Council Tax Reduction Scheme.

3.2 The aim of the local scheme is to be 'cost neutral'. By this we mean that the level of Government grant would equal forecasted Council Tax Reduction expenditure for 2019/20

3.3 The following table sets out the annual expenditure and caseload:

	Total caseload	Working age caseload	Pension age caseload	Working age expenditure £	Pension age expenditure	Total expenditure
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					£	£
April 14	6,174	2,802	3,372	1,900,285	3,062,544	4,962,829
April 15	6,005	2,751	3,254	1,816,016	3,009,416	4,825,432
April 16	5,273	2,344	2,929	1,747,454	2,836,706	4,584,160
April 17	5,166	2,349	2,817	1,876,611	2,906,834	4,783,445
April 18	5,079	2,397	2,682	1,959,118	2,879,962	4,839,081
April 19*	4,949	2,358	2,591	1,869,281	2,755,015	4,624,296

*Estimated figures taken from current modelling.

- 3.4 The slight increase in expenditure is mainly due to the level of increase in council tax for 2018/19.
- 3.5 Over the four years from 2016/17 to 2019/20, the Council's Government funding (Settlement Funding Assessment – SFA) received from Central Government will be reduced by 39% over the four years.
- 3.6 The proposed scheme is a radical new scheme, adopted by only a handful of Councils nationwide so far, although lots more are likely to adopt a similar scheme in the near future. The Scheme has been developed to support our most vulnerable customers in the ever changing landscape of welfare reform.
- 3.7 South Hams are now a full service area for Universal Credit, and our existing means tested Council Tax Reduction Scheme is no longer fit for purpose. As income fluctuates through Universal Credit, this triggers a new council tax bill to the customer – under the current scheme this could mean the customer getting a new bill each month. This does not allow people to budget effectively adding stress and pressure on those already managing on a low income. The simplified Scheme will only trigger a new bill if there is a significant change to someone's income. This Scheme offers increased transparency and is much easier to understand.
- 3.8 Hand in hand with the new proposed Scheme is the Council's existing Exceptional Hardship Fund. This discretionary funding pot is designed to safeguard our most vulnerable who are struggling financially. There is also access to the Money Advice contract for those who need assistance with debt or claiming appropriate benefits.
- 3.9 The main driver for the Council to change its Scheme is to protect our most vulnerable residents, and by introducing a new scheme soon after the introduction Universal Credit demonstrates that the Council is responding to the needs of people in South Hams.

4. Consultation Results

4.1 47 residents responded to the consultation survey, which is a significant improvement on the previous consultation. It should be noted that not everyone answered all the questions, so the % will not always add up to 100%. Whilst the results suggest that the respondents wish to retain the existing scheme, a significant number of the proposed changes received positive responses.

4.2 An analysis of the responses shows that;

- 38% (18 respondents) felt that the Council should keep the current scheme.
- 34% (16 respondents) disagreed
- 13% (6 respondents) didn't know
- 15% (7 respondents) said other

- 29% (12 respondents) agreed with a banded scheme
- 49% (20 respondents) disagreed
- 22% (9 respondents) didn't know

- 26% (10 respondents) agreed with limiting the number of dependent children to two
- 61% (23 respondents) disagreed
- 13% (5 respondent) didn't know

- 41% (15 respondents) agreed with the removal of Non Dependants
- 33% (12 respondents) disagreed

- 69% (25 respondents) agreed to us changing the claiming process for all claimants in receipt of Universal Credit.
- 76% (25 respondents) agreed with disregarding carer's allowance.
- 29% (10 respondents) agreed to removing the current earnings disregard and replacing with £5, £10 and £20
- 53% (18 respondents) disagreed
- 73% (24 respondents) agreed with disregarding the support element of Universal credit
- 84% (27 respondents) agreed with disregarding the housing element of Universal Credit
- 21% (7 respondents) agreed with using Minimum Income Floor for self-employed.
- 64% (21 respondents) disagreed
- 58% (19 respondents) agreed with setting the minimum level of council tax reduction at £1 per week
- 33% (11 respondents) agreed to reduce the capital limit from the existing £16,000 to £6,000
- 55% (18 respondents) disagreed

A question that asked whether the Council should consider any options rather than the proposed changes to the Council Tax Reduction Scheme was answered as follows;

- Increase the level of Council Tax to cover the additional administration costs?
39% (13 respondents) agreed
45% (15 respondents) disagreed
- Find the additional administration costs by cutting other Council Services?
12% (4 respondents) agreed
79% (26 respondents) disagreed
- Use the Council’s reserves?
28% (9 respondents) agreed
50% (16 respondents) disagreed

5. Proposed Way Forward

Option 1 – New banded scheme

- 5.1 Introduce the banded Scheme which will assess the maximum level of Council Tax Reduction based on the net income of the claimant and partner.
- 5.2 To keep the Scheme simple where a customer receives a “passported benefit” such as;
- Income Support
 - Jobseekers Allowance (IB)
 - Employment Support Allowance (IR)
- They will automatically receive maximum support by being placed in the top band of the Scheme.

5.3 Therefore the income bands that will be used in the Scheme are as follows;

			Couples’		
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Council Tax Reduction Level	Passported	Single Income Band Weekly £	Income Band Weekly £	Family with one child Weekly £	* Family + Weekly £
Band 1 – 85%	Relevant Benefit	0.00 – 75.00	0.00 - 115.00	0.00 – 200.00	0.00 – 335.00
Band 2 - 80%	N/A	75.01 – 110.00	115.01 – 150.00	200.01 – 235.00	335.01 – 370.00
Band 3 - 50%	N/A	110.01 – 160.00	150.01 – 200.00	235.01 – 285.00	370.01 – 420.00
Band 4 - 25%	N/A	160.01 – 205.00	200.01 – 245.00	285.01 – 330.00	420.01 – 465.00

***Based on family with 3 children (average family 2.4 children)**

5.4 Main features:-

5.4.1 In this Scheme as part of our ongoing commitment to support disabled people the council will continue to disregard Disability Living Allowance, Personal Independence Payments and War Disablement Benefits for the income used in the assessment of Council Tax Reduction and the council continue to disregard Child Benefit and Child Maintenance Payments.

5.4.2 Working-age households will receive a percentage discount, depending on their level of income. These income bands are set out as above. The higher end of the band limit is increased depending on the size of the household. The rates have been based on the increases to personal allowances premiums in the current means tested scheme.

5.4.3 The following is a summary of the main elements of our proposed working age Council Tax Reduction Scheme:

5.4.3.1 Working-age people will receive a percentage discount of either 85%, 80%, 50% or 25%, depending on the level of income and the income band they fall into.

5.4.3.2 Anyone with savings of £6,000 or more will not qualify unless they are in receipt of a "passported benefit."

- 5.4.3.3 Those in receipt of Income Support, Jobseekers Allowance (income-based) Employment Support Allowance (income-related) will automatically be placed into Band 1 (i.e. 85% reduction)
- 5.4.3.4 Net earnings will be taken into account when calculating Council Tax Reduction.
- 5.4.3.5 Application for Council Tax Reduction will be made online or through notification of an award to Income Support, Jobseekers Allowance (income based), Employment and Support Allowance (income-related) and Universal Credit.
- 5.4.3.6 Income from Disability Living Allowance, Personal Independence Payments, Armed Forces Independence Payments, Child Benefit, Child Maintenance and War Disablement Benefits will continue to be disregarded when calculating Council Tax Reduction.
- 5.4.3.7 To support incentives to work, the Council will have earnings disregard of £5.00 for single people, £10.00 for couples and £20.00 for lone parents and disabled, this is the amount of earnings not taken into account.
- 5.4.3.8 To support incentives to work for those that work over 16 hours the Council will retain the weekly childcare disregard which will be applied to earnings of up to £175.00 for one child and £300 for two or more. (A disregard is an amount of earnings not taken into account in the calculation of net earnings).
- 5.4.3.9 Universal Credit – Where the Universal Credit payment is worked out based on wages, the Council will still take the wages into account after taking the relevant earnings disregard. The council will then add them to the Universal Credit payment to work out what band to use to calculate the Council Tax Reduction.
- 5.4.3.10 Deductions taken from Universal Credit by the Department for Works and Pension (DWP) will not be removed.
- 5.4.3.11 The housing cost element of Universal Credit will be ignored.
- 5.4.3.12 Introduce a Minimum Income Floor (MIF) for self-employed after a 12 month start-up period. Linked to National Living wage (£7.83) or National Minimum wage (£7.38 or £5.90 depending on age).
- 5.4.3.13 Applications from joint tenants will be assessed on their share of the liability.

- 5.4.3.14 No non-dependant deductions to be applied for any non-dependant. (This is where you have someone else living in your home who is not dependent on you).
- 5.4.3.15 Backdating is limited to six months and assessed on whether there is good cause to do this.
- 5.4.3.16 Payment of Council Tax Reduction would only be made if it is over £1 per week.

- 5.5 Pension age people are not affected by this change and they will continue to have council tax reduction assessed in the same way through the Governments Council Tax Reduction default scheme.

- 5.6 Through regulations, Government set allowances (applicable amounts), premiums and non-dependant deductions to be used when calculating whether a person of pension age is entitled to Council Tax Reduction. These amounts are uprated by government on an annual basis to reflect increase in cost of living.

Option 2 – Amend current scheme

- 5.7 In 2019/20 we are predicting a significant increase in our Council tax reduction workload as a result of Universal Credit. In order to reduce the impact on performance, collection rates, correspondence, re-billing and recovery we could look to introduce a tolerance figure, whereby we don't amend a person's income unless it is under or over a set amount.

- 5.8 This would slightly reduce the amount of administration work, but it wouldn't reduce the scheme expenditure, staff costs, customer queries, phone calls, and collection rates for working age claimants will reduce further once Universal Credit is fully rolled out.

Option 3 – Do nothing for 2019/20 and work with the other Devon Councils in developing a new scheme for 2020/2021.

- 5.9 South Hams and West Devon are the only two councils within Devon that are looking to introduce a new scheme in 2019/20.

- 5.10 We could stay with our current scheme for 2019/20 and work with the rest of Devon in developing a new scheme for 2020/21.

- 5.11 This option will have the same impact as option 2 without the reduction in administration.
- 5.12 Officers recommend that Council adopt Option 1, the banded scheme from 2019/20.

6. Supporting Information

- 6.1 Our approach to amending the council tax reduction scheme continues to support the Council's local policy priorities, in particular:-
- Reducing inequalities by protecting the most vulnerable people in our authority; as we continue to disregard child benefit, Disability Living Allowance and war pensions.
 - Supporting work incentives by increasing the weekly amount a person or couple can earn before their income is used in the assessment of council tax reduction.
- 6.2 The latest modelling shows that approximately over 1,899 residents will see their Council Tax Reduction increase, these are mainly our most vulnerable residents.
- 6.3 Whilst most residents will be better off there will be some that are adversely impacted, the latest modelling shows that approximately 460 residents could potentially be worse off, this is mainly due to the changes with self-employed income and the introduction of the Minimum Income Floor (MIF), the Capital limit of £6,000. However these changes will bring us in line with the rest of Devon who have already implemented them.
- 6.4 The latest modelling shows that the Council have approximately 322 families with 2 or more children, 237 large families would benefit from the new scheme with 85 being adversely affected, testing shows that this is mainly due to the introduction of MIF.
- 6.5 The Authority still has an Exceptional Hardship Fund which is financed through the collection fund for those residents that find themselves requiring short term financial assistance.
- 6.6 The scheme will be far simpler for the claimant to understand, therefore less customer queries and calls, the Council won't be verifying information so this will reduce staff assessing time and speed up processing times.
- 6.7 The costs to administer the scheme should reduce significantly, but both Councils would have to agree to the banding scheme to realise all the efficiencies.

7. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Welfare Reform Act 2012 provided for the abolition of Council Tax Benefits and brought in instead, localisation of Council Tax Support under the Local Government & Finance Act 2012 from 1 April 2013. This Act made councils responsible for administering their own Council Tax Support Schemes. Councils are required to review their Schemes annually and Full Council must make a decision as to whether to revise or replace the Scheme.
Financial	Y	The Government funding (Settlement funding assessment - SFA) received from Central Government will be reduced by 39% over the four years. Council Tax Reduction funding is included within the SFA. The scheme is designed to be cost neutral and covers the shortfall in funding of over £0.5 million.
Risks	Y	<p>Failure to agree a scheme</p> <p>Both Councils will have to agree to the banding scheme to realise all the efficiencies.</p> <p>Detrimental impact on collection rates</p> <p>Business case in place with all preceptors agreeing financial support to fund extra resource to undertake early intervention and money advice.</p> <p>Future funding reductions could mean that the current scheme will not remain fit for purpose.</p> <p>Annual review and close monitoring of announcements and national forums.</p> <p>Business case in place with all preceptors agreeing financial support to provide Exceptional Hardship Fund to assist those in extreme financial need.</p>
Comprehensive Impact Assessment Implications		
Equality and	Y	An equality impact assessment has been

Diversity		completed. See Appendix 2.
Safeguarding	Y	Changes to a Banded scheme could be seen to have a positive impact on child poverty.
Community Safety, Crime and Disorder	Y	As above.
Health, Safety and Wellbeing	Y	Changes to a Banded scheme could be seen to have a positive impact on our poorest and most vulnerable families.
Other implications		

Appendices:

Appendix 1 Policy

Appendix 2 Equality Impact Assessment

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South Hams District Council
Council Tax Reduction Scheme Policy
S13A and Schedule 1a of the Local Government Finance Act 1992

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1.0 Introduction to the Council Tax Reduction Scheme

- 1.1 The following has been adopted by the Council and details the Council Tax Reduction scheme for the period 1st April 2019 until 31st March 2020.
- 1.2 This document details how the scheme will operate for both pension credit age and working age applicants and in accordance with Section 13A of the Local Government Finance Act 1992 specifies the classes of person who are to be entitled to a reduction under the scheme and is effective from 1st April 2019 for a period of one financial year.
- 1.3 The scheme in respect of pension age applicants is defined by Central Government within the following:
- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
 - Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
 - Council Tax Reduction Schemes (Transitional Provision) (England) Regulations 2013;
 - Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013;
 - Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016;
 - The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018; and
 - Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012).

The scheme for pension age applicants – Central Government’s scheme as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012

- 1.4 There are three main classes under the prescribed pension credit age scheme, for each of which there are a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction, such as a person subject to immigration control with limited leave to remain. The definition of a pension credit age person is a person who;
- a. has attained the qualifying age for state pension credit; and
 - b. is not, or, if he has a partner, his partner is not;
 - i. a person on income support, on an income-based jobseeker’s allowance or on an income-related employment and support allowance; or
 - ii. a person with an award of universal credit

The three prescribed classes are as follows;

Class A: pensioners whose income is less than the applicable amount.

On any day Class A consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. who does not fall within a class of persons prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority’s

scheme;

- d. whose income (if any) for the relevant week does not exceed his applicable amount calculated in accordance with paragraph 9 and Schedule 2 of the Local Government Finance Act 1992;
- e. not have capital savings above £16,000; and
- f. who has made an application for a reduction under the authority's scheme.

Class B: pensioners whose income is greater than the applicable amount.

On any day class B consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- d. whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 9 and Schedule 2 to the Local Government Finance Act 1992;
- e. in respect of whom amount A exceeds amount B where:
 - (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
 - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount;
- g. not have capital savings above £16,000; and
- h. who has made an application for a reduction under the authority's scheme.

Class C: alternative maximum Council Tax Reduction

On any day class C consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day;
- c. in respect of whom a maximum Council Tax Reduction amount can be calculated;
- d. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act and excluded from the authority's scheme;
- e. who has made an application for a reduction under the authority's scheme; and
- f. in relation to whom the condition below is met.

The condition referred to in sub-paragraph f. is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum Council Tax Reduction in respect of the day in the case of that person which is derived from the income, or aggregate income, of one or more residents to whom this sub-paragraph applies.

The above applies to any other resident of the dwelling who:

- a. is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;
- b. is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
- c. is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and—
 - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
 - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be

disregarded for the purposes of discount;

- d. is not a person who, jointly with the applicant, falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
- e. is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

Disregard of certain incomes

- 1.5 For those who have reached the qualifying age for state pension credit, the Council has resolved to enhance the government scheme (as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 to disregard in full the following:
- a. a war disablement pension;
 - b. a war widow's pension or war widower's pension;
 - c. a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
 - d. a guaranteed income payment;
 - e. a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
 - f. a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
 - g. pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

The provisions outlined above, enhance the Central Government's scheme.

THE SCHEME FOR WORKING AGE APPLICANTS – THE COUNCIL'S LOCAL SCHEME

- 1.6 The adopted scheme for working age applicants is an income discount-based scheme. Full details of the working age scheme of the authority are contained within this document from section 2 onwards. The authority is required to specify a scheme for working age and therefore this scheme only applies to a person who;
- a. has not attained the qualifying age for state pension credit; or
 - b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based jobseeker's allowance, on an income-related employment and support allowance or on universal credit.
- 1.7 The Council has resolved that there will be *one* class of persons who will receive a reduction in line with adopted scheme. In all cases individuals must not be of a prescribed class exempted from reduction as specified within section 7 of this scheme.

Class D

To obtain reduction the individual (or partner) must:

- a. have not attained the qualifying age for state pension credit; or
- b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- c. be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;
- d. is not deemed to be absent from the dwelling;
- e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;

- f. be somebody in respect of whom a maximum Council Tax Reduction amount can be calculated;
- g. not have capital savings above £6,000;
- h. be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income* falls within the levels for discount prescribed within Schedule 1 of this scheme; and
- i. has made a valid application for reduction¹.

Maximum Council Tax Reduction stated above is defined within section 57 of this scheme

¹ Sections 68 to 74a of this scheme

Council Tax Reduction Scheme

Details of support to be given for **working age applicants** for the financial year 2019/20

Sections 2- 8

Definitions and interpretation

2.0 Interpretation – an explanation of the terms used within this policy

2.1 In this policy–

‘the Act’ means the Social Security Contributions and Benefits Act 1992;

‘the Administration Act’ means the Social Security Administration Act 1992;

‘the 1973 Act’ means of Employment and Training Act 1973;

‘the 1992 Act’ means the Local Government Finance Act 1992;

‘the 2000 Act’ means the Electronic Communications Act 2000;

‘Abbeyfield Home’ means an establishment run by the Abbeyfield Society including all bodies corporate or incorporate which are affiliated to that Society;

‘adoption leave’ means a period of absence from work on ordinary or additional adoption leave by virtue of section 75A or 75B of the Employment Rights Act 1996;

‘applicant’ means a person who the authority designates as able to claim Council Tax Support – for the purposes of this policy all references are in the masculine gender but apply equally to male and female;

‘application’ means an application for a reduction under this scheme:

‘appropriate DWP office’ means an office of the Department for Work and Pensions dealing with state pension credit or office which is normally open to the public for the receipt of claims for income support, a jobseeker’s allowance or an employment and support allowance;

‘assessment period’ means such period as is prescribed in sections 19 to 21 over which income falls to be calculated;

‘attendance allowance’ means–

(a) an attendance allowance under Part 3 of the Act;

(b) an increase of disablement pension under section 104 or 105 of the Act;

(c) a payment under regulations made in exercise of the power conferred by paragraph 7(2)(b) of Part 2 of Schedule 8 to the Act;

(d) an increase of an allowance which is payable in respect of constant attendance under paragraph 4 of Part 1 of Schedule 8 to the Act;

(e) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983 or any analogous payment; or

(f) any payment based on need for attendance which is paid as part of a war disablement pension;

‘the authority’ means a billing authority in relation to whose area this scheme has effect by virtue of paragraph 4(6) of Schedule 1A to the 1992 Act;

‘Back to Work scheme(s)’ means any scheme defined within the Jobseekers (Back to Work Schemes) Act 2013 or Jobseeker’s Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;

‘basic rate’, where it relates to the rate of tax, has the same meaning as in the Income Tax Act 2007 (see section 989 of that Act).

‘the benefit Acts’ means the Act (SSBA) and the Jobseekers Act 1995 and the Welfare Reform Act 2007;

‘board and lodging accommodation’ means accommodation provided to a family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises;

‘care home’ in England and Wales has the meaning assigned to it by section 3 of the Care Standards Act 2000 and in Scotland means a care home service within the meaning assigned to it by section 2(3) of the Regulation of Care (Scotland) Act 2001;

‘the Caxton Foundation’ means the charitable trust of that name established on 28th March 2011 out of funds provided by the Secretary of State for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with its provisions;

‘child’ means a person under the age of 16;

‘child benefit’ has the meaning given by section 141 of the SSCBA as amended by The Child Benefit (General) and Child Tax Credit (Amendment) Regulations 2014;

‘child tax credit’ means a child tax credit under section 8 of the Tax Credits Act 2002;

‘the Children Order’ means the Children (Northern Ireland) Order 1995;

‘claim’ means a claim for council tax support; **‘applicant’** means a person claiming council tax support;

‘close relative’ means a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister, or if any of the preceding persons is one member of a couple, the other member of that couple;

‘concessionary payment’ means a payment made under arrangements made by the Secretary of State with the consent of the Treasury which is charged either to the National Insurance Fund or to a Departmental Expenditure Vote to which payments of benefit or tax credits under the benefit Acts or the Tax Credits Act are charged;

‘the Consequential Provisions Regulations’ means the Housing Benefit and Council tax support (Consequential Provisions) Regulations 2006;

‘contributory employment and support allowance’ means an allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 that remove references to an income-related allowance and a contributory allowance under Part 1 of the Welfare Reform Act 2007 as that Part has effect apart from those provisions;

‘converted employment and support allowance’ means an employment and support allowance which is not income-related and to which a person is entitled as a result of a conversion decision within the meaning of the Employment and Support Allowance (Existing Awards) Regulations;

‘council tax benefit’ means council tax benefit under Part 7 of the SSCBA;

‘council tax reduction scheme’ has the same meaning as **‘council tax support or reduction’**

‘council tax support (or reduction)’ means council tax reduction as defined by S13a Local Government Finance Act 1992 (as amended);

‘couple’ means;

- a man and a woman who are married to each other and are members of the same household;
- a man and a woman who are not married to each other but are living together as husband and wife;
- two people of the same sex who are civil partners of each other and are members of the same household; or
- two people of the same sex who are not civil partners of each other but are living together as if they were civil partners,

and for the purposes of sub-paragraph (d) Two people of the same sex are to be treated as living together as if they were civil partners if, and only if, they would be treated as living together as husband and wife were they of opposite sexes. The above includes the Marriage (Same Sex Couples) Act 2013 and The Marriage (Same Sex Couples) Act 2013 (Commencement No. 3) Order 2014;

‘date of claim’ means the date on which the claim is made, or treated as made, for the purposes of this policy

‘designated authority’ means any of the following;
the local authority; or a person providing services to, or authorised to exercise any function of, any such authority;

‘designated office’ means the office designated by the authority for the receipt of claims for council tax support;

- by notice upon or with a form approved by it for the purpose of claiming council tax support; or
- by reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application; or
- by any combination of the provisions set out in sub-paragraphs (a) and (b) above;

‘disability living allowance’ means a disability living allowance under section 71 of the Act;

‘dwelling’ has the same meaning in section 3 or 72 of the 1992 Act;

‘earnings’ has the meaning prescribed in section 25 or, as the case may be, 27;

‘the Eileen Trust’ means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

‘electronic communication’ has the same meaning as in section 15(1) of the 2000 Act;

‘employed earner’ is to be construed in accordance with section 2(1)(a) of the Act and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;

‘Employment and Support Allowance Regulations’ means the Employment and Support Allowance Regulations 2008 and the Employment and Support Regulations 2013 as appropriate;

‘Employment and Support Allowance (Existing Awards) Regulations’ means the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) Regulations 2010;

‘the Employment, Skills and Enterprise Scheme’ means a scheme under section 17A (schemes for assisting persons to obtain employment; ‘work for your benefit’ schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist applicants to obtain employment, including self-employment, and which may include for any individual work-related activity (including work experience or job search). This also includes schemes covered by The Jobseekers Allowance (Employment, Skills and Enterprise Scheme) Regulations 2011 as amended by the Jobseekers (Back to Work Schemes) Act 2013 – see **‘Back to Work Schemes’**;

‘employment zone’ means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999 and an **‘employment zone programme’** means a programme established for such an area or areas designed to assist applicants for a jobseeker’s allowance to obtain sustainable employment;

‘employment zone contractor’ means a person who is undertaking the provision of facilities in respect of an employment zone programme on behalf of the Secretary of State for Work and Pensions;

‘enactment’ includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament;

‘extended payment (or reduction)’ means a payment of council tax support payable pursuant to section 60;

‘extended payment (or reduction) period’ means the period for which an extended reduction is payable in accordance with section 60A or 61A of this policy;

‘extended payment or extended reduction (qualifying contributory benefits)’ means a payment of council tax support payable pursuant to section 61;

‘family’ has the meaning assigned to it by section 137(1) of the Act and Section 9 of this scheme;

‘the Fund’ means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;

‘a guaranteed income payment’ means a payment made under article 14(1)(b) or article 21(1)(a) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005**(b)**;

‘he, him, his’ also refers to the feminine within this policy

‘housing benefit’ means housing benefit under Part 7 of the Act; ‘the Housing Benefit Regulations’ means the Housing Benefit Regulations 2006;

‘Immigration and Asylum Act’ means the Immigration and Asylum Act 1999;

‘an income-based jobseeker’s allowance’ and **‘a joint-claim jobseeker’s allowance’** have the same meaning as they have in the Jobseekers Act by virtue of section 1(4) of that Act;

‘income-related employment and support allowance’ means an income-related allowance under Part 1 of the Welfare Reform Act 2007;

‘Income Support Regulations’ means the Income Support (General) Regulations 1987**(a)**;

‘independent hospital’–

(a) in England, means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;

(b) in Wales, has the meaning assigned to it by section 2 of the Care Standards Act 2000; and

(c) in Scotland, means an independent health care service as defined in section 2(5)(a) and (b) of the Regulation of Care (Scotland) Act 2001;

'the Independent Living Fund (2006)' means the Trust of that name established by a deed dated 10th April 2006 and made between the Secretary of State for Work and Pensions of the one part and Margaret Rosemary Cooper, Michael Beresford Boyall and Marie Theresa Martin of the other part;

'invalid carriage or other vehicle' means a vehicle propelled by a petrol engine or by electric power supplied for use on the road and to be controlled by the occupant;

'Jobseekers Act' means the Jobseekers Act 1995; **'Jobseeker's Allowance Regulations'** means the Jobseeker's Allowance Regulations 1996;

'limited capability for work' has the meaning given in section 1(4) of the Welfare Reform Act;

'limited capability for work-related activity' has the meaning given in section 2(5) of the Welfare Reform Act 2007;

'the London Bombing Relief Charitable Fund' means the company limited by guarantee (number 5505072), and registered charity of that name established on 11th July 2005 for the purpose of (amongst other things) relieving sickness, disability or financial need of victims (including families or dependants of victims) of the terrorist attacks carried out in London on 7th July 2005;

'lone parent' means a person who has no partner and who is responsible for and a member of the same household as a child or young person;

'the Macfarlane (Special Payments) Trust' means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;

'the Macfarlane (Special Payments) (No.2) Trust' means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;

'the Macfarlane Trust' means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;

'main phase employment and support allowance' means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007 except in Part 1 of Schedule 1;

'the Mandatory Work Activity Scheme' means a scheme within section 17A (schemes for assisting persons to obtain employment; 'work for your benefit' schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to provide work or work related activity for up to 30 hours per week over a period of four consecutive weeks with a view to assisting applicants to improve their prospect of obtaining employment;

'maternity leave' means a period during which a woman is absent from work because she is pregnant or has given birth to a child, and at the end of which she has a right to return to work either under the terms of her contract of employment or under Part 8 of the Employment Rights Act 1996;

'member of a couple' means a member of a married or unmarried couple;

'MFET Limited' means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products;

'mobility supplement' means a supplement to which paragraph 9 of Schedule 4 refers;

'mover' means a applicant who changes the dwelling in which the applicant is resident and in respect of which the applicant liable to pay council tax from a dwelling in the area of the appropriate authority to a dwelling in the area of the second authority;

'net earnings' means such earnings as are calculated in accordance with section 26;

'net profit' means such profit as is calculated in accordance with section 28;

'the New Deal options' means the employment programmes specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations and the training scheme specified in regulation

75(1)(b)(ii) of those Regulations;

'new dwelling' means, for the purposes of the definition of 'second authority' and sections 60C, and 61C the dwelling to which an applicant has moved, or is about to move, in which the applicant is or will be resident;

'non-dependant' has the meaning prescribed in section 3;

'non-dependant deduction' means a deduction that is to be made under section 58;

'occupational pension' means any pension or other periodical payment under an occupational pension scheme but does not include any discretionary payment out of a fund established for relieving hardship in particular cases;

'occupational pension scheme' has the same meaning as in section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;

'ordinary clothing or footwear' means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;

'partner' means—

- (a) where an applicant is a member of a couple, the other member of that couple; or
- (b) where an applicant is polygamously married to two or more members of his household, any such member to whom he is married;

'paternity leave' means a period of absence from work on leave by virtue of section 80A or 80B of the Employment Rights Act 1996;

'payment' includes part of a payment;

'pensionable age' has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995 as amended by the Public Services Pension Act 2013 and Pensions Act 2014;

'pension fund holder' means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;

'pensioner' a person who has attained the age at which pension credit can be claimed;

'person affected' shall be construed as a person to whom the authority decides is affected by any decision made by the council;

'person on income support' means a person in receipt of income support;

'personal independence payment' has the meaning given by Part 4 of the Welfare Reform Act 2012 and the Social Security (Personal Independence Payments) 2013;

'personal pension scheme' means—

- a. a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;
- b. an annuity contractor trust scheme approved under section 20 or 21 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) or that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 of the Finance Act 2004;
- c. a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;

'policy of life insurance' means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life;

'polygamous marriage' means a marriage to which section 133(1) of the Act refers;

'public authority' includes any person certain of whose functions are functions of a public nature;

'qualifying age for state pension credit' means (in accordance with section 1(2)(b) and (6) of the State Pension Credit Act 2002)—

- (a) in the case of a woman, pensionable age; or
- (b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;

'qualifying contributory benefit' means;

- (a) severe disablement allowance;
- (b) incapacity benefit;

(c) contributory employment and support allowance;

'qualifying course' means a qualifying course as defined for the purposes of Parts 2 and 4 of the Job Seeker's Allowance Regulations 1996

'qualifying income-related benefit' means

(a) income support;

(b) income-based jobseeker's allowance;

(c) income-related employment and support allowance;

'qualifying person' means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;

'reduction week' means a period of seven consecutive days beginning with a Monday and ending with a Sunday;

'relative' means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;

'relevant authority' means an authority administering council tax support;

'relevant week' In relation to any particular day, means the week within which the day in question falls;

'remunerative work' has the meaning prescribed in section 6;

'rent' means 'eligible rent' to which regulation 12 of the Housing Benefit Regulations refers less any deductions in respect of non-dependants which fall to be made under regulation 74 (non-dependant deductions) of those Regulations;

'resident' has the meaning it has in Part 1 or 2 of the 1992 Act;

'Scottish basic rate' means the rate of income tax of that name calculated in accordance with section 6A of the Income Tax Act 2007;

'Scottish taxpayer' has the same meaning as in Chapter 2 of Part 4A of the Scotland Act 1998

'second authority' means the authority to which a mover is liable to make payments for the new dwelling;

'self-employed earner' is to be construed in accordance with section 2(1)(b) of the Act;

'self-employment route' means assistance in pursuing self-employed earner's employment whilst participating in—

(a) an employment zone programme;

(b) a programme provided or other arrangements made pursuant to section 2 of the 1973 Act (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990 (functions in relation to training for employment, etc.); or

(c) the Employment, Skills and Enterprise Scheme;

(d) a scheme prescribed in regulation 3 of the Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;

(e) Back to Work scheme.

'Service User' references in this scheme to an applicant participating as a service user are to

a. a person who is being consulted by or on behalf of—

i. a body which has a statutory duty to provide services in the field of health, social care or social housing; or

ii. a body which conducts research or undertakes monitoring for the purpose of planning or improving such services, in their capacity as a user, potential user, carer of a user or person otherwise affected by the provision of those services; or

b. the carer of a person consulted as described in sub-paragraph (a) where the carer is not being consulted as described in that sub-paragraph;

'single applicant' means an applicant who neither has a partner nor is a lone parent;

'the Skipton Fund' means the ex-gratia payment scheme administered by the Skipton Fund Limited, incorporated on 25th March 2004, for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with the scheme's provisions.

'special account' means an account as defined for the purposes of Chapter 4A of Part 8 of the Jobseeker's Allowance Regulations or Chapter 5 of Part 10 of the Employment and Support Allowance Regulations;

'sports award' means an award made by one of the Sports Councils named in section 23(2) of the National Lottery etc Act 1993 out of sums allocated to it for distribution under that section;

'the SSCBA' means the Social Security Contributions and Benefits Act 1992

'State Pension Credit Act' means the State Pension Credit Act 2002;

'student' has the meaning prescribed in section 43;

'subsistence allowance' means an allowance which an employment zone contractor has agreed to pay to a person who is participating in an employment zone programme;

'support or reduction week' means a period of 7 consecutive days commencing upon a Monday and ending on a Sunday;

'the Tax Credits Act' means the Tax Credits Act 2002;

'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next;

'training allowance' means an allowance (whether by way of periodical grants or otherwise) payable—

- (a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Young People's Learning Agency for England, the Chief Executive of Skills Funding or Welsh Ministers;
- (b) to a person for his maintenance or in respect of a member of his family; and
- (c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, the department or approved by the department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers.

It does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the 1973 Act or is training as a teacher;

'the Trusts' means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No. 2) Trust;

'Universal Credit' means any payment of Universal Credit payable under the Welfare Reform Act 2012, the Universal Credit Regulations 2013, The Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013, Universal Credit (Miscellaneous Amendments) Regulations 2013 and the Universal Credit (Transitional Provisions) Regulations 2014;

'Up-rating Act' means the Welfare Benefit Up-rating Act 2013 and The Welfare Benefits Up-rating Order 2014;

'voluntary organisation' means a body, other than a public or local authority, the activities of which are carried on otherwise than for profit;

'war disablement pension' means any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003;

'war pension' means a war disablement pension, a war widow's pension or a war widower's pension;

'war widow's pension' means any pension or allowance payable to a woman as a widow under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

'war widower's pension' means any pension or allowance payable to a man as a widower or to a surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

'water charges' means;

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002, in so far as such charges are in respect of the dwelling which a person occupies as his home;

'week' means a period of seven days beginning with a Monday;

'Welfare Reform Act' means the Welfare Reform Act 2007;
'Working Tax Credit Regulations' means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 as amended²; and
'young person' has the meaning prescribed in section 9(1).

- 2.2 In this policy, references to an applicant occupying a dwelling or premises as his home shall be construed in accordance with regulation 7 of the Housing Benefit Regulations 2006.
- 2.3 In this policy, where an amount is to be rounded to the nearest penny, a fraction of a penny shall be disregarded if it is less than half a penny and shall otherwise be treated as a whole penny.
- 2.4 For the purpose of this policy, a person is on an income-based jobseeker's allowance on any day in respect of which an income-based jobseeker's allowance is payable to him and on any day;
- (a) in respect of which he satisfies the conditions for entitlement to an income-based jobseeker's allowance but where the allowance is not paid in accordance with regulation 27A of the Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of the Jobseekers Act (circumstances in which a jobseeker's allowance is not payable); or
 - (b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income-based jobseeker's allowance is payable to him or would be payable to him but for regulation 27A of the Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of that Act;
 - (c) in respect of which he is a member of a joint-claim couple for the purposes of the Jobseekers Act and no joint-claim jobseeker's allowance is payable in respect of that couple as a consequence of either member of that couple being subject to sanctions for the purposes of section 20A of that Act;
 - (d) in respect of which an income-based jobseeker's allowance or a joint-claim jobseeker's allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).
- 2.4A For the purposes of this policy, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day;
- (a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act disqualification; or
 - (b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act and which falls immediately before a day in respect of which an income-related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.
- 2.5 For the purposes of this policy, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.
- 2.6 In this policy, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).
- 3.0 Definition of non-dependant**
- 3.1 In this policy, 'non-dependant' means any person, except someone to whom paragraph 3.2 applies, who normally resides with an applicant or with whom an applicant normally resides.

² The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2013

- 3.2 This paragraph applies to;
- a. any member of the applicant's family;
 - b. if the applicant is polygamously married, any partner of his and any child or young person who is a member of his household and for whom he or one of his partners is responsible;
 - c. a child or young person who is living with the applicant but who is not a member of his household by virtue of section 11(membership of the same household);
 - d. subject to paragraph 3.3, any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under sections 6, 7 or 75 of the 1992 Act (persons liable to pay council tax);
 - e. subject to paragraph 3.3, any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;
 - f. a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.

- 3.3 Excepting persons to whom paragraph 3.2 a) to c) and f) refer, a person to whom any of the following sub-paragraphs applies shall be a non-dependant–
- a. a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either;
 - i. that person is a close relative of his or her partner; or
 - ii. the tenancy or other agreement between them is other than on a commercial basis;
 - b. a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of the council tax support scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same dwelling;
 - c. a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the authority is satisfied that the change giving rise to the new liability was not made to take advantage of the support scheme.

4.0 Requirement to provide a National Insurance Number³

4.1 No person shall be entitled to support unless the criteria below in 4.2 is satisfied in relation both to the person making the claim and to any other person in respect of whom he is claiming support.

- 4.2 This subsection is satisfied in relation to a person if–
- a. the claim for support is accompanied by;
 - i. a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
 - ii. information or evidence enabling the national insurance number that has been allocated to the person to be ascertained; or
 - b. the person makes an application for a national insurance number to be allocated to him which is accompanied by information or evidence enabling such a number to be so allocated and the application for reduction is accompanied by evidence of the application and information to enable it to be allocated.

4.3 Paragraph 4.2 shall not apply–

³ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- a. in the case of a child or young person in respect of whom council tax support is claimed;
- b. to a person who;
 - i. is a person in respect of whom a claim for council tax support is made;
 - ii. is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act;
 - iii. is a person from abroad for the purposes of this scheme; and
 - iv. has not previously been allocated a national insurance number.

5.0 Persons who have attained the qualifying age for state pension credit

5.1 This scheme applies to a person if:

- (i) he has not attained the qualifying age for state pension credit; or
- (ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is;
 - (a) a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or
 - (b) a person with an award of universal credit.

6.0 Remunerative work

6.1 Subject to the following provisions of this section, a person shall be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.

6.2 Subject to paragraph 6.3, in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard shall be had to the average of hours worked over;

- a. if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);
- b. in any other case, the period of 5 weeks immediately prior to that date of claim, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately,

6.3 Where, for the purposes of paragraph 6.2 a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work shall be disregarded in establishing the average hours for which he is engaged in work.

6.4 Where no recognisable cycle has been established in respect of a person's work, regard shall be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.

6.5 A person shall be treated as engaged in remunerative work during any period for which he is absent from work referred to in paragraph 6.1 if the absence is either without good cause or by reason of a recognised customary or other holiday.

6.6 A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week shall be treated as not being in remunerative work in that week.

6.7 A person shall not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill.

- 6.8 A person shall not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which;
- a. a sports award has been made, or is to be made, to him; and
 - b. no other payment is made or is expected to be made to him.

7.0 Persons treated as not being in Great Britain and Persons Subject to Immigration Control

Persons treated as not being in Great Britain

- 7.1 Persons treated as not being in Great Britain are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.
- 7.2 Except where a person falls within paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.
- 7.3 A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.
- 7.4 For the purposes of paragraph (3), a right to reside does not include a right, which exists by virtue of, or in accordance with—
- (a) regulation 13 of the EEA Regulations or Article 6 of Council Directive 2004/38/EC;
 - (aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is—
 - (i) a jobseeker for the purpose of the definition of “qualified person” in regulation 6(1) of those Regulations, or
 - (ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
 - (ab) Article 45 of the Treaty on the functioning of the European Union (in a case where the person is seeking work in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland); or
 - (b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (4A) of that regulation or Article 20 of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen).
- 7.5 A person falls within this paragraph if the person is—
- (a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;
 - (b) a family member of a person referred to in sub-paragraph (a) within the meaning of regulation 7(1)(a), (b) or (c) of the EEA Regulations;
 - (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
 - (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
 - (e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971⁴ where that leave is—
 - (i) discretionary leave to enter or remain in the United Kingdom,
 - (ii) leave to remain under the Destitution Domestic Violence concession which came into effect on 1st April 2012, or

⁴ As amended by the Immigration Act 2014 and the Immigration Act 2014 (Commencement No. 2) Order 2014

(iii) leave deemed to have been granted by virtue of regulation 3 of the Displaced Persons (Temporary Protection) Regulations 2005.

- (f) a person who has humanitarian protection granted under those rules;
- (g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion or other removal by compulsion of law from another country to the United Kingdom;
- (h) in receipt of income support or on an income-related employment and support allowance;
- (ha) in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (4) or
- (i) a person who is treated as a worker for the purpose of the definition of "qualified person" in regulation 6(1) of the EEA Regulations pursuant to regulation 5 of the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013 (right of residence of a Croatian who is an "accession State national subject to worker authorisation")

7.6 A person falls within this paragraph if the person is a Crown servant or member of Her Majesty's forces posted overseas.

7.7 A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of Her Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.

7.8 In this regulation—
 "claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;
 "Crown servant" means a person holding an office or employment under the Crown;
 "EEA Regulations" means the Immigration (European Economic Area) Regulations 2006; and
 the The Immigration (European Economic Area) (Amendment) (No. 2) Regulations 2014;
 and
 "Her Majesty's forces" has the same meaning as in the Armed Forces Act 2006.

Persons subject to immigration control

7.9 Persons subject to immigration control are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.

7.10 A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance (done in Paris on 11th December 1953) or a state which has ratified the Council of Europe Social Charter (signed in Turin on 18th October 1961) and who is lawfully present in the United Kingdom is not a person subject to immigration control for the purpose of paragraph 7.9

7.11 "Person subject to immigration control" has the same meaning as in section 115(9) of the Immigration and Asylum Act 1999.

7A.0 Transitional provision

7A.1 The above does not apply to a person who, on 31st March 2015—

- (a) is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A(2) of the Act; and
- (b) is entitled to an income-based jobseeker's allowance, until the first of the events in paragraph 7A.2 occurs.

7A.2 The events are—

- (a) the person makes a new application for a reduction under an authority's scheme established under section 13A(2) of the Act; or

- (b) the person ceases to be entitled to an income-based jobseeker's allowance.

7A.3 In this section "the Act" means the Local Government Finance Act 1992.⁵

8.0 Temporary Absence (period of absence)

8.1 Where a person is absent from the dwelling throughout any day then no support shall be payable

8.2 A person shall not, in relation to any day, which falls within a period of temporary absence from that dwelling, be a prescribed person under paragraph 8.1.

8.3 In paragraph 8.2, a 'period of temporary absence' means–

- a. a period of absence not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation where and for so long as;
 - i. the person resides in that accommodation;
 - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
 - iii. that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,

where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;

- b. a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as;
 - i. the person intends to return to the dwelling;
 - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
 - iii. that period is unlikely to exceed 13 weeks; and
- c. a period of absence not exceeding 52 weeks, beginning with the first whole day of absence, where and for so long as
 - i. the person intends to return to the dwelling;
 - ii. the part of the dwelling in which he usually resided is not let or sub-let;
 - iii. the person is a person to whom paragraph 8.4 applies; and
 - iv. the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.

8.4 This paragraph applies to a person who is;

- a. detained in custody on remand pending trial or required, as a condition of bail, to reside;
 - i. in a dwelling, other than the dwelling referred to in paragraph 8.1, or
 - ii. in premises approved under section 13 of the Offender Management Act 2007, or, detained in custody pending sentence upon conviction;
- b. resident in a hospital or similar institution as a patient;
- c. undergoing, or his partner or his dependent child is undergoing, in the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
- d. following, in the United Kingdom or elsewhere, a training course;
- e. undertaking medically approved care of a person residing in the United Kingdom or elsewhere;
- f. undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care of medical treatment;
- g. in the United Kingdom or elsewhere, receiving medically approved care provided in accommodation other than residential accommodation;
- h. a student;
- i. receiving care provided in residential accommodation other than a person to whom

paragraph 8.3a) applies; or

- j. has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

8.5 This paragraph applies to a person who is:

- a. detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983 (as amended by the Mental Health (Discrimination) Act 2013), or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995) or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986; and
- b. on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989

8.6 Where paragraph 8.5 applies to a person, then, for any day when he is on temporary release—

- a. if such temporary release was immediately preceded by a period of temporary absence under paragraph 8.3 b) or c), he shall be treated, for the purposes of paragraph 8.1, as if he continues to be absent from the dwelling, despite any return to the dwelling;
- b. for the purposes of paragraph 8.4 a), he shall be treated as if he remains in detention;
- c. If he does not fall within sub-paragraph a), he is not considered to be a person who is liable to pay Council Tax in respect of a dwelling of which he is resident

8.7 In this section;

- ‘medically approved’ means certified by a medical practitioner;
- ‘patient’ means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution; ‘residential accommodation’ means accommodation which is provided;
 - a. in a care home;
 - b. in an independent hospital;
 - c. in an Abbeyfield Home; or
 - d. in an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;
- ‘training course’ means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

Sections 9 - 11

The family for Council Tax Support purposes

9.0 Membership of a family

- 9.1 Within the support scheme adopted by the Council 'family' means;
- a. a married or unmarried couple;
 - b. married or unmarried couple and a member of the same household for whom one of them is or both are responsible and who is a child or a young person;
 - c. two people of the same sex who are civil partners of each other and are members of the same household (with or without children);
 - d. two people of the same sex who are not civil partners of each other but are living together as if they were civil partners (with or without children),
 - e. and for the purposes of sub-paragraph (d) two people of the same sex are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex;
 - f. except in prescribed circumstances, a person who is not a member of a married or unmarried couple and a member of the same household for whom that person is responsible and who is a child or a young person;

For the purposes of the scheme a child is further defined as a 'child or young person'

A 'child' means a person under the age of 16 and a 'Young Person' is someone aged 16 or over but under 20 and who satisfies other conditions. These conditions are:

- they are aged 16, have left 'relevant education' or training, and 31 August following the sixteenth birthday has not yet been passed;
- they are aged 16 or 17, have left education or training, are registered for work, education or training, are not in remunerative work and are still within their 'extension period';
- they are on a course of full-time non-advanced education, or are doing 'approved training', and they began that education or training before reaching the age of 19;
- they have finished a course of full-time non-advanced education, but are enrolled on another such course (other than one provided as a result of their employment);
- they have left 'relevant education' or 'approved training' but have not yet passed their 'terminal date'.

