

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

To: MEMBERS OF THE COUNCIL

Dear Sir/Madam

I hereby summon you to attend a meeting of the Tonbridge and Malling Borough Council which will be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Tuesday, 12th July, 2016 at 7.30 pm, when the following business is proposed to be transacted:-.

PART 1 - PUBLIC

- | | | |
|----|--|---------|
| 1. | Apologies for absence | 3 - 4 |
| 2. | Declarations of interest | 5 - 6 |
| | To declare any interests in respect of recommended items | |
| 3. | Minutes | 7 - 20 |
| | To confirm as a correct record the Minutes of the meeting of Council held on 17 May 2016 | |
| 4. | Mayor's Announcements | 21 - 22 |
| 5. | Questions from the public pursuant to Council Procedure Rule No 5.6 | 23 - 24 |
| 6. | Questions from Members pursuant to Council Procedure Rule No 5.5 | 25 - 26 |
| 7. | Leader's Announcements | 27 - 28 |

8. Reports, Minutes and Recommendations 29 - 30

To receive and consider reports, minutes and recommendations from the meetings of the Cabinet and Committees set out in the Minute Book and officers' reports on any matters arising from them, and to receive questions and answers on any of those reports. Matters for recommendation to the Council are indicated below at items 9 to 13.

9. Equality Policy Statement and Objectives 31 - 44

Item OS 16/13 referred from Overview and Scrutiny Committee minutes of 14 June 2016

10. Human Resources Strategy Update 45 - 58

Item GP 16/12 referred from General Purposes Committee of 27 June 2016

11. Risk Management Strategy 59 - 68

Item CB 16/48 referred from Cabinet minutes of 29 June 2016

12. Treasury Management Update and Annual Report for 2015/16 69 - 74

Item CB 16/49 referred from Cabinet minutes of 29 June 2016

13. Multi-Year Settlement and Associated Efficiency Plan and Flexible Use of Capital Receipts Strategy 75 - 86

Item CB 16/50 referred from Cabinet minutes of 29 June 2016

14. Sealing of Documents 87 - 88

To authorise the Common Seal of the Council to be affixed to any Contract, Minute, Notice or other document requiring the same.

JULIE BEILBY
Chief Executive
Monday, 4 July 2016

Apologies for absence

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Agenda Item 2

Declarations of interest

To declare any interests in respect of recommended items.

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TONBRIDGE AND MALLING BOROUGH COUNCIL

COUNCIL MEETING

Tuesday, 17th May, 2016

At the Statutory Annual Meeting of the Tonbridge and Malling Borough Council held at Civic Suite, Gibson Building, Kings Hill, West Malling on Tuesday, 17th May, 2016

Present: His Worship the Mayor (Councillor O C Baldock), the Deputy Mayor (Councillor M R Rhodes), Cllr Mrs J A Anderson, Cllr M A C Balfour, Cllr Mrs S M Barker, Cllr M C Base, Cllr Mrs P A Bates, Cllr Mrs S Bell, Cllr R P Betts, Cllr T Bishop, Cllr P F Bolt, Cllr J L Botten, Cllr Mrs B A Brown, Cllr T I B Cannon, Cllr M A Coffin, Cllr D J Cure, Cllr R W Dalton, Cllr D A S Davis, Cllr M O Davis, Cllr Mrs T Dean, Cllr T Edmondston-Low, Cllr B T M Elks, Cllr S M Hammond, Cllr Mrs M F Heslop, Cllr N J Heslop, Cllr S R J Jessel, Cllr D Keeley, Cllr Mrs F A Kemp, Cllr S M King, Cllr R D Lancaster, Cllr D Lettington, Cllr Mrs S L Luck, Cllr B J Luker, Cllr D Markham, Cllr P J Montague, Cllr Mrs A S Oakley, Cllr M Parry-Waller, Cllr S C Perry, Cllr H S Rogers, Cllr R V Roud, Cllr Miss J L Sergison, Cllr T B Shaw, Cllr Miss S O Shrubsole, Cllr C P Smith, Cllr A K Sullivan, Cllr M Taylor, Cllr F G Tombolis, Cllr B W Walker and Cllr T C Walker

Apologies for absence were received from Councillors Ms J A Atkinson, V M C Branson, Mrs S M Hall, L J O'Toole and Ms S V Spence

PART 1 - PUBLIC

C 16/34 ELECTION OF MAYOR

It was proposed by Councillor C Smith, seconded by Councillor N Heslop and

RESOLVED: That Councillor M R Rhodes be elected Mayor for the ensuing municipal year.

The Mayor, having made and subscribed the statutory declaration of acceptance of office, was invested with the Badge and Chain of Office, assumed the Chair and thanked Members for his election.

C 16/35 VOTE OF THANKS TO RETIRING MAYOR

It was proposed by Councillor N Heslop, seconded by Councillor R Lancaster and

RESOLVED: That the Council's sincere appreciation be recorded of the excellent manner in which the retiring Mayor, Councillor O C Baldock had performed his duties both in the Council Chamber and throughout the Borough during the preceding year.

C 16/36 ELECTION OF DEPUTY MAYOR

It was proposed by Councillor D Davis, seconded by Councillor N Heslop and

RESOLVED: That Councillor R W Dalton be appointed Deputy Mayor for the ensuing municipal year.

The Deputy Mayor made and subscribed the statutory declaration of acceptance of office and thanked Members for his appointment.

C 16/37 MINUTES

RESOLVED: That the Minutes of the proceedings of the meeting of the Council held on 12 April 2016 be approved as a correct record and signed by the Mayor.

C 16/38 MAYOR'S ANNOUNCEMENTS

The Mayor announced that he had appointed the Reverend Tim Saiset as his Chaplain and the Civic Service would be held at St John's Church, Hildenborough on Sunday 24 July at 10am. His nominated charities were Wide Horizons at Margaret McMillan House and Age UK Sevenoaks and Tonbridge.

The Mayor indicated that his Garden Party would be held at Hadlow College on 13 July and a Charity Quiz would be held at the College on 8 October.

C 16/39 APPOINTMENT OF CABINET

The Leader presented details of the composition of the Cabinet.

RESOLVED: That it be noted that the Cabinet will comprise five Members (in addition to the Leader) with the responsibilities indicated:

Councillor M Coffin - Finance, Innovation and Property and Deputy Executive Leader

Councillor Mrs M Heslop – Community Services

Councillor D Lettington – Street Scene and Environment Services

Councillor H Rogers – Strategic Planning and Infrastructure

Councillor Miss S Shrubsole - Housing

The Economic Regeneration portfolio to be held by the Leader

C 16/40 CHANGES TO THE CONSTITUTION

The report of the Director of Central Services and Monitoring Officer sought approval of changes to the Constitution to reflect the responsibilities of the new Cabinet Members together with consequent changes to the terms of reference of Advisory Boards.

RESOLVED: That the Monitoring Officer be authorised to make the appropriate consequential changes to the Council's Constitution to give effect to

- (1) the proposed portfolios for Cabinet Members as set out at Annex 1 to the report, subject to amendment of the reference to the Kent Resource Partnership in the portfolio of the Cabinet Member for Street Scene and Environment Services; and
- (2) the proposed terms of reference for Advisory Boards as set out at Annex 2 to the report.

C 16/41 POLITICAL BALANCE ARRANGEMENTS

The report of the Director of Central Services and Monitoring Officer set out details of the political balance arrangements required to be applied to the Council's committees, sub-committees, advisory boards and panels.

RESOLVED: That the composition of all committees, sub-committees, advisory boards and panels be approved in accordance with the table set out at paragraph 1.1.4 of the report and the Monitoring Officer make any consequential amendments to the Council's Constitution in respect of political balance.

