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TONBRIDGE & MALLING
BOROUGH COUNCIL

EXECUTIVE SERVICES

Chief Executive

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

Contact: Allison Parris
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17th January 2014

To: MEMBERS OF THE OVERVIEW AND SCRUTINY COMMITTEE
(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Overview and Scrutiny Committee to be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Tuesday, 28th January, 2014 commencing at 7.30 pm

Yours faithfully

JULIE BEILBY

Chief Executive

A G E N D A

PART 1 - PUBLIC

1. Apologies for absence
2. Declarations of interest
3. Minutes

To confirm as a correct record the Minutes of the Overview and Scrutiny Committee held on Tuesday 10 September 2013

4. Any Executive Decisions which have been 'called in'

Matters for Recommendation to the Council

5. Overview and Scrutiny Committee - Annual Report 5 - 10

Matters for Recommendation to the Cabinet

6. Revenue Estimates 2014/15 11 - 22
7. Capital Plan Review 23 - 48
8. Review of Concessionary Fees and Charges - Recommendations of the Scrutiny Review Group 49 - 58
9. Review of Disabled Facilities Grant Contributions and Housing Assistance Funding - Recommendations of the Scrutiny Review Group

Report to follow

Decisions to be taken under Delegated Powers

10. Future Scrutiny Review Work Programme 59 - 62
11. Urgent Items

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

Matters for consideration in Private

12. Exclusion of Press and Public

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

PART 2 - PRIVATE

13. Urgent Items

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

MEMBERSHIP

Cllr Miss A Moloney (Chairman)

Cllr T J Robins (Vice-Chairman) and Cllr Mrs E A Simpson (Vice-Chairman)

Cllr A W Allison

Cllr J Atkins

Cllr Ms J A Atkinson

Cllr Mrs P Bates

Cllr C Brown

Cllr D J Cure

Cllr R W Dalton

Cllr Miss J R L Elks

Cllr Mrs E M Holland

Cllr D Keeley

Cllr Mrs F A Kemp

Cllr S M King

Cllr A G Sayer

Cllr Ms S V Spence

Dr G Court (Co-opted Member)

Mr P J Drury (Co-opted Member)

Mr D Still (Co-opted Member)

D Thornewell (Co-opted Member)

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TONBRIDGE & MALLING BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

28 January 2014

Report of the Chief Executive

Part 1- Public

Matters for Recommendation to Council

1 OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL REPORT

To receive and endorse a report on the business undertaken by the Committee over the past year.

1.1 Background

- 1.1.1 In June 2013, the Council's Annual Governance Statement for 2012-13 was presented to the Audit Committee. This identified areas in which governance arrangements could be further enhanced. One of the action points agreed was:

Overview & Scrutiny Committee annual reporting – the Council is considered to have a robust and active scrutiny function, however it is considered that transparency could be further improved if this committee published an annual report on its activities.

- 1.1.2 This report therefore sets out a draft Annual Report for endorsement by the Committee and for referral to Council. The draft report is attached as Annex 1.

1.2 Legal Implications

- 1.2.1 None

1.3 Financial and Value for Money Considerations

- 1.3.1 As addressed via individual reviews.

1.4 Risk Assessment

- 1.4.1 n/a

1.5 Equality Impact Assessment

- 1.5.1 See 'Screening for equality impacts' table at end of report

1.6 Recommendations

1.6.1 That the draft Overview and Scrutiny Annual Report, as attached as Annex 1, **BE ENDORSED.**

Background papers:

contact: Mark Raymond

Nil

Julie Beilby
Chief Executive

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	This report deal with internal procedures only.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	-	-
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.

**Annual Report
of the
Overview and Scrutiny Committee**

Overview and Scrutiny Committee – 28th January 2014

1. Background

- 1.1 This report sets out a summary of the activities and work undertaken by the Overview and Scrutiny Committee over the 2013 calendar year. Full details of all of the reviews undertaken and other matters considered by the Committee over this period are set out in the relevant agenda papers and minutes.
- 1.2 During 2013, there were three programmed meetings of the Committee held on the following dates: 29th January; 11th June and the 10th September. In addition to these formal meetings, a number of informal scrutiny review group meetings were arranged under the chairmanship of the Committee's two Vice-Chairmen. These met outside of the normal meeting calendar to look at specific issues in more detail prior to the matter under consideration being dealt with by the full Committee. This form of working has enabled the Committee to undertake a wider range of review work over the year and has enabled Members to investigate relevant issues in greater detail. It is expected that this style of working will be carried forward into 2014.
- 1.3 Set out below are details of each of the Committee's main meetings and a brief description of the work undertaken.

2. Overview and Scrutiny Committee Meeting – 29th January 2013

- 2.1 The agenda of this meeting was dominated by 'overview' items ie matters of Council policy and budgetary matters that required review and endorsement prior to their formal consideration by the Cabinet. The following matters were discussed:
 - Revenue Estimates 2013/14
 - Capital Plan Review 2012/13
 - The Kent Joint Municipal Waste Strategy
 - The Food and Safety Team Service Plan 2012-2016
 - The Council's Housing Strategy 2013-2016
 - The Housing and Council Tax Benefits Anti-Fraud Policy
 - The Anti Fraud and Corruption Policy.
- 2.2 A further report to the Committee was submitted in relation to the work of the two on-going scrutiny review groups which were established at the previous meeting of the Committee in September 2012. These reviews were focused on parking management issues and value for money issues in relation to council printing and mileage rates. As further work on the parking review was required, it was agreed that the final report on this issue would be made to the June meeting of the Committee. The review group on value for money issues concluded that any review of staff mileage rates should be deferred pending the outcome of Joint National Council negotiations on this matter and that this should be a matter for the General Purposes Committee to consider. Issues

related to Council printing were taken forward by a new review group focusing on Here and Now and the Council's Leisure Guide.

3. Overview and Scrutiny Committee Meeting – 11th June 2013

- 3.1 This meeting received the final report of the review group investigating parking management issues and a number of recommendations were considered and endorsed. It was agreed that such matters would be taken forward by the Planning and Transportation Advisory Board.
- 3.2 A further report on the Housing and Council Tax Benefits Anti-Fraud Policy was submitted drawing attention to additional amendments suggested by the Audit Committee. The Policy, with these amendments, was endorsed and was referred to Council for formal adoption.
- 3.3 The Committee also considered a draft of the Council's Corporate Performance Plan 2012/15. The Plan included a review of progress after the first year of its three year term, with further progress expected in the second and third years. It was reported that the updated Plan showed extremely good progress during its first year based against the improvement themes, assessment of performance indicator results against targets and comparison of year on year indicator results. The Committee noted that the Corporate Performance Plan was a principal means of driving performance improvement and delivery for money. It communicated clearly to Members, staff, stakeholders and residents the Borough Council's key priorities and targets, how the priorities and targets were achieved and where the Borough Council was looking to improve and was also an important tool to measure, assess and challenge performance, priorities and objectives. The Plan was endorsed and commended to the Cabinet for further consideration and adoption.
- 3.4 A report was submitted by the Management Team which suggested a different approach to the future Scrutiny review process. This was driven by the necessity for the Borough Council to identify and implement considerable financial savings to achieve targets set out in the Medium Term Financial Strategy over the next six years. It was intended that the Overview and Scrutiny Committee would have a key and influential role in the evaluation of a range of potential future financial savings.
- 3.5 It was agreed that two review groups would be established to look in detail at media and communications (including Here and Now) and alternatives to printed council agenda papers and the increased use of IT.

4. Overview and Scrutiny Committee Meeting – 10th September 2013

- 4.1 Meetings of the two review groups had taken place prior to the September Committee meeting and final reports of these groups were submitted to the Committee for further consideration.
- 4.2 The review group looking at Media and Communications recommended that Here and Now be discontinued from April 2014 given the substantial annual savings that could be achieved which were estimated to be in the order of £60,000 pa. It was further recommended that an exit strategy be prepared focusing on the need to develop more innovative forms of communication with local residents and businesses and developing closer working relationships with local media teams. The recommendations were endorsed and commended to the Cabinet.
- 4.3 The review group looking at the printing of council agendas recommended that tablets should be introduced for Members and senior staff and that the printing of Council agendas and their distribution by courier should cease. It was found that such a change could result in annual savings in the order of £25,000. The recommendations were endorsed and commended to the Cabinet.
- 4.4 A report setting out further value for money issues for the Overview and Scrutiny Committee to consider was also made. This recommended that two new review groups should be established to investigate concessionary fees and charges for those on benefit, and budgets in the Council's capital plan for disabled facilities grants and other forms of housing assistance.
- 4.5 By the end of the calendar year, both review groups had met and recommendations from each were due to be considered at the next meeting of the Overview and Scrutiny Committee held on 28th January 2014.

TONBRIDGE & MALLING BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

28 January 2014

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet

<p>MEMBERS ARE ASKED TO BRING WITH THEM THE ESTIMATES BOOKLET CIRCULATED WITH THE AGENDA FOR THE MEETING OF THE FINANCE, INNOVATION AND PROPERTY ADVISORY BOARD</p>
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1 REVENUE ESTIMATES 2014/15

The Council has a statutory duty to set the level of council tax for the forthcoming financial year by 11 March. Under the Budget and Policy Framework Rules of the Constitution, the Cabinet is responsible for formulating initial draft proposals in respect of the Budget. The role of this Committee is to assist both the Cabinet and the Council in the preparation of the Budget for 2014/15 within the context of the Medium Term Financial Strategy and the Council's priorities.

1.1 Introduction and Timetable

- 1.1.1 The Cabinet is responsible for formulating initial draft proposals in respect of the Budget. This report is intended as the basis for recommendations from this Committee to the Cabinet.
- 1.1.2 A special meeting of the Cabinet is scheduled for the 4 February to consider the recommendations of this Committee and of the Finance, Innovation and Property Advisory Board and, in addition, take into account the Council's final grant settlement.
- 1.1.3 At that special meeting on the 4 February, the Cabinet will need to formulate its final proposals in respect of the Budget for 2014/15 and the council tax to be levied in respect of the Borough Council. The Full Council will meet on the 13 February to approve the Budget and set the Council Tax. The Full Council may adopt or amend the Cabinet's proposals.