- 9.2 Paragraph 9.1 the definition of child or young person shall not apply to a person who is;
- a. on income support ;
 - b. an income-based jobseeker's allowance or an income related employment and support allowance; or be entitled to an award of Universal Credit; or
 - c. a person to whom section 6 of the Children (Leaving Care) Act 2000 applies.
- 9.3 The definition also includes a child or young person in respect of whom there is an entitlement to child benefit but only for the period that Child Benefit is payable

10.0 Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person.

- 10.1 Subject to the following paragraphs a person shall be treated as responsible for a child or young person who is normally living with him and this includes a child or young person to whom paragraph 9.3 applies
- 10.2 Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person shall be treated for the purposes of paragraph 9.1 as normally living with;
- a. the person who is receiving child benefit in respect of him; or
 - b. if there is no such person;
 - i. where only one claim for child benefit has been made in respect of him, the

- person who made that claim; or
- ii. in any other case the person who has the primary responsibility for him.

10.3 For the purposes of this scheme a child or young person shall be the responsibility of only one person in any reduction week and any person other than the one treated as responsible for the child or young person under this section shall be treated as not so responsible.

11.0 Circumstances in which a child or young person is to be treated as being or not being a member of the household

11.1 Subject to paragraphs 11.2 and 11.3, the applicant and any partner and, where the applicant or his partner is treated as responsible by virtue of section 10 (circumstances in which a person is to be treated as responsible or not responsible for a child or young person) for a child or young person, that child or young person and any child of that child or young person, shall be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.

11.2 A child or young person shall not be treated as a member of the applicant's household where he is;

- a. placed with the applicant or his partner by a local authority under section 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or
- b. placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
- c. placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009.

11.3 Subject to paragraph 11.4, paragraph 11.1 shall not apply to a child or young person who is not living with the applicant and he—

- a. is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or
- b. has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or
- c. has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009; or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes).

11.4 The authority shall treat a child or young person to whom paragraph 11.3 a) applies as being a member of the applicant's household in any reduction week where;

- a. that child or young person lives with the applicant for part or all of that reduction week; and
- b. the authority considers that it is responsible to do so taking into account the nature and frequency of that child's or young person's visits.

11.5 In this paragraph 'relevant enactment' means the Army Act 1955, the Air Force Act 1955, the Naval Discipline Act 1957, the Matrimonial Proceedings (Children) Act 1958, the Social Work (Scotland) Act 1968, the Family Law Reform Act 1969, the Children and Young Persons Act 1969, the Matrimonial Causes Act 1973, the Children Act 1975, the Domestic Proceedings and Magistrates' Courts Act 1978, the Adoption and Children (Scotland) Act 1978, the Family Law Act 1986, the Children Act 1989, the Children (Scotland) Act 1995 and the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

12.0 – 14.0 Not Used

Sections 15 – 32 & Schedules 3 & 4

Definition and the treatment of income for Council Tax Support purposes

15.0 Calculation of income and capital of members of applicant's family and of a polygamous marriage

- 15.1 The income and capital of:
- a. an applicant; and
 - b. any partner of that applicant,

is to be calculated in accordance with the following provisions.

- 15.2 The income and capital of any partner of the applicant is to be treated as income and capital of the applicant, and in this Part any reference to the applicant applies equally to any partner of that applicant.

- 15.3 Where an applicant or the partner of an applicant is married polygamously to two or more members of his household:
- (a) the applicant must be treated as possessing capital and income belonging to each such member; and
 - (b) the income and capital of that member is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

15A.0 Calculation of income and capital: persons who are not pensioners who have an award of universal credit

- 15A.1 In determining the income of an applicant
- a. who has, or
 - b. who (jointly with his partner) has,
- an award of universal credit the authority must, subject to the following provisions of this paragraph, use the calculation or estimate of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

- 15A.2 The authority must adjust the amount referred to in sub-paragraph (1) to take account of
- (a) income consisting of the award of universal credit, determined in accordance with subparagraph (3);
 - (b) any sum to be disregarded under paragraphs of Schedule 3 to this scheme (sums to be disregarded in the calculation of earnings: persons who are not pensioners);
 - (c) any sum to be disregarded under paragraphs of Schedule 4 to this scheme (sums to be disregarded in the calculation of income other than earnings: persons who are not pensioners);
 - (d) section 33 (circumstances in which income and capital of non-dependant is to be treated as applicant's), if the authority determines that the provision applies in the applicant's case;
 - (e) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable);
 - (f) any sum determined by the authority as the award of housing costs within the universal credit award paid to the applicant.

- 15A.3 The amount for the award of universal credit is to be determined by multiplying the amount of the award by 12 and dividing the product by 52.

- 15A.4 sections 33 (income and capital of non-dependant to be treated as applicant's) and 52 and 53 (disregards from income) apply (so far as relevant) for the purpose of determining any adjustments, which fall to be made to the figure for income under sub-paragraph (2)

- 15A.5 In determining the capital of an applicant;
- (a) who has, or
 - (b) who (jointly with his partner) has,

an award of universal credit, the authority must use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining that award

16.0 Circumstances in which capital and income of non-dependant is to be treated as applicant's

16.1 Where it appears to the authority that a non-dependant and the applicant have entered into arrangements in order to take advantage of the council tax support scheme and the non-dependant has more capital and income than the applicant, that authority shall, except where the applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, treat the applicant as possessing capital and income belonging to that non-dependant, and, in such a case, shall disregard any capital and income which the applicant does possess.'

16.2 Where an applicant is treated as possessing capital and income belonging to a non-dependant under paragraph 16.1 the capital and income of that non-dependant shall be calculated in accordance with the following provisions in like manner as for the applicant and any reference to the 'applicant' shall, except where the context otherwise requires, be construed for the purposes of this scheme as if it were a reference to that non-dependant.

17.0 Calculation of income on a weekly basis

17.1 For the purposes of this scheme and in line with regulation 34 of the Housing Benefit Regulations 2006 (disregard to changes in tax, contributions etc.), the income of an applicant shall be calculated on a weekly basis;

- a. by estimating the amount which is likely to be his average weekly income in accordance with this Section and in line with Sections 2, 3, 4 and 5 of the Housing Benefit Regulations 2006;
- b. by adding to that amount the weekly income calculated in line with regulation 52 of the Housing Benefit Regulations 2006 (calculation to tariff income from capital); and
- c. by then deducting any relevant child care charges to which section 18 (treatment of child care charges) applies from any earnings which form part of the average weekly income or, in a case where the conditions in paragraph 18.2 are met, from those earnings plus whichever credit specified in sub-paragraph (b) of that paragraph is appropriate, up to a maximum deduction in respect of the applicant's family of whichever of the sums specified in paragraph (3) applies in his case.

17.2 The conditions of this paragraph are that;

- a. the applicant's earnings which form part of his average weekly income are less than the lower of either his relevant child care charges or whichever of the deductions specified in paragraph (3) otherwise applies in his case; and
- b. that applicant or, if he is a member of a couple either the applicant or his partner, is in receipt of either working tax credit or child tax credit.

17.3 The maximum deduction to which paragraph 17.1 c) above refers shall be;

- a. where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week.
- b. where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300.00 per week.

The amounts stated in this paragraph shall be amended in accordance with the Housing Benefit Regulations 2006 (as amended).

17.4 For the purposes of paragraph 17.1 'income' includes capital treated as income under section 31 (capital treated as income) and income, which an applicant is treated as possessing under section 32 (notional income).

18.0 Treatment of child care charges

- 18.1 This section applies where an applicant is incurring relevant child-care charges and;
- a. is a lone parent and is engaged in remunerative work;
 - b. is a member of a couple both of whom are engaged in remunerative work; or
 - c. is a member of a couple where one member is engaged in remunerative work and the other;
 - i. is incapacitated;
 - ii. is an in-patient in hospital; or
 - iii. is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).
- 18.2 For the purposes of paragraph 18.1 and subject to paragraph 18.4, a person to whom paragraph 18.3 applies shall be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—
- a. is paid statutory sick pay;
 - b. is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the Act;
 - c. is paid an employment and support allowance;
 - d. is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support Regulations 1987; or
 - e. is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- 18.3 This paragraph applies to a person who was engaged in remunerative work immediately before
- a. the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
 - b. the first day of the period in respect of which earnings are credited, as the case may be.
- 18.4 In a case to which paragraph 18.2 d) or e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.
- 18.5 Relevant child care charges are those charges for care to which paragraphs 18.6 and 18.7 apply, and shall be calculated on a weekly basis in accordance with paragraph 18.10.
- 18.6 The charges are paid by the applicant for care, which is provided
- a. in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
 - b. in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.
- 18.7 The charges are paid for care, which is provided by one, or more of the care providers listed in paragraph 18.8 and are not paid—
- a. in respect of the child's compulsory education;
 - b. by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with section 10 (circumstances in which a person is treated as responsible or not responsible for another); or
 - c. in respect of care provided by a relative of the child wholly or mainly in the child's home.
- 18.8 The care to which paragraph 18.7 refers may be provided;
- a. out of school hours, by a school on school premises or by a local authority;

- i. for children who are not disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
- ii. for children who are disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or
- b. by a child care provider approved in accordance with by the Tax Credit (New Category of Child Care Provider) Regulations 1999;
- c. by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or
- d. by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) order 2010; or
- e. by;
 - i. persons registered under section 59(1) of the Public Services Reform Scotland Act 2010; or
 - ii. local authorities registered under section 8(1) of that Act, where the care provided is child minding or daycare within the meaning of that Act; or
- f. by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002 or
- g. by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
- h. by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
- i. by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
- j. by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of 'childcare' for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
- k. by a foster parent or kinship carer under the Fostering Services Regulations 2002, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or
- l. by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or
- m. by a person who is not a relative of the child wholly or mainly in the child's home.

18.9 In paragraphs 18.6 and 18.8 a), 'the first Monday in September' means the Monday which first occurs in the month of September in any year.

18.10 Relevant child care charges shall be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.

18.11 For the purposes of paragraph 18.1 c) the other member of a couple is incapacitated where

- a. **but for the application of this scheme**, the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the work- related activity component on account of his having limited capability for work
- b. **but for the application of this scheme**, the applicant's applicable amount would include

- a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulation made under section 171E of the Act;
- c. **but for the application of this scheme**, the applicant's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or Employment and Support Regulations 2013;
- d. the applicant (within the meaning of this scheme) is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
- e. the applicant (within the meaning of this scheme) has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 or Employment and Support Regulations 2013 for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;
- f. there is payable in respect of him one or more of the following pensions or allowances—
- i. long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the Act;
 - ii. attendance allowance under section 64 of the Act;
 - iii. severe disablement allowance under section 68 of the Act;
 - iv. disability living allowance under section 71 of the Act;
 - v. personal independence payment under the Welfare Reform Act 2012;
 - vi. an AFIP;
 - vii. increase of disablement pension under section 104 of the Act;
 - viii. a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under head (ii), (iv) or (vii) above;
 - ix. main phase employment and support allowance;
- g. a pension or allowance to which head (ii), (iv), (vi) or (viii) of sub-paragraph (f) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this section shall mean a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of social security (Hospital In-Patients) Regulations 2005.
- h. an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
- i. paragraphs (f) or (g) would apply to him if the legislative provisions referred to in those sub-paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or
- j. he has an invalid carriage or other vehicle provided to him by the Secretary of State under section 5(2)(a) of and Schedule 2 to the National Health Service Act 1977 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

18.12 For the purposes of paragraph 18.11 once paragraph 18.11d) applies to the applicant, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work,

that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.

18.12A For the purposes of paragraph 18.11, once paragraph 18.11e) applies to the applicant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.

18.13 For the purposes of paragraphs 18.6 and 18.8 a), a person is disabled if he is a person—

- in respect of whom disability living allowance or personal independence payment is payable, or has ceased to be payable solely because he is a patient;
- who is registered as blind in a register compiled under section 29 of the National Assistance Act 1948 welfare services) or, in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or
- who ceased to be registered as blind in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.

18.14 For the purposes of paragraph 18.1 a woman on maternity leave, paternity leave or adoption leave shall be treated as if she is engaged in remunerative work for the period specified in paragraph 18.15 ('the relevant period') provided that—

- in the week before the period of maternity leave, paternity leave or adoption leave began she was in remunerative work;
- the applicant is incurring relevant child care charges within the meaning of paragraph 18.5; and
- she is entitled to either statutory maternity pay under section 164 of the Act, statutory paternity pay by virtue of section 171ZA or 171ZB of the Act statutory adoption pay by of section 171ZL of the Act, maternity allowance under section 35 of the Act or qualifying support.

18.15 For the purposes of paragraph 18.14 the relevant period shall begin on the day on which the person's maternity, paternity leave or adoption leave commences and shall end on—

- the date that leave ends;
- if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
- if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credits ends.

whichever shall occur first.

18.16 In paragraphs 18.14 and 18.15

- 'qualifying support'** means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support Regulations 1987; and
- 'child care element'** of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act (child care element) 2002.

18.17 In this section 'applicant' does not include an applicant;

- who has, or
- who (jointly with his partner) has,
an award of universal credit

19.0 Average weekly earnings of employed earners

- 19.1 Where an applicant's income consists of earnings from employment as an employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment—
- a. over a period immediately preceding the reduction week in which the claim is made or treated as made and being a period of
 - i. 5 weeks, if he is paid weekly; or
 - ii. 2 months, if he is paid monthly; or
 - b. whether or not sub-paragraph 19.1a i) or ii) applies, where an applicant's earnings fluctuate, over such other period preceding the reduction week in which the claim is made or treated as made as may, in any particular case, enable his average weekly earnings to be estimated more accurately.
- 19.2 Where the applicant has been in his employment for less than the period specified in paragraph 19.1 a)(i) or (ii)
- a. if he has received any earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings shall be estimated by reference to those earnings;
 - b. in any other case, the authority shall require the applicant's employer to furnish an estimate of the applicant's likely weekly earnings over such period as the authority may require and the applicant's average weekly earnings shall be estimated by reference to that estimate.
- 19.3 Where the amount of an applicant's earnings changes during an award the authority shall estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed 52 weeks.
- 19.4 For the purposes of this section the applicant's earnings shall be calculated in accordance with sections 25 and 26

20.0 Average weekly earnings of self-employed earners

- 20.1 Where an applicant's income consists of earnings from employment as a self-employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed a year.
- 20.2 For the purposes of this section the applicant's earnings shall be calculated in accordance with section 27 to 29 of this scheme

21.0 Average weekly income other than earnings

- 21.1 An applicant's income which does not consist of earnings shall, except where paragraph 18.2 applies, be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period shall not in any case exceed 52 weeks; and nothing in this paragraph shall authorise the authority to disregard any such income other than that specified in Schedule 4 of this scheme
- 21.2 The period over which any benefit under the benefit Acts is to be taken into account shall be the period in respect of which that support is payable.
- 21.3 For the purposes of this section income other than earnings shall be calculated in accordance with paragraphs 30 to 32 of this scheme

22.0 Calculation of average weekly income from tax credits

- 22.1 This section applies where an applicant receives a tax credit.
- 22.2 Where this section applies, the period over which a tax credit is to be taken into account shall be the period set out in paragraph 22.3
- 22.3 Where the instalment in respect of which payment of a tax credit is made is;
- a. a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;
 - b. a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
 - c. a two-weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
 - d. a four-weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.
- 22.4 For the purposes of this section 'tax credit' means child tax credit or working tax credit.

23.0 Calculation of weekly income

- 23.1 For the purposes of sections 19 (average weekly earnings of employed earners), 21 (average weekly income other than earnings) and 22 (calculation of average weekly income from tax credits), where the period in respect of which a payment is made;
- a. does not exceed a week, the weekly amount shall be the amount of that payment;
 - b. exceeds a week, the weekly amount shall be determined—
 - i. in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
 - ii. in any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the quotient by 7.
- 23.2 For the purpose of section 20 (average weekly earnings of self-employed earners) the weekly amount of earnings of an applicant shall be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the quotient by 7.

24.0 Disregard of changes in tax, contributions etc.

- 24.1 In calculating the applicant's income the appropriate authority may disregard any legislative change
- a. in the basic or other rates of income tax;
 - b. in the amount of any personal tax relief;
 - c. in the rates of national insurance contributions payable under the Act or in the lower earnings limit or upper earnings limit for Class 1 contributions under the Act, the lower or upper limits applicable to Class 4 contributions under the Act or the amount specified in section 11(4) of the Act (small earnings exception in relation to Class 2 contributions);
 - d. in the amount of tax payable as a result of an increase in the weekly rate of Category A, B, C or D retirement pension or any addition thereto or any graduated pension payable under the Act;
 - e. in the maximum rate of child tax credit or working tax credit,

for a period not exceeding 30 reduction weeks beginning with the reduction week immediately following the date from which the change is effective.

25.0 Earnings of employed earners

25.1 Subject to paragraph 25.2, 'earnings' means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes–

- a. any bonus or commission;
- b. any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
- c. any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
- d. any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
- e. any payment by way of a retainer;
- f. any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of–
- g. travelling expenses incurred by the applicant between his home and his place of employment under arrangements made for the care of a member of his family owing to the applicant's absence from home;
- h. any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);
- i. any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);
- j. any such sum as is referred to in section 112 of the Act (certain sums to be earnings for social security purposes);
- k. any statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;
- l. any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave or adoption leave or is absent from work because he is ill;
- m. the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations as amended⁶.

25.2 Earnings shall not include–

- a. subject to paragraph 25.3, any payment in kind;
- b. any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of employment;
- c. any occupational pension
- d. any payment in respect of expenses arising out of an applicant participating as a service user.

25.3 Paragraph 25.2 a) shall not apply in respect of any non-cash voucher referred to in paragraph 25.1 m)

26.0 Calculation of net earnings of employed earners

26.1 For the purposes of section 19 (average weekly earnings of employed earners), the earnings of an applicant derived or likely to be derived from employment as an employed earner to be taken into account shall, subject to paragraph 26.2, be his net earnings.

26.2 There shall be disregarded from an applicant's net earnings, any sum, where applicable, specified in paragraphs 1 to 14 of Schedule 3.

⁶ Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013

- 26.3 For the purposes of paragraph 26.1 net earnings shall, except where paragraph 26.6 applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less;
- a. any amount deducted from those earnings by way of
 - i) income tax;
 - ii) primary Class 1 contributions under the Act;
 - b. one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
 - c. one-half of the amount calculated in accordance with paragraph 26.5 in respect of any qualifying contribution payable by the applicant; and
 - d. where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted for those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the Act.
- 26.4 In this section ‘qualifying contribution’ means any sum which is payable periodically as a contribution towards a personal pension scheme.
- 26.5 The amount in respect of any qualifying contribution shall be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying contribution shall be determined—
- a. where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
 - b. in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.
- 26.6 Where the earnings of an applicant are estimated under sub-paragraph (b) of paragraph 2) of the section 19 (average weekly earnings of employment earners), his net earnings shall be calculated by taking into account those earnings over the assessment period, less—
- a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988(personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rata basis;
 - b. an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
 - c. one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.
- 27.0 Earnings of self-employed earners**
- 27.1 Subject to paragraph 27.2, ‘earnings’, in the case of employment as a self- employed earner, means the gross income of the employment any allowance paid under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 to the applicant for the purpose of assisting him in carrying on his business unless at the date of claim the allowance has been terminated.

27.2 'Earnings' shall not include any payment to which paragraph 27 or 28 of Schedule 4 refers (payments in respect of a person accommodate with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care) nor shall it include any sports award.

27.3 This paragraph applies to—

- a. royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark; or
- b. any payment in respect of any—
 - (i) book registered under the Public Lending Right Scheme 1982; or
 - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book of work concerned.

27.4 Where the applicant's earnings consist of any items to which paragraph 27.3 applies, those earnings shall be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction shall be treated as a corresponding fraction of a week) by dividing the earnings by the amount of council tax support which would be payable had the payment not been made plus an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 3 (sums to be disregarded in the calculation of earnings) as appropriate in the applicant's case.

28.0 Calculation of net profit of self-employed earners

28.1 For the purposes of section 20 (average weekly earnings of self-employed earners) the earnings of an applicant to be taken into account shall be

- a. in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
- b. in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less—
 - i. an amount in respect of income tax and of national insurance contributions payable under the Act calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
 - ii. one-half of the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.

28.2 There shall be disregarded from an applicant's net profit, any sum, where applicable, specified in paragraph 1 to 14 of Schedule 3.

28.3 For the purposes of paragraph 28.1 a) the net profit of the employment must, except where paragraph 28.9 applies, be calculated by taking into account the earnings for the employment over the assessment period less

- a. subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of that employment;
- b. an amount in respect of;
 - (i) income tax, and
 - (ii) national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
- c. one-half of the amount calculated in accordance with paragraph (28.11) in respect of any qualifying premium.

28.4 For the purposes of paragraph 28.1b) the net profit of the employment shall be calculated by taking into account the earnings of the employment over the assessment period less, subject to

paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of the employment.

- 28.5 Subject to paragraph 28.6 no deduction shall be made under paragraph 28.3 a) or 28.4, in respect of—
- a. any capital expenditure;
 - b. the depreciation of any capital asset;
 - c. any sum employed or intended to be employed in the setting up or expansion of the employment;
 - d. any loss incurred before the beginning of the assessment period;
 - e. the repayment of capital on any loan taken out for the purposes of the employment;
 - f. any expenses incurred in providing business entertainment, and
 - g. any debts, except bad debts proved to be such, but this sub-paragraph shall not apply to any expenses incurred in the recovery of a debt.
- 28.6 A deduction shall be made under paragraph 28.3 a) or 28.4 in respect of the repayment of capital on any loan used for—
- a. the replacement in the course of business of equipment or machinery; and
 - b. the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- 28.7 The authority shall refuse to make deduction in respect of any expenses under paragraph 28.3 a) or 28.4 where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- 28.8 For the avoidance of doubt—
- a. deduction shall not be made under paragraph 28.3 a) or 28.4 in respect of any sum unless it has been expended for the purposes of the business;
 - b. a deduction shall be made thereunder in respect of—
 - i. the excess of any value added tax paid over value added tax received in the assessment period;
 - ii. any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
 - iii. any payment of interest on a loan taken out for the purposes of the employment
- 28.9 Where an applicant is engaged in employment, as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less an amount in respect of
- a. income tax; and
 - b. national insurance contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
 - c. one-half of the amount calculated in accordance with paragraph 28.1 in respect of any qualifying contribution
- 28.10 For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.
- 28.11 The amount in respect of any qualifying premium shall be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying premium shall be determined
- a. where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;
 - b. in any other case, by dividing the amount of the qualifying premium by the number equal

to the number of days in the period to which the qualifying premium relates.

28.12 In this section, 'qualifying premium' means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.

29.0 Deduction of tax and contributions of self-employed earners

29.1 The amount to be deducted in respect of income tax under section 28.1b) i), 28.3 b) i) or 28.9 a) i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax is to be applied and the amount of the personal reliefs deductible under this paragraph shall be calculated on a pro rata basis.

29.2 The amount to be deducted in respect of national insurance contributions under paragraphs 28.1 1 b)(i); 28.3 b) ii) or 28.9 a shall be the total of—

- a. the amount of Class 2 contributions payable under section 11(1) or, as the case may be, 11(3) of the Act at the rate applicable to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of the Act (small earnings exception) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and
- b. the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits shall be reduced pro rata.

29.3 In this section 'chargeable income' means—

- a. except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph (28.3)(a) or, as the case may be, (28.4) of section 28;
- b. in the case of employment as a child minder, one-third of the earnings of that employment.

29A.0 Minimum Income Floor

29 A.1 Where no start up period (as defined within 29A.2) applies to the applicant or partner, the income used by the Council in the calculation of their award will be the gross amount declared by the applicant or a substituted amount whichever is the higher. This substituted amount shall not be less than 35 hours multiplied by the national living wage (or national minimum wage as appropriate) From that, the Council will deduct only an estimate for tax, national insurance and half a pension contribution (where a pension contribution is being made).

29 A.2 The Council shall determine an appropriate start up period for the employment activity being conducted by the applicant or partner. This will normally be one year from the date of commencement of the employment activity. During this period, no Minimum Income Floor shall be applied. The start-up period ends where the person is no longer in gainful self-employment.

29 A.3 Where an applicant or partner holds a position in a company that is analogous to that of a sole owner or partner in the business of that company, he shall be treated as if he were such sole owner or partner and in such a case be subject to the substituted amount where appropriate.

29 A.4 No start-up period may be applied in relation to an applicant where a start-up period has previously been applied, whether in relation to a current or previous award of a Council Tax Reduction.

29 A.5 In order to establish whether to award a start-up period, the applicant must satisfy the Council that the employment is

- Genuine and effective. The Council must be satisfied that the employment activity is being conducted; and
- Being conducted with the intention of increasing the income received to the level that would be conducive with that form of employment.

29 A.6 For the purposes of determining whether an applicant is in gainful self-employment or meets the conditions for a start-up period, the Council will require the applicant to provide such evidence or information that it reasonably requires to make that decision, the Council may also require the self-employed person to attend an interview for the purpose of establishing whether the employment is gainful or whether the conditions for a start-up period are met.

30.0 Calculation of income other than earnings

30.1 For the purposes of section 21 (average weekly income other than earnings), the income of an applicant which does not consist of earnings to be taken into account shall, subject to paragraphs 27.2 to 27.4, be his gross income and any capital treated as income under section 31 (capital treated as income).

30.2 There shall be disregarded from the calculation of an applicant's gross income under paragraph 30.2, any sum, where applicable, specified in Schedule 4.

30.3 Where the payment of any benefit under the benefit Acts is subject to any deduction by way of recovery the amount to be taken into account under paragraph 30.1 shall be the gross amount payable.

30.4 Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations, the amount of that benefit to be taken into account is the amount as if it had not been reduced.

30.5 Where an award of any working tax credit or child tax credit under the Tax Credits Act is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under paragraph 27.1 shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

30.6 In paragraph 30.5 'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next.

30.7 Paragraph 30.8 and 30.9 apply where a relevant payment has been made to a person in an academic year; and that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

30.8 Where a relevant payment is made quarterly, the amount of a relevant payment to be taken

into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph 30.7 applies, shall be calculated by applying the formula–

$A - (B \times C)$

D

Where

A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under paragraph 51.5

B = the number of reduction weeks from the reduction week immediately following that which includes the first day of that academic year to the reduction week which includes the day on which the person abandoned, or was dismissed from, his course;

C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under paragraph 51.2 had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to council tax support immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;

D = the number of reduction weeks in the assessment period.

30.9 Where a relevant payment is made by two or more instalments in a quarter, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 30.1 in respect of a person to whom paragraph (30.8) applies, shall be calculated by applying the formula in paragraph 30.8 but as if–

A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it, less any deduction under paragraph 51.5

30.10 In this section– ‘academic year’ and ‘student loan’ shall have the same meanings as for the purposes of sections 43 to 45, ‘assessment period’ means–

a. in a case where a relevant payment is made quarterly, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;

b. in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes–

i. the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or

ii. the last day of the last quarter for which an instalment of the relevant payment was payable to that person.

whichever of those date is earlier

‘quarter’ in relation to an assessment period means a period in that year beginning on;

a. 1st January and ending on 31st March;

b. 1st April and ending on 30th June;

c. 1st July and ending on 31st August; or

d. 1st September and ending on 31st December;

‘relevant payment’ means either a student loan or an amount intended for the maintenance of dependants referred to in paragraph 46.7 or both.

30.11 For the avoidance of doubt there shall be included as income to be taken into account under paragraph 30.1

a. any payment to which paragraph 25.2 (payments not earnings) applies; or

b. in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential

living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act.

31.0 Capital treated as income

- 31.1 Any capital payable by instalments which are outstanding at the date on which the claim is made or treated as made, or, at the date of any subsequent revision or supersession, shall, if the aggregate of the instalments outstanding and the amount of the applicant's capital otherwise calculated in accordance with sections 33 to 42 of this scheme exceeds £6,000, be treated as income.
- 31.2 Any payment received under an annuity shall be treated as income.
- 31.3 Any earnings to the extent that they are not a payment of income shall be treated as income.
- 31.4 Any Career Development Loan paid pursuant to section 2 of the 1973 Act shall be treated as income
- 31.5 Where an agreement or court order provides that payments shall be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital), shall be treated as income.

32.0 Notional income

- 32.1 An applicant shall be treated as possessing income of which he has deprived himself for the purpose of securing entitlement of support or increasing the amount of that support.
- 32.2 Except in the case of—
- a. a discretionary trust;
 - b. a trust derived from a payment made in consequence of a personal injury;
 - c. a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
 - d. any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a);
 - e. any sum to which paragraph 48(a) of Schedule 5 refers;
 - f. rehabilitation allowance made under section 2 of the 1973 Act;
 - g. child tax credit; or
 - h. working tax credit,
 - i. any sum to which paragraph 32.13 applies;
- any income which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.
- 32.3 – 32.5 Not used
- 32.6 Any payment of income, other than a payment of income specified in paragraph 32.7 made—
- a. to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under or by a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
 - b. to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred

to in sub-paragraph a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;

- c. to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

32.7 Paragraph 32.6 shall not apply in respect of a payment of income made–

- a. under the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);
- b. pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
- c. pursuant to section 2 of the 1973 Act in respect of a person’s participation–
 - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker’s Allowance Regulations;
 - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
 - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
 - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations or;
 - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- d. in respect of a previous participation in the Mandatory Work Activity Scheme;
- e. under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where–
 - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person’s estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

32.8 Where an applicant is in receipt of any benefit (other than council tax support) under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority shall treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority shall select to apply in its area, to the date on which the altered rate is to take effect.

32.9 Subject to paragraph 32.10, where–

- a. applicant performs a service for another person; and
- b. that person makes no payment of earnings or pays less than that paid for a comparable employment in the area, the authority shall treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

32.10 Paragraph 32.9 shall not apply–

- a. to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or
- b. in a case where the service is performed in connection with–

(i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or
(ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme ; or

- c. to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.

32.10A In paragraph 32.10 (c) 'work placement' means practical work experience which is not undertaken in expectation of payment.

32.11 Where an applicant is treated as possessing any income under any of paragraph 32.1 to (32.8), the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of that income as if a payment has actually been made and as if it were actual income which he does possess.

32.12 Where an applicant is treated as possessing any earnings under paragraph 32.9 the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph (3) of section 26 (calculation of net earnings of employed earners) shall not apply and his net earnings shall be calculated by taking into account those earnings which he is treated as possessing, less;

- a. an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the starting rate or, as the case may be, the starting rate and the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the starting rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rate basis;
- b. an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
- c. one-half of any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.

32.13 Paragraphs (32.1), (32.2), (32.6) and (32.9) shall not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant's participation as a service user.

Sections 33 – 42 & Schedule 5

Definition and the treatment of capital for Council Tax Support purposes

33.0 Capital limit

33.1 For the purposes of this scheme, the prescribed amount is £6,000 and no support shall be granted when the applicant has an amount greater than this level

34.0 Calculation of capital

34.1 For the purposes of this scheme, the capital of an applicant to be taken into account shall, subject to paragraph (34.2), be the whole of his capital calculated in accordance with this scheme and any income treated as capital under section 36 (income treated as capital).

34.2 There shall be disregarded from the calculation of an applicant's capital under paragraph (34.1), any capital, where applicable, specified in Schedule 5.

35.0 Disregard of capital of child and young person

35.1 The capital of a child or young person who is a member of the applicant's family shall not be treated as capital of the applicant.

36.0 Income treated as capital

36.1 Any bounty derived from employment to which paragraph 8 of Schedule 3 applies and paid at intervals of at least one year shall be treated as capital.

36.2 Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E shall be treated as capital.

36.3 Any holiday pay which is not earnings under section 25(1)(d) (earnings of employed earners) shall be treated as capital.

36.4 Except any income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28, 47 or 48 of Schedule 5, any income derived from capital shall be treated as capital but only from the date it is normally due to be credited to the applicant's account.

36.5 In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer shall be treated as capital.

36.6 Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, shall be treated as capital.

36.7 There shall be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.

36.8 Any arrears of subsistence allowance which are paid to an applicant as a lump sum shall be treated as capital.

36.9 Any arrears of working tax credit or child tax credit shall be treated as capital.

37.0 Calculation of capital in the United Kingdom

37.1 Capital which an applicant possesses in the United Kingdom shall be calculated at its current market or surrender value less—

- a. where there would be expenses attributable to the sale, 10 per cent.; and
- b. the amount of any encumbrance secured on it;

38.0 Calculation of capital outside the United Kingdom

38.1 Capital which an applicant possesses in a country outside the United Kingdom shall be calculated

- a. in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value.
- b. in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer, less, where there would be expenses attributable to sale, 10 per cent. and the amount of any encumbrances secured on it.

39.0 Notional capital

39.1 An applicant shall be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to council tax support or increasing the amount of that support except to the extent that that capital is reduced in accordance with section 40 (diminishing notional capital rule).

39.2 Except in the case of

- (a) a discretionary trust; or
- (b) a trust derived from a payment made in consequence of a personal injury; or
- (c) any loan which would be obtained only if secured against capital disregarded under Schedule 5; or
- (d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or
- (e) any sum to which paragraph 47(2)(a) of Schedule 5 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a); or
- (f) any sum to which paragraph 48(a) of Schedule 5 refers; or
- (g) child tax credit; or
- (h) working tax credit,

any capital which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

39.3 Any payment of capital, other than a payment of capital specified in paragraph (39.4), made

- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in subparagraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

39.4 Paragraph 39.3 shall not apply in respect of a payment of capital made

- (a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
- (b) pursuant to section 2 of the 1973 Act in respect of a person's participation

- (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
- (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
- (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
- (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or
- (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- (bb) in respect of a person's participation in the Mandatory Work Activity Scheme; Enterprise Scheme;
- (bc) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
- (c) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
 - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

39.5 Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case

- a. the value of his holding in that company shall, notwithstanding section 34 (calculation of capital) be disregarded; and
- b. he shall, subject to paragraph 39.6, be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Section shall apply for the purposes of calculating that amount as if it were actual capital which he does possess.

39.6 For so long as the applicant undertakes activities in the course of the business of the company, the amount which, he is treated as possessing under paragraph 39.5 shall be disregarded.

39.7 Where an applicant is treated as possessing capital under any of paragraphs 39.1 to 39.2 the foregoing provisions of this Section shall apply for the purposes of calculating its amount as if it were actual capital, which he does possess.

40.0 Diminishing notional capital rule

40.1 Where an applicant is treated as possessing capital under section 39.1 (notional capital), the amount which he is treated as possessing;

- a. in the case of a week that is subsequent to
 - (i) the relevant week in respect of which the conditions set out in paragraph 40.2 are satisfied; or
 - (ii) a week which follows that relevant week and which satisfies those conditions, shall be reduced by an amount determined under paragraph 40.3;
- b. in the case of a week in respect of which paragraph 40.1(a) does not apply but where
 - (i) that week is a week subsequent to the relevant week; and
 - (ii) that relevant week is a week in which the condition in paragraph 40.4 is satisfied, shall be reduced by the amount determined under paragraph 40.4.

40.2 This paragraph applies to a reduction week or part-week where the applicant satisfies the conditions that

- a. he is in receipt of council tax support; and

- b. but for paragraph 39.1, he would have received an additional amount of council tax support in that week.
- 40.3 In a case to which paragraph 40.2 applies, the amount of the reduction for the purposes of paragraph 40.1(a) shall be equal to the aggregate of
- a. the additional amount to which sub-paragraph 40.2 (b) refers;
 - b. where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 49(1) of the Housing Benefit Regulations (notional capital);
 - c. where the applicant has also claimed income support, the amount of income support to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 51(1) of the Income Support Regulations (notional capital);
 - d. where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations (notional capital) and
 - e. where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the whole or part of reduction week to which paragraph 40.2 refers but for the application of regulation 115 of the Employment and Support Allowance Regulations (notional capital).
- 40.4 Subject to paragraph 40.5, for the purposes of paragraph 40.1(b) the condition is that the applicant would have been entitled to council tax support in the relevant week but for paragraph 39.1, and in such a case the amount of the reduction shall be equal to the aggregate of
- a. the amount of council tax support to which the applicant would have been entitled in the relevant week but for paragraph 39.1; and for the purposes of this sub-paragraph is the amount is in respect of a part-week, that amount shall be determined by dividing the amount of council tax support to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7;
 - b. if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the reduction week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled,and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of housing benefit to which he would have been so entitled by the number equal to that number of days in the part-week and multiplying the quotient so obtained by 7;
 - c. if the applicant would, but for regulation 51(1) of the Income Support Regulations, have been entitled to income support in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income support to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7
 - d. if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations, have been entitled to an income-based jobseeker's allowance in respect of the reduction week, within the meaning of this scheme, which includes the last day of the relevant

week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income-based jobseeker's allowance to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7; and

- e. if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations, have been entitled to an income-related employment and support allowance in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount must be determined by dividing the amount of the income-related employment and support allowance to which he would have been so entitled by the number equal to the number of days in that part-week and multiplying the quotient so obtained by 7.

40.5 The amount determined under paragraph 40.4 shall be re-determined under that paragraph if the applicant makes a further claim for council tax support and the conditions in paragraph 40.6 are satisfied, and in such a case—

- a. sub-paragraphs (a) to (d) of paragraph 40.4 shall apply as if for the words 'relevant week' there were substituted the words 'relevant subsequent week'; and
b. subject to paragraph 40.7, the amount as re-determined shall have effect from the first week following the relevant subsequent week in question.

40.6 The conditions are that

- a. a further claim is made 26 or more weeks after
(i) the date on which the applicant made a claim for council tax support in respect of which he was first treated as possessing the capital in question under paragraph 39.1;
(ii) in a case where there has been at least one re-determination in accordance with paragraph 40.5, the date on which he last made a claim for council tax support which resulted in the weekly amount being re-determined, or
(iii) the date on which he last ceased to be entitled to council tax support, whichever last occurred; and
b. the applicant would have been entitled to council tax support but for paragraph 39.1.

40.7 The amount as re-determined pursuant to paragraph 40.5 shall not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount shall continue to have effect.

40.8 For the purposes of this section

- a. 'part-week'
(i) in paragraph 40.4(a) means a period of less than a week for which council tax support is allowed;
(ii) in paragraph 40.4(b) means a period of less than a week for which housing benefit is payable;
(iii) in paragraph 40.4 (c),(d) and (e) means—
aa. a period of less than a week which is the whole period for which income support, an income-related employment and support allowance or, as the case may be, an income-based jobseeker's allowance is payable; and
bb. any other period of less than a week for which it is payable;
b. 'relevant week' means the reduction week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of section 39.1
(i) was first taken into account for the purpose of determining his entitlement to council tax support; or
(ii) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to council tax support on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing

- to receive, council tax support;
and where more than one reduction week is identified by reference to heads (i) and (ii) of this sub-paragraph the later or latest such reduction week or, as the case may be, the later or latest such part-week;
- c. 'relevant subsequent week' means the reduction week or part-week which includes the day on which the further claim or, if more than one further claim has been made, the last such claim was made.

41.0 Capital jointly held

- 41.1 Except where an applicant possesses capital which is disregarded under paragraph 39(5) (notional capital) where an applicant and one or more persons are beneficially entitled in possession to any capital asset they shall be treated as if each of them were entitled in possession to the whole beneficial interest therein in an equal share and the foregoing provisions of this Section shall apply for the purposes of calculating the amount of capital which the applicant is treated as possessing as if it were actual capital which the applicant does possess

42.0 Not used

Sections 43 - 56

Definition and the treatment of students for Council Tax Support purposes⁷

⁷ Amounts shown in sections 43 to 56 will be updated in line with the Housing Benefit Regulations 2006 (as amended)

43.0 Student related definitions

43.1 In this scheme the following definitions apply;

'academic year' means the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course shall be considered to begin in the autumn rather than the summer;

'access funds' means;

- a. grants made under section 68 of the Further and Higher Education Act 1992 for the purpose of providing funds on a discretionary basis to be paid to students;
- b. grants made under section 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;
- c. grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993 or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997 in each case being grants, or grants, loans or other payments as the case may be, for the purpose of assisting students in financial difficulties;
- d. discretionary payments, known as "learner support funds", which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or
- e. Financial Contingency Funds made available by the Welsh Ministers;

'college of further education' means a college of further education within the meaning of Part 1 of the Further and Higher Education (Scotland) Act 1992;

'contribution' means;

- a. any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student's grant or student loan; or
- b. any sums, which in determining the amount of a student's allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority consider that it is reasonable for the following person to contribute towards the holder's expenses;
 - (i) the holder of the allowance or bursary;
 - (ii) the holder's parents;
 - (iii) the holder's parent's spouse, civil partner or a person ordinarily living with the holder's parent as if he or she were the spouse or civil partner of that parent; or
 - (iv) the holder's spouse or civil partner;

'course of study' means any course of study, whether or not it is a sandwich course and whether or not a grant is made for attending or undertaking it;

'covenant income' means the gross income payable to a full-time student under a Deed of Covenant by his parent;

'education authority' means a government department, a local education authority as defined in section 12 of the Education Act 1996 (interpretation), a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973 an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body of the Channel Island, Isle of Man or any other country outside Great Britain;

'full-time course of study' means a full time course of study which;

- a. is not funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers

- at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers;;
- b. is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out—
- (i) in the case of a course funded by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding, in the student's learning agreement signed on behalf of the establishment which is funded by either of those persons for the delivery of that course; or
- (ii) in the case of a course funded by the Welsh Ministers, in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or
- c. is not higher education and is funded in whole or in part by the Scottish Ministers at a college of further education and involves—
- (i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or
- (ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

'full-time student' means a person attending or undertaking a full-time course of study and includes a student on a sandwich course;

'grant' (except in the definition of 'access funds') means any kind of educational grant or award and includes any scholarship, studentship, exhibition allowance or bursary but does not include a payment from access funds or any payment to which paragraph 12 of Schedule 4 or paragraph 53 of Schedule 5 applies;

'grant income' means

- (a) any income by way of a grant;
- (b) any contribution whether or not it is paid;

'higher education' means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992; 'last day of the course' means;

- a. in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;
- b. in any other case, the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;

'period of study' means—

- a. in the case of a course of study for one year or less, the period beginning with the start of the course and ending with the last day of the course;
- b. in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, other than the final year of the course, the period beginning with the start of the course or, as the case may be, the year's start and ending with either—
- (i) the day before the start of the next year of the course in a case where the student's grant or loan is assessed at a rate appropriate to his studying throughout the year, or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or
- (ii) in any other case, the day before the start of the normal summer vacation appropriate to his course;
- c. in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;

'periods of experience' means periods of work experience which form part of a sandwich course;

'qualifying course' means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations;

'modular course' means a course of study which consists of two or more modules, the successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.

'sandwich course' has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans), (Scotland), Regulations 2007 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

'standard maintenance grant' means—

- a. except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 ('the 2003 Regulations') for such a student;
- b. except where paragraph (c) applies, in the case of a student residing at his parent's home, the amount specified in paragraph 3 thereof;
- c. in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as 'standard maintenance allowance' for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;
- d. in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

'student' means a person, other than a person in receipt of a training allowance, who is attending or undertaking—

- a. a course of study at an educational establishment; or
- b. a qualifying course;

'student loan' means a loan towards a student's maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and shall include, in Scotland, a young student's bursary paid under regulation 4(1)(c) of the Student's Allowances (Scotland) Regulations 2007

43.2 For the purposes of the definition of 'full-time student', a person shall be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course

- a. in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending;
 - (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
 - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
- b. in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.

43.3 For the purposes of sub-paragraph (a) of paragraph 43.2, the period referred to in that sub-paragraph shall include;

- a. where a person has failed examinations or has failed to successfully complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
- b. any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the

course.

44.0 Treatment of students

44.1 The following sections relate to students who claim Council Tax Support

45.0 Students who are excluded from entitlement to council tax support

45.1 Students (except those specified in paragraph 45.3) are not able to claim Council Tax Support under Class D of the Council's reduction scheme.

45.2 To be eligible for support, the student must be liable for Council Tax under Section 6 of the Local Government Finance Act 1992 and they must not be deemed to be a full-time student or a persons from abroad within the meaning of section 7 of this scheme (persons from aboard).