C 16/42 APPOINTMENT OF COMMITTEES

RESOLVED: That appointments to the Committees of the Council for the ensuing municipal year be made as follows:-

Overview and Scrutiny Committee

Councillor Mrs J Anderson
Councillor Ms J Atkinson
Councillor M Base
Councillor P Bolt
Councillor J Botten
Councillor T Cannon
Councillor R Dalton
Councillor Mrs S Hall
Councillor S Jessel

Councillor Mrs F Kemp
Councillor Mrs S Luck
Councillor P Montague
Councillor Mrs A Oakley
Councillor Ms S Spence
Councillor A Sullivan
Councillor M Taylor
Councillor F Tombolis
Councillor T Walker

Licensing and Appeals Committee

Councillor Mrs J Anderson	Councillor Mrs F Kemp
Councillor O Baldock	Councillor S King
Councillor Mrs S Barker	Councillor H Rogers
Councillor M Base	Councillor R Roud
Councillor Mrs P Bates	Councillor A Sullivan
Councillor Mrs B Brown	Councillor M Taylor
Councillor M Coffin	Councillor F Tombolis
Councillor B Elks	

General Purposes Committee

Councillor O Baldock	Councillor D Markham
Councillor M Balfour	Councillor L O'Toole
Councillor Mrs S Bell	Councillor S Perry
Councillor P Bolt	Councillor R Roud
Councillor M Coffin	Councillor C Smith
Councillor N Heslop	Councillor Ms S Spence
Councillor B Luker	Councillor M Taylor

Audit Committee

Councillor M Base	Councillor S Jessel
Councillor T Bishop	Councillor Mrs F Kemp
Councillor V Branson	Councillor S Perry
Councillor T Edmondston-Low	Councillor B Walker
Councillor B Elks	

Joint Standards Committee

Councillor Ms J Atkinson	(Parish members to be
Councillor Mrs P Bates	appointed from a pool of
Councillor Mrs S Bell	nominated representatives)
Councillor R Betts	
Councillor Mrs B Brown	
Councillor D Cure	
Councillor D Davis	
Councillor Mrs T Dean	
Councillor T Edmondston-Low	
Councillor D Lettington	
Councillor P Montague	
Councillor Miss J Sergison	
Councillor C Smith	

A Hearing Panel will be appointed from members of the Joint Standards Committee as necessary.

Area 1 Planning Committee

Councillor Mrs J Anderson	Councillor B Elks
Councillor Ms J Atkinson	Councillor Mrs M Heslop
Councillor O Baldock	Councillor N Heslop
Councillor Mrs P Bates	Councillor R Lancaster
Councillor P Bolt	Councillor M Rhodes
Councillor J Botten	Councillor H Rogers
Councillor V Branson	Councillor Miss J Sergison
Councillor D Cure	Councillor C Smith
Councillor M Davis	Councillor Ms S Spence
Councillor T Edmondston-Low	Councillor F Tombolis

(For the Wards of Cage Green; Castle; that part of the Hadlow and East Peckham Ward within the parish of Hadlow; Higham; Hildenborough; Judd; Medway; Trench; and Vauxhall)

Area 2 Planning Committee

Councillor Mrs J Anderson	Councillor B Luker
Councillor M Balfour	Councillor P Montague
Councillor Mrs S Barker	Councillor L O'Toole
Councillor R Betts	Councillor S Perry
Councillor M Coffin	Councillor H Rogers
Councillor S Jessel	Councillor Miss J Sergison
Councillor Mrs F Kemp	Councillor T Shaw
Councillor Mrs S Luck	Councillor Miss S Shrubsole

(For the Wards of Borough Green and Long Mill; Downs and Mereworth; that part of the Hadlow and East Peckham Ward outside the parish of Hadlow; Kings Hill; Wateringbury; West Malling and Leybourne; and Wrotham, Ightham and Stansted)

Area 3 Planning Committee

Councillor M Base	Councillor D Keeley
Councillor Mrs S Bell	Councillor S King
Councillor T Bishop	Councillor D Lettington
Councillor Mrs B Brown	Councillor D Markham
Councillor T Cannon	Councillor Mrs A Oakley
Councillor R Dalton	Councillor M Parry-Waller
Councillor D Davis	Councillor R Roud
Councillor Mrs T Dean	Councillor A Sullivan
Councillor Mrs S Hall	Councillor B Walker
Councillor S Hammond	Councillor T Walker

(For the Wards of Aylesford North and Walderslade; Aylesford South; Burham and Wouldham; Ditton; East Malling; Larkfield North; Larkfield South; Snodland East and Ham Hill; and Snodland West and Holborough Lakes)

C 16/43 APPOINTMENT OF CHAIRMEN AND VICE-CHAIRMEN

RESOLVED: That appointment of the Chairman and Vice-Chairman of each Committee, Board, Panel and Group for the ensuing municipal year be made as follows:-

<u>COMMITTEE</u>	<u>CHAIRMAN</u>	<u>VICE-CHAIRMAN</u>
Overview and Scrutiny Committee	Councillor A Sullivan	Councillor Mrs A Oakley Councillor Ms S Spence
Licensing and Appeals Committee	Councillor Mrs J Anderson	Councillor Mrs P Bates
General Purposes Committee	Councillor O Baldock	Councillor L O'Toole
Audit Committee	Councillor V Branson	Councillor M Base
Joint Standards Committee	Councillor Miss J Sergison	Councillor D Cure Councillor D Davis
Area 1 Planning Committee	Councillor R Lancaster	Councillor V Branson
Area 2 Planning Committee	Councillor Mrs F Kemp	Councillor S Jessel
Area 3 Planning Committee	Councillor M Parry Waller	Councillor Mrs S Hall
Parish Partnership Panel	Councillor N Heslop	Councillor M Coffin
Tonbridge Forum	Councillor N Heslop	Councillor C Smith
Communities and Housing Advisory Board	Councillor P Montague	Councillor Mrs B Brown
Economic Regeneration Advisory Board	Councillor B Luker	Councillor F Tombolis
Finance, Innovation and Property Advisory Board	Councillor S King	Councillor T Walker

Planning and Transportation Advisory Board	Councillor D Davis	Councillor T Edmondston- Low
Street Scene and Environment Services Advisory Board	Councillor M Davis	Councillor D Keeley
Electoral Review Working Group	Councillor N Heslop	Councillor M Balfour
Housing Associations Liaison Panel	Councillor Miss S Shrubsole	
Joint Employee Consultative Committee	Councillor M Coffin	Councillor M Balfour
Joint Transportation Board	Chairmanship with KCC	Councillor H Rogers

C 16/44 APPOINTMENT OF ADVISORY PANELS AND BOARDS AND OTHER MEMBER GROUPS

RESOLVED: That appointments to the Advisory Panels, Boards and other Member Groups of the Council for the ensuing municipal year be made as follows:-

PANEL/BOARD

MEMBERS

Parish Partnership Panel

Councillor Mrs J Anderson
Councillor Mrs S Barker
Councillor R Betts
Councillor T Cannon
Councillor M Coffin *
Councillor R Dalton
Councillor S Hammond
Councillor N Heslop **
Councillor D Lettington
Councillor B Luker
Councillor D Markham
Councillor R Roud
Councillor T Shaw

Tonbridge Forum

Councillor Mrs J Anderson
Councillor O Baldock
Councillor Mrs P Bates
Councillor P Bolt
Councillor J Botten
Councillor V Branson
Councillor D Cure
Councillor T Edmondston-Low
Councillor N Heslop **
Councillor R Lancaster
Councillor C Smith*
Councillor Ms S Spence
Councillor F Tombolis

Communities and Housing
Advisory Board

Councillor Mrs J Anderson
Councillor O Baldock
Councillor Mrs S Barker
Councillor Mrs P Bates
Councillor Mrs S Bell
Councillor V Branson
Councillor Mrs B Brown*
Councillor S Hammond
Councillor D Keeley
Councillor Mrs S Luck
Councillor P Montague**
Councillor Mrs A Oakley
Councillor L O'Toole
Councillor M Parry-Waller
Councillor T Shaw
Councillor Ms S Spence

Economic Regeneration
Advisory Board

Councillor M Base
Councillor R Betts
Councillor T Bishop
Councillor J Botten
Councillor T Cannon
Councillor S Jessel
Councillor S King
Councillor R Lancaster
Councillor Mrs S Luck
Councillor B Luker**
Councillor L O'Toole
Councillor Miss J Sergison
Councillor C Smith
Councillor F Tombolis*
Councillor B Walker
Councillor T Walker

Finance, Innovation and
Property Advisory Board

Councillor Mrs S Bell
Councillor R Betts
Councillor T Bishop
Councillor J Botten
Councillor Mrs B Brown
Councillor T Cannon
Councillor D Cure
Councillor M Davis
Councillor S Jessel
Councillor S King**
Councillor R Lancaster
Councillor Miss J Sergison
Councillor A Sullivan
Councillor F Tombolis
Councillor B Walker
Councillor T Walker*