- 1.1.4 The role of this Committee is to consider both the Revised Estimates for 2013/14 and the Estimates for 2014/15 within the context of the Medium Term Financial Strategy and the Council's priorities. For completeness, details of how we are updating the Medium Term Financial Strategy are contained within this report for information.
- 1.1.5 Copies of the Booklet containing the draft Revenue Estimates has already been circulated to all Members with the agenda for the meeting of the Finance, Innovation and Property Advisory Board. Please bring your copy of the Booklet to this meeting. If Members require further copies, please contact Michael Withey, Principal Accountant on extension 6103 or by e-mail at michael.withey@tmbc.gov.uk
- 1.1.6 Members will note from the Booklet that the 2014/15 Estimates total £13,419,200 **prior** to making a contribution to/from the General Revenue Reserve. This represents a **decrease of £357,950** or 2.6% over the Original Estimates for 2013/14. Members are referred to the report presented to the meeting of the Finance, Innovation and Property Advisory Board for further details on the Estimates.
- 1.1.7 It is likely that there will need to be changes made to the Estimates as we move through the budget setting process. It is the intention of the Director of Finance and Transformation to bring these together for the Cabinet Budget meeting in February, rather than introduce them in a piecemeal fashion.

1.2 Medium Term Financial Strategy

- 1.2.1 To recap, the Council's current Medium Term Financial Strategy (MTFS) 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 Strategy is to give us a realistic and sustainable plan that reflects the Council's priorities. The MTFS sets out the high level objectives the Council wishes to fulfil over the agreed time span. These are:
- To achieve a **balanced revenue budget** that delivers the Council's priorities by the end of the strategy period;
 - To retain a **minimum of £2.0m** in the General Revenue Reserve by the end of the strategy period;
 - Seek to set **future increases in council tax having regard to the guidelines** issued by the Secretary of State;
 - Over the strategy period, **continue to identify efficiency savings and opportunities for new or additional income sources** within the Council's budget to contribute towards the identified 'funding gap'; and, if necessary thereafter, **seek appropriate reductions in service costs** following consultation, as necessary, with taxpayers;

- Set a **maximum 'annual capital allowance'** each year as part of the budget setting process for all new capital schemes (set at £320,000 from the Council's own resources) and give priority to those schemes that generate income or reduce costs.
- 1.2.2 Based on current financial information, the MTFs sets out, not only the projected budgets for the period, but also the levels of council tax that are projected to be required to meet the Council's spending plans. Underneath the Strategy for the budget setting year sits detailed estimates formulated in conjunction with Services taking into account past outturn, current spending plans and likely future demand levels / pressures.
- 1.2.3 Members are fully aware that the Council faces an increasingly significant financial challenge as a result of the Coalition Government's budget deficit reduction programme which has resulted in a reduction in the financial support it can offer to local government and the current economic climate.
- 1.2.4 We believe, however, that our MTFs is resilient and the financial pressures likely to confront us can be addressed in a measured and controlled way. Clearly, the absolute size of the budget 'funding gap' will influence the timescales we can afford ourselves to address the problem.
- 1.2.5 Members will recall that when setting the budget for 2013/14 in February 2013 projections at that time suggested a 'funding gap' between expenditure and income of circa £2.8 million. Based on the above projection it was further suggested that the savings target could be broken down into four tranches (a first tranche of £900,000 followed by two equal tranches of £700,000 and a final tranche of £500,000 to be achieved by ideally the start of the year 2014/15, 2016/17, 2017/18 and 2019/20 respectively).
- 1.2.6 The MTFs will need to be updated and rolled forward as part of the 2014/15 budget setting process. Further information about this, together with the issues that Cabinet will need to address when updating the MTFs are set out later in this report at paragraph 1.9.

1.3 Provisional Local Government Finance Settlement

- 1.3.1 On 18 December 2013, provisional Settlement Funding Assessments for 2014/15 were published along with indicative figures for 2015/16. Each local authority's actual allocation for 2014/15 is expected to be confirmed in January 2014.
- 1.3.2 Our provisional Settlement Funding Assessment for 2014/15 is £4,356,517. This represents a cash decrease of £676,738 or 13.4% when compared to the equivalent figure of £5,033,255 in 2013/14. Included in the Settlement Funding Assessment is the parish councils' indicative allocation in respect of the council tax support scheme, however, it is not separately identified as it was in 2012/13.

- 1.3.3 In addition, the Council's grant award under the New Homes Bonus (NHB) scheme in 2014/15 is £2,395,874 compared to £1,636,217 in 2013/14. Grant funding including NHB is, therefore, £6,752,391. A breakdown of the total grant funding into the various funding streams is set out in the table below.

	2013/14 £	2014/15 £	Cash Increase / (Decrease)	
			£	%
Local Share of Business Rates	2,010,774	2,049,944	39,170	1.9
Revenue Support Grant	3,022,481	2,306,573	(715,908)	(23.7)
Settlement Funding Assessment	5,033,255	4,356,517	(676,738)	(13.4)
New Homes Bonus	1,636,217	2,395,874	759,657	46.4
Total Grant Funding	6,669,472	6,752,391	82,919	1.2

- 1.3.4 In recent years the government has referred to the increase / (decrease) in an authority's **spending power**; and this is what tends to be quoted in media coverage. The calculation of the spending power is rather complex but, for **simplicity purposes**, although it is not exactly the same, TMBC's spending power can be taken to be the percentage increase / (decrease) in **total** grant funding. As can be seen from the table above our total grant funding increased by 1.2% and the increase in spending power calculated by the government is given as 1.1%. Members will note that the increase in overall funding and spending power is attributable to the fact that our grant award under the NHB more than negates the decrease in our Settlement Funding Assessment.
- 1.3.5 This outcome is not entirely surprising because the Council has been doing exactly what is being asked of it by the government: **facilitating housing investment and, in turn, stimulating economic growth**. The number of new dwellings completed and included in the calculation for NHB in 2014/15 was extremely good and surpassed our own 'realistic' expectation. This was, therefore, a 'good' year; however the risk is that this is an extremely volatile form of funding and other years may not prove to be so good!
- 1.3.6 Our concern has always been what happens when NHB in its current form 'ceases' and/or it is replaced by something else, and we hit the metaphorical 'cliff edge'. Putting to one side NHB, it is worth noting that, **of the twelve district councils in Kent, Tonbridge & Malling Borough Council continues to receive the lowest Settlement Funding Assessment both in total and per head**.
- 1.3.7 The Provisional Settlement also gives indicative figures for 2015/16 – to assist us in forward planning. Our indicative Settlement Funding Assessment for 2015/16 is £3,684,595. This represents a cash decrease of £671,922 or 15.4% when compared to the equivalent figure of £4,356,517 in 2014/15. Again, the

Settlement Funding Assessment includes the parish councils' indicative allocation in respect of the council tax support scheme. In addition, the Council's grant award under the NHB scheme in 2015/16 is estimated to be £2,943,073 compared to £2,395,874 in 2014/15. (The 'actual' NHB for 2015/16 will not be known until returns have been compiled during the course of next year regarding completions, so this is truly an estimate at this point.)

- 1.3.8 **Total** grant funding including NHB is, therefore, anticipated to be £6,627,668 in 2015/16; which is a 1.8% reduction on the 2014/15 total funding. A breakdown of the total grant funding into the various funding streams is set out in the table below.

	2014/15 £	2015/16 £	Cash Increase / (Decrease)	
			£	%
Local Share of Business Rates	2,049,944	2,106,525	56,581	2.8
Revenue Support Grant	2,306,573	1,578,070	(728,503)	(31.6)
Settlement Funding Assessment	4,356,517	3,684,595	(671,922)	(15.4)
New Homes Bonus	2,395,874	2,943,073	547,199	22.8
Total Grant Funding	6,752,391	6,627,668	(124,723)	(1.8)

14 Local Referendums to Veto Excessive Council Tax Increases

- 1.4.1 The Localism Act gives local communities the power to veto excessive council tax increases. The Secretary of State will determine a limit for council tax increases which has to be approved by the House of Commons. If an authority proposes to raise council tax above this limit they will have to hold a referendum to get approval for this from local voters who will be asked to approve or to veto the rise.
- 1.4.2 In previous years, the referendum limit in respect of council tax increases was announced at the same time as the provisional local government finance settlement. Earlier in the year, as part of the Spending Review, Members may recall that we were advised that this was to be set at 2% for two years. However, as the Minister unveiled the local government finance settlement, a written statement revealed that he and his department remained undecided about what level of council tax increases will require a referendum and an announcement would be made in the New Year. Members will, I am sure, agree that this is extremely late and makes the budget setting process that more difficult to bring together and present to Cabinet.
- 1.4.3 At this stage, for financial planning purposes, I have **assumed a council tax referendum threshold of 2% for 2014/15 and 2015/16**. Members might wish to

note that the Minister gave no hint as to whether parish councils would be included in the referendum rules or not.

- 1.4.4 It was also announced that funding for council tax freezes in 2014/15 and 2015/16 will **become part of local authority's baseline funding**. To this end the Government has announced that it will provide funding equivalent to a 1.0% increase in council tax in 2014/15 and 2015/16. **If interpreted correctly, this is important because it appears that the government is to adopt a different approach to 'freeze grant' than in previous years** where the 'benefit' of the grant funding disappeared after one (or possibly two) years and it became a bit of a 'double-edged sword'.
- 1.4.5 In order to present 'options' to the Cabinet in due course, and in the absence of information to the contrary, I am assuming that the **freeze funding due to be handed out in 2014/15 will continue indefinitely**.
- 1.4.6 Members might recall that, in his Autumn Statement, the Chancellor said that local government would be protected from further reductions in public sector expenditure for 2014/15 to 2015/16 of 1.1% *"to help local authorities to freeze council tax in 2014/15 and 2015/16"*.

