

TONBRIDGE & MALLING BOROUGH COUNCIL



EXECUTIVE SERVICES

Chief Executive

Julie Beilby BSc (Hons) MBA

Gibson Building
Gibson Drive
Kings Hill, West Malling
Kent ME19 4LZ
West Malling (01732) 844522

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

23 May 2016

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, 1st June, 2016 commencing at 7.30 pm

Yours faithfully

JULIE BEILBY

Chief Executive

A G E N D A

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

Matters submitted for Information

13. Urgent items 113 - 114

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 S M King (Chairman)
Cllr T C Walker (Vice-Chairman)

Cllr Mrs S Bell
Cllr R P Betts
Cllr T Bishop
Cllr J L Botten
Cllr Mrs B A Brown
Cllr T I B Cannon
Cllr D J Cure

Cllr M O Davis
Cllr S R J Jessel
Cllr R D Lancaster
Cllr Miss J L Sergison
Cllr A K Sullivan
Cllr F G Tombolis
Cllr B W Walker

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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, 13th January, 2016

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 R D Lancaster, Cllr D Lettington, Cllr L J O'Toole, Cllr A K Sullivan and Cllr B W Walker

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

Apologies for absence were received from Councillors Mrs S Bell and Miss J L Sergison

PART 1 - PUBLIC

FIP 16/1 DECLARATIONS OF INTEREST

Councillor M Davis declared an Other Significant Interest in the items on Applications for Discretionary Rate Relief and Formalising Title and Land Arrangements at Vale Rise on the grounds that his firm acted for clients in each case. He withdrew from the meeting during consideration of these matters.

Councillor N Heslop declared an Other Significant Interest in the item on Review of Fees and Charges in respect of the list of concessionary users of Tonbridge Castle Council Chamber on the grounds of membership of the Board of the Bridge Trust. He withdrew from the meeting during consideration of this matter.

FIP 16/2 MINUTES

RESOLVED: That the notes of the meeting of the Finance, Innovation and Property Advisory Board held on 23 September 2016 be approved as a correct record and signed by the Chairman.

MATTERS FOR RECOMMENDATION TO THE CABINET

FIP 16/3 REVENUE ESTIMATES 2016/17

The report of the Director of Finance and Transformation referred to the responsibility of the Cabinet under the constitution for formulating initial proposals in respect of the budget. Reference was made to the role of the Advisory Board in assisting the Cabinet and Council in the

preparation of the budget within the context of the Medium Term Financial Strategy (MTFS) and the Council's priorities. An outline was given of the process for referring the Advisory Board's recommendations to the Overview and Scrutiny Committee prior to consideration by the Cabinet on 11 February and thereafter by the Council at its Budget meeting.

The report set out the framework for considering the estimates in terms of the MTFS together with a number of Service specific issues. The report indicated the factors to be taken into account when updating the MTFS and referred to the Savings and Transformation Strategy considered by the Cabinet on 17 November 2015 which would provide a structure and focus for addressing the significant financial challenge facing the Council. It was noted that the MTFS would continue to be updated during the Budget cycle as more information became available.

The Director of Finance and Transformation drew attention to the key messages arising from the consultation on the provisional Local Government Finance Settlement including the position regarding New Homes Bonus funding; the new methodology taking into account the amount capable of being raised locally from council tax; and a change in the split of funding between tiers of local government in favour of authorities with responsibilities for social care and larger reductions for district councils. Such an approach would result in the Council's revenue support grant (RSG) being reduced to zero by 2017/18 and, thereafter, further reductions by way of a "tariff adjustment" under the business rates retention scheme.

It was considered that a robust response to the settlement consultation should be submitted by the 15 January deadline in view of the radical and unexpected changes proposed which would place the Council's services at severe risk. The Director of Finance and Transformation circulated and presented the suggested response which was endorsed by Members. The Leader referred to representations made to the Secretary of State by the 15 authorities that would be losing RSG in 2017/18 (earlier than the majority) and commended the work of the Finance team in formulation of the combined response.

RECOMMENDED: That

- (1) the fourth objective of the Medium Term Financial Strategy set out at paragraph 1.2.1 of the report be replaced by the following:

"Continue to identify efficiency savings and opportunities for new or additional income sources and to seek appropriate reductions in service costs in delivery of the Savings and Transformation Strategy approved by Members."

- (2) the proposed response to the provisional local government finance settlement 2016/17, as circulated at the meeting, be supported and copies be sent to the two local Members of Parliament;
- (3) the draft Revenue Estimates contained in the Booklet be endorsed;
- (4) within the context of the financial pressures outlined in the report, the Overview and Scrutiny Committee be requested to consider the draft Revenue Estimates contained in the Booklet and make appropriate recommendations to the Cabinet for its special meeting on 11 February 2015;
- (5) the Savings and Transformation Strategy be updated to reflect the financial impact of the provisional local government finance settlement; and
- (6) appreciation be conveyed to the Finance team for their work in response to the provisional local government finance settlement.
***Referred to Cabinet**

FIP 16/4 CAPITAL PLAN REVIEW 2015/16

Consideration was given to the report of the Director of Finance and Transformation which reviewed the current position of the existing Capital Plan (List A). It also recommended schemes for addition to List C, some existing List C schemes for deletion or evaluation and schemes for inclusion on List B from those List C schemes previously selected for evaluation. Members were reminded that any aspirations in respect of capital schemes needed to be set within the context of the significant financial challenge facing the Council.

Particular reference was made to the increase in budget provision for the Tonbridge Town Lock and Wouldham river wall schemes and the means of funding them. An updated Capital Strategy was also presented for endorsement.

RECOMMENDED: That the following be endorsed for consideration by the Overview and Scrutiny Committee: 

- (1) the Capital Plan (List A) position as shown in Annex 2 to the report noting:
 - (i) the increase in the budget provision in respect of the Tonbridge Town Lock capital plan scheme and how it is to be funded;
 - (ii) the additional works in respect of refurbishment of the Health Suite at Larkfield Leisure Centre, at an estimated cost of £20,000, to be met in full by the Tonbridge and

Malling Leisure Trust and the use of the urgency procedure to amend the Capital Plan accordingly;

- (iii) the increase in the budget provision in respect of the river wall, Wouldham capital plan scheme and how it is to be funded;
- (2) the amendment of List C as detailed in paragraph 1.5.2 of the report;
- (3) the selection for evaluation of those List C schemes shown in paragraph 1.6.3 of the report including one for fast track evaluation;
- (4) the transfer of the scheme listed in paragraph 1.7.3 of the report from List C to List B; and
- (5) endorsement of the draft Capital Strategy as set out at Annex 5 to the report for adoption and publication on the Council's website.
***Referred to Cabinet**

FIP 16/5 REVIEW OF FEES AND CHARGES 2016/17

The report of the Management Team brought forward for consideration as part of the Budget setting process for 2016/17 proposals in respect of those fees and charges that were the responsibility of the Cabinet Member for Finance, Innovation and Property or not reported elsewhere.

RECOMMENDED: That

- (1) in respect of the recovery of legal fees payable by third parties, the Council's fees continue to follow the Supreme Court guideline hourly rates as set out at paragraph 1.2.1 of the report;
- (2) the proposed scale of fees for local land charges searches and enquiries set out in the report be adopted with effect from 1 April 2016 noting that with effect from 1 February 2016 property search fees, in the main, are to be subject to VAT on the basis set out in paragraphs 1.3.4 and 1.3.5 of the report;
- (3) the current photocopying charges of 10p (inclusive of VAT) for each page of the same document or additional copies of the same page plus postage as appropriate be retained;
- (4) the proposed charges for Tonbridge Castle Chamber as set out in Annex 3 to the report be approved for implementation from 1 April 2016 and the list of concessionary users at Annex 1 to the report be endorsed;

- (5) the proposed charges for weddings at Tonbridge Castle as outlined in paragraph 1.6.3 of the report be approved for implementation from 1 April 2017;
- (6) the fees schedule for street naming and numbering set out at paragraphs 1.8.2 and 1.8.3 of the report be adopted with effect from 1 April 2016, subject to the fee for addressing one new in-fill property remaining at £169; and
- (7) the amount of council tax and business rate Court costs recharged to the taxpayer remain as set out at paragraph 1.9.2 of the report for the 2016/17 financial year.

***Referred to Cabinet**

FIP 16/6 APPLICATIONS FOR DISCRETIONARY RATE RELIEF

Decision Notice D160007MEM

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-application for discretionary relief shown at Annex 2 to the report, 20% discretionary rate relief be awarded with effect from 1 April 2015 and time limited to 31 March 2017;
- (2) the new applications for discretionary rate relief be determined as follows:

KWES Kent Woodland Employment Scheme, Field Adjacent Stone Cottage, Maidstone Road, Hadlow – 20% discretionary rate relief be awarded, time limited to 31 March 2017;

Tonbridge Counselling Service, 1st Floor Gilbert House, River Walk, Tonbridge – 20% discretionary rate relief be awarded, time limited to 31 March 2017; and

Marpaul Sports CIC, Cobdown Sports and Social Club, Station Road, Ditton – 90% discretionary relief be awarded, time limited to 31 March 2017.

FIP 16/7 CHECK, CHALLENGE, APPEAL: REFORMING BUSINESS RATES APPEALS CONSULTATION; AND BUSINESS RATES POOLING

Decision Notice D160008MEM

The report of the Director of Finance and Transformation gave details of a Department for Communities and Local Government consultation on proposals for reforming the business rates appeals system to provide a quicker, clearer and more transparent service to businesses. A copy of the response submitted by the 4 January 2016 deadline, following consultation with the Leader, Cabinet Member for Finance, Innovation and Property and Chairman of the Advisory Board, was set out at Annex 1 to the report.

An update was also provided on the Business Rates Pool for Kent authorities, with Dover District Council leaving and Dartford Borough Council joining the pool.

RECOMMENDED: That the response to the consultation set out at Annex 1 to the report, as agreed with the Leader, Cabinet Member and Chairman, be endorsed.

FIP 16/8 CORPORATE DEBT RECOVERY POLICY

Decision Notice D160009MEM

The report of the Director of Finance and Transformation presented for approval a revised Corporate Debt Recovery Policy and highlighted a number of minor revisions relating to a refinement of the legal considerations in respect of recovery of housing benefit debts.

RECOMMENDED: That the revised Corporate Debt Recovery Policy set out at Annex 1 to the report be approved.

MATTERS SUBMITTED FOR INFORMATION

FIP 16/9 COUNCIL TAX AND BUSINESS RATES UPDATE

The report gave details of recent developments in respect of council tax and business rates including collection rates which were updated at the meeting to indicate the position as at 31 December 2015 (council tax 83.8% and business rates 84.99%). Reference was also made to the Autumn Statement and the Council Tax base for 2016/17 which showed an increase of 1.5% over the previous year arising from fewer taxpayers claiming Council Tax Reduction and a growth in numbers of new properties.

FIP 16/10 BENEFITS UPDATE

Members were advised of current issues arising in the benefits field including performance and workload of the Benefits Service, progress with the rollout of Universal Credit, the updated Local Council Tax Reduction Scheme and various aspects of welfare reform.

