

TONBRIDGE & MALLING BOROUGH COUNCIL



EXECUTIVE SERVICES

Chief Executive

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NB - This agenda contains proposals, recommendations and options. These do not represent Council policy or decisions until they have received proper consideration through the full decision making process.

Contact: Committee Services
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16 June 2015

To: MEMBERS OF THE CABINET
(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Cabinet to be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Wednesday, 24th June, 2015 commencing at 7.30 pm

Yours faithfully

JULIE BEILBY

Chief Executive

A G E N D A

PART 1 - PUBLIC

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The notes of meetings of Advisory Boards are attached, any recommendations identified by an arrow being for determination by the Cabinet. Notices relating to any decisions already taken by Cabinet Members under the arrangements for delegated decision making have previously been circulated.

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The minutes of meetings of Advisory Panels and Other Groups are attached, any recommendations being identified by an arrow.

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12. Borough Economic Regeneration Strategy

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Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

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The Chairman to move that the press and public be excluded from the remainder of the meeting during consideration of any items the publication of which would disclose exempt information.

PART 2 - PRIVATE

15. Urgent Items

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Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

MEMBERSHIP

Councillor N J Heslop, (Leader)
Councillor Mrs J A Anderson, (Housing and Environment Services)
Councillor M A Coffin, (Finance, Innovation and Property)
Councillor Mrs M F Heslop, (Community Services)
Councillor B J Luker, (Community Safety)
Councillor H S Rogers, (Planning and Transportation)

Members of the Council who are not members of the executive may attend meetings of the Cabinet. With the agreement of the Leader, any such Member may address the Cabinet on any item on the agenda but may not vote.

Apologies for absence

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Declarations of interest

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TONBRIDGE AND MALLING BOROUGH COUNCIL

CABINET

Tuesday, 24th March, 2015

Present: Cllr N J Heslop (Chairman), Cllr Mrs J A Anderson, Cllr J A L Balcombe, Cllr M A Coffin, Cllr B J Luker, Cllr Mrs S Murray and Cllr M R Rhodes

Councillors O C Baldock, M A C Balfour, P F Bolt, D J Cure, R D Lancaster and A K Sullivan were also present pursuant to Access to Information Rule No 22.

An apology for absence was received from Councillor Mrs M F Heslop

PART 1 - PUBLIC

CB 15/27 DECLARATIONS OF INTEREST

There were no declarations of interest made in accordance with the Code of Conduct.

CB 15/28 MINUTES

RESOLVED: That the Minutes of the meeting of the Cabinet held on 3 February 2015 be approved as a correct record and signed by the Chairman.

CB 15/29 MINUTES

RESOLVED: That the Minutes of the meeting of the Cabinet held on 12 February 2015 be approved as a correct record and signed by the Chairman.

DECISIONS TAKEN IN ACCORDANCE WITH PARAGRAPH 4, PART 3 OF THE CONSTITUTION

CB 15/30 COMMUNITY ENHANCEMENT FUND

Decision Notice D150032CAB

MATTERS SUBMITTED FOR INFORMATION

CB 15/31 MATTERS REFERRED FROM ADVISORY BOARDS

The notes of the meetings of the following Advisory Boards were received, any recommendations contained therein being incorporated within the decisions of the Cabinet reproduced at the annex to these Minutes.

Strategic Housing Advisory Board of 23 February 2015
Leisure and Arts Advisory Board of 24 February 2015
Economic Regeneration Advisory Board of 25 February 2015
Local Environmental Management Advisory Board of 2 March 2015
Communities and Health Advisory Board of 3 March 2015
Planning and Transportation Advisory Board of 10 March 2015

RESOLVED: That the report be received and noted.

CB 15/32 MATTERS REFERRED FROM ADVISORY PANELS AND OTHER GROUPS

The Minutes of the meetings of the following Advisory Panels and other Groups were received, any recommendations contained therein being incorporated within the decisions of the Cabinet reproduced at the annex to these Minutes.

Tonbridge Forum of 9 February 2015
Parish Partnership Panel of 19 February 2015

RESOLVED: That the report be received and noted.

CB 15/33 WELFARE REFORM UPDATE

The report of the Director of Finance and Transformation updated progress with the implementation of the Government's welfare reform agenda and its impacts in general and, specifically, within Tonbridge and Malling. Members expressed appreciation of the care and attention provided by the Principal Benefits Officer and team in supporting residents in challenging circumstances.

It was noted that the intended date for implementation of Universal Credit in the Borough was 12 October 2015.

RESOLVED: That the report be received and noted.

CB 15/34 EXCLUSION OF PRESS AND PUBLIC

The Chairman moved, it was seconded and

RESOLVED: That as public discussion would disclose exempt information, the following matters be considered in private.

MATTERS FOR RECOMMENDATION TO THE COUNCIL**CB 15/35 TONBRIDGE TOWN LOCK SCHEME****(LGA 1972 Sch 12A Paragraph 3 – Financial or business affairs of any particular person)**

The joint report of the Director of Street Scene and Leisure and Director of Finance and Transformation provided an update on progress with the scheme to refurbish the Tonbridge Town Lock area. Consideration was given to the appointment of a contractor in the light of the outcome of the tender evaluation process together with a funding package which included a significant financial contribution from the Environment Agency.

Members commended the Management Team for the work undertaken to progress the project.

RECOMMENDED: That

- (1) the scheme outlined in the report to refurbish the Tonbridge Town Lock area be progressed;
- (2) the revised Collaborative Agreement between the Council and the Environment Agency be completed;
- (3) the building contract be awarded to Interserve to the value of £1,369,893;
- (4) the works be progressed in accordance with the timescale outlined in the report, commencing on site in late May 2015;
- (5) to support this funding arrangement and to safeguard the integrity of the Council's finances, the annual capital allowance set out within the Medium Term Financial Strategy be reduced to £200,000;
- (6) the level of the annual capital allowance be reviewed again as part of next year's Capital Plan Review process; and
- (7) authority be delegated to the Director of Central Services to enter into an appropriate form of agreement with the third party owner of the two small areas of land within the scheme to permit construction and, thereafter, use of the land as part of the scheme.

***Referred to Council**

**DECISIONS TAKEN IN ACCORDANCE WITH PARAGRAPH 4,
PART 3 OF THE CONSTITUTION**

CB 15/36 TONBRIDGE TOWN CENTRE

(LGA 1972 Sch 12A Paragraph 3 – Financial or business affairs of any particular person)

Decision Notice D150033CAB

CB 15/37 DEBTS FOR WRITE OFF

(LGA 1972 Sch 12A Paragraph 2 – Information likely to reveal information about an individual)

Decision Notice D150034CAB

The meeting ended at 8.36 pm

Agenda Item 4

The notes of meetings of Advisory Boards are attached, any recommendations identified by an arrow being for determination by the Cabinet. Notices relating to any decisions already taken by Cabinet Members under the arrangements for delegated decision making are annexed to the notes.

Housing and Environment Advisory Board of 1 June 2015

Finance, Innovation and Property Advisory Board of 3 June 2015

Planning and Transportation Advisory Board of 8 June 2015

Communities Advisory Board of 10 June 2015

Economic Regeneration Advisory Board of 23 June 2015 – to follow

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TONBRIDGE AND MALLING BOROUGH COUNCIL

HOUSING AND ENVIRONMENT SERVICES ADVISORY BOARD

Monday, 1st June, 2015

Present: Cllr M O Davis (Chairman), Cllr Ms J A Atkinson (Vice-Chairman), Cllr M A C Balfour, Cllr V M C Branson, Cllr D J Cure, Cllr R W Dalton, Cllr Mrs S M Hall, Cllr S M Hammond, Cllr D Keeley, Cllr Mrs A S Oakley, Cllr S C Perry, Cllr M R Rhodes and Cllr T B Shaw

Councillors Mrs J A Anderson, O C Baldock, Mrs P A Bates, P F Bolt, Mrs B A Brown and N J Heslop were also present pursuant to Council Procedure Rule No 15.21.

An apology for absence was received from Councillor L J O'Toole

PART 1 - PUBLIC

HE 15/1 DECLARATIONS OF INTEREST

There were no declarations of interest made in accordance with the Code of Conduct. However Councillor N Heslop referred to a potential interest in any items that might have implications for the Bridge Trust on the grounds that he was a member of its Board.

HE 15/2 PRESENTATIONS BY SERVICE HEADS

Presentations were given on the Council's Housing Services, Environmental Health Services and the Waste and Street Scene Services by the Chief Housing Officer, the Chief Environmental Health Officer and the Head of Waste and Street Scene.

MATTERS FOR RECOMMENDATION TO THE CABINET

HE 15/3 REDRESS SCHEME FOR LETTINGS AGENCY AND PROPERTY MANAGEMENT WORK

Decision Notice D150037MEM

Attention was drawn to the requirement that, under The Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014 made under the Enterprise and Regulatory Reform Act 2013, all lettings agents and property managers in England were required to become a member of a Government approved redress scheme. The report of the Director of Planning, Housing and Environmental Health set out details of the approved redress schemes and the new enforcement responsibilities for Local Authorities to impose a monetary penalty for non-compliance with the Order.

RECOMMENDED: That

- (1) the implementation and enforcement arrangements for The Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc)(England) Order 2014 be delegated to the Director of Planning, Housing and Environmental Health;
- (2) the penalty for non-compliance with the Order be £5,000 unless extenuating circumstance apply; and
- (3) the Director of Planning, Housing and Environmental Health be authorised to determine what are extenuating circumstances and what alternative penalty would be appropriate in each case.

HE 15/4 ENVIRONMENTAL HEALTH PERFORMANCE 2014/15

Decision Notice D150038MEM

The report of the Director of Planning, Housing and Environmental Health set out details of operational activities for the year 2014/15 for the statutory function of environmental health and safety as undertaken by the Food and Safety Team and the Environmental Protection Team.

RECOMMENDED: That the performance information relating to the activities associated with the food and safety function in 2014/15 be noted and the service improvements for 2015/16, as detailed in paragraphs 1.4.1 and 1.4.2 of the report, be endorsed.

HE 15/5 WASTE AND STREET SCENE SERVICES - CONTRACT PERFORMANCE 2014/15

Decision Notice D150039MEM

Consideration was given to the performance during 2014/15 of the functions and contracts managed by the Waste and Street Scene Services.

RECOMMENDED: That the performance of the Waste and Street Scene contractors, as detailed in the report, be noted.

HE 15/6 WASTE FRAMEWORK DIRECTIVE (WFD) - COLLECTION OF RECYCLING MATERIALS

Decision Notice D150040MEM

The report of the Director of Street Scene and Leisure provided details of work carried out to demonstrate the Council's compliance with the

new regulations on collection methods for recycling materials which came into force in January 2015.

RECOMMENDED: That

- (1) the report, which demonstrates the Borough Council's compliance with the new EU Waste Framework Directive regulations, be endorsed; and
- (2) liaison be undertaken with the Kent Resource Partnership and Kent County Council to consider the recommendations brought forward in the assessment undertaken by Waste Consulting Limited (WCL), as set out in Annex 1 to the report.

MATTERS FOR CONSIDERATION IN PRIVATE

HE 15/7 EXCLUSION OF PRESS AND PUBLIC

There were no items considered in private.

The meeting ended at 9.47 pm

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TONBRIDGE AND MALLING BOROUGH COUNCIL

FINANCE, INNOVATION AND PROPERTY ADVISORY BOARD

Wednesday, 3rd June, 2015

Present: Cllr Mrs F A Kemp (Chairman), Cllr Mrs B A Brown (Vice-Chairman), Cllr O C Baldock, Cllr R P Betts, Cllr J L Botten, Cllr T I B Cannon, Cllr D J Cure, Cllr R D Lancaster, Cllr D Lettington, Cllr L J O'Toole, Cllr Miss J L Sergison and Cllr A K Sullivan

Councillors Mrs J A Anderson, P F Bolt, V M C Branson, M A Coffin, N J Heslop, S M King, B J Luker, P J Montague, Mrs A S Oakley, S C Perry, M R Rhodes and H S Rogers were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors Mrs S Bell, T Bishop, M O Davis and B W Walker

PART 1 - PUBLIC

FIP 15/20 DECLARATIONS OF INTEREST

Councillor R Betts declared an Other Significant Interest in the item on Applications for Discretionary Rate Relief in respect of renewal applications by Tonbridge and Malling Leisure Trust on the grounds of being a member of the Trust's Board. He withdrew from the meeting during their consideration.

FIP 15/21 MINUTES

RESOLVED: That the notes of the meeting of the Finance, Innovation and Property Advisory Board held on 7 January 2015 be approved as a correct record and signed by the Chairman.

FIP 15/22 INTRODUCTORY PRESENTATION

The Advisory Board received an introductory presentation by staff of Financial Services for the particular benefit of new Members on council tax, business rates, council tax reduction and housing benefit.

MATTERS FOR RECOMMENDATION TO THE CABINET

FIP 15/23 APPLICATIONS FOR DISCRETIONARY RATE RELIEF

Decision Notice D150041MEM

The joint report of the Director of Finance and Transformation and Cabinet Member for Finance, Innovation and Property gave details of renewal applications for discretionary rate relief and rural rate relief together with new applications for discretionary rate relief which were

considered in accordance with the previously agreed criteria for determining such applications.