Planning and
Transportation Advisory
Board

Councillor M Balfour
Councillor Mrs S Barker
Councillor P Bolt
Councillor V Branson
Councillor D Davis**
Councillor M Davis
Councillor T Edmondston-Low*
Councillor B Elks
Councillor Mrs S Hall
Councillor Mrs F Kemp
Councillor R Lancaster
Councillor M Parry-Waller
Councillor S Perry
Councillor R Roud
Councillor A Sullivan
Councillor M Taylor

Street Scene and
Environment Services
Advisory Board

Councillor Mrs J Anderson
Councillor Ms J Atkinson
Councillor M Balfour
Councillor V Branson
Councillor D Cure
Councillor M Davis **
Councillor Mrs T Dean
Councillor Mrs S Hall
Councillor S Hammond
Councillor D Keeley*
Councillor D Markham
Councillor L O'Toole
Councillor S Perry
Councillor M Rhodes
Councillor T Shaw
Councillor Ms S Spence

Electoral Review Working Group	Councillor O Baldock Councillor M Balfour* Councillor M Coffin Councillor Mrs T Dean Councillor N Heslop ** Councillor D Lettington Councillor D Markham Councillor P Montague Councillor A Sullivan
Housing Associations Liaison Panel	Councillor Mrs J Anderson Councillor M Davis Councillor D Keeley Councillor Mrs A Oakley Councillor Miss S Shrubsole**
Joint Employee Consultative Committee	Councillor M Balfour * Councillor R Betts Councillor T Bishop Councillor P Bolt Councillor Mrs B Brown Councillor M Coffin ** Councillor Mrs S Hall Councillor B Luker Councillor T Walker
Joint Transportation Board	Councillor D Davis Councillor Mrs F Kemp Councillor R Lancaster Councillor D Lettington Councillor M Parry-Waller Councillor H Rogers* Councillor M Taylor
Chairmanship with KCC, Vice-Chairmanship with TMBC in 2016/17	

** Denotes Chairman

* Denotes Vice-Chairman

C 16/45 APPOINTMENT TO OUTSIDE BODIES

RESOLVED: That appointments to serve on outside bodies for the ensuing municipal year be made as follows:-

<u>NAME OF BODY</u>	<u>REPRESENTATIVES(S)</u>
Kent County Playing Fields Association	Councillor Mrs M Heslop

Age UK Sevenoaks and Tonbridge	Councillor Ms J Atkinson Councillor D Cure Councillor Ms S Spence
Age Concern (Malling)	Councillor Brian Luker
Citizens Advice in North and West Kent	Mrs S Murray
Maidstone and District Care Committee for Chest, Heart and Stroke	Councillor S Hammond
West Kent Relate	Councillor Ms S Spence
Action with Communities in Rural Kent	Councillor R Dalton Councillor Miss J Sergison
Maidstone Mediation Scheme	Councillor Mrs B Brown
Tourism South East	Councillor Mrs M Heslop
Education Area Briefings	Councillor Mrs M Heslop
Kent Downs AONB Joint Advisory Committee	Councillor H Rogers
Basted Mill Public Open Space Joint Committee	Councillor R Betts Councillor S Perry
Snodland Partnership	Councillor Mrs S Bell Councillor D Keeley Councillor D Lettington
South East England Councils (Leaders' Forum)	Councillor N Heslop (Substitute: Councillor M Coffin)
Youth and Community Centres/Project Management Committees	Councillor Mrs M Heslop
LGA General Assembly	Councillor N Heslop (Substitute: Councillor M Coffin)
West Kent Partnership	Councillor B Luker
Parking and Traffic Regulations Outside London Adjudication Joint Committee	Councillor D Davis (Deputy: Councillor T Edmondston-Low)

Rochester Airport Consultative Committee	Councillor A Sullivan
Maidstone and Tunbridge Wells NHS Trust Community Involvement Group	Councillor Mrs M Heslop
KCC Health Overview and Scrutiny Committee	Councillor Mrs M Heslop
Malling Holmesdale Federation Trust	Miss A Moloney
Kent and Medway Police and Crime Panel	Councillor N Heslop
Kent Flood Risk Management Board	Councillor H Rogers
Tonbridge and Malling Leisure Trust	Councillor R Betts Councillor M Davis
Upper Medway Internal Drainage Board	Councillor H Rogers Mr D Aikman Mr J Cannon Mr M Dobson
Lower Medway Internal Drainage Board	Councillor D Davis Mr J Gore
Haysden Country Park User Panel (3 year appointment)	Councillor P Bolt Councillor D Cure
Leybourne Lakes Country Park User Panel (3 year appointment)	Councillor T Bishop Councillor B Luker

C 16/46 SCHEME OF DELEGATIONS

Members were invited to confirm the Scheme of Delegations in compliance with the Constitution.

RESOLVED: That

- (1) those parts of the Scheme of Delegations set out in Part 3 of the Constitution which are for the Council to approve be confirmed;
- (2) the Leader's recommendations for decision making by individual executive Members set out in Part 3 of the Constitution be adopted; and
- (3) the current scheme of delegation to officers in respect of executive functions set out in Part 3 of the Constitution be re-adopted.

C 16/47 PROGRAMME OF MEETINGS 2016/17

The programme of Council, Cabinet, Committee and Advisory Board and Panel meetings for the ensuing year and to June 2018 was presented for approval.

RESOLVED: That the programme of meetings be approved.

C 16/48 SEALING OF DOCUMENTS

RESOLVED: That authority be given for the Common Seal of the Council to be affixed to any instrument to give effect to a decision of the Council incorporated into these Minutes and proceedings.

The meeting ended at 8.21 pm

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Mayor's Announcements

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Agenda Item 5

Questions from the public pursuant to Council Procedure Rule No 5.6

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Agenda Item 6

Questions from Members pursuant to Council Procedure Rule No 5.5

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Leader's Announcements

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Agenda Item 8

<u>Meeting</u>	<u>Date</u>	<u>Page Nos. in Minute Book</u>	<u>Recommendations to Council</u>
Licensing and Appeals Panels (x4)	6 April	141 – 148	-
Extraordinary Cabinet	20 April	154 -155	-
Licensing and Appeals Committee	25 April	160	-
Licensing and Appeals Panels (x3)	9 June	174 – 183	-
Licensing and Appeals Panels (x4)	10 June	184 – 191	-
Overview and Scrutiny Committee	14 June	192 – 195	OS 16/13
Joint Standards Committee	15 June	196 – 197	-
Audit Committee	20 June	198 – 202	-
General Purposes Committee	27 June	203 – 208	GP 16/12
Cabinet	29 June	209 – 212	CB 16/48 – 50
Area 1 Planning Committee	7 April	AP 42 – 45	-
Area 2 Planning Committee	13 April	AP 46 – 49	-
Area 2 Planning Committee	25 May	AP 50 – 54	-
Area 3 Planning Committee	2 June	AP 55 – 58	-

These minutes include the following proposals from the Cabinet in relation to the Council's budget and policy framework:-
 Risk Management Strategy (Minute CB 16/48)
 Flexible Use of Capital Receipts Strategy 2016/17 (Minute CB 16/50)

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Item OS 16/13 referred from Overview and Scrutiny Committee of 14 June 2016

OS 15/13 EQUALITY POLICY STATEMENT AND OBJECTIVES

The report of the Director of Central Services set out for consideration the Equality Policy Statement and Objectives 2016-2020.

It was reported that the three West Kent authorities, Sevenoaks District Council, Tunbridge Wells Borough Council and Tonbridge and Malling Borough Council, would in future determine their own objectives to replace the West Kent Equality Aims and commitments.

The Equality Objectives would be subject to regular reviews during the next four years to ensure they remained appropriate in the context of local priorities and demographics. The objectives for Tonbridge and Malling were set out at paragraphs 1.3.4 – 1.3.15 of the report.

Members felt that Equality Objective 1 did not accurately reflect the Borough Council's role as a community leader for the whole borough and asked for a slight change of emphasis as follows:

'As a community leader, we will advance equality of opportunity across the whole borough, particularly for those living within Snodland, East Malling and Trench, to achieve better outcomes in relation to health, employment and education.'