1.5 Business Rates Retention

- 1.5.1 Members will be aware that, from April 2013, the Government introduced the Business Rates Retention scheme. For medium term financial planning purposes we have assumed that the business rates baseline attributed to TMBC is not notably different to the actual business rates income. If our actual income is less than the baseline set the authority will have to **meet a share of that shortfall up to a maximum of circa £150,000 in year one**. It should be noted that this figure increases each year in line with inflation.

1.6 New Homes Bonus

- 1.6.1 Following the outcome of a consultation undertaken by the government which was reported to this Advisory Board in October, it has been announced that the New Homes Bonus **will not be pooled** to Local Enterprise Partnerships outside of London as was previously proposed. This is, of course, most welcome and is in line with the response submitted by this Council; but, looking forward, the sustainability of the New Homes Bonus in its current form remains a concern. The government has said it intends to carry out an evaluation of NHB and consult on measures to improve the incentive provided.
- 1.6.2 For medium term financial planning purposes, I have assumed that there will be a phased withdrawal of the current NHB model from 2015/16 onwards and that the model will be replaced with something else, but with a reduced level of funding. It should be noted that, depending on how any replacement 'model' allocates funding to individual local authorities, there is a real risk that the Council could

see its **overall grant funding reduce by more than is presently reflected in the Medium Term Financial Strategy.**

- 1.6.3 It is of course impossible to estimate with any certainty what that might mean for TMBC, but our working assumption is that this could require a **further potential savings tranche of circa £700,000.**

1.7 Draft Capital Plan

- 1.7.1 A report elsewhere on this agenda seeks to advise Members of the way forward on the Capital Plan. A few years ago Members agreed a set of criteria to guide the inclusion of new schemes to List C (wish list) and ultimately the inclusion of schemes on List A (schemes assigned budget provision). The criteria are: to meet legislative requirements including health and safety obligations; funded from external resources; generate income or reduce revenue expenditure.
- 1.7.2 The Capital Plan review report recommends schemes for inclusion on List B, the short-list of schemes for possible inclusion in the Capital Plan. Members are reminded that the selection from List B, of schemes to be included in the Capital Plan (List A) – if any – will be made at Cabinet on the 4 February for endorsement by Council. With this in mind Members are advised that other than loss of investment income the revenue consequences of new capital schemes **have yet to be incorporated within the Estimates.**
- 1.7.3 It is important to ensure that the revenue reserve for capital schemes can continue to fund capital expenditure at least until we reach a position where the annual contribution to the reserve matches the funding required for the replacement of our assets which deliver services as well as recurring capital expenditure.
- 1.7.4 In order to get to this position there is now an annual capital allowance for all other capital expenditure. Any 'bids' for capital schemes or discretionary capital grants are to be assessed in the context of the annual allowance. Members are reminded that in setting the budget for 2013/14 that allowance was set at £320,000. It should be noted that the Council in due course will need to borrow to fund such expenditure.

1.8 Consultation with Non-Domestic Ratepayers

- 1.8.1 Before the Borough Council determines the amount of its total estimated expenditure and makes calculations of its requirements for the ensuing financial year, it consults representatives of its non-domestic ratepayers about its expenditure proposals (including capital expenditure). The consultees, who include the local Chambers of Commerce as well as a group of the larger ratepayers in the Borough, receive on request information and copies of the draft budgets and are invited to make written representations if they deem it appropriate. Any points of clarification required are dealt with by telephone, written correspondence or, if appropriate, an informal meeting with officers.

1.8.2 Any comments or representations received from the consultees will be reported to Members throughout the budget process.

1.9 Update of our Medium Term Financial Strategy

1.9.1 Members may recall the report to the Advisory Board in August 2013 which gave an early assessment of the impact, on the Council's finances and MTFs, of the 2013 Spending Review announced in June and subsequent consultation papers.

1.9.2 Based on that assessment it was suggested that the first savings tranche would need to increase by £200,000 to £1.1m and that the additional pressure of £200,000 was tackled as part of the 2014/15 budget setting process leaving the timing and scale of the further three savings tranches to be achieved unchanged (for the time being).

1.9.3 When updating the MTFs we need to take into account the following (not exclusive) factors:

- those factors that have contributed towards addressing the 'funding gap';
- those factors that have taken matters in the 'wrong' direction;
- the announcement on the level of council tax increase for 2014/15 above which the local authority would be required to seek the approval of their electorate via a local referendum and the government's commitment in partnership with local authorities to freeze council tax in England for a further year;
- the ongoing impact of the Business Rates Retention scheme; and
- award of New Homes Bonus.

1.9.4 I am extremely pleased to report that in total, and after taking into account issues that take the 'funding gap' in the wrong direction, **net savings in excess of £1.2 million have been achieved against the target set of £1.1 million** when compiling the Revenue Estimates for 2014/15. Although there is little or no time to take stock of this achievement, given that there are more challenges ahead, we should do so if only for a moment.

1.9.5 Assuming a **council tax referendum threshold of 2%** (but see paragraph 1.4.2) **the updated 'funding gap' (savings target) is circa £1.9 million**. As in previous iterations of the MTFs we could breakdown the savings target into tranches. For example, the savings target could be broken down into three tranches (two equal tranches of £700,000 and a final tranche of £500,000) to be achieved by 2016/17, 2017/18 and 2019/20 respectively. However, in order to maintain momentum and focus, following discussion with the Leader and Cabinet Member for Finance, Innovation and Property it is the Management Team's intention to set a savings target for next year by breaking out the first savings

tranche into two parts – i.e. say £250,000 followed by £450,000. Please note that the council tax increase may differ slightly due to the arrangements to be applied in respect of the payment of any special levies in the calculation.

- 1.9.6 If Members were minded, in due course, **to implement a council tax ‘freeze’**, then, **assuming the 2014/15 freeze funding continues indefinitely in the ‘baseline’** (see paragraph 1.4.5) **the updated ‘funding gap’ (savings target) would be in the order of £2.050 million**. In this case, the savings target could again be broken down into three tranches (two equal tranches of £775,000 and a final tranche of £500,000) to be achieved by 2016/17, 2017/18 and 2019/20 respectively. Again, in order to maintain momentum and focus it would be the Management Team’s intention to set a savings target for next year by breaking out the first savings tranche into two parts – i.e. say £250,000 followed by £525,000.
- 1.9.7 The figures above are, presently, indicative figures intended to give Members a ‘flavour’ of the choices and challenges ahead. However, it can be seen from the above that the implications of accepting the grant to freeze council tax as opposed to a council tax increase of 2% adds around £150,000 to the overall savings we have to make.
- 1.9.8 Clearly, the Medium Term Financial Strategy will continue to be updated as we move through the 2014/15 budget cycle and as more information becomes available. Members will note from this latest ‘update’ that the projected funding gap is £1.9 million (increase in council tax 2%) or £2.050 million (council tax freeze). More detail will be presented to Cabinet in February when it is hoped that further clarification will have been received regarding freeze grants and the referendum limits.

1.10 Finance, Innovation and Property Advisory Board

- 1.10.1 The draft Revenue Estimates were considered in detail at the meeting of the Finance, Innovation and Property Advisory Board on 8 January where a number of officers were available to answer detailed questions.
- 1.10.2 It is not our intention to replicate the officer representation at this meeting and assume that Members will wish to focus on the strategic aspects of the Estimates rather than the detail. If Members do have detailed questions, please contact Neil Lawley, Chief Financial Services Officer on extension 6095 or by e-mail at neil.lawley@tmbc.gov.uk in advance of the meeting. Where appropriate, he will liaise with the relevant Services and advise accordingly.
- 1.10.3 The Finance, Innovation and Property Advisory Board endorsed the draft Revenue Estimates as presented.

1.11 Legal Implications

- 1.11.1 There are a number of legislative requirements to consider in setting the Budget which will be addressed as we move through the budget cycle.
- 1.11.2 The Localism Act gives local communities the power to veto excessive council tax increases. The Secretary of State will determine a limit for council tax increases which has to be approved by the House of Commons. If an authority proposes to raise council tax above this limit they will have to hold a referendum to get approval for this from local voters who will be asked to approve or veto the rise.

1.12 Financial and Value for Money Considerations

- 1.12.1 As set out above.

1.13 Risk Assessment

- 1.13.1 The Local Government Act 2003 requires the Chief Financial Officer, when calculating the Council Tax Requirement, to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. Consideration will and is given to the risks associated with any budget setting process where various financial and other assumptions have to be made. To mitigate the risks detailed estimates are formulated in conjunction with Services taking into account past outturn, current spending plans and likely future demand levels / pressures and external advice on assumptions obtained where appropriate.
- 1.13.2 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.
- 1.13.3 The increased uncertainty and volatility particularly in some of our major sources of income make financial planning that more difficult with the increased risk of significant variances compared to projections.
- 1.13.4 Any increase in council tax above the relevant threshold, even by a fraction of a percentage point, would require a referendum to be held.

1.14 Equality Impact Assessment

- 1.14.1 See 'Screening for equality impacts' table at end of report

1.15 Recommendations

1.15.1 The Committee is requested to:

- 1) Consider the draft Revenue Estimates contained in the Booklet and make such recommendations, as it considers appropriate, to Cabinet for its special meeting on 4 February.

Background papers:

Nil

contact: Sharon Shelton
Neil Lawley

Sharon Shelton
Director of Finance and Transformation

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	Yes	Some changes to budgets may have potential to cause adverse impact and where this is deemed to be the case a separate report including an equality impact assessment has or will be undertaken at the appropriate time.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	This report sets out draft proposals in respect of the Budget for the forthcoming year within the context of the Medium Term Financial Strategy and the Council's priorities. As mentioned above changes to budgets where there are deemed to be equality issues a separate equality impact assessment has or will be undertaken at the appropriate time.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		See responses above.

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.

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TONBRIDGE & MALLING BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

28 January 2014

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet

MEMBERS ARE ASKED TO BRING WITH THEM THE CAPITAL PLAN BOOKLET CIRCULATED WITH THE AGENDA FOR THE MEETING OF THE FINANCE, INNOVATION AND PROPERTY ADVISORY BOARD

1 CAPITAL PLAN REVIEW 2013/14

This report considers progress on the 2013/14 Capital Plan Review and requests endorsement of recommendations to Cabinet.