RECOMMENDED: That

- (1) in respect of the re-applications for relief shown at Annex 3 to the report, with the exception of Cobdown Sports & Social Club and the Pre-School Learning Alliance, 20% discretionary rate relief be awarded in each case with effect from 1 April 2015 and time limited to 31 March 2017;
- (2) in respect of the re-application from the Pre-School Learning Alliance, 5% discretionary rate relief be awarded with effect from 1 April 2015 and time limited to 31 March 2017;
- (3) in respect of the re-application from the Cobdown Sports & Social Club, 10% discretionary rate relief be awarded with effect from 1 April 2015 and time limited to 31 March 2017;
- (4) the renewal applications for rural rate relief be awarded on the basis set out at Annex 4 to the report; and
- (5) the new applications for discretionary rate relief be determined as follows:

St John Ambulance Brigade, 136 Vale Road, Tonbridge – no discretionary relief be awarded

The Heart of Kent Hospice Trading Ltd, 5 Malling Road, Snodland and 109 Hall Road, Aylesford – no discretionary relief be awarded

Holborough Management Ltd, 6 Higham Avenue, Snodland and 2 Amisse Drive, Snodland – no discretionary relief be awarded

The Charity Bank Ltd, Ground and First Floor Fosse House, 182 High Street, Tonbridge – 30% discretionary relief be awarded, time limited to 31 March 2017.

FIP 15/24 FINANCIAL PLANNING AND CONTROL

Decision Notice D150042MEM

The report of the Director of Finance and Transformation provided information on the Council's key budget areas of salaries, major income streams and investment income for the year ended 31 March 2015. It also gave details of the variations agreed in relation to the revenue budget, summarised to provide an overall budget outturn position for

2014/15 which showed a net adverse variance of £85,687, largely attributable to a shortfall on the Business Rates Retention Scheme.

Details were provided of variations identified through budgetary control in respect of 2015/16. Reference was made to the loss of recycling income arising from the demise of Aylesford Newsprint, pressures of government initiatives in respect of housing benefits and the impact on the savings target set in the Medium Term Financial Strategy.

An update was also given on capital expenditure and variations agreed in relation to the capital plan.

RECOMMENDED: That the contents of the report be noted and endorsed.

**FIP 15/25 BUSINESS RATES REVIEW: DISCUSSION PAPER FROM
HM TREASURY**

Decision Notice D150043MEM

The report of the Director of Finance and Transformation gave details of a discussion paper from HM Treasury seeking views on the business rates system. It also provided information about the Council's recent deputation to the Minister for Local Government regarding the impact of the loss of a significant business within the Borough. Consideration was given to the delegation of authority to formulate a final response by the deadline of 12 June.

In addition to answering the detailed questions posed in the consultation paper, it was proposed to incorporate the impact of the Aylesford Newsprint situation as a principle in the response and the Director of Finance and Transformation offered to circulate copies to any Members interested.

RECOMMENDED: That

- (1) authority be delegated to the Director of Finance and Transformation, in liaison with the Cabinet Member for Finance, Innovation and Property and the Leader (as the portfolio holder for Economic Regeneration) to formulate a final response on behalf of the Council by the deadline of 12 June;
- (2) the views of the Chairmen and Vice-Chairmen of both the Finance, Innovation and Property and Economic Regeneration Advisory Boards be sought in drafting the response; and
- (3) copies of the final response be circulated to the local Members of Parliament and the South East England Councils Network.

MATTERS SUBMITTED FOR INFORMATION

FIP 15/26 BENEFITS UPDATE

Members were advised of current issues arising in the benefits field namely performance and workload of the Benefits Service and progress with various aspects of welfare reform including preparations for the start of Universal Credit in the Borough in October. The Advisory Board was pleased to note that the best annual performance for a number of years had been achieved within the Benefits Service.

FIP 15/27 COUNCIL TAX AND BUSINESS RATES UPDATE

The report gave details of recent developments in respect of council tax and business rates including the final collection rates for the year 2014/15 which had both exceeded the targets set. Thanks were recorded to the staff involved for the excellent rates achieved.

FIP 15/28 WEBSITE REDESIGN UPDATE

The report provided an update on the planned improvements to the Council's website design to ensure that it remained fit for purpose to reflect changes in users' preferences and technology. A demonstration was given of the introduction of the "I want to..." navigation box, constructed to be as accessible as possible and usable on smartphone and tablet technology.

FIP 15/29 PUBLICATION OF ALLOWANCES PAID TO MEMBERS DURING 2014/15

The Advisory Board received a copy of the statement of the actual allowances paid to Members during the financial year 2014/15 which had been published in accordance with Regulation 15(3) of the Local Authorities (Members Allowance) (England) Regulations 2003.

MATTERS FOR CONSIDERATION IN PRIVATE

FIP 15/30 EXCLUSION OF PRESS AND PUBLIC

The Chairman moved, it was seconded and

RESOLVED: That as public discussion would disclose exempt information, the following matters be considered in private.

PART 2 - PRIVATE

MATTERS FOR RECOMMENDATION TO THE CABINET

FIP 15/31 DEBTS FOR WRITE OFF

(LGA 1972 – Sch 12A Paragraph 2 – Information likely to reveal information about an individual)

Decision Notice D150044MEM

The report of the Director of Finance and Transformation sought approval of the writing-off of debts considered to be irrecoverable. Details were also given of debts under £1,000 which had been written-off in accordance with Financial Procedure Rule 17.2 together with cumulative totals of debts in the current and previous financial years and information on budgeted bad debt provision.

RECOMMENDED: That the eight items shown in the schedule of amounts over £1,000, totalling £27,233.46 be written-off for the reasons stated within the schedule.

FIP 15/32 PROPOSED DISPOSAL OF ST JOHN AMBULANCE SITE, TONBRIDGE

(LGA 1972 Sch 12A Paragraph 3 – Financial or business affairs of any particular person)

Decision Notice D150045MEM

Further to Decision Number D150006MEM, the report of the Director of Central Services gave details of the outcome of negotiations for the disposal of the St John Ambulance site, Tonbridge including the recommendations of an independent valuer.

RECOMMENDED: That disposal of the St John Ambulance site for development be approved on the basis outlined in the report and as recommended by the independent valuer.

The meeting ended at 9.52 pm

TONBRIDGE AND MALLING BOROUGH COUNCIL

PLANNING AND TRANSPORTATION ADVISORY BOARD

Monday, 8th June, 2015

Present: Cllr D A S Davis (Chairman), Cllr Miss S O Shrubsole (Vice-Chairman), Cllr M A C Balfour, Cllr Mrs S M Barker, Cllr P F Bolt, Cllr V M C Branson, Cllr T Edmondston-Low, Cllr B T M Elks, Cllr Mrs F A Kemp, Cllr L J O'Toole, Cllr M Parry-Waller, Cllr S C Perry, Cllr R V Roud, Cllr A K Sullivan and Cllr M Taylor

Councillors Mrs J A Anderson, O C Baldock, M A Coffin, D J Cure, M O Davis, Mrs T Dean, N J Heslop, B J Luker, Mrs A S Oakley, M R Rhodes, H S Rogers and T C Walker were also present pursuant to Council Procedure Rule No 15.21.

An apology for absence was received from Councillor R D Lancaster

PE 15/8 DECLARATIONS OF INTEREST

There were no declarations of interest made in accordance with the Code of Conduct.

PE 15/9 MINUTES

RESOLVED: That the notes of the meeting of the Planning and Transportation Advisory Board held on 10 March 2015 be approved as a correct record and signed by the Chairman.

PE 15/10 INTRODUCTORY PRESENTATION

An introductory presentation was given for the particular benefit of new Members on the role and scope of the Advisory Board, the main areas being planning and development, transportation, land drainage, flood attenuation and technical services.

MATTERS SUBMITTED FOR INFORMATION

PE 15/11 LOCAL PLAN AND TRANSPORTATION UPDATE

The report of the Director of Planning, Housing and Environmental Health provided an update on progress towards the Local Plan, Government planning reforms and any relevant strategic transportation matters since the last meeting of the Advisory Board.

Particular reference was made to the preparation of the evidence base for the Local Plan including advice sought from the consultants, G L Hearn and Partners, on the impact of the new Government Household Projections on assessed housing need for the Borough. An outline was given of the Government's starter homes initiative and 'Right

to Buy' legislation which was likely to have a wider effect on planning for affordable accommodation. Members also expressed concern about the potential impact on the Council's economic regeneration efforts arising from the amendment of permitted development rights that allowed the change of use from shops or offices to residential.

The Advisory Board was informed that preliminary works on the A21 dualling had taken place with completion of the scheme due in spring 2017. The report updated the position on funding for transport schemes in the Borough including Tonbridge Town Centre Regeneration and Snodland Station forecourt improvements funded through the Local Sustainable Transport Fund.

The officers responded to a range of questions and comments from Members.

MATTERS FOR CONSIDERATION IN PRIVATE

PE 15/12 EXCLUSION OF PRESS AND PUBLIC

There were no items considered in private.

The meeting ended at 8.58 pm

TONBRIDGE AND MALLING BOROUGH COUNCIL

COMMUNITIES ADVISORY BOARD

Wednesday, 10th June, 2015

Present: Cllr M R Rhodes (Chairman), Cllr D Keeley (Vice-Chairman), Cllr O C Baldock, Cllr Mrs S M Barker, Cllr Mrs P A Bates, Cllr V M C Branson, Cllr T I B Cannon, Cllr Mrs T Dean, Cllr S M Hammond, Cllr Mrs S L Luck, Cllr P J Montague and Cllr L J O'Toole

Councillors Mrs J A Anderson, T Bishop, M A Coffin, Mrs M F Heslop, N J Heslop, B J Luker and T C Walker were also present pursuant to Council Procedure Rule No 15.21.

Representative: Mr A Nicholl (Tonbridge Sports Association)

Apologies for absence were received from Councillors Mrs S Bell, S C Perry and B W Walker

PART 1 - PUBLIC

COM 15/1 DECLARATIONS OF INTEREST

Councillor T Walker declared an Other Significant Interest in the items on the Tonbridge and Malling Leisure Trust Update and the Capital Plan Progress Update on the grounds of being an employee of the Tonbridge and Malling Leisure Trust. He withdrew from the meeting during consideration of these matters.

With reference to the item on the Community Development Work Update, Councillor Mrs Dean advised that she was a Trustee of the St James Centre Trust, East Malling.

COM 15/2 INTRODUCTORY PRESENTATION

Presentations were given on the Council's Community Development Services, Public Health Services, Community Safety Unit and Leisure Services by the Chief Corporate Policy Officer, Chief Environmental Health Officer, Director of Central Services and Head of Leisure Services.

MATTERS FOR RECOMMENDATION TO THE CABINET**COM 15/3 COMMUNITY DEVELOPMENT WORK UPDATE**

Decision Notice D150046MEM

The report of the Chief Executive provided an update on the ongoing community development work in Trench and East Malling, the respective action plans being set out at annexes to the report. Details were given of arrangements to enable community development issues to be fully addressed in Snodland via two new initiatives and it was noted that suitable government funding was being explored to support this approach.

RECOMMENDED: That the proposed approach to community development work in Snodland, as set out in the report, be supported.

COM 15/4 TONBRIDGE AND MALLING LEISURE TRUST PERFORMANCE UPDATE

Decision Notice D150047MEM

The joint report of the Director of Street Scene and Leisure and the Cabinet Member for Community Services presented details of the recent performance of the Tonbridge and Malling Leisure Trust set out in the latest Annual Service Delivery Plan – Cumulative Quarterly Monitoring report for Quarter 4 covering the period 1 January to 31 March 2015. Reference was made to the agreement of a new long term golf professional contract with the existing contractor and to the development of partnership arrangements with the London Golf Centre.

RECOMMENDED: That the Tonbridge and Malling Leisure Trust Annual Service Delivery Plan – Cumulative Quarterly Monitoring Report for 1 January to 31 March 2015 be noted.

COM 15/5 CAPITAL PLAN PROGRESS UPDATE

Decision Notice D150048MEM

The report of the Director of Street Scene and Leisure gave details of progress with key projects in the Council's Capital Plan. It was noted that relevant post implementation reviews would be submitted to the Advisory Board twelve months after the schemes' completion to assess their success against identified targets.

RECOMMENDED: That progress on Capital Plan schemes be noted and relevant future Post Implementation Reviews be brought forward to the Advisory Board for consideration.

COM 15/6 ALLOTMENT CHARGES

Decision Notice D150049MEM

Details were given of proposed charges for allotments in Tonbridge brought forward by the Tonbridge Allotments and Gardens Association. It was clarified that the Association now intended to present the revised charges to their Annual General Meeting in November 2015 with a view to implementation from October 2016. Clarification was sought regarding the period of notice required prior to the implementation of new charges for allotments.

RECOMMENDED: That, subject to clarification of the period of notice required and to approval at the Tonbridge Allotments and Gardens Association's Annual General Meeting, the proposed charges outlined in the report be approved for implementation from 1 October 2016.

