

TONBRIDGE & MALLING BOROUGH COUNCIL



EXECUTIVE SERVICES

Chief Executive

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

Contact: Committee Services
committee.services@tmbc.gov.uk

15 May 2018

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

(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Finance, Innovation and Property Advisory Board to be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Wednesday, 23rd May, 2018 commencing at 7.30 pm

Yours faithfully

JULIE BEILBY

Chief Executive

A G E N D A

PART 1 - PUBLIC

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| 1. | Apologies for absence | 5 - 6 |
| 2. | Declarations of interest | 7 - 8 |

3. Minutes 9 - 16

To confirm as a correct record the Notes of the meeting of the Finance, Innovation and Property Advisory Board held on 3 January 2018

Matters for recommendation to the Cabinet

4. Applications for Discretionary Rate Relief 17 - 38

The report gives details of renewal applications and new applications for discretionary rate relief.

5. Financial Planning and Control 39 - 82

The report provides information on the key budget areas of salaries, major income streams and investment income, together with approved variations, virements and issues identified via revenue budget monitoring for the year ended March 2018 and the month of April 2018; and for 2017/18 the Business Rates Retention scheme.

6. Corporate Debt Recovery Policy 83 - 110

The report informs Members of the outcome of the review of the Council's Corporate Debt Recovery Policy.

7. IT Strategy Update 111 - 124

Consideration of the draft IT Strategy document for 2018-2022 which sets out aims and ambitions at a high level for this period.

Matters submitted for Information

8. Revenues and Benefits Update 125 - 130

A report detailing recent developments in respect of council tax, business rates, council tax reduction and housing benefits.

9. Publication of Allowances Paid to Members during 2017/18 131 - 134

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

10. Urgent items 135 - 136

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

11. Exclusion of Press and Public 137 - 138

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

Matters for Recommendation to the Cabinet

12. Debts for Write Off 139 - 142

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

Approval is sought for the writing-off of debts that are considered to be irrecoverable.

13. Land at Commercial Road, Tonbridge 143 - 144

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

Report outlining options for Council owned land at Commercial Road, Tonbridge – to follow.

Matters submitted for Information

14. Urgent items 145 - 146

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

To be confirmed at Annual Meeting of Council on 15 May 2018

Apologies for absence

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Declarations of interest

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TONBRIDGE AND MALLING BOROUGH COUNCIL

FINANCE, INNOVATION AND PROPERTY ADVISORY BOARD

Wednesday, 3rd January, 2018

Present: Cllr S M King (Chairman), Cllr T Bishop, Cllr J L Botten, Cllr V M C Branson, Cllr Mrs B A Brown, Cllr T I B Cannon, Cllr M O Davis, Cllr R D Lancaster, Cllr A K Sullivan and Cllr F G Tombolis

Councillors Mrs J A Anderson, O C Baldock, M C Base, P F Bolt, M A Coffin, N J Heslop, D Lettington and M R Rhodes were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors B W Walker (Vice-Chairman), Mrs S Bell, R P Betts and Miss J L Sergison

PART 1 - PUBLIC

FIP 18/1 DECLARATIONS OF INTEREST

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

In the interests of transparency, Councillor R Lancaster advised that he was an employee of Fidelity International which was referred to in the Revenue Estimates item in the context of the impact on business rates of its plans to close the Hildenborough office. He also stated that his wife was an employee of the Citizens Advice Bureau, a concessionary user of the Tonbridge Castle Council Chamber.

FIP 18/2 MINUTES

RESOLVED: That the notes of the meeting of the Finance, Innovation and Property Advisory Board held on 20 September 2017 be approved as a correct record and signed by the Chairman.

With reference to Minute FIP 17/30, it was noted that the report back on the option of offering no council tax discount on empty properties was likely to be presented in around 12 months' time.

MATTERS FOR RECOMMENDATION TO THE CABINET

FIP 18/3 REVENUE ESTIMATES 2018/19

The report of the Director of Finance and Transformation referred to the responsibility of the Cabinet under the constitution for formulating initial

proposals in respect of the budget. Reference was made to the role of the Advisory Board in assisting the Cabinet and Council in the preparation of the budget within the context of the Medium Term Financial Strategy (MTFS) and the Council's priorities. An outline was given of the process for referring the Advisory Board's recommendations to the Overview and Scrutiny Committee prior to consideration by the Cabinet on 8 February and thereafter by the Council at its Budget meeting.

The report set out the framework for considering the estimates in terms of the MTFS together with a number of Service specific issues. The report indicated the factors to be taken into account when updating the MTFS and referred to the Savings and Transformation Strategy (STS) which provided a structure and focus for addressing the significant financial challenge facing the Council. Progress was reported on savings achieved and it was noted that the MTFS would continue to be updated as more information became available and the targets and timescales within the STS would be revisited and realigned with the latest projected funding gap during the budget setting process.

The Director of Finance and Transformation introduced the provisional Local Government Finance Settlement including the Council's acceptance of the multi-year settlement to 2019/20. Members were advised that the Secretary of State had increased the threshold for triggering a referendum on council tax increase to the higher of 3% or £5. The favourable position regarding New Homes Bonus funding in 2018/19 was explained and reference made to the successful outcome of the Kent and Medway authorities' bid for pilot status in respect of 100% business rates retention.

Alongside the provisional settlement, the Secretary of State had announced a technical consultation entitled "Fair funding review: a review of relative needs and resources". In view of the timescales involved and the programming of meetings, it was suggested that delegated authority be given for a response to be made.

RECOMMENDED: That

- (1) the draft Revenue Estimates contained in the Booklet be endorsed for consideration by the Cabinet at its special meeting on 8 February 2018;
- (2) the Savings and Transformation Strategy be updated to reflect the latest projected funding gap as part of the budget setting process; and
- (3) delegated authority be given to the Director of Finance and Transformation, in liaison with the Leader and Cabinet Member for Finance, Innovation and Property, to respond to the technical

consultation entitled “Fair funding review: a review of relative needs and resources”.

***Referred to Cabinet**

FIP 18/4 CAPITAL PLAN REVIEW 2017/18

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

Particular reference was made to the reduction of £50,000 in the Council’s funding of Disabled Facility Grants arising from a review of spending and associated government grant funding. It was noted that this would contribute towards the savings target.

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

- (1) the Capital Plan (List A) position as shown in Annex 2 to the report be endorsed and the contribution to the savings target as a result of the reassessment of Disabled Facility Grant funding noted;
- (2) the amendment of List C as detailed in paragraph 1.5.3 of the report;
- (3) the selection of those List C schemes shown in paragraph 1.6.4 of the report for evaluation or further evaluation as appropriate, including the Haysden Country Park Sewage Treatment Facility for fast track evaluation;
- (4) the transfer of the schemes listed in paragraph 1.7.4 of the report from List C to List B; and
- (5) the draft Capital Strategy as set out at Annex 5 to the report be endorsed for adoption and publication on the Council’s website.

***Referred to Cabinet**

FIP 18/5 REVIEW OF FEES AND CHARGES 2018/2019

The report of the Management Team brought forward for consideration as part of the Budget setting process for 2018/19 proposals in respect of those fees and charges that were the responsibility of the Cabinet Member for Finance, Innovation and Property or not reported elsewhere.

RECOMMENDED: That

- (1) in respect of the recovery of legal fees payable by third parties, the Council's fees continue to follow the Supreme Court guideline hourly rates as set out at paragraph 1.2.1 of the report;
- (2) the proposed scale of fees for local land charges searches and enquiries set out at Annex 1 to the report be adopted with effect from 1 January 2018;
- (3) the current photocopying charges of 10p (inclusive of VAT) for each page of the same document or additional copies of the same page plus postage as appropriate be retained;
- (4) the fee schedule for street naming and numbering set out in section 1.6 of the report be adopted with effect from 1 April 2018; and
- (5) the amount of council tax and business rate Court costs recharged remain as set out at paragraph 1.7.2 of the report for the 2018/19 financial year.

***Referred to Cabinet**

FIP 18/6 TONBRIDGE CASTLE - REVIEW OF FEES AND CHARGES

The report of the Director of Central Services and Monitoring Officer presented a comprehensive review of fees and charges in respect of the variety of services and functions delivered at Tonbridge Castle and made recommendations to increase revenue streams from a number of different areas.