- 45.3 Paragraph 45.2 shall not apply to a student
- (a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;
 - (b) who is a lone parent;
 - (c) **but for the application of this scheme**, whose applicable amount would, but for this section, include the disability premium or severe disability premium;
 - (d) **but for the application of this scheme**, whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the Act;
 - (e) who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
 - (f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period.
 - (g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;
 - (h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989, or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;
 - (i) who is;
 - (i) aged under 21 and whose course of study is not a course of higher education, or
 - (ii) a qualifying young person or child within the meaning of section 142 of the Act (child and qualifying young person);
 - (j) in respect of whom
 - i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;
 - (ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) or regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;
 - (iii) a payment has been made under section 2 of the Education Act 1962 or under or by virtue of regulations made under the Teaching and Higher Education Act 1998;
 - (iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support)

Regulations (Northern Ireland) 2000; or
(v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

45.3A For the purposes of paragraph 45.3(h)(i) the student must have begun, or been enrolled or accepted onto the course before attaining the age of 19

45.4 For the purposes of paragraph 45.3, once paragraph 45.3(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.

45.5 In paragraph 45.3(h) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988.

45.6 A full-time student to whom sub-paragraph (i) of paragraph 45.3 applies, shall be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

45.7 Paragraph 45.2 shall not apply to a full-time student for the period specified in paragraph 45.8 if;

- (a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is;
 - (i) engaged in caring for another person; or
 - (ii) ill;
- (b) he has subsequently ceased to be engaged in engaging in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
- (c) he is not eligible for a grant or a student loan in respect of the period specified in paragraph 45.8.

45.8 The period specified for the purposes of paragraph 45.7 is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before;

- (a) the day on which he resumes attending or undertaking the course; or
 - (b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,
- which shall first occur.

46.0 Calculation of grant income

46.1 The amount of a student's grant income to be taken into account shall, subject to paragraphs 46.2 and 46.3, be the whole of his grant income.

46.2 There shall be excluded from a student's grant income any payment;

- (a) intended to meet tuition fees or examination fees;
- (b) in respect of the student's disability;
- (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
- (d) on account of the student maintaining a home at a place other than that at which he resides during his course;

- (e) on account of any other person but only if that person is residing outside of the United Kingdom and **but for the application of this scheme**, there is no applicable amount in respect of him;
 - (f) intended to meet the cost of books and equipment;
 - (g) intended to meet travel expenses incurred as a result of his attendance on the course;
 - (h) intended for the child care costs of a child dependant.
 - (i) of higher education bursary for care leavers made under Part III of the Children Act 1989.
- 46.3 Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student's grant income;
- (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.
- The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).
- 46.4 There shall also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.
- 46.5 Subject to paragraphs 46.6 and 46.7, a student's grant income shall be apportioned;
- (a) subject to paragraph 46.8, in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;
 - (b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.
- 46.6 Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2004 shall be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.
- 46.7 In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither paragraph 46.6 nor section 50 (other amounts to be disregarded) apply, shall be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.
- 46.8 In the case if a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.
- 47.0 Calculation of covenant income where a contribution is assessed**
- 47.1 Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account

for that period and any summer vacation immediately following shall be the whole amount of the covenant income less, subject to paragraph 47.3, the amount of the contribution.

- 47.2 The weekly amount of the student's covenant shall be determined—
- (a) by dividing the amount of income which falls to be taken into account under paragraph 47.1 by 52 or 53, whichever is reasonable in the circumstances; and
 - (b) by disregarding from the resulting amount, £5.

47.3 For the purposes of paragraph 47.1, the contribution shall be treated as increased by the amount (if any) by which the amount excluded under paragraph 46.2(g) (calculation of grant income) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

48.0 Covenant income where no grant income or no contribution is assessed

48.1 Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows;

- (a) any sums intended for any expenditure specified in paragraph 46.2 (a) to (e) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study;
- (c) there shall be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 46.2(f) and 46.3 (calculation of grant income) had the student been in receipt of the standard maintenance grant; and
- (d) the balance, if any, shall be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 shall be disregarded.

48.2 Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income shall be calculated in accordance with sub-paragraphs (a) to (d) of paragraph 48.1, except that;

- (a) the value of the standard maintenance grant shall be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 46.2 (a) to (e); and
- (b) the amount to be disregarded under paragraph 48.1(c) shall be abated by an amount equal to the amount of any sums disregarded under paragraph 46.2(f) and (g) and 46.3.

49.0 Student Covenant Income and Grant income – non-disregard

49.1 No part of a student's covenant income or grant income shall be disregarded under paragraph 15 of Schedule 4 to this scheme

50.0 Other amounts to be disregarded

50.1 For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with section 51, any amounts intended for any expenditure specified in paragraph 46.2 (calculation of grant income), necessary as a result of his attendance on the course shall be disregarded but only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraphs 46.2 or 46.3, 47.3, 48.1(a) or (c) or 51.5 (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

51.0 Treatment of student loans

51.1 A student loan shall be treated as income.

- 51.2 In calculating the weekly amount of the loan to be taken into account as income
- (a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with;
 - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
 - (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the reduction week, the last day of which coincides with, or immediately precedes with last day of the course,

 - (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, 'quarter' shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2005;

 - (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year shall be apportioned equally between the weeks in the period beginning with;
 - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year;
 - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincide with, or immediately follows, the earlier of 1st September or the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;

 - (d) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of;
 - (i) the first day of the first reduction week in September; or
 - (ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

51.3 A student shall be treated as possessing a student loan in respect of an academic year where;

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

51.4 Where a student is treated as possessing a student loan under paragraph 51.3, the amount of the student loan to be taken into account as income shall be, subject to paragraph 51.5

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to
 - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
 - (ii) any contribution whether or not it has been paid to him;
- (b) in the case of a student to whom a student loan is not made in respect of an academic year,

- the maximum student loan that would be made to the student if;
- (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.

- 51.5 There shall be deducted from the amount of income taken into account under paragraph 51.4
- (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.
- The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

51A.0 Treatment of fee loans

- 51A. 1A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.

52.0 Treatment of payments from access funds

- 52.1 This paragraph applies to payments from access funds that are not payments to which paragraph 55.2 or 55.3 (income treated as capital) applies.
- 52.2 A payment from access funds, other than a payment to which paragraph 52.3 applies, shall be disregarded as income.
- 52.3 Subject to paragraph 52.4 of this section and paragraph 35 of Schedule 4,
- a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family and
 - b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable, shall be disregarded as income to the extent of £20 per week.
- 52.4 Where a payment from access funds is made—
- (a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or
 - (b) before the first day of the course to a person in anticipation of that person becoming a student,
- that payment shall be disregarded as income.

53.0 Disregard of contribution

- 53.1 Where the applicant or his partner is a student and for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.

54.0 Further disregard of student's income

- 54.1 Where any part of a student's income has already been taken into account for the purpose of

assessing his entitlement to a grant or student loan, the amount taken into account shall be disregarded in assessing that student's income.

55.0 Income treated as capital

55.1 Any amount by way of a refund of tax deducted from a student's covenant income shall be treated as capital.

55.2 Any amount paid from access funds as a single lump sum shall be treated as capital.

55.3 An amount paid from access fund as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

56.0 Disregard of changes occurring during summer vacation

56.1 In calculating a student's income the authority shall disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

Sections 57 – 63

The calculation and amount of Council Tax Support

57.0 Maximum council tax support

57.1 Subject to paragraphs 57.2 to 57.4, the amount of a person's maximum council tax support in respect of a day for which he is liable to pay council tax, shall be 100 per cent, of the amount A/B where;

- (a) A is the **lower** of either;
- i. amount set by the appropriate authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; or
 - ii. the amount set by the appropriate authority as the council tax for the relevant financial year in respect of a dwelling within Band D subject to any discount which may be appropriate to the person's circumstances; and
- (b) B is the number of days in that financial year,

less any deductions in respect of non-dependants which fall to be made under section 58 (non-dependant deductions).

In this paragraph "relevant financial year" means, in relation to any particular day, financial year within which the day in question falls

57.2 In calculating a person's maximum council tax support any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.

57.3 Subject to paragraph 57.4, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the applicant who is a student to whom paragraph 45.2 (students who are excluded from entitlement to council tax support) applies, in determining the maximum council tax support in his case in accordance with paragraph 57.1, the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.

57.4 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph 57.3 shall not apply in his case

58.0 Non-dependant deductions

58.1 There shall be no deduction made for any non-dependant within this scheme.

59.0 Minimum Council Tax Reduction

59.1 Where the calculated reduction is £1.00 per week or less, **no council tax reduction shall be paid. whatsoever.**

60.0 Extended reductions

60.1 An applicant who is entitled to council tax support (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction where;

- (a) the applicant or the applicant's partner was entitled to a qualifying income- related benefit;
- (b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner—
- (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or
 - (iii) increased the number of hours worked in such employment,
- and that employment is or, as the case may be, increased earnings or increased number

of hours are expected to last five weeks or more; and

- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.

60.2 For the purpose of paragraph 60.1(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.

60.3 For the purpose of this section, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they shall be treated as being entitled to and in receipt of jobseeker's allowance.

60.4 An applicant must be treated as entitled to council tax support by virtue of the general conditions of entitlement where—

- (a) the applicant ceased to be entitled to council tax support because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in paragraph 60.1(b).

60.5 This section shall not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support Regulations (remunerative work: housing costs) applied to that applicant.

60A.0 Duration of extended reduction period

60A.1 Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.

60A.2 For the purpose of paragraph (60A.1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.

60A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax, if that occurs first.

60B.0 Amount of extended reduction

60B.1 For any week during the extended reduction period the amount of the extended reduction payable to an applicant shall be the higher of—

- (a) the amount of council tax support to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying income-related benefit;
- (b) the amount of council tax support to which the applicant would be entitled under the

- general conditions of entitlement for any reduction week during the extended reduction period, if section 60 (extended reductions) did not apply to the applicant; or
- (c) the amount of council tax support to which the applicant's partner would be entitled under the general conditions of entitlement, if section 60 did not apply to the applicant.

60B.2 Paragraph 60B1 does not apply in the case of a mover.

60B.3 Where an applicant is in receipt of an extended reduction under this section and the applicant's partner makes a claim for council tax support, no amount of council tax support shall be payable by the appropriate authority during the extended reduction period.

60C Extended reductions – movers

60C.1 This section applies;

- (a) to a mover; and
(b) from the Monday following the day of the move.

60C.2 The amount of the extended reduction payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax support which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit.

60C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction may take the form of a payment from the appropriate authority to;

- (a) the second authority; or
(b) the mover directly.

60C.4 Where—

- (a) a mover, or the mover's partner, makes a claim for council tax support to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit; and
(b) the mover, or the mover's partner, is in receipt of an extended reduction from the appropriate authority, the second authority shall reduce the weekly amount of council tax support that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction until the end of the extended reduction period.

60D.0 Relationship between extended reduction and entitlement to council tax support under the general conditions of entitlement

60D.1 Where an applicant's council tax support award would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 60.1(b), that award will not cease until the end of the extended reduction period.

60D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction payable in accordance with paragraph 60B.1(a) or 60C.2 (amount of extended reduction – movers).

61.0 Extended reductions (qualifying contributory benefits)

61.1 An applicant who is entitled to council tax support (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction (qualifying contributory benefits) where;

- (a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;
(b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner;
(i) commenced employment as an employed or self-employed earner;

- (ii) increased their earnings from such employment; or
- (iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more;
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
- (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

61.2 An applicant must be treated as entitled to council tax support by virtue of the general conditions of entitlement where;

- (a) the applicant ceased to be entitled to council tax support because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in paragraph 61.1(b).

61A.0 Duration of extended reduction period (qualifying contributory benefits)

61A.1 Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.

61A.2 For the purpose of paragraph 61A.1, an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

61A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction (qualifying contributory benefits) is payable has no liability for council tax, if that occurs first.

61B.0 Amount of extended reduction (qualifying contributory benefits)

61B.1 For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to an applicant shall be the higher of;

- (a) the amount of council tax support to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of council tax support to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 61 (extended reductions (qualifying contributory benefits)) did not apply to the applicant; or
- (c) the amount of council tax support to which the applicant's partner would be entitled under the general conditions of entitlement, if section 61 did not apply to the applicant.

61B .2 Paragraph 61B.1 does not apply in the case of a mover.

61B.3 Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this section and the applicant's partner makes a claim for council tax support, no amount of council tax support shall be payable by the appropriate authority during the extended reduction period.

61C.0 Extended reductions (qualifying contributory benefits) – movers

61C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

61C.2 The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax support which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

61C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from the appropriate authority to–

- (a) the second authority; or
- (b) the mover directly.

61C.4 Where

- (a) a mover, or the mover's partner, makes a claim for council tax support to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit; and
- (b) the mover, or the mover's partner, is in receipt of an extended reduction (qualifying contributory benefits) from the appropriate authority, the second authority shall reduce the weekly amount of council tax support that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction (qualifying contributory benefits) until the end of the extended reduction period.

61D.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax support under the general conditions of entitlement

61D.1 Where an applicant's council tax support award would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 61.1 (b), that award will not cease until the end of the extended reduction period.

61D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 61B.1(a) or 61C.2 (amount of extended reduction– movers).

61E.0 Extended reductions: movers into the authority's area⁸

61E.1 Where;

- (a) an application is made to the authority for a reduction under its scheme, and
- (b) the applicant or the partner of the applicant, is in receipt of an extended reduction from;
 - (i) another billing authority in England; or
 - (ii) a billing authority in Wales,the current authority must reduce any reduction to which the applicant is entitled under its scheme by the amount of that extended reduction.

62.0 – 63.0 Not Used

⁸ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Sections 64 – 67

Dates on which entitlement and changes of circumstances are to take effect

64.0 Date on which entitlement is to begin

- 64.1 Subject to paragraph 64.2, any person to whom or in respect of whom a claim for council tax support is made and who is otherwise entitled to that support shall be so entitled from the reduction week following the date on which that claim is made or is treated as made.
- 64.2 Where a person is otherwise entitled to council tax support and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his claim is made or is treated as made, he shall be so entitled from that reduction week.

65.0 - 66.0 Not Used

67.0 Date on which change of circumstances is to take effect

- 67.1 Except in cases where section 24 (disregard of changes in tax, contributions, etc.) applies and subject to the following provisions of this paragraph, a change of circumstances which affects entitlement to, or the amount of, a reduction under the authority's scheme ("change of circumstances"), takes effect from the first day of the reduction week following the date on which the change actually occurs, and where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs shall be the day immediately following the last day of entitlement to that benefit.
- 67.2 Subject to paragraph (3), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.
- 67.3 Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under sections 11 or 12 of that Act, it shall take effect from the day on which the change in amount has effect.
- 67.4 Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.
- 67.5 Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.
- 67.6 If two or more changes of circumstances occurring in the same reduction week would, but for this paragraph, take effect in different reduction weeks in accordance with paragraphs (1) to (5) they take effect from the day to which the appropriate paragraph from (2) to (5) above refers, or, where more than one day is concerned, from the earlier day.
- 67.7 Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the Act, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances shall take effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.
- 67.8 Without prejudice to paragraph (7), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

Date on which income consisting of earnings from employment as an employed earner are taken into account

- 67.9.—(1) A applicant's average weekly earnings from employment shall be taken into account—
- (a) in the case of a claim, on the date that the claim was made or treated as made and the first day of each reduction week thereafter, regardless of whether those earnings were actually received in that week;
 - (b) in the case of a claim or award where the claimant commences employment, the first day of the reduction week following the date the claimant commences that employment, and the first day of each reduction week thereafter, regardless of whether those earnings were actually received in that week; or
 - (c) in the case of a claim or award where the applicant's average weekly earnings from employment change, the first day of the reduction week following the date of the change, and the beginning of each week thereafter, regardless of whether those earnings were actually received in that week

Sections 68– 74A

Claiming and the treatment of claims for Council Tax Support purposes

68.0 Making an application⁹

68.1 In the case of a couple or members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines.

68.2 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and;

- (a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
- (b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or
- (c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.

68.3 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under the authority's scheme and to receive and deal on his behalf with any sums payable to him.

68.4 Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).

68.5 Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4);

- (a) it may at any time revoke the appointment;
- (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
- (c) any such appointment terminates when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).

68.6 Anything required by the authority's scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.

68.7 The authority must;

- (a) inform any person making an application of the duty imposed by paragraph 9(1)(a);
- (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
- (c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

⁹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

69.0 Procedure by which a person may apply for a reduction under the authority's scheme¹⁰

69.1. Paragraphs 2 to 7 apply to an application made under the authority's scheme.

69.2. An application may be made;

- (a) in writing,
- (b) by means of an electronic communication in accordance with Part 4 of this Schedule, or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone;
- (d) by notification of any award of universal credit, income support, income-based jobseeker's allowance or income related employment and support allowance.

69.3 (1) An application which is made in writing must be made to the designated office on a properly completed form.

(2) The form must be provided free of charge by the authority for the purpose.

69.4 (1) Where an application made in writing is defective because—

- (a) it was made on the form supplied for the purpose but that form is not accepted by the authority as being properly completed; or
- (b) it was made in writing but not on the form approved for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence,

the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

(2) An application made on a form provided by the authority is properly completed if it is completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

69.5. (1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

69.6. In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

69.7 (1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

69.8 Notwithstanding other paragraphs within this section, the authority will determine the method by which claims are to be made as well as where claims should be sent or delivered.

69.9 Where an applicant ('C')—

- (a) makes a claim which includes (or which C subsequently requests should include) a period

¹⁰ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- before the claim is made; and
- (b) from a day, in that period, up to the date when C made the claim (or subsequently requested that the claim should include a past period), C had continuous good cause for failing to make a claim (or request that the claim should include that period), the claim is to be treated as made on the date determined in accordance with paragraph 69.10

69.10 The date is the latest of–

- (a) the first day from which C had continuous good cause;
- (b) the day 6 months before the date the claim was made;
- (c) the day 6 months before the date when C requested that the claim should include a past period.

69A.0 Date on which an application is made

69A.1 Subject to sub-paragraph (7), the date on which an application is made is;

- (a) in a case where;
- (i) an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and
- (ii) the application for a reduction is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office,
- the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim;
- (b) in a case where
- (i) an applicant or his partner is a person in receipt of a guarantee credit,
- (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling he occupies as his home, and
- (iii) the application is received at the designated office within one month of the date of the change,
- the date on which the change takes place;
- (c) in a case where;
- (i) an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and
- (ii) the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,
- the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;
- (d) in a case where;
- (i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,
- (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
- (iii) the application is received at the designated office within one month of the date of the change,
- the date on which the change takes place;
- (e) in a case where;
- (i) an applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under the authority's scheme, and
- (ii) the applicant makes an application for a reduction under that scheme within one month of the date of the death or the separation,
- the date of the death or separation;
- (f) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed

application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to an applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;
(g) in any other case, the date on which an application is received at the designated office.

- 69A.2 For the purposes only of sub-paragraph (1)(c) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under;
- (a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or
(b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),
have been entitled to that allowance.
- 69A.3 Where there is a defect in an applications by telephone;
- (a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;
(b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide the application.
- 69A.4 The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.
- 69A.5 The conditions are that—
- (a) where the authority receives the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or
(b) where an application is not on approved form or further information requested by authority applies;
(i) the approved form sent to the applicant is received at the offices of the authority properly completed within one month of it having been sent to him; or, as the case may be;
(ii) the applicant supplies whatever information or evidence was requested within one month of the request; or,
in either case, within such longer period as the authority may consider reasonable; or
(c) where the authority has requested further information, the authority receives at its offices the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.
- 69A.6 Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under that authority's scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority must treat the application as having been made on the day on which the liability for the tax arises.
- 69A.7 Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under the authority's scheme in the reduction week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to a reduction under its scheme for a period beginning not later than;

- (a) in the case of an application made by;
- (i) a pensioner, or
 - (ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit, the seventeenth reduction week following the date on which the application is made, or
- (b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made, the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.

69A.8 In this paragraph “appropriate DWP office” means an office of the Department for Work and Pensions dealing with state pension credit or an office which is normally open to the public for the receipt of claims of income support, a job seekers allowance or an employment and support allowance.

70.0 Submission of evidence electronically

70.1 The authority may accept such evidence, documents and certificates to support the claim electronically where it feels that this would be acceptable given the nature of the claim

71.0 Use of telephone provided evidence

71.1 The authority may accept such evidence to support the claim by telephone where it feels that this would be acceptable given the nature of the claim

72.0 Information and evidence¹¹

72.1 Subject to sub-paragraph (3), a person who makes an application for a reduction under an authority’s scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.

72.2 This sub-paragraph is satisfied in relation to a person if—

- (a) the application is accompanied by;
- (i) a statement of the person’s national insurance number and information or evidence establishing that that number has been allocated to the person; or
 - (ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or
- (b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by;
- (i) evidence of the application for a national insurance number to be so allocated; and
 - (ii) the information or evidence enabling it to be so allocated.

72.3 Sub-paragraph (2) does not apply;

- (a) in the case of a child or young person in respect of whom an application for a reduction is made;
- (b) to a person who;
- (i) is a person treated as not being in Great Britain for the purposes of this scheme;
 - (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 - (iii) has not previously been allocated a national insurance number.

¹¹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 72.4 Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under the authority's scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by that authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under its scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.
- 72.5 Nothing in this paragraph requires a person who is a pensioner to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.
- 72.6 Where the authority makes a request under sub-paragraph (4), it must;
- (a) inform the applicant or the person to whom a reduction under its scheme has been awarded of his duty under paragraph 9 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and
 - (b) without prejudice to the extent of the duty owed under paragraph 9, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which must be notified.
- 72.7 This sub-paragraph applies to any of the following payments;
- (a) a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the London Emergencies Trust, the We Love Manchester Emergency Fund, or the London Bombings Relief Charitable Fund;
 - (b) a payment which is disregarded under paragraph 24 of Schedule 5, other than a payment under the Independent Living Fund (2006);
 - (c) a payment which is disregarded under paragraph 58.9.
- 72.8 Where an applicant or a person to whom a reduction under the authority's scheme has been awarded or any partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information;
- (a) the name and address of the pension fund holder;
 - (b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.
- 73.0 Amendment and withdrawal of application¹²**
- 73.1 A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.
- 73.2 Where the application was made by telephone the amendment may also be made by telephone.
- 73.3 Any application amended is to be treated as if it had been amended in the first instance.
- 73.4 A person who has made an application may withdraw it by notice to the designated office at any time before a decision has been made on it.
- 73.5 Where the application was made by telephone, the withdrawal may also be made by telephone.
- 73.6 Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.

¹² Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

73.7 Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.

74.0 Duty to notify changes of circumstances¹³

74.1 Subject to sub-paragraphs (3), (6) and (7), an applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time;

(a) between the making of an application and a decision being made on it, or

(b) after the decision is made (where the decision is that the applicant is entitled to a reduction under the authority's scheme) including at any time while the applicant is in receipt of such a reduction.

74.2 The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under the authority's scheme (a "relevant change of circumstances") by giving notice to the authority;

(a) in writing; or

(b) by telephone—

(i) where the authority has published a telephone number for that purpose unless the authority determines that in any particular case or class of case notification may not be given by telephone; or

(ii) in any case or class of case where the authority determines that notice may be given by telephone; or

(c) by any other means which the authority agrees to accept in any particular case, within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.

74.3 The duty imposed on a person by sub-paragraph (1) does not extend to notifying

(a) changes in the amount of council tax payable to the authority;

(b) changes in the age of the applicant or that of any member of his family;

(c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under the authority's scheme to which he is entitled, other than the cessation of that entitlement to the benefit.

74.4 For the purposes of sub-paragraph (3)(c) "relevant benefit" means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.

74.5 Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.

74.6 A person who has been awarded a reduction under the authority's scheme who is also on state pension credit must report;

(a) changes affecting the residence or income of any non-dependant normally residing with the applicant or with whom the applicant normally resides;

(b) any absence from the dwelling which exceeds or is likely to exceed 13 weeks.

74.7 In addition to the changes required to be reported under sub-paragraph (7), a person whose

¹³ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

state pension credit comprises only a savings credit must also report—

- (a) changes affecting a child living with him which may result in a change in the amount of reduction under the authority's scheme allowed in his case, but not changes in the age of the child;
- (b) any change in the amount of the applicant's capital to be taken into account which does or may take the amount of his capital to more than £16,000;
- (c) any change in the income or capital of;
 - (i) a non-dependant whose income and capital are treated as belonging to the applicant; or
 - (ii) a person to whom their partner is treated as member of the household, and whether such a person or, as the case may be, non-dependant stops living or begins or resumes living with the applicant.

74.8 A person who is entitled to a reduction under the authority's scheme and on state pension credit need only report to the authority the changes specified in sub-paragraphs (7) and (8).

74.9 All changes in circumstances should be notified to the authority in writing (or by whatever format agreed by the authority) within one calendar month of the happening of the event or change in circumstance. This timescale may be extended at the discretion of the authority. Where such a change is not received within that timescale and where the change would increase the level of reduction payable, the authority may use a date later than the actual change of circumstances

Sections 75- 90

Decisions, decision notices and awards of Council Tax Support

75.0 Decisions by the authority¹⁴

75.1 The authority must make a decision on an application under its scheme within 14 days of paragraphs 4 and 7 and section 69 being satisfied, or as soon as reasonably practicable thereafter.

76.0 Notification of decision¹⁵

76.1 The authority must notify in writing any person affected by a decision made by it under its scheme;

(a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;

(b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.

76.2 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement;

(a) informing the person affected of the duty imposed by paragraph 9(1);

(b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and

(c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.

76.3 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.

76.4 In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in the authority's scheme relating to the procedure for making an appeal.

76.5 A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.

76.6 The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.

76.7 For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under its scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).

76.8 This sub-paragraph applies to—

(a) the applicant;

(b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act;

(i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or

(ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000⁽³⁾ who has power to apply or, as the case may be, receive benefit on the person's behalf; or

(iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act

¹⁴ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁵ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 2005 or otherwise,
(c) a person appointed by the authority to act for a person unable to act.

77.0 Time and manner of granting council tax support¹⁶

77.1 Where a person is entitled to a reduction under this authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year ("the chargeable year"), the authority must discharge his entitlement;

- (a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or
(b) where;
(i) such a reduction is not possible; or
(ii) such a reduction would be insufficient to discharge the entitlement to a reduction under the authority's scheme; or
(iii) the person entitled to the reduction is jointly and severally liable for the council tax and the authority determines that such a reduction would be inappropriate, by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.

77.2 The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of paragraph (1).

77.3 In a case to which paragraph (1)(b) refers;

- (a) if the amount of the council tax for which he remains liable in respect of the chargeable year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under the authority's scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction;
(i) must be paid to that person if he so requires; or
(ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;
(b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under the authority's scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter
(c) in any other case, the reduction under the authority's scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.

77.4 For the purposes of this paragraph "instalment" means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

78.0 Persons to whom support is to be paid¹⁷

78.1 Subject to section 80 (payment on death) and paragraph (2), any payment of the amount of a reduction must be made to that person.

78.2 Where a person other than a person who is entitled to a reduction under this authority's scheme made the application for the reduction and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the

¹⁶ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁷ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

reduction may be paid to that person.

79.0 Shortfall in support / reduction¹⁸

79.1 Where, on the revision of a decision allowing a reduction under the authority's scheme to a person, it is determined that the amount allowed was less than the amount to which that person was entitled, the authority must either;

- (a) make good any shortfall in reduction which is due to that person, by reducing so far as possible the next and any subsequent payments he is liable to make in respect of the council tax of the authority as it has effect for the chargeable financial year until that shortfall is made good; or
- (b) where this is not possible or the person concerned so requests, pay the amount of any shortfall in reduction due to that person within 14 days of the revision of the decision being made or if that is not reasonable practicable, as soon as possible afterwards.

80.0 Payment on the death of the person entitled¹⁹

80.1 Where the person entitled to any reduction under this scheme has died and it is not possible to award the reduction which is due in the form of a reduction of the council tax for which he was liable, the authority must make payment of the amount of the reduction to his executor or administrator in accordance with regulation 58(4) of the Council Tax (Administration and Enforcement) Regulations 1992.

81.0 Offsetting

81.1 Where a person has been allowed or paid a sum of council tax support under a decision which is subsequently revised or further revised, any sum allowed or paid in respect of a period covered by the subsequent decision shall be offset against arrears of entitlement under the subsequent decision except to the extent that the sum exceeds the arrears and shall be treated as properly awarded or paid on account of them.

82.0 Payment where there is joint and several liability²⁰

82.1 Where;

- (a) a person is entitled to a reduction under the authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;
 - (b) the person entitled to the reduction is jointly and severally liable for the council tax; and
 - (c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992(7) refers would be inappropriate,
- it may make a payment to him of the amount of the reduction to which he is entitled, rounded where necessary to the nearest penny.

82.2 Subject to sub-paragraph (3) any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.

82.3 Where a person other than a person who is entitled to a reduction under the authority's scheme made the application and that first person is a person acting pursuant to an appointment under paragraph 4(3) or is treated as having been so appointed by virtue of paragraph 4(4), the amount of the reduction may be paid to that person.

83.0 – 90.0 Not Used

¹⁸ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

²⁰ Inserted by Schedule 8 of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012

Sections 91 – 94

Collection, holding and forwarding of information for Council Tax Support purposes

91.0 Use of information from and to the Department of Work and Pensions (DWP) and Her Majesty's Revenues and Customs (HMRC)

91.1 The authority will use information provided by the DWP and HMRC for the purposes of Council Tax Reduction, council tax liability, billing, administration and enforcement as outlined within Schedule 2 of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012 and the Social Security (Information-sharing in relation to Welfare Services etc.) (Amendment) Regulations 2013

91.2 Where required by the relevant department and where required by law, the authority will share information obtained for Council Tax Reduction with the DWP or HMRC as appropriate and in accordance with Data Protections requirements²¹..

92.0 Collection of information

92.1 The authority may receive and obtain information and evidence relating to claims for council tax support, the council may receive or obtain the information or evidence from–

- (a) persons making claims for council tax support;
- (b) other persons in connection with such claims;
- (c) other local authorities; or
- (d) central government departments including the DWP and HMRC

92.2 The authority may verify relevant information supplied to, or obtained.

93.0 Recording and holding information

93.1 The authority may

- (a) may make a record of such information; and
- (b) may hold that information, whether as supplied or obtained or recorded, for the purpose of forwarding it to the person or authority for the time being administering council tax support.

94.0 Forwarding of information

94.1 The authority may forward it to the person or authority for the time being administering claims to or awards of council tax support to which the relevant information relates, being

- (i) a local authority;
- (ii) a person providing services to a local authority; or
- (iii) a person authorised to exercise any function of a local authority relating to council tax support.

²¹ Data Retention and Investigatory Powers Act 2014 and Data Retention Regulations 2014

Sections 95 – 98

Revisions, Written Statements, Termination of Council Tax Support

95.0 Persons affected by Decisions

- 95.1 A person is to be treated as a person affected by a relevant decision of the authority where that person is;
- a. an applicant;
 - b. in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act
 - (i) a Deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit or support on his behalf,
 - (ii) in Scotland, a tutor, curator, judicial factor or other guardian acting or appointed in terms of law administering that person's estate, or
 - (iii) an attorney with a general power or a power to receive benefit or support appointed by the person liable to make those payments under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise;
 - c. a person appointed by the authority under this scheme;

96.0 Revisions of Decisions

- 96.1 Subject to the provisions in this scheme, a relevant decision ('the original decision) may be revised or further revised by the authority, which made the decision where the person affected makes an application for a revision within;
- (i) one month of the date of notification of the original decision; or
 - (ii) such extended time as the authority may allow.
- 96.2 The authority may revise or further revise that original decision at any time. Where further information is required from the person affected, the authority shall request such information and evidence as it feels is reasonable. Such information must be supplied within;
- i) one month of the date of notification of the additional information; or
 - (ii) such extended time as the authority may allow

97.0 Written Statements

- 97.1 Subject to the provisions in the scheme, the authority may upon a written request issue a written statement to a person affected to further explain the decision of the authority in relation to Council Tax Support. The request must be received within one month of the date of the notification being issued by the authority.

98.0 Terminations

- 98.1 The authority may terminate support in whole or in part the Council Tax Support where it appears to the authority that an issue arises whether;
- a. the conditions for entitlement to Council Tax Support are or were fulfilled; or
 - b. a decision as to an award of such a support should be revised or superseded.
- 98.2 The authority may terminate, in whole or in part the Council Tax Support where it appears to the authority that an issue arises whether;
- a. the conditions for entitlement to Council Tax Support are or were fulfilled; or
 - b. a decision as to an award of such a support should be revised or superseded.
- Where the person fails to provide information to the authority as requested in relation to any matter relating to their liability for Council Tax

Section 99

Appeals against the authority's decisions

99.0 Procedure by which a person may make an appeal against certain decisions of the authority²²

- 99.1 A person who is aggrieved by a decision of the authority, which affects;
- (a) the person's entitlement to a reduction under its scheme, or
 - (b) the amount of any reduction to which that person is entitled,
- may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.
- 99.2 The authority must
- (a) consider the matter to which the notice relates;
 - (b) notify the aggrieved person in writing;
 - (i) that the ground is not well founded, giving reasons for that belief; or
 - (ii) that steps have been taken to deal with the grievance, stating the steps taken.
- 99.3 Where, following notification under sub-paragraph (2)(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (2)(b) within two months of the service of his notice, he may appeal to the valuation tribunal under section 16 of the 1992 Act²³ ..

²² Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

²³ As amended by the Tribunal Procedure (Amendment No 3) Rules 2014

Section 100 – 100A

Procedure for applying for a discretionary reduction

100.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act²⁴

- 100.1 An application to the authority for a reduction under section 13A(1)(c)(1) of the 1992 Act may be made;
- (a) in writing,
 - (b) by means of an electronic communication in accordance with Part 4 of this Schedule, or
 - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 100.2 Where;
- (a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and
 - (b) a person in that class would otherwise be entitled to a reduction under its scheme, that person's application for a reduction under the authority's scheme may also be treated as an application for a reduction under section 13A(1)(c).

²⁴ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Section 101 – 106A²⁵
Electronic Communication

²⁵ Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

101.0 Interpretation

101.1 In this Part;
“**information**” includes an application, a certificate, notice or other evidence; and
“**official computer system**” means a computer system maintained by or on behalf of an authority for sending, receiving, processing or storing of any information.

102.0 Conditions for the use of electronic communication

102.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme.

102.2 A person other than the authority may use an electronic communication in connection with the matters referred to in sub-paragraph (1) if the conditions specified in sub-paragraphs (3) to (6) are satisfied.

102.3 The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.

102.4 The second condition is that the person uses an approved method of;

- (a) authenticating the identity of the sender of the communication;
- (b) electronic communication;
- (c) authenticating any application or notice delivered by means of an electronic communication; and
- (d) subject to sub-paragraph (7), submitting to the authority any information.

102.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.

102.6 The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.

102.7 Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.

102.8 In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this section.

103.0 Use of intermediaries

103.1 The authority may use intermediaries in connection with;

- (a) the delivery of any information by means of an electronic communication; and
- (b) the authentication or security of anything transmitted by such means,

and may require other persons to use intermediaries in connection with those matters.

104.0 Effect of delivering information by means of electronic communication

104.1 Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of an authority’s scheme on the day the conditions imposed;

- (a) by this section; and
- (b) by or under an enactment,

are satisfied.

104.2 The authority may determine that any information is to be treated as delivered on a

different day (whether earlier or later) from the day provided for in sub-paragraph (1).

104.3 Information may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

105.0 Proof of identity of sender or recipient of information

105.1 If it is necessary to prove, for the purpose of any legal proceedings, the identity of—
(a) the sender of any information delivered by means of an electronic communication to an official computer system; or
(b) the recipient of any such information delivered by means of an electronic communication from an official computer system,
the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

106.0 Proof of delivery of information

106.1 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this is presumed to have been the case where;

- (a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or
- (b) any such information has been delivered by the relevant authority, if the delivery of that information has been recorded on an official computer system.

106.2 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this is presumed not to be the case, if that information delivered to the relevant authority has not been recorded on an official computer system.

106.3 If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt is presumed to be that recorded on an official computer system.

106A.0 Proof of content of information

106A.1 If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.

Section 107

Counter Fraud and Compliance

107.0 Counter Fraud and compliance

- 107.1 In order to protect the finances of the authority and also in the interests of all council taxpayers, the authority will undertake such actions as allowed by law to;
- a. Prevent and detect fraudulent claims and actions in respect of Council Tax Support;
 - b. Carry out investigations fairly, professionally and in accordance with the law; and
 - c. Ensure that sanctions are applied in appropriate cases
- 107.2 The authority believes that it is important to minimise the opportunity for fraud and;
- a. will implement rigorous procedures for the verification of claims for council tax support;
 - b. will employ sufficient Officers to fulfil the authority's commitment to combat fraud;
 - c. will actively tackle fraud where it occurs in accordance with this scheme;
 - d. will co-operate with the Department for Work and Pensions (DWP), Her Majesty's Revenues and Customs and take part in joint working including prosecutions; and
 - e. will in all cases seek to recover all outstanding council tax.
- 107.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph 107.1 and 107.2 can be carried out successfully. In particular the authority shall undertake actions provided by the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

Schedule 1

Class D

Calculation of the amount of Council Tax Reduction in accordance with the Discount Scheme

- 1 The authority's Council Tax Reduction scheme from 2019/20 shall be calculated on the basis of the following Banded Discount Scheme:

Council Tax Reduction Level	Passported	Single Income Band Weekly £	Couples' Income Band Weekly £	Family with one child Weekly £	Family + Weekly £
Band 1 – 85%	Relevant Benefit	0.00 – 75.00	0.00 – 115.00	0.00 – 200.00	0.00 – 335.00
Band 2 – 80%	N/A	75.01 – 110.00	115.01 – 150.00	200.01 – 235.00	335.01 – 370.00
Band 3 – 50%	N/A	110.01 – 160.00	150.01 – 200.00	235.01 – 285.00	370.01 – 420.00
Band 4 – 25%	N/A	160.01 – 205.00	200.01 – 245.00	285.01 – 330.00	420.01 – 465.00

- 2 The amount of discount to be granted is to be based on the following factors:
- The maximum Council Tax Reduction as defined within this scheme;
 - The Council Tax family as defined within this scheme
 - The income of the applicant as defined within this scheme;
 - The capital of the applicant as defined within this scheme.
- 4 For the sake of clarity all incomes shown within the table above are weekly in accordance with the scheme requirements and definitions.
- 5 Discount bands vary depending on both weekly income and the household (family as defined within this scheme).
- 6 Any applicant who capital is greater than £6,000 shall not be entitled to any Council Tax Reductions whatsoever.
7. The authority may increase the level of incomes within the grid specified in paragraph 1 on an annual basis by the appropriate level of inflation measured by the Consumer Price Index (CPI) at 1st October preceding the effective financial year.
8. Where an applicant or partner is in receipt of a **relevant benefit** namely Income Support, Income Related Employment and Support Allowance or Income Based Jobseeker's Allowance, discount will be award at 85%

Schedule 2

Not Used

Schedule 3

Sums to be disregarded in the calculation of earnings²⁶

²⁶ All amounts within this schedule will be amended in line with the Housing Benefit Regulations 2006 (as amended)

- 1.** In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged–
- (a) where–
 - (i) the employment has been terminated because of retirement; and
 - (ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions,
any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;
 - (b) where before the first day of entitlement to council tax support the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except–
 - (i) any payment of the nature described in (aa) paragraph 25.1(e), or

(bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and
 - (ii) any award, sum or payment of the nature described in

(aa) paragraph 25.1(g) or (h), or
(bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),
including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;
 - (c) where before the first day of entitlement to council tax support–
 - (i) the employment has not been terminated, but
 - (ii) the applicant is not engaged in remunerative work,

any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii) (bb) or paragraph 25.1(i), or (j).
- 2.** In the case of an applicant who, before first day of entitlement to council tax support;
- (a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and
 - (b) has ceased to be engaged in that employment, whether or not that employment has been terminated,
any earnings paid or due to be paid in respect of that employment except;
 - (i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb);
 - (ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 25.1(i), (i) or (j).
- 2A.** In the case of an applicant who has been engaged in remunerative work or part-time employment as a self-employed earner or, had the employment been in Great Britain would

have been so engaged and who has ceased to be so employed, from the date of the cessation of his employment any earnings derived from that employment except earnings to which paragraph 27.3 and paragraph 27.4 (earnings of self-employed earners) apply.

3. (1) In a case to which this paragraph applies and paragraph 4 does not apply, £20; but notwithstanding section 15 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £20.
- (2) This paragraph applies where, **but for the application of this scheme**, the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component.
- (3) This paragraph applies where
 - (a) **but for the application of this scheme**, the is a member of a couple and his applicable amount includes an amount by way of the disability premium; and
 - (b) the or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.
- (4)–(5) Not used
4. In a case where the applicant is a lone parent, £20.
5. (1) In a case to which neither paragraph 3 nor paragraph 4 applies to the applicant and, subject to sub-paragraph (2), where **but for the application of this scheme** the applicant's applicable amount includes an amount by way of the carer premium, £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with this scheme as being in receipt of carer's allowance.
- (2) Where **but for the application of this scheme**, the carer premium is awarded in respect of the applicant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £20 of the aggregated amount.
6. Where **but for the application of this scheme**, the carer premium is awarded in respect of an applicant who is a member of a couple and whose earnings are less than £20, but is not awarded in respect of the other member of the couple, and that other member is engaged in an employment;
 - (a) specified in paragraph 8(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 5 exceed £20;
 - (b) other than one specified in paragraph 8(1), so much of the other member's earnings from such other employment up to £10 as would not when aggregated with the amount disregarded under paragraph 5 exceed £20.
7. In a case where paragraphs 3, 5, 6 and 8 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £10; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £10.
8. (1) In a case where paragraphs 3, 4, 5 and 6 do not apply to the applicant, £20 of earnings derived from one or more employments as–

- (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;
 - (b) a part-time fire-fighter employed by a fire and rescue authority (as defined in section 1 of the Fire (Scotland) Act 2005(a)) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;
 - (c) an auxiliary coastguard in respect of coast rescue activities;
 - (d) a person engaged part-time in the manning or launching of a life boat;
 - (e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;
- but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except to the extent specified in sub-paragraph (2).
- (2) If the applicant's partner is engaged in employment;
 - (a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;
 - (b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £10 as would not in aggregate with the applicant's earnings disregarded under this paragraph exceed £20.
- 9.** Where the applicant is engaged in one or more employments specified in paragraph 8(1), but his earnings derived from such employments are less than £20 in any week and he is also engaged in any other employment so much of his earnings from that other employment, up to £5 if he is a single applicant, or up to £10 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 8 exceed £20.
- 10.** In a case to which none of the paragraphs 3 to 9 applies, £5.
- 10A.** (1) Where;
- (a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;
 - (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and
 - (c) paragraph 12 does not apply,
- the amount specified in sub-paragraph (7) ('the specified amount').
- (2) Where this paragraph applies, paragraphs 3 to 10 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 4, then paragraph 4 applies instead of this paragraph.
 - (3) Notwithstanding section 15 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ('A') it shall not apply to the other member of that couple ('B') except to the extent provided in sub-paragraph (4).
 - (4) Where A's earnings are less than the specified amount, there shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.
 - (5) This sub-paragraph applies to a person who is;
 - (a) in receipt of a contributory employment and support allowance;
 - (b) in receipt of incapacity benefit;

- (c) in receipt of severe disablement allowance; or
 - (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975
- (6) 'Exempt work' means work of the kind described in;
- (a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations; or (as the case may be)
 - (b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,
- and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.
- (7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).
- (8) In this Schedule 'part-time employment' means employment in which the person is engaged on average for less than 16 hours a week.
- 11.** Any amount or the balance of any amount which would fall to be disregarded under paragraph 19 or 20 of Schedule 4 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.
- 12.** Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.
- 13.** Any earnings derived from employment, which are payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of those earnings.
- 14.** Where a payment of earnings is made in a currency other than Sterling, any banking charge or commission payable in converting that payment into Sterling.
- 15.** Any earnings of a child or young person.

