

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
committee.services@tmbc.gov.uk

15 September 2015

To: MEMBERS OF THE FINANCE, INNOVATION AND PROPERTY ADVISORY BOARD

(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Finance, Innovation and Property Advisory Board to be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Wednesday, 23rd September, 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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To confirm as a correct record the Notes of the meeting of the Finance, Innovation and Property Advisory Board held on 22 July 2015

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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

Cllr Mrs F A Kemp (Chairman)
Cllr Mrs B A Brown (Vice-Chairman)

Cllr O C Baldock
Cllr Mrs S Bell
Cllr R P Betts
Cllr T Bishop
Cllr J L Botten
Cllr T I B Cannon
Cllr D J Cure

Cllr M O Davis
Cllr R D Lancaster
Cllr D Lettington
Cllr L J O'Toole
Cllr Miss J L Sergison
Cllr A K Sullivan
Cllr B W Walker

Apologies for absence

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Declarations of interest

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TONBRIDGE AND MALLING BOROUGH COUNCIL

FINANCE, INNOVATION AND PROPERTY ADVISORY BOARD

Wednesday, 22nd July, 2015

Present: Cllr Mrs F A Kemp (Chairman), Cllr Mrs B A Brown (Vice-Chairman), Cllr O C Baldock, Cllr R P Betts, Cllr T Bishop, Cllr J L Botten, Cllr T I B Cannon, Cllr D J Cure, Cllr M O Davis, Cllr D Lettington, Cllr A K Sullivan and Cllr B W Walker

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

Apologies for absence were received from Councillors Mrs S Bell, R D Lancaster, L J O'Toole and Miss J L Sergison

PART 1 - PUBLIC

FIP 15/33 DECLARATIONS OF INTEREST

Councillor N Heslop declared an Other Significant Interest in the item on Applications for Discretionary Rate Relief in respect of a renewal application by the Bridge Trust on the grounds of membership of the Trust's Board. Councillor M Davis also declared an Other Significant Interest in this item on the grounds that his firm had undertaken work for the Bridge Trust. Both Councillors withdrew from the meeting during its consideration.

FIP 15/34 MINUTES

RESOLVED: That the notes of the meeting of the Finance, Innovation and Property Advisory Board held on 3 June 2015 be approved as a correct record and signed by the Chairman.

MATTERS FOR RECOMMENDATION TO THE CABINET

FIP 15/35 APPLICATIONS FOR DISCRETIONARY RATE RELIEF

Decision Notice D150059MEM

The report of the Director of Finance and Transformation gave details of new and renewal 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 2 to the report, 20% discretionary rate relief be awarded in each case with effect from 1 April 2015 and time limited to 31 March 2017;
- (2) the new application for discretionary rate relief be determined as follows:

14th Tonbridge Sea Scout Group, Adj Sumaria, Barden Road, Tonbridge – 100% discretionary relief be awarded, time limited to 31 March 2017.

FIP 15/36 FINANCIAL PLANNING AND CONTROL

Decision Notice D150060MEM

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. It also gave an update on the approved variations to the revenue budget and areas identified through budget monitoring, summarised to provide an indicative overall budget position for the year which showed a net adverse variance of £209,250.

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

Reference was made to a number of measures included in the Chancellor's Emergency Budget on 8 July 2015, the wider impacts of which on the Council were currently being assessed. Further information would be given as part of the programme of review and update of the Medium Term Financial Strategy together with the effects of the Government's Spending Review in the autumn.

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

MATTERS SUBMITTED FOR INFORMATION

FIP 15/37 BENEFITS UPDATE

Members were advised of current issues in the benefits field including performance and workload of the Benefits Service together with an initial assessment of the welfare changes set out in the Chancellor's Emergency Budget. Far reaching implications were anticipated from April 2016 and a more detailed analysis of the impact of the changes, undertaken via the local Welfare Reform Group, would be provided at the next meeting of the Advisory Board.

FIP 15/38 COUNCIL TAX AND BUSINESS RATES UPDATE

The report gave details of recent developments in respect of council tax and business rates and it was noted that collection rates remained encouraging, especially the improvement in the rate for working age claimants.

FIP 15/39 CAPITAL PROGRAMME: POST IMPLEMENTATION REVIEWS MONITORING REPORT

The report identified the post implementation reviews carried out since the July 2014 meeting of the Advisory Board together with the capital schemes for which reviews were due.

FIP 15/40 IT STRATEGY UPDATE

The Advisory Board received a presentation updating progress on the various strands of work within the IT Strategy. Particular reference was made to service modernisation including use of eForms and an upgrade of WiFi within the Gibson Building, changes in methods of communication, development of self service for customers and improvements to the website.

FIP 15/41 BUSINESS RATES REVIEW: DISCUSSION PAPER FROM HM TREASURY - UPDATE

Further to Decision No D150043MEM, details were given of the final response submitted to HM Treasury on the business rates discussion paper. It was noted that the Leader had sent a copy of the response directly to the Minister for Local Government and the South East Councils Network had included the circumstances of Aylesford Newsprint's demise within its own response to the paper. Feedback was awaited from the Treasury once they had had an opportunity to consider all responses.

MATTERS FOR CONSIDERATION IN PRIVATE

FIP 15/42 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 15/43 DEBTS FOR WRITE OFF

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

Decision Notice D150061MEM

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 12 items shown in the schedule of amounts over £1,000, totalling £59,743.79 be written-off for the reasons stated within the schedule.

FIP 15/44 PROPOSED DISPOSAL OF AMENITY LAND AT LONGMEAD WAY, TONBRIDGE

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

Decision Notice D150062MEM

The report of the Director of Central Services gave details of proposed terms and conditions for disposal of a strip of amenity land at Longmead Way following a request from an adjacent property owner for incorporation of the land into their garden. It was noted that planning approval would be required for a change of use from amenity to domestic garden and that the area to the rear of the property fell within the Green Belt.

RECOMMENDED: That disposal of the area of amenity land at Longmead Way, Tonbridge be approved on the basis of the conditions outlined in the report, subject to planning permission being obtained for a change of use from amenity to domestic garden.

The meeting ended at 8.44 pm

TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 September 2015

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Key Decision

1 FINANCIAL ARRANGEMENTS WITH PARISH COUNCILS

This report gives details of the proposed allocations to individual parish councils under the Scheme of Financial Arrangements with Parish Councils for the financial year 2016/17.

1.1 Introduction

- 1.1.1 The Council has a Scheme of Financial Arrangements with Parish Councils to provide funding for local services under the provisions of the Local Government Act 1972. This Act allows payments by one council to another where both councils have powers to carry out a specific function. The Borough Council uses these powers to assist parishes with the cost of services they provide which are provided by the Borough Council in areas without a Parish.
- 1.1.2 In 2013, the Council, in liaison with the Parish Partnership Panel, agreed the budget for the Scheme of Financial Arrangements with Parish Councils would increase or decrease by the same percentage as the increase or decrease in the Borough Council's Local Government Finance Settlement including New Homes Bonus funding in the previous year. It was, however, acknowledged that when the New Homes Bonus scheme reaches its sixth year or is replaced by something else, the method of setting the budget described above could result in a significant decrease for the Parishes.
- 1.1.3 Applying the method described above for the forthcoming financial year, the rates used for calculating the allocations for the scheme increase by 0.4%.
- 1.1.4 As Members are aware, the Overview and Scrutiny (O&S) Committee are presently embarking on a work programme which includes a review of grants to the voluntary sector and other third parties (including funding for parish councils). Whilst the outcome of this review is yet unknown, it is appropriate to alert Parish Councils to the potential for change in the way any funding may be allocated in the future.

- 1.1.5 At the Parish Partnership Panel on 10 September, I advised representatives of the funding proposals for 2016/17, but also alerted them to the fact that, dependent upon the outcome of the O&S review, 2016/17 could be the last year that this methodology is employed. To ensure that all parish councils are aware of this review and the potential for change, I will include reference to the review in the notification letters to each parish council.
- 1.1.6 During 2014/15, the transition to individual elector registration temporarily decreased the number of electors on the register. As a result last year's Basic Allocation was increased by 1.3% instead of a rate per elector. The allocation for 2016/17 has returned to a rate per elector.
- 1.1.7 **[Annex 1]** sets out details of the allocations to individual parish councils in accordance with the above methodology.

1.2 Legal Implications

- 1.2.1 The Financial Arrangements with Parish Councils are in accordance with Section 136 of the Local Government Act 1972 which says: "Two or more local authorities may make arrangements for defraying any expenditure by one of them in exercising any functions exercisable by both or all of them."

1.3 Financial and Value for Money Considerations

- 1.3.1 As set out above.

1.4 Risk Assessment

- 1.4.1 There will always be a degree of risk associated with third party service delivery, however, our experiences with the Parish Councils lead us to believe this risk is very small.

1.5 Equality Impact Assessment

- 1.5.1 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.

1.6 Recommendations

- 1.6.1 Members are asked to **RECOMMEND** to Cabinet that:
1. The methodology outlined above is adopted in calculating the allocations to parish councils under the Scheme of Financial Arrangements with Parish Councils for the year 2016/17.
 2. Parish Councils be notified of their allocations as set out in **[Annex 1]** and be advised that 2016/17 could potentially be the last year in which the current methodology is employed.

Background papers:

contact: Francis Gahan

Nil

Sharon Shelton
Director of Finance and Transformation

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Financial arrangements with parish councils 2016/17

Parish / Town Council	¹ Basic Allocation £	² Cemeteries & Churchyards £	³ Footway Lighting £	Total £
Addington	2,365	925		3,290
Aylesford	15,800	8,351	2,681	26,832
Birling	2,365	1,727	140	4,232
Borough Green	5,345		1,349	6,694
Burham	2,365	1,443	193	4,001
Ditton	7,065	1,069		8,134
East Malling & Larkfield	19,664	2,575	613	22,852
East Peckham	4,917	3,439	1,157	9,513
Hadlow	5,833	9,756	35	15,624
Hildenborough	7,273	2,207	105	9,585
Ightham	3,012	2,725		5,737
Kings Hill	10,344			10,344
Leybourne	5,445	769	333	6,547
Mereworth	2,365	2,164		4,529
Offham	2,365	774		3,139
Platt	2,461	2,111	368	4,940
Plaxtol	2,365	2,076	245	4,686
Ryarsh	2,365	841	421	3,627
Shipbourne	2,365	1,343		3,708
Snodland	15,053	12,081	2,436	29,570
Stansted	2,365	1,040		3,405
Trottscliffe	2,365	452		2,817
Wateringbury	2,967	4,703	701	8,371
West Malling	3,932	3,682	1,647	9,261
West Peckham	2,365	1,101		3,466
Wouldham	2,365	668	140	3,173
Wrotham	2,605	4,299	946	7,850
Total	140,096	72,321	13,510	225,927

¹ £1.88 per elector, assuming a notional minimum of 1,250

² Includes Hadlow cemetery extension.

³ £17.45 per streetlight, excluding any, upgraded since 1994, that do not meet the Highways Authority's criteria for adoption.