1.1 Introduction

1.1.1 The capital plan process, as outlined below, provides a means of maintaining a pool of schemes (List C) from which schemes can be selected for evaluation and possible implementation. It also provides an opportunity to review the provisions for schemes which are already in the Capital Plan (List A).

1.1.2 A few years ago Members agreed a set of criteria to guide the inclusion of new schemes to List C (wish list) and ultimately the inclusion of schemes on List A (schemes assigned budget provision). The criteria are:

- to meet legislative requirements including health and safety obligations;
- funded from external resources; and
- generate income or reduce revenue expenditure.

1.1.3 For Members awareness, the subsequent recommendations where appropriate have regard to these criteria.

1.1.4 The review takes place within the context of the revenue estimates, reflecting the fact that capital schemes have an impact on revenue. Positive impacts may include potential to increase income or reduce operating costs. Negative impacts

may include loss of income during construction and will include loss of investment income where the project costs are met from the Council's resources.

1.1.5 The Capital Plan review process started at the Finance, Innovation and Property Advisory Board on 8 January 2014, where Members considered the following issues:

- 1) The position of the existing Capital Plan (List A).
- 2) The addition of new schemes to List C and the removal of schemes no longer required.
- 3) The selection of schemes from List C for evaluation over the following year.
- 4) Consideration of those List C schemes which have been evaluated.

1.2 Capital Plan Funding

1.2.1 Members will be aware that the Council continues to face a significant financial challenge as a result of the Coalition Government's budget deficit reduction programme which has resulted in a reduction in the financial support it can offer to local government and the current economic climate.

1.2.2 Capital expenditure is currently funded from the revenue reserve for capital schemes, grants from government and other bodies, developer contributions and from capital receipts derived from the sale of assets. The revenue reserve for capital schemes provides the main source of funding for existing and any new schemes that are introduced into the Capital Plan.

1.2.3 It is important to ensure that the revenue reserve for capital schemes can continue to fund capital expenditure at least until we reach a position where the annual contribution to the reserve matches the funding required for the replacement of our assets which deliver services as well as recurring capital expenditure.

1.2.4 In order to get to this position there is now an annual capital allowance for all other capital expenditure. Any 'bids' for capital schemes or discretionary capital grants are to be assessed in the context of the annual allowance. Members are reminded that in setting the budget for 2013/14 that allowance was set at £320,000. It should be noted that the Council in due course will need to borrow to fund such expenditure.

1.3 Recommendations from Finance, Innovation and Property Advisory Board

1.3.1 The position of the existing Capital Plan (List A) as presented to the Finance, Innovation and Property Advisory Board as summarised in **[Annex 1]** was endorsed. Details in respect of the existing Capital Plan (List A) can be found in the report to the Finance, Innovation and Property Advisory Board.

- 1.3.2 The schedule of schemes recommended for addition to List C and deletion from List C **[Annex 2]** was endorsed.
- 1.3.3 The schedule of List C schemes recommended for evaluation over the following year **[Annex 3]** was endorsed. Under normal circumstances, schemes successfully coming through the evaluation process, and progressing to List A, might be expected to be implemented in 2015/16.
- 1.3.4 The schedule of evaluated schemes **[Annex 4]** recommended for transfer from List C to List B was endorsed. A further recommendation as detailed below was also endorsed.
- 1) In the case of the river wall, Wouldham scheme a specific earmarked reserve is established in the sum of £700,000 and that this scheme sits outside the annual allowance of £320,000 with an implementation date for capital plan purposes of 2015/16.

1.4 Capital Strategy

- 1.4.1 The Chartered Institute of Public Finance and Accountancy has supplied the following background notes: “The Capital Strategy should describe how the investment of capital resources will contribute to the achievement of the authority’s key objectives and priorities that are detailed in their Performance Plans and Community Plans/Strategies, etc. An authority’s Capital Strategy should be one of the key, overarching strategies that support service plans. The strategy will also determine priorities between the various services and look for opportunities for cross-cutting and joined-up investment. The authority’s Capital Strategy should describe how the deployment of capital resources contributes to the achievement of the described goals. It will also help to ensure that issues around property and other assets are fully reflected in the Council’s planning.”
- 1.4.2 The updated Capital Strategy attached at **[Annex 5]** has been designed to be published on the Council’s website. The Strategy has no annexes but incorporates links to a number of other documents or web pages which are referred to in the text and are available on the Council’s website or the internet.
- 1.4.3 The update has followed the policy of evolution, rather than revolution. The Key Financial Statistics in paragraph 2.1 of the annex have been updated to reflect the 2013/14 estimates and the balance sheet as at 31 March 2013. Elsewhere, examples of our current practice have been updated where appropriate. Throughout the annex the type face of any new and or amended text and figures has been presented in bold italics.
- 1.4.4 The Finance, Innovation and Property Advisory Board endorsed the Capital Strategy as presented.

1.5 Legal Implications

1.5.1 None.

1.6 Financial and Value for Money Considerations

1.6.1 The transfer of schemes from List C to List B has no financial impact. The transfer of schemes from List B to List A will be considered by Cabinet on 4 February 2014 in the context of the Medium Term Financial Strategy and the overall budget position.

1.6.2 The Capital Strategy outlines a capital plan process which follows the CIPFA Prudential Code and in addition to meeting the Council's Key Priorities and Improvement Actions, focuses on value for money.

1.7 Risk Assessment

1.7.1 Financial implications of new schemes to be considered by Cabinet at the February budget meeting.

1.7.2 Failure to endorse a satisfactory Capital Strategy may lead to a capital programme which does not fully support the Council's Key Priorities and Improvement Actions.

1.8 Equality Impact Assessment

1.8.1 See 'Screening for equality impacts' table at end of report

1.9 Summary of Recommendations

1.9.1 It is **RECOMMENDED** that the recommendations to Cabinet by the Finance, Innovation and Property Advisory Board detailed at paragraph 1.3 be endorsed.

1.9.2 It is **RECOMMENDED** that Cabinet be asked to endorse the Capital Strategy as attached at **[Annex 5]** for adoption by Council and publication on the Council's website.

Background papers:

Nil

contact: Michael Withey
Neil Lawley

Sharon Shelton
Director of Finance and Transformation

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	N / A	An equality impact assessment has been or will be undertaken and reported to Members prior to the commencement of new capital plan schemes as appropriate.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	N / A	As above.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		See responses above.

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.

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CAPITAL PLAN REVIEW 2013/14
Capital Plan (List A) Summary

	Expenditure To 31/03/13	2013/14 Est Inc Prior Yr Slippage	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	Total Scheme Estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Plan Schemes									
Service									
Planning, Housing & Environmental Health	712	538	820	378	378	378	337	337	3,878
Street Scene & Leisure	548	318	313	112	112	112	127	112	1,754
Corporate	121	96	90	30	30	30	30	30	457
Sub-total	1,381	952	1,223	520	520	520	494	479	6,089
Capital Renewals									
Service									
Planning, Housing & Environmental Health	n/a	120	33	183	46	35	35	36	488
Street Scene & Leisure	n/a	362	403	400	385	591	475	268	2,884
Corporate	n/a	382	350	468	332	347	275	274	2,428
Sub-total	n/a	864	786	1,051	763	973	785	578	5,800
Grand Total	1,381	1,816	2,009	1,571	1,283	1,493	1,279	1,057	11,889

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Capital Plan Review 2013/14

Recommendations in respect of List C

	Booklet Annex 3 Page No
Schemes to be added to List C	
Planning, Housing and Environmental Health	
Car Parking Action Plan Phase 9	CP 36
Street Scene and Leisure	
Tonbridge Racecourse Sportsground Improvements Phase 3	CP 44
Tonbridge Farm Sportsground Provision of Toilets	CP 44
Tonbridge to Penshurst Cycle Route Refurbishment	CP 47
Schemes to be deleted from List C	
Street Scene and Leisure	
Haysden Country Park De-silting of Haysden Water Lake	CP 45

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Capital Plan Review 2013/14

Schemes selected for evaluation from List C

	Booklet Annex 3 Page No
Planning, Housing and Environmental Health	
Car Parking Action Plan Phase 9	CP 36
Street Scene and Leisure	
Larkfield Leisure Centre Installation of UV Pool Disinfectant Plant	CP 42
Tonbridge Farm Sportsground Provision of Toilets	CP 44
Tonbridge to Penshurst Cycle Route Refurbishment	CP 47
Tonbridge School Athletics Track Improvements	CP 48

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Capital Plan Review 2013/14

Recommendations in respect of evaluated schemes

	Capital Cost	Estimated Annual Revenue/ Renewals Cost		Booklet Annex 4 Page No
	£'000	£'000		
Planning, Housing and Environmental Health				
Wouldham River Wall	700	35	Transfer from List C to List B	CP 50
Street Scene and Leisure				
Larkfield Leisure Centre Refurbishment of Lifestyles Health Suite (Option 2)	240	4	Transfer from List C to List B	CP 52
Leisure Centres Energy Saving Measures Phase 3 (Option 2)	40	1	Transfer from List C to List B	CP 56
Total	980	40		

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TONBRIDGE AND MALLING BOROUGH COUNCIL

CAPITAL STRATEGY

1 Introduction

- 1.1 The purpose of the Capital Strategy is to document the principles and framework that underpin the Council's capital investment and expenditure proposals. The strategy is drawn up under the framework provided by the Local Government Act 2003 and its associated regulations.
- 1.2 The principal aim of the Capital Strategy is to provide a context for a programme of capital investment (known as the Capital Plan) that will assist in the achievement of the Council's strategic priorities and objectives. The Capital Plan is published in the Council's [budget book](#) and available on the Council's website.
- 1.3 The component elements of the Capital Strategy comprise:
- A statement of the financial context within which the Council needs to determine its approach to capital investment (Section 2).
 - A description of the legislative framework and Central Government policies that will influence capital investment decisions (Section 3).
 - An explanation of the direct relationship between capital investment decisions and the Council's strategic priorities and objectives (Section 4).
 - The key principles supporting the Capital Strategy (Section 5).
 - Consideration of various partnership arrangements (Section 6).
 - Explanation of the processes to be followed in the implementation and management of the Capital Strategy (Section 7).
 - The Capital Plan (Section 8).
 - Post implementation reviews (Section 9).