Schedule 4

Sums to be disregarded in the calculation of income other than earnings²⁷

²⁷ Any amounts shown in this schedule will be updated in line with the Housing Benefit Regulations 2006 as amended

1. Any amount paid by way of tax on income, which is to be taken into account under section 30 (calculation of income other than earnings).
- A2. Any payment made to the claim and in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
- A3. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme, but only for 52 weeks beginning with the date of receipt of the payment.
2. Any payment in respect of any expenses incurred or to be incurred by an applicant who is—
 - (a) engaged by a charitable or voluntary organisation, or
 - (b) volunteer,
 if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under section 32.0 (notional income).
- 2A. Any payment in respect of expenses arising out of the applicant's participation as a service user.
3. In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
4. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance the whole of his income.
5. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.
6. Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.
7. Any disability living allowance or personal independence payment
8. Any concessionary payment made to compensate for the non-payment of;
 - (a) any payment specified in paragraph 7 or 10;
 - (b) income support;
 - (c) an income-based jobseeker's allowance.
 - (d) an income-related employment and support allowance.
9. Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.
10. Any attendance allowance.
11. Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.
12. (1) Any payment—
 - (a) by way of an education maintenance allowance made pursuant to;
 - (i) regulations made under section 518 of the Education Act 1996 (payment of

- school expenses; grant of scholarships etc);
- (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
- (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992
- (b) corresponding to such an education maintenance allowance, made pursuant to;
- (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
- (ii) regulations made under section 181 of that Act; or
- (iii) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
- (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
- (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992, in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).
- 13.** Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.
- 14** (1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment;
- (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
- (b) of an allowance referred to in section 2(3) of the 1973 Act or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
- (c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.
- (2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
- 15** (1) Subject to sub-paragraph (2), any of the following payments;
- (a) a charitable payment;
- (b) a voluntary payment;
- (c) a payment (not falling within sub-paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
- (d) a payment under an annuity purchased;
- (i) pursuant to any agreement or court order to make payments to the applicant; or
- (ii) from funds derived from a payment made, in consequence of any personal injury to the applicant; or

- (e) a payment (not falling within sub-paragraphs (a) to (d) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.
- (2) Sub-paragraph (1) shall not apply to a payment, which is made or due to be made by–
- (a) a former partner of the applicant, or a former partner of any member of the applicant’s family; or
 - (b) the parent of a child or young person where that child or young person is a member of the applicant’s family.
- 16.** 100% of any of the following except in so far as they form part of a private or occupational pension, namely
- (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 9 or 10);
 - (b) a war widow’s pension or war widower’s pension;
 - (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
 - (d) a guaranteed income payment;
 - (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
 - (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
 - (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.
- 17.** Subject to paragraph 35, £15 of any;
- (a) widowed mother’s allowance paid pursuant to section 37 of the Act;
 - (b) widowed parent’s allowance paid pursuant to section 39A of the Act.
- 18.** (1) Any income derived from capital to which the applicant is or is treated under section 41 (capital jointly held) as beneficially entitled but, subject to sub- paragraph (2), not income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28 of Schedule 5.
- (2) Income derived from capital disregarded under paragraphs 2, 4 or 25 to 28 of Schedule 5 but only to the extent of–
- (a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
 - (b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.
- (3) The definition of ‘water charges’ in paragraph 2(1) shall apply to sub-paragraph (2) of this paragraph with the omission of the words ‘in so far as such charges are in respect of the dwelling which a person occupies as his home’.
- 19.** Where the applicant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating–
- (a) under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998(c), that student’s award;
 - (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student’s bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or

- (c) the student's student loan,
an amount equal to the weekly amount of that parental contribution, but only in respect of the period for which that contribution is assessed as being payable.
- 20.** (1) Where the applicant is the parent of a student aged under 25 in advanced education who either;
- (a) is not in receipt of any award, grant or student loan in respect of that education; or
 - (b) is in receipt of an award under section 2 of the Education Act 1962 (discretionary awards) or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,
- and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 19, an amount specified in sub-paragraph (2) in respect of each week during the student's term.
- (2) For the purposes of sub-paragraph (1), the amount shall be equal to—
- (a) the weekly amount of the payments; or
 - (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),
- whichever is less.
- 21.** Any payment made to the applicant by a child or young person or a non- dependant.
- 22.** Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 21 or 23 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family—
- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
 - (b) where the aggregate of any such payments is £20 or more per week, £20.
- 23.** (1) Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to—
- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20.00, 100 per cent. of such payments;
 - (b) where the aggregate of any such payments exceeds £20.00, £20.00 and 50 per cent. of the excess over £20.00.
- (2) In this paragraph, 'board and lodging accommodation' means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises.
- 24.** (1) Any income in kind, except where regulation 30(11)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act in the calculation of income other than earnings) applies.
- (2) The reference in sub-paragraph (1) to 'income in kind' does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

- 25.** Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.
- 26.** (1) Any payment made to the applicant in respect of a person who is a member of his family—
- (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978(b) (schemes for payments of allowances to adopters); or in accordance with an Adoption Allowance Scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (Adoption Allowances Schemes)
 - (b) not used
 - (ba) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
 - (c) which is a payment made by an authority, as defined in Article 2 of the Children Order, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child's maintenance);
 - (d) in accordance with regulations made pursuant to section 14F of the Children Act 1989(c) (special guardianship support services);
- (2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 27.** Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made
- (a) by a local authority under—
 - (i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
 - (ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
 - (iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or
 - (b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).
- 28.** Any payment made to the applicant or his partner for a person ('the person concerned'), who is not normally a member of the applicant's household but is temporarily in his care, by—
- (a) a health authority;
 - (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
 - (c) a voluntary organisation;
 - (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
 - (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
 - (f) a Local Health Board established under section 16BA of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006
- 29.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

- 29A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989(e) or section 29 of the Children (Scotland) Act 1995(local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.
- (2) Sub-paragraph (1) applies only where A;
- (a) was formerly in the applicant's care, and
 - (b) is aged 18 or over, and
 - (c) continues to live with the applicant.
- 30.** (1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments;
- (a) on a loan which is secured on the dwelling which the applicant occupies as his home; or
 - (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.
- (2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—
- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and
 - (b) meet any amount due by way of premiums on—
 - (i) that policy; or
 - (ii) in a case to which sub-paragraph(1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).
- 31.** Any payment of income which, by virtue of section 36 (income treated as capital) is to be treated as capital.
- 32.** Any social fund payment made pursuant to Part 8 of the Act (the Social Fund) or any local welfare provision as defined by the Social Security (Miscellaneous Amendments) Regulations 2013
- 33.** Any payment under Part 10 of the Act (Christmas bonus for pensioners).
- 34.** Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 35.** The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 15.2 (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 47.2(b) and paragraph 48.1(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 51(2) (treatment of student loans), paragraph 52(3) (treatment of payments from access funds) and paragraphs 16 and 17 shall in no case exceed £20 per week.
- 36.** (1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) that person's partner or former partner from whom he is not, or where that

person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of;

(a) the person who is suffering from haemophilia or who is a qualifying person;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

(a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(b) the payment is made either;

(i) to that person's parent or step-parent, or

(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either

(i) to that person's parent or step-parent, or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

37. Any housing benefit.
38. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
39. - 40. not used
41. Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.
42. Not used
43. Any payment in consequence of a reduction of council tax under section 13 or section 80 of the 1992 Act (reduction of liability for council tax).
44. Not used
45. (1) Any payment or repayment made—
 (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
 (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
 (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).
 (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment or repayment, mentioned in sub-paragraph (1).
46. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).
47. Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.
48. (1) Where **but for the application of this scheme**, an applicant's applicable amount includes an amount by way of a family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.
 (2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments such be aggregated and treated as if they were a single payment.
 (3) A payment made by the Secretary of State in lieu of maintenance shall, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).
- 48A. (1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.
 (2) In paragraph (1) 'child maintenance' means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under;

- (a) the Child Support Act 1991;
- (b) the Child Support (Northern Ireland) Order 1991;
- (c) a court order;
- (d) a consent order;
- (e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;

'liable relative' means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.

- 49.** Not used
- 50.** Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
- 51.** Any guardian's allowance.
- 52.** (1) If the applicant is in receipt of any benefit under Parts 2, 3 or 5 of the Act, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of the Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
- (2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
- 53.** Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.
- 54.** In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983(a) (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.
- 55** (1) Any payment which is
- (a) made under any of the Dispensing Instruments to a widow, widower or
 - (b) surviving civil partner of a person;
 - (i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
 - (ii) whose service in such capacity terminated before 31st March 1973; and equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.
- (2) In this paragraph 'the Dispensing Instruments' means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).
- 55A.** Any council tax support or council tax benefit to which the applicant is entitled.
- 56.** Except in a case which falls under sub-paragraph (1) of paragraph 16 of Schedule 3, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10
- 56A.–56B.** Not used

- 57.** Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).
- 58.** (1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—
 (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
 (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity, in respect of which such assistance is or was received.
 (2) Sub-paragraph (1) shall apply only in respect of payments, which are paid to that person from the special account
- 59.** (1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).
 (2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
 (3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.
- 60.** Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.
- 61.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise.
- 62.** Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001
- 63.** (1) Any payment made by a local authority or by the Welsh Ministers to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.
 (2) For the purposes of sub-paragraph (1) 'local authority' includes, in England, a county council.
- 64.** Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
- 65.** Any payment of child benefit.
- 66.** Any payment of Carer's Allowance
- 67.** An award of the support component of Employment and Support Allowance

Schedule 5

Capital to be disregarded²⁸

²⁸ Any amounts shown in this schedule will be uprated in line with the Housing Benefit Regulations 2006 as amended

1. The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular 5, in Scotland, any croft land on which the dwelling is situated; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of polygamous marriage), only one dwelling shall be disregarded under this paragraph.
- A2. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.
- A3. Any payment made to the applicant in respect of any travel or other expenses incurred or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme but only for 52 weeks beginning with the date of receipt of the payment but only for 52 weeks beginning with the date of receipt of payment.
2. Any premises acquired for occupation by the applicant, which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.
3. Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.
4. Any premises occupied in whole or in part—
 - (a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;
 - (b) by the former partner of the applicant as his home; but this provision shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.
5. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.
6. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.
7. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.
8. (1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.
(2) The assets of any business owned in whole or in part by the applicant where—
 - (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
 - (b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business;

for a period of 26 weeks from the date on which the claim for council tax support is made,

or is treated as made, or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

(3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.

(3) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

9. (1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of;
- (a) any payment specified in paragraphs 7, 9 or 10 of Schedule 4;
 - (b) an income-related benefit under Part 7 of the Act;
 - (c) an income-based jobseeker's allowance;
 - (d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
 - (e) working tax credit and child tax credit
 - (f) an income-related employment and support allowance

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as 'the relevant sum') and is

- (a) paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Decisions and Appeals Regulations; and
- (b) received by the applicant in full on or after 14th October 2001,

sub-paragraph (1) shall have effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the award of council tax support, for the remainder of that award if that is a longer period.

- (3) For the purposes of sub-paragraph(2), 'the award of council tax support' means–
- (a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
 - (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant;
 - (i) is the person who received the relevant sum; or
 - (ii) is the partner of the person who received the relevant sum, or was that person's partner at the date of his death.

10. Any sum
- (a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
 - (b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home, which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to

effect the repairs, replacement or improvement.

11. Any sum—
 - (a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 or section 338(1) of the Housing (Scotland) Act 1987 as a condition of occupying the home;
 - (b) which was so deposited and which is to be used for the purchase of another home, for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.
12. Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to council tax support or to increase the amount of that support.
13. The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.
14. Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.
- 14A. (1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.
 - (2) But sub-paragraph (1)
 - (a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;
 - (b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);
 - (c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;
 - (d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.
 - (3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.
 - (4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).
15. The value of the right to receive any income under a life interest or from a life rent.
16. The value of the right to receive any income, which is disregarded under paragraph 13 of Schedule 3 or paragraph 25 of Schedule 4.
17. The surrender value of any policy of life insurance.
18. Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.
19. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
- 19A. (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority

in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A;

- (a) was formerly in the applicant's care, and
- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

- 20.** Any social fund payment made pursuant to Part 8 of the Act.
- 21.** Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.
- 22.** Any capital which, by virtue of sections 31 or 51 (capital treated as income, treatment of student loans) is to be treated as income.
- 23.** Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 24.** (1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the Charitable Fund.
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
 - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
 - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
- (3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) the person who is suffering from haemophilia or who is a qualifying person;
 - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
 - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
- (4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—
- (a) that person has no partner or former partner from whom he is not estranged or

divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(b) the payment is made either;

(i) to that person's parent or step-parent; or

(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or any of the Trusts to which sub-paragraph (1) refers, where

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either;

(i) to that person's parent or step-parent; or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.

25. (1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph 'dwelling' includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.

26. Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

27. Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

28. Any premises which the applicant intends to occupy as his home to which essential repairs or

alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

29. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
30. Not used
31. The value of the right to receive an occupational or personal pension.
32. The value of any funds held under a personal pension scheme
33. The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.
34. Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
35. Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.
36. Not used.
37. Any payment in consequence of a reduction of council tax under section 13 or, as the case may be, section 80 of the Local Government Finance Act 1992 (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.
38. Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used—
 - (a) to purchase premises intended for occupation as his home; or
 - (b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,
 for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.
39. Any arrears of supplementary pension which is disregarded under paragraph 53 of Schedule 4 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 54 or 55 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.
40. (1) Any payment or repayment made—
 - (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
 - (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
 - (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),
 but only for a period of 52 weeks from the date of receipt of the payment or repayment.

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment, or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of the receipt of the payment or repayment.

- 41.** Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.
- 41A.** Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).
- 42.** Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.
- 43.** Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
- 44.** Not used
- 45.** Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.
- 46.** (1) Subject to sub-paragraph (2), where an applicant satisfies the conditions in section 131(3) and (6) of the Act (entitlement to alternative maximum council tax support), the whole of his capital.
(2) Where in addition to satisfying the conditions in section 131(3) and (6) of the Act the applicant also satisfies the conditions in section 131(4) and (5) of the Act (entitlement to the maximum council tax support), sub-paragraph (1) shall not have effect.
- 47.** (1) Any sum of capital to which sub-paragraph (2) applies and
(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 or by the Court of Protection;
(b) which can only be disposed of by order or direction of any such court; or
(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.
(2) This sub-paragraph applies to a sum of capital which is derived from;
(a) an award of damages for a personal injury to that person; or
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 48.** Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from
(a) award of damages for a personal injury to that person; or
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 49.** Any payment to the applicant as holder of the Victoria Cross or George Cross.
- 50.** Not used
- 51.** In the case of a person who is receiving, or who has received, assistance under the self-

employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.

- 52.** (1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

- 53.** (1) Any payment;
- (a) by way of an education maintenance allowance made pursuant to—
- (i) regulations made under section 518 of the Education Act 1996;
 - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
 - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
- (b) corresponding to such an education maintenance allowance, made pursuant to;
- (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - (ii) regulations made under section 181 of that Act ;

or in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
 - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
 - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,
- in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

53A.-53B. Not used

- 54.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

- 55.** Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.

- 56.** Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or interment of—
- (a) the applicant;
 - (b) the applicant's partner;
 - (c) the applicant's deceased spouse or deceased civil partner; or
 - (d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

57. (1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is
- (a) a diagnosed person;
 - (b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
 - (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
 - (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.
- (2) Where a trust payment is made to;
- (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
 - (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending two years after that date;
 - (c) a person referred to in sub-paragraph (1)(d), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending—
 - (i) two years after that date; or
 - (ii) on the day before the day on which that person—
 - (aa) ceases receiving full-time education; or
 - (bb) attains the age of 20,whichever is the latest.
- (3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is—
- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
 - (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
 - (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death, but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.
- (4) Where a payment as referred to in sub-paragraph (3) is made to—
- (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending on the date on which that person dies;
 - (b) a person referred to in sub-paragraph (3)(b), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending two years after that date; or
 - (c) person referred to in sub-paragraph (3)(c), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending—
 - (i) two years after that date; or
 - (ii) on the day before the day on which that person
 - (aa) ceases receiving full-time education; or
 - (bb) attains the age of 20,

whichever is the latest.

- (5) In this paragraph, a reference to a person—
(a) being the diagnosed person's partner;
(b) being a member of a diagnosed person's family;
(c) acting in place of the diagnosed person's parents,
at the date of the diagnosed person's death shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.
- (6) In this paragraph— 'diagnosed person' means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld- Jakob disease;
'relevant trust' means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;
'trust payment' means a payment under a relevant trust.
- 58.** The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant's partner, the applicant's deceased spouse or deceased civil partner or the applicant's partner's deceased spouse or deceased civil partner
(a) was a slave labourer or a forced labourer;
(b) had suffered property loss or had suffered personal injury; or
(c) was a parent of a child who had died,
during the Second World War.
- 58 (1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service, which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.
- (2) For the purposes of sub-paragraph (1) 'local authority' includes in England a county council.
- 60.** Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under section 12A to 12D of the National Health Service Act 2006 (direct payments for health care).
- 61.** Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 62.** Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).
- 63.** Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)

Equality Impact Assessment (Appendix 2) – South Hams District Council Council Tax Reduction Scheme 2019/20

Lead Officer	Lorraine Mullineaux Senior Benefit Specialist
Service	Housing, Housing Benefit and Revenues COP
Proposed change to service	Council Tax Reduction scheme for April 2019
Reason for the service change	<p>It is an annual requirement for Councils to review their existing Council Tax Reduction scheme and make a decision as to whether to replace or revise it.</p> <p>The Revenues and Benefits service constantly monitors the issues affecting claimants on Council Tax Reduction. The banded scheme has been developed to support our most vulnerable customers in the ever changing landscape of welfare reform, whilst keeping the cost of the scheme cost neutral.</p> <p>Since the roll out of Universal Credit it has become evident that the number of changes in circumstances issued by the Department of Work and Pensions (DWP) has increased significantly, this in turn has had a direct impact on Council Tax Reduction scheme and the amount recipients receive.</p> <p>The impact has been reviewed and modelled for the 2019/20 financial year. It is apparent that unless changes are made to the scheme the increased number of change of circumstances will result in higher volumes of bills and correspondence being issued to customers, which will lead to confusion for customers due to the reissue of bills on one or more occasions; this will in turn increase the costs of administrating the scheme and it is expected that this will impact on Council Tax collection rates.</p> <p>Having reviewed our scheme and taken into consideration funding cuts, Council Tax arrears, Universal Credit and the impact of wider welfare reform changes on our residents and we are proposing to change our Council Tax Reduction scheme for 2019/20.</p>
Information about users , research or other evidence	<p>The current Council Tax Reduction scheme is a means-tested discount administered by the council. There are different rules for Pensioners and Working Age claimants, however in general the calculation is based on:</p> <ul style="list-style-type: none"> • Household • Income – subject to certain disregards i.e. Disability Living Allowance is disregarded in the calculation of income. • Capital (Savings) – Capital limits and tariff income. • Non-dependants are taken into account – deductions are made from the calculated support based upon the non-dependants income. However, there are some categories and circumstances where non-dependant deductions are not taken. • Applicable amount calculated (what the government says a person or family needs to live on), which includes personal allowances and

additional premiums depending upon circumstances i.e. disability, lone parents and Carers.

Household income is compared to Applicable Amounts, if household income is the same or less than the Applicable Amount, or the claimant or partner are in receipt of a passported benefit such as Income Support, Job Seekers Allowance (income based) or Employment Support Allowance (income related) , the maximum amount of Council Tax Reduction is awarded (subject to Non-dependant deductions).

If household income is more than the Applicable Amount – they have ‘excess income’ and the award/reduction to the bill is apportioned.

Council Tax Reduction is currently limited to 80% of Council Tax liability, meaning all working age people will have a minimum of 20% of their council tax liability to pay.

For 2019/20 South Hams District Council has the option of changing to a new banded scheme or continuing with the current scheme. Having reviewed our current scheme and taken into consideration funding cuts, Council Tax arears, Universal Credit and the impact of wider welfare reform changes on our residents, officers are recommending that we change to a new scheme for 2019/20.

We are proposing to introduce a banded scheme which will assess the maximum level of Council Tax Reduction for working-age people based on the net income of the claimant and partner. Pensioners will not be affected by this scheme.

To keep the scheme simple where a customer receives passported benefit, they will automatically receive maximum support being placed in the top band of the scheme. Therefore the income bands that will be used in the schemes are as follows:-

Council Tax Reduction Level	Pass ported	Single Income Band Weekly £	Couples' Income Band Weekly £	Family with one child Weekly £	Family with two or more children Weekly £
Band 1 – 85%	Relevant Benefit	0.00 - 75.00	0.00 - 115.00	0.00 - 200.00	0.00 - 335.00
Band 2- 80%	N/A	75.01 - 110.00	115.01 - 150.00	200.01 - 235.00	335.01 - 370.00
Band 3 - 50%	N/A	110.01 - 160.00	150.01 to 200.00	235.01 – 285.00	370.01 – 420.00
Band 4 - 25%	N/A	160.01 - 205.00	200.01 to 245.00	285.01 - 330.00	420.01 – 465.00

The following is a summary of the main elements of our proposed working age Council Tax Reduction scheme:-

- Working-age people will receive a % discount of either 85%, 80%, 50% or 25% depending on the level of their income and the income band they fall into.
- Net earnings will be taken into account when calculating Council Tax Reduction.
- Introduction of £6,000 capital cap.
- Update earnings disregard to £5.00 for single people, £10 for couples and £20 for lone parents and disabled.
- Where the Universal Credit payment includes the calculation of earnings, earnings to be taken in account.
- The housing element of Universal Credit to be ignored.
- Deductions taken from Universal Credit by the DWP will not be removed.
- Abolition of non-dependant deductions
- Introduction of Minimum income level for self-employed
- To continue to disregard Disability Living Allowance, Personal Independence Payments and War Disablement Benefits.
- To continue to disregard Child Benefit and Child Maintenance payments.
- Introduction to disregard Carers Allowance payments.
- Introduction to disregards the support element of Employment and Support Allowance
- Introduction to increase backdate period to six months.
- Introduction to only make payment of Council Tax Reduction if over £1 per week.

Those affected by this change are working age people, on low incomes, living within the district that have a liability to pay Council Tax.

Impact of change- Who will be affected. How the change will impact on equality groups . Any positive and negatives impacts of the changes on users. Actions taken to avoid or lessen any negative impacts

As caseload data is continually changing analysis and effects will continue

This is an on-going process and impacts may change over time.

Further analysis of Equality strands are;

AGE	Positive	Negative
	<p>The Government continues to protect low-income pensioners (who are eligible for assistance with their council tax liability) from any reduction in support as a result of reforms. The Government wants to ensure pensioners, who would struggle to pay council tax without additional funds and who the Government does not expect to work to increase their income, will continue to support their council tax liability. Schemes must have regard to their statutory duties under Child Poverty Act 2010. (The Act imposes a duty on local authorities to have regard to, reduce and mitigate the effects of child poverty in their local area).</p>	<p>Working age customers suffer disproportionately due to the need to protect pensioners from financial loss.</p> <p>Could drive working age people out of the area: because of the increased burden arising from Devon having a higher number of pensioners than other parts of the UK.</p> <p>Working age customers in Devon are already disadvantaged by low wages and seasonal work, rurality and poor ICT connectivity.</p>

DISABILTY	Positive	Negative
	<p>Schemes must have regard to their statutory duties under The Disabled Persons (Services, Consultation and Representation) Act 1986, and Chronically Sick and Disabled Persons Act 1970, which include a range of duties relating to the welfare needs of disabled people</p>	<p>All working age people will lose out and this could continue to affect some people with a disability if they are not part of the protected group.</p> <p>More likely to be in receipt of CTR.</p> <p>May find it difficult to</p>

	<p>The proposed CTR scheme as part of our ongoing commitment to support disabled people will disregard Carers allowance and the support element of Employment Support Allowance as well as continue to disregard Disability Living Allowance, Personal Independence Payments and War Disablement Payments.</p>	<p>understand information and not know if they are entitled to claim CTR.</p>
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MARITAL STATUS, family circumstances or caring responsibilities	<p>Positive</p>	<p>Negative</p>
	<p>The scheme will disregard Carers Allowance.</p> <p>There is an Exceptional Hardship fund to assist those families affected by the new scheme.</p>	<p>The scheme does not discriminate against marital status however it will have a negative impact on families with more than 2 children.</p>

SEX(gender)	<p>Positive</p>	<p>Negative</p>
	<p>The scheme does not discriminate against gender</p> <p>There is an Exceptional Hardship fund to assist those people affected by the new scheme.</p>	<p>Historically, women tend to be main carers and possible single parent. The scheme may have a negative impact on them, especially if they have more than 3 children.</p>

Race/Ethnicity Religion/Belief Sexual Orientation	<p>Positive</p> <p>No CTR data held for these groups, however the scheme is an income/household based reduction so will not treat people in these groups any differently.</p>	<p>Negative</p>
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General	<p>Positive</p>	<p>Negative</p>

Submissions from Interested parties ;

General publicity for all residents e.g. press releases, flyers and website.

Issues and Recommendations

All working age claimants should pay something towards their Council Tax Liability, however Officers recommend that we increase the discount from 80% to 85% for working age people on passported benefits or low incomes. Pensioners are not affected by this scheme.

To protect the most vulnerable South Hams District Council have an exceptional hardship fund to act as a safety net. This will allow for individual circumstances to be taken into account when appropriate.

Action Plan & Review.

January/February 2019	Full Council sign off
January/March 2019	New scheme input into test system and full testing
Early March 2019	Go live

Report to: **Council**

Date: **21 February 2019**

Title: **South Devon AONB Management Plan Review 2019-2024 final draft**

Portfolio Area: **Customer First**

Wards Affected: **Allington and Strete; Blackawton and Stoke Fleming; Charterlands; Dartmouth and East Dart; Ermington and Ugborough; Loddiswell and Aveton Gifford; Kingsbridge; Marldon and Littlehempston; Newton and Yealmpton; Salcombe and Thurlestone; South Brent; Stokenham; Wembury and Brixton; and West Dart.**

Relevant Scrutiny Committee: **Overview and Scrutiny Panel**

Urgent Decision: **Y** Approval and clearance obtained: **Y**

Date next steps can be taken: Immediately

Author: **Tom Jones** Role: **Head of Place Making**

Contact: thomas.jones@swdevon.gov.uk; 01803 861404

Recommendations:

That the Council:

- 1. Notes the content of the Final Draft of the Management Plan following the formal consultation exercise; and**
- 2. Confirms adoption of the final Management Plan for 2019-2024.**

1. Executive summary

- 1.1 This report presents the final South Devon AONB Management Plan to Council for adoption prior to submission to DEFRA before March 31st 2019.

2. Background

- 2.1 Under the Countryside and Rights of Way Act (2000), it is a statutory requirement for Local Authorities to produce Management Plans for AONBs in their area, and to review adopted plans at periods of not more than five years.

- 2.2 The District Council as well as the three other relevant Local Authorities has delegated the authority to review and implement the South Devon AONB Management Plan for the next five years to the SD AONB team. The reviewed Management Plan must be sent to the Secretary of State by 31st March 2019.
- 2.3 A light touch approach has been taken to the review, adopting commonality between the format and structure between AONBs, with a view to reflecting changes in the statutory and legislative background, changing circumstances and resources, new knowledge and agendas, and lessons learned from implementation of previous Plans.

3 The Final Draft of the Management Plan

- 3.1 The draft Management Plan was subject to formal consultation with the AONB partnership, statutory (namely Natural England and the Environment Agency) and local authorities and through the online public consultation and eight public consultation events throughout the AONB. Consultation responses have been recorded, assessed, cross referenced with the plan and necessary amendments have been made and reflected in the final draft of the Management Plan.
- 3.1 The Final Draft of the Management Plan adopts the common format and structure agreed for all the reviewed AONB Management Plans with strategic themes for 'Place, People and Working together'.
- 3.2 As is required through legislation, Habitats Regulations and Strategic Environmental Assessment (SEA) screenings have been undertaken of the final draft of the Management Plan. The Habitats Regulations screening concluding that the Management Plan will not have any likely significant effect on any European Site, and the SEA screening concluding that a full SEA was not required because the Management Plan demonstrated little deviation from its 2014-19 iteration – the previous iteration having been subject to full SEA and therefore the current revision is considered unlikely to display further significant environmental effects.
- 3.3 The final draft of the Management Plan will be presented to the other Unitary, City and County Councils in February 2019 for adoption with a view to sending the new Management Plan to the Secretary of State in March 2019.

4 Proposed Way Forward

- 4.1 The CoP Lead for Place Making was given delegated authority by Full Council on the 27 September 2018 to agree the final content of the formal Council response to the Consultation Draft of the Management Plan.
- 4.2 Officers have assisted the SDAONB team with a review of consultation responses as appropriate during December 2018. The final Management

Plan has been amended following the formal consultation and has been presented to the SDAONB Executive and Partnership Committee.

- 4.3 It was agreed that the final Management Plan would be presented to the Council in February 2019 for adoption, and will follow due procedure at the other relevant Local Authorities, with a view to sending the new Management Plan to the Secretary of State in March 2019.

5 Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal / Governance	Y	Section 89 of the Countryside and Rights of Way Act (CRoW Act, 2000) sets out the statutory requirement for Local Authorities to produce Management Plans for AONBs in their area, and to review adopted plans at periods of not more than five years. The Council (as well as other constituent Local Authorities – these Devon County Council Plymouth CC and Torbay Council. SHDC has delegated the authority of reviewing the Management Plan to the SD AONB team.
Financial	Y	The Council's 2019-20 budget proposals include an annual contribution of £20,749 for core funding of the SD AONB, which along with constituent Local Authority contributions amounts to 25% of the budget, a further 75% being provided by Defra. This contribution enables the current core costs of the AONB team to be met including the production of the AONB Management Plan. Delivery of the AONB Management Plan is mainly achieved through project activity and whilst the Council currently made a £9,700 in year contribution toward these costs the Council's budget proposals for 2019-20 reduce project funding to £0.
Risk	Y	Failure to publish a plan and submit to the Secretary of State by end of March 2019 would result in the Council failing to meet the statutory duty set out in Section 89 of the CRoW Act.
Comprehensive Impact Assessment Implications		
Equality and Diversity	Y	No direct implications.
Safeguarding	N	No direct implications.

Community Safety, Crime and Disorder	Y	No direct implications.
Health, Safety and Wellbeing	Y	No direct implications.
Other implications	N	No direct implications.

Supporting Information

Appendices:

Final draft of South Devon AONB Management Plan

Background Documents:

Habitats Regulations Assessment; and Sustainability Appraisal Environmental Report.

South Devon Area of Outstanding Natural Beauty (AONB)

Management Plan 2019-2024

Our vision is of an inspirational landscape that is valued, recognised and treasured forever for its nationally important natural beauty and distinctive character.

The South Devon AONB is one of Britain's finest protected landscapes - loved for its significant and irreplaceable landscape features including rugged cliffs, sandy coves, peaceful countryside, picturesque villages, rolling hills, wooded valleys, colourful hedge banks, and secretive estuaries. It is an ancient countryside with strong links to the sea and generations of human activity etched into the landscape. The AONB is a centre for active and creative community life, a thriving and dynamic work place and a popular visitor destination.

The South Devon AONB Partnership, April 2019

Ten special qualities define the unique 'natural beauty' for which the South Devon AONB is designated as a nationally important protected landscape.

- Fine, undeveloped, wild and rugged coastline
- Ria estuaries (drowned river valleys), steep combes and a network of associated watercourses
- Deeply rural rolling patchwork agricultural landscape
- Deeply incised landscape that is intimate, hidden and secretive away from the plateau tops
- Iconic wide, unspoilt and expansive panoramic views
- A landscape with a rich time depth and a wealth of historic features and cultural associations
- A breadth and depth of significant habitats, species and associated natural events
- An ancient and intricate network of winding lanes, paths and recreational routes
- Areas of high tranquillity, natural nightscapes, distinctive natural soundscapes and visible movement
- A variety in the setting to the AONB formed by the marine environment, Plymouth City, Torbay, market and coastal towns, rural South Hams and southern Dartmoor

The South Devon AONB in context

Date and extent of designation - The AONB designation for South Devon was confirmed by government on 2nd August 1960 covering 340sq. kms of coastline, estuaries and countryside.

South Devon Heritage Coast - The AONB incorporates the terrestrial element of the South Devon Heritage Coast covering 75km of AONB coastline and also includes an area of inshore waters.

Area of land and tidal water - 94.5% or 32,123ha of the AONB area is land or enclosed waterbodies. The remaining 5.5% or 1850ha of the AONB is made up of tidal estuary waters.

Local Authority areas - 98.02% of the AONB lies in the South Hams/Devon County Council, 1.95% in Torbay Council and 0.03% in Plymouth City Council area. The AONB spans 43 parishes, Brixham and Paignton Town Councils and 2 Plymouth wards.

Estuaries - The AONB contains the five estuaries of the Avon, Dart, Erme, Salcombe - Kingsbridge and Yealm. The far west is bordered by Plymouth Sound.

Coastline & beaches - The open coastline of the AONB measures 97km and contains 68 beaches ranging from popular amenity beaches to isolated coves. The high water mark forms the seaward boundary of the AONB on the open coast.

Shoreline - The length of AONB shoreline in and out of coves at a scale of 1:2,500 along the mean high water mark measures 323kms. 154kms of this are coastal and 169 kms are estuarine.

Farmed area - 25,094ha (74% of the AONB) of the land area is farmed. 24,761ha (73% of the AONB) are considered to form the *Utilisable Agricultural Area*.

Woodland area - 2,982ha (8.8% of the AONB) are wooded of which 74% is broadleaved.

Public rights of way

There are 384km of public rights of way. 331km of public footpath, 38km of public bridleways and 15km of byways.

Nature conservation designations - 6 Special Areas of Conservation are found within, overlapping or immediately adjacent to the AONB boundary. Within the AONB there are 2017 ha. of Sites of Special Scientific Interest at 18 sites including two National Nature Reserves. Almost two thirds of these sites extend beyond the AONB boundary.

Historic environment designations - The area has 65 Scheduled Ancient Monuments, 1309 Listed Buildings, 7 Registered Historic Parks and Gardens, 39 historic Conservation Areas and 4 Protected Wreck sites.

Contents TBC

Ministerial Foreword

I am fortunate that England's Areas of Outstanding Natural Beauty are part of my Ministerial responsibilities. Whether it be rolling hills, sweeping coastline or a tranquil village, spending time in an AONB can stir the heart and lift the spirit.

This is a pivotal moment for all AONBs. The Government has set its ambition in the 25 Year Environment Plan which states clearly the importance of natural beauty as part of our green future, while AONBs retain the highest status of protection for landscape through national planning policy. Leaving the EU brings with it an opportunity to develop a better system for supporting our farmers and land managers, who play such a vital role as stewards of the landscape. And the Review of National Parks and Areas of Outstanding Natural Beauty led by Julian Glover - the first of its kind for generations - will make recommendations to make sure our designated landscapes can flourish in the years ahead.

In my visits to AONBs around the country, I have been struck by the passion of many people - farmers, volunteers, and hard-working staff - for the beautiful places they live and work. In this spirit I am delighted to welcome publication of this Statutory Management Plan for the South Devon Area of Outstanding Natural Beauty. It is significant that this plan will be delivered in partnership by those who value South Devon. I would like to thank all those involved in preparation of this document and wish you the best of success in bringing it to fruition.

Lord Gardiner of Kimble
Parliamentary Under Secretary of State for Rural Affairs and
Biosecurity

photo, signature and Defra logo to be included here

Orientation Map (SDAONB)
Orientation Maps (National, Regional)

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Contains, or is based on, information supplied by Natural England.

The South Devon AONB Management Plan

This statutory document seeks to ensure that the South Devon Area of Outstanding Natural Beauty is conserved, managed and enhanced to support and benefit present and future generations. It also serves the purpose of a plan for the South Devon Heritage Coast which shares many of its special qualities.

The AONB Management Plan is composed of this strategy, a delivery plan and annexes. They respond to the opportunities and current pressures in the South Devon AONB and its setting, providing detail on strategy, policy, special qualities and the actions of others who influence or make decisions affecting the area.

The plan formulates local authority policy and action in relation to the management of the South Devon AONB as required under Part IV, Section 89 of the Countryside and Rights of Way Act 2000. It provides guidance and support to statutory undertakers and any public body or person holding public office to fulfil the Section 85, 'duty to have regard to the purpose of conserving and enhancing the natural beauty of the AONB'.

All policies relate to the statutory purpose of AONB designation whilst recognising that the natural world underpins the prosperity and wellbeing of the area and its communities. The ambition of this cross cutting strategy is to achieve environmental net gain, reduce potential harm and provide a framework for identifying actions that may enhance South Devon's natural, built and cultural assets.

The South Devon AONB Partnership Committee is committed to the delivery of the plan and will work with a wide range of stakeholders to ensure that the area is conserved and enhanced for future generations. Implementing the plan is beyond the resources or remit of any single agency and will require continued support and involvement of many organisations and partners.

The plan is grouped into 3 sections: **Place, People and Partnership** and 14 themes cover the issues relevant to the whole South Devon AONB area and its setting.

The policies support partners by driving sustainable development whilst conserving and enhancing the natural beauty and special qualities of the AONB. The plan has been built on work with consultees, local authorities, the State of the AONB report and previous iterations of the plan.

What makes South Devon AONB special

The South Devon AONB has a complex and varied landscape. Its landscape character has been analysed and described at a range of levels in different assessments. The high level, over-arching term natural beauty includes landscape and scenic quality, relative wildness and tranquillity, natural heritage features and cultural heritage, that come together to make an area distinctive.

Ten special qualities define the unique natural beauty for which the South Devon AONB is designated as a nationally important protected landscape. The special qualities have been developed from a wide range of assessments identifying the key attributes that make the area special and worthy of designation as an AONB.

Distinctive characteristics are those components that define what it is that gives South Devon its sense of place and generally apply to areas smaller than the AONB as a whole. Key features are specific and include detailed locations, places, landmarks, occurrences, events etc. that are of particular significance to South Devon and help illustrate how or where the special qualities, distinctive characteristics and natural beauty can be seen.

Each component of natural beauty identifies what is special about the landscape and should be afforded 'great weight' in planning decisions. This plan, its policies and the area's special qualities set criteria against which policy and actions can be assessed for compliance with Section 85 of the CROW Act 2000. See *Understanding the special qualities of the South Devon AONB* (Annex 4).

South Devon Heritage Coast

Heritage Coasts are the finest stretches of undeveloped coastline in England and Wales. Their natural beauty and their enjoyment by the public give them a special claim for both protection and sensitive management. Since 1973, 45 stretches have been defined, covering more than one-third of the coastline of England and Wales.

The South Devon Heritage Coast is a non-statutory designation, defined by the Countryside Commission in 1984. It covers the 75km (49 miles) of coastline between Wembury Beach in the west of the area and Sharkham Point in the east, its boundary extending 2km out into inshore waters. Around the Yealm and Erme estuaries the boundary reaches over 5km inland, whilst in other areas the boundary is just 300m inland.

The inshore waters and wider marine component of the designation is considered as one of the special qualities that define the unique “natural beauty” for which the South Devon AONB is designated as a nationally important protected landscape.

The main objectives for Heritage Coasts are:

- To conserve, protect and enhance the natural beauty of the coasts, including their terrestrial, littoral and marine flora and fauna, and their heritage features of architectural, historical and archaeological interest.
- To facilitate and enhance their enjoyment, understanding and appreciation by the public by improving and extending opportunities for recreational, educational, sporting and tourist activities that draw on, and are consistent with, the conservation of their natural beauty and the protection of their heritage features.
- To maintain and improve (where necessary) the environmental health of inshore waters affecting Heritage Coasts and their beaches through appropriate works and management measures.
- To take account of the needs of agriculture, forestry and fishing, and of the economic and social needs of the small communities on these coasts, by promoting sustainable forms of social and economic development, which in themselves conserve and enhance natural beauty and heritage features.

The AONB Boundary

The boundary to the South Devon AONB has remained unchanged since its original designation in 1960. In common with other AONBs, no recorded statement or citation was issued at the time setting out a clear rationale for the designation. This Management Plan and *Understanding the special qualities of the South Devon AONB* (Annex 4), identifies what it is that makes the area worthy of designation as an Area of Outstanding Natural Beauty.

The desire to extend the AONB boundary to include areas of high landscape quality adjoining the 1960 defined boundary have been expressed over time by various communities, groups and individuals. The Review of AONBs and National Parks carried out under the 25 Year Environment Plan is due to report in 2019 and is considering the boundary review process. Though not formally included within the protected landscape of the AONB, many adjacent areas of high quality landscape and seascape make a significant contribution to the designation itself.

Strategic and Policy context

International

At an international level, the AONB is classified as a 'Category V protected landscape' by the International Union for the Conservation of Nature recognising it as a 'cultural landscape' managed mainly for landscape and seascape protection and for recreation. International designations such as the UNESCO Global Geopark status also have a bearing on the area.

A protected area is defined by the IUCN as 'A clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values'.

At a European level, the plan was prepared during the negotiations for the UK to leave the European Union. The consequent political and policy decisions may have a significant impact and their implications will be considered in the production of the annual delivery plans.

National

Our finest landscapes have been conserved through designation as Areas of Outstanding Natural Beauty and National Parks. AONBs were brought into being by the same legislation as National Parks, the National Parks and Access to the Countryside Act of 1949, and have consistently been confirmed by parliament as having equal importance for landscape and scenic beauty.

Regional

The richness and diversity of the South West environment makes it attractive as a place to live and work. It is a rural region with some 80% of the land in agricultural use and higher than average numbers of people in agricultural employment. Devon's natural and historic environment is particularly notable for its high quality. Over 50% of the county is designated for its environmental quality, encompassing 5 AONBs.

The protected landscapes in the South West include:

- 12 AONBs and parts of 2 others cover around 30% of the region
- 638km of defined Heritage Coast
- 60% of England's undeveloped coastline
- 2 National Parks
- The South West Coast Path National Trail
- 4 World Heritage Sites
- 2 Community Forests
- 1 Biosphere reserve and a Global Geopark

Policy framework

The AONB Management Plan has been reviewed and updated to take account of current policy and strategies ranging from International, European and national scale down to local development plans, local authority corporate strategies, neighbourhood plans and site plans. Some of the most significant of these include the following: see *Appendix1, SEA and SA* (Annex 5).

National policy and strategy

A Green Future: Our 25 Year Plan to Improve the Environment (Defra, 2018)

Biodiversity 2020 (Defra, 2011)

Clean Air Strategy (Defra, 2019)

Environment: developing environmental principles and accountability (Defra, 2018)

European Landscape Convention (Council of Europe, 2000)

Government Forestry Policy Statement (Defra, 2013)

Government response to the Making Space for Nature review (Defra, 2011)

Health and Harmony; The future for food, farming and the environment in a Green Brexit (Defra, 2018)

Natural England Framework Document (2017)

South Marine Plan and South West Marine Plan (MMO)

The National Planning Policy Framework (MHCLG, 2018)

Water Framework Directive (EU, 2000)

Regional and Local policy and strategy

DCC's Strategic Plan- 'Better Together'

Devon Minerals Plan 2011–2031

Emerging Plymouth and South West Devon Joint Local Plan and Supplementary Planning Document

Harbour management plans and associated documents

Heart of the South West Local Enterprise Partnership plans

HoTSW Strategic Economic Plan (2014 – 2030)

HoTSW Productivity Strategy (2018)

Local authority cultural strategies and local transport plans

Local Nature Partnership plans

Shoreline Management Plan (SMP16)

Devon, Plymouth and Torbay Tourism Strategies

Torbay Local Plan (2012 – 2030)

The established positive ‘brand’ associated with the South Devon AONB protected landscape is being used to add value to local businesses and organisations whilst creating further support for the conservation and enhancement of the AONB’s special qualities.

All AONBs are subject to external policy influences, constantly changing positive and negative impacts some of which provide new opportunities whilst others threaten to erode the character, special qualities and purpose of designation. Global and local environmental concerns such as climate change, biodiversity loss, development pressure and the tide of plastic in the sea are forces for change that are largely out of the control of the Partnership and are only broadly considered as part of this plan.

Strategic Planning and Development Management

Strategic planning and decision making on development applications within or in the setting of the South Devon AONB are undertaken by the local planning authorities - South Hams District Council, Torbay Council, Plymouth City Council, Devon County Council and the Marine Management Organisation. This plan is a material consideration in the plan-making and decision-taking process. It provides further detail in support of planning policies specific to the South Devon AONB. See *South Devon AONB Planning Guidance* (Annex 1).

Place: To conserve and enhance the natural beauty of the AONB.

Theme 1: Landscape Character

Strong links to the sea and generations of human activity are etched into the very fabric of the landscape. However, the AONB is changing in response to a host of social, economic and environmental pressures. Activities such as land use, development and the changing climate, all have an influence on its character and condition.

The cumulative impact of small changes is being felt at a landscape scale across the area. Respecting distinctive local character is increasingly needed to avoid further damaging cumulative impacts. Levels of tranquillity, particularly around urban fringes are being reduced due to the pressures of development and growth in car usage.

Key policy objective: To improve coordination and influence the management of landscape features ensuring they are maintained, enhanced, understood and appreciated.

Lan/P1 Character

The special qualities, distinctive character and key features of the South Devon AONB landscape and South Devon Heritage Coast will be conserved and enhanced.

Lan/P2 Technical assessments

The use of Landscape and Seascape Character Assessments and Historic Landscape and Seascape Characterisation will continue to be advocated so that land use and marine planning and management decisions respect, maintain and where possible enhance landscape character contributing to the special qualities of the South Devon AONB.

Lan/P3 Landscape condition

Opportunities will be sought to strengthen landscape character by improving the condition of existing landscape features in poor condition and reinstating landscape features identified as missing or fragmented.

Lan/P4 Tranquillity

The tranquillity, natural nightscapes and dark skies of the AONB will be enhanced and maintained in a consistent, cross-boundary evidence-based approach.

Lan/P5 Skylines and views

The character of skylines and open views into, within and out of the South Devon AONB will be protected. Suitable alternatives to infrastructure responsible for visual intrusion will be sought together with improvements to reduce the visual impact of unsightly past development.

Lan/P6 Seascape

The open undeveloped seascape seen from the coast forms a defining setting for the South Devon AONB: the long uninterrupted views, wild character and natural horizons will be protected and sustained.

Lan/P7 Setting to the AONB

The deeply rural character of much of the land adjoining the AONB boundary forms an essential setting for the AONB and care will be taken to maintain its quality and character.

Theme 2: Natural resources & climate

The high-quality environment within the AONB is reflected in the clean air, low levels of light pollution, clean bathing waters and tranquillity all fundamental to attracting significant numbers of visitors to the area. This environmental quality provides a healthy environment for people living in and visiting the AONB. Whilst bathing waters and water bodies have seen quality improvements over the last few years, there has been a reduction in tranquillity in some areas with new developments and new leisure activities.

Climate change is one of the most significant pressures on the environment reflected in hotter and drier summers, warmer and wetter winters with more extreme weather and increased flood risk compounded by sea-level rise. The ability of the AONB Partnership to contribute to the mitigation of the effects of climate change is minimal in global terms. However, the Partnership supports the positive impact of local adaptation and mitigation initiatives.

Development and land management practices in water catchments are increasing nutrient loadings, storm water runoff rates, siltation and pollution incidents that are impacting downstream. Diffuse pollution and nutrient enrichment, algal blooms and localised pollution from boating activities are some of the factors affecting water quality in the AONB.

Key policy objective: To support the sustainable management of natural resources in the AONB and its setting.

NatRes/P1 Natural capital.

A landscape scale natural capital approach will be taken where practicable to sustainably use and manage natural resources in the AONB.

NatRes/P2 Water quality

The highest standards of water quality will be secured throughout the South Devon AONB. The effective integration of land, freshwater and estuary management will be sought at a river catchment scale to address sustainable soil, waste and nutrient management, point source and diffuse pollution, and the abstraction, supply and use of water.

NatRes/P3 Pollution response

Effective contingency planning will be maintained to guide emergency responses to pollution incidents affecting land, sea and air.

NatRes/P4 Climate change

Communities will be assisted in developing resilience and adapting to climate change, whilst working with physical processes to ensure that the special qualities of the South Devon AONB are conserved and enhanced.