COM 15/7 HEALTH IMPROVEMENT TEAM PERFORMANCE 2014/15

Decision Notice D150050MEM

The report of the Director of Planning, Housing and Environmental Health described the range of health improvement projects for which Kent County Council funding had been awarded for the current year and reviewed the performance of the initiatives in 2014/15.

RECOMMENDED: That the performance information at Annex 1 to the report be endorsed and the range of programmes for 2015/16, as set out in the report and delivered by the Borough Council and its partners, be approved.

MATTERS SUBMITTED FOR INFORMATION**COM 15/8 TONBRIDGE SPORTS ASSOCIATION ANNUAL REPORT**

The Advisory Board received the annual report of the Tonbridge Sports Association for 2014/15 which was presented by Mr Alan Nicholl, the Association's Chairman. Members expressed their appreciation of the work of Mr Nicholl, the positive working partnership between the Sports Association and the Council and the dedication of the volunteers who ran the clubs and promoted sporting activity within the community.

COM 15/9 EXCLUSION OF PRESS AND PUBLIC

There were no items considered in private.

The meeting ended at 9.23 pm

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Agenda Item 5

The minutes of meetings of Advisory Panels and Other Groups are attached, any recommendations being identified by an arrow.

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TONBRIDGE AND MALLING BOROUGH COUNCIL

JOINT TRANSPORTATION BOARD

Monday, 30th March, 2015

Present: Mr C Smith (Chairman), Cllr Mrs S Murray (Vice-Chairman), Cllr D A S Davis, Cllr N J Heslop, Cllr Mrs F A Kemp, Cllr Mrs A S Oakley, Cllr A K Sullivan, Mr M Balfour, Mrs V Dagger, Mrs T Dean and Mr R Long

Borough Councillors Mrs J A Anderson, J A L Balcombe, O C Baldock, P F Bolt, M A Coffin, D J Cure, B J Luker, M R Rhodes, Miss S O Shrubsole and Mrs C J Woodger were also present pursuant to Council Procedure Rule No 15.21.

Mr H Rayner was present on behalf of the Kent Association of Local Councils. Mrs P Darby of Platt Parish Council was also present.

Apologies for absence were received from Borough Councillor R D Lancaster, Mrs S Hohler and Mr P Homewood

PART 1 - PUBLIC

JTB 15/1 DECLARATIONS OF INTEREST

There were no declarations of interest made in accordance with the Code of Conduct.

JTB 15/2 MINUTES

RESOLVED: That the Minutes of the meeting of the Joint Transportation Board held on 1 December 2014 be approved as a correct record and signed by the Chairman.

MATTERS FOR DECISION

JTB 15/3 TONBRIDGE HIGH STREET - PHASE 1

The joint report of the Head of Transportation (KCC) and the Director of Planning, Housing and Environmental Health provided an update on progress with the proposed highway development of Tonbridge High Street, including the 20mph Traffic Regulation Order. The Board commended the county officers for the briefing provided to local County and Borough Councillors and the level of public engagement undertaken through exhibitions, advertisement in the local press, publication on both TMBC and KCC websites, personal visits to approximately 100 businesses in the High Street affected by the proposed scheme as well as the provision of business surgeries.

In addition, it was noted that comments made at a meeting with representatives of the Tonbridge Town Team or received from members of the public at the exhibition at Tonbridge Castle or the library or via the websites, had provided information on a wide range of issues. Details of the County Council's response to these comments were set out in Table 1 of the report. In response to concerns expressed by Members about the lack of provision of on-street disabled parking bays within the High Street, the county officers offered to investigate whether areas provided for loading and unloading of goods could be time restricted so that these could also be used, at certain times, by blue badge holders. The report identified a number of additional areas for improvement for Tonbridge town centre which would be explored in Phase 2 of the Scheme.

RESOLVED: That

- (1) the results of the public engagement be noted;
- (2) the High Street scheme and the 20mph speed limit proposals be progressed to detailed design and implementation and construction programmed to commence in late July 2015; and
- (3) the Traffic Regulation Order to reduce the speed limit in the High Street area to 20mph be made as advertised.

MATTERS FOR RECOMMENDATION TO THE BOROUGH CABINET

JTB 15/4 EAST MALLING PARKING REVIEW

Decision Notice D150035MEM

The report of the Director of Planning, Housing and Environmental Health set out details of the results of the formal consultation on changes to parking arrangements within East Malling undertaken between 21 November and 19 December 2014. An assessment of the responses received together with recommendations for each location was set out in Annex 2 to the report.

RECOMMENDED: that the recommendations for each location, as set out in Annex 2 to the report, be agreed.

JTB 15/5 PARKING ACTION PLAN

Decision Notice D150036MEM

The report of the Director of Planning, Housing and Environmental Health provided an update on the phased approach to on-street parking management with a focus on the work in progress.

RECOMMENDED: That the way forward, as set out in the report, be agreed.

MATTERS SUBMITTED FOR INFORMATION**JTB 15/6 COMBINED MEMBERS HIGHWAY FUND AND MEMBERS GRANT REPORT FOR TONBRIDGE AND MALLING**

The Head of Transportation, Kent Highways, provided details of current County Member Highway Fund Schemes within the Borough.

JTB 15/7 HIGHWAY WORKS PROGRAMME 2014-15

The report of KCC Highways and Transportation provided an update on footway and carriageway improvement, street lighting, traffic systems and bridge works schemes approved for construction in 2014/15.

JTB 15/8 HIGHWAY DRAINAGE

The report of the Head of Programmed Works provided an update on the approach to maintaining and improving the highway drainage system across the County which had been considered by the County Council's Environment and Transport Cabinet Committee on 5 December 2014.

MATTERS FOR CONSIDERATION IN PRIVATE**JTB 15/9 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 8.55 pm

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

24 June 2015

Report of the Chief Executive and Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Council

1 RISK MANAGEMENT STRATEGY

This report asks Members to review the current Risk Management Strategy and to endorse it for adoption by the Council.

1.1 Introduction

1.1.1 The Council has had a Risk Management Strategy in place for a number of years. The Council's Risk Management arrangements are designed to ensure a prudent approach is taken, with risks reduced to an acceptable level, thereby safeguarding the Council's assets, employees and customers.

1.1.2 The Risk Management Strategy sets out the Council's risk management objectives and details the roles and responsibilities of officers, Members and the Council's partners in ensuring risks are effectively identified, evaluated and controlled in a cost effective manner.

1.2 Review of the Risk Management Strategy

1.2.1 As part of arrangements in place to ensure risk management maintains a high profile within the Council, the Strategy is subject to annual review and endorsement through the Audit Committee, Cabinet and Council.

1.2.2 The Risk Management Strategy has been reviewed by the Audit Committee and subject to the Committee's consideration of the Strategy no amendment is considered to be required other than some minor textual amendments. A copy of the Strategy is attached at **[Annex 1]**.

1.3 Legal Implications

1.3.1 There is a Health and Safety requirement for effective risk management to be in place and the strategy supports this requirement. There is also a requirement in the Accounts and Audit Regulations that accounting control systems must include measures to ensure that risk is appropriately managed.

1.4 Financial and Value for Money Considerations

1.4.1 Effective risk management arrangements make a positive contribution to ensuring value for money is provided in the delivery of services.

1.5 Risk Assessment

1.5.1 Sound risk management arrangements aid the Council in effective strategic decision-making. The Council's approach to risk should be reviewed on a regular basis to ensure it is up to date and operating effectively.

1.6 Equality Impact Assessment

1.6.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.7 Recommendations

1.7.1 Members are requested to review the Risk Management Strategy and subject to any amendment required recommend to Council it be adopted.

Background papers:

contact: David Buckley

Nil

Julie Beilby
Chief Executive

Sharon Shelton
Director of Finance and Transformation

TONBRIDGE AND MALLING BOROUGH COUNCIL

RISK MANAGEMENT STRATEGY

1. Introduction

The risk management strategy of Tonbridge and Malling Borough Council is to adopt best practices in the identification, evaluation, and cost-effective control of risks. This is intended to ensure that risks are reduced to an acceptable level or, where reasonable eliminated, thereby safeguarding the Council's assets, employees and customers and the delivery of services to the local community.

One of the Council's aims is to:

“Maintain the Council's high standards of financial management and probity”.

The Council endeavours to pursue a forward-looking and dynamic approach to delivering services to the local community and will not be averse to taking a degree of commercial risk. However, it will always exercise a prudent approach to risk taking and decisions will be made within the parameters of the Council's internal control arrangements, i.e. Constitution, Procedural Rules, etc. These arrangements will serve to ensure that the Council does not expose itself to risks above an acceptable level.

Risks relating specifically to Health & Safety matters will be covered within the Council's Health & Safety Policy and supporting guidance notes issued by the Director of Planning, Housing and Environmental Health.

2. Objectives

The risk management objectives of the Council are to:

- embed risk management into the culture of the Council;
- monitor, manage and report on risk in accordance with best practice;
- be responsive to changing social, environmental and legislative requirements whilst effectively managing the related risks and opportunities;
- prevent injury, damage and loss and reduce the cost of risk;
- raise awareness of the need for risk management;
- actively promote 'sensible and responsible risk management' using practical steps to protect workers and the public from real risks that cause injury and death.

These objectives will be achieved by:

- defining the roles and responsibilities, in relation to risk management, of Officers and Members within the organisation;
- maintaining a risk management framework that will ensure the review on a rolling basis of strategic, operational and project risks faced by the Council – this approach will:

- identify corporate, operational and project risks;
 - assess the identified risks for likelihood and impact;
 - record the corporate risk register, linking these risks to strategic business objectives and assigning ownership for each risk;
 - detail the management action/controls required to mitigate identified risks;
 - require the corporate risk register to be discussed with the Audit Committee prior to approval by Council;
 - require confirmation to the Audit Committee of the reviews undertaken and to draw out any issues where deemed appropriate as a result;
 - require the reporting of risks to full Council where appropriate;
 - require all Cabinet/Committee/Board reports to include a section covering the key risk issues to be considered, together with any action required to mitigate identified risks;
 - require a risk assessment to be completed for all significant new projects and initiatives;
 - require the Treasury Management Strategy to outline the arrangements for properly managing treasury management risks;
 - require risks in relation to significant partnerships to be identified and assurances to be obtained regarding the management of those risks;
 - require appropriate incident recording to facilitate the analysis of risk data and steps taken to prevent or mitigate similar incidents occurring;
 - require an annual review of the risk management framework by the review of this strategy.
- providing relevant training on risk management to employees and Members of the authority;
 - actively participating in inter-authority internal audit and insurance groups thereby developing and sharing best practice in risk management;
 - encouraging officers participating in other professional discipline groups to secure the inclusion of risk management as an agenda topic;
 - disseminating to officers as appropriate published risk management information received from insurers and other related sources.

3. Roles and Responsibilities

a) Members

The Risk Management Strategy will be reviewed at least annually. Council approval of the updated strategy will be witnessed by the signature of the Leader of the Council and countersigned by the Chief Executive. The Chairman of the Audit Committee will take a lead role in promoting the application of sound risk management practices across the Council.

All Members of the Council will receive a Risk Management Training session during a four-year term in office.

The Audit Committee will consider the Risk Management process as part of the assurance evidence in support of any Corporate Governance Statement.

The Audit Committee will provide independent assurance of the adequacy of the risk management framework and will monitor the effective development and operation of risk management in the Council.

b) Management Team

Management are responsible for the identification and management of risks.

Management Team will consider strategic risk and if necessary will formulate an action plan to address the risk. Strategic risk reviews will be undertaken where new situations arise or as considered necessary by the Management Team.

The business continuity plan will include strategic risks that will cascade down to operational risk registers.

Chief Officers will ensure that their managers carry out an annual review of operational risk for all their areas of responsibility. This review process will include the views of relevant staff within the activity. This will be supported by a half yearly review carried out by the manager with any risks entering the red zone being reported to the Chief Officer. The Chief Officer shall alert Management Team of any significant emerging risks as he deems necessary.

Chief Officers will take steps to ensure that their staff are fully aware of the Council's Risk Management Strategy and how to raise concerns relating to risk.

c) Section Managers

Section Managers in conjunction with members of their teams (as appropriate) and other parties / partners (where applicable) will lead reviews of the operational risks relating to their sections, and will reflect the outcomes of these reviews in their own Operational Risk Registers. These operational risk reviews will be undertaken annually. In addition a half-yearly review will take place to identify any significant change in scored risk and any new risks that have arisen.

Where risks are identified as being in the red zone of the risk matrix they will be reported to Management Team.

Where a manager identifies that a risk is moving significantly towards the red zone he should monitor the situation and alert his Chief Officer to the fact.

d) Partners

Where the Council enters into a partnership arrangement, the officer responsible for monitoring the partnership must ensure that the partner has an adequate risk management strategy and sufficient insurance cover to protect the interests of the Council.

e) Employees Generally

The concept of risk management will be conveyed to all employees. “Netconsent” will be used to raise staff awareness of the Strategy annually.