RECOMMENDED: That

- (1) the new pricing model for the Castle Tour at Tonbridge Castle be approved as set out at paragraph 1.4.10 of the report;
- (2) the new pricing model for Schoolchildren Educational Workshops at Tonbridge Castle be approved as set out at paragraph 1.5 of the report;
- (3) the new pricing model for Weddings at Tonbridge Castle be approved as set out at paragraph 1.6.2 of the report;
- (4) authority be delegated to the Director of Central Services and Monitoring Officer for a 12 month trial period to depart from the fixed fee structure at paragraph 1.6.2 of the report where he considers that it is in the financial interests of the Council to do so in a particular case;

- (5) the new pricing model for entries into the Wedding Diary at Tonbridge Castle be approved as set out at paragraph 1.6.6 of the report;
- (6) the list of concessionary users of the Tonbridge Castle Council Chamber set out at Annex 2 to the report and the rate of discount, if any, to be given to any booking by an approved concessionary user be reviewed by the Overview and Scrutiny Committee;
- (7) the new model for hiring out the Council Chamber at Tonbridge Castle be approved as set out at paragraph 1.8.3 of the report;
- (8) the Director of Central Services and Monitoring Officer be authorised to agree Gate House fee charges for special events; and
- (9) authority be delegated to the Director of Central Services and Monitoring Officer to negotiate and agree fees with parties wishing to use Tonbridge Castle for filming purposes.
***Referred to Cabinet**

FIP 18/7 APPLICATIONS FOR DISCRETIONARY RATE RELIEF

Decision Notice D180001MEM

The report of the Director of Finance and Transformation gave details of new applications for discretionary rate relief which were considered in accordance with the previously agreed criteria for determining such applications.

RECOMMENDED: That the new applications for discretionary rate relief be determined as follows:

- (1) 1st Ditton Scout Group, R/O 18 New Road, Ditton – 20% discretionary rate relief be awarded, back dated to 1 April 2017 and time limited to 31 March 2019;
- (2) Carers First, 146A High Street, Tonbridge – 20% discretionary rate relief be awarded, backdated to 13 May 2017 and time limited to 31 March 2019; and
- (3) St Benedict's Centre, 52 Swan Street, West Malling – no discretionary rate relief be granted.

FIP 18/8 RURAL RATE RELIEF - RURAL SETTLEMENT LIST

Decision Notice D180002MEM

The report of the Director of Finance and Transformation referred to the requirement to review the Council's rural settlement list and recommended that the current list be amended to include a new rural settlement for the financial year 2018/19.

RECOMMENDED: That the rural settlement list be amended to include a new settlement for Peter's Village, as shown on the map at Annex 1 to the report, and the amended list remain in force for the year 2018/19.

FIP 18/9 REVENUE AND BENEFITS SHARED SERVICE

Decision Notice D180003MEM

The report of the Director of Finance and Transformation advised that Gravesham Borough Council had decided not to proceed with the Revenue and Benefits Shared Service. However, it was noted that the IT digital and transformation plan for the service would continue to be progressed as set out in the Capital Plan (Minute C 17/56 refers).

RECOMMENDED: That it be noted that:

- (1) at Gravesham Borough Council's behest the Shared Service for Revenue and Benefits will not be progressed;
- (2) existing secondment agreements for the Revenue and Benefits Manager and Principal Revenues Officer will continue as is the current practice;
- (3) the planned IT and digital transformation initiatives in respect of this service will continue to be progressed; and
- (4) the Capital Plan has been updated accordingly.

FIP 18/10 PROCUREMENT STRATEGY

Decision Notice D180004MEM

The report of the Director of Finance and Transformation presented an updated Procurement Strategy for consideration and endorsement. The Strategy provided a framework to ensure the application of good procurement practice throughout the organisation and delivery of cost effective and efficient services.

RECOMMENDED: That the updated Procurement Strategy set out at Annex 1 to the report be endorsed.

MATTERS SUBMITTED FOR INFORMATION

FIP 18/11 IT STRATEGY UPDATE

The report provided an update on the significant progress of projects within the current IT Strategy over the period 2014 to 2017. It was noted that the next strategy for 2018 to 2022 would build on those IT infrastructure improvements with the aim of improving staff efficiency and providing the foundations for effective business transformation and enhanced customer service. It was anticipated that a draft of the new strategy would be presented at the next meeting of the Advisory Board.

FIP 18/12 REVENUES AND BENEFITS UPDATE

The report gave details of recent developments in respect of council tax, business rates, council tax reduction and housing benefits. An update was given on implementation of the three new business rate relief schemes, announcements in the Chancellor's Autumn Budget, including changes to Universal Credit, and the performance and workload of the Benefits Service. It was noted that the Council would continue to administer all housing benefit claims until November 2018 at the earliest.

MATTERS FOR CONSIDERATION IN PRIVATE

FIP 18/13 EXCLUSION OF PRESS AND PUBLIC

The Chairman moved, it was seconded and

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

PART 2 - PRIVATE

MATTERS FOR RECOMMENDATION TO THE CABINET

FIP 18/14 DEBTS FOR WRITE OFF

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

Decision Notice D180005MEM

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

RECOMMENDED: That the 20 items shown in the schedule of amounts over £1,000, totalling £66,119.15 be written-off for the reasons stated within the schedule.

FIP 18/15 BANKING AND MERCHANT ACQUIRER SERVICES CONTRACTS

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

Decision Notice D180006MEM

The report of the Director of Finance and Transformation gave details of the approach taken in progressing new Banking and Merchant Acquirer Services contracts.

RECOMMENDED: That the progress made in renegotiating both the banking and merchant services contracts be noted and authority be delegated to the Director of Finance and Transformation, in liaison with the Cabinet Member for Finance, Innovation and Property, to finalise the negotiations.

The meeting ended at 9.33 pm

TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 May 2018

Report of the Director of Finance and Transformation

Part 1- Public

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

1 APPLICATIONS FOR DISCRETIONARY RATE RELIEF

A report giving details, at paragraph 1.1, of renewal applications for discretionary rate relief. Details of new applications for discretionary rate relief are shown at paragraph 1.2.

The Council's policy in respect of discretionary rate relief is attached at [ANNEX 1].

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

1.1 Renewal applications for discretionary rate relief and discretionary rural rate relief

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

1.1.2 Members will also be aware that discretionary rural rate relief can be granted either as a top-up to mandatory rural rate relief or, on its own, in cases where mandatory rural rate relief may not be granted (as shown at **[ANNEX 2]**). It is the Council's policy to seek the views of the appropriate parish councils in respect of applications for rural rate relief regarding properties in their areas. However, we have not consulted the parishes in respect of these cases because they are not new applications for relief but renewal requests.

1.1.3 Organisations that had awards of discretionary rate relief time-limited to 31 March 2018 were invited to re-apply, and I have listed, at **[ANNEX 3]** and **[ANNEX 4]**, applications that have recently been received.

1.1.4 The annexes details the levels of discretionary rate relief awarded in 2017/18 and the proposed amount of relief the organisations would receive in 2018/19.

- 1.1.5 For Members' information, under the discretionary relief rules, relief can be backdated to 1 April 2017 providing applications are received before 30 September 2018. The applications were received during March to May this year.
- 1.1.6 There is no longer a direct cost to the Council in awarding relief. However, Members should note that all awards of relief affect the Council's business rate yield; for 2018-19, based on previous criteria and level of applications, it has been estimated that £223,954 discretionary relief will be awarded.
- 1.1.7 In respect of the organisations shown at **[ANNEX 3]**, I have considered the applications and believe that they comply with the policy, and are of particular benefit to the needs of the residents of the Borough. Therefore, there appear to be good grounds for continuing the current level of discretionary rate relief in all cases.
- 1.1.8 In respect of the organisations shown at **[ANNEX 4]**, I have considered the applications for Lucky Hands Ltd and Mr Subasharan and believe that they comply with the policy, and are of particular benefit to the needs of the residents of the Borough. Therefore, there appear to be good grounds for continuing the current level of discretionary rate relief in these cases. In respect of the other applications, these properties are now entitled to 100% mandatory relief. Primary legislation has not been updated as yet, so Government expects the current award of 50% relief to be 'topped up' to 100% as per **[ANNEX 5]**. The proposed relief amounts shown at **[ANNEX 4]** therefore reflect the additional 50% discretionary relief.
- 1.1.9 The Council's own financial position is, of course, still very challenging and it is important to recognise that whilst it may be possible to provide the level of assistance at the current time, it may not be sustainable into the future. Accordingly, Members might consider that, when writing to the organisation concerned, it would be prudent to advise the organisations that there could be a reduction in the level of relief awarded by the Council in the future should further applications for relief be made.
- 1.1.10 Members are **REQUESTED** to **RECOMMEND** to Cabinet that, in respect of the re-applications for relief as shown at **[ANNEX 3]** and **[ANNEX 4]**, discretionary rate relief be awarded with effect from 1 April 2018 and time-limited to 31 March 2020.