NatRes/P5 Waste

Domestic and commercial waste reduction, management and recycling initiatives including the reuse of locally distinctive building materials will be supported and promoted, where they conserve natural resources and enhance landscape character.

NatRes/P6 Energy

Initiatives will be supported that reduce energy use, increase energy efficiency and use renewable heat and power sources particularly from local wood fuel supply chains where these initiatives conserve and enhance the special qualities of the South Devon AONB and promote the principal of good environmental stewardship of resources.

NatRes/P7 Flooding & erosion

Approaches to flood risk management and erosion control which work with natural processes, conserve the natural environment and improve biodiversity will be advocated and supported.

Theme 3: Biodiversity & geodiversity

The area supports an outstanding range of habitats, species and geological features – ranging from salt marshes, reedbeds and eelgrass to hedge banks, ancient oak woodlands, farmland and coastal grasslands; and from exposed shorelines with sea arches, wave-cut platforms, crags, cliffs, dunes and shingle ridges to sheltered marine inlets with expansive mudflats. The natural environment provides a varied, colourful landscape tapestry which enriches and supports the lives of residents and visitors and underpins the tourism economy.

The quality of the area's biodiversity and geodiversity is recognised in a range of designations that include international designations such as the UNESCO Global Geopark status and Special Areas of Conservation, reflecting the importance of parts of the AONB at a European scale, Sites of Special Scientific Interest, National Nature Reserves that highlight importance at a national scale, and local nature reserve and county wildlife sites, recognising parts of the AONB that are of more local importance.

The fragmentation of habitats has reduced the ability of less mobile species to move successfully, leading to isolation and loss. The extent, condition and integrity of the network of 'local sites' that generally receive lower levels of protection, resources and attention continue to be of concern. As our current 'climate space' moves northwards, habitats and species will be significantly affected. Invasive non-native species continue to expand and alter the balance of natural biodiversity throughout all of the habitats in the area.

Key policy objective: To conserve and enhance the biodiversity and geological assets of the AONB as part of a bigger, better and more connected landscape.

BioGeo/P1 Designated sites

Designated sites of international, national and local importance for biodiversity and geodiversity will be protected and managed effectively to achieve their conservation objectives and be better linked to the wider habitat network.

BioGeo/P2 Priority species

Priority species will be protected and conserved. Targeted action will be taken to support the recovery of those species whose conservation is not delivered through wider habitat-based measures.

BioGeo/P3 Ecological networks

The repair, restoration and reconnection of well-functioning landscape scale ecological networks will be supported.

BioGeo/P4 Geodiversity

The conservation and enhancement of significant geological and geomorphological features throughout the area will be sought, underpinned by a presumption in favour of sustaining natural processes.

BioGeo/P5 Reconnecting people and wildlife

Opportunities will be sought to reconnect the AONB's residents, visitors and workforce with nature, promote appreciation of the benefits nature provides to us and to inspire positive action and help monitor wildlife populations.

BioGeo/P6 Positive cumulative impacts

Opportunities will be sought to maximise the benefits for wildlife from the management of all types of land and water irrespective of scale.

BioGeo/P7 Damage and disturbance

Increased recreational pressure will be resisted and managed at locations where unacceptable damage or disturbance to vulnerable habitats and species is likely to arise.

BioGeo/P8 Invasive non-native species

A strategic approach to the control, or eradication where feasible, of invasive non-native species will be taken where they threaten to damage local habitats and species, and where action is practicable. The provision of guidance and advice to landowners with the most damaging invasive non-native species will be central to this approach.

Theme 4: Historic environment

People have lived in the area from pre-historic times shaping the landscape with ancient burial mounds, coastal hillforts, historic farmsteads, remote fishing villages and ancient landscape features. Maritime and agricultural heritage is reflected in local culture and traditions often linked to the seasons or historic events.

Work continues to improve the coordination and management of historic environment features throughout the AONB. The AONB Staff Unit and partners work together to ensure they are maintained, enhanced, understood and appreciated. The condition of nationally important scheduled monuments, historic features such as field barns and some coastal structures are threatened by factors including cultivation, scrub encroachment, burrowing animals and coastal erosion.

Key policy objective: To conserve and enhance the AONB's historic features and distinctive vernacular buildings as part of a living and working landscape ensuring mechanisms are in place to secure their continued long-term management and care.

Hist/P1 Cultural and historic environment

The identification, protection and active conservation of the AONB's cultural and historic environment will be promoted and supported.

Hist/P2 A historic environment asset

The South Devon AONB landscape will be regarded as a single unified historic environment asset of national importance.

Hist/P3 Public access

Public access will be encouraged to historic sites that are able to withstand visitor pressure without undue harm to their nature conservation interests and physical features.

Hist/P4 Statutory protection

Statutory protection together with appropriate management will be sought for the most important historic monuments and buildings.

Hist/P5 Technical resources

The use of Historic Landscape and Seascape Characterisation, the Historic Environment Record, Tithe Maps and other tools and information resources will be promoted in order to inform projects, policies and activities.

Hist/P6 Coastal heritage

The conservation of coastal heritage assets will be incorporated into adaptation plans and realignment measures in recognition of their contribution to coastal landscape character.

Hist/P7 Land management

The protection and enhancement of historic environment assets shall be integrated into other planning, coastal and land management initiatives in the AONB in recognition of their contribution to landscape character.

Theme 5: Farming & land management

The farmed area of the AONB reflects centuries of land management practices and traditions which remain at the heart of our rural communities, producing high quality food, maintaining and shaping the landscape. Farming has a key role to play in protecting the environment by keeping air and rivers clean, improving soils and providing wildlife habitats. The agricultural sector is entering a period of major change especially funding and market uncertainties while arrangements for post Brexit environmental land management schemes are awaited and a seven-year transition period enables farm businesses to plan.

Existing government direct payments to farmers will be phased out and a new system will recognise and value the broader benefits with payments being based on the provision of public goods. The decline in farming incomes and increased financial pressures are leading land owners to seek alternative land uses, such as the use of agricultural land for caravan parks, game shoots, tourist attractions, flood alleviation and the creation of wildlife habitats.

Increased public interest has been expressed over soil health, fertilisers, pesticides and land management techniques and recent spread of plant and animal diseases represent an increased threat to business viability. A decline in family mixed farms accompanied by an ageing farming population, a shortage of new entrants to the industry, and an increasing burden of regulation and administration that threatens the culture of farming.

Open fires, wood-burning stoves and bio-mass boilers have risen in popularity over recent years, prices for timber and woodfuel are currently high and demand is increasing. However, many of the woodlands in the AONB are in small units with poor road access, steep slopes and low quality timber. The barriers to access, size of the woodlands and fragmented supply chain mean that costs of management can often be higher than rewards. Improving access to woodlands and supporting the supply chain could bring more woodlands into sustainable management, benefiting wildlife and increasing employment.

Key policy objective: To help and support the farming and land management sector conserve and enhance the AONB.

LanMan/P1 Critical to the AONB's future

A profitable, sustainable and environmentally beneficial farming and land management sector providing high quality food, fuel, timber and benefits to people and wildlife will be fostered as one of the principal means of maintaining the special qualities and distinctive landscape of the AONB.

LanMan/P2 Farming with nature

Support will be sought for farmers and land managers who sustain land of exceptional landscape and nature conservation interest in recognition of the additional costs incurred in operating these farming systems.

LanMan/P3 Trees, woodland and hedgebanks

The retention and sensitive management of trees, woodlands, orchards and Devon hedges will be promoted. The planting of new orchards, woodland, hedgerow trees and specimen trees will be encouraged, subject to existing biodiversity interests and the careful selection of sites and species to reflect and strengthen local landscape character.

LanMan/P4 Historic trees

Ancient woodland, ancient trees outside woods and veteran trees, which are significant and irreplaceable landscape features in the AONB, will be managed, conserved and enhanced.

LanMan/P5 Environmental land management

High quality environmental land management, including agri-environment schemes, will be promoted to help conserve and enhance the special qualities and distinctive agricultural landscapes of the AONB whilst supporting farmers and landowners.

LanMan/P6 Communities, farming and our environment

Wider community engagement with the farming and land management sector will enable a deeper understanding of the important role played by land managers in maintaining the AONB's special qualities, and providing the food, produce and natural environment services we all rely on.

LanMan/P7 Evolving farms

The evolution of farm types, modernisation activities, diversification enterprises and added value operations that conserve and enhance the South Devon AONB's special qualities will be supported.

LanMan/P8 Land management support

Co-ordinated advice and collaboration on environment focused land management will be delivered to support land managers to maintain productive and environmentally sustainable landscapes that deliver on local priorities and contribute to national themes.

Theme 6: Coast & Marine

The conservation and enhancement of the high quality and internationally significant coastline of the AONB and South Devon Heritage Coast is a priority. The undeveloped coast, inshore waters and wider marine component of the South Devon AONB are considered as one of the special qualities that define the unique natural beauty for which the area is designated as a nationally important protected landscape.

There is continued pressure for infrastructure and other developments, including coast defence around individual properties and highway repair. Sea level rise coupled with extreme storm events is creating significant challenges for some coastal locations in the AONB.

Some prominent coastal sites are spoiled by past poor-quality development, compounded by growing pressure for commercial activities, intensive recreational use and erosion. Recreational conflicts and disturbance of tranquil areas are sometimes caused by motorised craft and at a small number of beaches users compete for safe launch and water space.

Litter is widely perceived as a problem in the AONB, with even a small amount having a marked effect on people's perception of a wild and unspoilt coastline. High levels of beach litter are brought in by the tides, reflecting a wider issue with marine litter. Marine plastics are a growing concern, as evidence increases about the harm these cause to marine wildlife and fish stocks. Various projects to contributing to the reduction of litter and plastics are being developed by the AONB Unit and partners.

Key policy objective: To conserve and enhance the natural beauty, special qualities and natural processes of the AONB's coastline and neighbouring areas of sea.

Mar/P1 Coastal character

The tranquil and undeveloped character of the coast will be protected. Opportunities will be sought for improvements in the condition of degraded sites.

Mar/P2 Coast and marine management

The effective integration of AONB management with the management of the adjoining marine environment will be sought to ensure that the development and delivery of Marine Plans for the South and Southwest areas and Coastal Change Management Areas and access to the coastal margin under the Marine and Coastal Access Act 2009, have regard for the purpose of conserving and enhancing the natural beauty, special qualities and key features of the AONB.

Mar/P3 High quality marine environment

The special qualities associated with the Marine Protected Area network and the South Devon Heritage Coast will be reflected and promoted throughout AONB literature, campaigns, awareness and communication programmes.

Mar/P4 Coast protection

The South Devon and Dorset Shoreline Management Plan along with Coastal Change Management Areas provide a policy framework for the next 100 years. There will be a presumption that natural coastal processes will be allowed to act in areas identified as requiring no active intervention. For those areas requiring intervention, soft engineering solutions that work with natural physical processes will be preferred together with the realignment of coastal infrastructure to more suitable locations where there is space to accommodate it.

Mar/P5 Sustainable recreational management

Information, education and awareness campaigns will be used in managing recreational pressures and conflicts at the coast. Where demonstrable problems and safety issues remain, relevant organisations will carefully consider the most appropriate steps to be taken in order to address the situation.

Mar/P6 Protective public ownership

The acquisition of undeveloped coastline for protective public ownership will be supported. The management of newly acquired sites will be supported where this accords with the purpose of conserving and enhancing the natural beauty, special qualities and key features of the South Devon AONB.

Theme 7: Rivers and Estuaries

The five ria estuaries of the Avon, Dart, Erme, Salcombe - Kingsbridge and Yealm form a defining feature of the South Devon AONB. Their nature changes dramatically with the tide from shimmering mudflats to wide expanses of water. Intricate networks of tidal creeks branch off from the main waterways often with saltmarshes and reedbeds at their extremities. Steep oak-wooded valley sides and hedge-patterned farmland bring a characteristic fringe of trees down to the water's edge. The harbours and estuary mouths all have a long history as havens for seafarers.

They all retain large areas of relatively unspoilt and undeveloped bed, foreshore and shoreline but with their considerable history of human use and harvesting. They supply considerable ecosystem services to communities, and several are formally designated and protected in recognition of their rich and diverse natural history. The estuaries also contain historic and archaeological assets, which contribute significantly to their character and economy, and are very popular with visitors.

Page 278 The increased number of extreme storm events and sea level rise is impacting on river and estuary infrastructure and some settlements. There is significant pressure from built development along estuary shorelines, with cumulative impacts on landscape, habitats, species and water quality. Established maritime businesses are being gradually displaced from their traditional premises, undermining the viability of essential shore-side support services and increasing pressure on other undeveloped estuary-side locations to accommodate boating uses. There is strong recreational demand for moorings and marina spaces within the estuaries and pressure on key access points. There are requirements for improved shore-side infrastructure for the fishing and mariculture sector and better launch facilities for small recreational craft. Estuary trails offer great potential for reconnecting with nature and improving health and well-being although this has the potential to increase disturbance of sensitive wildlife.

Key policy objective: To conserve and enhance the natural beauty, special qualities and natural processes of the AONB's rivers and estuaries.

Est/P1 Estuary character

A thriving maritime economy contained within the existing developed harbour areas will be promoted, complimented by high quality boating facilities and infrastructure. The more remote parts of the estuaries will be managed for their tranquil and unspoiled character and safeguarded from moorings spread and development.

Est/P2 Foreshore management

A presumption against any further loss in extent or quality of foreshore, seabed or habitat will be supported.

Est/P3 Coordination and management

The effective coordination and management of the area's rivers and estuaries will be supported and developed through the *AONB Estuaries Partnership and Management Plan* (Annex 2), Estuary forums, and the Catchment Based Approach.

Est/P4 Maritime services

Boat maintenance, repair and storage facilities will be retained within harbour areas and the loss of essential shore-side infrastructure by conversion to other uses will be resisted.

Est/P5 Mariculture

Sustainable mariculture enterprises will be retained and encouraged in appropriate locations, both as a traditional feature of the AONB economy and as a "driver" for further improvements to water quality.

Est/P6 Climate change

The adaptation of habitats and species to climate change and sea level rise will be promoted through sustaining natural processes and/or the delivery of natural flood management to help to future proof existing levels of flood protection against the increasing risks from climate change.

Est/P7 Environmental management

Harbour Authorities will be supported in maintaining effective arrangements for managing moorings, navigation, dredging and waste, underpinned with good environmental practices which ensure the conservation and enhancement of the South Devon AONB's special qualities.

Est/P8 Fisheries management

Projects and initiatives that provide effective conservation of fish stocks and improved fish access in rivers and estuaries will be supported.

People: To encourage and support sustainable economic development, social engagement and recreational activity that conserves and enhances the natural beauty of the AONB.

Theme 8: Tourism, Access & Recreation

Tourism is a vital part of the local economy with many visitors drawn here by the stunning beaches and dramatic coastlines. The natural beauty of the landscape is a major attraction for most visitors. South Devon's coast and countryside provides both high end and budget opportunities for those wishing to enjoy the AONB. Whilst it is recognised that sustainable forms of tourism can make valuable contributions to the local economy and rural development, increasing visitor pressure also has the potential to affect the character of the area's natural and historical assets.

Physical access has been a high priority through provision of public rights of way, open access land and opportunities for sport and recreation, as well as the health benefits from more active lifestyles. The South Devon coast has exceptional opportunities for water sports such as surfing, kayaking, coasteering, paddle boarding and wild swimming. These and more intrusive motorised water sports activities are become increasingly popular taking people closer to nature and reaching previously inaccessible or less visited sites. All of these have the potential to impact negatively on the AONB if not sensitively managed.

There is considerable potential for the AONB to contribute to the health and wellbeing of resident and visiting populations. Evidence of the value of being in just looking at natural environments, particularly green and blue environments, for both physical and mental health is growing.

Key policy objective: To ensure tourism, access and recreation develop at sustainable levels whilst maintaining and contributing to the conservation and enhancement of the AONB.

Acc/P1 Sustainable Tourism

A sustainable, year-round tourism industry which benefits from and contributes to the environmental quality of the area will be supported. The loss of accommodation and facilities for visitors and recreational users will be resisted. Activities and initiatives to extend the main tourism season and to assist in promoting the area to overseas visitors will be supported.

Acc/P2 Popular sites

The provision of sustainable visitor facilities, recreational infrastructure and information will be promoted at the most heavily used destinations. Management resources, promotion and marketing will be concentrated on the more popular and developed sites which are best able to accommodate and contain intensive recreational pressure.

Acc/P3 Information

Co-ordinated information and interpretation about countryside, coastal, marine and estuarine recreation and access will be promoted through a range of media, to help foster greater understanding, appropriate expectations and considerate behaviour. Car parks and principal access points such as slipways will be used as locations wherever possible to minimise signage proliferation.

Acc/P4 Rights of Way

Working with Highways Authorities and others a well-connected network of paths and strategic recreational routes will be sensitively maintained and promoted. Opportunities will be sought to extend them and improve linkages where this is compatible with conserving and enhancing natural beauty.

Acc/P5 Intrusive recreational activities

In remote and tranquil countryside areas intrusive recreational activities will be discouraged. The conservation and enhancement of natural beauty and the protection of vulnerable wildlife will be given priority in the promotion of access and recreation.

Acc/P6 Access to beaches and the coastal corridor

Under the provisions of the Marine and Coastal Access Act 2009 a new England Coast path and open access to a defined coastal margin will be created whilst maintaining levels of tranquillity and safeguarding sensitive sites, habitats and species.

Acc/P7 Recreation, leisure and sports

The quiet enjoyment of the South Devon AONB by the public will be promoted through recreation, leisure activities and sports that respect other users and the area's natural beauty, special qualities and land management.

Acc/P8. Naturally healthy

Opportunities to use the natural environment resource of the South Devon AONB to benefit the health and well-being of residents and visitors will be sought and promoted, particularly where this coincides with opportunities to enhance the area's special qualities.

Theme 9: Planning and Sustainable Development

The statutory Management Plan is a material consideration in plan-making and decision-taking as part of development management processes. The Partnership Committee and AONB Staff Unit are not statutory planning consultees although the Staff Unit does provide protected landscape advice to the Local Planning Authorities for those applications that have a significant impact on the natural beauty and special qualities of the AONB.

The area remains under intense pressure from housing development on green field sites both inside the boundary and in the adjoining rural setting. The constraints on available land mean that areas within the AONB boundary and its setting are under pressure for the conversion of business, tourism and employment land to residential use. The scale and pace of new development in the sub-region is bringing a range of indirect impacts to protected landscapes such as additional traffic flows, car parking, recreational pressures and disturbance to wildlife.

Key policy objective: To use planning policy and the mitigation hierarchy to conserve and enhance AONB special qualities for compatible sustainable development.

Plan/P1 Plan-making

Planning policies will give great weight to the purpose of conserving and enhancing the natural beauty and special qualities of the South Devon AONB, while supporting limited development that is appropriate to its setting, is in keeping with its character, and meets the economic and social needs of local communities.

Plan/P2 Decision-taking

Development management decisions will give great weight to the purpose of conserving and enhancing the natural beauty of the South Devon AONB; and support development that is appropriate and proportionate to its setting within or adjacent to the South Devon AONB by seeking to avoid, minimise or as a last resort compensate, for harm to the special qualities and distinctive characteristics of the AONB

Plan/P3 Planning protocol

Local Planning Authorities will consult the AONB Unit on planning policy and significant planning applications following agreed planning protocols and use the South Devon AONB Management Plan as a material consideration to inform plan-making and decision-making.

Plan/P4 Representations

On behalf of the AONB Partnership, the AONB Staff Unit will provide representations to a wide range of plan makers to ensure that due regard is had to conserving and enhancing the natural beauty and special qualities of the South Devon AONB in the development of policy and strategy.

Plan/P5 Consultees

Natural England will continue to be the principal statutory consultee on planning and sustainable development matters affecting Areas of Outstanding Natural Beauty. The AONB Staff Unit will respond to those planning applications that significantly impact on the natural beauty and special qualities of the South Devon AONB.

Plan/P6 Providing advice

Advice on development proposals will increasingly be provided through standing advice, position statements and supporting documents including the *South Devon AONB Planning Guidance* (Annex 1).

Plan/P7 Developer contributions

Where new developments are likely to increase recreational pressures on the countryside, coast or estuaries, developers will be expected to provide suitable recreational facilities on-site as well as contributing to improving carrying capacity and facilities in the surrounding area.

Theme 10: Transport & Highways

As well as providing vital services for communities and workplaces, public transport can help to reduce emissions, taking cars off the road and reducing congestion. The development of safe and parallel access routes supports local communities and further encourages sustainable transport.

Intense traffic pressure, particularly in the summer months, causes congestion at certain locations and creates an intrusion into the quality of the countryside and its tranquillity. Vehicles continue to damage roadside hedge banks and verges, historic highway features and bridges and contribute to the spread of invasive species.

There is a legacy of obtrusive lighting, concrete post and wire fencing, missing hedge banks and unsympathetic road alignments, while modern specifications for kerbing, signage, lining and traffic calming can have an urbanising impact on the rural road network. The increase in motorised traffic has rendered many rural roads unsuitable for use by walkers, horse riders and cyclists.

Key policy objective: Reduce the impact of transport networks and services on the environment, landscape character and enjoyment of the AONB and South Devon Heritage Coast.

Trans/P1 Highway management

Highway network maintenance and improvements will be undertaken in a manner which is sensitive and appropriate to the rural character of the AONB and compatible with its special qualities.

Trans/P2 Features of the road network

The landscape, biodiversity, cultural features and structures of the AONB's road network will be protected, conserved and enhanced.

Trans/P3 Parking

Vehicle pressures will generally be contained within existing locations and the construction of significant additional car parking capacity at remote coastal sites will be resisted. Landscape improvements will be sought for existing carparks which are visually intrusive or in poor condition.

Trans/P4 Green Lanes

The lawful and responsible use of unmetalled roads by pedestrians, cyclists, horse-riders and carriage drivers will be promoted.

Trans/P5 Large vehicles

Traffic management measures will be supported which reduce the pressure of large and heavy vehicles on the minor road network.

Trans/P6 Sustainable transport

The provision of sustainable public transport services and convenient alternatives to the use of the car will be supported where they can be achieved without compromising the conservation of natural beauty and landscape character.

Theme 11: Rural Economy and Services

The South Devon AONB is a living and working landscape, with wide range of business and economic activity taking place. The social needs of local communities vary from towns to isolated rural hamlets.

The higher cost of products and services, austerity measures and changes in global market forces have served to accentuate deep-rooted challenges already facing rural businesses in the area. The rate of closure of essential rural services continues to affect the sustainability of smaller rural settlements in the AONB. Parts of the AONB are remote rural areas with poor transport networks, a high proportion of micro businesses and limited markets due to their distance from urban areas. The Heart of the South West Local Enterprise Partnership aims to double the size of the economy by 2030 whilst accommodating the importance protected landscapes and value of Natural Capital.

Growth opportunities within the local rural economy include: local food and drink produce; sustainable construction, farm diversification and tourism. Sensitively located digital infrastructure improvements have the potential to encourage greater opportunities for both businesses and residents within the AONB while reducing the need for the travel and delivering other positive environmental impacts.

Key policy objective: To develop a sustainable rural economy that benefits from the South Devon AONB brand and asset; and actively contributes to conserving and enhancing the natural beauty and special qualities of the AONB.

Econ/P1 Rural economy

The growth of the area's economy will be supported where sustainable economic growth and the health of our natural resources sustain each other. Employment sectors having a traditional association with the AONB and which conserve or enhance the AONB's special qualities will be promoted and supported. Natural capital accounting will be used to assess and monitor progress toward conserving and enhancing the area at a landscape scale and achieving a net gain for biodiversity.

Econ/P2 Supply chains

Improvements will be sought to the processing and supply chains of products which are sustainably harvested from the land and waters of the AONB; developing nearby markets, revitalising rural incomes and supporting the land management sector. Sustainable initiatives will be encouraged that result in residents, retailers and visitors purchasing locally sourced, high quality food, wood fuel, materials and produce.

Econ/P3 Rural business

Sustainable rural business and farm diversification initiatives will be supported where these maintain or enhance the special qualities or distinctive landscape character of the AONB and contribute to employment and prosperity.

Econ/P4 Environmental performance

High standards of environmental performance by local companies, and the development and use of “clean” technologies which create prosperity and employment with positive impacts on the local environment, will be promoted.

Econ/P5 Local services

The retention and improvement of viable, accessible, essential local services such as shops, post offices and pubs will be sought, together with associated community infrastructure in market towns and villages. The loss of business premises and local services by conversion to other uses will be resisted. Effective use will be made of the Community Asset Register under the Localism Act 2011 to secure the future of valued community facilities.

Econ/P6 Capacity and skills

Economic capacity and skills in the area will be supported through training opportunities, community enterprise, business networking and cooperation especially where these assist businesses to contribute to AONB purposes.

The Partnership supports opportunities to develop local community initiatives and activity in collaboration with others to help develop skills, improve health, raise awareness and encourage cohesion.

The resident community of South Devon is diverse ranging from very affluent areas to deprived rural communities. This diversity is also visible in the visitor population reflecting historical tourism flows, a wide range of visitor accommodation types and changing activity trends among visitors and service providers.

South Devon continues to provide an attractive retirement and second home destination, and young adults are leaving the area to go to higher education and job opportunities elsewhere. Young people find it extremely difficult to afford a home in the area because of below average wages and the high cost of housing. Many rural support services and community organisations are thinly stretched and face difficulty recruiting volunteers. A high quality of life does not extend to all. Social and cultural exclusion, poor health, poverty and isolation are still experienced, particularly amongst the elderly in hidden pockets of deprivation.

Communities are becoming increasingly divorced from land management and farming traditions reflected in the growing disconnection between children and the natural environment, reflected in obesity, sedentary lifestyles, and the loss of independence and confidence in decision making.

Key policy objective: To provide improved access to resilient services, facilities and active participation in community and landscape related social enterprise.

Comm/P1 Special qualities

Initiatives that engage local communities in understanding, exploring, celebrating, conserving and enhancing the special qualities and distinctive characteristics of the AONB will be promoted and developed.

Comm/P2 Sustainable lifestyles

Community-based initiatives that promote sustainable lifestyles will be supported and promoted where they are compatible with the conservation and enhancement of the AONB.

Comm/P3 Resilience

Communities will be supported in creating vibrant, healthy and resilient neighbourhoods enjoying a high quality of life with good access to facilities.

Comm/P4 Cultural traditions

Activities which reinforce the cultural traditions of the AONB will be supported and fostered, especially where these strengthen the link between people and landscape.

Comm/P5 Community planning

The Partnership will support and promote neighbourhood planning, community action and voluntary services to conserve and enhance the AONB.

Comm/P6 Community participation

Local community participation will be encouraged in the research, recording, celebration, promotion, care and conservation of natural history, heritage and historic features.

Partnership: To ensure the AONB is recognised and valued as a national, regional and local asset and effectively managed in partnership with stakeholders.

Theme 13: Awareness and Communication

South Devon does not have a clear geographical place in the public imagination or provide an obvious boundary for the AONB. Natural beauty is a difficult term to communicate effectively to different audiences, especially as most of the South Devon AONB is a cultural, working landscape shaped and managed by people. Many residents of the area, especially the young and those in adjoining urban areas, are not engaged with the AONB for a range of reasons - cultural, financial, mobility and social exclusion.

Austerity and the emphasis on economic growth are challenging the relevance and value of the AONB designation and management amongst some decision makers.

Key policy objective: To increase awareness of the South Devon AONB and its special qualities, the purpose of its designation, the role of the Partnership and range of ways to get involved.

Aware/P1 AONB awareness

Inspire an awareness and understanding of the South Devon AONB and its special qualities amongst residents, businesses, organisations and visitors in and around the AONB.

Aware/P2 Ecosystem Services

An improved understanding of all the benefits the AONB provides for people will be at the core of communication activity, seeking to foster decisions and actions that value the services that the natural environment provides.

Aware/P3 Goods and services

Local communities and visitors will be encouraged to make consumer choices to support local, high quality products and services that sustain the area's special qualities, landscape and the people who manage it and make a living from it.

Aware/P4 Caring for the AONB

Initiatives leading to inspire behaviour change and increase positive action for the natural beauty and special qualities of the AONB will be supported and promoted.

Aware/P5 Involving everyone

Organisations, groups and communities will be encouraged and supported in playing an active role in conserving and enhancing the special qualities of the AONB.

Aware/P6 Lifelong learning

People of all ages will be encouraged to investigate, record and celebrate their local places, and enjoy considerate and informed experiences of wildlife and the natural environment.

Theme 14: Management, Organisation & Partnerships

The Partnership Committee provides a strategic lead in the conservation and enhancement of the area and consists of representatives from local authorities: Devon County Council, Plymouth City Council, South Hams District Council, Torbay Council. Statutory bodies: Environment Agency, Historic England, Natural England. Organisations: Field Studies Council, National Trust, Plymouth University and community representatives: farming and business community, parish councils, voluntary organisations, professional environmental non-government organisations, the tourism sector, amenity groups and an estuary and marine representative.

Implementing this ambitious Management Plan involves a wide range of agencies, organisations, local groups, landowners and individuals. Partnerships have been formed with a range of organisations whose activities make a significant contribution to caring for the special qualities of the South Devon AONB.

The Countryside and Rights of Way Act 2000 places a general statutory duty on relevant authorities 'to have regard' for the purpose of conserving and enhancing the natural beauty of the AONB when exercising any of their functions, and a specific duty on local authorities to prepare AONB management plans.

The boundary to the South Devon AONB has remained unchanged since its original designation in 1960. In common with other AONBs, no recorded statement or citation was issued at the time setting out a clear rationale for the designation. The AONB Management Plan and in particular the special qualities section of this plan set out what it is that makes the area worthy of designation as an Area of Outstanding Natural Beauty.

Key policy objective: To use the Management Plan strategy, policies and delivery plan to direct strategic leadership in the delivery of tangible benefits to the landscape, communities and economy of the AONB.

Part/P1 Legal duty of regard

Relevant authorities will have regard for the purpose of AONB designation in the conduct of their functions and decision making, as required by Section 85 of the Countryside and Rights of Way Act 2000.

Part/P2 Management Plan implementation

The AONB Partnership, through its member organisations and the AONB Staff Unit, will seek to achieve its vision for the AONB by implementing the Delivery Plan.

Part/P3 AONB Partnership arrangements

Defra and the relevant local authorities will maintain effective partnership arrangements including a dedicated locally based South Devon AONB Staff Unit.

Part/P4 Management initiatives

The AONB Partnership will direct management initiatives inside the AONB and in those adjoining hinterland and marine areas outside the boundary which have an important bearing on the AONB.

Part/P5 Partnerships

The AONB Partnership will foster constructive links with partnerships and strategic initiatives at local, county, regional, national and international level.

Part/P6 National Association for AONBs

The AONB Partnership will work closely with other protected landscapes and actively support the National Association for AONBs.

Part/P7 AONB boundary

The AONB Partnership will keep the boundary of the AONB under review to ensure that the designation remains appropriate and fit for purpose in South Devon.

AONB Partnership focus areas

The Management Plan directly relates to the strategic aims of the Defra 25 Year Environment Plan. The annual delivery plan outlines the projects and outcomes that conserve the South Devon AONB and where possible result in environmental 'net gain'.

The AONB Partnership focus areas reflect current issues by prioritising projects that deliver benefits to land management, biodiversity, planning and those based on estuaries and the coast. Communication and wider education activities are also essential actions for the team. Priority themes aside, the AONB Staff Unit will work with partners to respond to all the themes in the plan taking advantage of funding opportunities where appropriate.

Measuring progress and change

A national protected landscape monitoring framework developed by Defra and Natural England involves the collection and distribution of data sets from several statutory organisations. The *State of the AONB* (Annex 3) details the information currently available and progress on Management Plan implementation will be reported on the AONB website with summaries published in the AONB Unit Annual Report.

Page 295 Glossary

Area of Outstanding Natural Beauty (AONB) – designated landscape whose distinctive character and natural beauty are so outstanding it is in the nation's interest to safeguard them by law.

Category V Protected Landscapes – refers to category of lived-in landscapes in the United Nations list of protected areas. These areas are characterised by their scenic beauty.

Countryside and Rights of Way Act 2000 (CRoW) - confirms the significance of AONBs. Section 85 places a statutory duty on all relevant authorities to have regard to the purpose of conserving and enhancing natural beauty when discharging any function in relation to, or affecting, land within an AONB.

Devon Special Species lists – long list of species known to be rare in Devon and short list of species for which Devon has a particular responsibility.

Local Enterprise Partnership – in 2011 the Government invited local councils and businesses to set up voluntary partnerships to help strengthen local economies and set out local economic priorities. The HoTSW is relevant to South Devon

Local Nature Partnership – partnerships of a broad range of local organisations, businesses and people who aim to help bring about improvements in their local natural environment.

Natural Capital - The sum of our ecosystems, species, freshwater, land, soils, minerals, air and sea. They directly or indirectly bring value to people and the country by providing food, clean air and water, wildlife, energy, wood, recreation and protection from hazards.

Neighbourhood Plan - A plan prepared by a parish council or neighbourhood forum for a designated neighbourhood area.

Special Area of Conservation – strictly protected sites designated under the EC Habitats Directive providing statutory protection for habitats and species of European importance.

Special Qualities - AONBs are designated solely for their landscape qualities, for the purpose of conserving and enhancing their natural beauty. Designation under the provisions of the 1949 National Parks and Access to the Countryside Act is to secure their permanent protection against development that would damage their special qualities. The AONB's special qualities are listed in the AONB Management Plan.

Tranquillity – the quality of calm experienced in places with mainly natural features and activities, free from disturbance from man-made ones (as defined by the Campaign for the Protection of Rural England).

Water Framework Directive – part of UK law, providing an opportunity to plan and deliver a better water environment, focusing on ecology, through a management planning cycle.

Annex documents

The following annexes form an integral and important part of the Management Plan and can be viewed on-line.

1. *AONB Planning Guidance*
2. *South Devon AONB Estuaries Management Plan 2017 -2024*
3. *State of the AONB*
4. *Understanding the special qualities of the South Devon AONB*
5. *Strategic Environmental Assessment, Sustainability Appraisal and Habitat Regulation Assessment*
6. *Statement of representation*
7. *Strategic context and background to AONBs*

The annexes and other documents relating to AONB activity can be found on the AONB website southdevonaonb.org.uk. The AONB Staff Unit and Partnership will refer to these and other documents in its responses to planning consultations and land management initiatives.

Picture credits

A number of the images used in this plan were taken by entrants in the 2018 AONB photo competition. We are grateful to competitors for the use of these pictures. Full details of AONB photographic competition entrants are in the *State of the AONB* (Annex 3).

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Requests for alternatively accessible versions of this plan will be accommodated where practical.

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LOGOs - DCC, Defra, PCC, SHDC, TC

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Report to: **South Hams Council**

Date: **21 February 2019**

Title: **Tamar Valley AONB Management Plan Review 2019-2024 final draft**

Portfolio Area: **Customer First**

Wards Affected: **Bickleigh and Cornwood**

Relevant Scrutiny Committee: **Overview and Scrutiny Panel**

Urgent Decision: **Y** Approval and clearance obtained: **Y**

Date next steps can be taken: **Following Call In**

Author: **Tom Jones** Role: **Head of Place Making**

Contact: thomas.jones@swdevon.gov.uk; **01803861404**

Recommendations:

That the Council:

- 1. Notes the content of the Final Draft of the Management Plan following the formal consultation exercise;**
- 2. Confirms adoption of the final Management Plan for 2019-2024 subject to the addition of two amendments to Annex C of the Management Plan as detailed in section 3.5 of this Report.**

1. Executive summary

- 1.1 This report presents the final Tamar Valley AONB Management Plan to Council for adoption prior to submission to DEFRA before March 31st 2019.

2. Background

- 2.1 Under the Countryside and Rights of Way Act (2000), it is a statutory requirement for Local Authorities to produce Management Plans for AONBs in their area, and to review adopted plans at periods of not more than five years.
- 2.2 The District Council as well as the other four relevant Local Authorities has delegated the authority to review and implement the Tamar Valley AONB Management Plan for the next five years to the Tamar Valley AONB team.

The reviewed Management Plan must be sent to the Secretary of State by 31st March 2019.

- 2.3 A light touch approach has been taken to the review, adopting commonality between the format and structure between AONBs, with a view to reflecting changes in the statutory and legislative background, changing circumstances and resources, new knowledge and agendas, and lessons learned from implementation of previous Plans.
- 2.4 A report to Executive Committee on 13th September 2018 presented the consultation draft of the Management Plan during its 12 week formal consultation period and obtained delegated authority for the Head of Place Making to agree the content of the formal Council response to the consultation, and to assist the Tamar Valley AONB with reviewing consultation responses.

3 The Final Draft of the Management Plan

- 3.1 The draft Management Plan was subject to formal consultation with the AONB partnership, statutory (namely Natural England and the Environment Agency) and local authorities and through the online public consultation and eight public consultation events throughout the AONB. Consultation responses have been recorded, assessed, cross referenced with the plan and necessary amendments have been made and reflected in the final draft of the Management Plan.
- 3.2 The final draft of the Management Plan includes three annexes for adoption, two of which relate to Landscape Character, and one relating to planning.
- 3.3 Annex C of the final draft of the Management Plan titled '*Tamar Valley AONB Planning Guidance*' is intended to provide locally relevant concise but detailed guidance and supporting tools to supplement the National Planning Policy Framework with respect to planning in protected areas. The audience being those involved with the planning process including planning officers, elected Members and developers. The Annex was written in response to a request from a group of constituent Local Authority planning officers during the previous Management Plan review (2014-19) for such locally relevant guidance to supplement the NPPF with respect to planning in the AONB.
- 3.4 National Planning Policy Guidance on the Natural Environment notes that those parts of an AONB Management Plan (this would include the three Annexes) that raise relevant issues (such as those relating to development management, special qualities and features) can be considered material considerations for planning purposes, and should be taken into account in strategic planning. The forthcoming Joint Local Plan Supplementary Planning Document is likely to signpost to this AONB Planning Guidance for detailed advice with respect to planning in the AONB.
- 3.5 At present, Annex C requires two minor amendments before it can be acceptable to Council officers, and to be consistent with legal opinion the

Council has previously received. Specifically this relates to the view of officers that the definition of major development contained in Foot Note 55 of the National Planning Policy Framework, for the purposes of paragraph 172, only applies to development within the AONB (and not within the setting). Accordingly officers are seeking the following update to the first of the key indicators that a development is likely to be major on page 6 of Annex C:

- Where the scale of development is likely to have a detrimental visual impact that harms the scenic quality of the AONB, ~~either within the AONB or in its setting;~~

And the amendments as below (addition of the text indicated in bold / deletion as set out to page 4:

- This commensurate level of protection is reinforced through paragraph 172 terms of 'great weight' and 'highest status of protection' and requires the decision-maker **(the Local Planning Authority)** to give primary consideration to conserving or enhancing the landscape character or scenic beauty (combined referred to as natural beauty) of the AONB ~~and its setting~~

- 3.6 As is required through legislation, Habitats Regulations and Strategic Environmental Assessment (SEA) screenings have been undertaken of the final draft of the Management Plan. The Habitats Regulations screening concluding that the Management Plan will not have any likely significant effect on any European Site, and the SEA screening concluding that a full SEA was not required because the Management Plan demonstrated little deviation from its 2014-19 iteration – the previous iteration having been subject to full SEA and therefore the current revision is considered unlikely to display further significant environmental effects.
- 3.7 The final draft of the Management Plan will be presented to the other Borough, City and County Councils in February 2019 for adoption with a view to sending the new Management Plan to the Secretary of State in March 2019.

4 Proposed Way Forward

- 3.1 The CoP Lead for Place Making was given delegated authority by Full Council on the 27 September 2018 to agree the final content of the formal Council response to the Consultation Draft of the Management Plan.
- 3.2 Officers have assisted the SDAONB team with a review of consultation responses as appropriate during December 2018. The final Management Plan has been amended following the formal consultation and has been presented to the SDAONB Executive and Partnership Committee.
- 3.3 It was agreed that the final Management Plan will be presented to the District Council Executive Committee in Jan/Feb 2019 for adoption, and

will follow due procedure at the other relevant Local Authorities, with a view to sending the new Management Plan to the Secretary of State in March 2019.

5 Implications

Implications	Relevant to proposals	Details and proposed measures to address
Legal / Governance	Y	<p>Section 89 of the Countryside and Rights of Way Act (CRoW Act, 2000) sets out the statutory requirement for Local Authorities to produce Management Plans for AONBs in their area, and to review adopted plans at periods of not more than five years</p> <p>The Council (as well as other constituent Local Authorities – these being Cornwall Council, Devon County Council, Plymouth City Council and West Devon Borough Council) has delegated the authority of reviewing the Management Plan to the Tamar Valley AONB team.</p>
Financial	Y	<p>The Council makes an annual contribution of £580 to the Tamar Valley AONB, which along with constituent Local Authority contributions amounts to 25% of the budget, a further 75% being provided by Defra.</p> <p>This contribution meets the cost of the core AONB team and their production and delivery of the AONB Management Plan.</p>
Risk	Y	<p>Failure to publish a plan and submit to the Secretary of State by end of March 2019 would result in the Council failing to meet the statutory duty set out in Section 89 of the CRoW Act.</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity	Y	None identified
Safeguarding	N	None identified
Community Safety, Crime and Disorder	Y	None identified
Health, Safety and Wellbeing	Y	None identified
Other implications	N	None identified

Supporting Information

Appendices:

- Final draft of Tamar Valley AONB Management Plan
 - o Annex 1a – Tamar Valley AONB Landscape Character Areas and Special Qualities
 - o Annex 1b - Tamar Valley AONB Landscape Character Areas and Special Features
 - o Annex 1c - Tamar Valley AONB Planning Guidance

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Annex 1a: TAMAR VALLEY AONB LANDSCAPE CHARACTER AREAS AND SPECIAL QUALITIES
Version 2: January 2019

The contents of this table have been compiled from information in the respective Landscape Character Assessment reports for Devon and Cornwall. Landscape Character Types for the Devon side of the AONB have been reviewed as part of the Joint Local Plan for West Devon, South Hams and Plymouth City Council 2018. The document will be regularly updated, hence its electronic publication. Nevertheless it is a full, integral part of the AONB Management Plan. The common building block between the two tables is the 'distinctive characteristics'. This makes it possible to read across between special qualities and special features, and thus to assess if a site-based proposal may impact upon any of the special qualities of the AONB through impacts on one or more special features.