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 September 2015

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 FINANCIAL PLANNING AND CONTROL

This report brings together information on the Council's key budget areas of Salaries, Major Income Streams and Investment Income. The performance of the key budget areas, together with the approved variations to the revenue budget and areas identified through revenue budget monitoring are then summarised to provide an indicative overall budget position for the year. The report also updates Members on capital expenditure and variations that have been agreed in relation to the capital plan.

1.1 Salaries Monitoring Statement

1.1.1 Appended for information at **[Annex 1]** is a budgetary control statement that compares actual expenditure on basic salaries, temporary staff, overtime, superannuation and national insurance to the end of August 2015, with the appropriate proportion of the original estimate for 2015/16. The statement identifies **net management savings of £85,500** have been achieved.

1.2 Income Monitoring Statement

1.2.1 Appended for information at **[Annex 2]** is a budgetary control statement that compares actual income from fees and charges to the end of August 2015, with the appropriate proportion of the original estimate for 2015/16. Members will note that overall income to the end of August is **£114,600 more** than anticipated.

1.3 Treasury Management

Internally Managed Core Funds

1.3.1 The Council achieved a return of 0.81% on its internally managed core fund investments for the period ended August 2015, compared to a 3-Month LIBID benchmark of 0.46%. Investment income achieved for the period ended August 2015 is £45,650.

1.3.2 At the end of August 2015 the value of the fund stood at £13.5m. This was invested at an average rate of 0.83% and an average maturity of 152 days.

Internally Managed Cash flow Funds

- 1.3.3 The Council achieved a return of 0.63% on its internal cash flow investments for the period ended August 2015, compared to a 7-day LIBID benchmark of 0.36%. Investment income achieved for the period ended August 2015 is £34,850.
- 1.3.4 In cash terms, the value of internally managed cash flow investments at the end of August 2015 was £13.3m. This was invested at an average rate of 0.73% and an average maturity of 105 days.

All Investments

- 1.3.5 The combined return figure for internally managed investments is compared with the original estimate for 2015/16 later in this report.

1.4 Approved Variations to the Revenue Budget

- 1.4.1 Listed below are the variations that have been agreed to the revenue budget. It has been based upon those variations approved by Portfolio Holders, Committees, Cabinet and Council up to the meeting of Communities Advisory Board on 16 September 2015.

1.4.2 Council 19 May 2015

- Noted a reduction in the number of Cabinet Members, including the leader, from eight to six and approved changes to Committees / Advisory Boards. This will generate ongoing savings of at least £21,000 and £24,000 in 2015/16.

1.4.3 General Purposes Committee 29 June 2015

- Approved various establishment changes which will generate permanent savings of £25,150 per annum. In addition, there are time limited costs of £13,600 which will be met by additional income and a one-off redundancy cost of £25,800.

1.4.4 Finance, Innovation and Property Advisory Board 22 July 2015

- Cabinet Member for Finance, Innovation and Property approved the disposal of amenity land adjacent to 37 Longmead Way, Tonbridge for £4,500.

- 1.4.6 A summary of the approved variations to the revenue budget is given in the table below.

Description	Paragraph Reference	2015/16 £	2016/17 £
Members Allowances	1.4.2	(24,000)	(21,000) *
Establishment Changes – Permanent	1.4.3	(18,850)	(25,150) *
Establishment Changes – Time Limited Costs	1.4.3	-	-
Establishment Changes – Redundancy	1.4.3	25,800	-
Disposal of Amenity Land	1.4.4	(4,500)	-
Total		(21,550)	(46,150)

Those items marked with an asterisk* will need to be considered and reflected as appropriate in updating the Medium Term Financial Strategy.

1.5 Virements

- 1.5.1 At the time of writing this report there are no virements to the original revenue estimates for 2015/16 that were approved by Council on 17 February 2015.

1.6 Revenue Budget Monitoring

- 1.6.1 As part of our budget monitoring and control arrangements Chief Officers confirm that budgetary control has been undertaken within the Service areas under their control each month and at the same time highlight those areas, if any, that they wish to bring to the attention of the Director of Finance and Transformation. In addition, the Accountancy Section also monitors budgetary performance across the whole range of services during the year. At the time of writing this report the following areas have been brought to my attention.
- 1.6.2 The RPI increase from 1 March 2015 in respect of the Refuse Collection and Recycling, Amenity and Street Cleansing and Public Conveniences Cleansing contracts was 1.5% less than estimated. As a consequence the contract payments will be in the order of £55,000 less than the current estimate.
- 1.6.3 The revised procedures put into place following Aylesford Newsprint going into administration are expected to result in paper recycling income being £190,000 less than that estimated (£65,000 of which is reflected in the Income Monitoring Statement above).
- 1.6.4 Glass recycling income, net of contribution from Tunbridge Wells Borough Council, is now expected to be £42,000 less than that estimated (£28,000 of which is reflected in the Income Monitoring Statement above) following reductions in the prices.

- 1.6.5 Recycling credits are now expected to be £18,000 less than that estimated (£1,000 of which is reflected in the Income Monitoring Statement above) due to a reduction in tonnages recycled.
- 1.6.6 The Council has been awarded the following grants from central government which will be used to fund unbudgeted expenditure:
- Fraud and Error Reduction Incentive Scheme Maintenance Fund £12,455 (£6,228 received to date)
 - Individual Electoral Registration Grant £17,976 (in addition to budgeted £39,000)
 - Localising Council Tax Support New Burdens Grant £21,419
 - New Homes Bonus Returned In-Year £6,707
 - Real Time Information New Burdens Grant £11,698 (£3,549 received to date)
 - Right to Move Grant £3,044
 - Welfare Reform Grant £15,149
- 1.6.7 Additional annual pension contributions are forecast to be £12,000 less than the current budget.
- 1.6.8 Changes to the way the Council sends and receives post are expected to generate savings of £12,000 per annum.
- 1.6.9 Government initiatives are currently putting pressure on the housing benefits budget. The financial impact is estimated to be in the order of £200,000. It is uncertain as to how long and to what extent this pressure will last and further complicated by the fact that in due course working age claimants will transfer to Universal Credit.
- 1.6.10 Recycling banks at the Aylesford branch of Sainsbury's are now provided by the store. Recycling credits are protected for 12 months which will mean that there will be a net saving of £11,000 in 2015/16 followed by a net loss of £14,500 in 2016/17 before rising to a net loss of £19,500 in a full year.
- 1.6.11 Management Team have approved the following under delegated authority:
- Increased the hours of the Youth and Play Officer from 22.5 to 37 hours for a further two month period at a cost of £2,450.
 - Increased the hours of the Benefits Assistant from 26 hours to 37 hours for a 20 month period at a cost of £10,950. This is to be funded in full from the Real Time Information New Burdens Grant.

1.6.12 A summary of the items identified through budgetary control is given in the table below.

Description	Paragraph Reference	2015/16 £	2016/17 £	2017/18 £	
Environmental Health Contracts RPI Increase	1.6.2	(55,000)	(55,000)	(55,000)	*
Paper Recycling	1.6.3	125,000	190,000	190,000	*
Glass Recycling	1.6.4	14,000	42,000	42,000	*
Recycling Credits	1.6.5	17,000	18,000	18,000	*
Central Government Grants	1.6.6	-	-	-	
Additional Annual Pension Contrib's	1.6.7	(12,000)	(12,000)	(12,000)	*
Postages	1.6.8	(12,000)	(12,000)	(12,000)	*
Housing Benefits	1.6.9	200,000	200,000	200,000	*
Sainsbury's Aylesford Recycling Site	1.6.10	(11,000)	14,500	19,500	*
Youth and Play Officer	1.6.11	-	2,450	-	
Benefits Assistant	1.6.11	-	-	-	
Total		266,000	387,950	390,500	

Those items marked with an asterisk* will need to be considered and reflected as appropriate in updating the Medium Term Financial Strategy.

1.7 Revenue Budget Summary

1.7.1 The table below brings together information on the Council's key budget areas, the variations agreed to the revenue budget and items identified through budgetary control to provide a broad overview of the expected financial performance for the year.

Description	Budget to August £	Actual to August £	Variance £
Salaries Monitoring Statement	4,036,000	3,950,500	(85,500)
Income Monitoring Statement	(1,876,850)	(1,991,450)	(114,600)
Treasury Management	(70,200)	(80,500)	(10,300)
Approved Variations to the Revenue Budget			(21,550)
Revenue Budgetary Control			266,000
Net Adverse Variance			34,050

- 1.7.2 This would mean that rather than contributing £73,550 (original estimate for 2015/16) to the General Revenue Reserve in 2015/16 as anticipated when the budget was set in February 2015, if nothing else changed, we would contribute in the order of £39,500.
- 1.7.3 It should be noted that some of our other major income streams continue to perform above budget in 2015/16 and if this continues, which is expected, this will negate in large part the loss in recycling income as set out above.

1.8 Capital Monitoring Statement

- 1.8.1 Appended for information at **[Annex 3]** is a capital monitoring statement which compares actual capital expenditure for the period 1 April 2015 to 31 August 2015 with the 2015/16 Capital Plan.
- 1.8.2 The Capital Plan for 2015/16 is based on the 2015/16 budgets that were approved by Council on 17 February 2015, amended for slippage from 2014/15.
- 1.8.3 Prior year's expenditure is only shown for finite schemes for which there is a budget in 2015/16. Where schemes are of a rolling programme nature, prior year's expenditure has not been shown in order to avoid large, generally meaningless, totals building up.
- 1.8.4 Capital Plan schemes which are scheduled to start after 2015/16 have not been shown. The budget profile for these schemes can be found in the 2015/16 Budget Book. Members will note that at the end of August net expenditure of £0.6m has been incurred against an amended 2015/16 net expenditure budget of £2.5m.

1.9 Approved Variations to the Capital Plan

- 1.9.1 At the March meeting of Cabinet Members agreed to an increase in the gross budget provision for Tonbridge Town Lock. The increase cost is expected to be met from additional grant and developer contributions.
- 1.9.2 A report detailing the use of the urgency procedure to increase the budget for the Larkfield Leisure Centre Health Suite Refurbishment by £102,000 is to be submitted to the Overview and Scrutiny Committee on 15 September followed by Cabinet on 7 October. The increase is to be funded by way of a £50,000 contribution from the Tonbridge and Malling Leisure Trust and the balance of £52,000 from virements of £20,000 from the Renewable Energy Scheme and £32,000 from the Car Park Improvement Rolling Programme.

1.10 Capital Plan Issues

1.10.1 The capital plan monitoring statement, as presented to this Board, is essentially aimed at monitoring the financial performance of the capital plan overall and on a Service and scheme basis. Notes have been provided to supply further information where this is felt to be particularly relevant. Other monitoring reports, which provide greater information about individual schemes, are presented by the Services to the relevant Advisory Board.

1.11 Legal Implications

1.11.1 This report fulfils the requirement of the Local Government Act 2003 which places a statutory duty on the authority to monitor income and expenditure against budget and to take action if overspends or shortfalls in income emerge. If monitoring establishes that the budget situation has deteriorated, authorities are required to take such action as they consider necessary. This might include action to reduce spending in the rest of the year, to increase income or to finance all or part of the shortfall from reserves.