1.2 New applications for discretionary rate relief

- 1.2.1 Since the last meeting of the Board, I have received two new applications for rate relief that have reached a stage where they are ready for Members' consideration. I give below further details of these applications.

- 1.2.2 **Ellenor, Part Unit 1e, Mereworth Business Centre, Danns Lane, Wateringbury, Maidstone, Kent, ME18 5LW. Rateable Value £1,625**
- 1.2.3 The applicant is a registered charity and I have therefore granted 80% mandatory rate relief. It is for Members to decide whether discretionary relief should be granted as well.
- 1.2.4 The property has been used as an office and meeting space for the children's nursing staff for the South West Kent area since 1 March 2017.
- 1.2.5 An award of 20% discretionary relief seems appropriate as this would be consistent with similar applications that have been received. However, relief can only be backdated to 1 April 2017 as the application was received after the 30 September 2017.
- 1.2.6 Should Members decide to award the maximum 20% relief, the applicant will receive £187.60 for 2017/18 and £156.00 for 2018/19.
- 1.2.7 Members are **REQUESTED** to consider the application and make an appropriate **RECOMMENDATION** to Cabinet regarding discretionary rate relief. If relief is awarded, Members are requested to consider time-limiting any awards of relief, initially, to 31 March 2020 as per para 1.1.10.
- 1.2.8 **The Wheels On Debussy, 6 Angel Walk, Tonbridge, Kent, TN9 1TJ. Rateable Value £17,750**
- 1.2.9 The applicant is a community interest company (CIC), and the granting of mandatory rate relief is not, therefore, appropriate. It is for Members to decide whether discretionary relief should be granted, and if so, the level of relief.
- 1.2.10 The aim of the CIC is to promote music and art in communities. The property was used as a community arts hub in Tonbridge for a 6 week period from 14 February 2018 to 26 March 2018.
- 1.2.11 The shop had 3 aims:
- Help local artists and makers sell their work
 - Introduce the local community to art and music through fun and exciting workshops and events
 - Help local arts organisations reach new audiences
- 1.2.12 Having considered the application, it appears to comply with the policy and an award of discretionary relief would, therefore, seem appropriate. The applicant has requested Members consider a maximum award of relief otherwise the project would be severely compromised as many workshops that are free would have to be stopped as they would not be able to afford to provide them.

1.2.13 Should Members decide to award the maximum 100% relief, the applicant will receive £976.00 for the period of occupation.

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

1.3 Legal Implications

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

1.4 Financial and Value for Money Considerations

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

1.5 Risk Assessment

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

1.6 Equality Impact Assessment

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

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

Background papers:

contact: Glen Pritchard
01732 876146

Applications for relief from the organisations referred to in the main body of the report received since March 2018 and held in Financial Services.

Sharon Shelton
Director of Finance and Transformation

DISCRETIONARY RATE RELIEF POLICY 2018/19

Background

The Council is empowered to award Discretionary Rate Relief (DRR) under S.47 of the Local Government Finance Act 1988. This may be awarded as a 'top-up' to those organisations qualifying for Mandatory rate relief (mandatory relief amounts to 80% of the rates due) or up to 100% DRR to other organisations who do not qualify for mandatory relief.

The Council wishes to promote equality between organisations when granting discretionary rate relief. In deciding whether to award rate relief it will take into account previous awards that have been made to similar organisations/bodies.

Awards of rate relief will be reviewed on an annual basis by Members of the Finance, Innovation & Property Advisory Board unless a longer award date has been previously agreed.

The Council may also award relief to any local ratepayer to encourage new business and investment as well as to support local shops or community services.

Any relief granted is used to reduce the amount that the organisation is required to pay in Non-Domestic Rates, commonly known as Business Rates.

Charity Relief – Mandatory Relief (80%)

Section 43 of the Local Government Finance Act 1988 allows mandatory relief (80%) to be granted on premises if the ratepayer is a charity or trustees for a charity and the premises are wholly or mainly used for charitable purposes. From 1st April 2008 Section 45A of the Local Government Finance Act 1988, as amended, allows for no charge to be made in respect of unoccupied premises where it appears that when next in use it will be wholly or mainly used for those purposes.

Charity registration

Charities are defined by s.67 (10) of the Local Government Finance Act 1988 as being an institution or other organisation established for charitable purposes only or by persons administering a trust established for charitable purposes only.

Community Amateur Sports Club (CASC) – Mandatory Relief (80%)

The legislation was amended by the Local Government Act 2003 to include a club/organisation with CASC (Community Amateur Sports Club) status. They automatically receive 80 per cent mandatory relief which is fully paid for by the Government.

Non profit-making bodies - Discretionary Relief (20% Top-up)

Registered as a charity or CASC - up to 20% top-up relief can be granted to:

- Sports clubs if registered as Community Amateur Sports Clubs (CASC)
- Recreational facilities, sports grounds and playing fields occupied by charities
- Applications where special considerations may apply

Discretionary 'Top-up' – up to 20% paid by:

- 40% TMBC
- 9% Kent County
- 1% Kent Fire
- 50% Government

Discretionary Relief (up to 100%)

Section 69 of the Localism Act 2011 allows a local authority to grant discretionary relief in any circumstances where it feels fit.

The provisions are designed to give authorities flexibility in granting relief where it is felt that to do so would be of benefit generally to the area and be reasonable given the financial effect to Council Tax payers.

The Council has a duty to carefully consider every application on its merits, taking into account the contribution that the organisation makes to the amenities of the area.

Discretionary – up to 100% paid by:

- 40% TMBC
- 9% Kent County
- 1% Kent Fire
- 50% Government

It is acknowledged that if a club or organisation has no recognised accreditation it is still entitled to apply for up to 100% discretionary rate relief and the officers will use this criteria to assess whether there are specific circumstances which should be taken into account in making a decision to award rate relief to such an applicant.

Factors to be used in determining awards of Discretionary Rate Relief

In determining awards of relief, the Council will bear in mind all the facts of each case including the following factors;

- The hereditament must be used wholly or mainly for the purpose of the organisation.
- There must be evidence in the Constitution or Articles of Association that the organisation is non-profit making.
- Membership or access is open to all sections of the community. Membership fees should be set so as to be accessible to people on low incomes.
- The facilities are made available to other sections of the community, e.g. schools.

- The organisation provides training/education or coaching to its members and/or the local community.
- There is suitable evidence of safeguarding and equality measures in place for its members or those using the facilities, e.g. for safeguarding children or vulnerable adults and an inclusion policy.
- Consideration will be given to the income and expenditure accounts for as many financial years as deemed necessary and must be provided on request or the application will be refused. Surpluses must be reinvested in the organisation and there must be no substantial reserves which would suggest that support is not necessary.
- Consideration will be given to all sources of income.
- If the organisation operates a bar, it will need to prove that its profits are used solely for the benefit of the organisation and its members.
- The organisation must be a local organisation.
- Consideration will be given to the impact of the organisation on other local businesses.
- Consideration will be given to the use of the property and if it appears to be proportionate to the size of the property.
- The ratepayer must occupy the premises (no discretionary rate relief will be granted for unoccupied premises)
- The organisation must directly benefit Tonbridge & Malling residents and must relieve the Council of providing similar facilities.

In addition, relief may also be granted if the applicant body caters for special needs (see below).

Meaning of 'special needs'

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

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

Restrictions on the granting of relief

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

- As a general rule, the Council is unlikely to grant relief to national charities located within the Council's area unless there is some specific benefit to the residents of Tonbridge & Malling Borough Council over and above the benefit to the residents of other areas in which the charity operates;
- The Council is unlikely to grant relief to charity shops or shops operated by the trading arms of charities;
- Where an applicant body is a national organisation but operates only in part of the Council's area, any relief that may be awarded will generally be reduced pro rata the population of the area of the Borough that receives benefit from that

organisation. This restriction will not generally apply if the body is not a national body and has been established to benefit only a part of the Council's area;

- Membership of the organisation is restricted by the amount of the subscription or other limiting factors which preclude the whole of the public from having effective access to the organisation's activities;
- A substantial portion of the organisation's income comes from bar receipts (unless profits are used solely for the benefit of the organisation and its members);
- A club is run for political purposes;
- There would be duplication of financial assistance where grant aid of any other kind is being given by the local authority directly or under Section 48 of the Local Government Act 1985;
- The applicant is a Housing Association.