A copy of this document will be held on the Council’s Intranet site. Employees will be expected in the first instance, to refer risk management concerns to their line managers. Should such concerns remain un-addressed, employees can refer their concerns elsewhere as prescribed in the Council’s Whistleblowing Policy.

Staff identified as being appropriate by their Manager will be asked to review the content and scoring of the Operational Risk registers for their section. This review should assist the Manager in completing the Risk Register.

All staff also have a duty to consider safe working practices and owe a duty of care to the safety of others. Any concerns relating to Health & Safety matters should be raised with line management, who, as part of their response, should seek guidance as necessary from the Director of Planning, Housing and Environmental Health.

f) Director of Planning, Housing and Environmental Health

The Director of Planning, Housing and Environmental Health shall be responsible for:

- monitoring and reviewing arrangements for the proper management of work place health & safety;
- preparing and updating the Council’s Health & Safety Policy;
- overseeing the issue of Health & Safety Guidance to assist service managers and staff comply with the Council’s Health & Safety Policy; and
- assessing compliance with Health & Safety legislation.

In the execution of these responsibilities the Director of Planning, Housing and Environmental Health will:

- consult with service managers in preparing an annual health and safety work programme which will include undertaking audits of work place activities and related risk assessments;
- assist service managers identify emerging health and safety risks and measures to address them including appropriate training;
- assist services managers prepare and review health and safety risk assessments;
- submit an annual report on health and safety management in the work place.

g) Financial Services

The Director of Finance & Transformation in consultation with the Exchequer Services Manager will:

- regularly review and advise upon the Council's insurance requirements and arrangements;
- advise Officers and Members on insurance covers available and / or in place;
- regularly advise Members of the Audit Committee on claims history and preventative action arising;
- arrange insurance cover as necessary;
- advise Officers on claims procedures, and process claims arising;
- assist in the development and provision of claims data to aid future risk control;
- disseminate published risk management information received.

The Director of Finance & Transformation will report to Management Team on any areas of significant financial risk identified by the budget monitoring process

The Internal Audit Section will take account of Risk Management provision when formulating the annual audit plan. Although the provision of adequate and effective risk management is Management responsibility each Internal Audit review will include a provision to ascertain if an up to date and adequate risk register is in place.

Signed:

Leader of the Council

Signed:

Chief Executive

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

24 June 2015

Report of the Chief Executive and Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Council

1 LOCAL CODE OF CORPORATE GOVERNANCE

The Audit Committee is due to review the Local Code of Corporate Governance at its meeting on 22 June for subsequent recommendation to Cabinet and adoption by Council.

1.1 Introduction

1.1.1 Tonbridge and Malling Borough Council is committed to adopting the principles of good governance and demonstrates this publicly through the adoption and continued maintenance of a local Code of Corporate Governance, as recommended within the CIPFA/SOLACE (Chartered Institute of Public Finance & Accounting and the Society of Local Authority Chief Executives) Framework for Good Governance in Local Government, 2007.

1.1.2 In 2012, CIPFA/SOLACE published an addendum to the 2007 framework along with a Guidance Note for English Local Authorities. In order to meet the latest guidance, the Council's Code of Corporate Governance was reviewed and updated in June 2014.

1.1.3 The CIPFA/SOLACE Framework for Good Governance in Local Government defines governance as 'the systems and processes, cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities'.

1.1.4 Each year, the Annual Governance Review process, culminating in the Annual Governance Statement, is used to confirm that the Council's arrangements to comply with the Local Code of Corporate Governance are in place and effective.

1.2 Review of the Local Code of Corporate Governance

1.2.1 The Local Code of Corporate Governance adopted in 2013 has been reviewed and no amendment is considered to be required other than some minor textual amendments. A copy of the Code is attached at **[Annex 1]**.

1.3 Legal Implications

- 1.3.1 Whilst there is no legal requirement for Council's to develop a Local Code of Corporate Governance, such a Code provides a public document that demonstrates how the Council ensures it operates in a proper way and in accordance with the law.

1.4 Financial and Value for Money Considerations

- 1.4.1 There are no financial and value for money considerations arising from the Code.

1.5 Risk Assessment

- 1.5.1 The Code of Corporate Governance meets the principles of the CIPFA/SOLACE Framework for Good Governance in Local Government and has been prepared with due consideration to good governance practice, as set out in the Framework.

1.6 Equality Impact Assessment

- 1.6.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.7 Policy Considerations

- 1.7.1 [Select those that apply from Add-Ins >> All Entries >> Policy Considerations, or remove section]

1.8 Recommendations

- 1.8.1 Subject to any comments from the Audit Committee, Cabinet is requested to review the Local Code of Corporate Governance and recommend to Council it be adopted.

Background papers:

contact: David Buckley

CIPFA/SOLACE – “Delivering Good Governance in Local Government”.

Julie Beilby
Chief Executive

Sharon Shelton
Director of Finance and Transformation

**Tonbridge & Malling Borough Council
CODE OF CORPORATE GOVERNANCE**

INTRODUCTION

- 1.1 In 2001 the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) published *Corporate Governance in Local Government – A Keystone for Community Governance: Framework*. The Framework outlined the need for local authorities to review their governance arrangements against a number of key principles and report on their effectiveness in practice.
- 1.2 Six core principles of good governance were advocated by the Independent Commission on Good Governance in Public Services in *The Good Governance Standard for Public Services (2004)* with support from the Office for Public Management and CIPFA. In response to subsequent changes in local government, CIPFA and SOLACE published an updated framework for good governance in local government in 2007. The framework defines governance as, ‘the systems and processes, and cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities’.
- 1.3 The Independent Commission’s six core principles of good governance outlined in the CIPFA-SOLACE Framework show that good governance means:
- (i) Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
 - (ii) Members and officers working together to achieve a common purpose with clearly defined functions and roles
 - (iii) Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
 - (iv) Taking informed, transparent decisions which are subject to effective scrutiny and managing risk
 - (v) Developing the capacity and capability of Members and officers to be effective
 - (vi) Engaging with local people and other stakeholders to ensure robust public accountability

CODE OF CORPORATE GOVERNANCE	SUPPORTING EVIDENCE
1. Good governance means focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.	
<p>1.1. <i>Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users.</i></p>	<p>There is a clear statement of the organisation's purpose in:</p> <ul style="list-style-type: none"> • Tonbridge & Malling Borough Council – Corporate Performance Plan 2012/15 <p>This document sets out the key priorities for the authority and how the Council will work with a range of partners and the local communities towards achieving the objectives.</p> <p>Over the coming months the Council will need to develop a new Corporate Performance Plan taking into account the actions identified following the 2014 Peer Review and recent issues and challenges.</p>
<p>1.2. <i>Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning.</i></p>	<p>The Corporate Performance Plan also sets out how the Key Priorities will be delivered and identifies improvement plans on how these can be delivered efficiently and effectively. This will involve working with partners and contractors to achieve this. Regular update reports are given to Management and Members outlining progress towards achieving these priorities.</p>
<p>1.3. <i>Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.</i></p>	<p>The Council works towards improving value for money through:</p> <ul style="list-style-type: none"> • Exploration of innovative ways of working including potential for joint-working and shared services • Robust budgeting and Financial monitoring arrangements including detailed reviews of budgets and potential savings opportunities • The work of Internal Audit • The work of External Audit • Publication of annual budget and accounts information
2. Good governance means Members and officers working together to achieve a common purpose with clearly defined functions and roles	
<p>2.1. <i>Ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of members and officers are carried out to a high standard.</i></p>	<p>The Council has a protocol for relations between Members and Officers. The Council's Constitution sets out clearly any delegation of responsibility from Council and the decision making powers of:</p> <ul style="list-style-type: none"> • The Council • The Cabinet (including the Executive Leader and delegated decision-making to the Cabinet Portfolio Holders) • The Licensing Committee and other Council Committees.
<p>2.2. <i>Ensuring effective leadership throughout the authority and being</i></p>	<p>The Council's Constitution clearly sets out the process for holding the executive to account through the debate</p>

<p><i>clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.</i></p>	<p>of items at committees and, specifically, the role of the Overview and Scrutiny Committee.</p>
<p>2.3. <i>Ensuring relationships between the authority, its partners and the public are clear so that each knows what to expect of the other.</i></p>	<p>The Council is accountable to the citizens of Tonbridge & Malling in delivering its duties and responsibilities. The Council manages relationships with partners and consults with the public through a number of mechanisms:</p> <ul style="list-style-type: none"> • Transparency agenda • Regular reporting to Members • Partnership arrangements supported by protocol agreements • Council Constitution
<p>3. Good governance means promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.</p>	
<p>3.1. <i>Ensuring authority Members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.</i></p>	<p>The Council has a Code of Conduct for Members. In addition the Council has:</p> <ul style="list-style-type: none"> • An Equalities Policy • A Code of Conduct for staff • A Declaration of Interest Register for Members and for staff • A Register of Gifts and Hospitality offered to Members and staff • Financial Procedure Rules • Contracts Procedure Rules • A publicised complaints procedure • A fraud-aware culture
<p>3.2. <i>Ensuring that organisational values are put into practice and are effective.</i></p>	<p>The Council has robust arrangements in place to ensure that it does the right things, for the right people in a timely, inclusive, open, honest and accountable manner. These are monitored and publicised through:</p> <ul style="list-style-type: none"> • The Council's performance reporting arrangements • Procedures for recruitment and training • Decision making practices • Data transparency arrangements, such as publication of decisions and committee meeting minutes • Partnership governance arrangements
<p>4. Good governance means taking informed and transparent decisions which are subject to effective scrutiny and managing risk</p>	
<p>4.1. <i>Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.</i></p>	<p>The Council's Constitution sets out clearly the decision-making powers of:</p> <ul style="list-style-type: none"> • The Council • The Cabinet (including the Executive Leader and delegated decision-making to the Cabinet Portfolio Holders), • Other Council committees. <p>Feedback from the Overview and Scrutiny Committee and the Council's Cabinet and Committees is taken into</p>

	account in decision-making.
<i>4.2. Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.</i>	The Council's Financial Procedure Rules support the provision of high quality financial advice. The Council also acts in consultation with stakeholders. The Council's Internal Audit Service provide assurance on the quality of financial and performance data reported.
<i>4.3. Ensuring that an effective risk management system is in place.</i>	The Council has arrangements in place to effectively monitor and manage risks to its business through the: <ul style="list-style-type: none"> • Risk Management Strategy • Corporate Risk Register • Service Risk Registers • Audit Committee role in scrutinising corporate risk • Consideration of risk in all Committee reports • Annual Governance Statement
<i>4.4. Using their legal powers to the full benefit of the citizens and communities in their area.</i>	The Council actively recognises the requirements and responsibilities placed on it by law and will act to observe all specific legal requirements placed upon it when taking decisions. The Council also strives to utilise its statutory powers to work in the public interest and to the full benefit of its citizens, particularly in relation to regulatory activity. All committee reports include a section to ensure any legal implications are fully analysed when making decisions.
5. Good governance means developing the capacity and capability of Members and officers to be effective	
<i>5.1. Making sure that Members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.</i>	The Council has a training programme for Members and holds regular training sessions for Members on a variety of topics: <ul style="list-style-type: none"> • Induction training for all new members • Service-specific training, e.g. Community Safety • Committee-specific training, e.g. Audit Committee The Council has an extensive training programme for council officers including mandatory and voluntary training.
<i>5.2. Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.</i>	The Council examines the capability of its people with governance responsibilities through appraisals, identifying any training gaps – the relevant training programmes are updated accordingly.
<i>5.3. Encouraging new talent for membership of the authority so that best use can be made in individuals' skills and resources in balancing continuity and renewal.</i>	The political group leaders take a lead in this area and use the Member training programme to support this ambition as required.
6. Good governance means engaging with local people and other stakeholders to ensure robust public accountability	

<p><i>6.1. Exercising leadership through a robust scrutiny function which effectively engages local people & all local institutional stakeholders including partnerships, & develops constructive & accountability relationships.</i></p>	<p>The Council is clear that it is ultimately accountable to the citizens of Tonbridge & Malling. The Council's Corporate Performance Plan 2012/15 outlines the means by which local stakeholders will be engaged and how constructive, challenging relationships will be built. The Council has put in place Committees / Boards with cross-party representation to ensure effective and robust discussion of issues.</p> <p>The Council also has an Overview and Scrutiny Committee to scrutinise decisions made by Cabinet.</p>
<p><i>6.2. Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning.</i></p>	<p>The Council has a good understanding of who lives, works and plays in the borough and have mechanisms to listen to and respond to their needs, aspirations and concerns.</p> <p>The Council has taken action to develop and support effective engagement opportunities with all groups of the local community:-</p> <ul style="list-style-type: none"> • The Council promotes the TM Youth Forum that represents the views of young people living in Tonbridge and Malling • The Council supports the Tonbridge & Malling Seniors' Forum (TAMS) which promotes and the needs of the older resident. • The Council engages with other key stakeholders through a number of partnerships that the Council has embarked upon. • The Council actively uses complaints received to learn and improve services, whether through the internal complaints system or via the Ombudsman.
<p><i>6.3. Making best use of human resources by taking an active and planned approach to meet responsibility to staff.</i></p>	<p>The Council has Investors' in People accreditation for the whole Council and actively engages with its staff through:</p> <ul style="list-style-type: none"> • Team meetings • Regular performance management meetings • The Joint Employee Consultative Committee

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

24 June 2015

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Council

1 TREASURY MANAGEMENT UPDATE AND ANNUAL REPORT FOR 2014/15

A report detailing treasury management activity undertaken in April and May of the current financial year is to be considered by Audit Committee on 22 June. That report also includes details of the treasury management outturn for the 2014/15 financial year. Cabinet are invited to recommend Council endorse the action taken by Officers thus far in the current financial year and note the outturn position for 2014/15.