FIP 16/11 IT STRATEGY UPDATE

The Advisory Board was updated on key projects within the IT Strategy including e-billing, Skype for Business and Microsoft Exchange Outlook and upgrading of WiFi systems. Members were advised of the impact of a period of staff illness in the IT Technical Support team during the summer of 2015.

MATTERS FOR CONSIDERATION IN PRIVATE

FIP 16/12 EXCLUSION OF PRESS AND PUBLIC

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 16/13 DEBTS FOR WRITE OFF

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

Decision Notice D160010MEM

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 31 items shown in the schedule of amounts over £1,000, totalling £268,007.58 be written-off for the reasons stated within the schedule.

**FIP 16/14 PROPOSED DISPOSAL OF AMENITY LAND ADJACENT TO
CHERWELL CLOSE, TONBRIDGE**

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

Decision Notice D160011MEM

The report of the Director of Central Services gave details of proposed terms and conditions for the disposal of amenity land adjacent to Cherwell Close, Tonbridge to allow extension of the garden of an adjoining property.

RECOMMENDED: That approval be given to the disposal of the area of amenity land adjacent to Cherwell Close on the basis of the conditions outlined in the report.

**FIP 16/15 FORMALISING TITLE AND LAND ARRANGEMENTS AT VALE
RISE, TONBRIDGE**

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

Decision Notice D160012MEM

The report of the Director of Central Services gave details of action necessary to regularise a conveyance in respect of land at Vale Rise, Tonbridge including the grant of a new right of way.

RECOMMENDED: That the discrepancy in the original 1995 conveyance be corrected and a new right of way be granted as outlined in the report.

FIP 16/16 PROPOSED NEW LEASE OF THE SIX IN ONE CLUB, TONBRIDGE

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

Decision Notice D160013MEM

Consideration was given to the report of the Director of Central Services on proposed terms and conditions for a new lease of the Six in One Club, Tonbridge.

RECOMMENDED: That a new lease be granted under the terms and conditions outlined in the report.

**FIP 16/17 PROPOSED LEASE OF LAND AT HAYSDEN COUNTRY PARK
FOR CATERING UNIT**

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

Decision Notice D160014MEM

The report of the Director of Central Services gave details of proposed terms for the lease of an area of land at Haysden Country Park for the siting of a container to enable the expansion of the catering service currently provided.

RECOMMENDED: That the new lease be granted on the terms outlined in the report together with a condition requiring the container to be painted a suitable colour.

The meeting ended at 10.02 pm

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

01 June 2016

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Council Decision

1 MULTI-YEAR SETTLEMENT AND ASSOCIATED EFFICIENCY PLAN AND FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY

This report considers the government offer of a four-year funding settlement to 2019/20 to any council that wishes to take it up and provides a draft submission accepting the offer, if the Council chooses to do so, for endorsement. The submission also includes the Flexible Use of Capital Receipts Strategy for the year 2016/17 for endorsement.

1.1 Multi-Year Settlements

- 1.1.1 In the provisional local government finance settlement 2016/17, the government stated that it would offer any council that wishes to take it up, a four-year funding settlement to 2019/20. At that time, information was limited on what the offer included and how to apply, but that an efficiency plan would need to be submitted when such an offer was requested.
- 1.1.2 The final local government finance settlement 2016/17 confirmed that the deadline for requesting this offer was 14 October 2016. However, the government did not indicate what the approval process for requesting such an offer was and in the absence of the same I have assumed it is a decision for Council.
- 1.1.3 The Secretary of State for Communities and Local Government subsequently issued a letter on 10 March 2016 which, along with an annex to the letter clarified a number of matters.
- 1.1.4 The letter and annex have confirmed the following:
- The deadline for applying for the offer is 5pm on Friday 14 October 2016.
 - To apply, an email or letter, together with a link to an efficiency plan, should be sent to MultiYearSettlements@communities.gov.uk
 - The offer covers the figures provided in the final local government finance settlement for Revenue Support Grant, Transitional Grant and Rural Services Delivery Grant.

- In addition, tariffs and top-ups in 2017/18 to 2019/20 will not be altered for reasons related to changes in the relative needs of local authorities, and in the final year may be subject to the implementation of 100% business rates retention.
- Efficiency plans do not need to be a separate document. They can be combined with the Medium Term Financial Strategy and will be expected to show how a four-year settlement will bring about opportunities for further savings.

1.1.5 The Chancellor of the Exchequer made his Budget 2016 announcement to the House of Commons on 16 March 2016 which included a number of changes to business rates and reference to additional savings of £3.5bn from public spending in 2019/20. The Government are to compensate local government for the loss of income as a result of the changes to business rates and, as confirmed by the Secretary of State, should not, therefore, affect the four-year funding offer to councils. What is unknown is how much of the additional savings required will fall on the Department for Communities and Local Government and, in turn, local authorities, and how that might play out in 2019/20 in terms of the multi-year settlement.

1.1.6 Two key questions remain irrespective of the four-year funding offer:

- 1) What will our business rates baseline be on the implementation of 100% business rates retention?
- 2) Where, and to what extent, does New Homes Bonus feature in future government funding?

1.1.7 That said, on balance, I would suggest that taking up the offer is better than not doing so in that it brings a degree of certainty and avoids the potential 'if only you had signed up to the four-year deal' scenario.

1.2 Efficiency Plan

1.2.1 Members will be aware that alongside the Medium Term Financial Strategy now sits a Savings and Transformation Strategy which was initially considered and recommended by Cabinet in November 2015 and subsequently updated and approved by full Council in February 2016 following the local government finance settlement 2016/17. The purpose of the Strategy is to provide structure, focus and direction in addressing the significant financial challenge faced by the Council and, in so doing, recognise there is no one simple solution and as a result we will need to adopt a number of ways to deliver the savings within an agreed timetable.

1.2.2 It is considered that the Savings and Transformation Strategy meets the requirements of an Efficiency Plan and is to form the basis of the submission accepting the offer of a four-year funding settlement to 2019/20. The draft submission is attached at **[Annex1]**.

1.3 Flexible Use of Capital Receipts Strategy

- 1.3.1 In the local government finance settlement for 2016/17, the government confirmed that it would allow councils the flexibility in 2016/17, 2017/18 and 2018/19 to use capital receipts to fund the revenue costs of service reform and transformation that generates ongoing revenue savings in the delivery of public services.
- 1.3.2 Guidance issued by the government recommends that a Flexible Use of Capital Receipts Strategy is prepared each year, but this does not have to be a separate document and could be part of the annual budget papers or it could be part of the Efficiency Plan linked with applying for a four-year settlement.
- 1.3.3 As a result included in the submission accepting the offer of a four-year funding settlement is the following statement: The Council is not currently planning to make use of the flexibility to use capital receipts to fund the revenue costs of service reform and transformation that generates ongoing revenue savings in the delivery of public services in 2016/17, but will continue to bear this flexibility in mind as opportunities to generate savings are explored and progressed, and the Strategy updated accordingly.

1.4 Legal Implications

- 1.4.1 Local authorities are required to have regard to the Guidance on Flexible Use of Capital Receipts issued by the Secretary of State for Communities and Local Government.

1.5 Financial and Value for Money Considerations

- 1.5.1 As set out above.

1.6 Risk Assessment

- 1.6.1 The Medium Term Financial Strategy sets out the high level financial objectives the Council wishes to fulfil and underpins the budget setting process for the forthcoming year and over the Strategy period. As the Council's high level financial planning tool the Strategy needs to be reviewed and updated at least annually and in the current climate regularly reviewed by Management Team. In addition, not identifying and implementing the requisite savings will put at risk the integrity of the Medium Term Financial Strategy.
- 1.6.2 There is so much uncertainty and volatility particularly in some of our major sources of income that financial planning is becoming increasingly difficult with the increased risk of significant variances compared to projections.
- 1.6.3 The Savings and Transformation Strategy gives a structure and framework to address the significant financial challenge faced by the Council. This framework

has been discussed in outline with our external auditors who are content with the approach adopted.

1.7 Equality Impact Assessment

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

1.8 Recommendations

1.8.1 Members are asked to consider the government offer of a four-year funding settlement to 2019/20 and, if minded to accept the offer, to endorse the draft submission attached at **[Annex 1]** and the accompanying Appendix 1.

1.8.2 Members are asked to endorse the Flexible Use of Capital Receipts Strategy for the year 2016/17 (paragraph 1.3 refers).

Background papers:

Nil

contact: Sharon Shelton

Neil Lawley

Sharon Shelton

Director of Finance and Transformation

SUBMISSION TO ACCEPT THE OFFER OF A 4-YEAR FUNDING SETTLEMENT

The Council's Medium Term Financial Strategy covers both revenue and capital budgets over a rolling ten-year period, and it is this Strategy that underpins the budget setting process each year and over the strategy period. The aim of the Medium Term Financial Strategy is to give us a realistic and sustainable plan that reflects the Council's priorities.

Members are fully aware of the significant financial challenge faced by the Council as a result of the Government's ongoing budget deficit reduction programme which has resulted in continuing reductions in the financial support it can offer to local government. We believe, however that our Medium Term Financial Strategy is resilient and the financial pressures likely to confront us can be addressed in a measured and controlled way, but with ever increasing pressure this is becoming progressively more difficult.

Alongside the Medium Term Financial Strategy sits a Savings and Transformation Strategy (**Efficiency Plan**) detailed below which was updated and approved by full Council following the local government finance settlement 2016/17. The purpose of the Strategy is to provide structure, focus and direction in addressing the significant financial challenge faced by the Council and, in so doing, recognise there is no one simple solution and as a result we will need to adopt a number of ways to deliver the savings within an agreed timetable.

The offer of a four-year settlement will bring a degree of certainty which will aid financial planning and, in turn, afford the opportunity to take a measured and structured approach to budget pressures and identifying requisite savings rather than a "knee jerk" reaction.

SAVINGS AND TRANSFORMATION STRATEGY 2016/17 – 2020/21 (EFFICIENCY PLAN)

Introduction

Tonbridge & Malling BC has to deliver some significant savings in our financial planning. Following the publication of the provisional Local Government Settlement for the four-year period 2016/17 to 2019/20, over the 10 year life of our Medium Term Financial Strategy (MTFS), we are very likely to have to deliver savings of at least £1.9 million in our base budget.

It could be more severe than that depending on what happens nationally. This is a major task when our net revenue expenditure is approximately £13 million and we have already delivered over £3 million in savings over the last 4 to 5 years, including recently delivered savings which are built into the draft Budget for 2016/17.

We are fortunate that we do not have to make all the savings required in our first year and can spread the challenge in 'tranches' over a few years, as set out within

the MTFs. Nevertheless, we need to plan to make these savings and achieve as much as possible in the earlier years to provide the best long-term financial sustainability.

Objectives

In developing this Strategy, the Council has set the following objectives:

1. To deliver sufficient savings in order to bridge the funding gap identified in the Council's MTFs, and to deliver those savings as quickly as possible in order to minimise risk to the Council's finances;
2. To direct resources to priority areas in line with the principles of the Council's Corporate Plan;
3. To maintain the Council's reputation of good front line service provision;
4. To adopt a 'mixed' approach to addressing the funding gap through a series of 'themes';
5. To be open to accept 'cultural' change in the ways we work and offer services to the public in order to release efficiencies and savings; and
6. To engage, as appropriate, with stakeholders when determining how savings will be achieved.