Special cases

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

Application Process

Ratepayers will be obliged to make a written application to the Council, for which forms are provided.

All awards of Discretionary Rate Relief will be subject to Member approval.

In all cases, the Council will notify the ratepayer of decisions made.

Where an application is successful, the following will be notified to them in writing;

- the amount of relief granted and the date from which it has been granted;
- the date on which any relief granted will end;
- the new chargeable amount;
- the details of any planned review dates and the notice that will be given in advance of a change to the level of relief granted; and
- a requirement that the applicant should notify the authority of any change in circumstances that may affect entitlement to relief.

Where relief is not granted then the following information will be provided, again in writing;

- an explanation of the decision within the context of the authority's statutory duty; and
- an explanation of the appeal rights

Relief is to be granted from the beginning of the financial year in which the decision is made. Since 1997 decisions can be made up to 6 months after the end of the financial year for which the application was made.

Under the Local Government Finance Act 1992, there is no right of appeal against the Council's use of discretionary powers. However, the Council operate an internal review process and will accept a customer's request for an appeal of its decision.

All requests must be made in writing to the Principal Revenue Officer, within one month of the Council's decision, and should state the reasons why the ratepayer is aggrieved with the decision of the council. New information may be submitted at this stage to support the ratepayer's appeal. Requests will be considered by Members of the Finance, Innovation & Property Advisory Board.

If an unsuccessful applicant decides to make a request for an internal review they will still need to continue to pay their rates bill. If the request is successful, the rates bill will then be adjusted.

For ratepayers who remain aggrieved and wish to pursue the matter further, the next step is to make an application for judicial review.

Affordability

Discretionary Relief is not a matter of right. The Council is entitled through this policy to determine different levels of discretionary relief according to the nature and circumstances of individual organisations.

The above criteria will be subject to budgetary provision being available. Although the Council will aim to achieve equality between organisations in terms of the level of relief that it grants, this might not always be possible. The Council has the right, subject to giving the requisite notice required by law, to vary the level of relief that it has previously granted either in respect of a particular organisation or in respect of a class of organisation or to all organisations in receipt of relief. The Council also has the right to apportion rate relief based on the levels of budget available at the time of applying.

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Policy in Respect of Rural Rate Relief

Introduction

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

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

The legislative background

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

The rural settlements

As at January 2018, the following are defined as rural settlements:

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

Mandatory rural rate relief

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

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

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

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

Discretionary rural rate relief

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

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

The policy

Policy objectives

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

General considerations

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

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

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

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

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

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

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

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

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

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

Limitations

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

Procedure

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

Consultation

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

Financial considerations

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

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

Interaction with other reliefs

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

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

Period of relief

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

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Scout/Guides Groups			
Organisation	Address	Relief awarded 2017/18	Proposed relief to be awarded 2018/19
8th Tonbridge (Hildenborough) Scout Group	Scout Hut, Riding Lane, Hildenborough	20% Top Up	£364.82
Higham Wood Scout & Guide Group	Adj Higham Wood Methodist Church, Tonbridge	20% Top Up	£389.47
The Boys Brigade N W Kent Batalion	OPP 87-89 Barden Road, Tonbridge	20% Top Up	£175.02
1st Tonbridge Bp Scout Group	Lamberts Yard, Tonbridge	20% Top Up	£207.06
East Peckham Scout Group (15th Tonbridge)	Scout Hut, Whitebine Gardens, East Peckham	20% Top Up	£345.10
1st Ightham Scout Group	Oldbury Lane, Ightham	20% Top Up	£108.46
Blacklands Scout Group	R/O Blacklands Cp School, Mill Street, East Malling	20% Top Up	£320.45
1st Larkfield (Holy Trinity) Scout Group	Scout Hall, New Hythe Lane, Larkfield	20% Top Up	£650.76
Medway Towns District Scouts	Buckmore Park Scout Campsite, Chatham	20% Top Up	£119.60
1st St Marys Platt Scout Group Per The Treasurer	Scout Hut Stonehouse Field, Long Mill Lane, Platt	20% Top Up	£769.08
Hadlow Scout And Guide Group	School Lane, Hadlow	20% Top Up	£266.22
14th Tonbridge Sea Scout Group	Weir View Scout HQ, Avebury Avenue, Tonbridge	20% Top Up	£463.42
14th Tonbridge Sea Scout Group	Scout Hut, Barden Road, Tonbridge	20% Top Up	£63.10
			£4,242.56

CASC Organisations			
Organisation	Address	Relief awarded 2017/18	Proposed relief to be awarded 2018/19
Swanmead Sports Association	Swanmead Sports Club, Swanmead Way, Tonbridge	20% Top Up	£1,972.00
Eccles Football Club	Bull Lane, Eccles	20% Top Up	£197.20
Borough Green Bowls Club	Dryland Road, Borough Green	20% Top Up	£581.74
Hadlow Cricket Club	Common Road, Hadlow	20% Top Up	£147.90
Hadlow Bowls Club	School Lane, Hadlow	20% Top Up	£238.76
Townsend Hook Bowls Club	North Downs View, Paddlesworth Road, Snodland	20% Top Up	£591.60
Leybourne Cricket Club	Rectory Lane North, Leybourne	20% Top Up	£591.60
Wrotham Bowls Club	R/O Bull Hotel, Bull Lane, Wrotham	20% Top Up	£212.41
Tonbridge Bowling Club	Tonbridge Farm, Darenth Avenue, Tonbridge	20% Top Up	£650.76
Tonbridge Canoe Club	New Wharf Road, Tonbridge	20% Top Up	£788.80
Riverside (Tonbridge) Bowls Club	Avebury Avenue, Tonbridge	20% Top Up	£204.60
Ditton Bowls Club	Adj Community Centre, Kiln Barn Road, Ditton	20% Top Up	£453.56
Plaxtol Cricket Club	School Lane, Plaxtol	20% Top Up	£172.55
Tonbridge Cricket Club	Darenth Avenue, Tonbridge	20% Top Up	£966.28
Plaxtol And Shipbourne Tennis Club	Upper Green Road, Shipbourne	20% Top Up	£130.65
Hildenborough Tennis Club	Riding Lane, Hildenborough	20% Top Up	£182.41
Aylesford Bulls Rugby Football Club	Ferryfield, Hall Road, Aylesford	20% Top Up	£2,243.15
Hugh Christie Sports Association	Hugh Christie School, Norwich Avenue, Tonbridge	20% Top Up	£443.70
Angel (Tonbridge) Indoor Bowls Association	Angel Bowling Club, Avenue Le Puy, Tonbridge	20% Top Up	£3,155.20
			£13,924.87

Other applications			
Organisation	Address	Relief awarded 2017/18	Proposed relief to be awarded 2018/19
Trustees Of Malling Memorial Institute	9 High Street, West Malling	20% Top Up	£194.74
Mereworth Village Hall Committee	The Sports Pavilion, The Street, Mereworth	20% Top Up	£199.67
Ditton Church Pre-School	New Road, Ditton	20% Top Up	£904.92
Rochester Indoor Skatepark Club	Unit 1b, 1, Laker Road, Rochester Airport	20% Top Up	£3,820.75
Happy Faces Pre-School Ltd	Hectorage Road, Tonbridge	20% Top Up	£1,168.94
Wateringbury Sports & Recreation Field Association	The Pavilion, Fields Lane, Wateringbury	20% Top Up	£140.51
Addington Recreation Ground	Park Road, Addington	20% Top Up	£488.07
St Georges Pre-School Committee	R/O St Georges CPS, Old London Road, Wrotham	20% Top Up	£366.75
The Heart Of Kent Hospice	Preston Hall, London Road, Aylesford	20% Top Up	£9,416.30
Age Concern Malling	Rotary House, Norman Road, West Malling	20% Top Up	£359.89
Rock Uk Adventure Centres Ltd	Carroty Wood, Higham Lane, Tonbridge	20% Top Up	£7,493.60
West Kent Mind	3 St Marys Road, Tonbridge	20% Top Up	£175.02
Poppy Pre-School Ltd	Teapot Lane, Aylesford	20% Top Up	£2,804.80
Roselands Preschool Higham Wood Limited	Higham School Road, Tonbridge	20% Top Up	£2,354.25
Kent Friendz	Unit G Great Hollanden Farm, Mill Lane, Underriver	20% Top Up	£1,133.90
Tonbridge & Malling Leisure Trust	Tonbridge Swimming Pool	20% Top Up	£19,227.00
Tonbridge & Malling Leisure Trust	Angel Centre, Tonbridge	20% Top Up	£12,423.60
Tonbridge & Malling Leisure Trust	Larkfield Leisure Centre	20% Top Up	£42,993.47
Tonbridge & Malling Leisure Trust	Poultwood Golf Course	20% Top Up	£6,902.00
Tonbridge & Malling Leisure Trust	1-5 Martin Square, Larkfield	20% Top Up	£3,081.25
Mcch Society Ltd	Unit 5 Britannia Business Park, Aylesford	20% Top Up	£1,700.85
The Bridge Trust	17A Quarry Hill Road, Tonbridge	20% Top Up	£1,257.15