1.1 Introduction

1.1.1 Council adopted the 2009 CIPFA Code of Practice for Treasury Management on 18 February 2010. That Code, and subsequent updates, requires as a minimum that full Council receives an annual strategy published prior to the start of the financial year, a mid-year review of that strategy and an outturn report (this report).

1.1.2 Additional reports updating Members on current activity are presented to Audit Committee and performance is also reported on a regular basis to the Finance, Innovation and Property Advisory Board. The combination of Member reporting and detailed scrutiny of activity ensures this Council complies with best practice.

1.2 2015/16 Treasury Management Performance

1.2.1 As at the end of May 2015 funds invested and interest earned is set out in the table below.

	Funds invested at 31 May 2015 £m	Average duration to maturity Yrs	Weighted average rate of return %	Interest earned to 31 May 2015 £	Gross annualised return to 31 May 2015	7 day LIBID benchmark %
Cash flow	9.3	0.35	0.74	11,850	0.63	0.36
Core fund	13.4	0.38	0.81	17,750	0.79	0.36
Total	22.7	0.37	0.78	29,600	0.71	0.36

- 1.2.2 Interest earned of £29,600 is £1,600 better than budget and 35 basis points better than benchmark.

1.3 2014/15 Treasury Management Outturn

- 1.3.1 The 2014/15 Annual Investment Strategy made provision for externally managed core funds to be transferred to In-house management by the end of the year and, in so doing, generate a saving through reduced management fees. Members are reminded that the transfer to In-house management took place on 1 August 2014.
- 1.3.2 The outturn report reported to the Audit Committee is included in **[Annex 3]** of the Revenue and Capital Outturn report elsewhere on this agenda. Prudential and treasury indicators for 2014/15 are included at **[Annex 3 - Appendix 1]**.
- 1.3.3 Investment income of £164,250 earned during the year bettered the revised estimate by £4,100. The gross return for the year of 0.68% exceeds the 7-day LIBID benchmark by 33 basis points.

1.4 Legal Implications

- 1.4.1 Under Section 151 of the Local Government Act 1972, the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management.
- 1.4.2 This report fulfils the requirements of The Chartered Institute of Public Finance & Accountancy's Code of Practice on Treasury Management 2009.

1.5 Financial and Value for Money Considerations

- 1.5.1 At year end investment income for 2014/15 of £164,250 exceeded the 2014/15 revised estimate by £4,100. Investment income earned to the end of May 2015 of £29,600 is £1,600 above budget expectations for 2015/16.
- 1.5.2 All investments undertaken in 2014/15 and thus far in 2015/16 have complied with the requirements of the relevant Treasury Management Strategy Statement and Annual Investment Strategy.

1.6 Risk Assessment

- 1.6.1 The application of best practice as identified by the CIPFA Code, including the regular reporting and scrutiny of treasury management activity, is considered to be the most effective way of mitigating the risks associated with treasury management.

1.7 Equality Impact Assessment

- 1.7.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.8 Recommendations

1.8.1 Subject to any comments from the Audit Committee, Cabinet is invited to **RECOMMEND** that Council:

- 1) Endorse the action taken by officers in respect of treasury management activity for April and May 2015; and
- 2) Note the 2014/15 outturn position.

Background papers:

contact: Michael Withey

Nil

Sharon Shelton
Director of Finance and Transformation

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

24 June 2015

Report of the Chief Executive, Director of Finance and Transformation, Leader of the Council and Cabinet Member for Finance, Innovation and Property

Part 1- Public

Executive Non Key Decisions

1 REVENUE AND CAPITAL OUTTURN 2014/15

In accordance with the Council's Financial Procedure Rules we present a report and accompanying information detailing actual Revenue and Capital Outturn for the year ended 31 March 2015. We also present for consideration our recommendations, formulated in conjunction with Management Team, regarding proposed adjustments to the Accounts in light of the Outturn position.

1.1 Introduction

- 1.1.1 A detailed statement of the revenue and capital outturn position for the year 2014/15 is provided in the attached booklet which has been compiled in liaison with Chief Officers, including, where appropriate, explanatory notes of variations between revised estimates and outturn. Variations between the original and revised estimates for 2014/15 were highlighted in the notes to the Annual Estimate papers presented to Members during the 2015/16 budget cycle.
- 1.1.2 In accordance with the Council's constitutional arrangements the Statement of Accounts which shows the outturn in the format specified by the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 will be presented to the **Audit Committee** for **approval**. The Director of Finance and Transformation will be presenting the Statement of Accounts to the Audit Committee on 22 June.

1.2 Overall Revenue Position

- 1.2.1 Members are to be advised at this meeting that overall, and after setting aside circa £155,000 to meet next year's shortfall on the Business Rates Retention scheme, the revenue outturn is slightly over budget to the sum of £85,687 with a contribution from the General Revenue Reserve of £1,242,687 compared with the Revised Estimate figure of £1,157,000.
- 1.2.2 Factors that contributed to the adverse variance include the outcome of the personal search fee litigation, pressure on the housing benefits budget as a result

of government initiatives and setting aside funds to meet next year's shortfall under the Business Rates Retention scheme offset by management savings on the salary bill and our major income streams better than budgeted performance despite Aylesford Newsprint going into administration in February 2014 and the resultant adverse impact on the Council's income. A more detailed analysis of the principal reasons for the adverse variance can be found in the table below.

1.2.3 We have as part of the closedown process undertaken a review of the specific earmarked reserves held by the Council. As a result of this review and in liaison with Management Team the Cabinet are asked to endorse that:

- A Transformation reserve is established in the sum of £28,000 to fund initiatives that deliver operational efficiencies.

1.2.4 The above proposals have been reflected within the outturn position shown. As already mentioned, measured against the Revised Estimate the overall revenue position is slightly over budget to the sum of £85,687. The principal reasons for the adverse variance are given in the table below.

Description	Revised Estimate 2014/15 £	Provisional Outturn 2014/15 £	Variation £
Business Rates Retention Scheme	(1,910,945)	(1,593,364)	317,581
Housing Benefits	30,600	222,291	191,691
Personal Search Fees Provision	0	111,777	111,777
Transformation Reserve	0	28,000	28,000
Homelessness Bad Debt Provision	20,000	(258)	(20,258)
Appeals & Applications	45,000	24,252	(20,748)
DWP Welfare Reform Grants	(39,550)	(67,544)	(27,994)
Developer Contributions Interest	5,200	(24,124)	(29,324)
Summons Costs Recovered	(250,000)	(306,035)	(56,035)
Salaries, NI & Superannuation Contributions	10,938,050	10,859,887	(78,163)
Major Income Streams	(4,310,700)	(4,493,170)	(182,470)
Other Net Changes	5,050,501	4,902,131	(148,370)
Total	9,578,156	9,663,843	85,687

1.2.5 **[Annex 1]** provides details of Service specific issues in respect of the revenue outturn for 2014/15.

1.3 Capital Plan

1.3.1 A detailed draft outturn position was presented to the Finance, Innovation and Property Advisory Board on 3 June 2015 which showed actual net expenditure of £1,166,000 against a budget provision of £1,791,000.

1.3.2 The majority of the £625,000 underspend will need to be rolled forward for use in 2015/16. General issues that contributed to the under spend are given below.

- Capital renewals budgets totalling £811,000 with actual capital renewals expenditure totalling £539,000. Capital renewals provisions reflect predictions as to when assets will need to be replaced. These predictions reflect, where possible, the experience gained with similar assets, and aim to result in sufficient budget to maintain the asset base without over-inflating the Capital Plan. These predictions cannot always be accurate; and, if anything, there is a tendency towards caution.
- The very nature of capital expenditure can see the rescheduling, reprofiling and review of future budgetary provision for a variety of reasons. Budget provisions that are to be rescheduled, reprofiled or subject to review include Disabled Facilities Grants – net under spend £105,000; Improvement programme for existing car parks – under spend £45,000; and Renewable energy schemes – under spend £36,000.

1.3.3 **[Annex 2]** provides details of Service specific issues in respect of the capital outturn for 2014/15.

1.4 Treasury Management and Investment Strategy Review

1.4.1 The Council adopted the December 2009 edition of the Chartered Institute of Public Finance and Accountancy Treasury Management Code of Practice and Cross-Sectoral Guidance Notes on 18 February 2010 and due regard has also given to subsequent revisions to the Code. The Code requires an annual review report of the previous year to be presented and endorsed by Members. To comply with the Code an annual review report for the year 2014/15, attached at **[Annex 3]**, was considered by the Audit Committee at its meeting earlier this week. **As this is a technical document, if Members have any questions, could we please ask that you contact Michael Withey on extension 6103 in advance of the meeting.**

1.5 Balances and Reserves

1.5.1 **[Annex 4]** Table 1 shows the movement on the Special Projects Reserve.

1.5.2 **[Annex 4]** Table 2 details the movement on Other Earmarked Reserves. Members will note that there is one contribution to Other Earmarked Reserves that requires approval.

1.5.3 **[Annex 4]** Table 3 gives details of some minor revenue adjustments agreed by the Director of Finance and Transformation during the closedown process.

The Council is required to have regard to the level of its balances and reserves before making decisions concerning its finances. The Council's General Fund working balance is set at £1,250,000 and this sum is considered appropriate for an authority of our size and scale. The position in respect of the Council's General Revenue Reserve is given below.

General Revenue Reserve		
	£	£
Balance at 1 April 2014		5,913,612
Contribution to / (from) Reserve		1,242,687
Balance at 31 March 2015		4,670,925

1.5.4 The Medium Term Financial Strategy anticipated a General Revenue Reserve balance at 31 March 2015 of £4,757,000.

1.6 Audit Committee

1.6.1 As mentioned earlier, a copy of the Statement of Accounts for 2014/15 (unaudited) will be presented to the Audit Committee for approval on 22 June. The Accounts reflect the revenue and capital outturn position as detailed in this report and accompanying information, together with the subsequent recommendations.

1.7 Legal Implications

1.7.1 There are a number of legislative requirements to consider as we move through the closedown process, and prepare and publish the Statement of Accounts.

1.8 Financial and Value for Money Considerations

1.8.1 As set out above.

1.9 Risk Assessment

1.9.1 The compilation and presentation of the revenue and capital outturn forms part of the closedown process, leading to the preparation and publication of the Statement of Accounts which is a statutory document. Failure to prepare and publish the Accounts within the statutory timescale and in accordance with the Regulations could adversely affect the Council.

1.10 Equality Impact Assessment

1.10.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.11 Recommendations

1.11.1 Cabinet is **RECOMMENDED** to:

- 1) Receive and approve the Revenue and Capital Outturn for the year 2014/15.

- 2) Endorse the recommendations following a review of specific earmarked reserves set out at paragraph 1.2.3.
- 3) Receive and approve the Treasury Management and Investment Strategy Review 2014/15 **[Annex 3]**.

Background papers:

contact: Sharon Shelton
Neil Lawley

Investment information provided by King & Shaxson
Valuation/Impairment information provided by BPS
Chartered Surveyors

Julie Beilby
Chief Executive

Sharon Shelton
Director of Finance and Transformation

Nicolas Heslop
Leader of the Council

Martin Coffin
Cabinet Member for Finance, Innovation and Property

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Revenue Outturn 2014/15 - Service Specific Issues

Corporate Services

The outturn is £74,268 (£3,006,000 - £2,931,732) less than the 2014/15 Revised Estimate and this is spread throughout the Corporate Services budgets.

Chief Executive

The outturn is £134,043 (£1,209,600 - £1,075,557) less than the 2014/15 Revised Estimate. The principal reasons for this are as follows:-

- a) Elections (CE 3 / 4) – Direct net expenditure on electoral registration and conduct of elections was £33,295 less than estimated and transferred to an earmarked reserve.
- b) Grants & Payments (CE 5) – Grant payments funded from the Community Enhancement Fund were £76,974 less than estimated. Balance to be held in an earmarked reserve.
- c) Revenue Expenditure funded from Capital under Statute is £18,000 less than estimated due to the Community Partnership Initiatives and Local Strategic Partnership Capital Plan schemes slipping to 2015/16.
- d) The balance of £5,774 is spread throughout the remaining Chief Executive budgets.