Landscape Character Area	Distinctive characteristics	Special qualities				
		Rare valley and water landscape	A landscape of high visual quality	A unique wildlife resource	A remarkable heritage	A landscape of artistic and public appeal
Cornwall – Lower Tamar and Tavy Valleys	Open, unenclosed and unsettled land comprising mudflats, saltmarsh, reedbeds, coastal floodplain, grazing marsh and fens	✓	✓	✓		
	Pastoral farmland and rough grazing above high tide line, with little arable	✓				
	Unspoilt and remote upper reaches of the river.	✓	✓			
	Scatter of isolated farmsteads.		✓		✓	
	Active and disused historic quays and remains of historic riverside industrial activity and navigation.	✓	✓		✓	✓
	Low-lying areas prone to sea flooding in storm conditions, and areas of intense recreation and amenity use in the southerly part.	✓				
Cornwall – Middle Tamar Valley	Meandering and looping river valley, narrow in parts, with steep sides.	✓	✓	✓		✓
	Floodplains on river bends with improved farmland behind earth dykes, out fringe of coastal saltmarsh and reedbeds.	✓		✓	✓	
	Mixed broadleaved and coniferous woodland on steep valley sides, with improved grassland and pasture on lower lying areas, and pockets of arable or horticultural land on the higher valley edge.	✓		✓		
	Watermeadows, reedbeds and grazing marsh on the unsettled valley floor.	✓	✓	✓	✓	
	Historic quays, riverside settlements and evidence of 19 th century industry.	✓	✓		✓	✓
	Core of Tamar Valley and Tavistock WHS area with engine houses, chimneys and spoil heaps prominent in the landscape.		✓		✓	✓
	Winding narrow sunken lanes and packhorse paths to industrial sites.				✓	✓
	Significant views up and down the River Tamar from several viewpoints.	✓	✓			✓
East Cornwall and Tamar Moorland Fringe	Undulating plateau incised by short river valleys, tributaries of the Tamar.	✓	✓			
	Open, medium-scale mixed farmland of predominantly improved pasture.					
	Steep wooded sides of mixed woodland on ancient woodland sites.	✓	✓	✓		
	Different land uses linked by Cornish hedges mainly defining medieval enclosure, which retains its historic pattern, with patches of rough ground, and areas of more recently enclosed land, especially on higher ground.		✓	✓	✓	
	Narrow, winding sunken lanes overhung with tall, tree-lined hedges linking dispersed farms and hamlets.		✓	✓	✓	✓
	Mix of historic settlements with characteristic vernacular architecture and use of local materials, some modern infill.		✓		✓	✓
	Strong visual influence of Plymouth in views to the south.					✓
	The intimacy and tranquillity of rural settlements and river landscapes contrasts with the major towns and roads just outside of the AONB.	✓				✓
Kit Hill	Prominent ridge and summit rising above the river valley.	✓	✓			
	Open lowland heath to the summit and slopes, contrasts with pastoral farmland with planned patterns edged with Cornish hedges to the east.			✓	✓	✓
	Important archaeological landscape with evidence of activity and mining since prehistory, encapsulated as part of the Tamar Valley and Tavistock WHS area.				✓	✓
	Former industrial areas support important flora and fauna.			✓	✓	
	The summit offers panoramic views across the Devon and Cornwall landscape and out to Dartmoor, Plymouth and Bodmin Moor.		✓			✓
	Some areas on lower ridge spoiled by inappropriate development.					
River Lynher	Extensive, complex river system of winding inlets, intertidal zones	✓	✓	✓		

	and mudflats, large areas of coastal saltmarsh, wetlands and a saline lagoon.					
	Wooded parkland and designed landscapes, and estate land including deer parks.			✓	✓	✓
	Upper river valleys narrow and steep sided, with mix of farmland and woodland.	✓	✓	✓		✓
	Narrow enclosing winding lanes lined by Cornish hedges topped with mature trees.		✓	✓		✓
	Mixed farmland, pasture, arable, fruit and flower growing.		✓	✓	✓	✓
	Main settlement of St Germans significant through its historic and continuing development.		✓		✓	
	Torpoint, Plymouth and Saltash are visually prominent.					
SE Cornwall Plateau	Open, gently rolling plateau landscape patterned with Cornish hedges.		✓	✓	✓	✓
	Mixed improved pasture with some arable	✓				
	Gently sloping and undulating stream valleys, small patches of woodland in low-lying areas.	✓		✓		
Upper Tamar	Gently rolling, inland hills and sheltered valley landscape.	✓	✓			
	Distinctive floodplains with strong tree cover, open ground mature oaks and valley floor pasture.	✓	✓	✓		
	Prominent broadleaved woodland, mixed or coniferous woodland to the east on the valley sides.	✓	✓	✓		
	Small areas of Culm grassland along river valleys.	✓		✓		
	Medium-sized fields of improved grassland with some arable land.					
	Medieval stone bridges are significant landscape feature.	✓	✓		✓	✓
	Slate gives a dark appearance to riverbed.	✓				
Devon – Lower Tamar and Tavy Valleys	Open, unenclosed landscape comprising mudflats, saltmarsh, reedbeds, coastal floodplain, grazing marsh and unenclosed fens.	✓	✓	✓		✓
	Small-scale pastoral farmland and rough grazing above floodplain, with little arable.	✓		✓		
	Sparse highway network					✓
	Scatter of small, isolated farmsteads		✓		✓	
	Active and disused historic quays and remains of historic riverside industrial activity and navigation.	✓	✓		✓	✓
	Extensive river views across a beautiful, unspoiled and remote area	✓	✓			✓
	Low-lying areas prone to sea flooding in storm conditions, and areas of intense river based recreation and amenity use in the southerly part	✓				
Devon – Middle Tamar Valley	Meandering and looping river valley, narrow in parts, with steep sides	✓	✓	✓		✓
	Floodplains on river bends with improved farmland behind earth dykes with outer fringe of coastal saltmarsh and reedbeds	✓		✓	✓	
	Extensive ancient and mixed broadleaved and coniferous woodland on steep valley sides, with improved grassland and pasture on lower lying areas, and pockets of arable or horticultural land on the higher valley edge	✓		✓		
	Improved pasture/grassland with some arable on plateau area between Gulworthy and Bere Alston with extensive views across both the Tamar and Tavy valleys and beyond		✓			
	Watermeadows, reedbeds and grazing marsh on the unsettled valley floor	✓	✓	✓	✓	
	Historic quays, riverside settlements and evidence of 19 th century industry	✓	✓		✓	✓
	Core of Tamar Valley and Tavistock WHS area with engine houses, chimneys and spoil heaps prominent on the landscape		✓		✓	✓
	Winding narrow sunken lanes and packhorse paths to industrial sites				✓	✓
	Significant views up and down the River Tamar from several viewpoints	✓	✓			✓
Middle Tavy Valley	Open rolling uplands contrast with steep wooded valley sides and again with moorland character to the east	✓	✓	✓		
	Meandering flat and confined river valley near Tavistock, screened by riparian trees	✓	✓	✓		
	Pastoral, unimproved cultivation, some arable and some parkland estates and watermeadows			✓	✓	
	Roadside copses and individual oaks on higher ground			✓		
	Gently curving stone-faced hedgebanks			✓	✓	
	Scattering of hamlets and isolated farms with a few historic villages of vernacular character and local materials		✓		✓	✓
	Dense network of minor sinuous roads				✓	✓
	Long views over the valleys	✓	✓			✓

Annex 1b: TAMAR VALLEY AONB LANDSCAPE CHARACTER AREAS AND SPECIAL FEATURES

Version 2: January 2019

Character Area	Description	Distinctive characteristics	Special features
Cornwall – Lower Tamar and Tavy Valleys	Intertidal zone and estuary land margins of the lower reaches of the Tamar and Tavy rivers, confined by the low landform and vegetation of the adjoining Middle Tamar Valley.	<ul style="list-style-type: none"> • Open, unenclosed and unsettled land comprising mudflats, saltmarsh, reedbeds, coastal floodplain, grazing marsh and fens • Pastoral farmland and rough grazing above high tide line, with little arable 	<ul style="list-style-type: none"> • Tamar Estuary Marine Conservation Zone (MCZ) • Plymouth Sound and Estuaries Special Area of Conservation (SAC), Tamar Estuaries Complex Special Protection Area (SPA) • Wetland habitats important bird wintering sites • Traditional orchards, generally focussed around the settlement areas • Historically only accessible from the river, legacy of this in number of historic quays including at Kingsmill Lake, Moditonham Quay • Areas of historic market gardening activity at Bere Ferrers, and at St Ann’s, north of Cargreen village, with glasshouses still extant between Landulph Cross and Cargreen • Historic daffodil varieties found on hedgebanks and in woodland in Spring • Potential early monastic site at Landulph • Farmsteads (such as Haye) potentially deserted settlements • Medieval enclosures • Landmark church towers at Landulph and Cargreen • Views south the Royal Albert Bridge (I.K. Brunel, 1859) • Riverside settlement with medieval origins

			<p>at Cargreen</p> <ul style="list-style-type: none"> • Ever-changing views with tidal cycle.
<p>Cornwall – Middle Tamar Valley</p>	<p>Gorge-like river valley with views of the water, gently undulating farmland, and extensive woodland.</p> <p>Short tributary valleys, barely visible from higher ground, topography further north more gentle and open.</p>	<ul style="list-style-type: none"> • Significant views up and down the River Tamar from several viewpoints • Meandering and looping river valley, narrow in parts, with steep sides • Floodplains on river bends with improved farmland behind earth dykes, outer fringes of coastal saltmarsh and reedbeds • Mixed broadleaved and coniferous woodland on steep valley sides, with improved grassland and pasture on lower lying areas, and pockets of arable or horticultural land on higher valley edge • Watermeadows, reedbeds and grazing marsh on the unsettled valley floor • Historic quays, riverside settlements, and evidence at 19th century industry • Core of Tamar Valley and Tavistock WHS area with engine houses, chimneys and spoil heaps prominent in the landscape • Winding narrow sunken lanes and packhorse paths to industrial sites 	<ul style="list-style-type: none"> • Tamar Estuary Marine Conservation Zone (MCZ) • Part of and adjacent to Plymouth Sound and Estuaries Special Area of Conservation (SAC) • Mineralogical sites on spoil tips, particularly around Devon Great Consols • Riverside settlements with medieval origins at Calstock, Gunnislake, Latchley and Lucket, all of which are intrinsically linked to the river trade and historic crossing points, and developed in response to large-scale mining in the area • Geology important for mining heritage, concentration of tin, copper and arsenic lodes • Extensive areas of former and current (though reducing) market gardening, for example at Bohetherick and St Dominick, legacy through glasshouses and packing sheds • Historic daffodil varieties found on hedgebanks and in woodland in Spring • Important crossing points, viaduct at Calstock and many historic bridges including New Bridge at Gunnislake and Horsebridge • Tamar Valley Line provides elevated views from viaduct across the River Tamar • Significance of miners smallholdings around Gunnislake important element of WHS • Woodlands on valley sides relate to changing use of landscape – including

			<p>timber, charcoal burning and replanting of market gardening with coniferous trees – SSSI at Greenscombe Wood</p>
			<ul style="list-style-type: none"> • Large estates at Cotehele and Pentillie • Medieval farm settlements (e.g. Hampt near Lockett) • Mix of field patterns, post medieval and remnant strip patterns • Prehistoric hillfort at Carmartha at the north of the area • C13 Kerrybullock deer park near Stoke Climsland • Extensive mining remains scattered around Calstock, Gunnislake and Lockett • Limekilns and other evidence of riverside industry, particularly between Cotehele and Calstock on the Cornwall bank of the Tamar • Within Cornwall and West Devon Mining Heritage WHS and includes a key site at Cotehele
East Cornwall and Tamar Moorland Fringe	<p>Domesticated and enclosed landscape of the western slopes and plateau of the Middle Tamar Valley.</p> <p>The plateau mostly retains its historic hedged landscape, but is exposed in some areas.</p> <p>Woodland is restricted to the steepest valley sides and the wetter valley bottom.</p>	<ul style="list-style-type: none"> • Undulating plateau incised by short river valleys, tributaries of the Tamar • Open, medium-scale mixed farmland of predominantly improved pasture • Steep wooded sides of mixed woodland on ancient woodland sites • Different land-uses linked by Cornish hedges mainly defining medieval enclosure which retains its historic pattern, with patches of rough grassland and areas of more recently enclosed land, especially on higher ground 	<ul style="list-style-type: none"> • Winding narrow lanes are characteristic within the AONB boundary, in contrast to major roads such as the A390 and A388 outside of the boundary • Medieval field patterns contrasting with patches of rough ground and recently enclosed land • A well-preserved medieval landscape focused around medieval churchtowns • Good examples of vernacular architecture using local materials including shillet, slate and granite • Excellent example of how the Tamar Valley has accommodated landscape change,

		<ul style="list-style-type: none"> • Narrow winding sunken lanes overhung with tall, tree-lined hedges linking dispersed farms and hamlets • Mix of historic settlements with characteristic vernacular architecture and use of local materials, some modern infill • The intimacy and tranquillity of rural settlements and river landscapes contrasts with the major towns and roads just outside of the AONB • Strong visual influences of Plymouth in views to the south 	<p>and how those changes are still evident in the landscape</p> <ul style="list-style-type: none"> • Remnants of market gardening around St Dominick and Calstock, including glasshouse complexes • Historic daffodil varieties found on hedgebanks and in woodland in Spring • Estate landscape at Cotehele • Substantial mining remains around Gunnislake • Tamar Valley Discovery Trail • Important network of species-rich hedges • Within Cornwall and West Devon Mining Heritage WHS
Kit Hill	<p>A prevailing landmark enhanced by its chimney, visible from Bodmin Moor and a variety of points within the Tamar Valley.</p> <p>Unsettled wildland covered in heathland scrub and bracken with strong archaeological value.</p>	<ul style="list-style-type: none"> • Prominent ridge and summit rising above the river valley • Open lowland heath to the summit and slopes, contrasts with pastoral farmland with planned patterns edged with Cornish hedges to the east • Important archaeological landscape with evidence for activity and mining since prehistory, encapsulated as part of the Tamar Valley and Tavistock WHS • The summit offers panoramic views across the Devon and Cornwall wider landscape and out towards Dartmoor, Plymouth and Bodmin Moor • Former industrial areas support important flora and fauna • Some areas on lower ridge spoiled by inappropriate development 	<ul style="list-style-type: none"> • Kit Hill is a key site within the Cornwall and West Devon Mining Heritage WHS • Streamworking and quarrying remains, including an incline plane which carried stone to the East Cornwall Railway (now dismantled, but once connected with the existing Tamar Valley line from Gunnislake to Plymouth) • Significant archaeology, much of which is undesignated, including barrows and a relict prehistoric field system on the eastern slope • Site of the Battle of Hingston Down 838AD, with C18 folly at the summit of Kit Hill as a commemoration • Important ore deposits relating to mining heritage • Extensive mining and industrial activity remains • Kit Hill chimney (c.1858) an important landmark feature

			<ul style="list-style-type: none"> • Neutral grassland SSSI at St Ann’s Chapel (Sylvia’s Meadow) • Kit Hill Country Park • Working granite quarry at Hingston Down • Field pattern of recently-enclosed fields • Post medieval farmsteads associated with recently enclosed land and linear roadside settlements at Chilworthy and St Ann’s Chapel
River Lynher	<p>Estuarine land encompassing the banks of the lower Tamar estuary.</p> <p>The land combines large-scale farmland and managed parkland.</p> <p>Wooded tributary valleys with farmland in the valley floor</p>	<ul style="list-style-type: none"> • Mixed farmland, pasture, arable, fruit and flower growing • Extensive, complex river system of winding inlets, intertidal zones and mudflats, large areas of coastal saltmarsh, wetlands and a saline lagoon • Wooded parkland and designed landscapes and estate land including deer parks • Upper river valleys narrow and steep sided with a mix of farmland and woodland • Torpoint, Plymouth and Saltash are visually prominent • Narrow enclosing winding lanes lined by Cornish hedges topped with mature trees • Main settlement at St Germans significant through its historic and continuing development 	<ul style="list-style-type: none"> • Tamar Estuary Marine Conservation Zone (MCZ) • Part of and adjacent to Plymouth Sound and Estuaries Special Area of Conservation (SAC), and Tamar Estuaries Complex Special Protection Area (SPA), Lynher Estuary SSSI • Estate land and designated landscapes at Antony and Port Elliot, for both of which Humphrey Repton advised on landscaping • Important bird habitat • Significant tidal estuary with saltmarsh and mudflats around the Lynher • Important network of hedges and mature trees, linking semi-natural habitats • Mixed woodland, including ancient woodland in valleys • Historic quays and riverside industry, for example at Wacker Quay, which is also an important river access point • Amenity value of river access • Military archaeology, including a decoy airfield at Erth Hill • Medieval enclosed land with sinuous boundaries • Clustered villages, small farms and hamlets

			<ul style="list-style-type: none"> • Many small farms may be remnants of medieval settlements, such as Stoketon Manor • Many settlements have grown up around the heads of creeks and the phases of development are visible • Obvious vernacular style using local stone with decorative brick detailing and dressings • Steep winding lanes lined with mature trees and dense hedges • Important historic structures and sites including St Germans Church and remains of the priory, Port Eliot House and Antony House, Ince Castle, Scraesdon Fort, Burrell House, Notter Viaduct and St Germans Viaduct • Nature reserve at Churchtown Farm providing extensive public access • Wrecks in the estuary including the George Murray at Forder Lake • Mount Edgcumbe estate important in views to the south west
SE Cornwall Plateau	<p>An extensive sloping plateau of working pastoral landscape intersected by river valleys.</p> <p>Vegetation is limited to Cornish hedges around isolated farmsteads and dispersed settlement, with little woodland.</p>	<ul style="list-style-type: none"> • Open, gently rolling plateau landscape patterned with Cornish hedges • Mixed, improved pasture with some arable • Gently sloping and undulating stream valleys, small patches of woodland in low-lying areas 	<ul style="list-style-type: none"> • Important network of hedges linking semi-natural habitats • Ancient pastoral farmland with scattered trees • Sinuous boundaries to fields, with medieval enclosed land and Cornish hedges • The hamlet of St Erney contains several listed buildings, including the C13 church
Upper Tamar	Gently rolling hills and open valley landscape defined by the upper reaches of the River Tamar and its tributaries.	<ul style="list-style-type: none"> • Gently rolling, inland hills and sheltered valley landscape • Distinctive floodplains are distinctive with their strong tree cover, open- 	<ul style="list-style-type: none"> • Earthwork at Castlepark Hill • Important network of hedges linking semi-natural habitats • Mixed woodland along river valleys,

	A settled, inland landscape with medium-sized fields of improved pasture, bounded by Cornish hedges and mature trees.	<p>grown mature oaks and valley floor pasture</p> <ul style="list-style-type: none"> • Prominent broadleaved, mixed or coniferous woodland to the east on the valley sides • Small areas of Culm grassland along river valleys • Medium-sized fields of improved grassland with some arable land • Stone bridges are significant landscape features • Slate gives a dark appearance to river bed 	<p>including ancient woodland, a significant component of the character of this area</p> <ul style="list-style-type: none"> • Stone bridges such as C15 Greystone Bridge distinctive landscape feature • Mature, stable and unchanged landscape
Devon – Lower Tamar and Tavy Valleys	<p>Intertidal zone and estuary land margins of the lower reaches of the Tamar and Tavy rivers.</p> <p>An open flat area of mudflats enclosed by low landform and vegetation.</p>	<ul style="list-style-type: none"> • Open, unenclosed landscape comprising mudflats, saltmarsh, reedbeds, coastal floodplain, grazing marsh and unenclosed fens • Small-scale pastoral farmland and rough grazing above floodplain with little arable • Sparse highway network • Scatter of small, isolated farmsteads • Active and disused historic quays and remains of historic riverside industrial activity and navigation • Extensive river views across a beautiful, unspoiled and remote areas • Low-lying areas prone to sea flooding in storm conditions • Areas of intense water based recreation and amenity use in the southerly part 	<ul style="list-style-type: none"> • Tamar Estuary Marine Conservation Zone (MCZ) • Part of and adjacent to Plymouth Sound and Estuaries Special Area of Conservation (SAC), and Tamar Estuaries Complex Special Protection Area (SPA), Tamar-Tavy Estuary SSSI • Juxtaposition of estuarine and built elements • Internationally important bird habitat supporting rare estuarine species such as avocet • County Geological site on the east bank of the Tamar associated with mining history • Local Nature Reserve at Warleigh Wood • Tamar Valley Discovery Trail • Historic daffodil varieties growing in hedgebanks and woodlands make a significant impact on the landscape in Spring • Tamar Valley Line provides elevated views from bridges across the mouth of the Tavy

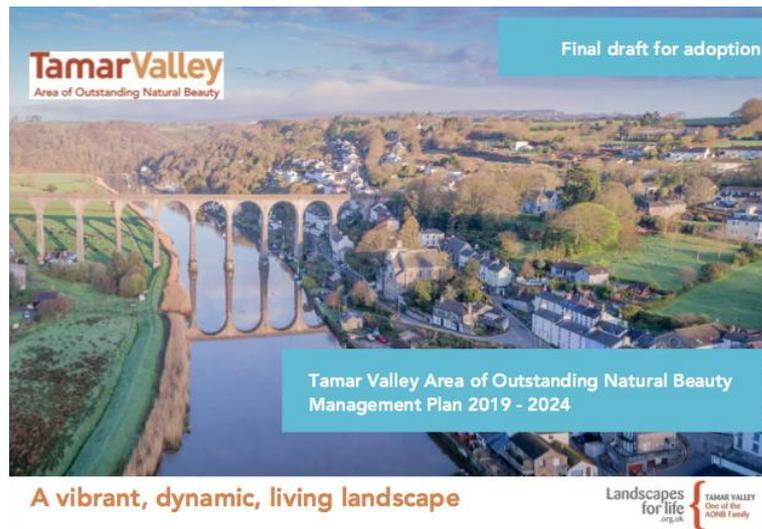
			<p>and Ernesettle Creek</p> <ul style="list-style-type: none"> • Blocks of valley-side oak and birch woodland on southern bank of the Tavy, with an important line of hedgerow trees, including fruit trees, a legacy of the former soft fruit industry • Post-medieval reclaimed land at Warleigh Marsh • Stone quays and other evidence of industry at Weir Quay and Bere Ferrers • Sparse settlement with Weir Quay and Bere Ferrers on the Devon bank the two main settlements • Relatively unspoiled waterfronts at Weir Quay and Bere Ferrers • Long spectacular watery views to the south towards the Royal Albert Bridge and Tamar Suspension Bridge • Historic church at Bere Ferrers and country houses at Maristow and Warleigh with extensive grounds • Designed landscape features associated with Maristow House • Remains of tide mill at Blaxton Quay • Riverside access and infrastructure at Lopwell Dam • Patterns of light and water, sounds and smells at the waterside
Devon – Middle Tamar Valley	<p>Sinuuous and meandering middle reaches of the Tamar.</p> <p>A gorge-like river valley with views of the water, gently undulating farmland, and extensive woodland.</p>	<ul style="list-style-type: none"> • Meandering and looping river valley, narrow in parts, with steep sides • Significant views up and down the River Tamar from several viewpoints • Historic quays, riverside settlements and evidence of 19th century industry 	<ul style="list-style-type: none"> • Tamar Estuary Marine Conservation Zone (MCZ) • Part of and adjacent to Plymouth Sound and Estuaries Special Area of Conservation (SAC), and Tamar Estuaries Complex Special Protection Area (SPA), Tamar-Tavy Estuary SSSI

	<p>Intimate, short tributary valleys barely visible from higher ground.</p> <p>Topography further north more gentle and open.</p>	<ul style="list-style-type: none"> • Floodplains on river bends with improved farmland behind earth dykes, outer fringe of coastal saltmarsh and reedbeds • Extensive ancient and mixed broadleaved and coniferous woodland on steep valley sides with improved grassland and pasture on lower lying areas and pockets of arable or horticultural land on the higher valley edge • Watermeadows, reedbeds and grazing marsh on the unsettled valley floor • Core of Tamar Valley and Tavistock WHS area with engine houses, chimneys and spoil heaps prominent in the landscape • Winding narrow sunken lanes and packhorse paths to industrial sites 	<ul style="list-style-type: none"> • Lockridge Mine SSSI, Devon Great Consols SSSI • Tidal qualities of the southern stretch that flows in a winding course of incised meanders • Within the WHS, Morwellham important with links to Tavistock and the Dukes of Bedford as are the former areas of Bedford estate to the north of the area • Steep mixed-wooded valley sides with features such as Chimney Rock where the granite has been exposed • Tradition of orchards and market gardening evident particularly on the Bere Peninsula and around Sydenham Damerel • The landscape at Endsleigh is associated with Humphrey Repton, the house itself was designed by Wyattville in the early C19 • County Geological Site on the east bank of the Tamar associated with historic mining • Internationally important bird habitat supporting rare estuarine species such as avocet • Variety of field boundaries, but many contain remnants of the market gardening industry (such as daffodils) and soft fruit trees especially on the Bere Peninsula • Former packing sheds in the landscape represent the legacy of the market gardening industry • Numerous features associated with mining and industry particularly the complexes at Devon Great Consols and Gawton, chimneys associated with those sites, as they emerge from woodlands, are a
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			<p>particular feature</p> <ul style="list-style-type: none"> • Significant river crossings and medieval bridges at Greystone, Horsebridge and Newbridge • County Wildlife sites on the valley side, floor and wetlands • Settlement generally focussed on the river and the influence of its historic trade • Houses show a combination of stone, slate-hanging and pastel-coloured render or paint • Morwellham Quay, nationally significant heritage site and a tourist attraction • Hillfort earthworks at Dunterue Wood and Castle Head near Dunterton • Conservation Areas at Bere Ferrers, Bere Alston and Weir Quay • Strong artistic connections – J.M.W Turner painting ‘Crossing the Brook’ (1815) • Tamar Valley Line provides access from Plymouth along a scenic route including the crossing the landmark viaduct at Calstock • Tamar Valley Discovery Trail and Tamar Trails • Enclosed and sunken paths and lanes • Bere Peninsula has a particular feeling of remoteness and an unchanged landscape as a result of restricted road communications • Tranquillity and dark skies in the upper reaches away from Plymouth
Middle Tavy Valley	Open rolling and sloping pastoral uplands surrounding the mixed wooded middle section of the River Tavy valley.	<ul style="list-style-type: none"> • Open rolling uplands contrast with steep wooded valley sides and again with moorland character to the east 	<ul style="list-style-type: none"> • Grenofen Wood SSSI and West Down SSSI • County Wildlife Sites in woodland and unimproved grassland

	<p>Moorland-edge character to the east at the boundary with Dartmoor.</p> <p>The Tavy Valley is separated from the Tamar by a narrow high plateau.</p>	<ul style="list-style-type: none"> • Meandering flat and confined river valley near Tavistock, screened by riparian trees • Pastoral, unimproved cultivation, some arable and some parkland estates and watermeadows • Roadside copses and individual oaks on higher ground • Gently curving stone-faced hedgebanks • Scattering of hamlets and isolated farms with a few historic villages of vernacular character and local materials • Dense network of minor sinuous roads • Long views over the valleys 	<ul style="list-style-type: none"> • Local Nature Reserve at Lopwell Down • Medium-sized semi-regular fields and post-medieval Barton fields resulting from estate tenure • Neighbours areas of unenclosed moorland on Dartmoor to the east • Long history of mining, including medieval mining on the Bere Peninsula, which is apparent in the landscape • Settlement consists of dispersed farms, occasional nucleated villages and larger villages including Buckland Monachorum and Crapstone • Straight roads on high land and sunken lanes with high hedges on valley sides • Open views towards Dartmoor from higher land, particularly around Bere Alston and Gulworthy • Within Cornwall and West Devon Mining Heritage WHS • Buckland Abbey rich in historic significance and also a major National Trust tourist site • 500-year old Lumburn Leat, associated with the medieval Royal silver mines on the Bere Peninsula • Conservation Areas at Milton Combe and Buckland Monachorum • Historic river crossing point at Denham Bridge • Tamar Valley Discovery Trail, West Devon Way and Drakes Trail
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ANNEX 1c - Tamar Valley AONB Planning Guidance

This section of the Management Plan provides guidance and supporting tools to all parties in the planning process including planning officers, elected Members and developers as to how the statutory duty should be exercised through the planning system. During the previous Management Plan review (2014-19), the Partnership identified (through a group of constituent Local Authority planning officers) the need to provide locally relevant guidance to supplement the National Planning Policy Framework (NPPF)¹ with reference to planning in protected areas. These have been proven valuable tools and with updating, largely in response to the outcomes of the NPPF review in 2018, have been carried through to the current Management Plan 2019-24.

The principal needs have been identified as:

1. Setting out a procedure and technical information to enable the objective assessment of impact upon the landscape character and scenic beauty (together defined as natural beauty) of the AONB and its special qualities.
2. Providing guiding principles for what sustainable development might mean in the context of the AONB (i.e. given the great weight afforded to it in the NPPF paragraph 172) and the identification of the AONB as a protected area of particular importance in footnote 6 with regard to the application of paragraph 11 of the NPPF.
3. Considering what should be deemed a 'major' planning application within the context of the AONB designation, noting footnote 55 of the NPPF.

Footnote: *text in italics refers to the NPPF*

Statutory duties in relation to AONBs are provided for in Section 85 of the Countryside and Rights of Way (CRoW) Act 2000², as amended. Specifically, they state that,

‘in exercising or performing any functions in relation to, or so as to affect, land in these areas, relevant authorities “shall have regard” to their purposes’. Natural England has set out the following three aims for AONBs:

- The primary purpose of AONB designation is to conserve and enhance natural beauty.
- In pursuing the primary purpose account should be taken of the needs of agriculture, forestry, other rural industries and of the economic and social needs of local communities. Particular regard should be paid to promoting sustainable forms of social and economic development that in themselves conserve and enhance the environment.
- Recreation is not an objective of designation, but the demand for recreation should be met so far as this is consistent with the conservation of natural beauty and the needs of agriculture, forestry and other uses³.

Guidance on Procedures

It is the responsibility of the Local Planning Authority (LPA) to fully justify its recommendations for development proposals by referring to the criteria for natural beauty and the AONB’s special qualities. By doing this the LPA will meet its duty towards the designation. The AONB Partnership expects all LPAs to comply with this statutory requirement.

Assessment of the impact of development proposals on natural beauty and special qualities should be undertaken following this process, and by reference to Annex 1. These assess the sensitivity of the AONB to developments, ensuring that there is sufficient flexibility to enhance the resilience of the AONB. The specific guidance considering ‘sustainable development’ and what constitutes ‘major development’, as referred to in paragraph 173 of the NPPF, should also be used during assessment of proposals.

The AONB Partnership advise that planning officers state explicitly that this process has been delivered for the avoidance of doubt and to strengthen their recommendations by direct reference to the evidence base for natural beauty and special qualities, e.g. “In making this recommendation, officers have taken into account the sensitivity of the natural beauty and special qualities of the AONB and their component features as documented in [Annex 1a and 1b](#) of the Tamar Valley AONB 2019 -24 Management Plan [or other source]”.

Process for assessment of development proposals potentially affecting the AONB:

1. Consider whether the proposal should be treated as ‘major development’ in the context of the AONB according to the guidance and therefore to establish if exceptional circumstances and that the development is in the public interest has been demonstrated in addition to steps 2 to 5 below;
2. Assess the likely impact of the proposal on the AONB’s special qualities by reference to the list at [Annex 1a](#) and any other relevant information;
3. Where a potential adverse impact has been identified and/or where the proposal is judged to fail to conserve or enhance the special qualities and features of the AONB, look for opportunities to mitigate the impact;
4. If impact can be overcome and if the application satisfies all other planning considerations, proposal can be considered for approval;
5. If impact cannot be satisfactorily overcome and/or where there are objections based on other planning considerations, the proposal should be considered for refusal.

Sustainable development

The NPPF defines sustainable development as having three dimensions, they are mutually dependent and should not be considered in isolation:

- a) *an economic objective – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;*
- b) *a social objective – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities’ health, social and cultural well-being; and*
- c) *an environmental objective – to contribute to protecting and enhancing our natural, built and historic environment; including making effective use of land, helping to improve biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy. (NPPF 2018 para 8)*

So that sustainable development is pursued in a positive way, at the heart of the Framework is a presumption in favour of sustainable development (paragraph 11).

For decision-taking this includes granting permission unless:

- i. *the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed⁶; or*
- ii. *any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.*

Footnote 6 specifies the protected areas or assets of particular importance referring to policies in the NPPF relating to 'habitats sites (and those sites listed in paragraph 176) and/or designated as Sites of Special Scientific Interest; an Area of Outstanding Natural Beauty, irreplaceable habitats; designated heritage assets (and other heritage assets of archaeological interest referred to in footnote 63), and areas at risk of flooding or coastal change.

Paragraph 172 of the NPPF states that great weight should be given to conserving and enhancing landscape and scenic beauty in AONBs, which have the highest status of protection in relation to these issues. The conservation and enhancement of wildlife and cultural heritage are also important considerations.

Paragraph 170 of the NPPF additionally explains that planning policies and decisions should contribute to and enhance the natural and local environment by (amongst other factors) protecting and enhancing valued landscape in a manner commensurate with their statutory status or identified quality in the development plan

The AONB is statutorily protected through the Countryside Rights of Way (CRoW) Act in the National interest, its protection and enhancement is therefore at a national weighting in the overall planning balance.

This commensurate level of protection is reinforced through paragraph 172 terms of 'great weight' and 'highest status of protection' and requires the decision-maker to give primary consideration to conserving or enhancing the landscape character or scenic beauty (combined referred to as natural beauty) of the AONB and its setting. This is not to say that other material planning considerations should be ignored, but that there is a clear emphasis for a higher level of importance to be placed on the purpose of the designation when assessing development proposals that impact upon it.

This level of protection is further enhanced within the NPPF when dealing with ‘major developments’ as referred to in footnote 55, where such developments are to be refused other than in ‘exceptional circumstances **and** where it can be demonstrated that they are in the public interest’.

The AONB Partnership considers that in order to ensure a positive approach to both the need for development and the conservation and enhancement of the special qualities of the AONB, then it is useful to outline some guiding principles as to what ‘sustainable development’ means in the context of the AONB.

In order to be considered sustainable, a development proposal should meet one or more of the following criteria:

1. Demonstrate that it conserves or provides enhancements to landscape character and scenic beauty (or natural beauty) with specific reference to the special qualities of the AONB (as set out in Section 1.5 of the Management Plan and Annex 1a); and
2. Meet the economic and social needs of local communities whilst conserving and enhancing the AONB landscape; or
3. Meet the demand for recreational opportunities within the AONB whilst accounting for the natural beauty of the AONB and the needs of agriculture, forestry and other uses.

[Note: these three criteria reflect the guidance from Natural England setting out the purposes of the AONB, see 2.1 Why is the Management Plan Important?]⁴.

The above principles are a refinement of the broader criteria for sustainable development as set out within the NPPF, The 25 year Environment Plan and other government policy on AONBs. These are designed to ensure that development makes a positive contribution to the economic, social and environmental wellbeing of the AONB without compromising the special qualities.

Considering ‘Major Development’ in the AONB

Paragraph 172 of the NPPF states that:

Great weight should be given to conserving and enhancing landscape and scenic beauty in National Parks, the Broads and Areas of Outstanding Natural Beauty, which have the highest status of protection in relation to these issues. The conservation and enhancement of wildlife and cultural heritage are also important considerations in these areas, and should be exceptional circumstances.

The scale and extent of development within these designated areas should be limited. Planning permission should be refused for major development other than in exceptional circumstances, and where it can be demonstrated that the development is in the public interest. Consideration of such applications should include an assessment of:

- 1. the need for the development, including in terms of any national considerations, and the impact of permitting it, or refusing it, upon the local economy;*
- 2. the cost of, and scope for, developing outside the designated area, or meeting the need for it in some other way; and*
- 3. any detrimental effect on the environment, the landscape and recreational opportunities, and the extent to which that could be moderated.*

In assessing planning applications, major development is now defined within an AONB. Two distinct approaches have been defined, one specifically for the purposes of paragraphs 172 and 173 and a separate one for the rest of the NPPF. For the rest of the NPPF, there is a specific threshold –based definition in the Annex 2 Glossary. Whereas, the approach to evaluate whether a development is major development for the purposes of paragraphs 172 and 173 is set out in footnote 55, which states:

“For the purposes of paragraphs 172 and 173, whether a proposal is for ‘major development’ is a matter for the decision maker, taking into account its nature, scale and setting, and whether it could have a significant adverse impact on the purposes for which the area has been designated or defined.”

It is not possible or appropriate to apply a blanket definition for what should be treated as major development in the AONB. Nevertheless, there are some key indicators that would suggest that a development is likely to be major in its effect on the landscape quality:

1. Where the scale of development is likely to have a detrimental visual impact that harms the scenic quality of the AONB, either within the AONB or in its setting;
2. Where the location of development would erode the special qualities and features of the area of the AONB where the development is proposed (landscape, cultural, biodiversity, tranquility, etc);
3. Where the type of development is not directly compatible with its surroundings; and/or
4. Where the development would conflict with the economic and social needs of local communities and the AONB’s guiding principles of sustainable development.

Any major applications that have the potential to generate any of the above should then be considered against the following criteria:

- a. *“the need for the development, including in terms of any national considerations, and the impact of permitting it, or refusing it, upon the local economy;” The AONB Partnership would encourage the LPA to request that any such development proposal to be accompanied by a statement of need in the context of national considerations. The impacts of permitting or refusing the development should be clearly identified, including the social, economic and environmental impacts, with specific reference to the impacts upon the natural beauty, special qualities of the AONB, and the economic and social needs of the local communities affected. Such a statement should be based upon objective assessment and clear evidence”.*
- b. *“the cost of, and scope for, developing elsewhere outside the designated area, or meeting the need for it in some other way;” The AONB Partnership would encourage any such development proposal to be accompanied by a report setting out a sequential approach to site selection. This should evidence the extent to which alternative sites have been assessed before the selection of sites within the AONB, and clearly identify why sites outside of the designated area could not be developed. The report should also identify and evidence why the need for the development could not be met in some other way. The report should include relevant evidence of the cost of developing outside of the AONB”.*
- c. *“any detrimental effect on the environment, the landscape and recreational opportunities, and the extent to which that could be moderated.”*

The AONB partnership would expect any such development proposal to be accompanied by a report identifying any detrimental affects upon the environment, the landscape and recreational opportunities. Such a report should relate directly to the special qualities of the AONB as a whole as well as those specific to the development site.

Any mitigation identified to moderate these impacts should be:

- clearly detailed, in line with the duty to conserve and enhance the AONB,
- be compatible with the objectives of the Management Plan, and
- be capable of realisation through robust planning conditions or obligation

As a final point it is important to note that proposals for major development not only have to demonstrate exceptional circumstances and that the proposals are in the public interest, they also have to demonstrate conformity with the wider components of paragraph 172 which applies to all development impacting upon

the AONB, i.e. to apply to great weight and the highest level for protection with regard to conserving or enhancing landscape character and scenic beauty.

Landscape Character and scenic beauty, which in combination are referred to as natural beauty and heritage values

- In the UK, and internationally, it is established practice to designate historic, cultural and natural sites of national importance and significance in order to assist their conservation and protection. Sites are assessed against specific criteria and the designation includes a statement of the importance of a site. This statement sets out which particular attributes of the site (its values) make it stand out. In the case of AONB designation, there is a single criterion of 'natural beauty', determined by a variety of approaches supported by the 'statement of significance' sets out the special qualities of the landscape that make it worthy of designation. It should be noted that the NPPF and other planning policies and guidance often refer to a broader definition of natural beauty, referring to the two principal components that constitute natural beauty, these being landscape character (the landscape as a resource in its own right) and scenic beauty (views and visual amenity as experienced by people).
- As appreciation of landscape is a cultural creation that can fluctuate with changing social values, the statement of significance is necessarily an expert judgement and is recognised as such in national guidance⁵. In this way, it is distinct from the assessment of landscape character, which describes the landscape in valueless terms.

The Statement of Significance for the Tamar Valley AONB cites five special qualities as the attributes of significance:

- A rare valley and water landscape
- A landscape of high visual quality
- A unique wildlife resource
- A remarkable heritage
- A landscape of artistic and public appeal

These special qualities represent an expert judgement of what makes the area distinctive to the extent of being 'nationally important' for its natural beauty. They build on features identified through Landscape Character Assessment and Historic Landscape Character Assessment, but also take account of the heritage 'values' that the features represent. Historic England recognises four such values: evidential value, historical value, aesthetic value and communal value.

'Integrity' and 'authenticity' are concepts central to all aspects of heritage protection, being recognised by UNESCO internationally and Historic England in

England, and being enshrined in international conventions and associated guidance (e.g. World Heritage Convention, 1972) to which the UK is signatory.

integrity: wholeness, honesty

authenticity: those characteristics that most truthfully reflect and embody the cultural heritage values of a place.

Thus, actions for the conservation and enhancement of the special qualities of the AONB should achieve the conservation of the integrity of the whole area, not just specific locations, attributes, or features. Similarly, the authenticity of the whole area should be conserved, as represented in particular by the stated special qualities of the site.

Designation of an area as an AONB confers a duty upon relevant authorities to 'conserve and enhance' the natural beauty, as defined by the Statement of Significance. This means taking account of both the integrity and authenticity of the natural beauty of the site and also of all the features (both tangible and intangible) that represent those values. A variety of guidance is available with regard to the treatment of natural and cultural heritage in planning, for example⁶. The landscape character identified for the Tamar Valley AONB area and their selected features of significance are provided in **Annex 1b**, and on the Tamar Valley AONB website, www.tamarvalley.org.uk.

References

- 1 Ministry of Housing, Communities and Local Government: Revised National Planning Policy Framework (2018) - <https://www.gov.uk/government/collections/revised-national-planning-policy-framework>
- 2 Countryside and Rights of Way Act 2000 - <https://www.legislation.gov.uk/ukpga/2000/37/contents>
- 3 Guidance for AONB Partnership Members - <http://www.landscapesforlife.org.uk/wp-content/uploads/2015/03/Guidance-for-AONB-Partnership-Members.pdf>
- 4 Natural England Guidance – Areas of outstanding natural beauty (AONBs): designation and management - <https://www.gov.uk/guidance/areas-of-outstanding-natural-beauty-aonbs-designation-and-management>
- 5 Department for Environment, Food and Rural Affairs: 25 Year Environment Plan - <https://www.gov.uk/government/publications/25-year-environment-plan>
- 6 Natural England and Department for Environment, Food and Rural Affairs: Planning and development – Landscape - <https://www.gov.uk/topic/planning-development/landscape>. Historic England: The Planning System - <https://historicengland.org.uk/advice/planning/planning-system/>

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MINUTES OF THE MEETING OF THE DEVELOPMENT MANAGEMENT COMMITTEE HELD AT FOLLATON HOUSE, TOTNES, ON WEDNESDAY, 12 DECEMBER 2018

Members in attendance	
* Denotes attendance	
∅ Denotes apologies	
* Cllr I Bramble	∅ Cllr J M Hodgson
* Cllr J Brazil	* Cllr T R Holway
* Cllr D Brown	* Cllr J A Pearce
* Cllr P K Cuthbert	* Cllr R Rowe
* Cllr R J Foss (Vice Chairman)	* Cllr R C Steer (Chairman)
* Cllr P W Hitchins (pm only)	* Cllr R J Vint

Other Members also in attendance:
Cllrs Birch, Green, Tucker and Wright

Officers in attendance and participating:

Item No:	Application No:	Officers:
All agenda items		COP Lead Development Management, Planning Senior Specialist, Planning Specialists, Deputy Monitoring Officer, Specialist Democratic Services

DM.41/18 MINUTES
The minutes of the meeting of the Committee held on 7 November 2018 were confirmed as a correct record and signed by the Chairman.

DM.42/18 DECLARATIONS OF INTEREST
Members and officers were invited to declare any interests in the items of business to be considered and the following were made:

Cllr Vint declared a personal interest in applications **2075/18/FUL**: conversion of B1 office to C3 residential including demolition of modern extensions to listed building. Erection of detached dwelling to rear garden of property, and **2076/18/LBC**: Listed Building Consent for conversion of B1 office to C3 residential including demolition of modern extensions to listed building. Erection of detached dwelling to rear garden of property – 18 Bridgetown, Totnes, by virtue of knowing registered objectors and he remained in the meeting and took part in the debate and vote thereon;

Cllr Brazil declared a personal interest in application **2852/18/FUL**: Conversion of domestic garage to single dwelling – The Old Rocket House, East Prawle, Kingsbridge by virtue of knowing the applicant and he remained in the meeting and took part in the debate and vote thereon;

Cllr D Brown declared a personal interest in the following planning applications that were sited within the South Devon AONB by virtue of being a Member of the South Devon AONB Partnership Committee and remained in the meeting and took part in the debate and vote thereon:

0087/18/FUL: Erection of building containing a ground floor marine maintenance unit (B1 use) with two dwellings above – Site of Former Workshop, Gould Road, Salcombe;

2852/18/FUL: conversion of domestic garage to single dwelling – The Old Rocket House, East Prawle, Kingsbridge

1772/18/OPA: Outline application with all matters reserved for construction of single storey dwelling – Highlands, Chittleburn Hill, Brixton

DM.43/18

PUBLIC PARTICIPATION

The Chairman announced that a list of members of the public and town and parish council representatives, who had registered their wish to speak at the meeting, had been circulated.

DM.44/18

PLANNING APPLICATIONS

The Committee considered the details of the planning applications prepared by the Planning Case Officers as presented in the agenda papers, and considered also the comments of Town and Parish Councils together with other representations received, which were listed within the presented agenda reports, and **RESOLVED** that:

a) **2075/18/FUL** 18 Bridgetown, Totnes

Parish: Totnes

Conversion of B1 office to C3 residential including demolition of modern extensions to listed building. Erection of detached dwelling to rear garden of property

Case Officer Update: None

Speakers included: Objector – Mrs Lucy Ferrier: Supporter – Mr Eric Davis: Ward Members – Cllrs Birch, Green and Vint

Recommendation: Conditional Approval

Members had a lengthy debate on this application, and had particular concerns regarding the lack of a rear entrance to the property and the resulting impact on residents having to walk some distance to carry rubbish to their bins. Members said the site visit had been valuable to understand the relationship between the existing building and the proposed development. Members sought further advice from the Heritage Specialist concerning the need to have special regard to the desirability of preserving the building and its setting and he explained that the application was not perfect, but that the proposal sought to preserve the heritage aspects of the building as much as possible was an important factor to take into

account. He went on to say that the setting of the proposal had been the subject of many discussions and that, compared with the existing dwelling and poor extensions, this proposal was an enhancement that would not cause harm.

Committee Decision: Refusal

Reasons:

Impact on residential amenity of distance to bins and vehicles
Lack of rear access results in inadequate living conditions

b) 2076/18/FUL 18 Bridgetown, Totnes

Parish: Totnes

Listed Building Consent for conversion of B1 office to C3 residential including demolition of modern extensions to listed building. Erection of detached dwelling to rear garden of property

Case Officer Update: None

Speakers included: Objector – Mrs Lucy Ferrier: Supporter – Mr Eric Davis: Ward Members – Cllrs Birch, Green and Vint

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time limit
2. Accord with plans
3. Material details / samples
4. Joinery schedule
5. Schedule of works, including services and changes to meet building regulations
6. New build details (eaves, sills etc)

c) 0087/18/FUL Site of Former Workshop, Gould Road, Salcombe

Parish: Salcombe

Erection of building containing a ground floor marine maintenance unit (B1) with two dwellings above

Case Officer Update: None

Speakers included: Supporter – Mr Tony Instrall: Town Council Representative – Cllr Mike Fice: local Ward Members – Cllrs Pearce and Wright

Recommendation: Delegate to COP Lead Development Management, in

in conjunction with Chairman of the Committee, to conditionally grant planning permission subject to a section 106 legal obligation.

However, in the event that the s106 legal agreement remains unsigned six months after this resolution, that the application is reviewed by the COP Lead Development Management in consultation with the Chairman of the Committee, and if no progress is being made, delegated authority is given to the COP Lead to refuse the application in the absence of an agreed s106 legal agreement.

Committee Decision: Delegate to COP Lead Development Management, in conjunction with Chairman of the Committee, to conditionally grant planning permission subject to a section 106 legal obligation.

However, in the event that the s106 legal agreement remains unsigned six months after this resolution, that the application is reviewed by the COP Lead Development Management in consultation with the Chairman of the Committee, and if no progress is being made, delegated authority is given to the COP Lead to refuse the application in the absence of an agreed s106 legal agreement.