Other applications			
Organisation	Address	Relief awarded 2017/18	Proposed relief to be awarded 2018/19
Age Uk Sevenoaks & Tonbridge	5 Bradford Street, Tonbridge	20% Top Up	£1,774.80
Snodland Community Association	Snodland Community Centre, Paddlesworth Road	20% Top Up	£1,232.50
East Malling Centre	The St James Centre, Chapman Way, East Malling	20% Top Up	£916.98
Tonbridge Counselling Service	1st Floor Gilbert House, River Walk, Tonbridge	20% Top Up	£493.00
Pre-School Learning Alliance	The Old Power Station, The Slade, Tonbridge	5% Top Up	£579.27
Tonbridge Juddians R F C	Old Juddians Rugby FC, The Slade, Tonbridge	100% Disc	£8,760.00
K Sports Management Ltd	Cobdown Sports & Social Club, Station Road, Ditton	90% Disc	£30,615.30
The Charity Bank Ltd	Gnd Flr Fosse House, 182 High Street, Tonbridge	30% Disc	£6,480.00
The Charity Bank Ltd	1st Flr Fosse House, 182 High Street, Tonbridge	30% Disc	£6,732.00
The Charity Bank Ltd	Parking Spaces Fosse House, 182 High Street, Tonbridge	30% Disc	£1,296.00
			£177,487.28

Rural Rate Relief Applications			
Organisation	Address	Relief awarded 2017/18	Proposed relief to be awarded 2018/19
The Bell Inn (Golden Green) Limited	Bell Inn, Three Elm Lane, Golden Green	50% Top Up*	£2,563.60
Mr Mark Woods T/A Bourne Produce	5 Pound Road, East Peckham	50% Top Up*	£1,380.40
Mr N Stannard	192 Tonbridge Road, Wateringbury	50% Top Up*	£1,346.05
Mr Bankim Vyas & Mrs Rupal Vyas	47 Bow Road, Wateringbury	50% Top Up*	£1,390.40
Lucky Hands Ltd	30 Swan Street, West Malling	40% Discretionary	£2,880.00
Mr Subasharan	4-6 The Broadway, High Street, Hadlow	80% Discretionary	£5,760.00
			£15,320.45
* Now entitled to 100% mandatory relief			

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ANNEX A: AUTUMN STATEMENT 2016: 100 % Rural Rate Relief Available to Eligible Business Ratepayers

Fact sheet

About this fact sheet

1. This fact sheet is intended to support local authorities in administering the relief for rural businesses announced in the Autumn Statement on 23 November 2016. This relief applies to England only. Enquiries on this relief should be addressed to ndr@communities.gsi.gov.uk

Introduction

2. At the Autumn Statement on 23 November 2016 the Chancellor of the Exchequer confirmed that rural rate relief will double from 50% to 100% from 1 April 2017.
3. The Government intends to amend the relevant primary legislation to require local authorities to grant 100% mandatory rural rate relief to take effect from 1 April 2018. However, before the requirement to grant mandatory relief comes into force we expect local authorities to use their local discount powers to grant 100% rural rate relief to eligible ratepayers from 1 April 2017.

The rural rate relief scheme – background

4. The rural rate relief scheme was introduced to help protect the last retail outlets and similar services in rural settlements with a population of less than 3,000.
5. Under the scheme, the following businesses in designated rural settlements are entitled to 50 per cent mandatory rate relief:
 - the sole village shop or post office with a rateable value of up to £8,500
 - the sole public house or petrol station with a rateable value of up to £12,500
6. Local authorities have a discretionary power to top up the mandatory relief to 100 per cent.

Who is eligible for 100% rural rate relief?

7. Anyone who is entitled to the mandatory Rural Rate Relief as above will be eligible for the increased level of discount off their rates bill.

When does this happen?

8. The revised reliefs will apply from 1 April 2017.

How will the relief be provided?

9. For 2017-18, local authorities will be expected to use their discretionary relief powers (under section 47(3) of the Local Government Finance Act 1988 to grant the revised rural rate relief in line with the eligibility criteria set out in this document.
10. Central Government will reimburse local government for the actual cost to them under the rates retention scheme of granting the additional relief.
11. Local authorities will be able to provide an estimate of their likely total cost for providing the relief in their National Non Domestic Rate Return 1 (NNDR1) for 2017. A reconciliation exercise will be conducted based on NNDR 3 returns in the usual way.
12. The relief will be subject to state aid de minimis levels in the normal way.

TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 May 2018

Report of the Director of Finance and Transformation

Part 1- Public

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

1 FINANCIAL PLANNING AND CONTROL

The report provides information on the following key budget areas: salaries, major income streams, and investment income, together with approved variations, virements and issues identified via revenue budget monitoring for the year ended March 2018 and the month of April 2018; and for 2017/18 the Business Rates Retention scheme. This information is then aggregated to provide a provisional outturn position for 2017/18 and an indicative outturn position for 2018/19 if nothing else changed.

The report also updates Members on capital expenditure and variations that have been agreed in relation to the Capital Plan for the year ended March 2018 and the month of April 2018.

Details of correspondence received from the Ministry of Housing, Communities and Local Government in respect of passing on local council tax support funding to parish and town councils and our response is also provided for information.

1.1 Salaries Monitoring Statement 2017/18

1.1.1 Appended for information at **[Annex 1]** is a budgetary control statement that compares actual expenditure on basic salaries, temporary staff, overtime, superannuation and national insurance for the year ended March 2018, with the revised estimate for 2017/18.

1.1.2 Members will note that management savings to the end of March 2018 are **£172,900 more** than anticipated.

1.2 Income Monitoring Statement 2017/18

1.2.1 Appended for information at **[Annex 2]** is a budgetary control statement that compares our major sources of income from fees and charges for the year ended March 2018, with the revised estimate for 2017/18.

- 1.2.2 Members will note that overall income for the year ended March 2018 is **£32,184 less** than the revised estimate.

1.3 Treasury Management 2017/18

Core Funds

- 1.3.1 The Council achieved a return of 0.67% on its core fund investments for the period ended March 2018, compared to the 3-month LIBID benchmark of 0.29%. Investment income achieved for the period ended March 2018 is £147,722.
- 1.3.2 At the end of March 2018 the value of core funds stood at £20.0m. This was invested at an average rate of 0.73% and an average maturity of 95 days.

Cash Flow Funds

- 1.3.3 The Council achieved a return of 0.47% on its cash flow investments for the period ended March 2018, compared to a 7-day LIBID benchmark of 0.21%. Investment income achieved for the period ended March 2018 is £69,357.
- 1.3.4 At the end of March 2018 the value of cash flow investments stood at £6.4m. This was invested at an average rate of 0.47% and an average maturity of 3 days.

Property Investment Funds

- 1.3.5 Property fund investments of £1m each were placed with the Local Authorities Property Fund and the Lothbury Property Trust in June 2017 and a further £1m with the Hermes Property Unit Trust in September 2017.
- 1.3.6 Investment income achieved for the period ended March 2018 is £74,643 which represents a return of 3.73%.

All Investments

- 1.3.7 The combined return figure for core, cash flow and property investment funds is compared with the revised estimate for 2017/18 later in this report.