Director of Central Services

The outturn is £67,832 (£45,950 - £113,782) more than the 2014/15 Revised Estimate. The principal reasons for this are as follows:-

- a) Community Safety (CEN 3) – Additional Community Safety Partnership expenditure of £18,950 funded from an earmarked reserve.
- b) Local Land Charges (CEN 4) – Provision established in the sum of £111,777 for refund of property search fees following settlement.
- c) Licences: Fee Paying (CEN 10) – Income from licence fees was £33,544 more than estimated largely as a result of an increase in the number of licensed taxis and private hire vehicles.
- d) Building repairs expenditure is £20,578 less than estimated largely as a result of the external decoration of the Six in One Club Association building slipping to 2015/16.
- e) The balance of £8,773 is spread throughout the remaining Director of Central Services budgets.

Director of Finance and Transformation

The outturn is £38,962 (£2,172,300 - £2,211,262) more than the 2014/15 Revised Estimate. The principal reasons for this are as follows:-

- a) Housing Benefits and Counter Fraud (FT 3) – Pressure on the housing benefits bill as a result of government initiatives has seen an increase in net costs of £191,691.
- b) Housing Benefits and Counter Fraud (FT 3 / 4) – Benefits grants totaling £27,994 received over and above that estimated and transferred to an earmarked reserve.
- c) Local Revenue & NNDR Collection (FT 5) – Summons costs raised in the year were £56,035 more than that estimated.
- d) Salaries and overheads are £40,838 less than estimated primarily due to management savings and impairment reversal of Council Offices following revaluation.
- e) The balance of £27,862 is spread throughout the remaining Director of Finance and Transformation budgets.

Director of Planning, Housing and Environmental Health

The outturn is £711,590 (£3,903,950 - £3,192,360) less than the 2014/15 Revised Estimate. The principal reasons for this are as follows:-

- a) Development Control (PHEH 2) – Application & Appeals is £20,748 less than estimated due to fewer complex or specialist appeals than usual.
- b) Development Control (PHEH 2) – Planning Applications income is £155,607 more than estimated.
- c) Parking (PHEH 8) – Income from car park season tickets is £18,321 more than estimated.
- d) Parking (PHEH 8) – Income from short/long stay parking is £102,254 more than estimated.
- e) Homelessness (PHEH 17) – Contribution to bad debt provision is £20,258 less than estimated due to lower than anticipated expenditure on rent deposits and improved recovery of bed and breakfast recharges.
- f) Salaries and overheads are £151,027 less than estimated primarily due to management savings and impairment reversal of Council Offices following revaluation.
- g) Revenue Expenditure funded from Capital under Statute is £217,821 less than estimated primarily due to the underspend on 2014/15 Capital

Plan provisions for Housing Assistance Grants and Disabled Facilities Grants, and delay in progressing the Renewable Energy Capital Plan scheme.

- h) The balance of £25,554 is spread throughout the remaining Director of Planning, Housing and Environmental Health budgets.

Director of Street Scene and Leisure

The outturn is £147,473 (£8,348,900 - £8,496,373) more than the 2014/15 Revised Estimate. The principal reasons for this are as follows:–

- a) Recycling (SSL 3 & 4) – Recycling income is £130,164 less than estimated primarily due to Aylesford Newsprint going into administration and fall in glass prices.
- b) Salaries and overheads are £37,097 less than estimated primarily due to management savings and impairment reversal of Council Offices following revaluation.
- c) Depreciation and impairment is £194,341 more than estimated primarily due to the Poult Wood Golf Centre impairment following revaluation.
- d) Revenue Expenditure funded from Capital under Statute is £121,540 less than estimated primarily due to the Tonbridge Town Lock Capital Plan scheme.
- e) The balance of £18,395 is spread throughout the remaining Director of Street Scene and Leisure budgets.

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Capital Outturn 2014/15 - Service Specific Issues

Planning, Housing and Environmental Health Services

- a) Existing Car Park Improvement Rolling Programme (CP3). Some of the works programme slipped to 2015/16 to enable similar works to be aggregated in larger contracts.
- b) Tonbridge Town Lock (CP4). Following a report to Cabinet in March 2015 construction of the public open space is due to commence in June 2015.
- c) Tonbridge Castle River Bank (CP4). Environment Agency funding was awarded towards the end of the 2014/15 financial year. The scheme to replace a section of the river bank timber revetment at Tonbridge Castle is now expected to take place in 2015/16.
- d) Disabled Facility Grants (CP5). Grant applications in respect of the net underspend of £105,000 have now been processed. Funding to be rolled forward for use in 2015/16.
- e) Air Quality Impact Study (CP5). Progress stalled due to key personnel changes at both Maidstone Borough Council and Kent County Council. Support has now been re-established and the scheme to evaluate the air quality impact of retro-fitting buses using the A20 corridor is expected to progress in 2015/16.

Street Scene and Leisure Services

- a) Larkfield Leisure Centre Energy Saving Measures (CP8). Scheme to replace sports hall lighting with low energy LEDs completed.
- b) Tonbridge Racecourse Sportsground Bridge Renewal (CP8). Scheme to replace the bridge leading from Avebury Avenue is now complete.
- c) Open Spaces Site Improvements Phase 1 (CP9). Scheme provides improvements to Scotchers Field, Tonbridge and Leybourne Lakes Country Park to address anti-social behaviour, health and safety, access and issues raised by local residents. 2014/15 financial year provision relating to slipway and path improvements at LLCP has been deferred to 2015/16.
- d) Tonbridge Memorial Garden Improvement (CP9). Scheme now complete. Improvement works, progressed in liaison with the Tonbridge Memorial Garden Trust, included the full redesign and refurbishment of the Memorial Garden. The works were completed in July 2014 and a formal opening held in September 2014.

Corporate Services

- a) Electoral Voter Registration (CP12). Scheme funded by Government grant to facilitate individual voter registration was completed June 2014.
- b) Flood Repair & Renewals Grants (CP12). Government funded scheme to support businesses and home owners recover from the impact of the winter 2013 floods. Government have extended the timeframe for receipt of applications to June 2015.

Treasury Management Annual Report 2014/15

1.1 Introduction

1.1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2014/15 [**Appendix 1**]. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

1.1.2 During 2014/15 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year;
- a mid-year treasury update report; and
- an annual review following the end of the year describing the activity compared to the strategy (this report).

In addition, treasury management update reports have been presented to each meeting of the Audit Committee throughout the 2014/15 financial year. Treasury performance was also considered at the Finance, Innovation and Property Advisory Board through the regular Financial Planning and Control reports.

1.1.3 Changes in the regulatory environment place a much greater onus on Members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members.

1.1.4 This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit Committee before they were reported to full Council.

1.2 The Economy and Interest Rates

1.2.1 The original market expectation at the beginning of 2014/15 was for the first increase in Bank Rate to occur in quarter 1, 2015 as the unemployment rate had fallen much faster than expected through the Bank of England's initial forward guidance target of 7%. In May, however, the Bank revised its forward guidance. A combination of very weak pay rises and inflation above the rate of pay increases meant that consumer disposable income was still being eroded and in August the Bank halved its forecast for pay inflation in 2014 from 2.5% to 1.25%. Expectations for the first increase in Bank Rate therefore started to recede as growth was still heavily dependent on buoyant consumer demand. During the second half of 2014 financial markets were caught out by a halving of the oil price and the collapse of the peg between the Swiss franc and the euro. Fears also increased considerably that the European Central Bank (ECB) was going to do too little too late to ward off the threat of deflation and recession in the Eurozone. By the end of 2014, it was clear that inflation in the UK was going to

head towards zero in 2015 and possibly even turn negative. In turn, this made it clear that the Monetary Policy Committee (MPC) would have great difficulty in starting to raise Bank Rate in 2015 while inflation was around zero and so market expectations for the first increase receded to quarter 1 of 2016.

- 1.2.2 Gilt yields were on a falling trend for much of the last eight months of 2014/15 but were then pulled in different directions by increasing fears after the anti-austerity parties won power in Greece in January; developments since then have increased fears that Greece may exit the euro. While the direct effects of this would be manageable by the European Union (EU) and ECB, it is hard to quantify quite what the potential knock on effects would be on other countries in the Eurozone once the so called impossibility of a country leaving the Euro had been disproved. Another downward pressure on gilt yields was the announcement in January that the ECB would start a major programme of quantitative easing. On the other hand, strong growth in the US caused an increase in confidence that the US was well on the way to making a full recovery from the financial crash and would be the first country to start increasing its central rate, probably by the end of 2015. The UK is expected to follow due to strong growth in 2013 and 2014 and good prospects for a continuation into 2015 and beyond.

1.3 Treasury Position at 31 March 2015

- 1.3.1 At the beginning and the end of 2014/15 the Council's debt and investment position was as follows:

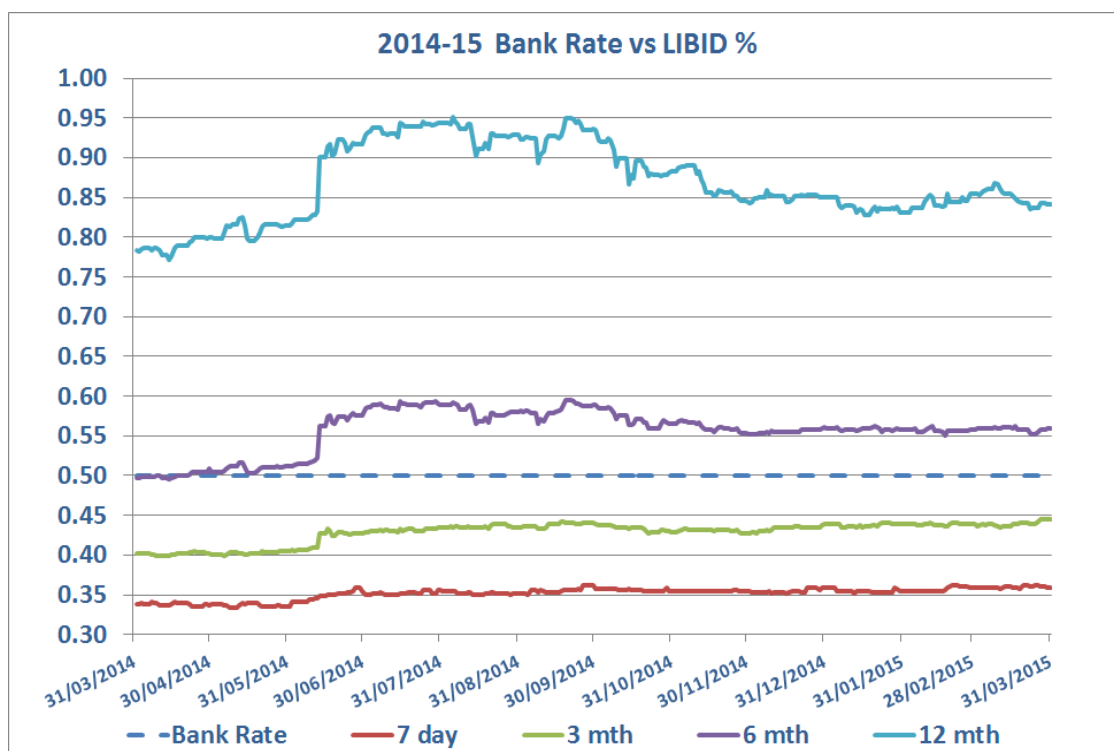
	31 March 2014 £m	Rate / Return %	Average duration Years	31 March 2015 £m	Rate / Return %	Average duration Years
Variable rate debt:						
Overdraft	0.00	-	-	0.00	-	-
Total debt	0.00	-	-	0.00	-	-
Fixed rate investments:						
In-house cash flow	2.00	1.10	0.03	2.00	0.95	0.04
In-house core fund	-	-	-	6.00	0.78	0.30
Externally managed core fund	0.64	0.35	0.17	-	-	-
Variable rate investments:						
In-house cash flow	3.55	0.74	0.01	4.02	0.64	0.00
In-house core fund	-	-	-	7.45	0.73	0.18
Externally managed core fund	12.76	0.62	0.81	-	-	-
Total Investments	18.95	0.68	0.56	19.47	0.75	0.17

1.4 The Strategy for 2014/15

- 1.4.1 The expectation for interest rates within the strategy for 2014/15 anticipated a low but rising Bank Rate starting in quarter 1 of 2015. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns.

1.5 Investment Rates in 2014/15

- 1.5.1 The Bank Rate remained at its historic low of 0.5% throughout the year and has now remained at that level for six years. Market expectations as to the start of monetary tightening started the year at quarter 1, 2015 but moved back to quarter 1, 2016 by the end of the financial year.



1.6 Investment Outturn for 2014/15

- 1.6.1 The Council's investment policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies. This is supplemented by additional market information including credit rating outlooks and credit default swap data. The 2014/15 Annual Investment Strategy was approved by the Council in February 2014 and subjected to a mid-year review in October 2014. In undertaking the review, no changes were made to the Council's minimum counterparty credit requirement or counterparty exposure limits. However, because of the relatively poor performance delivered by the Council's external fund manager in the early part of the year the review did warn that investment returns for 2014/15 would be lower than originally anticipated. Investment returns were reduced as part of the budget setting process from £167,000 by £6,850 to £160,150.
- 1.6.2 **Cash Flow Investments.** The Council maintained an average balance of £10.9m of internally managed cash flow funds. These funds earned an average rate of return of 0.64%. The comparable performance indicator is the average 7-day LIBID rate which was 0.35%. The return achieved also compares with a revised budget assumption of £10.5m investment balances earning an average rate of 0.67%. The majority of cash flow funds are required to meet our regular payment obligations and as a consequence are invested overnight in bank deposit accounts and money market funds which allow next day access.