2 The Financial Context

- 2.1 Key financial statistics are:

Net Budget Requirement 2013/14	£13.08 million
Government Grant / Business rates 2013/14	£5.03 million
Borough Council Band D Charge 2013/14	£180.26
Capital Plan 2013/14 to 2018/19 (Gross expenditure)	£12.03 million
Fixed Assets at 31 March 2013	£62.34 million
Debt Outstanding at 31 March 2013	Nil
Revenue Reserve for Capital Schemes at 31 March 2013	£8.34 million

- 2.2 The Council transferred its housing stock to Russet Homes (formerly known as Tonbridge and Malling Housing Association) in 1991 and from the proceeds repaid all external debt. It is not expected that the Council will need to borrow to fund its capital expenditure prior to 2018/19.
- 2.3 A [Medium Term Financial Strategy](#) (MTFS) was adopted in 2003/04. The MTFS together with the Council's key priorities and the Prudential Code (see

paragraph 3.1) form the basis for any capital investment decisions. The MTFs was used to guide the selection of new Capital Plan schemes in recent years and will continue to be a major influence on the **2013/14** and subsequent Capital Plan reviews. The MTFs is updated at least once a year and the latest version is published on the Council's website.

2.4 Although it no longer directly owns and manages a housing stock, the Council has a wide and varied strategic housing responsibility and has identified, through the Housing Strategy four key priorities:

- Provision of affordable housing
- Tackling homelessness
- Private sector renewals and energy efficiency
- Assisting vulnerable households.

The Housing Strategy identifies means, outside the Capital Plan, by which the Council seeks to identify new funding opportunities for meeting these priorities and to support Registered Provider (RP) partners in accessing resources for new development and other initiatives. Details of the Council's housing investment priorities can be found in **the** Housing Strategy 2013-2016 **approved by** Council in April 2013.

2.5 Government support to the Council in terms of Capital funding is mainly focussed on mandatory Disabled Facilities Grants (DFGs) for adaptations to disabled persons' homes. In the past 60% of funding for DFGs, up to an annual limit, came from the government. Local authorities were required to find the remaining 40% from their own resources. From 2008/09 the DFG funding split of 60:40 no longer applies. Local authorities instead receive a DFG allocation without a specified requirement to match this funding. For **2013/14** the DFG allocation **from Government** is £410,000.

2.6 The potential for generating future capital receipts is limited. The main source of capital receipts is the disposal of capital assets, mainly land, for which there are now limited opportunities. The Council's holdings of assets are kept under review so as to expose any further opportunities that may still exist to release resources for re-investment.

2.7 The demographic and economic features of the Borough give rise to a realistic assessment of very limited opportunities to attract funds from national and regional sources. **From a** European **perspective** the Borough does not have any specific objective areas status **and thus European Union** funding is also seen as limited. Nevertheless, the Council will continue to investigate and exploit external funding initiatives where projects are identified which deliver the Council's key priorities and do not generate unsustainable revenue budget commitments. European Union funding has previously been obtained for Tonbridge Castle Gatehouse and the Tonbridge to Penshurst Cycleway.

2.8 The Revenue Reserve for Capital Schemes (RRCS) contains funds the Borough Council has previously put aside from revenue to fund capital expenditure. This reserve provides the main source of funding for existing and any new schemes that are introduced into the Capital Plan.

- 2.9 The reserve is generally topped up annually by a revenue contribution as part of the Council's budget setting process. That top-up is intended to contribute sufficient new funds to meet the cost of replacing existing plant and equipment as it reaches the end of its useful life as well as providing money for the non-grant funded element of statutory services such as Disabled Facilities Grants. Clearly, replacement of life expired assets such as IT and the equipment used in our leisure facilities and elsewhere is essential to enable the Council to continue to deliver services
- 2.10 The 2008/09 original estimates made provision for a contribution to the RRCS of £450,000 which represents approximately one third of the Council's long term capital renewals and other annually recurring expenditure. As part of a package of measures to address the significant financial pressures facing the Council, Members agreed as part of the budget setting process for 2009/10 to temporarily suspend the RRCS annual top-up (Finance and Property Advisory Board, January 2009). Agreement to that suspension was predicated on:
- Deleting / scaling back existing approved capital budget provision where feasible
 - Limiting budget provision for new additions to the Capital Plan to no more than £600,000 in any one year, and
 - Re-introducing the RRCS annual top-up within a reasonable time frame and increasing the annual contribution over time to a level sufficient to meet capital renewals and other annually recurring expenditure, currently £1.5m pa.
- 2.11 The RRCS balance at 31 March **2013** was **£8.34m**. The annual limit on new additions to the Capital Plan and commitment to re-introduce and increase the annual RRCS contribution over time will enable the authority to support new investment, without recourse to borrowing prior to 2018/19.
- 2.12 The annual limit on new additions to the Capital Plan and the annual RRCS contribution figures will be reviewed as part of each year's revenue and capital budget setting process. In setting the budget for **2013/14** Members agreed the annual limit for new schemes at **£320,000** per annum.

3 **Legislative Framework and Central Government Policies**

- 3.1 The legislative framework is set out by the Local Government Act 2003 and its subsidiary regulations. This framework provides for a prudential system based on borrowing limits set by each individual local authority. Under this system, local authorities must have regard to affordability, prudence and sustainability and must follow the "[Prudential Code for Capital Finance in Local Authorities](#)" published by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 3.2 The Prudential Code also requires that the CIPFA Code of Practice for Treasury Management in the Public Services is adopted. The Code of Practice adopted by Council *in* September 2003 was revised during 2009.

The revised Code underpins the Council's Treasury Management Strategy Statement and Annual Investment Strategy for **2013/14** adopted by Council in February **2013**.

- 3.3 All government support for the Council's capital expenditure in **2013/14** is by way of capital grant. Government support through capital grants is usually ring-fenced for specific purposes. Recently, the Council has been successful on several fronts in securing grants, notably the Town Lock scheme in Tonbridge which has received capital grant from the Department for the Environment, Food and Rural Affairs (Defra). It is the Council's intention to try to secure capital grants, wherever possible, for schemes which advance the Council's key priorities.
- 3.4 The prudential framework for capital expenditure is intended to encourage local authorities to use resources more flexibly and plan for the longer term; provide more autonomy and accountability, with local authorities having greater responsibility for local capital spending decisions; move towards improved corporate and strategic working, with more effective tackling of cross-cutting issues; and better use and management of assets. Another key element of the legislative framework is the duty to secure economy, efficiency and effectiveness in the Council's use of resources. Achieving value for money is addressed in Section 5 of the Strategy as one of the key principles to be applied in capital investment decisions.

4 Key Priorities

- 4.1 The Council works with a range of partners and our local communities towards achieving the following key priorities:
- Continued delivery of priority services and a financially viable Council.
 - A clean, smart, well maintained and sustainable Borough.
 - Healthy living opportunities and community well-being.
 - Children and young people who are safe, involved and able to access positive activities.
 - Low levels of crime, anti-social behaviour and fear of crime.
 - A continuing supply of homes, including affordable housing to buy and rent, and prevention of homelessness.
 - Sustainable regeneration of Tonbridge town centre and economic development in communities across the Borough.
- 4.2 **Our 2012/15 [Corporate Performance Plan](#)** sets out how we **are doing** this. It justifies and sets out the context for each of our key priorities, and brings together the main ongoing activities, improvements and measures to achieve and assess progress. This requires a collective effort across all of the Council's services. **First** published in July 2012 **it is reviewed and updated annually**.
- 4.3 The improvement actions set out within our Corporate Performance Plan, together with a range of specific improvement projects and initiatives that underpin them are cascaded down into section plans across the Council.

These section and other plans also cover a range of other priorities, improvements and indicators that are set and managed by individual services.

- 4.4 The Council's key priorities are supported by a wide range of Strategies, and Plans. These will be kept under review to ensure they provide sound linkages to the Capital Strategy.
- 4.5 The Council's capital investment decisions should be in support of its key priorities, and this *is* an integral part of the evaluation process for each project under consideration. The Council's Capital Plan specifically records the linkage between individual projects and the key priorities. No project should proceed to inclusion within the Capital Plan unless it furthers achievement of the Council's key priorities.

5 Principles Supporting the Capital Strategy

- 5.1 The key principles that underpin the Council's Capital Strategy are:
- 5.2 **Key Priorities.** Establishment of a direct relationship with the Council's key priorities, with a Capital Plan based upon investment needs and prioritised on an authority-wide basis. This demonstrates an explicit link with key strategic planning documents and recognition of the need for a corporate approach to cross-cutting issues such as the environment, social inclusion, affordable housing and community safety.
- 5.3 **Public Consultation.** The use of public consultation is, indirectly, an important part of developing the Capital Plan through its use setting priorities and developing strategies, which may lead to capital projects coming forward.
- 5.4 **Other Consultation.** As well as individuals communicating directly with Council Officers and Members, other conduits exist for expressing views to the Council. The Parish Partnership Panel, the Tonbridge Forum, the Tonbridge Sports Association, the Disability Working Party, and customer panels at leisure centres allow specific persons or groups of users to express their views.
- 5.5 **Partnerships.** Partnership initiatives are considered in Section 6 including the Tonbridge and Malling Local Strategic Partnership, the West Kent Partnership and the Community Safety Partnership which help shape policy objectives and which aim to deliver projects in conjunction with others.
- 5.6 **Procurement Strategy.** Corporate policies on procurement are detailed in the updated [Procurement Strategy](#) approved by Cabinet *in* March 2011. This strategy seeks to ensure that good procurement practice is applied consistently throughout *the* Council. It sets out how the Council will address procurement and establishes its importance to the Council and the contribution it can make to improved service delivery.