1.4 Approved Variations to the Revenue Budget 2017/18

- 1.4.1 There were no approved variations to the 2017/18 revised revenue estimates reported to Council on 20 February 2018.

1.5 Virements 2017/18

- 1.5.1 There were no virements made to the 2017/18 revised revenue estimates reported to Council on 20 February 2018.

1.6 Business Rates Retention Scheme

- 1.6.1 The Council has until now been below the baseline set under the Business Rates Retention Scheme and the Council has to meet a share of that shortfall up to a maximum of circa £161,000 in 2017/18. As a result the safety net position of 92.5% of the baseline amount was used for the 2017/18 estimate.
- 1.6.2 However, for the first time since the introduction of the Scheme in April 2013 we are above the baseline set. This is by a comparatively modest amount, but above the baseline nonetheless.

1.7 Revenue Budget Summary 2017/18

- 1.7.1 We are currently working on closing the accounts for 2017/18 and an examination of spend to date compared with the 2017/18 revised revenue estimates would suggest a net favourable variance of £639,735 across all Services including that separately identified above. The overall outturn position affording the opportunity to transfer £500,000 to the Property Investment Fund Reserve taking the net favourable to £139,735.
- 1.7.2 The table below provides a broad overview of the provisional outturn for the year ended March 2018. A more detailed analysis of the outturn position is to be found in the Revenue and Capital Outturn Booklet to be reported to Cabinet on 6 June.

Description	Budget to March £	Actual to March £	Variance £
Salaries Monitoring Statement	9,228,500	9,055,600	(172,900)
Income Monitoring Statement	(5,286,600)	(5,254,416)	32,184
Treasury Management	(276,000)	(291,722)	(15,722)
Business Rates Retention Scheme	(1,988,317)	(2,326,598)	(338,281)
Kent Business Rates Pool – Growth Fund	-	60,543	60,543
Property Investment Fund Reserve	-	500,000	500,000
General Fund Services	7,418,347	7,212,788	(205,559)
Net Favourable Variance	9,095,930	8,956,195	(139,735)

- 1.7.3 This gives a contribution to the General Revenue Reserve of **£697,835** compared with the Revised Estimate figure of £558,100.

1.8 Salaries Monitoring Statement 2018/19

- 1.8.1 Appended for information at **[Annex 3]** is a budgetary control statement that compares actual expenditure on basic salaries, temporary staff, overtime,

superannuation and national insurance to the end of April 2018, with the appropriate proportion of the original estimate for 2018/19.

- 1.8.2 Members will note that management savings to the end of April are **£53,100 more** than anticipated.

1.9 Income Monitoring Statement 2018/19

- 1.9.1 Appended for information at **[Annex 4]** is a budgetary control statement that compares our major sources of income from fees and charges to the end of April 2018, with the appropriate proportion of the original estimate for 2018/19.

- 1.9.2 Members will note that overall income to the end of April is **£44,226 less** than anticipated.

1.10 Treasury Management 2018/19

Core Funds

- 1.10.1 The Council achieved a return of 0.73% on its core fund investments for the period ended April 2018, compared to the 3-month LIBID benchmark of 0.50%. Investment income achieved for the period ended April 2018 is £12,700.
- 1.10.2 At the end of April 2018 the value of core funds stood at £22.0m. This was invested at an average rate of 0.73% and an average maturity of 78 days.

Cash Flow Funds

- 1.10.3 The Council achieved a return of 0.48% on its cash flow investments for the period ended April 2018, compared to a 7-day LIBID benchmark of 0.36%. Investment income achieved for the period ended April 2018 is £3,600.
- 1.10.4 At the end of April 2018 the value of cash flow investments stood at £3.2m. This was invested at an average rate of 0.50% and an average maturity of 1 day.

Property Investment Funds

- 1.10.5 Property funds pay dividends quarterly based on activity to the end of March, June, September and December. No dividends are due in the period 1 April to 30 April.

All Investments

- 1.10.6 The combined return figure for core and cash flow investments is compared with the original estimate for 2018/19 later in this report.

1.11 Approved Variations to the Revenue Budget 2018/19

1.11.1 Listed below are the variations that have been agreed to the revenue budget. It has been based upon those variations approved by Portfolio Holders, Committees, Cabinet and Council up to the meeting of Council on 10 April 2018.

1.11.2 Finance, Innovation and Property Advisory Board 3 January 2018

- Renegotiation of the banking contract and merchant acquirer services contract with current providers delivered a saving in the order of £11,000.

1.11.3 Cabinet 20 March 2018

- Ongoing maintenance and support costs for the General Data Protection Regulation software solution in the order of £20,000 in 2018/19 rising to £23,000 in 2019/20.

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

Description	Paragraph Reference	2018/19 £	2019/20 £
Banking and Merchant Acquirer Services	1.11.2	(11,000)	(11,000) *
GDPR Software Solution	1.11.3	20,000	23,000 *
Total		9,000	12,000

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

1.12 Virements 2018/19

1.12.1 There have been no virements made to the original revenue estimates for 2018/19 reported to Council on 20 February 2018.

1.13 Revenue Budget Monitoring 2018/19

1.13.1 As part of our budget monitoring and control arrangements Chief Officers confirm that budgetary control has been undertaken within the Service areas under their control each month and at the same time highlight those areas, if any, which they wish to bring to the attention of the Director of Finance and Transformation. In addition, the Accountancy Section also monitors budgetary performance across the whole range of services during the year. At the time of writing this report the following areas have been brought to my attention.

1.13.2 Reduction in Kent Public Services Network charges of around £4,500 following contract review.

1.13.3 Cessation of mortgage administration contract at a cost of £3,000 from 2019/20.

1.13.4 Data Protection registration with the Information Commissioner fee increase of £2,400 due to General Data Protection Regulation legislation.

1.13.5 The Council has been awarded the following grants from central government which will be used to fund as yet unbudgeted expenditure or reductions in other government funding streams:

- Real Time Information Bulk Data Matching £3,352
- Self and Custom Build Housing New Burdens Grant £30,000
- Single Fraud Investigation Service Project Grant £1,158
- Universal Credit New Burdens Grant £6,128
- Verify Earnings and Pensions Alerts £34,989
- Welfare Reform Grant £28,145

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

Description	Paragraph Reference	2018/19 £	2019/20 £
Kent Public Services Network	1.13.2	(4,500)	(4,500) *
Mortgage Administration Services	1.13.3	-	(3,000) *
Data Protection Registration with ICO	1.13.4	2,400	2,400 *
Central Government Grants	1.13.5	-	-
Total		(2,100)	(5,100)

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

1.14 Revenue Budget Summary 2018/19

1.14.1 The table below brings together information on the Council's key budget areas, the variations agreed to the revenue budget and items identified through budgetary control as at the end of April.

Description	Budget to April £	Actual to April £	Variance £
Salaries Monitoring Statement	818,900	765,800	(53,100)
Income Monitoring Statement	(385,350)	(341,124)	44,226
Treasury Management	(14,850)	(16,300)	(1,450)
Approved Variations to the Revenue Budget			9,000
Revenue Budgetary Control			(2,100)
Net Favourable Variance			(3,424)

1.14.2 This would suggest if nothing else changed, the contribution to the General Revenue Reserve would be in the order of £436,800 compared to £433,400 anticipated when the budget was set in February 2018.

1.15 Savings and Transformation Strategy

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

1.15.2 When the budget was set in February 2018 the projected funding gap was £1.0m with a savings target of £350,000 to be achieved by 1 April 2019. Progress on meeting this year's savings target will be reported to future meetings of the Board.

1.16 Capital Monitoring Statement 2017/18

1.16.1 Appended for information at **[Annex 5]** is a capital monitoring statement which compares actual capital expenditure for the period 1 April 2017 to 31 March 2018 with the 2017/18 Capital Plan. The Capital Plan for 2017/18 is based on the 2017/18 budgets that were approved by Council on 20 February 2018.

1.16.2 Prior year's expenditure is only shown for finite schemes for which there is a budget in 2017/18. Where schemes are of a rolling programme nature, prior year's expenditure has not been shown in order to avoid large, generally meaningless, totals building up.

1.16.3 Capital Plan schemes which are scheduled to start in 2018/19 and beyond have not been shown. The budget profile for these schemes can be found in the 2018/19 Revenue and Capital Budgets Book.

1.16.4 Members will note a Capital Plan spend of £1.1m against the revised 2017/18 budget of £1.9m. Factors that contributed to the net underspend are given below.