1.12 Financial and Value for Money Considerations

1.12.1 As set out above.

1.13 Risk Assessment

1.13.1 Budgetary control is a prerequisite of good financial management, financial planning and control and needs to be reviewed to ensure it remains effective and relevant.

1.14 Equality Impact Assessment

1.14.1 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.

1.15 Recommendations

1.15.1 Members are asked to **note** and **endorse** the contents of the report.

The Director of Finance and Transformation confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and policy Framework.

Background papers:

contact: Neil Lawley

Nil

Sharon Shelton
Director of Finance and Transformation

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Salaries Budgetary Control Monitoring Statement**Period Ended Last Day of August 2015****2015/16 Financial Year**

	Annual Budget 2015/16	Budget to end of August (a)	Actual to end of August (b)	Above (Below) Budget (b - a)
Service	£	£	£	£
Central				
Administrative & Property	800,400	333,000	325,300	(7,700)
Legal	405,800	169,000	174,500	5,500
Personnel	549,550	241,300	238,800	(2,500)
Executive	463,050	189,900	191,650	1,750
Finance & Transformation				
Finance	1,967,550	817,450	746,750	(70,700)
Information Technology	790,450	329,300	333,150	3,850
Planning, Housing & Environmental Health				
Environmental Health & Housing	1,197,900	499,100	500,950	1,850
Planning	1,796,950	747,700	699,050	(48,650)
Street Scene, Leisure & Technical				
Street Scene & Leisure	1,182,650	516,700	497,950	(18,750)
Technical	649,650	270,400	236,800	(33,600)
Management Savings	9,803,950	4,113,850	3,944,900	(168,950)
Shared Working Arrangements	(53,750)	(19,500)	(18,450)	1,050
Sub-total	9,750,200	4,094,350	3,926,450	(167,900)
Non-budgeted spend on recruitment & other expenses to the end of August				2,850
Payments outstanding for the period to the end of August				21,200
Budgeted management savings to the end of August				58,350
Net Management Savings				(85,500)

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Income Budgetary Control Monitoring Statement**Period Ended Last Day of August 2015****2015/16 Financial Year**

	Annual Budget 2015/16	Budget to end of August (a)	Actual to end of August (b)	(Above) Below Budget (b - a)
Service	£	£	£	£
Central				
Land Charges	(293,600)	(129,300)	(163,350)	(34,050) [1]
Licensing	(231,550)	(75,400)	(106,400)	(31,000) [2]
Sub-Total	(525,150)	(204,700)	(269,750)	(65,050)
Planning, Housing & Environmental Health				
Planning Fees	(640,000)	(266,700)	(288,550)	(21,850)
Building Regulations	(340,000)	(131,000)	(132,050)	(1,050)
Sub-Total	(980,000)	(397,700)	(420,600)	(22,900)
Street Scene, Leisure & Technical				
Recycling	(816,850)	(229,450)	(138,250)	91,200 [3]
Short Stay Car Parking	(1,540,000)	(625,000)	(660,400)	(35,400)
Long Stay Car Parking	(530,000)	(221,000)	(252,350)	(31,350)
Penalty Charge Notices	(180,000)	(75,000)	(97,450)	(22,450)
Car Parks Season Tickets	(155,000)	(80,000)	(105,800)	(25,800) [4]
Residents Parking Permits	(95,000)	(44,000)	(46,850)	(2,850)
Sub-Total	(3,316,850)	(1,274,450)	(1,301,100)	(26,650)
Grand Total	(4,822,000)	(1,876,850)	(1,991,450)	(114,600)

[1] One-off bulk search by commercial company and general improvement of the economy.

[2] Increases in levels of taxi licences following deregulation and improvement of the economy.

[3] Reduction in paper recycling income following Aylesford Newsprint going into administration and reduction in glass prices.

[4] Bulk purchase of season tickets by business customer.

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CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
SUMMARY OF SERVICES

	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015
	£'000	£'000	£'000
Capital Plan Schemes			
Planning, Housing & Environmental Health	74	356	18
Street Scene, Leisure & Technical	846	1,019	355
Corporate	37	61	9
Sub-total	957	1,436	382
Capital Renewals			
Planning, Housing & Environmental Health	n/a	1	0
Street Scene, Leisure & Technical	n/a	705	73
Corporate	n/a	391	146
Sub-total	n/a	1,097	219
Total	957	2,533	601

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015
	£'000	£'000	£'000
Capital Plan Schemes			
Housing Investment Programme	74	356	18
Environmental Health	0	0	0
Sub-total	74	356	18
Capital Renewals	n/a	1	0
Total Planning, Housing and Environmental Health	74	357	18

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Code	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015	
Capital Renewals		£'000	£'000		
(a) Environmental Protection		n/a	1		Provision subject to annual review.
Total Capital Renewals to Summary		n/a	1	0	

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015
	£'000	£'000	£'000
Capital Plan Schemes			
Street Scene	n/a	108	29
Leisure			
Larkfield Leisure Centre	3	499	89
Sports Grounds	0	0	0
Open Spaces	10	15	0
Other Schemes	115	17	13
Technical Services			
Car Parking	119	107	5
Transportation	376	24	0
Environmental Improvements	178	222	219
Land Drainage / Flood Defence	45	27	0
Sub-total	846	1,019	355
Capital Renewals	n/a	705	73
Total Street Scene and Leisure	846	1,724	428

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015	
		£'000	£'000	£'000	
Street Scene					
(a) Green Waste Bins Growth / Replacement	P02BC	n/a	54		
(b) Refuse Bins Growth / Replacement	P02DA	n/a	54	29	
Total Street Scene to Summary		n/a	108	29	
Larkfield Leisure Centre					
(a) Refurbishment of Lifestyles Health Suite Less contribution from TMLT	P05LL	3	399 (50)	10	} Gross budget increased from £300,000 to £402,000 met by virements of } £20,000 from the Renewable Energy Scheme, £32,000 from the Car Park } Improvement Rolling Programme and a £50,000 contribution from the } Tonbridge & Malling Leisure Trust. See report to Overview and Scrutiny } Committee 15 September 2015.
(b) Pool Disinfectant and Backwashing System	P05LN		150	79	
Total Larkfield Leisure Centre to Summary		3	499	89	
Sports Grounds					
(a) Tonbridge Racecourse Sportsground					
(i) Flood Lighting Less Grants and Contributions	P05DA	8 (8)	12 (12)		
Sub-total		0	0	0	
Total Sports Grounds to Summary		0	0	0	

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CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015
		£'000	£'000	£'000
Open Spaces				
(a) East Malling & Larkfield PC - Recreation Ground Improved Play Facilities	P05FR	10	15	
(b) Open Spaces Site Improvements - Phase 1 Less Developer Contributions	P05FT	73 (73)	26 (26)	14 (14)
Sub-total		0	0	0
(c) Open Spaces Site Improvements - Phase 2 Less Developer Contributions	P05FV	56 (56)	13 (13)	
Sub-total		0	0	0
Total Open Spaces to Summary		10	15	0
Other Schemes				
(a) Tonbridge Cemetery (i) Memorial Safety	P05KV	86	7	
(b) Memorial Garden Improvement Less Fund Raising & Developer Contributions	P05KA	315 (286)	10 (14)	4 (4)
Sub-total		29	(4)	0
(c) Community Group Funding	P05KS	n/a	14	13
Total Other Schemes to Summary		115	17	13

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015	
		£'000	£'000	£'000	
Car Parking					
(a) Improvement Programme for Existing Car Parks					
(i) Rolling Programme	P01AB	80	43		
(b) Car Parking Action Plan					
(i) Phase 6	P01MA	32	6	3	
(ii) Phase 7	P01MB	7	18	2	
(iii) Phase 8	P01AV		20		
(iv) Phase 9	P01AW		20		
Total Car Parking to Summary		119	107	5	
Transportation					
(a) Local Transport Plan Partnership Programme Less Grants & Contributions	P01ED	215	20		
Sub-total		(9)			
		206	20	0	
(b) Community Partnership Initiatives	P06FE	170	4		
Total Transportation to Summary		376	24	0	

£32,000 vired to Larkfield Leisure Centre Health Suite Refurbishment Scheme - See Overview and Scrutiny Committee report 15 September 2015.

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015	
		£'000	£'000	£'000	
Environmental Improvements					
(a) Tonbridge Town Lock	P01LD	178	1,701	258	} Budgets increased following report to Cabinet March 2015. Expenditure } to date includes design fees previously charged to Tonbridge Town } Centre Enhancement (P01FH). } }
Less Developer Contributions			(747)	(39)	
Environment Agency Grant			(730)		
Other Grants and Contributions			(2)		
Sub-total		178	222	219	
Total Environmental Improvements to Summary		178	222	219	
Land Drainage / Flood Defence					
(a) Drainage					
(i) Drainage Improvement Programme	P01HR	75	27		
Less Grants & Contributions		(30)			
Sub-total		45	27	0	
(b) Tonbridge Castle River Bank	P01HT	3	147		
Less Environment Agency Grant		(3)	(147)		
Sub-total		0	0	0	
Total Land Drainage / Flood Defence to Summary		45	27	0	

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015	
		£'000	£'000	£'000	
Capital Renewals					
Street Scene					
(a) Recycling Initiatives	P02EBCR02	n/a	5		} Provisions subject to annual review.
Leisure					
(b) Sports Grounds & Open Spaces	P05KGBC05	n/a	263	25	}
Technical Services					
(c) CCTV Capital Renewals	P01BA	n/a	10	1	}
(d) Car Parking	P01JF	n/a	15	15	}
Savings Target (assumes 25%)		n/a	(66)		}
Sub-total		n/a	227	41	}
Leisure Trust					
(e) Angel Centre	P05KGBC01	n/a	140	12	}
(f) Larkfield Leisure Centre	P05KGBC02	n/a	172	10	}
(g) Tonbridge Swimming Pool	P05KGBC04	n/a	108	10	}
(h) Poulton Wood Golf Course:					}
Grounds Maintenance	P05KGBC06	n/a	123		}
Clubhouse	P05KGBC03	n/a	92		}
Course	P05KGBC07	n/a	3		}
Savings Target (assumes 25%)		n/a	(160)		}
Sub-total		n/a	478	32	}
Total Capital Renewals to Summary		n/a	705	73	

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CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
CORPORATE

	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015
	£'000	£'000	£'000
Capital Plan Schemes			
Information Technology Initiatives	51	47	9
Other Schemes	(14)	14	0
Sub-total	37	61	9
Capital Renewals	n/a	391	146
Total Corporate	37	452	155

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 AUGUST 2015
CORPORATE

	Code	Expenditure To 31/03/15	2015/16 Estimate Inc Prior Year Slippage	2015/16 Actual to 31 August 2015
		£'000	£'000	£'000
Information Technology Initiatives				
(a) General IT Developments	P06DA	n/a	38	9
(b) Document Management System Expansion	P06DE	51	9	
(c) Revenues & Benefits Document Management Less Government Grant	P06DG		60 (60)	19 (19)
Sub-total		0	0	0
Total Information Technology Initiatives to Summary		51	47	9
Other Schemes				
(a) Local Strategic Partnership Less Performance Reward Grant	P06FJ	135 (149)	14	
Sub-total		(14)	14	0
(b) Flood Repair and Renewal Less Government Grant	P06FM	384 (384)	166 (166)	257 (257)
Sub-total		0	0	0
Total Other Schemes to Summary		(14)	14	0

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 September 2015

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 APPLICATIONS FOR DISCRETIONARY RATE RELIEF

A report giving details, at paragraph 1.1., of a renewal application for discretionary rate relief. A renewal application for rural rate relief is dealt with at paragraph 1.2. Details of a new application for rural rate relief is shown at Paragraph 1.3. Details of a new application for discretionary rate relief is shown at paragraph 1.4.