RECOMMENDED: That the Equality Policy Statement and Objectives, as attached at Annex 1 to the report, be recommended to Council for approval; subject to the minor change to Equality Objective 1 set out above.

***Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL**OVERVIEW & SCRUTINY COMMITTEE****14 June 2016****Report of the Director of Central Services****Part 1- Public****Matters for Recommendation to Council****1 EQUALITY POLICY STATEMENT AND OBJECTIVES 2016-20****1.1 Introduction**

1.1.1 The approval of the equality policy statement and objectives is within the Council's policy framework and is a matter for Full Council.

1.1.2 The Equality Act (2010) sets out a 'Public Sector Equality Duty' which requires public authorities to have 'due regard' to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their day to day work – in shaping policy, in delivering services and in relation to their own employees. As part of the duty, the Council is required to prepare and publish one or more objectives and review these at least every four years.

1.2 Progress 2012-16

1.2.1 The West Kent Equality Partnership Aims and Commitments were in place for 2012-16. These were developed in partnership with Sevenoaks District Council and Tunbridge Wells Borough Council. These are no longer fit for purpose as they do not support robust reporting of outcomes for each individual authority. Examples of things Tonbridge and Malling achieved during 2012-16 include:

1.2.2 As a community leader we have worked to reduce health inequalities by providing activities and events such as the Tonbridge Well Being Day.

1.2.3 As a service provider we have carried out work to improve the accessibility of our website for people with visual impairments, motor difficulties and learning disabilities.

1.2.4 As an employer we have completed an analysis of pay based on gender and not identified any faults within our pay practices.

1.3 **Equality Policy Statement and Objectives 2016-2020**

- 1.3.1 The Equality Policy Statement and Objectives is attached at Annex 1. It has been decided that, in future, the 3 authorities will determine their own objectives, to replace the West Kent Equality Aims and Commitments.
- 1.3.2 We continue to take a proportionate approach to responding to our duties under the Equality Act (2010), reflecting the demographics of our communities and within current resource constraints.
- 1.3.3 Management Team have developed objectives based on information within their service areas that indicate where inequalities may exist. The Equality Policy Statement and Objectives were subject to a six-week consultation on the Council's website and Twitter. Only two responses were received. No changes to the policy or objectives were necessary following the consultation. The objectives will be subject to regular reviews during the next four years to ensure they remain appropriate in the context of local priorities and demographics. Our equality objectives for 2016-2020 are summarised as follows.
- 1.3.4 Equality Objective 1
- 1.3.5 As a community leader, we will advance equality of opportunity for those living within Snodland, East Malling and Trench to achieve better outcomes in relation to health, employment and education.
- 1.3.6 Rationale: The Government's latest Index of Multiple Deprivation 2015 indicates that parts of the wards of Snodland, East Malling and Trench are significantly more deprived than other areas in the Borough including poorer health, higher levels of worklessness and poverty, and lower levels of educational attainment.
- 1.3.7 Equality Objective 2
- 1.3.8 As a service provider, we will advance equality of opportunity by increasing the number of customers with a disability who are able to use our services regardless of the method they use to access the service.
- 1.3.9 Rationale: According to Cabinet Office statistics, in 2014 "just under 10% of the population may never be able to gain basic digital capabilities, because of disabilities or basic literacy skills". Our aim will be to provide support to anyone who cannot independently access the Council's digital services.
- 1.3.10 Equality Objective 3
- 1.3.11 As a service provider, we will advance equality of opportunity by increasing uptake of the assisted waste collection ("pull out") service where needed.
- 1.3.12 Rationale: Approximately 500 households currently receive this service. Although this is lower than the number of households with one or more persons with a long-term health problem or disability, we would expect that many households already

receive assistance from others within the household or from neighbours etc. However, we still need to establish whether there may be additional households that require our assistance.

1.3.13 Equality Objective 4

1.3.14 As an employer, we will eliminate discrimination, harassment and victimisation by giving staff and Members the necessary skills and understanding to promote equality and diversity in both service delivery and employment.

1.3.15 Rationale: Equality and diversity training was last provided to all staff in 2010 and we want to ensure that staff and Councillors maintain their awareness of corporate values.

1.4 **Legal Implications**

1.4.1 The Council is required to comply with the Equality Act 2010. Failure to do so may result in action being taken by the Equality and Human Rights Commission, including issuing a formal 'compliance notice' and possible court action.

1.5 **Financial and Value for Money Considerations**

1.5.1 Understanding the needs of people with protected characteristics under the Equality Act (2010) will assist the Council in allocating resources to areas or services where it is considered to be a greater priority. The implementation of actions to achieve the equality objectives will need to be incorporated into appropriate service budgets.

1.6 **Risk Assessment**

1.6.1 If the equality policy statement and objectives are not adopted, the Council will not be able to demonstrate its compliance with the Equality Act 2010 and action may be taken against the Council by the Equality and Human Rights Commission.

1.7 **Equality Impact Assessment**

1.7.1 Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups. This report sets our objectives for addressing key areas of discrimination and disadvantage over the next four years.

1.8 **Policy Considerations - Equalities/Diversity**

1.8.1 As above at 1.7.1.

1.9 Recommendations

1.9.1 That the Equality Policy Statement and Objectives attached at Annex 1 be recommended to Council for adoption.

Background papers:

Nil

contact: Charlie Steel

Ext.6015

Adrian Stanfield

Director of Central Services

Tonbridge & Malling Borough Council

Equality Policy Statement and Objectives

January 2016

If you have difficulty reading this document and would like the information in large print please email diversity@tmbc.gov.uk.



Policy Statement

We want to make sure that people have the opportunity to reach their potential and that our services meet their needs. We will achieve this through our roles as a community leader, service provider and employer. The commitments in this document apply to Councillors and staff and set standards for others who deliver services on our behalf.

As a Community Leader we will:

- Manage the effects of reduced financial resources by taking informed decisions and being accountable for them;
- Encourage and support people to be active in community life and exercise their democratic rights; and
- Listen and respond to the views of our communities.

As a Service provider we will:

- Help everyone to make use of the services to which they are entitled;
- Give information and advice in suitable ways; and
- Monitor and evaluate services to identify whether they are meeting people's needs.

As an employer we will:

- Select, appoint and promote individuals only on the basis of merit;
- Encourage all staff to develop and reach their potential;
- Provide a safe and accessible workplace;
- Provide fair and open pay and reward systems; and
- Make sure staff treat each other with dignity and respect.

To deliver our commitments we will:

- Update this document annually to set out what we have done against our objectives;
- Use equality impact assessments when making changes to our services; and
- Not tolerate inappropriate or offensive language or behaviour to staff or service users.

Rights and Responsibilities

- The Chief Executive will have overall responsibility for implementing this policy statement.
- Senior Managers will make sure their service areas comply with this document.
- Each member of staff has responsibility to read, understand and implement this policy statement and to take responsibility for their own behaviour. Each Councillor has responsibility to read, understand and make sure their behaviour has regard for this policy statement.
- Implementation of this policy statement will be monitored by Management Team.

Public Sector Equality Duty

The Council is subject to the Public Sector Equality Duty (the equality duty). The equality duty is made up of a general equality duty which is supported by specific

duties. The general equality duty requires public authorities, in the exercise of their functions, to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it.
- Foster good relations between people who share a relevant protected characteristic and those who do not share it.

Equality information

Under the Equality Act (2010) we are required to publish information to show how we comply with the Public Sector Equality Duty. This must include information relating to people, who share a protected characteristic, who are our employees and people affected by our policies and practices. We have provided information about our population below. Information about people that use our services is set out in the rationale for each of our equality objectives. Information about our employees is included in the annual update to our Human Resources Strategy.

Disability

The 2011 Census recorded that 14,057 households (29.2%) in the Borough include people with a long-term health problem or disability. Of these 2,919 households (6.1%) include two or more persons with a long-term health problem or disability. 17,946 (14.9%) people in the Borough have their day to day activities limited a little or a lot by a long-term illness or disability. This is lower than the Kent average of 17.6% and lower than the national average of 17.9%.

Age

Mid-year population estimates (2014) recorded the average age of the Borough's population as 40.3. This is slightly lower than the Kent average of 40.7 years but higher than the national average of 39.6 years. Currently, 18.5% of the Borough's population is aged over 65. Population forecasts indicate that 23.8% of the Borough's population will be aged over 65 by 2033. This is in line with population forecasts for the Kent area.