- 5.7 **Support for Regional and National Priorities.** To support, where possible, regional and national priorities, for example urban renaissance, transportation improvements, environmental initiatives such as increased levels of recycling.
- 5.8 **Support for Local Priorities.** The Borough Council has been consistently investing in its car parks to support the local economy through a phased programme of improvements. As a Flood Risk Management Authority, we will maintain our support for the flood defence schemes being developed for Aylesford, Little Mill and East Peckham.
- 5.9 **Availability of External Funding.** In support of the Council's strategic priorities and objectives to monitor and pursue available forms of external partnership and **other** funding including European and Lottery **funds**. **Recent** examples include the provision of all-weather pitches with community use at Wrotham and Hayesbrook schools, **funded by** grants from the Football Foundation and other partners **augmenting** School and Council contributions.
- 5.10 The Council's [Local Development Framework Core Strategy](#), adopted in 2007, supports the Government policy that development should contribute towards the community services and infrastructure that are necessary to support that development. Developer contributions (S106 obligations) are brought forward by planning conditions or legal obligations on a case by case basis. These arrangements have brought forward contributions to affordable housing, education facilities, children's play, sports pitches, leisure facilities, highway works and transportation services. However, the Government has quite clearly indicated its perception that the planning system is a 'drag anchor' on the economy. Our local analysis is that nothing that this Council is doing through the use of S106 obligations is holding back development. Indeed, development of key sites continues to progress well despite the current economic environment. Nevertheless, we must be alert to the fact that the Government is actively promoting the notion of reviewing and renegotiating S106 obligations. Funding properly made available from this source has been an important element of funding **for** the Council's Capital **Plan** but it has to be recognised that in the years ahead this may not be such a beneficial resource.
- 5.11 The Council has just embarked on a new Local Plan for the Borough which will set out development policies and proposals **beyond** 2013. The funding of community infrastructure will be an important element **in** the new plan
- 5.12 **Use of the Council's Assets.** Maintenance of an Asset Management Plan and performance measures for the use of Council owned assets to ensure optimum returns and early release of redundant assets in support of strategic investment priorities and to attract inward investment.
- 5.13 **Consideration of the Impact on the Council's Revenue Budget.** To ensure that capital investment decisions are consistent with the Council's Medium Term Financial Strategy, particularly the management of its revenue budget so as to reduce its dependence upon the use of revenue reserves.

- 5.14 **Value for Money.** Each year as part of the Annual Governance Report the Council's external auditor will express an opinion on whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Those arrangements amongst others will include:
- Planning finances effectively to deliver strategic priorities and secure sound financial health.
 - Having a sound understanding of costs and performance and achieving efficiencies in activities.
 - Commissioning and buying quality services and supplies that are tailored to local needs and deliver sustainable outcomes and value for money.
 - Producing relevant and reliable data and information to support decision making and managing performance.
 - Managing assets effectively to help deliver strategic priorities and service needs.
- 5.15 All of the Capital Plan processes from identification and selection of schemes, through implementation to subsequent review of completed schemes can contribute to achieving value for money.
- 5.16 **E-Government.** The government has previously set a target that all services should be available electronically, where feasible. Additionally the Department for Communities and Local Government (DCLG) has set 73 priority outcomes. The Borough Council has used its Capital Plan to meet these targets, assisted by the receipt of grant from the DCLG. Although the specific targets and priority outcomes are no longer applicable, the general objective to make services available electronically still applies and is a priority in order to improve efficiency and economy and to meet customer aspirations for self service, particularly via the website.
- 6. Partnerships**
- 6.1 **The Tonbridge and Malling Local Strategic Partnership (LSP).** This partnership was launched in 2008 following a review of the role and remit of the West Kent Partnership. That review concluded that each of the three West Kent Districts should have their own district based [Local Strategic Partnership](#), leaving the West Kent Partnership to focus on issues of concern that were relevant to all three district areas including economic development and transport.
- 6.2 The Tonbridge and Malling LSP is now well established and has attracted a high level of representation from the public, private, voluntary and faith sectors. Its work focuses on addressing key issues of concern locally such as older people's services, the needs of young people, the local economy, affordable housing and public health issues.
- 6.3 **West Kent Partnership.** The Council is a founding member of the [West Kent Partnership](#), formed on a sub regional rather than district basis, reflecting the degree of economic and social homogeneity across West Kent and a shared community of interest. The other members are Kent County Council,

Sevenoaks DC, Tunbridge Wells BC, Primary Care Trust, Police, the FE Education Sector, Registered Providers and other Social Housing Providers, Kent Association of Parish Councils, transport providers and representatives of the business community.

- 6.4 The Partnership works with other partners in a joined up fashion for the benefit of the local community with a focus on economic development and infrastructure issues. The Partnership has also led a successful bid for Leader funding to support the rural economy. Over the past 4 years, a total of £1.6m has been invested in the area to support local farming, forestry and rural businesses. More recently, the Partnership has led a successful bid to the Government's Regional Growth Fund to provide funding of £5.5m to enable interest free business loans to be offered. In addition, a new West Kent business support programme has now been launched following a successful bid to the County Council's Regeneration Fund
- 6.5 **Transportation Partnership.** The Borough Council has consistently sought to influence the quality of transportation services in its area and the amounts invested in them by the relevant authorities. These authorities include the local highway authority, (Kent County Council), the strategic road network authority (the Highways Agency) and the rail industry.
- 6.6 The member-level manifestation of this is the Joint Transportation Board, comprising equal numbers of Borough and County Councillors guiding decision making on local traffic and highway matters. This is supported by joint working at officer level focussing on initiatives such as the Medway Valley Sustainable Transport Strategy (MVSTS). This strategy underpins and provides a framework for over £10m of contributions from various strategic development sites in the north of the Borough to fund elements of the strategy. These include the provision of service enhancements along the A20 corridor to make public transport more attractive and convenient for passengers.
- 6.7 A parallel component of the strategy is the *imminent* remodelling of the West Malling Station forecourt to radically improve multi-modal access to the station, including safe pedestrian access to the station building from nearby car parks, bus stops and non-motorised routes; access arrangements and layover space for buses and taxis; and 'kiss-and-ride' facilities. A partnership team including representatives from KCC, TMBC, Southeastern, Network Rail and local bus companies has been working to promote this project. Construction work is programmed to commence *late* 2013.
- 6.9 The ***Borough Council's Rail*** Manifesto sets out clearly the service expectations that the Council has for rail services for the Borough. ***This has been submitted to the Department for Transport in response to their consultation process for the next franchise and the interim Direct Award with the current operator.***
- 6.10 **Community Regeneration Partnership.** The Council has entered into partnerships which have made a genuine difference to the local community

with clear and tangible outcomes. Partnerships are now in place for Snodland, East Malling and Trench ward in Tonbridge.

- 6.12 The Council contributes a range of resources in such partnerships, including, where appropriate, capital funding. At East Malling, the Council has supported the conversion of a former school to a much needed community centre using capital investment. The centre is now operational and will act as a hub for the provision of services to the most deprived community in the Borough.
- 6.13 **The Community Safety Partnership (CSP).** As well as the Council, the partnership includes organisations such as Kent Police Authority, Kent County Council, Kent Fire and Rescue, South West Kent and Maidstone Weald Primary Care Trust, Probation Service, Russet Homes, and Kent Drug and Alcohol Action. The partnership has influenced the installation of CCTV in Tonbridge town centre and other borough locations, in partnership with the Home Office, Tunbridge Wells Borough Council and local traders, which has led to a reduction in crime as identified in the 2011/12 Strategic Assessment of crime trends.
- 6.14 **Tonbridge Central Area Action Plan.** *The Plan* provides the context for partnership projects to attract private sector investment in the town centre and secure transport and environmental improvements. A key focus is the project to deliver the redevelopment of the Botany Area with a retail-led scheme. This is expected to attract a number of new retailers, enable new community and leisure uses to emerge, add to the economic vitality of the High Street and make a major contribution to the overall regeneration of Tonbridge town centre. The Council is **at an advanced stage** in the process of negotiations involving its own land holdings with a view to securing the basis of the development arrangements during the latter part of 2013.
- 6.15 The Borough Council is promoting an enhancement scheme at Town Lock, as a precursor to the wider town centre initiative embodied in the local Action Plan. This is a partnership scheme with the Environment Agency to deal with an 'eye-sore' area in the heart of the town on the bank of the River Medway is also supported by funding contributions from developments in the area. The scheme is **now likely to be** completed in **2014**.

6 Implementing and Managing the Capital Strategy

- 7.1 The Council has developed a process for considering and evaluating potential capital schemes as an integral part of its Capital Strategy. This process for selecting schemes is described below.
- 7.2 Schemes, subject to some exceptions listed below, are selected by a phased process. For convenience, the stages have been termed List A, List B and List C, with List A being the approved Capital Plan and List C being the entry level.
- 7.3 As schemes come forward they are stored in a list of schemes (List C) for consideration and possible evaluation. These schemes arise naturally from

the Council's strategic priorities and objectives, particularly the key priorities, reflect the results of consultation, and **are** accompanied by a preliminary cost estimate. As part of the budget setting process for 2011/12 Members agreed a set of criteria to guide the inclusion of new schemes to List C and ultimately the inclusion of schemes on List A. The criteria are: to meet legislative requirements including health and safety obligations; funded from external resources; generate income or reduce revenue expenditure. Justification would need to be provided for any schemes that failed to meet one or more of these criteria in order for them to progress through the capital plan process.