- Capital renewals budgets totalling £1,121,000 with actual capital renewals expenditure totalling £659,000. Capital renewals provisions reflect predictions as to when assets will need to be replaced. Underspend can largely be attributed to a lower than anticipated spend on capital renewals at our leisure facilities, in large part due to the replacement of fitness equipment at Larkfield Leisure Centre moving to 2018/19; and in respect of information technology.
- The very nature of capital expenditure and funding can see the rescheduling, reprofiling and review of future budget provision. Scheme budget provisions that are to be rescheduled, reprofiled or subject to review include the Virtual Desktop Infrastructure Project – in year underspend £80,000; Revenues and Benefits IT Digital Solution – in year underspend £65,000; and Racecourse Sportsground Riverside Revetment Works – in year underspend £28,000.

1.17 Capital Monitoring Statement 2018/19

1.17.1 Appended for information at **[Annex 6]** is a capital monitoring statement which compares actual capital expenditure for the month of April 2018 with the 2018/19 Capital Plan. The Capital Plan for 2018/19 is based on the 2018/19 budgets that were approved by Council on 20 February 2018, amended for slippage from 2017/18.

1.17.2 Members will note a Capital Plan spend (net) at the end of April of £46,000 against a budget of £4m.

1.18 Approved Variations to the Capital Plan

1.18.1 Cabinet in March 2018 followed by Council in April 2018 approved the purchase of an automated software solution for General Data Protection Regulation purposes. The capital cost of £66,000 is to be funded from the Invest to Save Reserve.

1.18.2 Cabinet in March 2018 followed by Council in April 2018 approved the sum of up to £1.6m be added to the Capital Plan for the purchase of property for temporary accommodation purposes funded from section 106 monies.

1.19 Capital Plan Issues

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

1.20 Local Council Tax Support Funding

- 1.20.1 On the introduction of council tax support schemes in April 2013 a sum of money was separately identified as that to be passed onto parish and town councils, but no legal requirement to do so. In subsequent years no separate sum has been identified and where the Council has seen significant reductions in government grant funding over that period and since 2017/18 receives no revenue support grant. Members may also recall that withdrawal of local council tax support funding formed part of the consultation on the introduction of special expenses from 2017/18.
- 1.20.2 Attached at **[Annex 7]** is correspondence received from the Ministry of Housing, Communities and Local Government in respect of passing on local council tax support funding to parish and town councils and our response.

1.21 Legal Implications

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

1.22 Financial and Value for Money Considerations

- 1.22.1 As set out above.

1.23 Risk Assessment

- 1.23.1 Budgetary control is a prerequisite of good financial management, financial planning and control and needs to be kept under review to ensure it remains effective and relevant.

1.24 Equality Impact Assessment

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

1.25 Recommendations

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

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

Background papers:

contact: Neil Lawley

Nil

Sharon Shelton
Director of Finance and Transformation

Salaries Budgetary Control Monitoring Statement**Period Ended Last Day of March 2018****2017/18 Financial Year**

	Revised Budget 2017/18 (a)	Provisional Outturn 2017/18 (b)	Above (Below) Budget (b - a)
Service	£	£	£
Central			
Administration & Property	768,100	742,650	(25,450)
Legal	476,400	464,330	(12,070)
Personnel	406,000	379,359	(26,641)
Executive	509,750	484,599	(25,151)
Finance & Transformation			
Finance	1,805,400	1,765,269	(40,131)
Information Technology	870,750	825,185	(45,565)
Planning, Housing & Environmental Health			
Environmental Health & Housing	1,179,300	1,119,544	(59,756)
Planning	1,742,250	1,650,467	(91,783)
Street Scene, Leisure & Technical			
Street Scene & Leisure	1,206,500	1,211,945	5,445
Technical	516,450	484,243	(32,207)
Management Savings	9,480,900	9,127,591	(353,309)
Shared Working Arrangements	(77,400)	(77,388)	12
Sub-total	9,403,500	9,050,203	(353,297)
Establishment Reviews (Ring-fenced sums)	0	0	0
Budgeted management savings to the end of March			175,000
Non-budgeted spend on recruitment & other expenses to the end of March			5,397
Net Management Savings			(172,900)

Financial Services
27 April 2018

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Income Budgetary Control Monitoring Statement**Period Ended Last Day of March 2018****2017/18 Financial Year**

	Revised Budget 2017/18 (a)	Provisional Outturn 2017/18 (b)	(Above) Below Budget (b - a)
Service	£	£	£
Central			
Land Charges	(260,000)	(246,788)	13,212
Licensing	(312,000)	(337,891)	(25,891) [1]
Sub-Total	(572,000)	(584,679)	(12,679)
Planning, Housing & Environmental Health			
Planning Fees	(660,000)	(625,162)	34,838 [2]
Building Regulations	(355,000)	(371,374)	(16,374)
Sub-Total	(1,015,000)	(996,536)	18,464
Street Scene, Leisure & Technical			
Recycling	(572,600)	(570,065)	2,535
Short Stay Car Parking	(1,850,000)	(1,791,270)	58,730 [3]
Long Stay Car Parking	(647,000)	(636,630)	10,370
Penalty Charge Notices	(290,000)	(323,476)	(33,476) [4]
Car Parks Season Tickets	(220,000)	(232,157)	(12,157)
Residents Parking Permits	(120,000)	(119,603)	397
Sub-Total	(3,699,600)	(3,673,201)	26,399
Grand Total	(5,286,600)	(5,254,416)	32,184

[1] Reflects increased number of taxi and private hire vehicle licences.

[2] Reflects the current volatility of the development environment.

[3] Reflects current usage levels offset in part by decrease in ticket refunds to retail stores.

[4] Reflects increase in number of CEOs and changes in operational arrangements.

Financial Services
27 April 2018

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Salaries Budgetary Control Monitoring Statement

Annex 3

Period Ended Last Day of April 2018

2018/19 Financial Year

	Annual Budget 2018/19	Budget to end of April (a)	Actual to end of April (b)	Above (Below) Budget (b - a)
Service	£	£	£	£
Central				
Administration & Property	762,700	63,450	61,600	(1,850)
Legal	478,800	39,900	37,450	(2,450)
Personnel	444,000	37,000	35,600	(1,400)
Executive	521,900	42,600	36,650	(5,950)
Finance & Transformation				
Finance	1,788,950	148,950	141,300	(7,650)
Information Technology	869,300	73,250	63,900	(9,350)
Planning, Housing & Environmental Health				
Environmental Health & Housing	1,266,700	105,600	103,200	(2,400)
Planning	1,882,100	156,750	134,900	(21,850)
Street Scene, Leisure & Technical				
Street Scene & Leisure	1,220,950	101,550	98,750	(2,800)
Technical	609,750	50,800	37,450	(13,350)
Management Savings	9,845,150	819,850	750,800	(69,050)
Shared Working Arrangements	(46,100)	(3,700)	(3,700)	0
Sub-total	9,799,050	816,150	747,100	(69,050)
Non-budgeted spend on recruitment & other expenses to the end of April				0
Payments outstanding for the period to the end of April				15,000
Budgeted management savings to the end of April				8,350
Budgeted ring-fenced sum to the end of April				(7,400)
Net Management Savings				(53,100)

Financial Services
4 May 2018

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Income Budgetary Control Monitoring Statement

Annex 4

Period Ended Last Day of May 2018

2018/19 Financial Year

Service	Annual Budget 2018/19	Budget to end of April (a)	Actual to end of April (b)	(Above) Below Budget (b - a)
	£	£	£	£
Central				
Land Charges	(290,000)	(23,000)	(19,481)	3,519
Licensing	(320,400)	(23,850)	(24,783)	(933)
Sub-Total	(610,400)	(46,850)	(44,264)	2,586
Planning, Housing & Environmental Health				
Planning Fees	(792,000)	(66,000)	(37,188)	28,812 [1]
Building Regulations	(365,000)	(3,000)	(3,770)	(770)
Sub-Total	(1,157,000)	(69,000)	(40,958)	28,042
Street Scene, Leisure & Technical				
Recycling	(578,550)	0	1,203	1,203
Short Stay Car Parking	(1,940,000)	(157,000)	(153,174)	3,826
Long Stay Car Parking	(720,000)	(62,000)	(56,152)	5,848
Penalty Charge Notices	(306,000)	(25,500)	(18,375)	7,125
Car Parks Season Tickets	(245,000)	(18,000)	(20,024)	(2,024)
Residents Parking Permits	(120,000)	(7,000)	(9,380)	(2,380)
Sub-Total	(3,909,550)	(269,500)	(255,902)	13,598
Grand Total	(5,676,950)	(385,350)	(341,124)	44,226

[1] Reflects the current volatility of the development environment.