The Strategy

It is recognised that there is no one simple solution to addressing the financial challenges faced. The Council will need to adopt a number of ways to deliver the savings within an agreed timetable.

This Strategy sets out a measured structure and framework for delivering the necessary savings through a series of 'themes'. Each theme has a deliverable target within a timeframe.

Whilst the framework includes some major areas where savings can be made without direct effect on services, by adopting this Strategy the Council has recognised that it may need to decide that some service areas should change to accommodate saving requirements. That might mean doing things differently, more efficiently and with increased income opportunities where there is the opportunity to do so. It might also mean that services will simply need to be run with fewer resources. The Council is committed to engagement with relevant stakeholders as proposals are brought forward.

The Themes, Targets, and Timeframes for the Strategy are set out in the table at Appendix 1, and will be the subject of review at least annually. Achievement against the theme targets is also documented to aid transparency.

Progress on identifying and implementing savings across the various themes will be regularly reported to and reviewed by Management Team and in-year update reports presented to Members as appropriate.

FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY

The Council is not currently planning to make use of the flexibility to use capital receipts to fund the revenue costs of service reform and transformation that generates ongoing revenue savings in the delivery of public services in 2016/17, but will continue to bear this flexibility in mind as opportunities to generate savings are explored and progressed, and the Strategy updated accordingly.

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Savings & Transformation Strategy 2016/17 - 2020/21

Theme	Indicative Years	Adjusted Target £000	Savings Achieved and reflected in Estimates to FIPAB (Jan 16) £000	Balance of Target to be achieved £000	Considerations in Hand / Progress
Income Generation & Cost Recovery	2016/17/18	300		300	Reviews of existing charges being progressed by Advisory Boards. Potential creation of trading company. Introduction of charges for pre-planning application advice. Introduction of charges for collection of fridge freezers.
In-Service Efficiencies	2016/17/18	275	200	75	£200k delivered within budget 2016/17. Further In-Service Efficiencies currently under review by Management Team.
Service Change & Reduction	2016/17/18/19	500		500	Review of Holiday Activities programme by O&S Committee
Contracts	2018/19/20/21	500		500	Re-modelling of Waste Services contract currently under review by West Kent Districts to identify possible efficiencies. 5 year re-negotiation of Indoor Leisure Management Agreement with Leisure Trust to commence July 2016.
Organisation Structure Change	2017/18	300		300	General Purposes Committee report on establishment changes February 2016. Review of Corporate Plan in order to give focus to future management structure and the alignment of services
Partnership Funding	2017/18	300		300	Review of Compact grants. Parish Council Funding timetable for review to be agreed by Cabinet Feb 2016.
Asset Management	2017/18	75		75	External advice has been commissioned on opportunities to realise capital and/ or increased income streams from (selected) existing assets. Report to Cabinet March 2016
TOTAL	2016-2021	2,250	200	2,050	

Note: This Strategy will be updated on a least an annual basis to reflect challenges set out in the Medium Term Financial Strategy

FIPAB is the Finance, Innovation & Property Advisory Board which met on 13 January 2016.

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

01 June 2016

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 two renewal applications for discretionary rate relief. Details of new applications for discretionary rate relief are shown at paragraph 1.2.

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 applications for discretionary rate relief and discretionary rural 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 Members will also 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]). 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 parishes in respect of these cases because they are not new applications for relief but renewal requests.

1.1.3 Organisations that had awards of discretionary rate relief time-limited to 31 March 2015 were invited to re-apply, and I have listed, at [ANNEX 3], two applications that have recently been received.

1.1.4 The annex details the levels of discretionary rate relief awarded in 2014/15 and the amount of relief the organisations would receive in 2015/16 and 2016/17 if the same levels were awarded.

- 1.1.5 For Members' information, under the discretionary relief rules, relief can be backdated to 1 April 2015 providing applications are received before 30 September 2016. The applications were received in January and March this year.
- 1.1.6 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 2016-17, based on previous criteria and level of applications, it has been estimated that £183,000 discretionary relief will be awarded.
- 1.1.7 In respect of the organisations shown at **[ANNEX 3]**, I have considered the applications and believe that they meet the criteria, and are 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 both cases. Further details on the organisations (so far as I have them) can be provided, at the meeting, if requested by Members.
- 1.1.8 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 organisations 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.
- 1.1.9 Members are **REQUESTED** to **RECOMMEND** to Cabinet that, in respect of the re-applications for relief as shown at **[ANNEX 3]**, 20% discretionary rate relief be awarded to Kings Hill Youth Centre and 30% discretionary rural rate relief be awarded to Hadlow Post Office, both with effect from 1 April 2015 and time-limited to 31 March 2017.

1.2 New applications for discretionary rate relief

- 1.2.1 Since the last meeting of the Board, I have received two new applications for rate relief that have reached a stage where they are ready for Members' consideration. I give below further details of these applications.
- 1.2.2 **Housing & Care 21, Flat 4 Watercress Court, 98 Mill Street, East Malling, West Malling, Kent, ME19 6BU. Rateable Value £6,200**
- 1.2.3 The applicant is not a registered charity, and the granting of mandatory rate relief is not, therefore, appropriate. It is for Members to decide whether discretionary relief should be granted, and if so, the level of relief.
- 1.2.4 The applicant provides rented accommodation to people over the age of 16 with a learning disability to live an independent life with accessed support from a support provider.

- 1.2.5 The application is in respect of accommodation used for: support staff to have a break; storage of paperwork; monthly meetings and for the agreed support provider to provide a 'sleep night member of staff' from 10pm to 7am who will respond to any emergency calls from tenants. The flat may also be used for multi-agency meetings and lettings panel meetings in respect of tenants (proposed or actual) at Watercress Court.
- 1.2.6 Having considered the application, we believe the organisation caters for special needs and therefore, Members might be inclined to grant a maximum award of 100% relief backdated to 1 April 2015 (as per para 1.1.5).
- 1.2.7 Should Members decide to award the maximum relief, the applicant will receive £5,976.80 relief for 2015/16 and 2016/17.
- 1.2.8 Members are **REQUESTED** to consider the application and make an appropriate **RECOMMENDATION** to Cabinet regarding discretionary rate relief. If relief is awarded, Members might wish, in view of the uncertainty surrounding Government funding for future financial years, to consider time-limiting any awards of relief, initially, to 31 March 2017.
- 1.2.9 **Hammersmith Martial Arts Club, Rear 130 Vale Road, Tonbridge, Kent, TN9 1SP. Rateable Value £22,500**
- 1.2.10 The applicant is a registered Community Amateur Sports Club and I have therefore granted 80% mandatory rate relief. It is for Members to decide whether discretionary relief should be granted as well.
- 1.2.11 The property is used for fitness and to teach martial arts (primarily Brazilian Jiu Jitsu). The focus of the operation is on health, confidence and fitness for all people, with ages ranging from 5 to over 55.
- 1.2.12 The applicant assists members who: have been made redundant; are long-term unemployed; have medical or relationship problems; have alcohol dependency and antisocial problems. The assistance provided is reducing membership fees and helping pay competition fees.
- 1.2.13 The applicant, in conjunction with the Peoples Charity and the Borough Council, helps disadvantaged teens and those at risk of offending by teaching martial arts and has halved the cost of courses to pupils of Hadlow College. A £500 donation has also been given to an under 12s football team that play throughout the Borough.
- 1.2.14 Having considered the application, we believe the organisation meets at least two of the main criteria and therefore, Members might be inclined to grant a maximum award of 100% relief (80% mandatory relief plus 20% discretionary relief).

1.2.15 Should Members decide to award the maximum 20% 'top up' relief, the applicant will receive £2,091.21 for the period 22 April 2015 to 31 March 2016 and £2,236.50 for the period 1 April 2016 to 31 March 2017 (as per para 1.1.5).

1.2.16 Members are **REQUESTED** to consider the application and make an appropriate **RECOMMENDATION** to Cabinet regarding discretionary rate relief. If relief is awarded, Members might wish, in view of the uncertainty surrounding Government funding for future financial years, to consider time-limiting any awards of relief, initially, to 31 March 2017.

1.3 Legal Implications

1.3.1 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.

1.4 Financial and Value for Money Considerations

1.4.1 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.

1.5 Risk Assessment

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

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.

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 January 2016 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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Organisation	Address	Relief awarded 2014/15	Benefit to organisation if same relief awarded 2015/16 and 2016/17
Kings Hill Youth Centre	Adj Kings Hill Community Centre, Gibson Drive	20% Top Up	£1,207.80
Hadlow Post Office	Commercial House, High Street, Hadlow	30% Top Up	£2,316.60
			£3,524.40

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

01 June 2016

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 provides information on the following key budget areas for the year ended 31 March 2016: Salaries; Major Income Streams; and Investment Income. The report also provides details of variations and virements that have been agreed in relation to the 2015/16 revenue budget. This information is then summarised to provide an overall outturn position for 2015/16. In addition, the report provides details of variations identified through revenue budget monitoring in respect of 2016/17. 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 2015/16

- 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 for the year ended March 2016, with the revised estimate for 2015/16.
- 1.1.2 Members will note that management savings to the end of March 2016 are **£115,600 more** than anticipated.

1.2 Income Monitoring Statement 2015/16

- 1.2.1 Appended for information at **[Annex 2]** is a budgetary control statement that compares our major sources of income from fees and charges for the year ended March 2016, with the revised estimate for 2015/16.
- 1.2.2 Members will note that overall income for the year ended March 2016 is **£27,550 less** than the revised estimate.

1.3 Treasury Management 2015/16

Core Funds

- 1.3.1 The Council achieved a return of 0.82% on its core fund investments for the period ended March 2016, compared to the 3-month LIBID benchmark of 0.46%. Investment income achieved for the period ended March 2016 is £116,250.
- 1.3.2 At the end of March 2016 the value of the fund stood at £15.6m. This was invested at an average rate of 0.81% and an average maturity of 117 days.

Cash Flow Funds

- 1.3.3 The Council achieved a return of 0.65% on its cash flow investments for the period ended March 2016, compared to a 7-day LIBID benchmark of 0.36%. Investment income achieved for the period ended March 2016 is £109,850.
- 1.3.4 In cash terms, the value of internally managed cash flow investments at the end of March 2016 was £8.6m. This was invested at an average rate of 0.65% and an average maturity of 48 days.

All Investments

- 1.3.5 The combined return figure for both core and cash flow funds is compared with the revised estimate for 2015/16 later in this report.

1.4 Approved Variations to the Revenue Budget 2015/16

- 1.4.1 There were no approved variations to the revised revenue estimates for 2015/16 reported to Council on 16 February 2016.

1.5 Virements 2015/16

- 1.5.1 There were no virements to the revised revenue estimates for 2015/16 reported to Council on 16 February 2016.

1.6 Revenue Budget Summary 2015/16

- 1.6.1 At the time of writing we are in the process of closing the accounts for 2015/16 and an examination of spend compared with the revised estimates for 2015/16 would suggest a favourable variance in the order of £295,000 across all Services including that separately identified above.

- 1.6.2 The table below provides a broad overview of the outturn for the year ended March 2016.