The previously agreed criteria for determining applications for discretionary rate relief are attached at [ANNEX 1].

The Council's policy in respect of rural rate relief is attached at [ANNEX 2].

1.1 Renewal application for discretionary rate relief

1.1.1 Members will be aware that discretionary rate relief can be granted (as shown at [ANNEX 1]) either as a top-up to mandatory rate relief (in respect of charitable organisations and community amateur sports clubs) or, on its own, to non profit-making organisations that are not charities etc. (and do not therefore qualify for mandatory rate relief).

1.1.2 Organisations that had awards of discretionary rate relief time-limited to 31 March 2015 have been invited to re-apply, and I have listed, at [ANNEX 3], another application that has been received.

1.1.3 The annex details the level of discretionary rate relief awarded in 2014/15 and the amount of relief the organisation would receive in 2015/16 if the same level were awarded.

1.1.4 There is no longer a direct cost to the Council in awarding relief. However, Members should note that all awards of relief affect the Council's business rate yield; for 2015-16, based on previous criteria and level of applications, it has been estimated that £202,000 discretionary relief will be awarded.

- 1.1.5 In respect of the organisation shown at **[ANNEX 3]**, I have considered the application and believe that it meets the criteria, and is of particular benefit to the needs of the residents of the Borough. Therefore, there appear to be good grounds for continuing the current level of discretionary rate relief in this case. Further details on the organisation (so far as I have them) can be provided, at the meeting, if requested by Members.
- 1.1.6 The Council's own financial position is, of course, still very challenging and it is important to recognise that whilst it may be possible to provide the level of assistance at the current time, it may not be sustainable into the future. Accordingly, Members might consider that, when writing to the organisation concerned, it would be prudent to advise the organisation that there could be a reduction in the level of relief awarded by the Council in the future should further applications for relief be made.
- 1.1.7 Members are **REQUESTED** to **RECOMMEND** to Cabinet that in respect of the re-application for relief as shown at **[ANNEX 3]**, 20% discretionary rate relief be awarded with effect from 1 April 2015 and time-limited to 31 March 2017.

1.2 Renewal application for rural rate relief

- 1.2.1 Members will be aware that discretionary rural rate relief can be granted either as a top-up to mandatory rural rate relief or, on its own, in cases where mandatory rural rate relief may not be granted (as shown at **[ANNEX 2]**). Members will also be aware that it is the Council's policy to seek the views of the appropriate parish councils in respect of applications for rural rate relief regarding properties in their areas. However, we have not consulted the parish in respect of this case because it is not a new application for relief but a renewal request.
- 1.2.2 The application for relief is shown at **[ANNEX 4]**. Before we comment on the merits of the application that Members have before them, we think it worthwhile to draw Members' attention to the following aspects of the rural rate relief policy (as previously agreed by Members).
- The legislation underpinning the rural rate relief scheme recognises the importance of small rural businesses. As such, a rural business (post offices, general stores, public houses etc) occupying premises with a rateable value under a specified level, may qualify for mandatory rural rate relief. This gives a business an automatic entitlement to 50% rate relief. Up to a further 50% discretionary relief may be awarded by the Council, to top up the mandatory relief.
 - If a rural business has no entitlement to mandatory rural rate relief, because it occupies premises with a rateable value over a specified level, or there is more than one such similar business in the settlement area, then the Council may grant discretionary relief (this may not be awarded if the rateable value of the premises exceeds £16,500).

- The policy states, as general considerations, that the ‘Council wishes to target relief primarily at properties that are providing essential facilities for the local community ... where the number of such facilities in any settlement is limited **and mandatory rural rate relief has been awarded**’. The policy goes on to state that, ‘as a general rule, the Council takes the view that the amount of relief that it would grant should decrease as the number of shops in a rural settlement increases’.
- Notwithstanding the foregoing, the policy does give Members the scope to grant relief to businesses that would not otherwise qualify for relief under the terms of the policy but are ‘demonstrably important to the life of the community’.

1.2.3 As stated at previous meetings of your Board, we do not think that consideration of the applicants’ accounts will greatly assist Members. In some cases losses will be shown and in others profits. Should Members support the loss-making businesses in preference to those that are showing a profit or vice versa? In the case of those that are showing a loss, this might be because of various factors, e.g. the expenses incurred by the business or drawings by the owners. What is reasonable? Is the business occupying premises that are too large; is its stock appropriate; is it maximising income?

1.2.4 Bearing in mind the comments in the foregoing paragraph, we would suggest that Members focus on the nature of the business; its location; its intrinsic value to the local community; and the impact on the community were it to be lost, rather than whether the business is being run in a way that Members consider appropriate.

1.2.5 Members are **REQUESTED** to consider the application and make an appropriate **RECOMMENDATION** to Cabinet regarding discretionary rural rate relief. If relief is awarded, Members might wish to consider time-limiting any award of relief to 31 March 2017.

1.2.6 As mentioned at paragraph 1.1.6, Members might consider that, when writing to the organisations concerned, it would be prudent to advise the organisation that there could be a reduction in the level of relief awarded by the Council in the future should further applications for relief be made.

1.3 New application for rural rate relief

1.3.1 The application is for The Village Pantry Tea Rooms Project at 2 Forstal Road, Aylesford (Rateable value £11,000).

1.3.2 The applicant is not entitled to 50% mandatory relief as the property’s rateable value exceeds the threshold. However, as this is a new business, Members can consider an award of up to 100% discretionary relief for two years as per the policy shown at **[ANNEX 2]**.

- 1.3.3 The property is used as a community tea room/village hub. The applicant has stated that they provide support to handicapped and elderly residents of the village and that the survival of the project depends entirely on 100% relief being awarded. A meeting has also been arranged with the Post Office with regards to providing their service within the property.
- 1.3.4 For Members information, no rates were paid for the two years prior to the tea room opening as the previous occupant of the property was subsequently dissolved having suffered financial difficulties.
- 1.3.5 The applicant has provided a letter **[ANNEX 5]** and supporting statement at **[ANNEX 6]** from the local church that highlights the positive effect the tea room has had on the area and local residents.
- 1.3.6 Aylesford Parish Council was also invited to comment on the application in line with the Council's policy. The matter was discussed at their meeting on 25 August 2015, and they have responded as follows:
- Aylesford Parish Council would fully support the Village Pantry's application for rate relief. It is the sole facility of its kind in the Parish and would be to the detriment of the whole Parish, and in particular to residents and visitors to Aylesford Village, if it were to close. It is also used by small groups as a meeting place, is family friendly and an asset to other businesses in the village.
- 1.3.7 Should Members decide to award 100% discretionary relief, the applicant will receive £4,375.96 relief for 2015/16. As mentioned at paragraph 1.3.2, relief may be awarded for two calendar years. Therefore, as the applicant started trading on 3 April 2015, Members may consider time-limiting any award of relief to 31 March 2017 which will be consistent with other awards of discretionary relief this financial year.
- 1.3.8 Members are **REQUESTED** to consider the application and make an appropriate **RECOMMENDATION** to Cabinet regarding discretionary rate relief.

1.4 New application for discretionary rate relief

- 1.4.1 A request has been received under Part 2 of the criteria shown at **[ANNEX 1]** for discretionary relief to be considered for all the properties in the Borough occupied by Barclays Bank Plc, HSBC Bank Plc, Lloyds Banking Group and TSB Bank Plc. The combined rateable value of the properties occupied by the banks is £273,000.
- 1.4.2 The reason for the application is that each organisation is accredited with the Living Wage Foundation. I understand that Brent Council considered this matter in January this year to award relief based on the cost of obtaining accreditation. I am also aware that this request has been sent to other local authorities to consider.

1.4.3 Members' attention is drawn to the 'main criteria' used by this Council in considering discretionary rate relief applications which are as follows:-

The organisation:

- 1) is a registered community amateur sports club;
- 2) has members;
- 3) gives discounts to members;
- 4) meets one or more of this Council's key priorities;
- 5) is the sole facility in its area.

1.4.4 Clearly, these organisations meet none of the main criteria and therefore, Members may wish to recommend to Cabinet that relief should not be granted.

1.4.5 Members are **REQUESTED** to consider the application and make an appropriate **RECOMMENDATION** to Cabinet regarding discretionary rate relief.

1.5 Legal Implications

1.5.1 As the granting of relief is a discretionary action, the only implication would be a challenge by way of judicial review if an organisation were unhappy with a decision. Such a challenge can succeed only when the Council behaves unreasonably.

1.6 Financial and Value for Money Considerations

1.6.1 In respect of all applications for rate relief, the financial considerations of granting relief are as set out in the body of the report. If relief is not granted, there is a beneficial impact on the Council's finances. This should not prevent each application being considered on its own merits however, as there must be some degree of consistency to prevent a legal challenge.

1.7 Risk Assessment

1.7.1 The only risk that I am aware of is a legal challenge to the Council's decisions (see above). This is unlikely.

1.8 Equality Impact Assessment

1.8.1 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.

The Director of Finance and Transformation confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and policy Framework.

Background papers:

contact: Glen Pritchard
01732 876146

Applications for relief from the organisations referred to in the main body of the report received since 22 July 2015, and held in Financial Services.

Sharon Shelton
Director of Finance and Transformation

CRITERIA TO BE USED IN DETERMINING APPLICATIONS FOR DISCRETIONARY RATE RELIEF

Part 1 - Non profit-making bodies

Previous awards of discretionary rate relief

The Council wishes to promote equality between organisations when granting discretionary rate relief. Therefore, when considering an application for discretionary rate relief, it will have regard to previous awards of relief to bodies of a similar nature to the applicant body. Unless specific considerations apply, the Council is likely to award relief to the same value as previously awarded to such similar bodies. Previous grants of relief for properties occupied by charities or non profit-making organisations include as follows:

100% discretionary rate relief granted to:

- Sports clubs where community amateur sports club status has been refused

20% top-up relief granted to:

- Sports clubs if registered as community amateur sports clubs
- Recreational facilities, sports grounds and playing fields occupied by charities

Applications where special considerations may apply

Where the applicant body does not fall into one of the categories where relief has been awarded in the past (see above), relief may be granted only if the applicant body:

- caters for special needs (see below for an explanation of this term); or
- supplies facilities that would not otherwise be available in the area; or
- provides a service that supports the Council's key priorities. For the year 2012/15 these priorities are:
 - Continued delivery of priority services and a financially viable Council.
 - Sustainable regeneration of Tonbridge town centre and economic development in communities across the Borough.
 - A continuing supply of homes, including affordable housing to buy and rent, and prevention of homelessness.
 - Children and young people who are safe, involved, with access to positive activities.
 - A clean, smart, well maintained and sustainable Borough.
 - Low levels of crime, anti-social behaviour and fear of crime.