Conditions:

1. Std time
2. Accords with plans
3. Universal condition for contamination and Verification report
4. Unsuspected contamination
5. Flood evacuation plan to be agreed and implemented prior to first occupation
6. Development to take place strictly in accordance with FRA
7. The drainage scheme shall be installed in strict accordance with the approved plans, maintained and retained in accordance with the agreed details for the life of the development
8. Hard and soft landscaping scheme, including boundary treatments to be agreed, implemented and maintained in accordance with agreed maintenance schedule
9. CEMP – to include construction phase measures to avoid, reduce and mitigate accidental spillages, storage of materials etc
10. Visibility splays to be provided and retained in accordance with approved drawings
11. Commercial vehicle loading area to be kept free from obstruction at all times, other than when in use for commercial loading
12. Details of the oil interceptor proposed in the drainage scheme to prevent pollutants from entering the estuary shall be submitted to and approved in writing by the Local Planning Authority
13. No chemicals shall be stored outside of any of the buildings hereby approved at any time
14. Stone panel to be approved
15. Material details and samples to be agreed
16. Parking and turning areas to be provided and retained
17. Removal of PD – c/use from B1 to C3
18. Details of measures to ensure internal noise levels of the development are adequate in accordance with BS8233:2014
19. Details of any external plant such as extraction/ventilation units

d) 2852/18/FUL The Old Rocket House, East Prawle, Kingsbridge**Parish: Chivelstone****Conversion of Domestic Garage to Single Dwelling**

Case Officer Update: Receipt of a late letter that raised issues of land ownership which was not a planning matter

Speakers included: Supporter – Mr Richard Boyt: local Ward Member – Cllr Brazil

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time limit
2. Accord with plans
3. Slate roof to re-use existing slate where possible and match any new to the existing
4. Sample of weather boarding and door and windows.
5. Parking spaces shall be retained in use as parking spaces
6. No lighting
7. Unexpected contamination
8. Boundary treatment
9. Notwithstanding the plans, prior to commencement detailed drawings of the dormer to be submitted and approved.

e) 1772/18/OPA Highlands, Chittleburn Hill, Brixton**Parish: Brixton****Outline application with all matters reserved for construction of single storey dwelling**

Case Officer Update: None

Speakers included: Supporter – Mr Hepper: local Ward Member – Cllr Brown

Recommendation: Refusal

During discussion, Members generally accepted the reasons for the case officer recommendation, but noted that it was for Members to make the decision and in this particular instance, and swayed by the lack of objection from the local parish council, and following a site inspection, Members did not agree that the proposal

was isolated, noted the bus stops and nearby shops, and the footpath into the village of Brixton. The majority of Members were supportive of the proposal.

Committee Decision: Conditional Approval, with conditions to be delegated to COP Lead DM in consultation with the Chairman of the Committee and the local Ward Members

Reasons:

The proposal was not isolated, and was near the village, commercial premises, bus stops and footpath.

DM.45/18 **PLANNING APPEALS UPDATE**

Members noted the list of appeals as outlined in the presented agenda report.

(Meeting commenced at 2.00pm and concluded at 5.30pm)

Chairman

Voting Analysis for Planning Applications – DM Committee 12 December 2018

Application No:	Site Address	Vote	Councillors who Voted Yes	Councillors who Voted No	Councillors who Voted Abstain	Absent
2075/18/FUL	18 Bridgetown, Totnes	Conditional Approval	Cllrs Brazil, Steer, Foss, Rowe (4)	Cllrs Holway, Brown, Hitchins, Bramble, Cuthbert, Vint (6)	Cllr Pearce (1) (by virtue of in her view lack of information in report)	Cllr Hodgson (1)
2075/18/FUL	18 Bridgetown, Totnes	Refusal	Cllrs Holway, Brown, Bramble, Hitchins, Cuthbert, Vint (6)	Cllrs Brazil, Steer, Foss, Rowe (4)	Cllr Pearce (1) (by virtue of in her view lack of information in report)	Cllr Hodgson (1)
2076/18/LBC	18 Bridgetown, Totnes	Conditional Approval	Cllrs Brazil, Steer, Foss, Rowe, Vint (5)	Cllrs Brown, Bramble, Hitchins, Cuthbert (4)	Cllr Pearce (by virtue of in her view lack of information in report), Cllr Holway (2)	Cllr Hodgson (1)
2087/18/FUL	Site of former Workshop, Gould Road, Salcombe	Conditional Approval	Cllrs Vint, Hitchins, Holway, Steer, Foss, Rowe, Bramble, Cuthbert (8)	Cllrs Pearce, Brown (2)	Cllr Brazil (1)	Cllr Hodgson (1)
2852/18/FUL	The Old Rocket House, East Prawle	Conditional Approval	Cllrs Pearce, Hitchins, Holway, Steer, Brown, Rowe, Bramble, Cuthbert (8)	Cllrs Brazil, Vint (2)	Cllr Foss (1)	Cllr Hodgson (1)
1772/18/OPA	Highlands, Chittleburn Hill Brixton	Conditional Approval	Cllrs Vint, Cuthbert, Holway, Brown, Hitchins, Bramble, Brazil (7)	Cllrs Steer, Pearce, Rowe (3)	Cllr Foss (1)	Cllr Hodgson (1)

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**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD AT FOLLATON HOUSE ON THURSDAY 13 DECEMBER 2018**

Members in attendance:			
* Denotes attendance			
∅ Denotes apologies for absence			
∅	Cllr H D Bastone	*	Cllr R J Tucker (Chairman)
*	Cllr R D Gilbert	*	Cllr S A E Wright (Vice Chairman)
*	Cllr N A Hopwood	*	Cllr K R H Wingate

Also in attendance and participating		
Item 2	E.51/18	Cllrs Baldry, Brazil and Green
Item 7	E.55/18	Cllr Brazil
Item 8	E.56/18	Cllrs Green, Cuthbert and Smerdon
Item 9	E.57/18	Cllrs Pearce, Brazil and Pennington
Item 10	E.58/18	Cllr Brazil
Item 11	E.59/18	Cllrs Smerdon, Pearce and Brazil
Item 12	E.60/18	Cllrs Smerdon, Rowe, Brazil and Steer
Item 13	E.61/18	Cllr Bramble
Item 14	E.62/18	Cllrs Brazil, Pearce, Bramble, Green, May, Brown, Cuthbert, Saltern, Baldry, Steer, Holway, Rowe, Smerdon

Also in attendance and not participating
Cllrs Hodgson and Hitchins

Officers in attendance and participating		
All items		Head of Paid Service, s151 Officer and Specialist – Democratic Services
Item 6	E.54/18	COP Lead Housing, Revenues and Benefits
Item 7	E.55/18	Revenue Specialist
Item 8	E.56/18	Senior Specialist Environmental Health
Item 9	E.57/18	COP Lead Assets
Item 12	E.60/18	Specialist Place Making
Item 14	E.62/18	Group Manager Business Development, COP Lead Assets

E.50/18 MINUTES

The minutes of the Executive meeting held on 22 November 2018 were confirmed as a true and correct record and signed off by the Chairman.

E.51/18 URGENT BUSINESS

The Leader advised that there were two items of urgent business to be considered. The first was an additional item that had been circulated entitled Dartmouth Health and Wellbeing Hub and this would be taken with Agenda Item 14: Commercial Development Opportunities.

The second urgent item was the resolution following the decision to Call In Executive Minute E.46/18 'Public Toilets Review' that had been considered at the special meeting of the Overview and Scrutiny Panel on 12 December 2018.

Members briefly discussed the Panel resolution and it was confirmed that only those areas highlighted at the meeting were included in the amendment.

It was then:

RESOLVED

That an addition be made to Minute E.46/18 to amend that resolution, such that proposals for public conveniences as listed at resolution 1d (Totnes Civic Hall, Coronation Road and Steamer Quay), be finally considered following a further consultation exercise, with the results being reported to the Executive at its meeting on 7 February 2019.

E.52/18 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of this meeting but none were made.

E.53/18 PUBLIC QUESTION TIME

It was noted that the following public questions had been received in accordance with the Executive Procedure Rules, for consideration at this meeting:

1. Question received from Mrs Lesley Hughes:

'Ivybridge Neighbourhood Plan policy INP2 sought protections for development to the east of the river.

Glanvilles Mill owners are alarmed by this proposal so how does it meet the adopted Neighbourhood Plan policy without detrimental impact, and with no car parking strategy agreed what will be the longest stay?'

In response, Cllr Tucker asked that specific retailers were not referred to as that information was not in the public domain. He then responded that INP2 stated **no loss of capacity**. No capacity loss was planned as part of the proposal, only more intensive and more appropriate use – with a redesign of tariffs and use of other locations for long stay. Tariff design/fee structures had yet to be agreed, as these would need to be in consultation with community.

The principle of development only would need to be agreed here – parking changes will be determined at a later date if the proposal proceeds.

Mrs Hughes then asked a supplementary question in that if a discount foodstore looked at the situation in Ivybridge and saw that the car park was full, they may see that the proposal could jeopardise the town. How did Members think the proposal could work?

Cllr Tucker responded that more detail would come out when Agenda Item 14: 'Commercial Development Opportunities' was discussed (Minute E.62/18 below refers).

2. Question received from Cllr Elizabeth Silsbury:

'How are you able to justify building on a valuable town centre car parking area, which was already too small for the town's requirements, and wouldn't the proposal be detrimental and counterproductive to the investments that South Hams District Council has recently made to the Leisure Centre and Watermark facilities?'

In response, Cllr Tucker advised that the report set out the justification clearly. There was no intention to affect the sustainability of any Ivybridge facility. Footfall created by any proposed supermarket would provide potential users of the existing town centre facilities.

E.54/18 **COUNCIL TAX REDUCTION SCHEME**

A report was considered in line with the annual requirement for Councils to revisit their existing council tax support scheme and make a decision as to whether to replace or revise it.

The Lead Member for Customer First and Support Services introduced the report.

It was then:

RESOLVED

- (a) That the results to date of the Public Consultation for the Council Tax Reduction Scheme in section 4 of the report be noted; and
- (b) That the proposed approach (to adopt a 4 band scheme ranging from 85% to 25%) for the allocation and management of the new Council Tax Reduction Strategy be endorsed.

E.55/18 **BUSINESS RATES – SECTION 47 DISCRETIONARY RATES RELIEF POLICY**

The Executive considered a report that sought consideration and approval of a policy covering the ability of a Panel to consider and make Discretionary Awards of Relief against Non Domestic Rates demands, under section 47 of the Local Government Finance Act 1988.

The Deputy Leader introduced the report and, during the ensuing discussion, Members asked that a letter be written to the local MPs expressing disappointment that Rural Rate Relief was still only a mandatory 50% reduction.

It was then:

RECOMMENDED

That the Executive **RECOMMEND** to Council to approve the adoption of the Business Rates – Section 47 Discretionary Rates Relief Policy for the consideration and award of applications for Discretionary Rate Relief.

E.56/18 **CONSIDER THE CLEAN AIR STRATEGY FOLLOWING PUBLIC CONSULTATION**

Members considered a report that set out the Clean Air Strategy for South Hams and West Devon including proposed air quality action plans for Totnes, Ivybridge and Dean Prior.

In February 2018, the Council resolved to undertake a public consultation. The responses for Totnes area had highlighted that the community had additional ideas for improving air quality in the area that needed further exploration. There were significant concerns raised by Ivybridge Town Council and residents to the proposals, but no substantial alternative suggestions were brought forward.

The Lead Member for Customer First and Support Services introduced the report.

Members raised questions regarding the situation at Dean Prior, and the Senior Specialist Environmental Health advised that officers were working with Highways England but any solutions may impact on the strategic network.

In response to a question regarding the timeline for resolution of options regarding Totnes, the officer confirmed that it was hoped to have plans in place in time for the proposed adoption of the Joint Local Plan.

Finally, a Member queried the effectiveness of green travel vouchers and how they were assessed. In response, the officer advised that, under the Clean Air Strategy, it was proposed that the district council work with residents and any scheme coming forward would then be assessed by the district council.

It was then:

RECOMMENDED

That Council be **RECOMMENDED** that the Clean Air Strategy for South Hams and West Devon, including proposed air quality action plans for Ivybridge and Dean Prior, be adopted.

E.57/18 QUARTER 2 REVENUE BUDGET MONITORING 2018/2019

The Executive was presented with a report that enabled Members to monitor income and expenditure variations against the approved budget for 2018/19, and provided a forecast for the year end position.

The Deputy Leader introduced the report and responded to a number of queries.

It was then:

RESOLVED

That the forecast income and expenditure variations for the 2018/19 financial year and the overall projected overspend of £66,000 (0.7% of the total Budget £8.983 million) be endorsed.

E.58/18 CAPITAL PROGRAMME MONITORING

Members were presented with a report that advised them of progress on individual schemes within the approved capital programme, including an assessment of their financial position.

It was noted that the monitoring of the Capital Programme at Month 6 (end of September 2018) had not highlighted any significant areas of concern to report to Members and the anticipated level of expenditure was within the existing capital budget for each individual project.

The Deputy Leader introduced the report.

It was then:

RESOLVED

1. That the content of the report be noted; and
2. That Council be **RECOMMENDED** that £56,601 of the remaining 2017/18 capital programme contingency budget of £155,000 be approved to be allocated to the two capital projects set out in section 3 of the report as shown below:
 - Café, Cliff house Gardens, Salcombe £41,601
 - Air Handling Unit, Council Chamber £15,000

E.59/18 BUDGET PROPOSALS FOR 2019/20 ONWARDS UPDATE REPORT

Members were presented with a report that updated them on the forecasted budget gap for 2019/20 and set out the current options and timescales for closing the budget gap to achieve long term financial sustainability.

The Leader introduced the report. He expressed disappointment that only 15 Members had completed the online budget survey. The s151 Officer advised that an updated budget report would be circulated to Members in time for the joint Development Management and Overview and Scrutiny Panel meeting on 24 January 2019, following publication of the local government Finance Settlement expected later today.

It was then:

RESOLVED

- (i) That the forecast budget gap for 2019/20 of £0.391 million and the position for future years be noted;
- (ii) That the current options identified and timescales for closing the budget gap in 2019/20 and future years, to achieve long term financial sustainability be noted; and
- (iii) That a further budget update report be presented to the meeting on 24 January 2019 of the Joint Overview and Scrutiny Panel and the Development Management Committee for their views. (NB. this will include details of the Draft Finance Settlement).

E.60/18 RELEASE OF S106 FUNDS FOR OPEN SPACE, SPORT AND RECREATION AND ECOLOGICAL PROJECTS

Members were presented with a report that anticipated expenditure of funds already held by South Hams District Council, and those committed in s106 agreements yet to be triggered by development.

The report stated that approval would enable for a long term and comprehensive approach to be taken to projects and allow for Town and Parish Councils, community groups and other organisations to plan and phase projects and maximise chances to gain match funding from other sources.

The Lead Member for Customer First and Support Services presented the report and the Specialist Place Making responded to questions.

Members were advised of a minor correction in that Great Court Farm was showing as within Littlehempston and Marldon Ward when in fact it was situated in Berry Pomeroy parish but Totnes Ward. In addition, in relation to the restriction on pooling planning obligations, information had been received that government intended to lift this restriction, but changes to CIL regulations were awaited before the change could be applied.

It was then

RESOLVED

1. That the release or allocation of s106 funds for Open Space, Sport and Recreation projects (as set out in the presented agenda report) be approved;
2. That, where a project is identified, agreement of specific details be delegated to the relevant Specialist in consultation with the local Ward Member(s) and the Portfolio Holder for Customer First;
3. That, where an Open Space, Sport and Recreation Plan is proposed, agreement of details of specific projects within the plan be delegated to the relevant Specialist in consultation with the local Ward Members(s) and the Portfolio Holder for Customer First; and
4. That any substitution of alternative projects to those identified in Table 1 of the presented agenda report be delegated to the relevant Specialist in consultation with the local Ward Member(s) and Portfolio Holder for Customer First, subject to the alternative being in accordance with the s106 agreement and meeting pooling restrictions.

E.61/18

WRITE OFF REPORT

The Deputy Leader introduced a report that informed Members of the debt written off for revenue streams within the Revenue and Benefits service. Debts up to the value of £5,000 were written off by the s151 Officer under delegated authority. Permission was sought to write off individual debts with a value of more than £5,000.

During discussion, a Member requested that future reports include details of sums previously written off but subsequently collected.

It was then:

RESOLVED

1. That it be noted that, in accordance with Financial Regulations, the s151 Officer has authorised the write-off of individual South Hams District Council debts totalling £50,042.41 as detailed in Tables 1 and 2 of the presented agenda report; and
2. That the write off of individual debts in excess of £5,000 totalling £53,579.00, as detailed in Table 3 of the presented report, be approved.

E.62/18 COMMERCIAL DEVELOPMENT OPPORTUNITIES

Members were presented with a report that sought approval of eight projects that met the objectives of the Commercial Property Strategy as approved by full Council in September 2018 (Minute 30/18 refers).

Members had a full discussion on this report, and each of the development proposal areas was discussed in turn.

During discussion, the following points were raised:

- (a) The Leader advised that the proposals were designed to support the economy in the South Hams, and all but one of the proposals would need planning permission;
- (b) Some Members, whilst supportive of the projects in principle, raised concerns over the figures and projections contained within the presented agenda report and stated that the proposals should be subject to thorough scrutiny, and an exit strategy should be in place for each proposal. In response, the Head of Paid Service confirmed that Commercial Development was one of the areas that the Internal Auditors had been asked to include on their Audit workplan for the following year;
- (c) Members were generally supportive of the proposal in Kingsbridge;
- (d) Members were supportive of the proposal in Totnes;
- (e) Members supported the proposal for Sherford, and accepted that this was a longer term proposal;
- (f) Members discussed the proposal for Beesands, and were advised that the local parish council had withdrawn support for the scheme once it had been made clear that responsibility for the public conveniences would fall with the parish council.

The importance of public conveniences in a beach location was noted, and Members were supportive of the scheme, whilst accepting that further negotiation would need to take place with the parish council;

- (g) Members supported the proposal at Shadycombe Car Park in Salcombe;
- (h) Members had a lengthy debate on the proposal for Ivybridge. Local Ward Members had raised concerns over the potential loss of car parking, and these concerns had been echoed by the Town Council. Other Members accepted these concerns, but felt that the proposal would bring footfall into the town, which would be of benefit to the economy of the town as a whole. The Leader advised that he would propose deferral of this proposal pending further information. Members supported deferral, but in doing so noted that, if the proposal did not progress quickly, then there was a chance that the opportunity would be lost and the risk that an alternative location, away from the town centre, would be found. This would have an even more detrimental effect on the economy of Ivybridge. Finally, there was discussion around revisiting the car parking strategy to ensure that it supported Ivybridge effectively;
- (i) Members supported the proposal for the Salcombe Harbour Workshop at Batson, although the Chairman of the Harbour Board raised concerns over the annual rental costs;
- (j) Members supported the proposal for the employment units at Batson, Salcombe and a local Ward Member confirmed that there was significant interest locally in this proposal;
- (k) Members discussed the urgent item, Dartmouth Health and Wellbeing Hub, and were generally supportive of the proposal being progressed. Members also recognised the benefits not only to Dartmouth, but to the surrounding villages too.

It was then:

RESOLVED

- 1) a: That the following projects (capital investment of £14.25m as per Exempt Appendix H), including the granting of leases in excess of 15 years where applicable, subject to Recommendation 2 being approved by Full Council on 17th January 2019, be approved:
 - i. Kingsbridge, Rope Walk Resource Centre development;
 - ii. Totnes, Steamer Quay office development;
 - iii. Sherford, commercial land acquisition;
 - iv. Beesands, beach huts;

- v. Salcombe, Shadycombe Car Park capacity increase;
- vi. Workshop for Salcombe Harbour at Batson (subject to consultation with the Salcombe Harbour Board); and
- vii. Employment Units, Batson; and

1) b: That the Ivybridge, Leonard's Rd Car Park supermarket proposal be deferred to a meeting of the Executive in early 2019, with an update being provided to the meeting on 7 February 2019; and

1) c: That, in respect of the urgent item – Dartmouth Health and Wellbeing Hub, that the principle of the scheme as set out in the briefing note, which will be subject to a detailed business case being presented to Executive Members once full financial details are known, be approved and officers instructed to move to the next stage of the project so as to start design work.

[NOTE. that, in line with the Executive Procedure Rules, preventing Members of the Executive from voting on matters within their own ward, please note the following abstentions in relation to recommendation 1 a: above:

i) Cllrs Gilbert and Wingate abstained from this vote; and

v), vii) and viii) Cllr Wright abstained from these votes]

2) That Council be **RECOMMENDED** to finance the following sums as set out within the Appendices of this report, subject to project approval above in Recommendation 1:

- i. To fund the acquisition of 10 acres of employment land at Sherford from the Business Rates Retention Earmarked Reserve (as set out in Appendix C of the presented agenda report);
- ii. To allocate £500,000 from S106 funding from Land at Torhill farm, Godwell Lane, Ivybridge (27_57/1347/14/F) to fund the Ermington Employment Units (thereby freeing up £0.5m of capital receipts funding); and
- iii. To fund the £610,215 upfront borrowing costs during the construction period of the projects (as set out in Exempt Appendix H) from a combination of the Business Rates Retention Earmarked Reserve (£285,215) and the Business Rates Pilot gain for 2018/19 (£325,000).

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF E.55/18, E.56/18, E.58/18 (2), and E.62/18 (2) WHICH WERE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 17 JANUARY 2019, WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY 24 DECEMBER 2018 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

(Meeting commenced at 10.00 am and concluded at 12.35 pm)

Chairman

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**MINUTES OF THE MEETING OF THE DEVELOPMENT MANAGEMENT
COMMITTEE HELD AT FOLLATON HOUSE, TOTNES, ON WEDNESDAY,
16 JANUARY 2019**

Members in attendance * Denotes attendance			
*	Cllr I Bramble	*	Cllr J M Hodgson
*	Cllr J Brazil	*	Cllr T R Holway
*	Cllr D Brown	*	Cllr J A Pearce
*	Cllr P K Cuthbert	*	Cllr R Rowe
*	Cllr R J Foss (Vice Chairman)	*	Cllr R C Steer (Chairman)
*	Cllr P W Hitchins	*	Cllr R J Vint

Other Members also in attendance:
Cllrs Hopwood, Tucker and Wright

Officers in attendance and participating:

Item No:	Application No:	Officers:
All agenda items		COP Lead Place Making, Planning Senior Specialist, Planning Specialists, Deputy Monitoring Officer, Specialist Democratic Services
	1954/18/OPA	Specialist (Place Making)

DM.46/18 MINUTES
The minutes of the meeting of the Committee held on 12 December 2018 were confirmed as a correct record and signed by the Chairman.

DM.47/18 DECLARATIONS OF INTEREST
Members and officers were invited to declare any interests in the items of business to be considered and the following were made:

Cllr Hitchins declared a personal interest in application **1954/18/OPA**: Outline application with some matters reserved for the erection of up to 39 no. dwellings with associated vehicular access from Pinewood Drive and other enabling works – Development site at SX 513 609, Land off Pinewood Drive, Woolwell by virtue of knowing the applicant. Cllr Hitchins confirmed he did not have a disclosable pecuniary interest but advised that he would not take part in the debate. He remained in the meeting and abstained from the vote;

Cllr D Brown declared a personal interest in the following planning application that was sited within the South Devon AONB by virtue of being a Member of the South Devon AONB Partnership Committee and remained in the meeting and took part in the debate and vote thereon:

0453/18/FUL: Change of use of open space winter boat storage (B8) to designated outdoor seating area (A3) – Captain Morgans, Normandy Way, Salcombe.

DM.48/18 PUBLIC PARTICIPATION

The Chairman announced that a list of members of the public and town and parish council representatives, who had registered their wish to speak at the meeting, had been circulated.

DM.49/18 PLANNING APPLICATIONS

The Committee considered the details of the planning applications prepared by the Planning Case Officers as presented in the agenda papers, and considered also the comments of Town and Parish Councils together with other representations received, which were listed within the presented agenda reports, and **RESOLVED** that:

a) 1954/18/OPA Development site at SX 513 609, Land off Pinewood Drive, Woolwell

Parish: Bickleigh

Outline application with some matters reserved for the erection of up to 39 no. dwellings with associated vehicular access from Pinewood Drive and other enabling works

Case Officer Update: Condition 6 (relating to cycleway) to be deleted, Highway Authority have confirmed it is no longer relevant

Speakers included: Objector – Mrs Lucina George: Supporter – Mr Keith Fenwick: Ward Member – Cllr Hopwood

Recommendation: Conditional Approval

During debate, Members requested that an Informative be added to the decision relating to the housing split being what the district required, and also that the figures within the s106 were subject to clarification to ensure they were accurate in respect of the education element.

Committee Decision: Conditional Approval

Conditions:

1. Standard time limit
2. Standard outline submission of reserved matters
3. Accords with plans
4. CEMP
5. Estate roads etc to be provided in accordance with details to be agreed
6. Pre commencement – drainage strategy and flood exceedance route plan to

- be approved
7. No development shall take place until the applicant has secured the implementation of a programme of archaeological work in accordance with a written scheme of investigation which has been submitted by the applicant and approved by the Planning Authority. The development shall be carried out at all times in strict accordance with the approved scheme, or such other details as may be subsequently agreed in writing by the District Planning Authority
 8. Provision of electrical charging points
 9. Submission of a light modelling plan (showing LUX contours) at Reserved Matters stage
 10. No external lighting unless agreed by LPA
 11. Submission at RM stage of an Ecological Mitigation and Enhancement Strategy (to include impact avoidance, mitigation and enhancement proposals for construction and operational phases. The EMEs should be fully integrated with the Landscape Details/Scheme and should demonstrate net gain in biodiversity, developing the recommendations of the Ecological Appraisal)
 12. Pre-commencement submission of a LEMP detailing ongoing management and maintenance of boundary features, open space and buffer zone habitats
 13. Prior to first occupation of any residential unit, a scheme to secure mitigation of the additional recreational pressures upon the Tamar European Marine Site, shall be submitted to and approved in writing by the Local Planning Authority. The scheme shall be implemented in full prior to first occupation (supporting informative and reason given within the HRA)
 14. Landscape details, including boundary treatments and maintenance schedule to be agreed in RM and implemented in accordance with agreed timetable
 15. Provision of parking and turning prior to occupation
 16. Removal of PD – boundary treatments and hardstandings
 17. Retention of boundary treatment to buffer zone
 18. Reserved matters – Detailed design of permanent surface water management system which shall demonstrate no adverse impact on adjacent ancient woodland or proposed open space
 19. Pre-commencement – construction phase surface water management
 20. Unexpected contaminated land
 21. Tree protection measures to be agreed and implemented
 22. 15m buffer zone to be provided

b) 0453/18/FUL Captain Morgans, Normandy Way, Salcombe

Parish: Salcombe

Change of use of open space winter boat storage (B8) to designated outdoor seating area (A3)

Case Officer Update: A revised plan was submitted detailing that the proposed storage of the stackable tables and chairs would be stored on land in front of the service hatch within Captain Morgan's own land edged in blue and not on the Council owned land edged in red.

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time limit
2. Accord with Drawings
3. Tables and chairs staked away each evening
4. No tables or chairs to be placed in hatched area of land
5. Use of land between hours of 07.30 – 18.00
6. Details of proposed dustbins
7. Flood Emergency Plan
8. Public Right of Way not to be obstructed

DM.50/18 **PLANNING APPEALS UPDATE**

Members noted the list of appeals as outlined in the presented agenda report.

(Meeting commenced at 2.00pm and concluded at 4.10pm)

Chairman

Voting Analysis for Planning Applications – DM Committee 16 January 2019

Application No:	Site Address	Vote	Councillors who Voted Yes	Councillors who Voted No	Councillors who Voted Abstain	Absent
1954/18/OPA	Development site at SX 513 609, land off Pinewood Drive, Woolwell	Conditional Approval	Cllrs Brazil, Steer, Foss, Rowe, Pearce, Bramble, Holway (7)	Cllrs Cuthbert, Hodgson, Brown (3)	Cllr Hitchins (by virtue of declaring he would abstain), Cllr Vint (2)	(0)
0453/18/FUL	Captain Morgans, Normandy Way, Salcombe	Conditional Approval	Cllrs Holway, Brown, Bramble, Hitchins, Cuthbert, Vint, Brazil, Steer, Foss, Rowe, Pearce, Hodgson (12)	(0)	(0)	(0)

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**MINUTES OF THE JOINT MEETING OF THE
OVERVIEW & SCRUTINY PANEL AND THE DEVELOPMENT MANAGEMENT
COMMITTEE HELD AT FOLLATON HOUSE, TOTNES ON
THURSDAY, 24 JANUARY 2019**

Panel Members in attendance:			
* Denotes attendance		∅ Denotes apology for absence	
*	Cllr K J Baldry	*	Cllr P W Hitchins
∅	Cllr J P Birch	*	Cllr J M Hodgson
∅	Cllr J I G Blackler	*	Cllr T R Holway
*	Cllr I Bramble	*	Cllr D W May
*	Cllr J Brazil	*	Cllr J A Pearce
*	Cllr D Brown	*	Cllr J T Pennington
*	Cllr B F Cane	*	Cllr K Pringle
*	Cllr P K Cuthbert	*	Cllr R Rowe
*	Cllr R J Foss	*	Cllr M F Saltern (Chairman)
*	Cllr J P Green	*	Cllr P C Smerdon (Vice Chairman)
∅	Cllr J D Hawkins	*	Cllr R C Steer
∅	Cllr M J Hicks	∅	Cllr R J Vint

Other Members also in attendance:
Cllrs N A Hopwood, R J Tucker and S A E Wright

Item No	Minute Ref No below refers	Officers in attendance and participating
All		Senior Leadership Team, Specialist Manager, Senior Specialist – Environmental Health and Senior Specialist – Democratic Services

OSDM.1/18 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of the meeting and these were recorded as follows:-

Cllrs D Brown and J P Green declared a Personal Interest in Item 7: 'Budget Proposals for 2019/20 Onwards Update' (Minute OSDM.4/18 below refers) specifically in relation to the funding recommendations to the South Devon Area of Outstanding Natural Beauty (AONB), by virtue of being the Council's two appointed representatives on the AONB Partnership Committee. Both Members remained in the meeting and took part in the debate and vote thereon;

Cllr P C Smerdon declared a Personal Interest in Item 7: 'Budget Proposals for 2019/20 Onwards Update' (Minute OSDM.4/18 below refers) specifically in relation to the funding recommendations to the South Hams Community and Voluntary Service (CVS) by virtue of being a Council appointed representative and trustee of the South Hams CVS. Cllr Smerdon proceeded to remain in the meeting and took part in the debate and vote thereon.

OSDM.2/18 DEVELOPMENT MANAGEMENT – PERFORMANCE UPDATE

The meeting considered a report that outlined present performance of the Development Management (DM) service, factors influencing performance and the measures that were planned to secure sustainable improvement.

The report was presented in light of the formal request of the Overview and Scrutiny Panel to consider a DM service performance review at this joint meeting.

In the ensuing discussion, reference was made to:-

- (a) the proposed fast track, paid for premium planning service. Whilst the need for the Council to be more commercially minded was recognised, some Members did express their unease over the proposal to offer a premium planning service. Despite receiving assurances to the contrary, these Members still felt that a two tier service could be to the detriment of the 'standard' service;
- (b) agreed time extensions. Members were of the view that, for those applications that had been granted an agreed time extension, the Council website should be updated accordingly with a revised target date also included;
- (c) the proposal to increase service capacity. In response to a Member asking whether one additional shared Development Management officer would be sufficient bearing in mind the workload, it was **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED** that:

'A further service capacity review be undertaken by the Overview and Scrutiny Panel six months after the additional Level 5 Specialist takes up their post.'
- (d) the national shortage of Development Management officers. In recognition of the national shortage, Members were very supportive of the approach being taken by the Council to upskill its officers in order to improve the resilience of the service;
- (e) environmental mitigation measures. Some Members welcomed the comments in the published agenda report whereby further work would be undertaken to determine how the monitoring of environmental mitigation measures could be effectively undertaken by the service.

It was then:

RECOMMENDED

That the Executive **RECOMMEND** to Council that:-

1. the actions being taken to secure improved performance within the Development Management Service be endorsed;
2. as part of the 2019/20 Budget Setting process, support be given to the addition of a Level 5 Specialist, at a cost of £29,000, within the Development Management service (to be funded through planning income); and
3. in the event of recommendation 2 (above) being approved, a further service capacity review be undertaken by the Overview and Scrutiny Panel six months after the additional Level 5 Specialist takes up their post.

OSDM.3/18 REVIEW OF FEES AND CHARGES 2018/19

The meeting considered a report that set out proposals for fees and charges for all services for 2019/20.

In discussion, reference was made to:-

- (a) site sponsorship charges. As an income generation opportunity to the Council, Members were of the view that there was scope to increase the promotion and awareness of the site sponsorship activity;
- (b) memorials charges. A Member felt that the ability to impose charges on items such as planters and picnic benches should be further explored;
- (c) boat storage charges. Since the agenda report highlighted that last year had seen the first increase of the boat storage charges since 2010, a Member questioned whether the fees should be increased further than was being proposed. In response, officers confirmed that the Harbour Master had been tasked with reviewing all aspects of the boat storage charges during the next financial year;
- (d) planning enforcement related fees and charges. A Member did not feel there was any reason to justify the proposal for those fees and charges related to planning enforcement to be retained at the 2018/19 levels. In response, officers informed that the fees had only been introduced in 2018/19 and, to date, take up had been very low and this trend would not be reversed if these charges were increased. Nonetheless, the Member retained his view and **PROPOSED** that:

'The planning enforcement related fees and charges for 2019/20 be increased in line with inflation.'

This proposal was not seconded and was therefore not subject to any debate;

- (e) zoo licensing charges. An additional recommendation was **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED** that:-

'Officers undertake a review into all aspects of fees and charges related to zoo licensing with these being reported back to the joint Budget Consultation meeting in January 2020.'

It was then:

RECOMMENDED

That the Executive **RECOMMEND** to Council that:-

1. the proposed fees and charges set out for Parks, Open Spaces and Outdoor Sports (as outlined in Appendix A of the presented agenda report) be approved;
2. the proposed Environmental Health Charges (as outlined in Appendix B of the presented agenda report) be approved;
3. the proposed Fees and Charges for Development Management (as set out in Appendix C of the presented agenda report) be approved;
4. delegated authority be given to the Group Manager for Commercial Services, in consultation with the lead Executive Member, to set the Dartmouth Lower Ferry Fees to take account of market conditions, including competitor charges;
5. there are no changes to the Car Park Charges for 2019/20, except for where this has been agreed as an alternative to the implementation of Pay on Entry at public toilets (NB. a report will be presented to the Executive in this respect in due course);
6. the proposed changes to Boat Storage Charges (as set out in paragraph 3.7 of the presented agenda report) be approved;
7. delegated authority is given to the Group Manager for Commercial Services and Section 151 Officer, in consultation with the Portfolio Holder, to set the Commercial Waste charges, once all the price modelling factors are known;
8. officers undertake a review into all aspects of fees and charges related to zoo licensing, with these being reported

back to the joint Budget Consultation meeting in January 2020.

OSDM.4/18 **BUDGET PROPOSALS FOR 2019-20 ONWARDS UPDATE**

Members considered a report that asked for consideration of the draft Budget proposals for 2019-20.

In introducing this agenda item, the Chairman highlighted the need for the Meeting to focus on making recommendations to the Executive on how the Council should close the projected Budget gap of £75,007.

In discussion, the following points were raised:-

- (a) A number of Members expressed their disappointment that only half of the total membership had completed the annual budget survey;
- (b) Officers informed that the future position over New Homes Bonus funding remained unknown and it was hoped that clarity would be obtained in September 2019;
- (c) With regard to the budget pressure titled: 'Car parking costs – collection fees', it was noted that officers regularly assessed the market and assurances were given that this would continue to be reviewed to ensure that the Council was obtaining the best value for money;
- (d) To ensure accurate calculations of the Council Tax Base, the meeting was informed that strategic planning officers had been tasked with estimating the number of new dwellings that would be included with the rating list each year for the next five years;
- (e) Officers confirmed that other alternative fund managers to the CCLA Property Fund had been explored. The CCLA Fund was the only such fund where the investment did not classify as 'Capital Expenditure' and also the CCLA Fund had a five year dispensation from the Government from the fair value movements affecting the Income and Expenditure Account. In light of this, CCLA was felt to remain the most appropriate investment for the Council;
- (f) The Chairman of the Drug and Alcohol Task and Finish Group confirmed that he respected the view of the majority of Members in the Budget Survey who did not support the cost pressure that had been identified by the Group during its review;
- (g) Further to the Council decision at its meeting on 27 September 2018 to defer decisions to reduce funding to the South Devon Area of Outstanding Natural Beauty and South Devon Council for Voluntary Service (CVS) (Minute 36/18(h) refers) as part of the wider 2019/20 Budget Setting process, a lengthy debate ensued.

The overriding view of the meeting was that, whilst a number of Members did not particularly like the recommendations to reduce funding to the two organisations, there was a recognition that such difficult decisions had to be taken in the context of the Council's significant Budget pressures;

(h) Officers agreed to include with the Executive agenda papers for the meeting to be held on 7 February 2019:

- Additional details on the one-off implementation costs for the Devon aligned service for waste; and
- The list of contributions to Earmarked Reserves for 2016/17, 2017/18, 2018/19 and 2019/20.

(i) Having been informed that views were being sought on options to close the £75,007 Budget Gap, the following motion was **PROPOSED** and **SECONDED**:-

'That the following measures be implemented to close the predicted 2019/20 Budget Gap of £75,007:

- *To reduce the contribution to the Planning Policy and Major Developments from £75,000 to £50,000;*
- *To remove the £7,000 allocated to the 'Communities Together Fund'; and*
- *To reduce the contribution to the Land and Development Reserve from £50,000 to £7,000 (with the £7 being incorporated within the roundings to the nearest £'000).*

In discussion, some apprehension was raised over the proposal whereby the contribution to the Land and Development Reserve should be so drastically reduced. In reply, assurances were given that the Council would still retain the ability to use Unearmarked Reserves if it was deemed necessary during the course of the year

When put to the vote, this proposal was declared **CARRIED**.

It was then:

RECOMMENDED

That the Executive **RECOMMEND** to Council that the joint meeting supports:-

1. the increase in Council Tax for 2019/20 of £5 (as outlined at paragraph 3.4 of the presented agenda report);
2. the financial pressures amounting to £1,354,700 (as shown in Appendix A of the presented agenda report);

3. the net contributions to/from Earmarked Reserves amounting to £782,300 (as shown in Appendix E of the presented agenda report);
4. the proposed savings of £1,060,226 for 2019/20 (as shown in Appendix A of the presented agenda report);
5. the proposed use of £500,000 of New Homes Bonus funding to balance the 2019/20 Revenue Budget (as shown in Appendix E of the presented agenda report); and
6. the following measures being implemented to close the predicted 2019/20 Budget Gap of £75,007:
 - reduce the contribution to the Planning Policy and Major Developments from £75,000 to £50,000;
 - remove the £7,000 allocated to the 'Communities Together Fund'; and
 - reduce the contribution to the Land and Development Reserve from £50,000 to £7,000.

OSDM.5/18 **CAPITAL BUDGET PROPOSALS FOR 2019/20**

Members considered a report that set out the Capital Bids to the 2019/20 Capital Programme that totalled £15,291,000 and outlined a suggested way that these Bids could be funded.

In discussion, reference was made to:-

- (a) play parks – replacement of play equipment. Some concerns were raised over the unfairness of some town and parish councils replacing their own play equipment whilst others were being paid for by the District Council. In reply, it was noted that the different approach was due to which local authority owned each play park. In seeking additional information, it was agreed that an update on the last round of play park asset transfer discussions with town and parish councils would be circulated to all Members;
- (b) the 'Private Sector Renewals (including Disabled Facilities Grants)' description. A Member questioned the extent of Private Sector Renewals related work that the Council actually carried out and was therefore of the view that this description should be revised to read: 'Disabled Facilities Grants'. In response, the Section 151 Officer would ensure that more details were included on this matter in the published Executive agenda report.
- (c) an alternative 2019/20 Budget. The Leader gave a commitment that, provided that it was received sufficiently in advance of the Council Budget meeting on 21 February 2019, he would ensure that any

alternative 2019/20 Budget proposals that were submitted would be fully debated.

It was then:

RECOMMENDED

That the Joint Meeting **RECOMMEND** that the Executive **RECOMMEND** to Council that:-

1. the content of the Capital Programme Proposals for 2019/20 that totals £1,290,000 (as set out in Appendix A of the presented agenda report) be supported;
2. the content of the Capital Programme Proposals for 2019/20 that totals £14,001,000 (as set out in exempt Appendix B of the presented agenda report) be supported; and
3. the proposed financing of the 2019/20 Capital Programme of £15,291,000 from the funding sources (as set out in Section 4 of the presented agenda report) be supported.

(Meeting started at 10.00 am and concluded at 12.05 pm)

Chairman

**MINUTES OF THE MEETING OF THE
OVERVIEW & SCRUTINY PANEL
HELD AT FOLLATON HOUSE, TOTNES ON
THURSDAY, 24 JANUARY 2019**

Panel Members in attendance:			
* Denotes attendance		∅ Denotes apology for absence	
*	Cllr K J Baldry	∅	Cllr M J Hicks
∅	Cllr J P Birch	*	Cllr D W May
∅	Cllr J I G Blackler	*	Cllr J T Pennington
*	Cllr B F Cane	*	Cllr K Pringle
*	Cllr J P Green	*	Cllr M F Saltern (Chairman)
∅	Cllr J D Hawkins	*	Cllr P C Smerdon (Vice Chairman)

Other Members also in attendance:
Cllrs I Bramble, T R Holway, N A Hopwood, J A Pearce, R Rowe, R C Steer, R J Tucker and S A E Wright

Item No	Minute Ref No below refers	Officers in attendance and participating
All		Group Manager – Commercial Services; and Senior Specialist – Democratic Services
7	O&S.76/18	Head of Human Resources Practice
8	O&S.77/18	Head of Environment Services and Senior Specialist (Car Parks)
9	O&S.78/18	Community Safety Specialist and South Devon and Dartmoor Community Safety Partnership Chair
10	O&S.79/18	Community Safety Specialist
11	O&S.80/18	Group Manager – Customer First and Support Services and Head of Place Making Practice
12	O&S.81/18	Monitoring Officer
13	O&S.82/18	Group Manager – Customer First and Support Services
14	O&S.83/13	Specialist – Performance & Intelligence

O&S.73/18 MINUTES

The minutes of the meeting of the Overview and Scrutiny Panel held on 12 December 2018 were confirmed as a correct record and signed by the Chairman.

O&S.74/18 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of the meeting. These were recorded as follows:-

Cllr M F Saltern declared a Disclosable Pecuniary Interest in Item 9: 'Community Safety Partnership Annual Report' (Minute O&S.78/18 below refers) by virtue of being an advisor to the Devon & Cornwall Police and Crime Commissioner and left the meeting during consideration of this agenda item.

O&S.75/18 **PUBLIC FORUM**

In accordance with the Public Forum Procedure Rules, the Chairman informed that there were no questions that had been received for consideration during this agenda item.

O&S.76/18 **EXECUTIVE FORWARD PLAN**

The Panel was presented with the most recently published Executive Forward Plan.

(a) Employee Terms and Conditions

In accordance with the Overview and Scrutiny Procedure Rules, the Chairman advised that a Member had given notice of his wish to raise issues in connection to the 'Employee Terms and Conditions' agenda item that was scheduled to be considered by the Executive at its meeting on 14 March 2019.

The Member proceeded to ask how those members of staff who were not a member of a Trade Union were consulted with during any consultation exercise into the Employee Terms and Conditions.

In response, the Head of Human Resources Practice informed that the Council was ultimately required to reach an agreement with its Trade Unions. However, copies of all relevant consultation documents were circulated to all staff and their views were taken into account before any final agreement was reached.

(b) Public Conveniences Update

The Leader of the Council confirmed that it was intended that agenda items relating to the Public Conveniences project would be considered by the Executive at its meetings to be held on both 7 February 2019 and 14 March 2019.

O&S.77/18 **CAR PARKING PAY AND DISPLAY MACHINES – METRIC GROUP REPRESENTATIVES**

Officers informed that Metric Group representatives had declined the invitation to attend this meeting and had submitted a status report instead.

In so doing, the status report advised that '*Metric were committed to improvement and had demonstrated tangible improvement since the issue was escalated. In addition, whilst this improvement plan was being implemented, South Hams was benefiting with zero service cost.*'

During discussion, the following points were raised:-

- (a) Officers advised that they still retained a number of frustrations over the current working relationship with the Metric Group. In addition, officers had also recently been made aware that there was a rival company in the market and that most neighbouring local authorities had begun to move their service away from the Metric Group and were increasingly using the rival organisation.

In light of these comments, a motion was **PROPOSED** and **SECONDED** as follows:-

*'That the Executive **RECOMMEND** to Council that officers consider, as a matter of urgency, the appointment of a new company to provide and maintain the Council's Car Parking Pay and Display Machines, with a progress report being presented to the Overview and Scrutiny Panel at its meeting on 13 June 2019.'*

When put to the vote, the motion was declared **CARRIED**. Following this recommendation, Members requested that town and parish council clerks be notified of this general direction of travel;

- (b) When questioned, officers confirmed that one of the longest machine fix times had been at North Sands, Salcombe during the peak summer season and Members noted that this had resulted in a significant loss of income to the Council.

In conclusion, the Chairman summarised the frustrations of the Panel and stated that the existing arrangements had led to a general inadequacy of service. It was therefore hoped that the Panel's recommendation would begin the process of reversing this trend.

It was then:

RECOMMENDED

That the Executive **RECOMMEND** to Council that officers consider, as a matter of urgency, the appointment of a new company to provide and maintain the Council's Car Parking Pay and Display Machines, with a progress report being presented to the Overview and Scrutiny Panel at its meeting on 13 June 2019.

O&S.78/18 COMMUNITY SAFETY PARTNERSHIP ANNUAL REPORT

Consideration was given to a report that provided Members with the opportunity to scrutinise the work of the Community Safety Partnership (CSP) as defined by Sections 19 and 20 of the Police and Justice Act 2006 and the Crime and Disorder (Overview and Scrutiny) Regulations 2009.