Description	Budget to March £	Actual to March £	Variance £
Salaries Monitoring Statement	9,503,550	9,387,974	(115,576)
Income Monitoring Statement	(4,907,550)	(4,879,988)	27,562
Treasury Management	(190,000)	(226,100)	(36,100)
Business Rates Retention Scheme	(1,974,625)	(1,840,141)	134,484
General Fund Services	6,288,526	5,983,527	(304,999)
Net Favourable Variance	8,719,901	8,425,272	(294,629)

- 1.6.3 This would suggest a contribution to the General Revenue Reserve of **£369,000** compared with the Revised Estimate figure of £74,400.

1.7 Salaries Monitoring Statement 2016/17

- 1.7.1 Appended for information at **[Annex 3]** is a budgetary control statement that compares actual expenditure on basic salaries, temporary staff, overtime, superannuation and national insurance to the end of April 2016, with the appropriate proportion of the original estimate for 2016/17.

- 1.7.2 Members will note that management savings to the end of April are **£3,650 more** than anticipated.

1.8 Income Monitoring Statement 2016/17

- 1.8.1 Appended for information at **[Annex 4]** is a budgetary control statement that compares actual income from fees and charges to the end of April 2016, with the appropriate proportion of the original estimate for 2016/17.

- 1.8.2 Members will note that overall income to the end of April is **£18,450 less** than anticipated.

1.9 Treasury Management 2016/17

Core Funds

- 1.9.1 The Council achieved a return of 0.80% on its core fund investments for the period ended April 2016, compared to a 3-month LIBID benchmark of 0.46%. Investment income achieved for the period ended April 2016 is £10,200.

- 1.9.2 At the end of April 2016 the value of the fund stood at £15.6m. This was invested at an average rate of 0.81% and an average maturity of 155 days.

Cash Flow Funds

- 1.9.3 The Council achieved a return of 0.66% on its cash flow investments for the period ended April 2016, compared to a 7-day LIBID benchmark of 0.36%. Investment income achieved for the period ended April 2016 is £6,700.
- 1.9.4 In cash terms, the value of internally managed cash flow investments at the end of April 2016 was £13.1m. This was invested at an average rate of 0.67% and an average maturity of 66 days.

All Investments

- 1.9.5 The combined return figure for both core and cash flow funds is compared with the original estimate for 2016/17 later in this report.

1.10 Approved Variations to the Revenue Budget 2016/17

- 1.10.1 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 Council on 17 May 2016.
- 1.10.2 Planning and Transportation Advisory Board 12 January 2016
- Approved proposals following the review of car parking fees and charges. This is estimated to generate net additional income of £85,000 per annum.
- 1.10.3 Overview and Scrutiny Committee 26 January 2016
- Recommended that the Council withdraw from the direct provision of the Summer Playscheme and Activate Programme. This is expected to generate savings of £59,000 per annum.
- 1.10.4 Housing and Environmental Services Advisory Board 22 February 2016
- Recommended changes to Bulky Household Waste charges and introduction of charges for separate Fridge/Freezer Collection. These, together with changes to the contract, are expected to generate net savings of £40,000 per annum.
- 1.10.5 Communities Advisory Board 1 March 2016
- Approved changes to grant support for key voluntary sector bodies which will generate savings of £23,000 per annum.

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

Description	Paragraph Reference	2016/17 £	2017/18 £
Review of Car Parking Fees and Charges	1.10.2	(78,000)	(85,000) *
Holiday Activity Programmes	1.10.3	(44,000)	(59,000) *
Bulky Waste/Fridge/Freezer Collection	1.10.4	(40,000)	(40,000) *
Key Voluntary Sector Bodies Grant Support	1.10.5	(23,000)	(23,000) *
Total		(185,000)	(207,000)

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

1.11 Virements 2016/17

1.11.1 There have been no virements to the original revenue estimates for 2016/17 reported to Council on 16 February 2016.

1.12 Revenue Budget Monitoring 2016/17

1.12.1 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, which 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.

1.12.2 The RPI increase from 1 March 2016 in respect of the Refuse Collection and Recycling, Amenity and Street Cleansing and Public Conveniences Cleansing contracts was 0.2% less than estimated. As a consequence the contract payments will be in the order of £7,000 less than the current estimate.

1.12.3 A new catering concession is to be provided at Tonbridge Racecourse Sports Ground generating income of £6,000 per annum.

1.12.4 Prices paid for recycle materials (cans, glass and textiles) continue to fall. Based on latest prices income is expected to be £26,000 less than originally estimated.

1.12.5 Funding has been received from the National Lottery (£8,800) and Tonbridge Round Table (£2,700) to install table tennis tables at Tonbridge Racecourse Sports Ground.

- 1.12.6 The Council has secured funding of £8,000 from Tesco's "Bags of Help" scheme to assist with improvement works at Leybourne Lakes Country Park.
- 1.12.7 The Local Council Tax Support Administration Grant for 2016/17 is £22,800 more than estimated.
- 1.12.8 The Council has been awarded the following grants from central government which will be used to fund as yet unbudgeted expenditure:
- Discretionary Housing Payments £30,280 (in addition to budgeted £141,000)
 - Fraud and Error Reduction Incentive Scheme Maintenance Fund £16,175
 - Single Fraud Investigation Service Project Grant £1,928
 - Welfare Reform Grant £16,983
- 1.12.9 A summary of the items identified through budgetary control is given in the table below.

Description	Paragraph Reference	2016/17 £	2017/18 £	
Environmental Health Contracts RPI Increase	1.12.2	(7,000)	(7,000)	*
Racecourse Catering Concession	1.12.3	(6,000)	(6,000)	*
Recycling Income	1.12.4	26,000	26,000	*
Table Tennis Project	1.12.5	-	-	
Leybourne Lakes Project	1.12.6	-	-	
Local Council Tax Support Admin. Grant	1.12.7	(22,800)	-	
Central Government Grants	1.12.8	-	-	
Total		(9,800)	13,000	

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

1.14 Revenue Budget Summary 2016/17

1.14.1 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 April £	Actual to April £	Variance £
Salaries Monitoring Statement	786,950	783,300	(3,650)
Income Monitoring Statement	(347,500)	(329,050)	18,450
Treasury Management	(14,100)	(16,900)	(2,800)
Approved Variations to the Revenue Budget			(185,000)
Revenue Budgetary Control			(9,800)
Net Favourable Variance			(182,800)

1.14.2 This would suggest if nothing else changed, the contribution to the General Revenue Reserve would be in the order of £657,000 compared to £474,500 anticipated when the budget was set in February 2016.

1.15 Savings and Transformation Strategy

1.15.1 Members will be aware that alongside the Medium Term Financial Strategy now sits a Savings and Transformation Strategy. Its purpose to provide structure, focus and direction in addressing the significant financial challenge that lies ahead and, in so doing, recognise there is no one simple solution and we will need to adopt a number of ways to deliver the savings within an agreed timetable.

1.15.2 When the budget was set in February 2016 the projected funding gap was £1.825m with a savings target in 2016/17 of £625,000. Progress has and continues to be made towards meeting the savings target for this year, some of which is reflected in this report. In addition, the outcome of recent service reviews are to be reported to General Purposes Committee later this month which if approved will further contribute towards the savings target for this year.

1.15.3 Unsurprisingly, there are factors that take the funding gap in the wrong direction, two such issues are the pending withdrawal by KCC from the Gateway and the Apprenticeship Levy and will need to assess the consequential financial impact.

1.16 Capital Monitoring Statement 2015/16

1.16.1 Appended for information at **[Annex 5]** is a capital monitoring statement which compares actual capital expenditure for the period 1 April 2015 to 31 March 2016

with the 2015/16 Capital Plan. The Capital Plan for 2015/16 is based on the 2015/16 budgets that were approved by Council on 16 February 2016.

- 1.16.2 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.
- 1.16.3 Capital Plan schemes which are scheduled to start in 2016/17 and beyond have not been shown. The budget profile for these schemes can be found in the 2016/17 Revenue and Capital Budgets Book.
- 1.16.4 Members will note a Capital Plan spend of £1.3m against the revised 2015/16 budget of £2.0m. The majority of this underspend will be rolled forward for use in 2016/17.

1.17 Capital Monitoring Statement 2016/17

- 1.17.1 Appended for information at **[Annex 6]** is a capital monitoring statement which compares actual capital expenditure for the period 1 April 2016 to 30 April 2016 with the 2016/17 Capital Plan. The Capital Plan for 2016/17 is based on the 2016/17 budgets that were approved by Council on 16 February 2016, amended for slippage from 2015/16.
- 1.17.2 Members will note a Capital Plan spend of £61,000 against an amended 2016/17 net expenditure budget of £2.9m

1.18 Approved and Other Variations to the Capital Plan

- 1.18.1 The Haysden Country Park Site Improvement scheme was approved by Cabinet on 1 March 2016. The scheme which is mainly funded by external grant provides for general improvements to the Country Park including works to the western end of Barden Lake.
- 1.18.2 In 2015/16 KCC funded a winter warmth programme to improve the safety and warmth of properties housing vulnerable people. Additional funding from KCC of £18,000 has been received to extend the scheme into 2016/17.
- 1.18.3 The 2016/17 Disabled Facility budgets incorporated in Annex 6 reflect those approved by Council in February 2016. A higher level of grant is anticipated following announcement by Government of a two year funding package. The amount of funding to be pass-ported to the Council is currently under discussion and likely to give rise to a budget amendment in due course.

1.19 Capital Plan Issues

- 1.19.1 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.

1.20 Legal Implications

1.20.1 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.

1.21 Financial and Value for Money Considerations

1.21.1 As set out above.

1.22 Risk Assessment

1.22.1 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.

1.23 Equality Impact Assessment

1.23.1 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.

1.24 Recommendations

1.24.1 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 March 2016****2015/16 Financial Year**

	Revised Budget 2015/16 (a)	Provisional Outturn 2015/16 (b)	Above (Below) Budget (b - a)
Service	£	£	£
Central			
Administrative & Property	783,600	778,865	(4,735)
Legal	419,000	424,483	5,483
Personnel	548,500	531,403	(17,097)
Executive	468,750	472,554	3,804
Finance & Transformation			
Finance	1,838,550	1,818,034	(20,516)
Information Technology	838,250	836,169	(2,081)
Planning, Housing & Environmental Health			
Environmental Health & Housing	1,267,100	1,207,635	(59,465)
Planning	1,739,450	1,690,292	(49,158)
Street Scene, Leisure & Technical			
Street Scene & Leisure	1,163,500	1,154,001	(9,499)
Technical	559,700	520,223	(39,477)
Management Savings	9,626,400	9,433,659	(192,741)
Shared Working Arrangements	(42,850)	(47,998)	(5,148)
Sub-total	9,583,550	9,385,661	(197,889)
Non-budgeted spend on recruitment & other expenses to the end of March			2,313
Budgeted management savings to the end of March			80,000
Net Management Savings			(115,576)

Financial Services
28 April 2016

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Income Budgetary Control Monitoring Statement**Period Ended Last Day of March 2016****2015/16 Financial Year**

	Revised Budget 2015/16 (a)	Provisional Outturn 2015/16 (b)	(Above) Below Budget (b - a)
Service	£	£	£
Central			
Land Charges	(350,100)	(362,590)	(12,490)
Licensing	(263,650)	(285,595)	(21,945) [1]
Sub-Total	(613,750)	(648,185)	(34,435)
Planning, Housing & Environmental Health			
Planning Fees	(660,000)	(668,705)	(8,705)
Building Regulations	(340,000)	(339,516)	484
Sub-Total	(1,000,000)	(1,008,221)	(8,221)
Street Scene, Leisure & Technical			
Recycling	(591,800)	(548,100)	43,700 [2]
Short Stay Car Parking	(1,600,000)	(1,577,059)	22,941
Long Stay Car Parking	(600,000)	(586,240)	13,760
Penalty Charge Notices	(215,000)	(209,831)	5,169
Car Parks Season Tickets	(189,000)	(201,021)	(12,021)
Residents Parking Permits	(98,000)	(101,331)	(3,331)
Sub-Total	(3,293,800)	(3,223,582)	70,218
Grand Total	(4,907,550)	(4,879,988)	27,562

[1] Better than budgeted performance can largely be attributed to increased number of taxi and private hire vehicle licences.