- Healthy living opportunities and community well-being

Meaning of 'special needs'

Does the organisation cater for a section of the community which the Council considers particularly deserving of support, e.g. persons with disabilities, persons with learning difficulties, the very young or the very old?

Where the applicant body provides such special needs or supplies facilities that would not otherwise be available in the area or supports the Council's key priorities, the maximum amount of relief will generally be awarded, subject to the following.

Other considerations

In determining awards of relief, the Council will bear in mind all the facts of each case. In particular, the Council may consider the following factors:

- **Membership**
Does the organisation operate a membership scheme?
- **Membership discounts**
Are discounts available for members (for example elderly/disabled etc.)?
- **Key priorities**
Do the organisation's objectives meet at least one of the Council's key priorities?
- **Sole facility**
Is the organisation's property the sole facility in its area of operation?
- **Fees, charges etc**
Is the cost of membership such that it would exclude a large section of the community?
- **Access to facilities**
Are the organisation's facilities available generally or at certain times to non-members?
- **Provision of facilities**
Have the facilities been provided by self-help or grant aid from the Borough Council, local or public authorities or others?
- **Development of skills**
Does the organisation provide training or education for its members? Are there schemes for particular groups, e.g. young people, the disabled, the retired, the unemployed etc?

Restrictions on the granting of relief

In determining whether relief should be awarded, the Council will be inclined not to grant relief or to limit the amount of relief awarded in the following cases.

- **National charities**
As a general rule, the Council is unlikely to grant relief to national charities located within the Council's area unless there is some specific benefit to the residents of Tonbridge and Malling over and above the benefit to the residents of other areas in which the charity operates.

- **Charity shops and other premises operated by trading arms of charities**
The Council is unlikely to grant relief to charity shops and other premises operated by the trading arms of charities.
- **Bodies operating in only part of the Council's area**
Where an applicant body is a national organisation but operates only in part of the Council's area, any relief that may be awarded will generally be reduced pro rata the population of the area of the Borough that receives benefit from that organisation. This restriction will not generally apply if the body is not a national body and has been established to benefit only a part of the Council's area.
- **Bodies operating a restrictive membership policy**
It is not the Council's general policy to grant relief to bodies that operate a restrictive membership policy unless such restrictions are necessary because of the size of the property occupied by the body or in order to ensure a pre-determined level of ability or required standard of achievement for a particular sport or activity.
- **Bodies occupying premises with high rateable values**
The Council, when determining an application for relief will consider the rateable value and location of the applicant's premises. Are the premises of a size, and their location, appropriate to the organisation?

Special cases

The Council recognises that there will be occasions when an applicant body does not satisfy the above criteria. Nothing in these criteria shall be taken as restricting the Council's ability to depart from its general policy as to the granting of relief if it sees fit to do so bearing in mind the facts of the case.

Affordability

Applicants for discretionary rate relief should note that the cost of discretionary relief falls partly on the Council. As such, in determining the level of relief to be granted, the Council must have regard to its budgetary position.

Part 2 – Applications not falling within Part 1

From 1 April 2012, the Council may also award relief to any local ratepayer to encourage new business and investment as well as to support local shops or community services.

Businesses located in rural settlements can currently apply for relief and these applications are considered using the criteria listed in the Council's policy in respect of Rural Rate Relief.

For all other applications (either not falling within Part 1 of these criteria or within the criteria for rural businesses), a decision on whether relief should be granted in any particular case should only be considered once the Borough Council has sought the views of the appropriate parish council, local members and the county council. Members should also consider if the other precepting authorities are willing to fund (partly or otherwise) the cost of relief awarded.

Affordability

Applicants for discretionary rate relief should note that the cost of awards of such relief is borne by the Council. For awards of discretionary relief falling within Part 2 of these criteria (and excluding rural businesses), the Council is liable to fund 100% of the amount awarded.

Part 3 - General

In determining the level of relief to be granted, the Council must have regard to its budgetary position. Although the Council will aim to achieve equality between applicants in terms of the level of relief that it grants, this might not always be possible. The Council has the right, subject to giving the requisite notice required by law, to vary or terminate the level of relief that it has previously granted either in respect of a particular organisation/business or in respect of a class of organisation/business or to all organisations/businesses in receipt of relief.

Policy in Respect of Rural Rate Relief

Introduction

Tonbridge & Malling Borough Council recognises the importance of local facilities to the life of rural communities. To this end the Council supports the legislation that allows the Council to:

- Grant rate relief to village shops, post offices, petrol filling stations and public houses (mandatory rural rate relief).
- Allows the Council, at its discretion, to top up any mandatory rural rate relief that has been granted (discretionary rural rate relief).
- Permits the Council, at its discretion, to grant relief to other businesses in rural areas where the use of premises occupied by the businesses is of benefit to the local community but where the business does not qualify for mandatory rural rate relief (discretionary rural rate relief).

The legislative background

Rural rate relief – whether mandatory or discretionary – may be granted only if a property is located within a rural settlement. Rural settlements are defined by reference to the Council's Rural Settlement List. The List is available for inspection at the Council's office at Kings Hill.

The rural settlements

As at September 2015, the following are defined as rural settlements:

Addington	Golden Green/Barnes St	Plaxtol
Addington Clearway	Hadlow Village	Ryarsh
Aylesford Village	Hale Street	Shipbourne
Basted	Herne Pound	Snoll Hatch
Birling	Hildenborough Village	Stansted
Blue Bell Hill	Ightham	Trottiscliffe
Burham	Ivy Hatch	Wateringbury
Crouch	Little Mill	West Malling
Dunks Green	Mereworth Village	West Peckham
Eccles	Offham	Wouldham
East Malling Village	Oldbury	Wrotham
East Peckham Village	Peckham Bush	Wrotham Heath
Fairseat	Platt	

Mandatory rural rate relief

Mandatory rural rate relief can be granted to the following types of property:

Type of property	Rateable value limit £
General stores	8,500
Post offices	8,500
Public houses	12,500
Petrol filling stations	12,500
Food shops	8,500

Where a property qualifies for mandatory rural rate relief, then the relief is given at the rate of 50% of the rates liability for the property.

If the rateable value of a property exceeds the rateable value limit, then no mandatory rural rate relief may be granted.

Discretionary rural rate relief

Discretionary rural rate relief may be granted either to top up an award of mandatory rural rate relief or where the property does not qualify for mandatory rural rate relief. Where the discretionary relief tops up mandatory relief, the discretionary relief added to the mandatory relief cannot exceed the total rates due for the property. Discretionary relief on its own cannot be granted for a property where the rateable value for the property exceeds £16,500.

This following policy sets out the guidelines that the Council will follow in considering whether to grant discretionary rural rate relief.

The policy

Policy objectives

In formulating this policy, the Council wishes to maintain the diversity of local shops available to the residents of Tonbridge & Malling who live in rural areas by building on the provisions of the mandatory rural rate relief scheme.

General considerations

Although all applications will be entertained, the Council wishes to target relief primarily at properties that are providing essential facilities for the local community, e.g. general stores, post offices and food shops (eg butchers and bakers), where the number of such facilities in any settlement is limited and mandatory rural rate relief has been awarded. Further references to shops in this policy should be read accordingly.

The Council will consider granting relief to other businesses that are demonstrably important to the life of the community, such as a sole public house or petrol filling station, primarily serving the local catchment area.

As a general rule, the Council takes the view that the amount of relief that it would grant should decrease as the number of shops in a rural settlement increases.

The Council recognises that a number of rural settlements have already lost all of their shops. In recognition of this fact, the Council might be willing to consider granting discretionary rate relief of 50%, on top of mandatory rate relief of 50%, or 100% discretionary rate relief, in respect of businesses opening in such settlements. The Council would be willing to grant such relief for the first two calendar years from the date the business commences trading.

Discretionary relief (top-up relief) in cases where mandatory rural rate relief applies

In respect of shops (general stores and food shops) and post offices, the Council will generally be willing to grant discretionary relief of 30% (in addition to 50% mandatory rural rate relief) where the shop or post office is the only such property within the rural settlement and it has already qualified for mandatory relief.

In respect of public houses and petrol filling stations, the Council will consider granting discretionary relief of 30% (in addition to 50% mandatory rural rate relief) where the public house or petrol filling station is the only such property within the rural settlement and it has already qualified for mandatory relief.

Discretionary rate relief in cases where mandatory rural rate relief does not apply

Where the property would, but for its rateable value, qualify for mandatory rural rate relief, the Council will consider granting discretionary relief of 80%.

Where the property is not the only property of its type within the rural settlement, and is therefore excluded from gaining mandatory rural rate relief, the Council will consider granting 60% relief where there are two such properties and 40% relief where there are three such properties (i.e. each property would receive either 60% or 40% relief). The Council will not normally grant relief where there are more than three such properties.

Limitations

As a general rule, the Council will not normally consider granting relief for a particular property where the total of the mandatory and discretionary relief sought by the applicant would exceed 80% of the rates bill.

Procedure

The Council will give consideration to any application for discretionary rate relief from a business operating in a settlement within a rural area.

Consultation

It is the Council's intention that parish councils should play a role in the decision making process on applications for relief. Therefore, before making a decision on whether relief should be granted in any particular case, the Borough Council will seek the views of the appropriate parish council.

Financial considerations

The Council, in formulating this policy, also bears in mind the cost of any relief granted to the residents of the Borough as a whole.

Applicants for discretionary rural rate relief should note that the cost of relief falls partly on the Council. As such, in determining the level of relief to be granted, the Council must have regard to its budgetary position. Although the Council will aim to achieve equality between organisations in terms of the level of relief that it grants, this might not always be possible. The Council has the right, subject to giving the requisite notice required by law, to vary the level of relief that it has previously granted either in respect of a particular organisation or in respect of a class of organisation or to all organisations in receipt of relief.

Interaction with other reliefs

Where a property is eligible for mandatory rural rate relief and small business rate relief, it shall receive rural rate relief.

Where a property is eligible for mandatory rural rate relief, mandatory charitable rate relief and small business rate relief, it shall receive charitable rate relief.

Period of relief

Any grant of relief shall normally be given for a fixed period not exceeding three years.

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CASC Organisations			
Organisation	Address	Relief awarded 2014/15	Benefit to organisation if same relief awarded 2015/16
Angel (Tonbridge) Indoor Bowls Association	Angel Bowling Club, Avenue Le Puy, Tonbridge	20% Top Up	£3,155.20
			£3,155.20

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Rural Rate Relief Applications			
Organisation	Address	Relief awarded 2014/15	Benefit to organisation if same relief awarded 2015/16
Mr Subasharan t/a Hadlow Superstore	4-6 The Broadway, High Street, Hadlow	80% Discretionary	£5,472.00
			£5,472.00

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The Village Pantry Tea Rooms Project
NO; 2 Forstal Road
Aylesford Kent ME20 7AU
tel 01622 792673

Tonbridge & Malling Borough Council
Business Rates Appeals Department
Financial Services
Gibson Drive
Kings Hill
Kent
ME19 4LZ

Our Acc no; 7128563

15.08.15

Appeal for Discretionary Rate Relief, Rural Settlement Aylesford Kent.