In their introductions, the representatives gave particular emphasis to the following key achievements:-

- The development of extremely positive relationships with secondary schools in the South Hams, Teignbridge and West Devon areas;
- The facilitation and delivery of 'Gemma's Wardrobe' (a theatre style education package to Year 9 students in 10 secondary schools across South Devon that focused on issues related to drugs, alcohol and exploitation); and
- The successful joint application to the Home Office for £528,000 funding to address Youth Gang Culture across the South Hams, Teignbridge and Torbay areas.

During the ensuing debate, reference was made to:-

- (a) the £528,000 Home Office funding. Since the funding had to be spent before March 2020, the Panel noted that this was a key current area of focus for the Partnership. It was intended that these Funds would be spent on initiatives that included: recruiting specialist resources around the violence prevention agenda; the development of parenting support groups; and youth outreach work;
- (b) the South Devon and Dartmoor CSP. In thanking the representatives, Members were of the view that the CSP was a very effective Partnership that was making a real difference in the South Hams, Teignbridge and West Devon areas;
- (c) reporting incidents to the Police. The Council's appointed CSP representative emphasised the importance of any potentially untoward incidents being reported via the online form on the Police website;
- (d) the Annual CSP Forum Event. Prior to finalising the arrangements for the Event in May 2019, it was requested that the representatives discuss potential dates with Democratic Services Officers to ensure that there was not a clash of dates with the Member Induction Programme.

It was then:

RESOLVED

That the contents of the report be supported and the comments expressed in the recorded minutes (above) be taken forward.

O&S.79/18 SAFEGUARDING UPDATE

The Panel considered a report that provided Members with the opportunity to scrutinise and review Safeguarding practices and procedures following recommendations from Internal Audit that the Safeguarding agenda should be highlighted as a standalone topic due to its complexity.

In the ensuing discussion, the following points were raised:-

(a) It was agreed that the following areas should be included in the next safeguarding update report to the Panel:

- a summary of the number of cases;
- the types of cases;
- any trend analysis; and
- identified areas of particular risk.

(b) The Panel requested that a copy of both the recent Internal Audit report into the Council's safeguarding practices and procedures and the latest version of the Corporate Safeguarding Policy should be circulated to all Members.

It was then:

RESOLVED

1. That safeguarding be reviewed by the Panel as an annual standing agenda item;
2. That the following items also be included in the next safeguarding update report:
 - a summary of the number of cases;
 - the types of cases;
 - any trend analysis; and
 - identified areas of particular risk;
3. That Members be sighted on how to meet our safeguarding duties; the measures in place and the associated risks;
4. That Members support Safeguarding Briefings for new and returning Members after the May 2019 local elections; and
5. That Members support a Safeguarding Policy Review in 2019/20.

O&S.80/18 PROCESS FOR SPENDING SECTION 106 FUNDING FOR AFFORDABLE HOUSING

The Panel considered a report that provided Members with a review of the process for spending funds raised through Section 106 Agreements.

The report was presented in light of some concerns being expressed by Members at the Executive meeting held on 14 June 2018 over the process that enabled for monies that had been received for a development in one town/parish to be spent elsewhere in the South Hams. As a consequence, the Executive had resolved (Minute E.04/18 refers):

'That the Overview and Scrutiny Panel be asked to undertake a review into the process for Spending Section 106 Deposits for Affordable Housing.'

In the ensuing discussion, the overriding view was that the process had to be as flexible as was practically possible and it was therefore **PROPOSED** and **SECONDED** as follows:-

*'That the Panel is content with the current process for spending Section 106 Affordable Housing monies and therefore **RECOMMENDS** to the Executive that the current process is retained.'*

The majority of Members were supportive of retention of the status quo and, when put to the vote, this recommendation was therefore declared **CARRIED**.

It was then:

RESOLVED

That the Panel is content with the current process for spending Section 106 Affordable Housing monies and therefore **RECOMMENDS** to the Executive that the current process is retained.

O&S.81/18 **REVIEW OF PROCEDURE FOR DEALING WITH STANDARDS COMPLAINTS**

The Panel considered a report that presented a review into the Council's 'Dealing with Standards Complaints' procedure. The report noted that the procedure set out how the Council dealt with complaints that District Councillors and Parish/Town Councillors had broken their respective Members' Code of Conduct.

In discussion, the following points were raised:-

- (a) The Panel was of the view that any new procedures should formally take effect following the May 2019 local elections. Furthermore, the need to arrange Code of Conduct training for town and parish councillors following the local elections was also recognised;
- (b) Whilst the new procedures were welcomed, some Members felt that, without any meaningful sanctions, the process lacked credibility. In accepting the point, the Chairman advised that ongoing representations to this effect were being made to Central Government;

- (c) As a general point, the lead Executive Member was of the view that the Council's legal service was far too accessible to town and parish councils. In most instances, it was felt that town and parish councils should in fact be contacting the Devon Association of Local Councils (and not the District Council) for advice.

It was then:

RESOLVED

That the Council be **RECOMMENDED** that, with effect from May 2019:

1. the revised 'Dealing with Standards Complaints' procedure (as attached at Appendix A of the presented agenda report) be adopted; and
2. the review of the associated Hearing procedure be delegated to the Monitoring Officer, in consultation with the Chairman of the Overview and Scrutiny Panel.

O&S.82/18 **CORPORATE STRATEGY**

The Panel considered a report that detailed progress made to date in developing key performance indicators. The report also recommended next steps to improving the reporting of the Corporate Strategy.

In discussion, there was widespread support for the proposed way forward. Members recognised the need for the new Council (post May 2019) to inherit a Strategy, but also welcomed the assurances that they would still be given the opportunity to shape and review the themes once the new Council had been established.

With regard to the Peer Review report, the Head of Paid Service informed that she hoped that it would be published on Friday, 25 January 2019.

It was then:

RESOLVED

That the Executive be **RECOMMENDED** to endorse the proposed actions (as detailed in Section 5 of the presented agenda report).

O&S.83/18 **Q3 2018/19 PERFORMANCE REPORT**

A report was considered that presented the performance measures for Quarter 3 in 2018/19.

During discussion, reference was made to:-

- (a) SH-P4 'Major on target without extension of time'. In light of some confusion over the presentation of this indicator, it was agreed that greater detail and explanation should be included in future performance reports for this measure;
- (b) call volume numbers. Whilst the reduction in call volume numbers was welcomed and was consistent with the views of the Peer Review Team whereby the Council should reduce its number of communication channels, a Member felt that it would be beneficial to develop a performance indicator that related to Channel Shift. Such was the actual costs to the Council that were associated with face to face and telephone contact that the Panel requested that the promotion and emphasis given to Channel Shift should be revisited.

It was then:

RESOLVED

That the performance levels against target communicated in the Balanced Scorecard and the performance figures supplied in the Background and the Exception report be noted and the comments expressed in the recorded minutes (above) be taken forward.

O&S.84/18 TASK AND FINISH GROUP UPDATES

Since there were no active Task and Finish Groups at this time, there were no updates given to this Panel meeting.

O&S.85/18 ACTIONS ARISING / DECISIONS LOG

The contents of the latest version of the Log was presented for consideration and were subsequently noted without any further comment or amendment.

O&S.86/18 DRAFT ANNUAL WORK PROGRAMME

The Panel noted the contents of its latest Annual Work Programme and requested that the Peer Review Action Plan be scheduled for consideration by the Panel at its 28 March 2019 meeting.

(Meeting started at 2.00 pm and concluded at 3.50 pm)

Chairman

**MINUTES OF THE MEETING OF
THE SALCOMBE HARBOUR BOARD
HELD AT CLIFF HOUSE, SALCOMBE ON MONDAY, 28 JANUARY 2019**

Members in attendance			
* Denotes attendance		∅ Denotes apology for absence	
∅	Cllr J Brazil (Chairman)	*	Ms A Jones
*	Cllr J A Pearce	*	Mr M Long
*	Cllr K R H Wingate	∅	Mr M Mackley
*	Cllr S A E Wright	*	Mr H Marriage (Vice-Chairman)
		∅	Mr I Stewart
		*	Mr M Taylor

Item No	Minute Ref No below refers	Officers in attendance and participating
All agenda items		Head of Paid Service; Salcombe Harbour Master; Head of Assets Practice; Head of Finance Practice; and Senior Specialist - Democratic Services

SH.20/18 MINUTES

The minutes of the meeting of the Salcombe Harbour Board held on 17 September 2018 were confirmed as a correct record and signed by the Chairman, subject to inclusion of the following amendment to minute SH.18/18 *‘Water Quality – Verbal Update’* discussion point 7:

*‘As a consequence, the organisation recognised the value of local knowledge and was particularly keen to improve dialogue with local authorities and **the Harbour Authority.**’*

SH.21/18 DECLARATIONS OF INTEREST

Members were invited to declare any interests in the items of business to be considered during the course of the meeting, and the following were made:

Cllr Wright, Ms Jones, Mr Marriage and Mr Taylor each declared a disclosable pecuniary interest in all related agenda items by virtue of having moorings or paying harbour dues to the Council. As a result of the Solicitor granting each Board Member a dispensation, they were all able to take part in the debate and vote on any related matters (Minute SH.3/18 above refers); and

Ms Jones declared a potential Disclosable Pecuniary Interest in Item 11: *‘Decision Gateway: Harbour Workshop Development, Batson Quay’* (Minute SH.27/18 below refers) and specifically the employment units aspect of the project. Since the agenda item was focused on the potential new Harbour Workshop proposals, Ms Jones remained in the meeting and took part in the debate and vote thereon.

SH.22/18 **PUBLIC QUESTION TIME**

In accordance with the Public Question Time Procedure Rules, the following member of the public addressed the Board:

(a) Mr John Dodwell (Kingsbridge Resident)

Mr Dodwell addressed the Board and informed that he was currently on the waiting list for a Mooring at Kingsbridge Pontoon. In expressing his frustrations as a longstanding local resident, Mr Dodwell was of the view that the current Moorings Policy that was based upon the payment of Council Tax was fundamentally flawed.

In reply, the Vice-Chairman recognised that this was an issue that the Board had wrestled with on numerous occasions and was always one of the main areas of discussion when the Policy was being reviewed. The Vice-Chairman had offered to attend the next meeting of the Kingsbridge Estuary Boat Club to discuss this issue further and, whilst the Board considered the current approach to be the most appropriate at this present time, it was frequently reviewed by Members.

SH.23/18 **FEEDBACK FROM HARBOUR COMMUNITY FORUMS**

The Board received verbal update reports from those Members who attended the Harbour Community Forums. The updates were given as follows:

Salcombe Kingsbridge Estuary Conservation Forum (SKECF)

The representative provided an update from the last SKECF meeting that was also attended by the Assistant Harbour Master, Moorings and Administration. In so doing, the representative highlighted that:

- the Forum had raised a number of issues on the Harbour Guide;
- an increase in green algae on the Estuary had been identified;
- there being a water discharge issue at Saltstone that had been reported to the Assistant Harbour Master;
- the pontoons at South Pool had been well received. However, a comment had been raised that they were incomplete on the edge;
- dog fouling on the pontoons had been recognised as a cause for concern by the Forum;
- boat speeding on the Estuary remained prevalent;
- the gate at New Bridge was not being re-locked correctly; and
- the Forum had expressed its widespread support and praise for the Harbour Authority and Board.

South Devon & Channel Shellfishermen

No issues were raised.

Kingsbridge and Salcombe Marine Business Forum

The representative advised that early indications were that the Salcombe area was going to experience a particularly busy summer season this year.

Kingsbridge Estuary Boat Club (KEBC)

Reference was made to the public question raised by Mr Dodwell (Minute SH.22/18(a) above refers). Whilst the current Moorings Policy was not considered to be perfect, the majority of Members were of the view that the current method of allocations was the only enforceable system currently available. As a result, there was deemed to be no current appetite amongst Members to re-visit this aspect of the Policy. In reply to a question, the Harbour Master confirmed that, at the time a Mooring was being allocated, the office requested that the customer provide a copy of their Council Tax bill as proof of residency.

East Portlemouth

No issues were raised.

SH.24/18

REVENUE BUDGET MONITORING 2018/2019

The Board considered a report that updated Members on the income and expenditure variations against the approved budget and forecasted the year-end position.

During the subsequent debate, the following points were raised:-

- (a) To reflect the increases in price, the Board noted that the Chain Budget had been increased by £4,000 for 2019/20;
- (b) It was confirmed that the Harbour Guide was produced and published in-house by the Council's Design Team and Digital Mail Room;
- (c) Whilst it was still to be finalised, the Harbour Master advised that the Authority was in the process of changing provider that would lead to a healthy saving in terms of its Credit Card Handling Charges;
- (d) A Member stated his surprise that, despite an exceptionally busy year, the Authority was only projecting a small surplus of £100. In reply, the Harbour Master informed that, due to a software glitch resulting in a coding error that had only been identified this year, around £20,000 of income relating to 2018/19 had been recognised in 2017/18;

In conclusion, a number of Members wished to put on record their thanks to the Finance officers for delivering such a comprehensive report.

It was then:

RESOLVED

That the forecast income and expenditure variations for the 2018/19 Financial Year and the overall projected underspend of £100 (essentially a breakeven position) be noted.

SH.25/18 **HARBOUR MASTER'S REPORT**

Members were presented with a report that provided an update to the Board on a number of recent issues that had affected the Harbour.

In discussion, reference was made to:-

- (a) the Pontoon project. Members were pleased to see that the old pontoons had been cleared away as part of this project;
- (b) the Fish Quay project. With regard to the installation of the wooden fendering throughout the whole of the frontage, the Board welcomed this safety feature for users of the Fish Quay;
- (c) the Performance Indicators. In welcoming the set of Indicators, Members requested that these be retained and unchanged for the foreseeable future to enable for the Board to be able to analyse and compare performance trends;
- (d) the draft Moorings Policy. Members identified a few inconsistencies in the wording and language in the draft Policy and it was therefore **PROPOSED** and **SECONDED** that:-

*'Council be **RECOMMENDED** to approve the Moorings Policy (as set out at Appendix 3 of the presented agenda report), subject to delegated authority being given to the Harbour Master, in consultation with the Chairman of the Board, to make any non-substantive amendments prior to publication.'*

When put to the vote, this proposal was declared **CARRIED** and, once finalised, the Policy would be re-circulated to the Board Members;

- (e) the Public Conveniences. It was noted that numerous discussions had taken place with local stakeholders over the proposed way forward for the Public Conveniences project and there had been no negative responses received. Members were supportive of the proposed way forward and the hard work and role played by Cllrs Brazil and Pearce and Mr Long to reach this point was praised by the Board;

The Board felt that the Harbour Authority was currently performing to an exceptionally high standard and this was reflected in the amount of positive customer feedback that was being received.

It was then:

RESOLVED

1. That the report be noted and endorsed;
2. That, in the event of the Council's Executive approving the transfer of all six public conveniences to Salcombe Town Council (with effect from 1 October 2019), the Board support the following budgetary principles:

- a. For 2019/20, the £5,000 budget pressure be funded from Board Reserves;
- b. For 2020/21, the £10,000 budget pressure be built into the Board's Base Budget; and
- c. For 2021/22, the £5,000 budget pressure be built into the Board's Base Budget; and

3. That Council be **RECOMMENDED** to approve the Moorings Policy (as set out at Appendix 3 of the presented agenda report), subject to delegated authority being given to the Harbour Master, in consultation with the Chairman of the Board, to make any non-substantive amendments prior to publication.

(NOTE. Cllrs Wingate and Wright abstained from the vote on recommendation 2 (above) since they were also Members of the Council's Executive).

SH.26/18 **EXCLUSION OF PUBLIC AND PRESS**

RESOLVED

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item of business as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved.

SH.27/18 **BATSON WORKSHOPS – DECISION GATEWAY**

Members proceeded to consider an exempt report that provided an update on the Batson Workshops project and sought a clear direction of travel from the Board.

In discussion, some Members felt that the Board had been given insufficient time (and detailed information) to be able to reach an informed position on such an important matter at this meeting and it was therefore **PROPOSED** and **SECONDED** that:-

'A Board Workshop on the project be convened before an additional Harbour Board meeting be convened to formally consider this matter further.'

In discussion on this motion, officers advised that the project timescale was already challenging and any potential time delay would result in the anticipated savings from the linking of the two projects not being realised.

(At 4.40pm and, at the request of the proposer and seconder of the motion, the meeting was formally adjourned before it was reconvened at 4.50pm).

Once reconvened, the proposer withdrew his motion but wished to make the following points:

- Whilst recognising that the employment units were ultimately a commercial decision for the Council, the Member asked that the comments made during the discussion by the Head of Assets Practice be formally recorded whereby:
 - o 50% of the costs of the employment units was to be funded through Section 106 monies; and
 - o the average rental cost per unit would be affordable for local businesses, but at a market rate (e.g. equating to £5,000 per annum (or in the region of £8 per square foot));
- It was his wish to **PROPOSE** an amendment to the wording of recommendation 2 in the presented agenda report to read as follows:-

*'That the Board **RECOMMEND** to the Council to commit to the repayment of the cost of the development (capped at £800,000) which is capped at £36,000 expenditure per year for the lifetime of the loan.'*

This amendment was subsequently **SECONDED** and when put to the vote was declared **CARRIED**.

- The Member also **PROPOSED** an additional recommendation to those listed in the presented agenda report that read as follows:-

'request that a formal update on the Batson project be scheduled on to the agenda for the next Board meeting on 1 April 2019 and, in the meantime, ask that Council Officers provide the Board with a copy of the cost plan from which the Budget was derived.'

This addition was subsequently **SECONDED** and when put to the vote was declared **CARRIED**.

It was then:

RESOLVED

That the Board:

1. approve the project to develop a new Workshop at Batson Quay for the sole use of the Harbour Authority;
2. **RECOMMEND** to the Council to commit to the repayment of the cost of the development (capped at £800,000) which is capped at £36,000 expenditure per year for the lifetime of the loan;
3. note that, in the event of the Board subsequently changing its mind, any abortive costs associated with the projects would need to be funded by the Harbour Authority;

4. note that, in the unlikely event that the anticipated build cost exceeds the £1 million project budget, the Scheme will be put on hold and the Board consulted on the possible options going forward; and
5. request that a formal update on the Batson project be scheduled on to the agenda for the next Board meeting on 1 April 2019 and, in the meantime, ask that Council Officers provide the Board with a copy of the cost plan from which the Budget was derived.

(Meeting commenced at 2.30 pm and concluded at 5.10 pm)

Chairman

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**MINUTES OF A MEETING OF THE AUDIT COMMITTEE
HELD AT FOLLATON HOUSE, TOTNES ON THURSDAY 31 JANUARY 2019**

Members in attendance			
* Denotes attendance			
∅ Denotes apology for absence			
*	Cllr I Bramble	*	Cllr J A Pearce (Chairman)
∅	Cllr J Brazil	*	Cllr J T Pennington (Vice-Chairman)
*	Cllr T R Holway		

Members also in attendance:
Cllrs N A Hopwood and S A E Wright

Item No	Minute Ref No below refers	Officers and Visitors in attendance
All Items		Section 151 Officer; Head of Practice - Finance; Internal Audit Manager; Head of Practice: IT; Senior Specialist – Democratic Services; Specialist – Democratic Services; and Grant Thornton representatives

A.34/18 MINUTES

The minutes of the meeting of the Committee held on 11 October 2018 were confirmed as a correct record and signed by the Chairman.

A.35/18 URGENT BUSINESS

The Chairman advised that she had no urgent items to be raised at this meeting.

A.36/18 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of the meeting, but none were made.

A.37/18 HOUSING BENEFIT GRANT CLAIM

The Committee considered the 2017/18 annual report from KPMG that outlined the work undertaken by the organisation on the certification of Housing Benefit Subsidy claims and returns.

In discussion, the Committee was informed that it was a particularly rare achievement for any local authority to obtain an ‘unqualified without amendment’ certification and Members asked that their thanks to the Benefits Team be formally recorded.

A.38/18 GRANT THORNTON – EXTERNAL AUDIT PLAN

The Committee considered the Grant Thornton External Audit Plan that provided an overview of the planned scope and timing of the statutory audit of the Council.

In discussion, it was confirmed that the planning materiality level that was determined by Grant Thornton was both benchmarked and reviewed on an ongoing basis.

RESOLVED

That the contents of the External Audit Plan be noted.

A.39/18 GRANT THORNTON – AUDIT PROGRESS REPORT AND SECTOR UPDATE

Members were presented with a paper that provided the Committee with a report on progress from Grant Thornton in delivering their External Auditor responsibilities.

In particular, the paper included:

- a summary of emerging national issues and developments that could be relevant to the Council; and
- a number of challenge questions in respect of these emerging issues that the Committee may wish to consider.

During discussion, reference was made to:-

- (a) the potential to co-opt Members on to the Committee. The ability for a Council to co-opt a Member (or Members) on to its Audit Committee was noted. Members felt that it was appropriate for this to be explored further and it was agreed that this should be considered further by the Political Structures Working Group;
- (b) the impact of Brexit. The Section 151 Officer advised that the Senior Leadership Team regularly considered the potential impact of Brexit on the Council. Whilst the emerging picture was being watched particularly closely, it was noted that, wherever possible, the local authorities in Devon were adopting a co-ordinated countywide approach to Brexit that was being led by Devon County Council. Furthermore, the potential impact on the Council's investments was recognised and the Committee felt it to be very unfortunate that the next Triennial Pension Revaluation was on 31 March 2019 (i.e. two days after the anticipated Brexit date).

It was then:

RESOLVED

1. That the Grant Thornton Audit Progress Report and Sector Update be noted; and
2. That the Political Structures Working Group be tasked with considering the merits of appointing a Co-Opted Member (or Members) on to the Audit Committee.

A.40/18

PENSIONS STRATEGY (TRIENNIAL ACTUARIAL REVALUATION)

A paper was considered that sought to instruct officers to engage in early dialogue with the Devon Pension Fund and the actuaries (Barnett Waddingham), ahead of the next Triennial Pension Revaluation in 2019.

In discussion, reference was made to:-

- (a) the significance of the issue. The view was expressed that this matter would be one of the most significant issues for the Council to consider over the next twelve months. As a consequence, it was felt that newly elected Members should be briefed soon after the May 2019 local elections;
- (b) the Council having a degree of influence. The Committee was informed that Devon County Council was receptive to the Devon District Councils being able to input into some of the assumptions that underpinned the Pensions Strategy;

Since the Committee sought clarification on the Exempt Appendix A (Specialist Pensions Advice), it was **PROPOSED** and **SECONDED** and on being put to the vote was declared **CARRIED**:-

RESOLVED

That, in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following items of business as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved.

A brief discussion on the Current Funding Agreement section of the exempt Appendix ensued. The Section 151 Officer gave an assurance that she would contact KPMG to provide further information on specific elements of this section before then forwarding the response to the Committee outside of this meeting.

It was then **PROPOSED** and **SECONDED** and on being put to the vote was declared **CARRIED**:-

RESOLVED

That the public and press be re-admitted to the meeting.

It was then:

RESOLVED

1. That the content of the report be noted; and
2. That officers be instructed to engage in early dialogue with the Devon Pension Fund and the actuaries (Barnett Waddingham), ahead of the next Triennial Pension Revaluation in 2019, to further assess the Council's options.

A.41/18 UPDATE ON PROGRESS ON THE 2018/19 INTERNAL AUDIT PLAN

Consideration was given to a report that sought to inform Members of the principal activities and findings of the Council's Internal Audit team for 2018/19 to 31 December 2018 by:

- showing the progress made by Internal Audit against the 2018/19 approved annual Internal Audit Plan; and
- highlighting any revisions to the 2018/19 Internal Audit Plan.

In discussion, reference was made to:-

- (a) the 'Housing – Homelessness' and 'Depots and Stores Follow-up' Audit findings. Members raised some concerns over the conclusions of these recent audits and it was felt that some of the management responses were disappointing.

Specifically with regard to the 'Depots and Stores Follow-up' Audit, Members expressed their concerns over the separate financial systems and the difficulty in reconciling fuel costs and usage. As a result of these concerns, the Committee requested that a further follow-up Audit of Depot and Stores be included in the 2019/20 Internal Audit Plan;

- (b) the work undertaken by the Internal Audit Team. The Committee paid tribute to the excellent work undertaken by the Internal Audit service. In the future, Members also asked that the reporting template for Internal Audit findings be standardised, with it being made easier to cross reference the Audit Findings with the related Management Responses.

It was then:

RESOLVED

1. That the progress made against the 2018/19 internal audit plan (and any key issues arising) be approved; and
2. That a further follow-up Audit of Depots and Stores be included in the 2019/20 Internal Audit Plan.

A.42/18 **TREASURY MANAGEMENT MID-YEAR REPORT**

Members were presented with a report that outlined the mid-year Treasury Management position for the Council.

In discussion, the Committee welcomed the investment return from the CCLA Fund and urged officers to continue to be ambitious in their Treasury Management activities.

It was then:

RESOLVED

That the contents of the report be endorsed.

A.43/18 **REVIEW OF THE COUNCIL'S CONSTITUTION: RULES OF PROCEDURE AND SCHEME OF MEMBERS' ALLOWANCES**

The Committee considered a report that outlined proposed amendments to Part 4: 'Rules of Procedure' and Part 6: 'Scheme of Members Allowances' of the Council Constitution.

During discussion, the following points were raised:-

- (a) Officers assured the Committee that, once approved by the Council, the format of the Constitution would be revised and would include links to result in the document being more reader friendly;
- (b) With regard to voting at Development Management Committee meetings, Members highlighted the following rule:

2.5 *Voting*

In view of the quasi – judicial nature of much of the business of the Committee there is a general obligation for Councillors to remain for the whole of the debate or to have participated in any previous consideration on any particular application and certainly to refrain from voting if either of these essential requirements have not been achieved.

Since this rule had been adopted before the new Committee Site Inspection process (i.e. whereby inspections were usually carried out before a planning application was determined) had been adopted and the case officer agenda reports and presentations were so extensive, the Committee felt that it was timely for this Rule to be reviewed. It was therefore **PROPOSED** and **SECONDED** and on being put to the vote declared **CARRIED** that:-

‘The Development Management Committee be asked to review Procedure Rule 2.5: Voting.’

- (c) Audit Committee related training. Such was the importance of training for Audit Committee Members, that it was **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED** that:

‘All Members of the Audit Committee will be expected to attend relevant training sessions as and when they are provided.’

It was then:

RESOLVED

That the Committee **RECOMMEND** to Council that the amendments to Part 4 (Rules of Procedure) and Part 6 (Scheme of Members’ Allowances) of the Council Constitution (as summarised in paragraph 2.5 of the presented agenda report and fully outlined at Appendix A) be approved and formally adopted subject to:-

1. The Development Management Committee be asked to review Procedure Rule 2.5: Voting; and
2. An additional Rule being included whereby all Members of the Audit Committee will be expected to attend relevant training sessions as and when they are provided.

A.44/18 AUDIT COMMITTEE WORK PROGRAMME 2018/19

Members were presented with the latest version of the Committee Work Programme and noted its contents without any comment.

A.45/18 EXCLUSION OF PUBLIC AND PRESS

RESOLVED

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following items of business as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved.

A.46/18 **ICT CLOUD STRATEGY**

The Committee considered an exempt report that provided an update on the Council's ICT Cloud Strategy.

It was then:

RESOLVED

That the update report be noted.

A.47/18 **ICT PROCUREMENT – VERBAL UPDATE**

The Committee considered an exempt verbal update on the ICT Procurement project.

Upon the conclusion of the update, the Committee supported the direction of travel being pursued and requested a further update at its next meeting on 21 March 2019.

It was then:

RESOLVED

That the update report be noted and a further report be presented to the next Committee meeting on 21 March 2019.

(Meeting commenced at 10.00 am and finished at 11.25 pm)

Chairman

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**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD AT FOLLATON HOUSE ON THURSDAY 7 FEBRUARY 2019**

Members in attendance:			
* Denotes attendance			
∅ Denotes apologies for absence			
*	Cllr H D Bastone	*	Cllr R J Tucker (Chairman)
*	Cllr R D Gilbert	*	Cllr S A E Wright (Vice Chairman)
*	Cllr N A Hopwood	*	Cllr K R H Wingate

Also in attendance and participating		
Item 7	E.67/18	Cllrs Baldry and Pearce
Item 10	E.70/18	Cllrs Baldry and Pearce
Item 11	E.71/18	Cllrs Hodgson and Vint
Item 12	E.72/18	Cllrs Baldry, Green and Pennington
Item 13	E.73/18	Cllrs Baldry, Brazil, Hodgson and Pearce
Item 14	E.74/18	Cllr Green
Item 15	E.75/18	Cllr Pearce
Item 16	E.76/18	Cllrs Baldry, Brazil, Green, Hodgson, Pearce and Vint

Also in attendance and not participating
Cllrs Bramble, Holway, Rowe and Steer

Officers in attendance and participating		
All items		Group Manager Customer First and Support Services, s151 Officer and Specialist – Democratic Services
Item 7	E.67/18	Commissioning Manager
Item 13	E.73/18	Commissioning Manager (Waste), Group Manager Commercial Services
Item 14	E.74/18	Senior Specialist, Environmental Health
Item 16	E.75/18	Group Manager Commercial Services, Environment Services Head of Practice
Item 17	E.76/18	Group Manager Commercial Services, Environment Services Head of Practice

E.63/18 MINUTES

The minutes of the Executive meeting held on 13 December 2018 were confirmed as a true and correct record and signed off by the Chairman.

By way of an update, the Chairman made reference to minute E.62/18: Commercial Development Opportunities, whereby it was stated that an update would be provided at the meeting on 7 February 2019 in respect of the proposals for Leonard’s Road Car Park, Ivybridge, and he advised that a full report would be presented to the meeting of the Executive on 14 March 2019.

E.64/18 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of this meeting but none were made.

It should be noted that in light of Executive Procedure Rule 1.9.4 (below):

'Where a decision relates to an Executive Members' local ward, that Member may take part in the discussion, but will abstain from any vote on the item.'

the Council's Deputy Monitoring Officer had previously granted the Leader and Cllrs Bastone, Gilbert and Wright a Dispensation to be able to take part in the vote on agenda items relating to the Public Toilet Review (Agenda Item 16: 'Public Toilet Project' (Minute E.76/18 below refers). It was noted that this Dispensation would be in force until the next Annual Council meeting in May 2019.

E.65/18 PUBLIC QUESTION TIME

It was noted that no public questions had been received in accordance with the Executive Procedure Rules, for consideration at this meeting.

E.66/18 EXECUTIVE FORWARD PLAN

Members were presented with the Executive Forward Plan setting out items on the agenda for Executive meetings for the next four months and noted its content without any comment.

E.67/18 CUSTOMER SATISFACTION – VERBAL UPDATE

The Lead Executive Member for Customer First provided a verbal update on the actions being implemented by officers to address customer satisfaction issues. He provided a number of statistics in respect of call volumes that evidenced how numbers were reducing, enabling more calls to be answered inside target timescales. The website now had a feedback button for customers, and solutions were being investigated that would enable customers to be contacted to assess feedback. There was a focus on the high volume areas including waste. In Development Management, measures were being introduced that would see more communication with customers. Next steps were to make status updates available as an online function. A new process was being rolled out in respect of how complaints were dealt with, and more detail would be shared in the coming months.

One Member stated that it would have been helpful to have received the update as a written report in advance of this meeting. Another Member asked that Ward Members and Town and Parish Councillors have access to the status updates on planning applications.

Finally, the Lead Member for Customer First confirmed that this had been an interim update and a full report would be presented to the Overview and Scrutiny Panel in due course.

E.68/18 **REPORTS OF OTHER BODIES**

RESOLVED

That the following be received and that any recommendations contained therein be approved:

a) **Joint Development Management and Overview and Scrutiny Panel – 24 January 2019**

i. **OSDM.2/18 DEVELOPMENT MANAGEMENT – PERFORMANCE UPDATE**

It was then:

RESOLVED

That Council be **RECOMMENDED** that:

1. the actions being taken to secure improved performance within the Development Management Service be endorsed;
2. as part of the 2019/20 Budget Setting process, support be given to the addition of a Level 5 Specialist, at a cost of £29,000, within the Development Management service (to be funded through planning income); and
3. in the event of recommendation 2 (above) being approved, a further service capacity review be undertaken by the Overview and Scrutiny Panel six months after the additional Level 5 Specialist takes up their post.

ii. **OSDM.3/18 REVIEW OF FEES AND CHARGES**

RESOLVED

That Council be **RECOMMENDED** that:

1. the proposed fees and charges set out for Parks, Open Spaces and Outdoor Sports (as outlined in Appendix A of the presented agenda report) be approved;
2. the proposed Environmental Health Charges (as outlined in Appendix B of the presented agenda report) be approved;
3. the proposed Fees and Charges for Development Management (as set out in Appendix C of the presented agenda report) be approved;
4. delegated authority be given to the Group Manager for Commercial Services and Section 151 Officer, in consultation with the lead Executive Member, to set the Dartmouth Lower Ferry Fees to take account of market conditions, including competitor charges;
5. there are no changes to the Car Park Charges for 2019/20, except for where this has been agreed as an alternative to the implementation of Pay on Entry at public toilets (NB. a report will be presented to the Executive in this respect in due course);
6. the proposed changes to Boat Storage Charges (as set out in paragraph 3.7 of the presented agenda report) be approved;
7. delegated authority is given to the Group Manager for Commercial Services and Section 151 Officer, in consultation with the Portfolio Holder, to set the Commercial Waste charges, once all the price modelling factors are known; and
8. officers undertake a review into all aspects of fees and charges related to zoo licensing, with these being reported back to the joint Budget Consultation meeting in January 2020.

iii. **OSDM.4/18 BUDGET PROPOSALS FOR 2019/20 ONWARDS UPDATE**

The Executive noted the recommendations under this item for consideration with the Budget report later on the agenda (Item 9: Revenue Budget Proposals 2019/20)

It was then:

RESOLVED

That Council be **RECOMMENDED** that the joint meeting supports:-

1. the increase in Council Tax for 2019/20 of £5 (as outlined at paragraph 3.4 of the presented agenda report);
2. the financial pressures amounting to £1,354,700 (as shown in Appendix A of the presented agenda report);
3. the net contributions to/from Earmarked Reserves amounting to £782,300 (as shown in Appendix E of the presented agenda report);
4. the proposed savings of £1,060,226 for 2019/20 (as shown in Appendix A of the presented agenda report);
5. the proposed use of £500,000 of New Homes Bonus funding to balance the 2019/20 Revenue Budget (as shown in Appendix E of the presented agenda report); and
6. the following measures being implemented to close the predicted 2019/20 Budget Gap of £75,007:
 - reduce the contribution to the Planning Policy and Major Developments from £75,000 to £50,000;
 - remove the £7,000 allocated to the 'Communities Together Fund'; and
 - reduce the contribution to the Land and Development Reserve from £50,000 to £7,000.

iv. OSDM.5/18 CAPITAL BUDGET PROPOSALS FOR 2019/20

The Executive noted the recommendations under this item for consideration with the Budget report later on the agenda (Item 11: Revenue Budget Proposals 2019/20 Onwards Update Report)

It was then:

RESOLVED

That Council be **RECOMMENDED** that the joint meeting supports:-

1. the content of the Capital Programme Proposals for 2019/20 that totals £1,290,000 (as set out in Appendix A of the presented agenda report);
2. the content of the Capital Programme Proposals for 2019/20 that totals £14,001,000 (as set out in exempt Appendix B of the presented agenda report); and
3. the proposed financing of the 2019/20 Capital Programme of £15,291,000 from the funding sources (as set out in Section 4 of the presented agenda report).

i) **O&S.77/18 CAR PARKING PAY AND DISPLAY MACHINES – METRIC GROUP REPRESENTATIVES**

RESOLVED

That the Council be **RECOMMENDED** that officers consider, as a matter of urgency, the appointment of a new company to provide and maintain the Council's Car Parking Pay and Display Machines, with a progress report being presented to the Overview and Scrutiny Panel at its meeting on 13 June 2019.

ii) **O&S.80/18 PROCESS FOR SPENDING SECTION 106 FUNDING FOR AFFORDABLE HOUSING**

RESOLVED

That the current process for spending Section 106 Affordable Housing monies be retained.

iii) **O&S.82/18 CORPORATE STRATEGY**

RESOLVED

That the proposed actions (as detailed in Section 5 of the presented agenda report) be endorsed.

E.69/18 **QUARTER 3 REVENUE BUDGET MONITORING 2018/2019**

The Executive was presented with a report that enabled Members to monitor income and expenditure variations against the approved budget for 2018/19, and provided a forecast for the year end position.

The Deputy Leader introduced the report and responded to a number of queries.

It was then:

RESOLVED

1. That the forecast income and expenditure variations for the 2018/19 financial year and the overall projected overspend of £62,000 (0.7% of the total Budget £8.983 million) be endorsed; and
2. That Council be **RECOMMENDED** to transfer the underspend on Homelessness Prevention into the Homelessness Earmarked Reserve at the end of the 2018/19 financial year (currently expected to be £30,000).

E.70/18 **CAPITAL PROGRAMME MONITORING**

Members were presented with a report that advised them of progress on individual schemes within the approved Capital Programme, including an assessment of their financial position.

It was noted that the monitoring of the Capital Programme at Month 9 (end of December 2018) had not highlighted any significant areas of concern to report to Members. The majority of capital projects were within the existing capital budgets approved by Members. One of the schemes was overspent £2,342 (this equated to 0.08% of the 2018/19 capital budget of £2,991,486 and was detailed in Appendix A of the presented agenda report.

The Deputy Leader introduced the report.

It was then:

RESOLVED

1. That the content of the report be endorsed; and
2. That Council be **RECOMMENDED** that £115,000 of the remaining capital programme contingency budget of £248,399 be approved to be allocated to the two capital projects set out in exempt Appendix B of the report as shown below:
 - Salcombe Fish Quay Improvements; and
 - Modbury Millennium Bridge

E.71/18 **BUDGET PROPOSALS FOR 2019/20 ONWARDS UPDATE REPORT**

Members were presented with a report that set out the budget proposals for a balanced budget for 2019/20. The Council was currently forecasting a budget gap of £0.47 million for 2020/21.

The Leader introduced the report and stated that all Members had the opportunity to input into the process at the Joint Overview and Scrutiny Panel and Development Management Committee meeting held on 24 January 2019.

During discussion, one Member raised that surplus New Homes Bonus Funds should be invested back into areas of the community that needed social and affordable housing. In response, the Leader advised that he expected a report to be forthcoming to the next meeting of the Executive in March 2019 that related to housing projects.

Members then agreed that the letter written by the Leader to Ministers in respect of the council tax loophole was excellent. The Deputy Leader advised that copies had been sent to the MPs and the Housing

Minister and would be followed up. One Member felt that the Council could go further and support a proposal to double council tax on second homes.

It was then:

RESOLVED

That Council be **RECOMMENDED:**

- (i) To increase Council Tax by £5 for 2019/20 (which equates to a Band D council tax of £165.42 for 2019/20, an increase of £5 per year or 10 pence per week – as shown in paragraph 3.4 of the presented agenda report). This equates to a Council Tax Requirement of £6,315,689;
- (ii) To approve the financial pressures shown in Appendix A of the presented agenda report (amounting to £1,383,700);
- (iii) To approve the net contributions to/from Earmarked Reserves of £714,300 as per Appendix E of the presented agenda report;
- (iv) To approve the proposed savings of £1,067,226 for 2019/20 as shown in Appendix A of the presented agenda report;
- (v) To approve the proposed use of £500,000 of New Homes Bonus funding to balance the 2019/20 Revenue Budget as shown in Appendix E of the presented agenda report;
- (vi) To agree the Collection Fund Surplus of £112,000 as shown in Appendix B of the presented agenda report;
- (vii) To delegate to the S151 Officer, in consultation with the Leader and Executive Member for Finance, to agree the final amount of New Homes Bonus funding for the Dartmoor National Park Sustainable Community Fund for 2019/20;
- (viii) That the Council Tax Support Grant paid to Town and Parish Councils is reduced by 9.85% for 2019/20 as per Appendix A of the presented agenda report. This equates to a payment of £74,473 for 2019/20;
- (ix) That the Council should set its total net expenditure for 2019/20 as shown in Appendix B of the presented agenda report as £8,832,752;

- (x) That the minimum level of the Unearmarked Revenue Reserves is maintained at £1.5 million as per Section 10 of the presented agenda report; and
- (xi) That the level of reserves as set out within the presented agenda report and the assessment of their adequacy and the robustness of budget estimates are noted. This is a requirement of Part 2 of the Local Government Act 2003.

E.72/18 **CAPITAL BUDGET PROPOSALS FOR 2019/20**

Members were presented with a report that set out the Capital Bids to the 2019/20 Capital Programme totalling £15,291,000 and a suggested way that the Bids could be funded. All items within the proposed Capital programme were based on budget estimates and would be subject to the normal project appraisal procedures.

The Leader introduced the report and he and the s151 Officer responded to questions.

It was then:

RESOLVED

That Executive support:

1. The content of the Capital Programme Proposals for 2019/20, which total £1,290,000 (Appendix A of the presented agenda report refers);
2. The content of the Capital Programme Proposals for 2019/20, which total £14,001,000 (Exempt Appendix B of the presented agenda report refers); and
3. The proposed financing of the 2019/20 Capital Programme of £15,291,000 from the funding sources set out in Section 4 of the presented agenda report.

E.73/18 **FUTURE GOVERNANCE ARRANGEMENTS FOR FRONTLINE SERVICES (WASTE AND CLEANSING)**

Members were presented with a report that sought approval to amend the Memorandum of Understanding to enable the mobilisation of the contract, since the Council approved the award of a partnership contract for the delivery of the services in scope, in December 2018.

The report also set out the details of the setting up of a Partnership Board, as required under the terms of the contract.

The Lead Member for Commercial Services introduced the report.

It was then:

RESOLVED

- (i) That the recommendation of the Frontline Services Project Board that the Memorandum of Understanding be amended to include the mobilisation of the contract be approved; and
- (ii) That the setting up of a Partnership Board as outlined in principle and as required under the terms of the contract be noted.

E.74/18

BUSINESS CONTINUITY MANAGEMENT STRATEGY AND WORK PROGRAMME

Members were presented with a report that presented a Business Continuity Strategy and Work Programme for recommendation to Council for approval. The report set out how the Council was under a legal duty through the Civil Contingencies Act 2004 to have a suitable and sufficient Business Continuity Strategy to ensure that at times of an emergency the Council could continue to support the emergency services.

The Leader introduced the report and advised that in reviewing the situation following the 'Beast from the East' storm, and in view of a recent Internal Audit report, that Business Continuity arrangements were revised. The Senior Specialist responded to questions.

In response to a question regarding Brexit, both the Leader and the Group Manager Customer First and Support Services updated Members on how matters relating to Brexit were cascaded to local authorities and information shared.

Finally, the Deputy Leader thanked the Senior Specialist for his experience and knowledge in respect of Business Continuity matters.

It was then

RESOLVED

- (i) That the Business Continuity Management Strategy, and proposed work programme had been considered; and
- (ii) That Council be **RECOMMENDED** that the Management Strategy and work programme be adopted.

E.75/18 WRITE OFF REPORT

The Deputy Leader introduced a report that informed Members of the debt written off for revenue streams within the Revenue and Benefits service. Debts up to the value of £5,000 were written off by the s151 Officer under delegated authority. There were no individual debts with a value of more than £5,000.

It was then:

RESOLVED

That it be noted that, in accordance with Financial Regulations, the s151 Officer has authorised the write-off of individual South Hams District Council debts totalling £64,820.21 as detailed in Tables 1 and 2 of the presented agenda report.

E.76/18 PUBLIC TOILET PROJECT

Members were presented with a report that asked for consideration of the recommendations for each facility and approval to proceed.

The Lead Executive Member for Commercial Services introduced the report and responded to questions of clarity. It was confirmed that the final report on this matter would be presented to the Executive at the next meeting on 14 March 2019.

It was then:

RESOLVED

1. That work continues with Totnes Town Council and Kingsbridge Town Council to find suitable funding proposals to recover Pay on Entry projected income at the following locations:

- Totnes – Civic Hall, Coronation Road and Steamer Quay;
and
- Kingsbridge – Fore Street

(Unless suitable funding alternatives are offered locally before the 28 February 2019, then Pay on Entry (PoE) equipment should be installed at these facilities.)

2. That the proposed approach of Salcombe Town Council (working in partnership with the Salcombe Harbour Board) to take over the management and running of the Salcombe Estuary Toilets for a 2 year trial period be endorsed. This proposal requires a transfer of the service budget to facilitate the pilot being agreed in detail.

(NB. Full details of the proposal are outlined in amended Paragraph 2.4ii of the presented agenda report and Appendix B.)

3. That the £9,000 request for the repair to the roof at Mill Bay in recognition that this maintains a facility which would otherwise have been permanently closed be considered. (NB. This will need to be funded from the central building and maintenance budget which the Council has for all its assets.)
4. That the position be noted in respect of public toilet facilities at:
 - Holbeton;
 - Newton Ferrers (Newton & Noss Parish); and
 - Staverton.

E.77/18 **PAY AND DISPLAY REVIEW**

Members were presented with a report that considered the recommendation to amend Pay and Display charges in accordance with the schedule at Appendix 1.

It was then:

RESOLVED

That Council be **RECOMMENDED** to make the following amendments to the South Hams Off Street Parking Places Order:

1. Pay & Display charges be amended in accordance with Appendix 1 of the presented agenda report, following consultation with local communities.

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF E.69/18 (2), E.70/18 (2), E.71/18 (2), E.74/18 (2) and E.77/18 WHICH WERE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 21 FEBRUARY 2019, WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY 18 FEBRUARY 2019 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

(Meeting commenced at 10.00 am and concluded at 11.30 am)

Chairman