[2] Below budgeted income can largely be attributed to the carrying forward of funding from the Kent Resource Partnership to 2016/17.

Financial Services
28 April 2016

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Salaries Budgetary Control Monitoring Statement**Period Ended Last Day of April 2016****2016/17 Financial Year**

	Annual Budget 2016/17	Budget to end of April (a)	Actual to end of April (b)	Above (Below) Budget (b - a)
Service	£	£	£	£
Central				
Administrative & Property	808,950	67,350	67,050	(300)
Legal	418,500	34,850	33,650	(1,200)
Personnel	514,650	41,650	39,700	(1,950)
Executive	484,500	39,450	39,900	450
Finance & Transformation				
Finance	1,781,050	148,200	146,650	(1,550)
Information Technology	888,700	74,700	72,000	(2,700)
Planning, Housing & Environmental Health				
Environmental Health & Housing	1,229,250	102,500	100,450	(2,050)
Planning	1,800,100	149,950	144,800	(5,150)
Street Scene, Leisure & Technical				
Street Scene & Leisure	1,152,300	92,650	94,550	1,900
Technical	561,200	46,800	39,300	(7,500)
Management Savings	9,639,200	798,100	778,050	(20,050)
Shared Working Arrangements	(47,200)	(2,800)	(2,800)	0
Sub-total	9,592,000	795,300	775,250	(20,050)
Non-budgeted spend on recruitment & other expenses to the end of April				150
Payments outstanding for the period to the end of April				7,900
Budgeted management savings to the end of April				8,350
Net Management Savings				(3,650)

NB: The budget assumed a 1% pay award from April 2016.

Financial Services
12 May 2016

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Income Budgetary Control Monitoring Statement**Period Ended Last Day of April 2016****2016/17 Financial Year**

Service	Annual Budget 2016/17	Budget to end of April (a)	Actual to end of April (b)	(Above) Below Budget (b - a)
	£	£	£	£
Central				
Land Charges	(293,600)	(25,000)	(23,100)	1,900
Licensing	(261,050)	(25,500)	(20,800)	4,700
Sub-Total	(554,650)	(50,500)	(43,900)	6,600
Planning, Housing & Environmental Health				
Planning Fees	(660,000)	(55,000)	(60,900)	(5,900)
Building Regulations	(350,000)	(6,000)	(5,800)	200
Sub-Total	(1,010,000)	(61,000)	(66,700)	(5,700)
Street Scene, Leisure & Technical				
Recycling	(532,650)	0	0	0
Short Stay Car Parking	(1,760,000)	(150,000)	(129,650)	20,350 [1]
Long Stay Car Parking	(634,000)	(55,000)	(52,850)	2,150
Penalty Charge Notices	(195,000)	(17,000)	(12,350)	4,650
Car Parks Season Tickets	(175,500)	(10,000)	(19,950)	(9,950)
Residents Parking Permits	(112,500)	(4,000)	(3,650)	350
Sub-Total	(3,409,650)	(236,000)	(218,450)	17,550
Grand Total	(4,974,300)	(347,500)	(329,050)	18,450

[1] Increase in car park charges with effect from 3 May 2016. Budget assumed 1 April 2016.

Financial Services
12 May 2016

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CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
SUMMARY OF SERVICES

	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016
	£'000	£'000	£'000
Capital Plan Schemes			
Planning, Housing & Environmental Health	74	356	23
Street Scene, Leisure & Technical Services	829	943	866
Corporate	(14)	40	23
Sub-total	889	1,339	912
Capital Renewals			
Planning, Housing & Environmental Health	n/a	1	0
Street Scene, Leisure & Technical Services	n/a	317	168
Corporate	n/a	368	261
Sub-total	n/a	686	429
Total	889	2,025	1,341

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016
	£'000	£'000	£'000
Capital Plan Schemes			
Housing Investment Programme	74	356	23
Sub-total	74	356	23
Capital Renewals	n/a	1	0
Total Planning, Housing and Environmental Health	74	357	23

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Code	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016	
		£'000	£'000	£'000	
Housing Investment Programme					
(a) House Renovation Grants					
(i) Disabled Facilities - Mandatory Less Grant Repayments Government Grant	P03AC	n/a	770	585	Demand led. See more detailed reports to Housing and Environmental Services Advisory Board. Level of underspend / carry forward of unused budget provision to be reviewed.
		n/a	(490)	(490)	
Sub-total		n/a	280	66	
(ii) Housing Assistance Less Grant Repayments	P03AD	n/a	90	38	Budget provision / funding reviewed by Overview and Scrutiny Committee January 2014.
		n/a	(30)	(81)	
Sub-total		n/a	60	(43)	
(b) Renewable Energy Schemes	P03AM	74	16		Outstanding element of scheme relating to solid wall insulation unlikely to progress.
(c) Winter Warmth Less KCC Grant	P03AP		9	10	Additional £18,000 grant received from KCC to allow the initiative to continue in 2016/17.
			(9)	(10)	
Sub-total		0	0	0	
Total Housing Investment Programme to Summary		74	356	23	

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Code	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016	
		£'000	£'000		
Capital Renewals					
(a) Environmental Protection	P02EB CR01	n/a	2		
Savings Target (assumes 25%)	P02EZ	n/a	(1)		
Total Capital Renewals to Summary		n/a	1	0	Achieved by deferring replacements to a future year. Savings targets have been eliminated from 2016/17 onwards by extending estimated useful life (Scrutiny Review January 2015).

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016
	£'000	£'000	£'000
Capital Plan Schemes			
Street Scene	n/a	92	91
Leisure			
Larkfield Leisure Centre	3	499	474
Sports Grounds	153	0	1
Open Spaces	10	15	15
Other Leisure Schemes	115	19	15
Technical Services			
Car Parking	119	77	10
Transportation	206	9	0
Environmental Improvements	178	222	258
Land Drainage / Flood Defence	45	10	2
Sub-total	829	943	866
Capital Renewals	n/a	317	168
Total Street Scene, Leisure & Technical Services	829	1,260	1,034

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016	
		£'000	£'000	£'000	
Street Scene					
(a) Green Waste Bins Growth / Replacement	P02BC	n/a	31	36	
(b) Refuse Bins Growth / Replacement	P02DA	n/a	61	55	
Total Street Scene to Summary		n/a	92	91	
Larkfield Leisure Centre					
(a) Refurbishment of Lifestyles Health Suite Less TMLT Contribution	P05LL	3	419 (70)	391 (62)	Scheme completed. Contract retentions to be paid in 2016/17.
Sub-total		3	349	329	
(a) Pool Disinfectant and Backwashing System	P05LN		150	145	Scheme completed.
Total Larkfield Leisure Centre to Summary		3	499	474	
Sports Grounds					
(a) Tonbridge Racecourse Sports Ground Bridge Renewal	P05DT	153		1	
Total Sports Grounds to Summary		153	0	1	

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016	
		£'000	£'000	£'000	
Open Spaces					
(a) East Malling & Larkfield PC - Larkfield Recreation Ground Improved Play Facilities	P05FR	10	15	15	Funding contribution to Parish Council scheme completed.
(b) Open Spaces Site Improvements - Phase 1 Less Developer Contributions	P05FT	73 (73)	26 (26)	24 (24)	Scheme completed.
Sub-total		0	0	0	
(c) Open Spaces Site Improvements - Phase 2 Less Developer Contributions	P05FV	56 (56)	13 (13)	1 (1)	Outstanding works relating to play area surfacing at St Philips Church, Tonbridge scheduled for 2016/17.
Sub-total		0	0	0	
(d) Haysden Country Park Extension of Play Area Less Grants & Contributions	P05FS			6 (6)	Initial payment to release grant funding. Main scheme due to commence early 2016/17.
Sub-total		0	0	0	
Total Open Spaces to Summary		10	15	15	
Other Leisure Schemes					
(a) Tonbridge Cemetery - Memorial Safety	P05KV	86	7		No ad-hoc stabilisation of memorials required in 2015/16.
(b) Memorial Garden Improvement Less Fund Raising & Developer Contributions	P05KA	315 (286)	15 (15)	10 (10)	Scheme completed in 2014/15. 2015/16 expenditure relates to contract retention payments and outstanding professional fees.
Sub-total		29	0	0	
(c) Community Group Funding	P05KS	n/a	12	15	Expenditure included a number of compensation payments to local sports clubs and TMLT affected by the 2013/14 floods.
Total Other Leisure Schemes to Summary		115	19	15	

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016	
		£'000	£'000	£'000	
Car Parking					
(a) Improvement Programme for Existing Car Parks					
(i) Rolling Programme	P01AB	80	43	5	Balance of 2015/16 enhancement works due to be completed early 2016/17.
(b) Car Parking Action Plan					
(i) Phase 6	P01MA	32	6	3	} Completion of borough-wide on-street parking schemes scheduled for 2016/17. }
(ii) Phase 7	P01MB	7	18	2	
(iii) Phase 8	P01AV		10		
Total Car Parking to Summary		119	77	10	
Transportation					
(a) Local Transport Plan Partnership Programme Less Grants & Contributions	P01ED	215 (9)	9		Demand led expenditure to influence KCC Local Transport Plan Schemes.
Sub-total		206	9	0	
Total Transportation to Summary		206	9	0	

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016	
		£'000	£'000	£'000	
Environmental Improvements					
(a) Tonbridge Town Lock	P01LD	178	1,776	1,722	} Scheme completed 1st April 2016. Final account due to be settled in 2016/17. Additional developer contributions also anticipated in 2016/17.
Less Developer Contributions			(822)	(734)	
Environment Agency Grant			(730)	(730)	
Other Grants and Contributions			(2)		
Sub-total		178	222	258	
Total Environmental Improvements to Summary		178	222	258	
Land Drainage / Flood Defence					
(a) Drainage					
(i) Drainage Improvement Programme	P01HR	75	10		} Provision to undertake ad-hoc improvement works. None required in 2015/16.
Less DEFRA Grant and other income		(30)			
Sub-total		45	10	0	
(b) Wouldham River Wall	P01HS			2	} Scheme scheduled to commence in 2016/17.
(c) Tonbridge Castle River Bank	P01HT	3	147	6	} Works commencing May 2016.
Less Environment Agency Grant		(3)	(147)	(6)	
Sub-total		0	0	0	
Total Land Drainage / Flood Defence to Summary		45	10	2	