Letter of Support from Our Church Minister

Dear Sir/Madam,

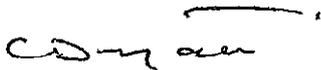
Further to our recent letter of application for rural settlement relief, you asked us to complete a form for this, which we returned a short while ago. With this form we explained that we will be sending in some written support, and it is in this context that we now write, attaching a letter of support from our local church Minister.

As already explained, The Village Hub is working hard with both the Village School, and the Church, and indeed with The Parish Council, in providing a place for residents to meet and socialise.

May we also add that we have now been approached by "The Post Office Limited" with a request that we consider housing The Village Post Office at The Village Pantry Project?

Please take this into account when making your decision that the viability of this project depends purely on the financial restraints levied upon it, the largest of which is the business rates bill. It is not unreasonable to suggest that if full relief is not given, the financial picture will be extremely bleak, and not only will the residents be at a disadvantage in respect of this project closing down, but the return of the Post Office will also be impossible.

Yours Sincerely

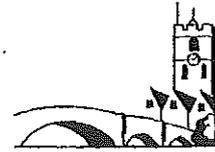


Mr & Mrs Wyatt

The Village Pantry tea rooms project.

Attached; Letter from Church Minister.

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*Parish of St Peter and St Paul, Aylesford
Vicar: Reverend Chris van Straaten
The Vicarage, Vicarage Close, Aylesford,
Kent, ME20 7BB. 01622 717434
cjvanstraaten@gmail.com*

5 August 2015

To Whom it May Concern at Tonbridge and Malling Borough Council

Dear Sir/ Madam,

Application by The Village Pantry for Rural Rates Relief

I write in support of the application by Marion and Don Wyatt for Rural Rates Relief for their business. Theirs is the only teashop in the village and the only place for people to meet in the day time apart from pubs and an expensive restaurant. The teashop has struggled in the past, and the previous owners had to give it up for financial reasons. Without the tea shop, the village was empty and rather dead, and I have greatly admired the efforts of Mr and Mrs Wyatt to revive it. They have been very successful in this and deserve to benefit from any discretion that you have with Rural Rates Relief. I know several local people who would find it difficult to be able to go out socially if The Village Pantry were not here, so it fulfils a valuable social function as well as being a business.

I do hope that you will look sympathetically on their application to you.

Yours faithfully,

(Rev'd) Chris van Straaten
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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 September 2015

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 RURAL RATE RELIEF – RURAL SETTLEMENT LIST

A report informing Members of the requirement to review the Council's rural settlement list and recommending that the current list should be retained, unaltered, for the financial year 2016/17.

1.1 Members will be aware that the Council grants relief to certain types of businesses that are located in rural settlements. For the purpose of granting relief, the rural settlements within the area of Tonbridge and Malling Borough Council are shown in the Council's rural settlement list. The list is in the form of a map, which shows the location and boundaries of each rural settlement. The map is shown at **ANNEX 1.**

1.1 At this time of year, the Council has to consider whether it wishes to amend the rural settlement list for the forthcoming financial year. If it wishes to do so, then it must consult on any changes that it proposes to make.

1.2 Members should be aware that I have received no suggestions for amendment of the list. I am also unaware of any problems arising from the definitions of the rural settlements in the current list.

1.3 Legal Implications

1.3.1 None.

1.4 Financial and Value for Money Considerations

1.4.1 None.

1.5 Risk Assessment

1.5.1 No risks identified.

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 In view of the above, Members are **REQUESTED** to **RECOMMEND** to Cabinet that the current rural settlement list should remain in force for the year 2016/17.

The Director of Finance and Transformation confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and policy Framework.

Background papers:

contact: Glen Pritchard

Nil

Tel: 01732 876146

Sharon Shelton

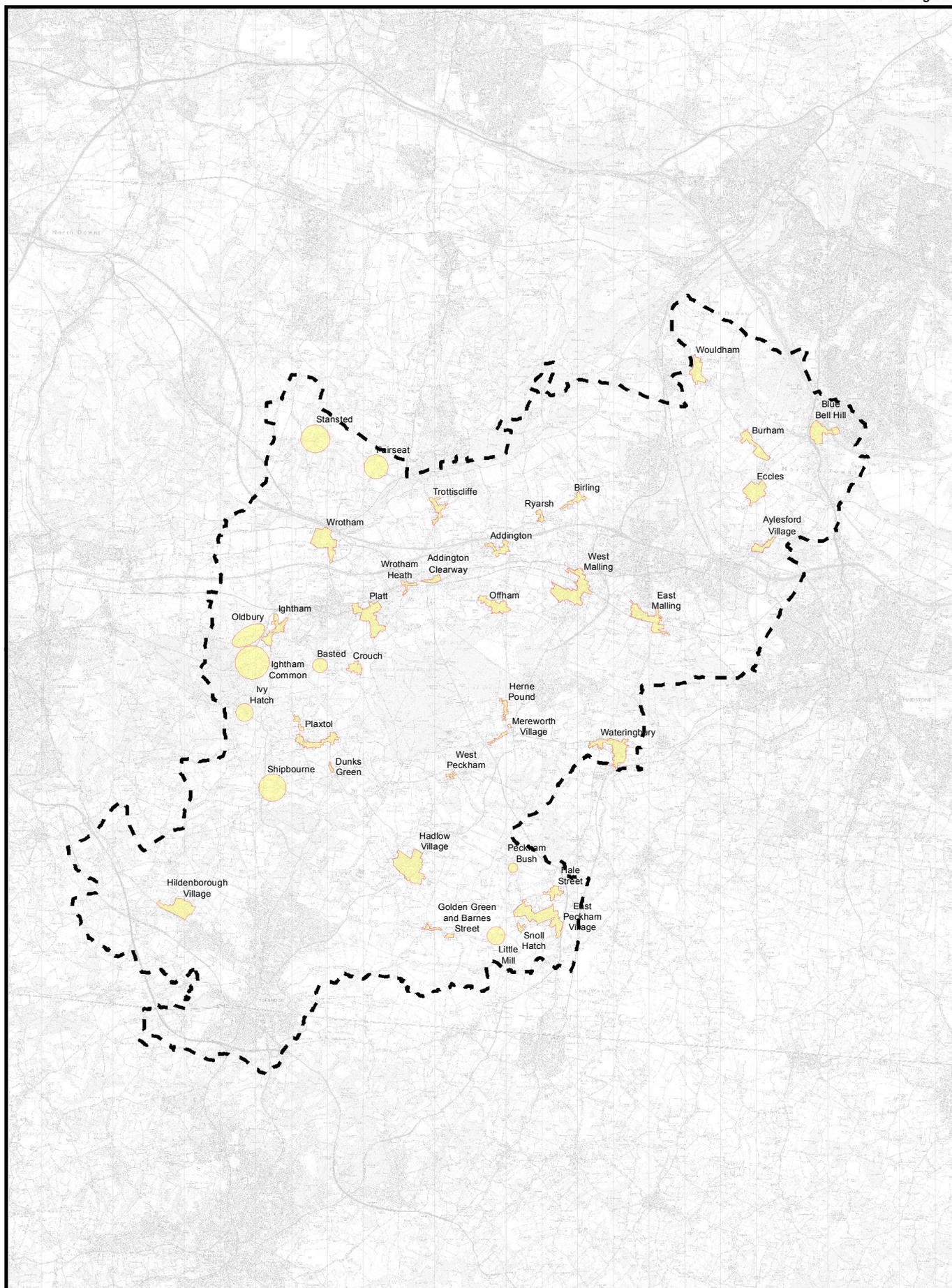
Director of Finance and Transformation

RURAL SETTLEMENTS MAP



www.tmbc.gov.uk

Map of Rural Settlements within Tonbridge and Malling Borough Council



Scale 1:150,000

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 September 2015

Report of the Director of Central Services and the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 TONBRIDGE CASTLE GATEHOUSE CHARGES

Summary

The report recommends revised charges for the Tonbridge Castle Gatehouse tourist attraction for implementation from 1 April 2016.

Gatehouse Charges – Background

As Members may be aware, the charges for Tonbridge Castle Gatehouse are reviewed at this time for implementation in the next financial year. This allows the revised prices to be incorporated in tourism marketing material, much of which is published during the winter months.

Visitors to the Gatehouse continue to be very positive about the experience and the value for money offered. The schools market has shown growth this year, but it is essential to remain competitive in this market.

A feedback form has been introduced for monitoring school groups. To date all elements of the service provided at the Gatehouse have been rated as either “very good” or “excellent”.

The current 2015/16 charges for a number of neighbouring attractions, along with the current charges for Tonbridge Castle Gatehouse are shown at **[Annex 1]**. Members will be aware that when reviewing charges, the general approach is to consider not only the prevailing inflation figures, but to also take account of competitor charges and local market conditions. The following table shows the proposed charges:

	Existing Charge 2015/16 (£)	Proposed Charge 2016/17 (£)
Adult	8.00	8.50
Concessions (Jun/OAP/Student/Leisure Pass)	4.70	5.00
Family ticket	22.00	23.00
Education Facilities (1 teacher free per 10 children. For special needs groups, carers admitted free as required)	65.00	65.00
Season ticket (adult)	20.00	20.00
Season ticket (concession)	15.00	15.00

It is estimated that the proposed increases will provide approximately £2,000 of additional income.

1.1 Legal Implications

1.1.1 None

1.2 Financial and Value for Money Considerations

1.2.1 These proposals are in accordance with the guidance in the Council's budget strategy.

1.2.2 Feedback from customers identifies that the charging regime provides value for money for casual visitors as well as group visits.

1.3 Risk Assessment

1.3.1 There is a risk that excessive increases in charges could deter visitors and lead to a fall in overall income. Dialogue with customers and comparison with other attractions has been taken into consideration in bringing these charges forward.

1.4 Equality Impact Assessment

1.4.1 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.

1.5 Policy Considerations

1.5.1 Community – These proposals will maintain access to the local heritage by all sectors of the community.

1.5.2 Young People – The educational elements of visits to the castle are an important aspect. The educational visits are designed to encourage “hands-on” learning and continue to be well received by the visit organisers and the children.

1.6 Recommendations

1.6.1 The proposed charges have been brought forward to reflect the current market conditions.

1.6.2 It is, therefore, **RECOMMENDED** to Cabinet that:

- 1) the proposed charges for Tonbridge Castle Gatehouse as outlined above be agreed for implementation from 1 April 2016; and
- 2) these charges be reflected in the appropriate tourism marketing material.

The Director of Central Services confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Tina Levett

Nil

Adrian Stanfield - Director of Central Services

Sharon Shelton - Director of Finance and Transformation.