- 7.4 From List C, Members select schemes for evaluation. Evaluations will include:
- Specification of the purpose of the scheme and its relevance to the Council's strategic objectives and **any** wider national policy objectives, the setting of targets by which the success or otherwise of the project can be judged post-implementation.
 - An outline design to facilitate costing and, where appropriate, consultation.
 - Consultation, including, where appropriate, public consultation on the scheme's principle.
 - The establishment of a realistic estimated capital cost, incorporating any consultation feedback on design issues.
 - An assessment of the ongoing **revenue** costs and income generating capacity of the completed scheme including an assessment of the loss of interest from investments and impact on capital renewals provisions.
 - Consideration of partnership and external funding opportunities.
 - Consideration of the time after the end of the project during which the targets and objectives should be reviewed and reported to stakeholders.
- 7.5 The evaluation process will reveal the impact of the project on the revenue base budget, enabling Members to compare the value of the scheme with the financial savings required to pay for it or the impact on the Council Tax requirement. Schemes successfully passing through evaluation will be included in List B.
- 7.6 The Council is conscious that the process of evaluation is a revenue cost in itself; involving in-house staff and resources or the buying in of external resources and which may draw resources away from the implementation of the approved Capital Plan. In order to minimise the resource impact of evaluation it is important that restraint is exercised in selecting schemes for evaluation. A balance is struck each year between deliverability of the programme and the evaluation of new schemes.
- 7.7 Under the constitutional arrangements adopted by the Council, the evaluated schemes will be reported to Finance, **Innovation** and Property Advisory Board which will advise the budget meeting of Cabinet of those schemes deemed suitable to progress to be included on List B. Prior to the budget meeting of Cabinet that advice will be reviewed by Overview and Scrutiny Committee and may be updated. By considering all eligible schemes at the same time, a corporate approach can be taken to selecting those schemes deemed suitable to progress. Prioritisation of such schemes will be informed by the wider financial climate, the Medium Term Financial Strategy and the requirements of

the CIPFA Prudential Code. Prioritisation will take account of national and regional priorities, the Council's own strategic priorities and objectives and the financial consequences arising from the schemes proposed.

- 7.8 The main exception to this selection procedure is the investment necessary to maintain existing levels of service. This will consist primarily of renewals provisions and some one-off items outside the basic renewal provisions. These provisions are subject to Member scrutiny within List A and application of best value principles.
- 7.9 Ultimately the selection of new Capital Plan schemes from List B for inclusion in the Capital Plan (List A) will be determined by the Council following recommendations from the Cabinet in the light of advice from the Finance, **Innovation** and Property Advisory Board and Overview and Scrutiny Committee.
- 7.10 Finance, **Innovation** and Property Advisory Board will also review existing Capital Plan (List A) schemes, advising Cabinet of the result. This provides an opportunity to review the budget and progress of existing schemes or even to propose their deferment or deletion.

8 The Capital Plan

- 8.1 The result of the process described in section 7 is the Council's Capital Plan. This is a medium term financial and capital planning document covering a seven-year period (current financial year + six).
- 8.2 Achievement against the Capital Plan is monitored regularly via monthly reports posted on the Council's intranet for use by the Council's staff. At the end of each quarter a statement is considered by the Council's Corporate Management Team and monitoring reports are presented to Members at meetings of the Finance, **Innovation** and Property Advisory Board.

9 Post Implementation Reviews

- 9.1 It is important that any issues relating to the implementation of a Capital Plan project are addressed as soon as possible; either during the project or shortly after completion. The wider issues of the effectiveness and value for money of a project are addressed through a formal system of post-implementation review. The reviews take place after completion of a project, at a time determined during the evaluation process and are reported to an appropriate Advisory Board. Lessons learnt inform future capital programme decision making and are part of a system of continuous improvement. Monitoring reports are presented annually to the July meeting of the Finance, **Innovation** and Property Advisory Board.

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TONBRIDGE & MALLING BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

28 January 2014

Report of the Review Group

Part 1- Public

Matters for Recommendation to Cabinet

1 REVIEW OF CONCESSIONARY FEES AND CHARGES – RECOMMENDATIONS OF THE SCRUTINY REVIEW GROUP

To consider and endorse the recommendations arising from the Review Group established to assess concessionary fees and charges.

1.1 The Review

1.1.1 The scope of this review was to evaluate existing policies for concessionary fees and charges for benefit claimants with a view to assessing the following issues:

- How such concessions are currently implemented across different Council services
- The potential need to adopt a more corporate approach to achieve greater consistency
- The wider costs and benefits of offering concessions and possibilities to explore any potential savings and/or service improvements.

1.1.2 The Review Group met on 28th November 2013. It was noted that concessions offered to benefit claimants were limited to three areas of service, all of these now part of the single directorate covering Street Scene and Leisure:

- a concession to benefit claimants for some types of pest control (100% discount)
- a concession to benefit claimants for bulky refuse collections (100% discount)
- concessions for leisure activities (the Leisure Pass – various discounts available).

- 1.1.3 Each of these areas of service were assessed by the Review Group and the following conclusions were agreed.

1.2 Pest Control Services

- 1.2.1 The Group noted that a major review of the pest control service had recently been undertaken. The review had concluded that the Borough Council should focus this service on the control of rats, mice and cockroaches only and that the service should only be provided to those qualifying for a concession. Those not receiving qualifying benefits were now being directed to other commercial pest control operators. A new contract had now been awarded, and annual savings of approximately £40,000 per annum achieved. The annual cost of the concessionary service now averaged only £4,500 per annum and this was considered necessary to meet the Borough Council's public health responsibilities. On this basis, the Review Group agreed that it would not be appropriate to re-examine the pest control service any further.

1.3 Bulky Waste Collection

- 1.3.1 The Review Group noted that this service is available to all local residents and for those who do not qualify for a concession; a charge of £45 is made for each collection undertaken. Those qualifying for a concession receive the service for free although there is a limit imposed that restricts them to a free collection once every three months. The collections are undertaken by Veolia under contract. Broadly, the income received from charges covers the cost of the service as a whole.
- 1.3.2 Comparative information on similar services offered by 23 other authorities was reported to the Review Group. Of these, only 6 offered a discount for benefit claimants ranging between 25% and 100%. Only ourselves and Tunbridge Wells BC offer full concessions for this service. Other Local Authorities surveyed offer discounts of 25%, 50% and 75%. Sevenoaks and Maidstone Councils currently offered no concessions. TMBC offer a free Bulky Refuse collection once every three months, Test Valley BC offer two collections per calendar year or four items and East Hampshire DC offer a discount for one collection per year.
- 1.3.3 The Review Group assessed the potential to reduce the level of concession applying to achieve some financial savings. It was noted that approximately 1,230 refuse collections per year were offered free as a concession. As one example, the introduction of a 50% concession at a unit cost of £22.50 could, in theory, generate additional annual income of approximately £27,000. The Review Group noted, however, that an introduction of a partial charge could result in far less requests for the service from benefit recipients as this may be regarded by them as unaffordable and that the imposition of a charge could generate more administrative costs for the service which would again impact on the levels of additional income generated.

- 1.3.4 The Review Group expressed concern that the removal or reduction of the concession could lead to a significant increase in fly tipping and create an added burden for the service in having to deal with such problems as they arose. On balance, it was agreed that the current 100% concession along with the limit of one collection every three months should be retained.
- 1.3.5 It was felt also that additional marketing of the bulky refuse service should be undertaken to promote better take up of the concessionary rates. The Review Group also agreed that additional marketing of the Saturday Household Waste Service should be undertaken.

1.4 Leisure Pass

- 1.4.1 The Review Group noted that the concessions operating within Leisure Services offered a wide range of discounts that vary considerably according to their type.
- 1.4.2 It was reported that the concessions available within Leisure Services tended to operate very differently to those operated for pest control and bulky waste. A range of discounts were offered as a means to encourage greater participation and take up of available leisure activities. Focusing concessions on those receiving benefit encouraged the take up of healthy lifestyles and contributed to the Council's key objective to promote improved health and well being. In addition, concessions were offered to those as a means to encourage them to make use of the service. It was noted by the Review Group that, without such concessions in place, those on lower incomes may then choose not to access these services either at all or as frequently. It was agreed that removing or reducing the discounts offered would be unlikely to generate any significant financial savings but could result in reduced usage of local facilities and a reduced level of income generated.
- 1.4.3 On this basis, the Review Group concluded that, in principle, concessions for benefit recipients for the use of our leisure facilities and activities should be retained.
- 1.4.4 The Review Group noted that the levels of discounts attached to the Council's Leisure Pass for different activities varied considerably and that this could be confusing for leisure pass holders. To enable better understanding of what level of discounts applied when and where, it was recommended that these be reviewed by the Leisure and Arts Advisory Board with a view to introducing a more simplified approach, for example, to offer either a 25% or 50% discount for each of the activities to which concessions applied.

1.5 Qualifying Criteria Determining Access to Benefit Concessions

- 1.5.1 The Review Group also gave consideration to the criteria which were currently in use to determine whether individuals were eligible for benefit-related concessions.

- 1.5.2 It was noted that the qualifying criteria varied between specific services and that a more consistent approach would be beneficial both to claimants and for ease of administration.
- 1.5.3 In assessing which specific criteria should be adopted, the Review Group was made aware of the future introduction of Universal Credit and how this would lead to a significant change as to how various individual benefits are administered. Once this is introduced, the lists of benefit types that were currently used to determine qualification for concessions would become obsolete. It was also noted that there were difficulties with the existing approach as individuals and families can become eligible or non-eligible for various benefits on a frequent basis as their circumstances change. Tracking of these changes was difficult and had proven to be an additional administrative burden. The Review Group considered that a simplified approach should be adopted and one which was resilient to the future changes involving Universal Credit.
- 1.5.4 The one form of benefit that will continue to be under the control of the Council is the Council Tax Reduction Scheme (CTRS, formerly Council Tax Benefit). Council taxpayers on low incomes are eligible to apply for CTRS and currently there are approximately 7,500 households in receipt of CTRS.
- 1.5.5 The Review Group concluded that all concessions operated by the Council should, in future, be linked to recipients of CTRS. The Council would be readily able to identify which household would qualify, without the need for additional research etc. In addition, it was also recommended that, to avoid having to deal with a household's changes in circumstance, and to reduce administration, the discount should be awarded to a qualifying household at the beginning of a financial year (or awarded if CTRS was granted during the course of the year) and should remain for the duration of that financial year.
- 1.5.6 Moving to this approach could mean, however, that some groups would no longer qualify for a concession particularly where a previously qualifying benefit was not means tested. Those receiving disability and incapacity/invalidity benefits currently qualify for a Leisure Pass. These are not means tested. Some of these residents may not be Council Tax Reduction recipients if they are not on a low income. The Review concluded that an equalities impact assessment be undertaken. That assessment has now been completed and the results of this along with additional recommendations are reported below in Section 1.10 of this report.