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016	
		£'000	£'000	£'000	
Capital Renewals					
Street Scene					
(a) Recycling Initiatives	P02EBCR02	n/a	5	3	Savings targets where shown are achieved by deferring replacements to a future year. Except for TMLT savings targets have been eliminated from 2016/17 onwards by extending estimated useful life (Scrutiny Review January 2015).
Leisure					
(b) Sports Grounds & Open Spaces	P05KGBC05	n/a	45	41	
Technical Services					
(c) CCTV Capital Renewals	P01BA	n/a	15	1	Limited replacements required. Cameras repaired under maintenance agreement.
(d) Car Parking	P01JF	n/a	15	46	Increase in expenditure relates to replacement of the fire damaged Land Rover (New Years Eve 2014). Cost covered by insurance.
		n/a	80	91	
Savings Target (assumes 25%)		n/a	(11)		
Sub-total		n/a	69	91	
Leisure Trust					
(e) Angel Centre	P05KGBC01	n/a	35	19	} Provisions for replacement of life expired vehicles, plant and equipment. } Subject to annual review.
(f) Larkfield Leisure Centre	P05KGBC02	n/a	133	26	
(g) Tonbridge Swimming Pool	P05KGBC04	n/a	47	18	
(h) Poult Wood Golf					
Grounds Maintenance	P05KGBC06	n/a	87	7	
Clubhouse	P05KGBC03	n/a	26	7	
Course	P05KGBC07	n/a	3		
		n/a	331	77	
Savings Target (assumes 25%)	P05KZ	n/a	(83)		
Sub-total		n/a	248	77	
Total Capital Renewals to Summary		n/a	317	168	

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
CORPORATE

	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016
	£'000	£'000	£'000
Capital Plan Schemes			
Information Technology Initiatives	0	38	17
Other	(14)	2	6
Sub-total	(14)	40	23
Capital Renewals	n/a	368	261
Total Corporate	(14)	408	284

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
CORPORATE

	Code	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016	
		£'000	£'000	£'000	
Information Technology Initiatives					
(a) General IT Developments	P06DA	n/a	38	17	Limited demand for minor system upgrades in 2015/16.
(b) Revenues & Benefits Document Management Less Government Grant	P06DG		60 (60)	33 (33)	
Sub-total		0	0	0	
Total Information Technology Initiatives to Summary		0	38	17	
Other					
(a) Local Strategic Partnership Less Performance Reward Grant	P06FJ	135 (149)	2	6	Government funded assistance related to the 2013/14 floods. Scheme now closed.
Sub-total		(14)	2	6	
(b) Flood Repair and Renewal Less Grants and Contributions	P06FM	384 (384)	257 (257)	257 (257)	
Sub-total		0	0	0	
Total Other to Summary		(14)	2	6	

CAPITAL PLAN MONITORING STATEMENT 2015/16 TO 31 MARCH 2016
CORPORATE

	Code	Expenditure To 31/03/15	2015/16 Revised Inc Prior Year Slippage	2015/16 Actual to 31 March 2016	
		£'000	£'000	£'000	
Capital Renewals					
(i) General:	P06FA				
Departmental Administration	GR01	n/a			
Council Offices	GR02	n/a	2	2	
Print Unit	GR03	n/a	11		Folding machine replacement delayed to 2016/17.
Photocopiers	GR04	n/a			
Telephones	GR05	n/a	106	96	Replacement of telephone switchboard with VOIP completed March 2016.
Snack Facilities	GR06	n/a	4		
Tonbridge Christmas Lighting	GR09	n/a			
Elections	GR10	n/a			
	Sub-total	n/a	123	98	
(ii) Information Technology:	P06FB		109		} £109,000 provision relates to prior year underspends and has been used } to support additional expenditure associated with the implementation of the } VOIP telephony system e.g. additional storage capacity, network } improvements and archiving of Groupwise email associated with the } implementation of Outlook (see FB30, FB50 and FB60 below). Carry } forward of the remaining unused budget (£249,000 less £163,000) into } 2016/17 to be reviewed Autumn 2016.
Desktop Hardware	FB10	n/a	50	34	
Mobile Hardware	FB20	n/a	5	1	
Computer Suite	FB30	n/a	25	53	
Other Hardware	FB40	n/a	6	10	
Network	FB50	n/a	6	30	
Corporate Software	FB60	n/a	6	19	
Operational Software	FB70	n/a	19		
User Software	FB80	n/a	23	16	
	Sub-total	n/a	249	163	
Savings Target (assumes 25%)	P06FZ	n/a	(4)		Achieved by deferring replacements to a future year. Savings targets have been eliminated from 2016/17 onwards by extending estimated useful life (Scrutiny Review January 2015).
Total Capital Renewals to Summary		n/a	368	261	

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CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
SUMMARY OF SERVICES

	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016
	£'000	£'000	£'000
Capital Plan Schemes			
Planning, Housing & Environmental Health	74	251	15
Street Scene, Leisure & Technical Services	1,580	1,261	10
Corporate	2	38	0
Sub-total	1,656	1,550	25
Capital Renewals			
Planning, Housing & Environmental Health	n/a	2	0
Street Scene, Leisure & Technical Services	n/a	1,028	36
Corporate	n/a	324	0
Sub-total	n/a	1,354	36
Total	1,656	2,904	61

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016
	£'000	£'000	£'000
Capital Plan Schemes			
Housing Investment Programme	74	251	15
Environmental Health	0	0	0
Sub-total	74	251	15
Capital Renewals	n/a	2	0
Total Planning, Housing and Environmental Health	74	253	15

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Code	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016	
		£'000	£'000	£'000	
Housing Investment Programme					
(a) House Renovation Grants					
(i) Disabled Facilities - Mandatory Less Grant Repayments Government Grant	P03AC	n/a	665	15	2016/17 provisions based on estimates approved by full Council Feb 2016. Figures to be reviewed following receipt of grant including consideration of bringing forward part / all of 2015/16 underspend of £214,000.
		n/a	(490)		
Sub-total		n/a	175	15	
(ii) Housing Assistance Less Grant Repayments	P03AD	n/a	90		
		n/a	(30)		
Sub-total		n/a	60	0	
(b) Renewable Energy Schemes	P03AM	74	16		Additional £18,000 funding received from KCC to extend the scheme into 2016/17
(c) Winter Warmth Less KCC Grant	P03AP	10	18		
		(10)	(18)		
Sub-total		0	0	0	
Total Housing Investment Programme to Summary		74	251	15	
Environmental Health					
(a) Air Quality Impact Study Less Government Grant	P02BE		150		
			(150)		
Sub-total		0	0	0	
Total for Environmental Health to Summary		0	0	0	

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Code	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016
		£'000	£'000	
Capital Renewals				
(a) Environmental Protection	P02EB CR01	n/a	2	
Total Capital Renewals to Summary		n/a	2	0

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016
	£'000	£'000	£'000
Capital Plan Schemes			
Street Scene	n/a	92	0
Leisure			
Larkfield Leisure Centre	477	25	0
Open Spaces	0	11	3
Other Leisure Schemes	115	14	0
Technical Services			
Car Parking	129	117	0
Transportation	376	13	0
Environmental Improvements	436	(36)	3
Land Drainage / Flood Defence	47	1,025	4
Sub-total	1,580	1,261	10
Capital Renewals	n/a	1,028	36
Total Street Scene, Leisure & Technical Services	1,580	2,289	46

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016
		£'000	£'000	£'000
Street Scene				
(a) Green Waste Bins Growth / Replacement	P02BC	n/a	31	
(b) Refuse Bins Growth / Replacement	P02DA	n/a	61	
Total Street Scene to Summary		n/a	92	0
Larkfield Leisure Centre				
(a) Refurbishment of Lifestyles Health Suite Less TMLT Contribution	P05LL	394 (62)	28 (8)	
Sub-total		332	20	0
(b) Pool Disinfectant and Backwashing System	P05LN	145	5	
Total Larkfield Leisure Centre to Summary		477	25	0

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016	
		£'000	£'000	£'000	
Open Spaces					
(a) Open Spaces Site Improvements - Phase 1 Less Developer Contributions	P05FT	97 (97)	2 (2)		
Sub-total		0	0	0	
(b) Open Spaces Site Improvements - Phase 2 Less Developer Contributions	P05FV	57 (57)	12 (12)		
Sub-total		0	0	0	
(c) Haysden Country Park Extension of Play Area Third Party Payment Less SITA Grant LSP Contribution	P05FS	6 (6)	55 (50) (5)		
Sub-total		0	0	0	
(d) Haysden Country Park Site Improvements Third Party Payment Less Grants & Contributions	P05FX		46 3 (38)		
Sub-total		0	11	3	
Total Open Spaces to Summary		0	11	3	
Other Leisure Schemes					
(a) Tonbridge Cemetery - Memorial Safety	P05KV	86	7		
(b) Memorial Garden Improvement Less Fund Raising & Developer Contributions	P05KA	325 (296)	5 (5)		
Sub-total		29	0	0	
(c) Community Group Funding	P05KS	n/a	7		
Total Other Leisure Schemes to Summary		115	14	0	

New scheme approved Cabinet 1st March 2016. Scheme in liaison with Haysden Country Park Volunteers provides for general improvements to the site including works to the Western end of Barden lake.

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016		
		£'000	£'000	£'000		
Car Parking						
(a) Improvement Programme for Existing Car Parks					Budget includes £38,000 underspend brought forward from 2015/16.	
(i) Rolling Programme	P01AB	85	68			
(b) Car Parking Action Plan						
(i) Phase 6	P01MA	35	3			
(ii) Phase 7	P01MB	9	16			
(iii) Phase 8	P01AV		20			
(iv) Phase 9	P01AW		10			
Total Car Parking to Summary		129	117	0		
Transportation						
(a) Local Transport Plan Partnership Programme Less Grants & Contributions	P01ED	215 (9)	9			
Sub-total		206	9	0		
(b) Community Partnership Initiatives	P06FE	170	4			
Total Transportation to Summary		376	13	0		

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016
		£'000	£'000	£'000
Environmental Improvements				
(a) Tonbridge Town Lock	P01LD	1,900	54	3
Less Developer Contributions		(734)	(88)	
Environment Agency Grant		(730)		
Other Grants and Contributions			(2)	
Sub-total		436	(36)	3
Total Environmental Improvements to Summary		436	(36)	3
Land Drainage / Flood Defence				
(a) Drainage	P01HR			
(i) Drainage Improvement Programme		75	27	
Less DEFRA Grant and other income		(30)		
Sub-total		45	27	0
(b) Wouldham River Wall	P01HS	2	998	
(c) Tonbridge Castle River Bank	P01HT	9	141	2
Less Environment Agency Grant		(9)	(141)	
Sub-total		0	0	2
Total Land Drainage / Flood Defence to Summary		47	1,025	4