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TONBRIDGE CASTLE GATEHOUSE CHARGES

2015 TOURIST ATTRACTION CHARGES

Venue	Adult (£)	Child (£)	Family (£)
Tonbridge Castle	8.00	4.70	22.00
Lullingstone Castle	8.00	4.00	18.00
Arundel Castle	16.00	9.00	45.00
Hever Castle	16.00	9.00	42.50
Chiddingstone	9.00	4.00	23.50
Penshurst Place	10.50	6.50	30.00
Leeds Castle	24.00	16.00	-
Groombridge Place	9.95	8.45	33.95

Prices may vary as these are set at different times of the year

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 September 2015

Report of the Director of Central Services and Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 CAPITAL PLAN – POST IMPLEMENTATION REVIEWS

This report brings forward Capital Plan post implementation reviews in respect of Christmas Lighting Capital Grants and Implementing Electronic Government.

1.1 Introduction

1.1.1 This report is the latest in a series of post implementation reviews which, in accordance with the Capital Strategy, are submitted to this Advisory Board for information. The reviews are presented in the format endorsed on 5 October 2005.

1.2 Christmas Lighting Capital Grants

1.2.1 Attached at **[Annex 1]** is the relevant review template for this capital scheme. Members will note the positive outcome in terms of objectives being met and the project being delivered close to budget.

1.3 Implementing Electronic Government

1.3.1 The scheme covered a 10 year period starting in 2002 and was introduced to support a government initiative to make services available electronically where feasible. Individual projects included e-payments, committee management system and the customer relationship management system (CRM). All three of these projects have provided the basis for transforming the way customers transact with the Council. Of the total project spend of £857,900, £16,900 was met by the Council with the remainder funded by Government. A review template is provided at **[Annex 2]**.

1.4 Legal Implications

1.4.1 Considered within the evaluation template.

1.5 Financial and Value for Money Considerations

1.5.1 As shown in the Annex.

1.6 Risk Assessment

1.6.1 All risks identified within the evaluation process and any difficulties highlighted through the post implementation review.

1.7 Equality Impact Assessment

1.7.1 The decision recommended in this report has a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.8 Policy Considerations

1.8.1 Capital Strategy; Community; Customer Contact

1.9 Recommendation

1.9.1 Post Implementation Reviews intend to answer the question “Did we achieve what we set out to do and if not what should be done?”

1.9.2 The above reviews indicate successful implementation of the projects and it is, therefore, **RECOMMENDED** that the Post Implementation Review for the projects outlined in the report be endorsed.

The Director of Finance and Transformation and Director of Central Services confirm that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

Nil

contact: Claire Fox
Darren Everden

Adrian Stanfield
Director of Central Services

Sharon Shelton
Director of Finance and Transformation

Capital Plan Post Implementation Review	
Service:	Executive Services
Scheme Title:	Christmas Lighting Capital Grant
Scheme Description:	To provide assistance to local centres to refresh and upgrade Christmas lighting displays.
Evaluation:	Finance & Property Advisory Board 23 May 2007 Cabinet Member Decision D070101MEM
Capital Plan Year(s)	2007/08 to 2010/11
Approved budget	£24k divided over four years allowing maximum grant of £3k to each of eight eligible centres (Borough Green; East Peckham; Hadlow; Kings Hill; Martin Square, Larkfield; Snodland; West Malling; Wrotham).
National Priorities	N/A
Local Priorities	<ul style="list-style-type: none"> • Promotion of cultural activities • Improving local economy • Improving viability of village services
Targets for judging success:	Quality of local displays.
Completion date (work completed):	Grants awarded to final tranche of local centres for Christmas 2013.
Completion date (final payment):	5 March 2014
Projected date for post implementation review:	Originally after initial four year period but only four of the eight centres were in a position to apply for capital grant by 2010/11.
Final cost:	£24,276
Performance against National and Local Priorities and Targets:	Upgraded Christmas lighting displays achieved.
Budget performance / Value for money:	The project was completed slightly over budget with additional grant awarded to Aylesford from this budget before it was added to the list of eligible centres for general Christmas lighting grants in November 2013 (Decision D130135MEM).
Other performance / procurement issues:	None.
Ongoing / Outstanding issues:	None.

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Capital Plan Post Implementation Review	
Service:	Information Technology
Scheme Title:	Implementing Electronic Government (IEG)
Scheme Description:	Government led scheme to make services available to the public electronically where feasible.
Evaluation:	Subject to grant application to Government.
Capital Plan Year(s)	2002/3 – 2012/13
Approved budget	£841,000 funded from Government grant.
National Priorities	To meet national priority for implementing electronic government.
Local Priorities	N/A
Targets for judging success:	N/A
Completion date (work completed):	June 2012.
Completion date (final payment):	June 2012
Projected date for post implementation review:	N/A
Final cost:	£857,934
Performance against National and Local Priorities and Targets:	Initial phases of project were subject to six monthly returns to government to monitor progress against priority outcomes and facilitate grant release. Detailed reports on progress were also referred to the former ICT and E-Government Advisory Board.
Budget performance / Value for money:	Total cost exceeded available grant support by £16,934.
Other performance / procurement issues:	None.
Ongoing / Outstanding issues:	None.

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 September 2015

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision

1 BENEFITS UPDATE AND COUNCIL TAX REDUCTION SCHEME

A report advising Members of current issues arising in the benefits field, and seeking agreement to a 'refresh' of the existing Council Tax Reduction Scheme in preparation for the financial year 2016/17.

1.1 Performance and Workload of the Benefits Service

- 1.1.1 The average number of days taken to process new claims for housing benefit over this financial year is 14.2 days. Changes in circumstances are taking an average of 7.1 days.
- 1.1.2 The number of households claiming housing benefit in the Borough has fallen by 26 since the beginning of the financial year; those claiming council tax support have reduced by 79.
- 1.1.3 Workload remains high, largely due to the continuation of the monthly Real Time Information (RTI) data-matching initiative. This national exercise compares data used in housing benefit calculations to that held by the tax office. Mismatches are electronically referred from the Department for Work and Pensions (DWP) to the Council. The data relates to differences in pay or pensions and some cases stretch back over many years generating large overpayments of benefit.

1.2 Universal Credit

- 1.2.1 Universal Credit is due to go live in the Tonbridge & Malling area with effect from 12 October 2015 when the new benefit will be rolled out for single working age claimants only. My officers are attending meetings with staff from Job Centre Plus to develop how the benefit will be introduced and work in the Borough.
- 1.2.2 The introduction of Universal Credit (UC) is to address complexity in the benefits system and ensure that 'work does pay'. It replaces a range of working age benefits (such as Working Tax Credit, Child Tax Credit, Income Support, Income related Jobseeker's Allowance, Income related Employment and Support Allowance and Housing Benefit). The Department for Work and Pensions will have overall responsibility for implementing Universal Credit.

1.2.3 We will continue to deliver housing benefit to pensioners and all other benefit recipients not currently in receipt of UC.

1.2.4 The timetable for the further rollout of UC has not yet been confirmed.

1.3 Welfare Reform Budget Changes

1.3.1 At the last meeting of the Advisory Board, I advised Members of the key welfare reforms that were being brought forward following the Chancellor's Summer Budget and promised to provide a more detailed analysis.

1.3.2 Attached at **[Annex 1]** for Members' information is a table highlighting the main changes and the potential impact on claimants within Tonbridge & Malling.

1.4 Council Tax Reduction Scheme

1.4.1 Council adopted, at its meeting on 21 November 2012, a council tax reduction scheme for the Tonbridge and Malling area which came into effect for the first time on 1 April 2013. The scheme has been 'refreshed' annually for data changes, but the core elements remain as were originally agreed.

1.4.2 The scheme is 'underpinned' by the Kent-wide agreement, which recognises that all the Kent districts will seek to have a common 'platform' for their reduction schemes. In return, the major precepting authorities (Fire, Police and the County) agreed to pay to each district council an 'administration fee' of £125,000 each year, for three years, to assist with the costs of delivering and managing the scheme.

1.4.3 Members will note that the three year agreement period will cease at the end of 2015/16. However, as a result of other national welfare changes taking place - as well as the significant consultation process and timescale that would be needed in order to review the scheme - it has been agreed with Kent County Council, Kent Police and Kent Fire & Rescue that the scheme will effectively 'roll on' for one more year (i.e. 2016/17).

1.4.4 By rolling the scheme on for one more year into 2016/17, this means that entitlement will continue to be calculated using the methodology of the former council tax benefit scheme with a final reduction of 18.5% being applied to the resultant entitlement.

1.4.5 In order to maintain the link to the former council tax benefit scheme, the Scheme will need to be 'refreshed' again to reflect data relevant to the new financial year. Members are advised that there are changes to the Housing Benefit regulations following national welfare reform announcements that I do not propose to mirror in our Council Tax Reduction Scheme as I believe these would require a consultation to be triggered before the end of the year. These changes include timescales for backdating of claims and the abolition of the family premium, which are being significantly changed in the Housing Benefit Regulations. The data

updating changes I propose to incorporate in our refreshed Scheme are relatively minor and do not require a consultation to be triggered.

1.4.6 The 'refreshed' Scheme for 2016/17 will be published again on our website.

1.4.7 However, it is appropriate that we review the scheme in the near future and, accordingly, my colleagues across Kent have agreed that a comprehensive review of the current Council Tax Reduction Scheme should take place for the 2017/18 financial year. This will require a consultation to take place during 2016.

1.5 Legal Implications

1.5.1 The Council, in accordance with the provisions of Schedule 1A to the Local Government Finance Act 1992 (inserted by Schedule 4 to the Local Government Finance Act 2012), determined a council tax reduction scheme which came into effect from 1 April 2013.

1.5.2 The Scheme incorporates the core methodology of the Council Tax Reduction (Default Scheme) (England) Regulations 2012, applying similar criteria to the current Housing Benefit Regulations. Therefore the Scheme will be 'refreshed' for 2016/17 taking on board relevant adjustments to the Housing Benefit Regulations and the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations and associated Statutory Instruments. The Statutory Instrument relevant to the financial year 2016/2017 is awaited.

1.6 Financial and Value for Money Considerations

1.6.1 Resources and performance will continue to be monitored to ensure the service operates in an efficient and cost effective manner.

1.6.2 Costs of consultation in readiness for a 2017/18 scheme will be taken into account in preparing the Budget for 2016/17.

1.7 Risk Assessment

1.7.1 It is not considered that there are risks in rolling forward the Scheme into 2016/17. I do not believe that the minor changes we propose to make to refresh the scheme trigger the need for a consultation.

1.7.2 A consultation will be required during 2016 if the council chooses to fundamentally review the Scheme, and this will be factored into the Service's work programme.

1.8 Equality Impact Assessment

1.8.1 The decisions recommended through this paper regarding 2016/17 have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.9 Policy Considerations

1.9.1 Customer Contact

1.10 Recommendations

1.10.1 Members are **REQUESTED** to **RECOMMEND** to Cabinet that:

- 1) the existing Council Tax Reduction Scheme be refreshed in readiness for the financial year 2016/17 and published on the Council's website;
- 2) the Director of Finance & Transformation be authorised to enter into discussions with Kent County Council and Kent District Council colleagues regarding a fundamental review of the scheme for 2017/18.