1.6 Discount Card Option

- 1.6.1 The Review Group also considered the potential benefits of introducing a discount card that covered all available concessions. It was noted that, at the current time, those applying for a concessionary service must either (in the case of bulky refuse or pest control) be checked as to whether they qualify on a case by case basis or (in the case of Leisure Services) would have had to apply for a Leisure Pass. It was concluded that the introduction of a combined discount card could potentially

assist customers when applying for concessions and make administration of the scheme more streamlined. The Review Group concluded that this option should be investigated further taking account of any examples of best practice.

- 1.6.2 A further option considered by the Review Group was the option of sending out such a single discount card to all those who, at the start of the financial year, are known to qualify thus relieving customers of the need to make an application. For our leisure services, such an approach could serve to generate more take up of those services and achieve wider community health benefits. However, it was noted that, for bulky waste and pest control, this could result in a greater take up of free services, potentially at a greater cost to the Council.
- 1.6.3 A number of difficulties related to this proposal were, however, noted. The Director of Finance & Transformation was working on a project, linked to 'My Account', which would provide the opportunity to send council tax bills and related information electronically, saving costs and speeding up delivery of such correspondence. Sending a discount card automatically could undermine this aim of cost reduction.
- 1.6.4 In addition, there was also greater scope for a card sent automatically to be abused. It was noted that, currently, the Leisure Pass card contains a photograph of the recipient to prevent it being used by others. Such an approach would be difficult to achieve if cards are to be sent out to all who qualify. Without some form of control, such cards could be passed for use by those who did not qualify.
- 1.6.5 On balance, the Review Group recommended that the application process for a discount card should be retained to ensure against any misuse. However, it was also recommended that, to support a more widespread take up of the concessions, additional, annual marketing targeted at those who are known to qualify should be undertaken.

1.7 Legal Implications

- 1.7.1 None

1.8 Financial and Value for Money Considerations

- 1.8.1 Dealt with as part of the review process.

1.9 Risk Assessment

- 1.9.1 Dealt with as part of the review process.

1.10 Equality Impact Assessment

- 1.10.1 See 'Screening for equality impacts' table at end of report and EQIA attached as Annex 1 to this report.

- 1.10.2 The EQIA has indicated that some of those currently qualifying for a Leisure Pass who are disabled might not qualify for concessions in the future if the CTRS is adopted as the sole qualifying criterion as recommended above. As concessions are seen as a means to encourage participation, and there is a strong case to continue to support and encourage those with disabilities to access the Council's leisure facilities, the EQIA recommends that disability/incapacity should be adopted as an additional qualifying criterion.
- 1.10.3 Should the discount card option be implemented, there seems no justification to exclude those with disability/incapacity from receiving concessionary rates for both bulky waste or pest control services. It is therefore recommended that disability/incapacity should also be included as a qualifying criterion should the discount card be implemented in the future.

1.11 Recommendations

1.11.1 The Review Group on concessionary fees and charges for benefit claimants agreed the following recommendations:

- (a) the current 100% concession for pest control services should be retained;
- (b) the current 100% concession for bulky goods collections should be retained and additional marketing of the service and of the Saturday Household Waste Service should be undertaken;
- (c) a review of the discounts for leisure services/activities should be undertaken by the Leisure and Arts Advisory Board to simplify the rates which apply;
- (d) the criteria which govern access to the Council's concessions should be made consistent across services and in future be based primarily on those eligible for the Council Tax Reduction Scheme.
- (e) To reflect the findings of the equalities impact assessment (EQIA) , it is recommended that disability/incapacity should be added to the qualifying criteria for all concessions.
- (f) eligibility for access to the concessions should be assessed and reviewed on an annual basis only in order to streamline administration of the concessions scheme;
- (g) the introduction of a single discount card covering all concessions is supported in principle but should be subject to further investigation taking into account examples of best practice;
- (h) additional marketing and promotion of the discount card scheme should be considered to encourage greater take up by those eligible.

Background papers:

contact: Mark Raymond

Nil

Julie Beilby
Chief Executive

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	This is addressed above
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	Yes	As above
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.


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EqIA Template – for DECISION

ANNEX 1

This template should be completed alongside proposals that will be subject to decision by Councillors.

Summary of decision to be made:	Whether disability/incapacity should be adopted as a qualifying criterion for future leisure services, pest control and bulky waste services concessions.		
Lead Officer (job title):	Mark Raymond		
Date the final decision is due to be made:	28/01/2014	Date this assessment commenced:	07/01/2014
Is the decision relevant to the aims of the Public Sector Equality Duty?			Yes
Eliminate discrimination, harassment and victimisation			Yes
Advance equality of opportunity			Yes
Foster good relations			Yes
If the answer is yes to any of the above, proceed with the assessment. If the answer is no, please say why and summarise any evidence:			
For each of the following characteristics, summarise any existing data, consultation activity, interpretation of the impacts and actions that can be taken to reduce or mitigate any negative impacts:			
Characteristic:	Data and consultation	Summary of impact	Actions
Disability	<p>A scrutiny review proposes that future concessions for council services should be based on those eligible for the Council Tax Reduction Scheme only. Currently, those receiving non-means tested disability/incapacity benefits qualify for a Leisure Pass concession.</p> <p>If CTRS was adopted as the sole qualifying criterion in the future, some residents currently receiving this concession would be then excluded ie those not eligible for CTRS.</p> <p>It is estimated that there are approximately 200 Leisure Pass holders who qualify on the basis of disability/incapacity. This represents just over 19% of all Leisure Pass holders.</p>	<p>Whilst some of the Leisure Pass Holders who are disabled might also qualify if they are eligible for the CTRS, it is likely that a fair proportion of those holders would be excluded from the concession if CTRS was adopted as the sole qualifying criterion. On this basis, a change of approach is recommended.</p>	Disability/incapacity should be included as a qualifying criteria additional to those eligible for CTRS
			WKEP Aim: Events and activities are open to all and raise awareness
			WKEP Aim: Choose an item.
Summary of impacts : (to be included in committee reports)	<ul style="list-style-type: none"> - Approximately 200 current Leisure Pass holders are disabled. A proportion of these would no longer receive this concession and any new disabled applicants would also be affected if they were not eligible for the CTRS - The aim of the Leisure Pass is to encourage the take up of leisure facilities and programmes by 		

	<p>groups most in need and less able to afford access.</p> <ul style="list-style-type: none"> - The Council should be encouraging those with disabilities to become leisure pass holders regardless of their income to achieve the wider healthy living objectives of the Council. - On this basis, disability/incapacity should be included as one of the criteria determining access to the Leisure Pass. - To positively promote the needs of disabled residents further, it is suggested that disability/incapacity be adopted as a qualifying criterion should a wider discount card be introduced. 			
Please tick the outcome of this assessment:	No impact	Adjust the policy	Continue the policy	Stop and remove the policy
				
Date assessment will be reviewed:	31/03/2015			

TONBRIDGE & MALLING BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

28 January 2014

Report of the Chief Executive

Part 1- Public

Delegated

1 FUTURE SCRUTINY REVIEW WORK PROGRAMME

To set out and endorse a new review programme.

1.1 Background

1.1.1 Driven by the necessity for the Council to implement financial savings, work needs to be undertaken to investigate and evaluate potential savings and/or improvements across Council services. The completion of the previous reviews (Here & Now, Printing of Agenda Papers and the introduction of tablets, Concessionary Fees and Charges and Disabled Facilities Grants and Housing Assistance) have so far resulted in significant savings as well as improvements in the way services are delivered.

1.1.2 In order to maintain this momentum and continue to reduce our costs, the next two topics need to be endorsed. Management Team believe it is an appropriate time for the following two topics to be reviewed by Overview and Scrutiny Committee:

- Memberships / Subscriptions
- Postage / Courier Costs

1.1.3 For the Memberships / Subscriptions Review, the Audit Team will identify subscriptions to organisations for reference books and publications, information sites, those linked with memberships, qualifications, professional bodies, working groups etc. Any associated costs will be identified to allow consideration as to whether they are necessary and if the Council is tied into contracts or agreements.

1.1.4 For the Postage / Courier Costs Review, work will be undertaken to establish the Council's existing expenditure on postage, any possible alternatives to using Royal Mail, existing courier costs and investigate into what is being posted/ sent by courier and if it needs to be sent in this way or if there are any options to disseminate information more cost effectively.

1.2 The Scrutiny Process

1.2.1 Once again it is suggested that these two issues are tackled by informal review groups drawn from the membership of the Overview and Scrutiny Committee. The review groups will be chaired by the two Vice-Chairmen as has been done previously. Review group meetings will be arranged so that recommendations can be made to the next formal meeting of the Overview and Scrutiny Committee on 11 June 2014.

1.2.2 The suggested review group membership are as follows:

Memberships / Subscriptions: Cllrs Robins; Dalton; Bates; Holland; King; Allison; Brown; Kemp; Atkinson (co-opted Court; Thornewell)

Postage / Courier Costs: Cllrs Simpson; Moloney; Sayer; Cure; Elks; Atkins; Spence; Keeley; (co-opted Still; Drury)

1.3 Legal Implications

1.3.1 To be considered as part of each review.

1.4 Financial and Value for Money Considerations

1.4.1 As above

1.5 Risk Assessment

1.5.1 N/A

1.6 Equality Impact Assessment

1.6.1 See 'Screening for equality impacts' table at end of report

1.7 Recommendations

1.7.1 That the approach and topics of the next two reviews, as set out in this report **BE ENDORSED**;

1.7.2 Informal review groups **BE ESTABLISHED** to investigate Memberships/Subscriptions and Postage/ Courier Costs.

Background papers:

contact: Gill Fox

Nil

Julie Beilby
Chief Executive

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	To be addressed as part of individual reviews
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	N/A	As Above
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.

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