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016
		£'000	£'000	£'000
Capital Renewals				
Street Scene				
(a) Recycling Initiatives	P02EBCR02	n/a	5	
Leisure				
(b) Sports Grounds & Open Spaces	P05KGBC05	n/a	236	
Technical Services				
(c) CCTV Capital Renewals	P01BA	n/a	13	
(d) Car Parking	P01JF	n/a	164	
Provision for Inflation		n/a	8	
		n/a	426	0
Leisure Trust				
(e) Angel Centre	P05KGBC01	n/a	212	
(f) Larkfield Leisure Centre	P05KGBC02	n/a	219	
(g) Tonbridge Swimming Pool	P05KGBC04	n/a	112	
(h) Poulton Wood Golf				
Grounds Maintenance	P05KGBC06	n/a	142	35
Clubhouse	P05KGBC03	n/a	104	1
Course	P05KGBC07	n/a	3	
		n/a	792	36
Provision for Inflation	P05KZ	n/a	11	
Savings Target (assumes 25%)		n/a	(201)	
Sub-total		n/a	602	36
Total Capital Renewals to Summary		n/a	1,028	36

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
CORPORATE

	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016
	£'000	£'000	£'000
Capital Plan Schemes			
Land and Property	10	0	0
Information Technology Initiatives	0	30	0
Other	(8)	8	0
Sub-total	2	38	0
Capital Renewals	n/a	324	0
Total Corporate	2	362	0

CAPITAL PLAN MONITORING STATEMENT 2016/17 TO 30 APRIL 2016
CORPORATE

	Code	Expenditure To 31/03/16	2016/17 Revised Inc Prior Year Slippage	2016/17 Actual to 30 April 2016
		£'000	£'000	£'000
Land and Property				
(a) Tonbridge Castle Offices: Re-tile Roof	P06AA	10		
Total Land and Property to Summary		10	0	0
Information Technology Initiatives				
(a) General IT Developments	P06DA	n/a	30	
(b) Revenues & Benefits Document Management Less Government Grant	P06DG	33 (33)	27 (27)	
Sub-total		0	0	0
Total Information Technology Initiatives to Summary		0	30	0
Other				
(a) Local Strategic Partnership Less Performance Reward Grant	P06FJ	141 (149)	8	
Sub-total		(8)	8	0
Total Other to Summary		(8)	8	0

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

01 June 2016

Report of the Director of Finance & Transformation

Part 1- Public

Matters for Information

1 BENEFITS UPDATE

A report advising Members of current issues arising in the benefits field

1.1 Performance and Workload of the Benefits Service

1.1.1 The average number of days taken to process a new claim for housing benefit in the 2015/16 financial year was 15.3. It took an average of 5.4 days to process a change in circumstances.

1.1.2 The number of households in receipt of housing benefit and/or local council tax reduction (LCTR) dropped by 60 over the year. We now provide housing benefit to around 6,500 homes in the Borough, most of which also have help with LCTR. There are around 7,000 homes with LCTR assistance. The figures differ mainly due to home owners, who do not have rent to pay.

1.1.3 In the 2015/16 financial year the section was responsible for administering over 47,000 changes in circumstances and new claims leading to the payment of £36.6m in housing benefit and £6m in LCTR.

1.1.4 The current performance is 15.6 days for new claims and 5.2 days for changes.

1.2 Discretionary Housing Payment (DHP)

1.2.1 DHP is used to provide additional financial help to households receiving housing benefit. Payments cannot be made unless housing benefit, or the housing cost element, of Universal Credit is in payment. The Government provided £140,671 to the Council for the fund in 2015/16. We spent £139,924.19. Awards were mostly used to help households where housing benefit was reduced due to welfare reform measures, most commonly, the spare room deduction.

1.2.2 The fund has been increased by Government for this year. We have been allocated £171,280. The reason for the increase is to provide help to those who will be hit by the new lower rate of benefit cap due to be introduced in the Autumn. The administration, allocation, monitoring and appeals of DHP now take one full time equivalent post in the Service.

1.3 Benefit Cap

- 1.3.1 The number of households with restrictions to housing benefit due to the benefit cap has reduced over the year. We now apply the benefit cap to 12 households. The reason behind fewer cases is down to the increased number of claimants moving into work, either self-employed or employed, full-time or part-time and more claiming disability benefits. Entitlements to Disability Living Allowance, Personal Independence Payments or Working Tax Credits (for those in work) provide exemptions from the benefit cap.
- 1.3.2 The cap is currently £500 per week for couples or single parents and £350 for single persons.
- 1.3.3 Later this year, around Autumn, the cap will decrease to £384.62 per week for couples or single parents and £257.69 for single persons.
- 1.3.4 The lower rate would affect around 200 households in the Borough. The households have been identified and will receive a letter from the Department for Work & Pensions (DWP) in late May / early June, informing them of the potential restriction later in the year.
- 1.3.5 My officers will work together with ones from the DWP to provide practical help and advice in how to avoid households facing cuts.

1.4 Spare Room Deductions

- 1.4.1 The number of households with restrictions to housing benefit due to the 'bedroom tax' has stabilised since its introduction in April 2013. There are now about 400 homes with housing benefit restrictions due to one spare room, averaging £17.50 per week and a further 100 homes with restrictions averaging £33 per week due to having two or more spare rooms.
- 1.4.2 Staff continue to assist with DHP and advice with these cases. It is imperative that in almost all cases, DHP is not seen as a long term solution to shortfalls in housing benefit.

1.5 Universal Credit (UC)

- 1.5.1 Roll-out of UC continues at a slow rate. Currently in Kent, only single working age people making new claims fall into the catchment of UC rules and payment. My Service has been notified of approximately 29 claimants, since October 2015, who have received UC and also requested LCTR.
- 1.5.2 The situation of only single claimants being affected is planned to continue for the next year across Kent. The next step will be to include new claims made by couples. UC is still reliant on a new 'digital' computer system being developed and tested, which will vastly improve the predominantly manual system in use at the moment.

1.6 Housing Benefit Subsidy

1.6.1 As members will be aware, the payments which the Council makes for housing benefit are mainly funded through specific Government subsidy. The rules around funding are far from straightforward, with many categories of payments and various subsidy rates ranging from 0 to 100%.

1.6.2 In 2015/16, the Council received £35.5m subsidy towards the £36.6m paid out. However, although there is a considerable shortfall in subsidy to expenditure, this can be off-set through the recovery of some housing benefit overpayments which in general are subsidised at 40% but recoverable in full. In 2015/16, overpayments were raised to the value of approximately £1.5m.

1.6.3 There are two other main areas of subsidy loss in housing benefit:

- 1) The first relates to payments made for claimants in supported accommodation. Supported accommodation is increasing in the Borough with more units and increasing rents. Rents in supported accommodation are generally much higher than mainstream accommodation. Although housing benefit does not cover personal support, it does cover some 'eligible' charges, which can amount to high rates. The rate of subsidy is paid at 60% for amounts above the weekly rent set by the Rent Officer for the accommodation, which is similar to the Local Housing Allowance (LHA) rate. In 2015/16, nearly £250,000 was paid above the Rent Officer set levels. The Council has no choice whether to pay the housing benefit. This represents a loss of £100,000 over the year.
- 2) Payments of housing benefit for claimants placed by the Council into temporary accommodation through homelessness. Again, this is an area of increasing loss, the following table demonstrates the housing benefit expenditure and subsidy return over the last four years:

Year	Number of Placements	Housing Benefit Paid £000's	Subsidy Received £000's	Loss £000's
2015/16	101	285	151	134
2014/15	93	250	137	113
2013/14	79	143	75	68
2012/13	51	90	53	37

- 1.6.4 As can be seen from the figures above, the increase in number of placements in temporary accommodation correlate to the introduction of welfare reform measures, having a direct cost to the Council.
- 1.6.5 The long term plan for the introduction of UC excludes supported accommodation. Local Councils will retain the administration of housing benefit for this type of claim.

1.7 Other New Welfare Reform Measures

1.7.1 Several changes were introduced from April to further curb the 'benefit bill', these include:

- A four year freeze in the rates of working age benefits (including child benefit)
- A four year freeze in LHA rates
- No 'family premium' (worth £17.45 per week) for new claims/births after 1 May
- Maximum backdating of housing benefit restricted to one month
- Reduction in social housing rents of 1% for each of the next four years
- Introduction of the National Living Wage, increasing incomes for those on the lowest rates of pay

1.8 Local Council Tax Reduction Scheme (LCTRS)

1.8.1 Members will be aware that the LCTRS was introduced on 1 April 2013 to replace the national council tax benefit scheme. The local scheme was initially intended to run for three years before review and possible re-design, however, it was agreed across Kent to run existing schemes for a further year and carry out a review during that year.

1.8.2 A Kent-wide review has taken place, with a report going to Cabinet on 20 April, when Members agreed to proposed changes going out to general consultation. The full report can be found at:

<https://democracy.tmbc.gov.uk/documents/s15583/Report%20of%20Director%20of%20Central%20Services.pdf>

1.8.3 My officers are currently working on the consultation which is likely to start on 6 June and run for 12 weeks. I will, of course, advise Members of the launch of the consultation when I am certain of the date.

1.9 Legal Implications

1.9.1 Duties to ensure compliance with changes in legislation and consultation is undertaken in an appropriate manner.

1.10 Financial and Value for Money Considerations

1.10.1 As set out in Cabinet report 20 April relating to LCTRS

1.11 Risk Assessment

1.11.1 Performance monitored on ongoing basis

Background papers:

contact: Andrew Rosevear

Nil

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

01 June 2016

Report of the 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 March 2016, the final collection rate for council tax, for the year 2015/16, was 98.87%. This exceeds the target set for the financial year (98.3%). The final collection rate for 2014/15 was 98.31%.
- 1.1.2 As at 31 March 2016, the final collection rate for business rates, for the year 2015/16, was 99.43%. This is marginally below the target set for the financial year (99.6%). The final collection rate for 2014/15 was 99.74%.
- 1.1.3 To increase the council tax collection rate by over half a percent in the last financial year is an excellent achievement. I am also pleased to advise that this is the highest collection rate in Kent for 2015/16!
- 1.1.4 This improvement has been, in some part, due to the working age taxpayers in receipt of council tax support paying 3% (approximately £50,000) more than in 2014/15.
- 1.1.5 The previous year council tax arrears also reduced by £1.25M in the last financial year (compared to £950,000 in 2014/15).
- 1.1.6 I am also pleased to advise that the number of recovery notices issued overall in 2015/16 was nearly 14% lower than in 2014/15 (see **ANNEX 1**). This helped to reduce the cost of collection by approximately £5,000.
- 1.1.7 In respect of business rates, the collection target was narrowly missed. This was due to one property being assessed late by the Valuation Office, which did not allow sufficient time to collect the £70,000 debt. Despite this, the collection rate was still the third highest in Kent.

- 1.1.8 The previous year business rate arrears reduced by £380,000 in the last financial year, leaving just over £500,000 uncollected in respect of all rates due since 1990.
- 1.1.9 As always, I can assure Members that every effort is being made to maintain a high collection rate, and that we are doing all that is possible to collect the council tax that is due to the Council.
- 1.1.10 As at 30 April 2016, the collection rate for council tax stood at 7.76%. For the same period in the year 2015/16, the collection rate was 7.82%.
- 1.1.11 As at 30 April 2016, the collection rate for business rates stood at 12.29%. For the same period in the year 2015/16, the collection rate was 12.84%.
- 1.1.12 I shall update Members, as to the collection rates for 2016/17, as at 31 May 2016, for both council tax and business rates, on the evening of the meeting.