Sex (Gender)

The 2011 Census recorded that 51% of the population is female and 49% is male.

Race

The 2011 Census recorded that 4,933 people (4.1%) in the Borough are from a Black or Minority Ethnic background. This is lower than the Kent average of 6.9% and the national average of 14.6%.

Religion or belief

The 2011 Census recorded that 63.7% of the population is Christian. This is higher than the Kent average of 61.8% and the national average of 59.4%. 27.3% of the population have no religion. Small proportions of the remainder of the population are Muslim, Buddhist, Hindu, Sikh and Jewish.

Sexual orientation

Sexual orientation data is not captured by the Census. Data from the Integrated Household Survey estimates that 1.6% of adults in the UK identified their sexual identity as lesbian, gay or bisexual in 2014.

Pregnancy or maternity

In 2014, there were 62.8 births per 1,000 of the Borough's population. This is slightly higher than the Kent average of 62.4 and the national average of 62.1.

Marital or civil partnership status

The 2011 Census recorded that 53.4% of the Borough's population are married. This is higher than the Kent average of 48.9% and the national average of 46.6%.

Gender reassignment

At present, there is no official estimate of the trans population. Gender reassignment data is not captured by the Census.

Equality Objectives

Under the Equality Act (2010) we are required to prepare and publish one or more objectives to show how we will achieve any of the things mentioned in the aims of the general equality duty. Our objectives for 2016-2020 are set out below.

Equality objective 1

As a community leader, we will advance equality of opportunity for those living within Snodland, East Malling and Trench to achieve better outcomes in relation to health, employment and education.

Equality objective 2

As a service provider, we will advance equality of opportunity by increasing the number of customers with a disability who are able to use our services regardless of the method they use to access the service.

Equality objective 3

As a service provider, we will advance equality of opportunity by increasing uptake of the assisted waste collection ("pull out") service where needed.

Equality objective 4

As an employer, we will eliminate discrimination, harassment and victimisation by giving staff and Members the necessary skills and understanding to promote equality and diversity in both service delivery and employment.

Equality objective 1

As a community leader, we will advance equality of opportunity for those living within Snodland, East Malling and Trench to achieve better outcomes in relation to health, employment and education.

Why we have chosen this objective:

The Government's latest Index of Multiple Deprivation 2015 indicates that parts of the wards of Snodland, East Malling and Trench are significantly more deprived than other areas in the Borough including poorer health, higher levels of worklessness and poverty, and lower levels of educational attainment.

We will measure outcomes against this objective for the following protected characteristics:

- Sex (Gender)
- Race
- Marital and Civil Partnership Status
- Disability

We will report the following information against this objective on an annual basis:

A summary of demographic information of those who participate in health initiatives/events, job clubs and youth events.

Our action plan to deliver this objective is:

1. Report outcomes from the delivery of Community Action Plans by the Partnership Groups for each area.
2. Lobby Kent County Council Public Health Director to obtain re-assurances for continued funding.
3. Work with key partners to ensure they are adopting the same approach to programme recruitment.
4. Work with community development colleagues to ensure programmes are promoted in the right areas.
5. Work with GP Practices to encourage referrals onto programmes.
6. Select venues with ease of access.
7. Obtain postcode and demographic data from attendees.
8. Work with individuals on a 1-1 basis where appropriate to encourage completion of programme and identify potential onward referrals to support their wider health issues.

The responsible officers for delivering this objective are:

- Chief Environmental Health Officer
- Scrutiny and Partnership Officer

Equality objective 2

As a service provider, we will advance equality of opportunity by increasing the number of customers with a disability who are able to use our services regardless of the method they use to access the service.

Why we have chosen this objective:

According to Cabinet Office statistics, in 2014 “just under 10% of the population may never be able to gain basic digital capabilities, because of disabilities or basic literacy skills”. Our aim will be to provide support to anyone who cannot independently access the Council’s digital services.

We will measure outcomes against this objective for the following protected characteristics:

- Disability

We will report the following information against this objective on an annual basis:

- The number of complaints received that relate to customers with a disability not being able to access a service.
- Rating improvement against individual criteria in the DAC annual assessment undertaken as part of the SOCITM Better Connected report.

Our action plan to deliver this objective is:

1. To monitor comments and complaints regarding the accessibility of services to customers with a disability.
2. To review the face-to-face service offered to customers with a disability.

The responsible officers for delivering this objective are:

- Personnel & Customer Services Manager
- IT Development Manager

Equality objective 3

As a service provider, we will advance equality of opportunity by increasing uptake of the assisted waste collection (“pull out”) service where needed.

Why we have chosen this objective:

Approximately 500 households currently receive this service. Although this is lower than the number of households with one or more persons with a long-term health problem or disability, we would expect that many households already receive assistance from others within the household or from neighbours etc. However, we still need to establish whether there may be additional households that require our assistance.

We will measure outcomes against this objective for the following protected characteristics:

- Disability

We will report the following information against this objective on an annual basis:

Percentage of households that receive the service against those who are entitled to use the service.

Our action plan to deliver this objective is:

1. Review current households in receipt of the service.
2. Remove households that are not entitled to the service.

3. Publicise the service via leaflets and website to encourage uptake from those entitled to it.
4. Publicise via community groups such as Tonbridge and Malling Seniors and Snodland Community Partnership.
5. Publicise via parish newsletters.

The responsible officer for delivering this objective is:

- Waste Service Manager

Equality objective 4

As an employer, we will eliminate discrimination, harassment and victimisation by giving staff and Members the necessary skills and understanding to promote equality and diversity in both service delivery and employment.

Why we have chosen this objective:

Equality and diversity training was last provided to all staff in 2010 and we want to ensure that staff and Councillors maintain their awareness of corporate values.

We will measure outcomes against this objective for the following protected characteristics:

- Disability
- Age
- Sex (gender)
- Race
- Religion or belief
- Sexual orientation
- Pregnancy or maternity
- Marital or civil partnership status
- Gender reassignment

We will report the following information against this objective on an annual basis:

Number of reports or complaints of proven discrimination or inequality.

Our action plan to deliver this objective is:

1. All council staff will be provided with updated awareness training by September 2016.
2. The Code of Conduct for staff will be updated and made mandatory for staff to read.
3. Reinforce the need to report instances of inappropriate behaviour by staff or Members.

The responsible officer for delivering this objective is:

- Customer Services & Personnel Manager

January 2016

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Item GP 16/12 referred from General Purposes Committee of 27 June 2016

GP 16/12 HUMAN RESOURCES STRATEGY UPDATE

The report of the Director of Central Services presented an updated Human Resources Strategy which provided an overview of the Council's approach to managing its employees. Details were given of progress in achieving the improvement priorities in the Strategy for 2015/16 together with actions to be implemented in the period April 2016 – March 2017 (the Workforce Development Plan). The updated strategy also contained the statutory equality monitoring required by the Equality Act 2010.

RECOMMENDED: That the outcomes of the equality monitoring reported in Section 4 of the Human Resources Strategy, as set out in Annex 1 to the report, be noted and the actions listed in Section 5 thereof be commended to the Council.

* **Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

27 June 2016

Report of the Director of Central Services

Part 1- Public

Matters for Recommendation to Council

1 HUMAN RESOURCES STRATEGY UPDATE

The Human Resources Strategy (HR Strategy) provides an overview of the Council's approach to managing its employees. It is updated annually to identify "improvement priorities", such as changes to the Council's personnel policies.

The updated Hr Strategy attached as Annex 1 to this report advises the Committee on progress in achieving the improvement priorities in the Human Resources Strategy (HR Strategy) for April 2015 – March 2016, and identifies actions to be implemented in the period April 2016 – March 2017. The updated Strategy in Annex 1 also contained the statutory equality monitoring required by the Equality Act 2010.

1.1 Overview of updates to the HR Strategy

1.1.1 Section 3 of the updated HR Strategy lists progress against the improvement priorities identified in 2015/16. The Committee will note that actions have been identified and achieved.

1.1.2 Section 4 of the HR Strategy reports the outcomes of equality monitoring of staffing issues in 2015/16. There is no evidence of discrimination against any of the protected characteristic groupings listed in the Equality Act 2010.