Background papers:

Nil

contact: Andrew Rosevear
Mike Bytheway

Sharon Shelton
Director of Finance & Transformation

Welfare Reform Steps Chancellor's Summer Budget - July 2015**Potential Impact in Tonbridge & Malling**

Reform	Effective from	Potential Impact
4 year freeze to certain working age benefits including tax credits, local housing allowance rates and child benefit	April 2016 Applies to new and existing claims	Widening income gap between non-working and working households. Gap will taper for claimants on in-work benefits. Provides incentive to move into work and increase earnings. Private rents will continue to increase as LHA rates are frozen, decreasing the number of affordable private rentals. Existing tenants will experience rent increases but housing benefit levels will not meet them. Increased demand on DHP fund.
Lowering benefit cap from £26,000 to £20,000 for couples / lone parents and £13,400 for single claimants	tba Expected soon after the Welfare Reform and Work Bill 2015-16 receives royal assent	Increase in numbers having housing benefit capped. TMBC likely to increase from 17 to around 50 households. Those currently capped will have greater shortfalls. Increased demand on DHP fund. Couples with 2 or more children and single parents with 3 or more children in private rented accommodation or affordable housing will not be capped due to rent / LHA levels. Only social rents could be met in full by HB, although not all depending on composition of household. Clear incentive to move into work (16+ hours for single parents, 24+ hours for couples)
Housing benefit backdating restricted to a maximum of 4 weeks (currently 6 months)	April 2016	No housing benefit payable more than 4 weeks prior to claim even if good cause for not claiming at the time.
Limit Child Tax Credits and housing benefit to account for a maximum of 2 children	Children born after April 2017 New and existing claims	Widening gap between household costs and income for family composition of 3+ children
Reduce earnings level threshold for tax credit withdrawal	April 2016 New and existing claims	Reduction in tax credits awards. Average loss estimated at £20 per week. Estimated 10,000 – 12,000 households in Borough

Family Premium removed from housing benefit	April 2016 New claims	Reduction in housing benefit for non-passported cases
Parents with a youngest child of 3 or over will be expected to work / look for work in order to receive Universal Credit	April 2017 New and existing claims	More in-work claims enabled by additional childcare allowance below, relatively low numbers
Free childcare entitlement doubled from 15 to 30 hours per week for working parents with children 3 to 4	April 2017 New and existing claims	Allows for above condition
New ESA claims placed in Work Related Activity Group to receive same rate as Jobseekers Allowance (and equivalent in UC) from April 2017	April 2017	Removing financial incentive to stay on ESA
Remove entitlement to housing support costs in Universal Credit for 18 -21 year olds (equivalent of housing benefit)	April 2017	Exemptions planned for vulnerable and those who may not be able to return home to live with parents. Those who have been in work for 6 months can receive support for 6 months while they look for work
Increase to Discretionary Housing Payment allocation	April 2016	Mitigates some changes. Additional administration. Greater all round demand / pressure on budget.
Social rents to decrease by 1% per year for the next 4 years	April 2016	Curbs rising housing benefit budget. Very little local impact on HB. Housing associations face budget restrictions, ability to borrow for and develop housing stock
Social sector tenants with incomes above £30,000 to pay near market rent	April 2016	'Pay to Stay' housing associations may keep additional revenue. Administrative issues. Possible rise in rent arrears, evictions etc

TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 September 2015

Report of the Director of Director of Finance and Transformation

Part 1- Public

Matters for Information

1 COUNCIL TAX AND BUSINESS RATES UPDATE REPORT

A report detailing recent developments in respect of council tax and business rates

1.1 Collection of council tax and business rates

1.1.1 As at 31 August 2015, the collection rate for council tax stood at 45.66%. For the same period in the year 2014/15, the collection rate was 45.27%.

1.1.2 As at 31 August 2015, the collection rate for business rates stood at 48.88%. For the same period in the year 2014/15, the collection rate was 49.87%.

1.1.3 I am encouraged that the council tax collection rate is higher than in 2014/15 as we approach the half way point of this financial year, and that the collection rate for working age claimants continues to improve (38.14% as at 31 August compared to 35.47% in 2014/15).

1.1.4 I am also pleased to advise that the number of recovery notices issued this financial year has decreased further, with approximately 15% fewer being sent compared to 2014/15 (see **ANNEX 1**).

1.1.5 Members may have noticed recent media interest in council tax recovery (and to a lesser extent, business rate recovery) following national reports by the Children's Society and the Money Advice Trust. Much of the interest has revolved around the use of enforcement agents (bailiffs).

1.1.6 Generally, the Borough Council only uses enforcement agents for council tax and business rate collection as a last resort when all other options have failed. We always try to be sensitive to a family or business's circumstances and make every effort to help wherever possible.

1.1.7 With regard to council tax, staff negotiate regularly with taxpayers in respect of payment arrangements, spreading instalments to accommodate particular needs and encouraging families to apply for council tax support. When writing to debtors to remind them of debts we will always recommend that debtors talk to us so that

we can help and we remind taxpayers that they can seek help from a professional debt adviser such as the Citizens' Advice Bureau. Staff are always happy to talk to agencies such as these who are acting on behalf of debtors in order to find a way forward.

1.1.8 Staff are also aware of the need to keep businesses trading when negotiating payment arrangements, and make the ratepayer aware of the many reliefs that are available that could reduce their liability.

1.1.9 Sadly, however, despite all the offers we make, some debtors simply will not engage with us and we have no alternative course of action but to refer to an enforcement agent. The Council has a duty to collect taxes that are due for the benefit of all residents within the borough and will pursue collection until it is no longer viable to do so.

1.2 Legal Implications

1.2.1 Nil.

1.3 Financial and Value for Money Considerations

1.3.1 The percentage of council tax and business rates collected during the year impacts on the Council's finances and, consequently, on the level of council tax for future years.

1.4 Risk Assessment

1.4.1 Nil.

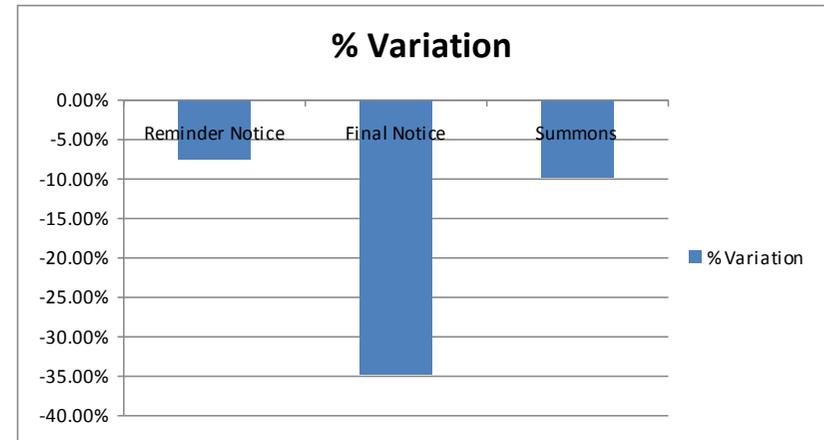
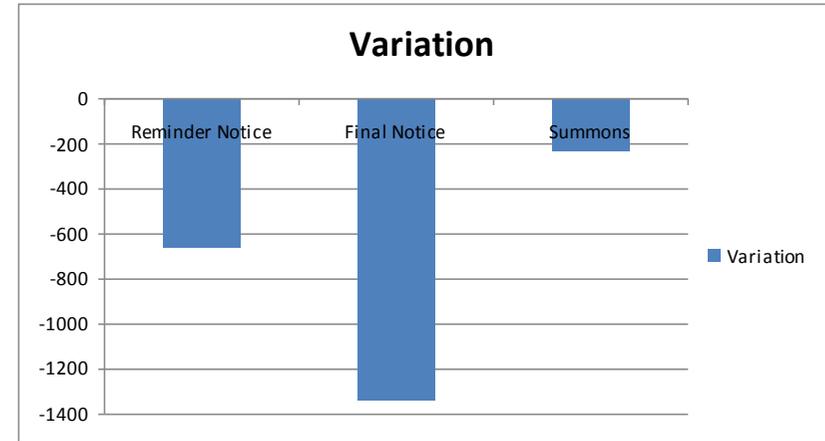
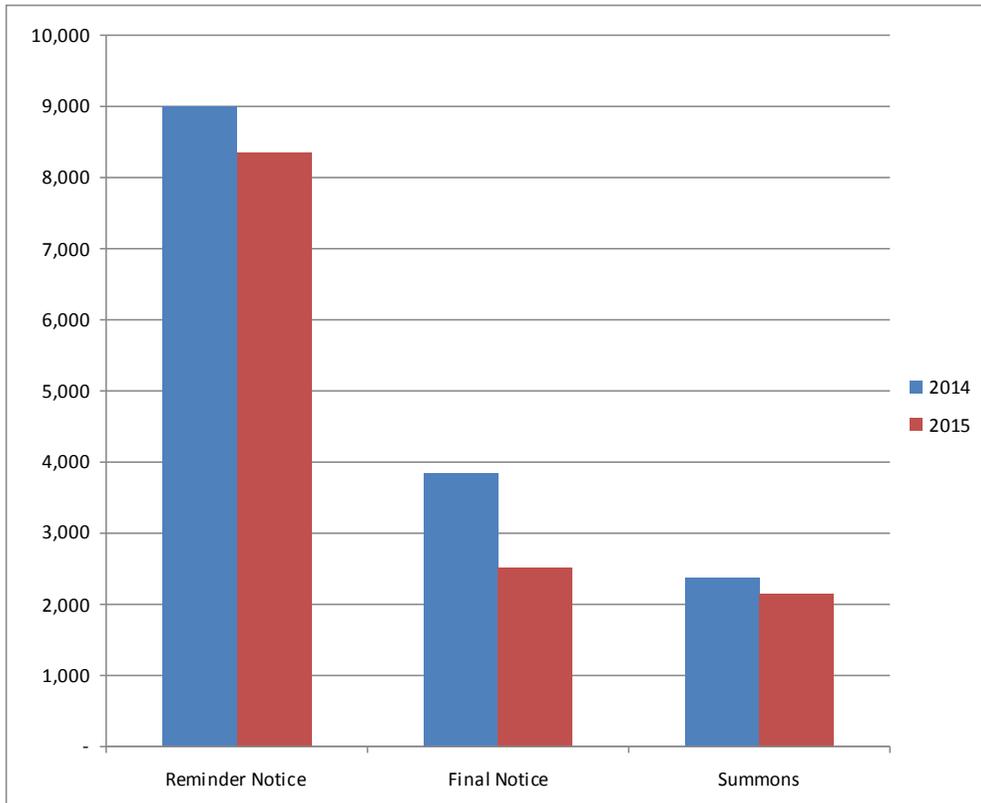
Background papers:

1. In respect of the collection of council tax and business rates, data held within Financial Services.

contact: Glen Pritchard
01732 876146

Sharon Shelton
Director of Finance and Transformation

	Reminder Notice	Final Notice	Summons	Total
2014	8,998	3,846	2,367	15,211
2015	8,344	2,516	2,141	13,001
Variation	-654	-1330	-226	-2210
% Variation	-7.27%	-34.58%	-9.55%	-14.53%



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Agenda Item 12

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 13

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 16

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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