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:

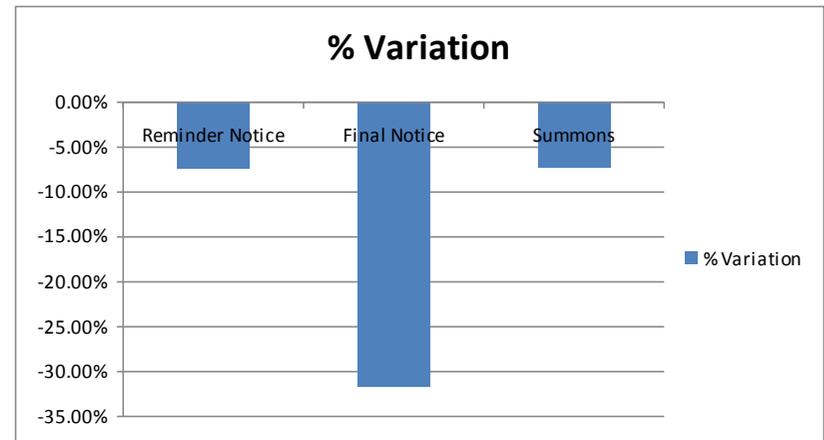
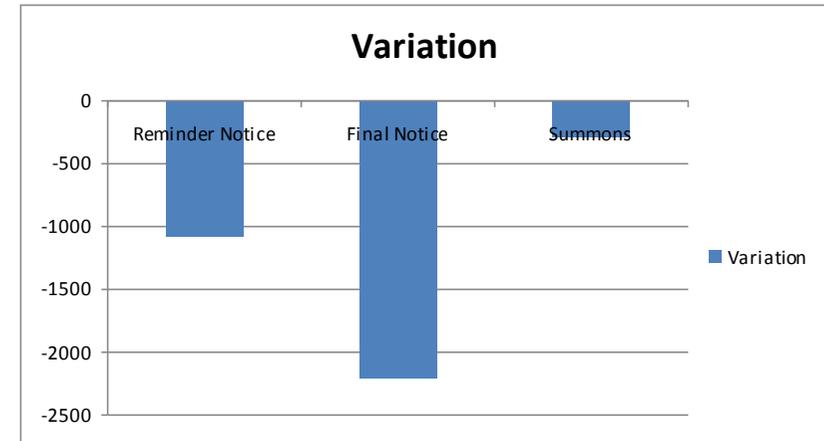
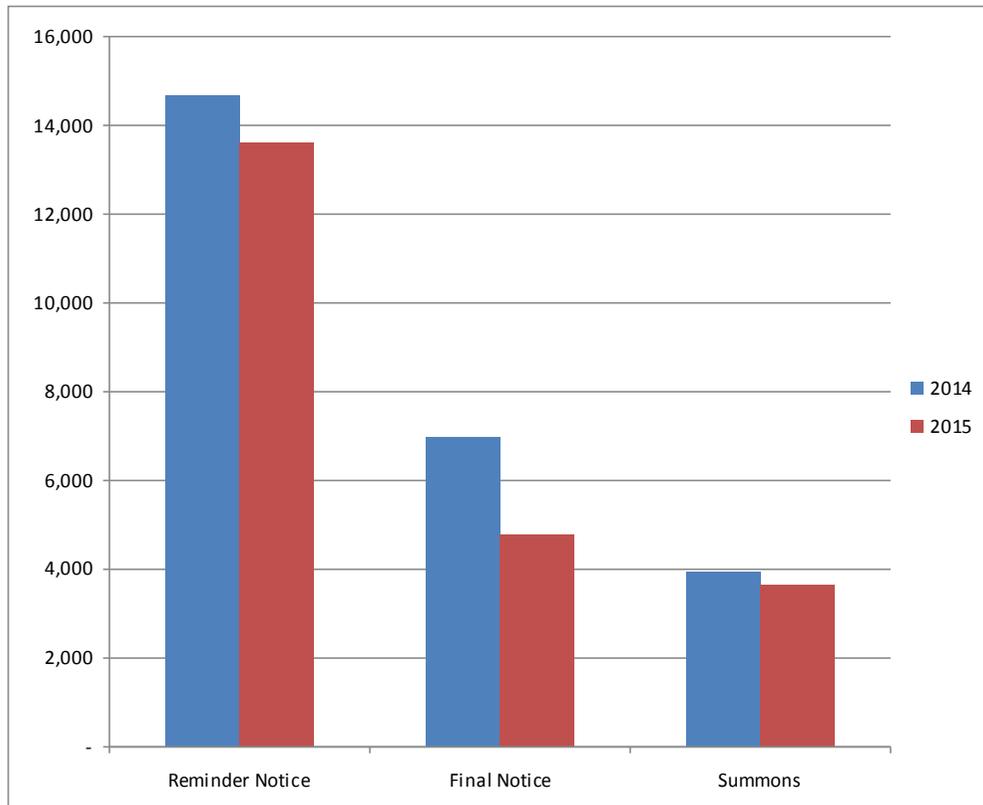
contact: Glen Pritchard
01732 876146

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

Sharon Shelton
Director of Finance and Transformation

	Reminder Notice	Final Notice	Summons	Total
2014	14,669	6,970	3,937	25,576
2015	13,605	4,776	3,657	22,038
Variation	-1064	-2194	-280	-3538
% Variation	-7.25%	-31.48%	-7.11%	-13.83%

ANNEX 1



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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

01 June 2016

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1 PUBLICATION OF ALLOWANCES PAID TO MEMBERS DURING THE FINANCIAL YEAR 2015/16

Publication of the Statement is required in accordance with regulation 15 (3) of the Local Authorities (Members Allowances) (England) Regulations 2003.

1.1 Background

1.1.1 In accordance with regulation 15 (3) of the Local Authorities (Members Allowances) (England) Regulations 2003, the Council is required to publish the actual allowances paid to Members during the course of the financial year. The Statement attached at **[Annex 1]** to this report was placed on display at the Council's Kings Hill and Tonbridge Castle offices and also appears on the Council's web-site.

1.2 Legal Implications

1.2.1 This is a requirement for all local authorities and publication is consistent with the requirements for data transparency.

1.3 Financial and Value for Money Considerations

1.3.1 Not applicable.

1.4 Risk Assessment

1.4.1 Failure to publish the Statement in accordance with the relevant regulation could result in adverse publicity and criticism against the Council.

1.5 Policy Considerations

1.5.1 Communications

Background papers:

contact: Brian Courtney

Nil

Sharon Shelton
Director of Finance and Transformation

In accordance with regulation 15 (3) of the Local Authorities
(Members Allowance) (England) Regulations 2003, I hereby publish
details of allowances paid to the Councillors of Tonbridge & Malling
Borough Council during the financial year 2015/16.

Member	Basic	Special Responsibility	Mileage	Subsistence/ Expenses	Carers Allowance
ALLISON A W	584.61	108.00			
ANDERSON J A	5178.00	8235.00			
ATKINS J	584.61		31.50		
ATKINSON J A	5178.00	272.50			
BALCOMBE J A L	584.61	929.76			
BALDOCK O C	5178.00				
BALFOUR M	5178.00	216.00			
BARKER S M	4607.31				
BASE M C	4607.31		145.26		
BATES P A	5178.00	540.00	173.65		
BELL S	4607.31		79.20		
BELLAMY J M	584.61	216.00			
BETTS R P	4607.31				
BISHOP T	5178.00				
BOLT P F	5178.00	272.50	354.60		
BOTTEN J L	4607.31				
BRANSON V M C	5178.00	2589.00	102.37		
BROWN B A	5178.00	272.50			
BROWN C	584.61	431.50			
CANNON T I B	4607.31				
CHARTRES F R D	584.61				
COFFIN M A	5178.00	8235.00			
CURE D J	5178.00	561.50	230.40		
DALTON R W	5178.00	2373.50			
DAVIS D A S	5178.00	1296.00	36.90		
DAVIS M O	5178.00	1296.00	69.30		
DEAN T	4607.31				
EDMONDSTON-LOW	5178.00	648.00			
ELKS J R L	584.61				
ELKS B T M	4607.31				
GALE C M	584.61	54.50			
HALL S M	4607.31		231.66		
HAMMOND S M	4607.31				
HESLOP M F	5178.00	8235.00	237.50	3.50	
HESLOP N J	5178.00	18018.00	929.95	115.70	

**In accordance with regulation 15 (3) of the Local Authorities
(Members Allowance) (England) Regulations 2003, I hereby publish
details of allowances paid to the Councillors of Tonbridge & Malling
Borough Council during the financial year 2015/16.**

Member	Basic	Special Responsibility	Mileage	Subsistence/ Expenses	Carers Allowance
HOLLAND E M	584.61	216.00	29.25		
HOMEWOOD P J	584.61				
JESSEL S R J	5178.00	1134.50			
KEELEY D	5178.00	272.50	151.20		
KEMP F A	5178.00	5178.00			
KING S M	5178.00	1134.50			
LANCASTER R D	5178.00	5178.00	64.80		
LETTINGTON D	4607.31	1080.00	40.50		
LUCK S L	3120.00		322.20		
LUKER B J	5178.00	8235.00			
MARKHAM D	4607.31				
MOLONEY M A C	584.61	863.00			
MONTAGUE P J	4607.31				
MURRAY S M	584.61	929.76	193.95	85.60	
O'TOOLE L J	4607.31				
OAKLEY A S	5178.00	3103.13			
PARRY-WALLER M	5178.00	4369.50			
PERRY S C	4607.31		34.78		
RHODES M R	5178.00	2164.72			
ROBINS T J	584.61	216.00			
ROGERS H S	5178.00	7366.28	738.75	42.80	
ROUD R V	4607.31				
SAYER A G	584.61	216.00	44.10		
SERGISON J L	5178.00	2589.00	192.25		
SHAW T B	4607.31				
SHRUBSOLE S O	5178.00	1134.50			
SIMPSON E A	584.61	478.84			
SMITH C P	5178.00	216.00			
SMITH D W	584.61				
SPENCE S V	5178.00	1296.00			
SULLIVAN A K	5178.00	5178.00	434.70		
TAYLOR F M	5178.00				
TAYLOR R G	584.61	54.50			
TOMBOLIS F G	4607.31				
TRICE D J	584.61	54.50			

**In accordance with regulation 15 (3) of the Local Authorities
(Members Allowance) (England) Regulations 2003, I hereby publish
details of allowances paid to the Councillors of Tonbridge & Malling
Borough Council during the financial year 2015/16.**

Member	Basic	Special Responsibility	Mileage	Subsistence/ Expenses	Carers Allowance
WALKER B W	4607.31				
WALKER T C	4607.31		70.03		
WOODGER C J	584.61				
Totals	277247.79	107458.49	4938.80	247.60	0.00
Independent Members of Standards Committee					
ASHTON D S	513.00				
GLEDHILL J M	513.00				

Sharon Shelton
Director of Finance & Transformation

April 2016

Agenda Item 10

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 11

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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By virtue of paragraph(s) 2 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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By virtue of paragraph(s) 2 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 13

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

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