However, the opportunity to invest for longer durations and generate additional yield is taken when cash flow surpluses permit.

1.6.3 **Core Fund Investments.** Responsibility for the management of core funds was split between the Council's external fund manager, Investec Asset Management (April 2014 to July 2014) and in-house management (August 2014 onwards). Core funds earned an average rate of return of 0.70% on an average balance of £13.4m against a benchmark return of 0.35%. This compares with a revised budget assumption of an average investment balance of £13.1m at a return of 0.69%. Unlike cash flow, core fund balances are not required to meet our regular payment obligations and are available to invest for longer durations including durations exceeding one year. This added flexibility should allow core funds to generate a better return relative to cash flow investments. This expectation was realised in the final eight months of financial year following the transfer of core funds to in-house management.

1.6.4 Performance for the financial year as a whole is summarised in the table below:

	2014/15 Average Balance £m	Return %	2014/15 Interest Earned £	2014/15 Revised Estimate £	Variance Better (worse) £
In-house cash flow	10.9	0.64	70,000	70,000	-
Externally Managed core fund to 31 July	4.5	0.62	27,900	25,500	2,400
In-house managed core funds from 1 August	8.9	0.74	66,350	64,650	1,700
Total	24.3	0.68	164,250	160,150	4,100

1.6.5 The combined performance of the Authority's cash flow and core funds bettered the revised estimate by £4,100.

1.7 Compliance with the Annual Investment Strategy

1.7.1 Throughout the period April 2014 to March 2015 the requirements set out in the 2014/15 Annual Investment Strategy which aim to limit the Council's exposure to investment risks (minimum counterparty credit criteria; sovereign, counter-party and group exposure limits; type of investment instrument; and investment duration limits) have been complied with. No liquidity issues were experienced resulting in nil borrowing throughout 2014/15.

Prudential and Treasury Indicators

1 Prudential Indicators	2013/14 Actual £'000	2014/15 Original £'000	2014/15 Actual £'000
Capital expenditure	1,744	3,348	2,341
Ratio of financing costs to net revenue stream	-1.41%	-1.42%	-1.36%
Net borrowing requirement:			
Brought forward 1 April	nil	nil	nil
Carried forward 31 March	nil	nil	nil
In year borrowing requirement	nil	nil	nil
Capital financing requirement as at 31 March	nil	nil	nil
Annual change in capital financing requirement	nil	nil	nil
Incremental impact of capital investment decisions:			
Increase in Council Tax (Band D) per annum	£(0.23)	£0.30	£0.30

2 Treasury Management Indicators	2013/14 Actual £'000	2014/15 Original £'000	2014/15 Actual £'000
Authorised limit for external debt:			
Borrowing	nil	5,000	nil
Other long term liabilities	nil	nil	nil
Total	nil	5,000	nil
Operational boundary for external debt:			
Borrowing	nil	2,000	nil
Other long term liabilities	nil	nil	nil
Total	nil	2,000	nil
Actual external debt	nil	nil	nil
Upper limit for fixed rate exposure over one year at year end	nil	0 – 60%	nil
Upper limit for variable rate exposure under one year at the year end	16,309 (86.1%)	40 – 100%	11,466 (58.9%)
Upper limit for total principal sums invested for over 364 days	2,234 (11.8%)	60%	nil (0%)

3 Maturity structure of new fixed rate borrowing during 2014/15	Upper limit %	Lower limit %
Under 12 months	100	nil
Over 12 months	nil	nil

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TABLE 1

Special Projects Reserve	2014/15		
	Revised £	Outturn £	Variance £
Contribution to/(from) in Year			
River Wall at Wouldham	700,000	700,000	0
Borough Signage	(1,200)	(5,402)	(4,202)
Crime and Disorder Initiatives	-	(18,950)	(18,950)
Environmental Health Initiatives	(5,000)	(13,457)	(8,457)
Local Strategic Partnership	(4,500)	(4,518)	(18)
Social Housing Fraud Initiative	(1,900)	(1,875)	25
Repossessions Prevention Fund	(4,000)	(563)	3,437
Tonbridge Environmental Schemes	(100,000)	(100,000)	0
Movement in Year	583,400	555,235	(28,165)

TABLE 2

Other Earmarked Reserves	2014/15		
	Revised £	Outturn £	Variance £
Contribution to/(from) in Year			
Election Expenses	22,800	58,295	35,495
Housing Assistance	-	26,354	26,354
Local Development Framework	10,000	5,330	(4,670)
Public Health	-	4,014	4,014
Business Rates Retention Scheme	(400,000)	755,132	1,155,132
Business Support Scheme	(222,000)	(227,000)	(5,000)
Community Enhancement Fund	(230,000)	(153,026)	76,974
Democratic Representation	(5,000)	(5,032)	(32)
Flood Recovery and Defence	(65,550)	(76,000)	(10,450)
High Street Innovation Fund	(27,350)	(37,401)	(10,051)
Housing and Welfare Reform	(9,450)	(7,825)	1,625
Invest to Save	(1,900)	(1,900)	0
Planning Inquiries	(35,000)	(8,105)	26,895
Road Closures	-	(2,638)	(2,638)
Supporting People	-	(1,100)	(1,100)
Tonbridge and Malling Leisure Trust	-	(18,530)	(18,530)
Tonbridge Town Centre	(22,850)	(22,568)	282
Training and IIP Accreditation	-	(7,187)	(7,187)
Approved by Management Team			
Community Enhancement / Development Fund	-	107,950	107,950
Community Enhancement Fund	-	(107,950)	(107,950)
Economic Development	-	85,599	85,599
Business Support Scheme	-	(23,000)	(23,000)
High Street Innovation Fund	-	(62,599)	(62,599)
For Approval			
Transformation	-	28,000	28,000
Movement in Year	(986,300)	308,813	1,295,113

TABLE 3

Revenue Adjustments	2014/15		
	Revised £	Outturn £	Variance £
Expenditure / (Receipts) in Year			
Rechargeable Works Overheads	-	1,198	1,198
Tonbridge and Malling Leisure Trust	-	514	514
Miscellaneous Cash	-	(86)	(86)
Movement in Year	-	1,626	1,626

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

24 June 2015

Report of the Chief Executive

Part 1- Public

Executive Non Key Decisions

1 NEW CORPORATE STRATEGY - PROPOSED TIMETABLE

To set out a proposed timetable for development of a new Corporate Strategy for the Council and its formal adoption.

1.1 Background

1.1.1 Members will be aware that a new approach to developing the Council's overarching strategy document is now under way. A shorter, more focused strategy is to be produced which will replace the more detailed Corporate Performance Plan which has been in use for several years. This report suggests a process and timetable for the development of the new strategy.

1.2 The Corporate Performance Plan (CPP)

1.2.1 A final version of the Corporate Performance Plan has now been prepared. This version looks back to performance achieved over the last financial year but does not seek to set any targets for future years. The final CPP is to be reported to the next meeting of the Overview and Scrutiny Committee for final review prior to this being formally signed off by the Cabinet.

1.3 The New Corporate Strategy

1.3.1 Work is now in hand to prepare an initial draft of the new corporate strategy. This is likely to cover actions to take forward the Council's adopted key priorities, the transformation agenda, the Council's financial position and to set a small number of key performance measures linked to the key priorities. The strategy is intended to operate from the start of the 2016/17 financial year. It will have a three year time horizon overall but will be reviewed on an annual basis.

1.3.2 To accord with the Council's Constitution regarding development of the Policy Framework, as a new strategy, the following process must be followed:

(a) An initial report on a draft strategy will be made to Cabinet at its meeting on 7th October

(b) The strategy will then be referred to the Overview and Scrutiny Committee which meets on 26th January 2016

(c) Following further consideration by the Cabinet at its meeting on 2nd February, the strategy can be adopted by Full Council at its meeting on 16th February

1.3.3 This process therefore allows for full consideration of the draft strategy by all Members of the Council prior to its final adoption.

1.4 Legal Implications

1.4.1 As indicated above.

1.5 Financial and Value for Money Considerations

1.5.1 Matters to be considered as part of the new Corporate Strategy.

1.6 Risk Assessment

1.6.1 n/a

1.7 Equality Impact Assessment

1.7.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users

1.8 Recommendation

1.8.1 That the suggested process and timetable for the adoption of a new corporate strategy for the Council **BE APPROVED.**

.Background papers:

contact: Mark Raymond

Nil

Julie Beilby
Chief Executive

TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

24 June 2015

Report of the Director of Planning, Housing and Environmental Health

Part 1- Public

Executive Non Key Decisions

1 DITTON PARISH NEIGHBOURHOOD AREA

Summary: Ditton Parish Council has made an application to designate the whole of the Parished area as a Neighbourhood Area in accordance with the Localism Act. This report sets out the process for considering the application, the results of the public consultation exercise and invites Members to approve the designation.

1.1 Introduction

- 1.1.1 The Localism Act 2011 introduced new neighbourhood planning provisions for which Regulations came into force on 6 April 2012. The Localism Act 2011, together with these regulations, places various duties and responsibilities upon the Council in relation to neighbourhood planning and as part of these duties, defines the process for designating neighbourhood areas and neighbourhood forums (where applicable).
- 1.1.2 Ditton Parish Council applied to the Borough Council on 12th March 2015 for the designation of a Neighbourhood Area. The proposal covers the whole of the parished area of Ditton and is the first step for the Parish Council in preparing a Neighbourhood Plan (see Appendix 1). A four week public consultation was carried out by the Borough Council, from 11th May to 8th June 2015 in accordance with the Regulations (as amended). This consultation was solely focussed on the designation of the Neighbourhood Area and was not a consultation on the Neighbourhood Plan itself.
- 1.1.3 Consultation documents were posted on the Borough Council's website and made available at the Gibson Building reception at Kings Hill. The adjoining Parish Councils of East Malling & Larkfield, Aylesford in Tonbridge and Malling and also Barming in Maidstone Borough were also sent copies of the consultation documents. Maidstone Borough Council was also sent copies as an adjoining Local Authority.
- 1.1.4 At the close of the consultation period, one response had been received from Gladman Properties (see Appendix 2). The response makes no specific comment

on the designation, but raises a number of concerns regarding the preparation of a Neighbourhood Plan in advance of the Borough Local Plan. These concerns are not relevant to the decision to designate the Neighbourhood Planning Area, but they have been shared with Ditton Parish Council.

1.2 Determining the Application

- 1.2.1 Parish Councils are known as ‘qualifying bodies’ for the purpose of designating Neighbourhood Areas. This means that they do not have to apply separately to become Neighbourhood Planning Forums for their area. In non-parished areas communities have to apply to become Neighbourhood Planning Forums before they can designate a Neighbourhood Area and begin a Neighbourhood Plan.
- 1.2.2 The Local Planning Authority has to decide whether the application to designate a Neighbourhood Area should be approved, approved with modifications or rejected.
- 1.2.3 The Planning Advisory Service suggests that the area applied for by the qualifying body should be approved by the LPA unless there are clear reasons why an alternative Neighbourhood Area is more appropriate. The starting point should be a boundary that makes sense to that community and is logical and in coming to a decision on an application LPAs should consider what makes an appropriate boundary for a Neighbourhood Area based on sound planning reasons.
- 1.2.4 In this case as the area to be designated is the Parish Council boundary and the Parish Council is a qualifying body there are no clear reasons why the designation should not be approved.

1.3 Legal Implications

- 1.3.1 There are no legal implications arising directly from the designation of Neighbourhood Area. Should the Parish Council decide to prepare a Neighbourhood Plan and that Plan is adopted after a successful examination and local referendum, it would form part of the statutory development plan for the area.
- 1.3.2 Ditton Parish council is a relevant body under Section 61(G) of the Localism Act 2011 and pursuant to that section may apply to the Council as a local planning authority for the designation of a specified area as a “Neighbourhood Area”.

1.4 Financial and Value for Money Considerations

- 1.4.1 The application to approve the Ditton Neighbourhood Area does not raise any financial or resource implications for the Council at this stage. However, the Council has a duty to support and advise Neighbourhood Planning Bodies if they decide to prepare Neighbourhood Plans, including paying for the independent examination and the referendum.

1.5 Risk Assessment

1.5.1 Amendments to the Neighbourhood Planning Regulations in January this year introduced timescales for Local Planning Authorities to determine Neighbourhood Area applications within eight weeks of being publicised. This means that a decision on this application should be made by 6th July 2015.