1.1.3 Section 5 of the HR Strategy advises the Committee of the improvement priorities that have been so far identified for 2016/17. This section is referred to as The Workforce Development Plan (WDP) because periodically various external agencies, government departments etc. request information about the Council's WDP.

1.2 Legal Implications

1.2.1 The reporting of the outcomes of the Council's HR equalities monitoring is a statutory requirement of the Equalities Act 2010.

1.3 Financial and Value for Money Considerations

1.3.1 All of the actions listed in Section 5 of the attached Annex will be resourced from existing budgets.

1.4 Risk Assessment

1.4.1 The Workforce Development Plan in Section 5 of the HR Strategy complies with one of the recommended requirements of the Annual Governance Statement (part of the statement of accounts).

1.5 Recommendations

1.5.1 The Committee is commended to note the outcomes of the equality monitoring as reported in Section 4 of the HR Strategy and to recommend the actions listed in Section 5 to Council.

Background papers:

contact: Delia Gordon

Nil

Adrian Stanfield
Director of Central Services

Annex 1

HUMAN RESOURCES STRATEGY (incorporating the Pay and Workforce Strategy)

1 The Council's Vision

The Council's vision for the next three years is:

To be a financially sustainable Council that delivers good value services, provides clear leadership and, with our partners, addresses the needs of the Borough.

2 Human Resource Strategy

The Human Resources Strategy is about recognising and developing the crucial contribution of every employee. This is prompted by the expectation/aspiration that all employees will:

- be customer focused
- be corporately aware
- demonstrate a "can do" approach to work
- appreciate the Council as a good employer
- consider themselves as colleagues in a joint endeavour to achieve the corporate vision.

Working with partners, external service providers, and other authorities, the Council will give ongoing consideration to the further development of the Strategy. The Strategy will be updated annually and will identify improvement priorities for the year ahead. The annual update will also report on the achievement of the improvement priorities identified the previous year.

Four key "building blocks" are used to inform and direct human resource activities. These are:

- Leadership and Management
- Effective Recruitment and Retention
- Communication and Team Working
- Workforce Development.

The Sections below provide an overview of the Council's current approaches to developing these "building blocks".

Leadership and Management Development

We want managers and supervisors throughout Tonbridge & Malling Borough Council to meet their responsibilities to their colleagues by providing leadership, direction, purpose and support.

- Managers and supervisors will be expected to proactively seek out opportunities for service transformation and to set standards to ensure that the Council's performance is continuously improved.
- All managers and supervisors will contribute to developing an organisational climate that encourages innovation, by encouraging their staff to engage positively in service transformation and in developing new ways of working.
- Corporate working will be promoted throughout the Council.
- All managers and supervisors will be expected to behave in accordance with the Council's Supervisory and Management Capability Checklists.
- Up to date advice, training and support on Council policies and procedures for dealing with a range of employee relations issues will ensure consistency of management style.
- New managers and supervisors will be equipped for their role by participating in appropriate training and development activities.
- Throughout their careers with the Council managers and supervisors will have opportunities to attend training and development events that reflect their responsibilities.

Effective Recruitment & Retention

We want an employment package that attracts and retains capable people who are committed to delivering excellent services to the community.

- We will balance internal progression with external recruitment so that the Council continuously reinvigorates its talent pool, and that appropriate succession planning ensures an appropriately skilled workforce for the future.
- We will endeavour to attract suitable applicants by clear job descriptions, person specifications and advertisements.
- There will be a fair and consistent recruitment and selection framework that supports diversity within the workforce and that is regularly inspected by our internal audit team. Our workforce broadly reflects the ethnic and gender distribution of the residents of the borough.
- We will offer employees a fair and competitive rate for the job that reflects the principles of equal pay. We will ensure equal status for part-time staff.

In 2015/16 of a workforce of 275 permanent employees, 107 are employed on a part time basis.

- Wherever possible, we will offer employees flexible working opportunities that reflect the diversity of the workforce and facilitate a healthy Work Life Balance.
- We will ensure that working environments are safe and healthy. The Council is currently accredited with the ROSPA Gold Award.
- We will foster a supportive management ethos that recognises and values everyone's contribution.
- We will offer employees suitable training and development opportunities.

Communication and Team Working

We want to create a climate of trust, honesty and involvement. We recognise the need for open and honest two-way communication.

- We will maintain a system of annual individual appraisals and regular team briefings across the organisation.
- We will maintain a constructive relationship with accredited employee representatives and the Trade Union (Unison). There is an effective Joint Employee Consultative Committee which provides an opportunity for elected members, managers and employees to debate staffing issues.
- We will honour the Council's commitment to trust, honesty and involvement by working through employee relations issues according to the procedures specified in the Grievance, Disciplinary, Capability, Anti-Bullying and Harassment and Confidential Reporting Codes of Practice/Procedures.
- We will ensure that corporate information is easily accessible and will continue to develop the use of information technology for this purpose. All employees can access relevant corporate policies and e-learning modules on the Council's intranet.
- We will encourage development of a culture of corporate and co-operative working across the Council.
- We will encourage employees to influence the shape of future service delivery in an environment that embraces transformation and partnership working.

Workforce Development

We want employees to know how their contribution fits into the bigger picture, and to have the skills, knowledge and information they need to do their job effectively. We want them to feel committed to the Council and to enjoy coming to work.

- We will provide new employees with information about their job and employment package.
- Every new employee will undergo a customised induction process.
- All employee's will have an annual performance appraisal which will review their performance over the past year, set personal objectives for the year ahead, and identify any training and development needs.
- All employees will have access to training and development activities that are linked with their individual objectives as well as those of the service to which they belong.
- We will deal firmly and fairly with poor performance.
- On return from absence due to sickness, all employee's will engage in a return to work interview with their line manager that will attempt to identify any organisational factors which may have contributed towards their illness.

3 Achievement of Improvement Priorities for the period April 2015 to March 2016

Action	Progress
<p><u><i>Developing leadership capacity</i></u></p> <p>i) Provide structured development opportunities that enhance management capacity and enable succession planning that takes account of the anticipated departure of many senior staff over the next 5 years.</p>	<p>One of the Area Planning Officers has attended a short intensive managerial training course and the Chief Environmental Health Officer has attended a short course entitled Bid Proposal Writing. The Street Scene Manager successfully completed a NEBOSH qualification course in Occupational Health & Safety and the Healthy Living Manager successfully completed a course leading to accreditation as a Prince 11 Project Manager. The Housing Options Team Manager is currently undertaking a course of study leading to accreditation with a Level 5 Diploma in Housing.</p>

<p><u><i>Developing the skills and capacity of the workforce</i></u></p> <p>i) Support the development of appropriate officers in skill sets required to meet current legislation/service requirements.</p> <p>iii) Provide Basic First Aid and Paediatric First Aid training for staff employed on the Summer Play Scheme.</p>	<ul style="list-style-type: none"> ➤ There have been 185 instances of employees undertaking off the job seminars, workshops or short courses, and 256 e-learning courses were completed. ➤ This was provided and appropriate First Aid was administered to the small number of “casualties”.
<p><u><i>Organisational development</i></u></p> <ul style="list-style-type: none"> ➤ Continue to re-align the Council’s Establishment with its re-defined priorities. ➤ Continue to develop the knowledge base of elected Members in response to changes in legislation, Government initiatives etc. 	<ul style="list-style-type: none"> ➤ 59 adjustments to job roles, changes in working patterns, re-grades, and deletions of posts have been agreed at the meetings of the General Purposes Committee in June, and October 2015 and February 2016. ➤ Officers have provided Member briefings on a range of topics including planning and licensing, at Committee and Advisory Board meetings. In addition, the Leader attended the annual conference of the Local Government Association in order to provide up to date guidance on national trends etc.
<p><u><i>Resourcing, recruitment and retention</i></u></p> <p>i) Provide work placements to local schools.</p> <p>ii) Continue to provide apprenticeship placements for Customer Services at NVQ Level 2.</p>	<ul style="list-style-type: none"> ➤ Numerous work placement opportunities have been provided for Year 10 and 11 students. ➤ 2 placements were provided in partnership with K College and 1 was successfully “filled”. The success of the programme has

<p>iii) Seek to maintain the profile of the Council as an employer of disabled people by gaining re-accreditation of the Two Ticks Scheme.</p>	<p>been evidenced by the subsequent employment within the Council of this apprentice as a Clerical Support Officer.</p> <p>➤ The Council continues to be Two Ticks Accredited.</p>
<p><u>Pay and Reward</u></p> <p>i) Re-align the reimbursement of subsistence expenses with HMRC rates</p>	<p>> Undertaken March 2016.</p>

4 Equalities Monitoring 2015/16

In accordance with Equality legislation, the Authority is legally obliged to consider how our activities as an employer affect people who share different protected characteristics.