1.6 Equality Impact Assessment

1.6.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.7 Recommendations

1.7.1 That the designation of the Neighbourhood Area shown at Appendix 1 is approved.

Background papers:

contact: Ian Bailey

Nil

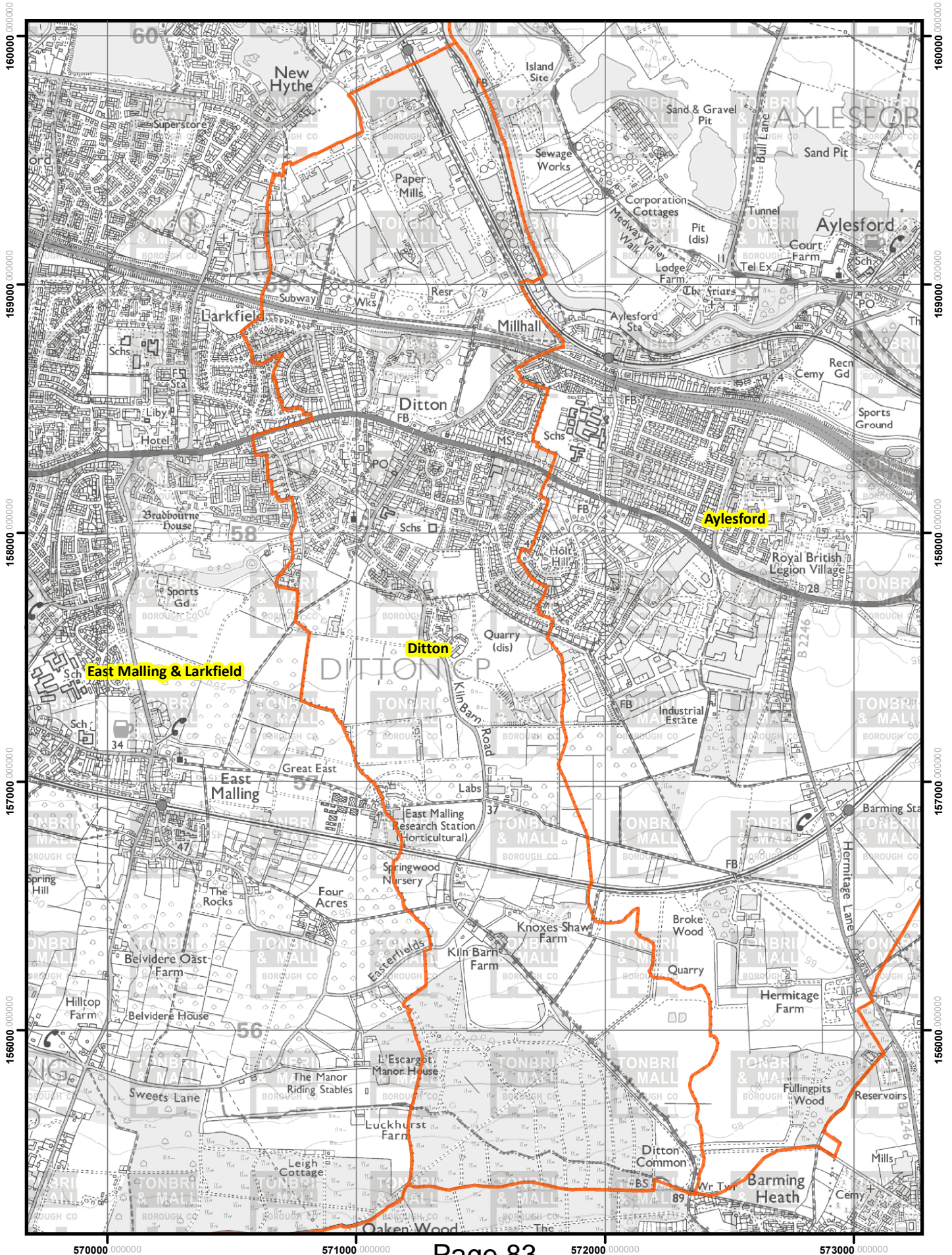
Steve Humphrey

Director of Planning, Housing and Environmental Health

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Gibson Building
Gibson Drive
Kings Hill
ME19 4LZ

(Representations submitted by email to localplan@tmbc.gov.uk)

3rd June 2015

Re: Ditton Neighbourhood Development Plan – Application for Neighbourhood Area Designation

Dear Sir or Madam,

Gladman Developments Ltd (Gladman) specialise in the promotion of strategic land for residential development with associated community infrastructure. From this experience, we understand the need for the planning system to deliver the homes, jobs and thriving local places that the country needs. Every effort should be made in delivering the homes and business needs of an area, whilst responding positively to the wider opportunities for growth.

This letter provides Gladman's representations on the application made by Ditton Parish Council for the designation of a Neighbourhood Area, for the purposes of preparing a Neighbourhood Development Plan.

At this stage Gladman have no specific comments to make on the application for the Neighbourhood Area designation. However, as the first formal stage of preparing a Neighbourhood Plan, Gladman would like to take the opportunity to comment on the Ditton Neighbourhood Area application to highlight a number of key requirements to which the development of the emerging Neighbourhood Plan should have regard. Gladman wish to participate in the Neighbourhood Plan's preparation and to be notified of further developments and consultations in this regard.

Neighbourhood Plans - Guidance and Legislation

The National Planning Policy Framework (The Framework) sets out the Government's planning policies for England and how these are expected to be applied. In doing so it sets out requirements for the preparation of neighbourhood plans and the role these should take in setting out policies for the local area. The guidance set out in the Framework has now been supplemented by the Neighbourhood Planning Chapter contained in Planning Practice Guidance (PPG).

Paragraph 16 of the Framework sets out the positive role that Neighbourhood Plans should play in meeting the development needs of the local area. Its states that:

"The application of the Presumption (In Favour of Sustainable Development, set out in paragraph 14 of Framework) will have implications for how communities engage in neighbourhood planning. Critically it will mean that neighbourhoods should:

- Develop plans that support the strategic development needs set out in Local Plans, including policies for housing and economic development;*
- Plan positively to support local development, shaping and directing development in their area that is outside of the strategic elements of the Local Plan"*

Further guidance on the relationship between Neighbourhood Plans and strategic policies for the wider area set out in a Council's Local Plan is included in paragraph 184 of the Framework:

"The ambition of the neighbourhood should be aligned with the strategic needs and priorities of the wider local area. Neighbourhood Plans must be in general conformity with the strategic policies of the Local Plan. To facilitate this, local planning authorities should set out clearly their strategic policies for the area and ensure that an up-to-date plan is in place as quickly as possible. Neighbourhood Plans should reflect these policies and neighbourhoods should plan positively to support them. Neighbourhood Plans...should not promote less development than set out in the Local Plan or undermine its strategic policies".

Before a Neighbourhood Plan can proceed to referendum it must be tested against the Neighbourhood Plan Basic Conditions, set out in paragraph 8(2) of Schedule 4B of the Town and Country Planning Act 1990 and further detailed in paragraph 065 of the Neighbourhood Plan PPG. These Basic Conditions are:

- a) Having regard to national policies and advice contained in guidance issued by the Secretary of State it is appropriate to make the neighbourhood plan*
- b) Having special regard to the desirability of preserving any listed building or its setting or any features of special architectural or historic interest that it possesses, it is appropriate to make the order*
- c) Having special regard to the desirability of preserving or enhancing the character or appearance of any conservation area, it is appropriate to make the order*
- d) The making of the neighbourhood plan contributes to the achievement of sustainable development*
- e) The making of the neighbourhood plan is in general conformity with the strategic policies contained within the development plan for the area of the authority*
- f) The making of the neighbourhood plan does not breach, and is otherwise compatible with, EU obligations*
- g) Prescribed conditions are met in relation to the plan and prescribed matters have been complied with in connection with the proposal for the neighbourhood plan*

If a Neighbourhood Plan is not developed in accordance with the Neighbourhood Plan Basic Conditions there is a real risk that it will fail when it reaches Independent Examination.

Relationship with Local Plans

To meet the requirements of the Framework and the Neighbourhood Plan Basic Conditions, Neighbourhood Plans should be prepared to conform to up-to-date strategic policy requirements set out in Local Plans. Where an up-to-date Local Plan has been adopted and is in place for the wider authority area, it is the strategic policy requirements set out in this document that a Neighbourhood Plan should seek to support and meet. When a Local Plan is emerging or is yet to be found sound at Examination, there will be lack of certainty over what scale of development a community must accommodate or the direction the policies in the Neighbourhood Plan should take.

The Council's Core Strategy was adopted on 25th September 2007 and is required to deliver a total of 6,375 dwellings over the plan period up to 2021. The Council's Development Land Allocations DPD was adopted in April 2008.

Following the publication of the Framework it is clear that the Council's housing requirement was never based on an objective assessment of housing need instead the housing requirement contained within the adopted Core Strategy is predicated on the now revoked South East Regional Spatial Strategy.

The Council are now progressing with its emerging Local Plan and will replace the current suite of policy documents. The Council's latest LDS (published November 2014) confirms that they are in the early stages of preparing the emerging Local Plan. The Council's LDS confirms the following timetable

- Issues and Options Consultation: October 2015
- Draft Local Plan Consultation: April 2016
- Submission to Secretary of State: August 2016
- Examination: November 2016
- Adoption: July 2017

Given the level of uncertainty over the direction of policies the emerging Local Plan will take, we question the ability of the Ditton Neighbourhood Plan to be progressed at this time until the Local Plan has reached a more advanced stage. If progressed the Ditton Neighbourhood Plan may act to pre-empt the emerging Local Plan and may result in Tonbridge and Malling Borough Council being unable to deliver its housing need.

Although the Neighbourhood Plan PPG indicates that Neighbourhood Plans can be advanced before an up-to-date Local Plan. Gladman strongly submits that it would be appropriate to postpone further work on the Neighbourhood Plan until both the direction and level of growth contained in the emerging Local Plan is more certain. If the Neighbourhood Plan is advanced and the strategic priorities and development requirements of the parish change in the interim, then work on the Neighbourhood Plan will likely be abortive representing a waste of both the Parish Council's and local planning authorities time and resources.

Neighbourhood Plan Policies and Proposals

In accordance with the Neighbourhood Plan Basic Conditions, Neighbourhood Plan policies should align with the requirements of the Framework and the wider strategic policies for the area set out in the Council's Local Plan. Neighbourhood Plans should provide a policy framework that complements and supports the requirements set out in these higher-order documents, setting out further, locally-specific requirements that will be applied to development proposals coming forward.

The Framework is clear that Neighbourhood Plans cannot introduce policies and proposals that would prevent development from going ahead. They are required to plan positively for new development, enabling sufficient growth to take place to meet the strategic development needs for the area. Policies that are clearly worded or intended to place an unjustified constraint on further sustainable development taking place would not be consistent with the requirements of the Framework or meet the Neighbourhood Plan Basic Conditions.

Communities should not seek to include policies in Neighbourhood Plans that have no planning basis or are inconsistent with national and local policy obligations. Proposals should be appropriately justified by the findings of a supporting evidence base and must be sufficiently clear to be capable of being interpreted by applicants and decision makers. Policies and proposals should be designed to add value to policies set out in Local Plan and national guidance, as opposed to replicating their requirements. The community should liaise with the Council's planning team to seek advice on the appropriateness of the Neighbourhood Plan's proposals.

Sustainability Appraisal/Strategic Environmental Assessment

The preparation of a Neighbourhood Plan may fall under the scope of the Environmental Assessment of Plans and Programmes Regulations 2004 (SEA Regulations) that require a Strategic Environmental

Assessment (SEA) to be undertaken where a Plan's proposals would be likely to have significant environmental effects. The requirement to undertake an SEA will be dependent on a Neighbourhood Plan's proposals, but is likely to be necessary where a Plan is proposing specific allocations or site designations.

In accordance with Schedule 1 of the SEA Regulations, a Screening Assessment of a Neighbourhood Plan's proposals should be completed to assess whether an SEA must be prepared. Where an SEA is required this should be commenced at the earliest opportunity, alongside the preparation of the emerging Neighbourhood Plan, to ensure the Neighbourhood Plan's proposals have been properly considered through the SEA process, and appropriately justified against other reasonable alternatives. Where an adequate SEA has not been undertaken a Neighbourhood Plan is unlikely to meet the Neighbourhood Plan Basic Conditions.

Although Neighbourhood Plans do not require a Sustainability Appraisal (SA) of their proposals, preparing an SA can help to show how a Neighbourhood Plan will contribute to the achievement of sustainable development, a Neighbourhood Plan Basic Condition. Where an SEA is required, extending this assessment to the preparation of an SA is unlikely to require significant additional input.

The Council's planning team will be able to advise on the likely need for an SEA of the Neighbourhood Plan's proposals. To be compatible with EU obligations, further appraisals, such as a Habitats Regulations Assessment, may also be required depending on local circumstances.

I hope you have found this letter to be constructive. Should you have any queries in relation to our response please do not hesitate to contact myself or a member of the Gladman team.

Yours faithfully

John Fleming
Gladman Developments Ltd

Agenda Item 13

Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

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Agenda Item 14

The Chairman to move that the press and public be excluded from the remainder of the meeting during consideration of any items the publication of which would disclose exempt information.

**ANY REPORTS APPEARING AFTER THIS PAGE CONTAIN EXEMPT
INFORMATION**

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Agenda Item 15

Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

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