The information included in the tables below shows the outcomes of this monitoring for the period 2015/16. For the sake of comparison, a percentage analysis of the demographic profile of the Borough according to gender, ethnicity and disability is shown in Table 10 and a breakdown of the race, disability, gender and age distributions of the workforce in Tables 11 & 12.

In accordance with commitments made in the Equality Impact Assessment of the Flexible Working Policy the outcomes of the monitoring of the return rates from maternity leave and applications for flexible working are included in Tables 8 & 9.

Table 1 – Analysis of applications for jobs

Total Applicants	291
Male	148
Female	143
Disabled	7
Ethnic Minority	67

Shortlisted	89
Male	45
Female	44
Disabled	0
Ethnic Minority	11

Appointed	26
Male	15
Female	11
Disabled	0
Ethnic Minority	0

Table 2 – Analysis of Promotions

Promotions	16
Male	9
Female	7
Disabled	0
Ethnic Minority	0

Table 3 – Analysis of Disciplinary Hearings

Hearings	3
Male	0
Female	3
Disabled	0
Ethnic Minority	0

Table 4 – Analysis of Capability Hearings

Hearings	7
Male	3
Female	4
Disabled	0
Ethnic Minority	0

Table 5 – Analysis of Grievance Hearings

Cases	2
Male	0
Female	2

Disabled	0
Ethnic Minority	0

Table 6 –Instances of staff within the Council receiving training for which a direct cost has been incurred.

Total	White	Non White	Male	Female	Disabled
185	179	6	91	94	8

Table 7 – Applications for changes to working patterns and flexible working, and success rates

Nature of the request	Requests	Requests granted
Flexible retirement	0	0
Reduction/increase in working hours or change in working pattern	6	6

Table 8 – Return rates from maternity leave

Category	Number
Number of employees on maternity leave in 15/16	4
Number still on maternity leave in 2016/17	1
Number of employees who left the Council's employment on or shortly after returning from maternity leave	0
Number who returned to employment with the Council in 15/16	3

Table 9 – Demographic analysis of the Borough

Equality Characteristic	Percentage
Male	48
Female	52
White	96
Ethnic Minority	4
Permanently sick or disabled	3

Table 10 – Gender, disability and race distribution of the workforce

In March 2016 there were 275 employees, of which 107 were part time.

Equality Characteristic	Headcount
Gender	Male – 104 Female - 171
Disability	Employees who consider themselves to be disabled – 5

Ethnicity	White – 254 Black – 5 Asian or Asian Black – 4 Other Asian – 0 Mixed - 0
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Note – any discrepancies in the totals above are due to employees not disclosing personal information.

Table 11 – Age distribution of the workforce

Age range	Number of employees
Up to 19	1
20 - 25	11
26 - 35	42
36 - 45	58
46 - 55	86
56 - 65	71
Over 65	6

5 Workforce Development Plan April 2016 – March 2017

Developing leadership capacity

- Continue with the provision of structured development opportunities that enhance our management capacity and enable succession planning that takes account of the potential departure of many experienced staff over the next five years.

Developing the skills and capacity of the workforce

- Continue to support the ongoing professional development of staff, and to equip them with the knowledge and skills required to deliver services, to respond to changes introduced by the Government, and to the Council's transformational agenda. Specific areas of need will be identified during the 2016/17 performance appraisal process.

Organisational Development

- Consider the impact on the Council's policies of any proposals from the Government to amend existing employment legislation, and re-align the Council's HR policies with the timetable for any proposed amendments.

- Continue to provide briefings for Members on legislative change etc. at Committee meetings and Advisory Boards, and, where appropriate commission dedicated training sessions on cross cutting corporate issues such as safeguarding children and vulnerable adults.

Resourcing, recruitment & retention

- Continue to re-align the Council's Establishment with its re-defined priorities.
- Continue to explore options with other Councils for shared service delivery.
- Continue to ensure that work placements are provided to local schools, and opportunities are identified to offer apprenticeships in accordance with the targets set by the Government..
- Seek to maintain the reputation of the Council as an employer of disabled people by gaining re-accreditation of the Two Ticks Scheme (by February 2016).

Pay and Reward

- Track the benefits package offered by our competitors for staff and keep the Council's package under review (ongoing).
- Review the Pay Policy Statement (by March 2017).

Item CB 16/48 referred from Cabinet of 29 June 2016

CB 16/48 RISK MANAGEMENT STRATEGY

The joint report of the Chief Executive and Director of Finance and Transformation reviewed the current Risk Management Strategy. No substantive amendment was considered to be required at this time but Members were advised that the risk management process was due to be revisited and the Strategy updated for future consideration in the light of the forthcoming Corporate Strategy. It was noted that the Strategy had been endorsed by the Audit Committee on 20 June 2016.

RECOMMENDED: That

- (1) the Risk Management Strategy set out at Annex 1 to the report be adopted by the Council; and
- (2) it be noted that the risk management process is due to be revisited and the Strategy updated as necessary for subsequent consideration and endorsement.

***Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

29 June 2016

Report of the Chief Executive and Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Council

1 RISK MANAGEMENT STRATEGY

This report asks Members to review the Risk Management Strategy and to recommend it for endorsement by the Council.

1.1 Introduction

- 1.1.1 The Council has had a Risk Management Strategy in place for a number of years. The Council's Risk Management arrangements are designed to ensure a prudent approach is taken, with risks reduced to an acceptable level, thereby safeguarding the Council's assets, employees and customers.
- 1.1.2 The Risk Management Strategy sets out the Council's risk management objectives and details the roles and responsibilities of officers, Members and the Council's partners in ensuring risks are effectively identified, evaluated and controlled in a cost effective manner.

1.2 Review of the Risk Management Strategy

- 1.2.1 As part of arrangements in place to ensure risk management maintains a high profile within the Council, the Strategy is subject to annual review and endorsement through the Audit Committee, Cabinet and Council.
- 1.2.2 The Risk Management Strategy has been reviewed by the Audit Committee and subject to the Committee's consideration of the Strategy no substantive amendment is considered to be required at this time. However, Members are advised that the risk management process is due to be revisited and the Strategy updated as necessary for subsequent Member consideration and endorsement.
- 1.2.3 A copy of the current Strategy is attached at **[Annex 1]**.

1.3 Legal Implications

- 1.3.1 There is a Health and Safety requirement for effective risk management to be in place and the strategy supports this requirement. There is also a requirement in

the Accounts and Audit Regulations that accounting control systems must include measures to ensure that risk is appropriately managed.

1.4 Financial and Value for Money Considerations

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

1.5 Risk Assessment

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

1.6 Equality Impact Assessment

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

1.7 Recommendations

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

1.7.2 Members are also asked to note that the risk management process is due to be revisited and the Strategy updated as necessary for subsequent Member consideration and endorsement.

Background papers:

contact: Samantha Buckland

Nil

Julie Beilby
Chief Executive

Sharon Shelton
Director of Finance and Transformation

TONBRIDGE AND MALLING BOROUGH COUNCIL

RISK MANAGEMENT STRATEGY

1. Introduction

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

One of the Council's aims is to:

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

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

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

2. Objectives

The risk management objectives of the Council are to:

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

These objectives will be achieved by:

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

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

3. Roles and Responsibilities

a) Members

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

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

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

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

b) Management Team

Management are responsible for the identification and management of risks.

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

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

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

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

c) Section Managers

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

Any risks entering the red zone shall be reported to the Chief Officer in the first instance. The Chief Officer shall alert Management Team of any significant emerging risks as he deems necessary.

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

d) Partners

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

e) Employees Generally

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

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

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

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

f) Director of Planning, Housing and Environmental Health

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

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

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

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

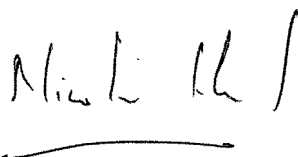
g) Financial Services

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

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

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

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

Signed: 

Leader of the Council

Signed: 

Chief Executive

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Item CB 16/49 referred from Cabinet of 29 June 2016

CB 16/49 TREASURY MANAGEMENT UPDATE AND ANNUAL REPORT FOR 2015/16

The report of the Director of Finance and Transformation advised that a report detailing treasury management activity undertaken in April and May of the current financial year together with the treasury management outturn position for 2015/16 had been considered by the Audit Committee on 20 June 2016. It was noted that investment income at year end for 2015/16 exceeded the revised estimate by £36,100 and income earned to the end of May 2016 was also £5,400 above 2016/17 budget expectations.

Following a commentary on the application of credit default swap data (market view of risk), approval was sought to enhance the existing flexibility afforded to officers when determining the appropriate duration for term deposits.

RECOMMENDED: That

- (1) the action taken by officers in respect of treasury management activity for April and May 2016 be endorsed;
- (2) the 2015/16 outturn position be noted; and
- (3) the flexibility afforded to officers when determining the appropriate duration for term deposits be enhanced as outlined in paragraph 1.4.5 of the report.

***Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

29 June 2016

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Council

1 TREASURY MANAGEMENT UPDATE AND ANNUAL REPORT FOR 2015/16

A report detailing treasury management activity undertaken in April and May of the current financial year is to be considered by Audit Committee on 20 June. That report also includes details of the treasury management outturn for the 2015/16 financial year. Following a commentary on the application of credit default swap data (market view of risk) Member approval is sought to enhance the existing flexibility afforded to officers when determining the appropriate duration for term deposits.

1.1 Introduction

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

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

1.2 2016/17 Treasury Management Performance

1.2.1 As at the end of May 2016 funds invested and interest earned is set out in the table below.

	Funds invested at 31 May 2016 £m	Average duration to maturity Days	Weighted average rate of return %	Interest earned to 31 May 2016 £	Gross annualised return to 31 May 2016	LIBID benchmark %
Cash flow	9.7	103	0.74	14,100	0.67	0.36 (7 Day)
Core fund	15.6	133	0.81	20,900	0.80	0.46 (3 Mth)
Total	25.3	121	0.78	35,000	0.75	0.41 (Ave)

1.2.2 Interest earned of £35,000 is £5,400 better than the original estimate for the same period and 34 basis points better than benchmark.

1.3 2015/16 Treasury Management Outturn

1.3.1 The outturn report to Audit Committee is included in **[Annex 3]** of the Revenue and Capital Outturn report elsewhere on this agenda. Prudential and treasury indicators for 2015/16 are included at **[Annex 3 - Appendix 1]**.

1.3.2 Investment income of £226,100 earned during the year bettered the revised estimate by £36,100. The gross return for the year of 0.73% exceeds the LIBID benchmark by 33 basis points.

1.4 Term Deposit Duration

1.4.1 A key part of the treasury advisory service provided to the Council by Capita is a weekly update on the creditworthiness of a financial institution. The assessment uses the credit ratings provided by each of the three main rating agencies to score an institution. The score determines which durational band a bank / building society is assigned to. Banks deemed suitable for local authority investment will be assigned a durational band of 100 days, 6, 9, 12 or 24 months. The assessment also incorporates a market view of risk using credit default swap data. A credit default swap (CDS) can be likened to insurance taken out by investors to guard against the risk of default. Depending on a bank's CDS price relative to the average CDS for all banks, Capita will confirm the duration band based on credit ratings alone; reduce duration by one band (e.g. 6 months based on credit ratings is reduced to 3 months after taking CDS into account); or advise that no new investment is placed with the institution (the durational band becomes nil months).

1.4.2 CDS prices rose significantly following the collapse of Lehman Brothers in 2008 and reached a peak at the height of the Eurozone sovereign debt crisis in December 2011 prompting the Bank of England Financial Policy Committee to warn UK banks to prepare to withstand an 'extraordinarily serious and threatening' economic environment. Since then, the European Central Bank has introduced measures to ease bank liquidity, established a mechanism to contain sovereign bond yields and progressed a European Banking Union. The aggregate value of CDS trades has been on a downward trajectory since December 2011 and is now broadly in-line with levels pre the financial crisis.

1.4.3 In November 2015, Capita recognised the more benign state of the CDS market and modified their use of the data. Whilst the rationale for change appeared well founded, in practice the new approach has proven to be less precise in signalling market concern for a particular institution and has the potential to trigger false warnings when average CDS prices rise dramatically.

- 1.4.4 Following the announcement of a referendum on the UK's membership of the European Union, a premium was applied to all UK bank CDS prices. During late March and most of April that premium resulted in Capita's duration assessment for UK banks being scaled back (typically, a six month assessment based on credit ratings was reduced to three months after applying CDS data). The time frame coincided with and delayed the reinvestment of a significant proportion of the Council's core funds and the investment of cash flow surpluses as they began to build in April. Volatility in the CDS market has since subsided and whilst those investments have now all been placed the delay was both unsatisfactory and unnecessary. However, should a similar situation arise in the future its impact can be negated.
- 1.4.5 When undertaking term deposits the Annual Investment Strategy affords officers the discretion to add up to three months to Capita's post CDS duration assessment. Where officers consider it appropriate, the recommendation at paragraph 1.9.1, allows that same discretion to be applied to Capita's duration assessment based on credit ratings alone. Members are reminded that term deposits are only made with the agreement of the Chief Financial Services Officer and Director of Finance and Transformation and that agreement is sought via a written proposal from the Treasury Manager. Each investment proposal, taking into account the likely timing of interest rate changes, addresses the security and liquidity implications of a particular investment. In future, any use of the discretion to set aside CDS data and the justification for doing so will be drawn out in the investment proposal. Members are also reminded that the discretion to extend duration by up to three months only applies to UK entities and that the combined duration (Capita duration plus three month discretion) must not exceed twelve months.

1.5 Legal Implications

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

1.6 Financial and Value for Money Considerations

- 1.6.1 At year end investment income for 2015/16 of £226,100 exceeded the 2015/16 revised estimate by £36,100. Investment income earned to the end of May 2016 of £35,000 is £5,400 above budget expectations for 2016/17.
- 1.6.2 All investments undertaken in 2015/16 and thus far in 2016/17 have complied with the requirements of the relevant Treasury Management Strategy Statement and Annual Investment Strategy.

1.7 Risk Assessment

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

1.8 Equality Impact Assessment

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

1.9 Recommendations

- 1.9.1 Subject to any comments from the Audit Committee, Cabinet is invited to **RECOMMEND** that Council:
- 1) Endorse the action taken by officers in respect of treasury management activity for April and May 2016,
 - 2) Note the 2015/16 outturn position, and
 - 3) Enhance the flexibility afforded to officers when determining the appropriate duration for term deposits as outlined in paragraph 1.4.5.

Background papers:

contact: Mike Withey

Nil

Sharon Shelton
Director of Finance and Transformation

Item CB 16/50 referred from Cabinet of 29 June 2016

**CB 16/50 MULTI-YEAR SETTLEMENT AND ASSOCIATED EFFICIENCY
PLAN AND FLEXIBLE USE OF CAPITAL RECEIPTS
STRATEGY**

Item FIP 16/20 referred from Finance, Innovation and Property Advisory Board minutes of 1 June 2016

The Cabinet received the recommendations of the Finance, Innovation and Property Advisory Board at its meeting of 1 June 2016 in relation to acceptance of the Government offer of a four year funding settlement and preparation of a Flexible Use of Capital Receipts Strategy.

RECOMMENDED: That

- (1) the submission accepting the Government offer of a four year funding settlement to 2019/20, as set out at Annex 1 to the report and the accompanying Appendix 1, be endorsed and commended to the Council subject to inclusion of a statement regarding the Council's position in respect of the two key questions on business rates baseline and New Homes Bonus outlined in paragraph 1.1.6 of the report;
- (2) the Flexible Use of Capital Receipts Strategy for 2016/17, referred to in paragraph 1.3.3 of the report, be endorsed; and
- (3) the Director of Finance and Transformation, in consultation with the Cabinet Member for Finance, Innovation and Property, be authorised to adjust the format of the submission in the light of the discussions by the LGA and CIPFA.

***Referred to Council**

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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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Sealing of Documents

To authorise the Common Seal of the Council to be affixed to any Contract, Minute, Notice or other document requiring the same.

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