Financial Services
4 May 2018

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CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
SUMMARY OF SERVICES

	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018
	£'000	£'000	£'000
Capital Plan Schemes			
Planning, Housing & Environmental Health	0	30	6
Street Scene, Leisure & Technical Services	904	329	231
Corporate	17	405	198
Sub-total	921	764	435
Capital Renewals			
Planning, Housing & Environmental Health	n/a	1	4
Street Scene, Leisure & Technical Services	n/a	935	576
Corporate	n/a	185	79
Sub-total	n/a	1,121	659
Total	921	1,885	1,094

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018
	£'000	£'000	£'000
Capital Plan Schemes			
Housing	0	30	6
Sub-total	0	30	6
Capital Renewals	n/a	1	4
Total Planning, Housing and Environmental Health	0	31	10

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Code	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018	
		£'000	£'000	£'000	
Housing					
(a) Disabled Facility Grants					
(i) Mandatory Grants Less repayments	P03AC	n/a	670	662 (9)	} Government grant of £967,000 received in 17/18 (£860,000 Better Care } Fund and £107,000 additional grant received from DCLG). £155,000 } transferred to revenue to facilitate West Kent Hospital Discharge and } Occupational Therapist scheme and £146,000 deferred for use in 2018/19. } } }
(ii) Discretionary Grants	P03AT		25	13	
(iii) Government Grant		n/a	(695)	(666)	
Sub-total		n/a	0	0	
(b) Housing Assistance Less repayments	P03AD	n/a	60 (30)	59 (53)	
Sub-total		n/a	30	6	
Total Housing to Summary		0	30	6	
Capital Renewals					
(c) Environmental Protection	P02EB CR01	n/a	1	4	Gas analyser replaced early.
Total Capital Renewals to Summary		n/a	1	4	

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018
	£'000	£'000	£'000
Capital Plan Schemes			
Street Scene	n/a	105	113
Leisure			
Larkfield Leisure Centre	357	13	10
Sports Grounds	0	32	4
Open Spaces	0	17	16
Other Leisure Schemes	114	14	1
Technical Services			
Car Parking	12	114	74
Transportation	376	13	0
Land Drainage / Flood Defence	45	21	13
Sub-total	904	329	231
Capital Renewals	n/a	935	576
Total Street Scene, Leisure & Technical Services	904	1,264	807

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018	
		£'000	£'000	£'000	
Street Scene					
(a) Green Waste Bins Growth / Replacement	P02BC	n/a	33	48	
(b) Refuse Bins Growth / Replacement	P02DA	n/a	72	65	
Total Street Scene to Summary		n/a	105	113	
Larkfield Leisure Centre					
Refurbishment of Lifestyles Health Suite Less TMLT Contribution	P05LL	419 (62)	13	10	Scheme completed. Balance required to meet final payment to project consultant due April 2018.
Sub-total		357	13	10	
Total Larkfield Leisure Centre to Summary		357	13	10	
Sports Grounds					
(e) Tonbridge School Athletics Track Improvements Less Grants	P05DC		11 (11)		Flood lighting element of scheme to be progressed in 2018/19.
Sub-total		0	0	0	
(f) Racecourse Sports Ground Riverside Rivetment Less Grants	P05DD		60 (28)	4	Works due to be retendered as original scheme came in over budget.
Sub-total		0	32	4	
Total Sports Grounds to Summary		0	32	4	

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018	
		£'000	£'000	£'000	
Open Spaces					
(a) Open Spaces Site Improvements - Phase 2 Less Developer Contributions	P05FV	57 (57)	12 (12)		
Sub-total		0	0	0	
(b) Leybourne Lakes CP Car Park Extension	P05FY		17	16	Scheme completed.
Total Open Spaces to Summary		0	17	16	
Other Leisure Schemes					
(a) Tonbridge Cemetery Memorial Safety Less Developer Contributions	P05KV	92 (3)	4		No ad-hoc stabilisation of memorials required in 2017/18.
Sub-total		89	4	0	
(c) Tonbridge Memorial Garden Improvement Less Developer Contributions	P05KA	334 (309)	3 (3)	2 (2)	Scheme completed.
Sub-total		25	0	0	
(e) Community Group Funding	P05KS	n/a	10	1	Ad-hoc support for community groups involved in the management of the Council's facilities.
Total Other Leisure Schemes to Summary		114	14	1	

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018	
		£'000	£'000	£'000	
Car Parking					
(a) Improvement Programme for Existing Car Parks	P01AB	n/a	86	70	17/18 expenditure relates to improvement works to car parks at Bow Road Warteringbury, Western Road Borough Green, Ryarsh Lane West Malling and Upper Castle Fields / Angel West Tonbridge. } Kings Hill element of borough wide action plans to be progressed during 2018/19. }
(b) Car Parking Action Plan					
(i) Phase 8	P01AV	12	8		
(ii) Phase 9	P01AW		20	4	
Total Car Parking to Summary		12	114	74	
Transportation					
(c) Local Transport Plan Partnership Programme Less Grants & Contributions	P01ED	215 (9)	9		Demand led expenditure to influence KCC Local Transport Plan Schemes.
Sub-total		206	9	0	
(d) Community Partnership Initiatives	P06FE	170	4		
Total Transportation to Summary		376	13	0	

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018	
		£'000	£'000	£'000	
Land Drainage / Flood Defence					
(a) Drainage Improvement Programme Less DEFRA Grant and other income	P01HR	75 (30)	21	13	Provision for ad-hoc interventions. Work undertaken in 17/18 relates to flood plain grading at Tonbridge Racecourse Sportsground.
Sub-total		45	21	13	
(c) Tonbridge Castle River Bank Less Environment Agency Grant	P01HT	120 (120)	2 (2)	3 (3)	Scheme completed.
Sub-total		0	0	0	
Total Land Drainage / Flood Defence to Summary		45	21	13	

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018	
		£'000	£'000	£'000	
Capital Renewals					
Street Scene					
(a) Recycling Initiatives	P02EBCR02	n/a	3	3	
Leisure					
(b) Sports Grounds & Open Spaces	P05KGBC05	n/a	113	78	Saving on replacement of play equipment / associated surfacing and deferral of some replacements to 2018/19.
Technical Services					
(c) CCTV	P01BA	n/a	16		Funding to be carried forward for Council Offices CCTV recorder replacements.
(d) Car Parking	P01JF	n/a	141	117	Replacement salt spreader and parking enforcement vehicle delayed to 2018/19.
Sub-total		n/a	273	198	
Leisure Centres					
(e) Larkfield Leisure Centre	P05KGBC02	n/a	427	80	Fitness equipment replacement delayed to June 2018 to coincide with the completion of the TMLT funded building alteration works.
(f) Angel Centre	P05KGBC01	n/a	245	227	}
(g) Tonbridge Swimming Pool	P05KGBC04	n/a	74	31	}
(h) Poulton Wood Golf Grounds Maintenance	P05KGBC06	n/a	90	36	} Reflects tight control on replacement of equipment and equipment lasting
Clubhouse	P05KGBC03	n/a	47	4	} longer than manufacturers anticipated life. Provisions subject to annual
Course	P05KGBC07	n/a			} review.
Savings Target (assumes 25%)		n/a	(221)		}
		n/a	662	378	
Total Capital Renewals to Summary		n/a	935	576	

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
CORPORATE

	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018
	£'000	£'000	£'000
Capital Plan Schemes			
Information Technology Initiatives	20	402	198
Other	(3)	3	0
Sub-total	17	405	198
Capital Renewals	n/a	185	79
Total Corporate	17	590	277

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
CORPORATE

	Code	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018	
Information Technology Initiatives					
(a) General IT Developments	P06DA	n/a	30	1	Underspend reflects resources directed to other IT Service priorities.
(b) Revenues & Benefits Document Management Less Government Grant	P06DG	49 (49)	3 (3)	5 (2)	Scheme completed.
Sub-total		0	0	3	
(c) Housing Services Document Management Less Government Grant	P06DH	28 (8)	12	6	Balance of funding required for GDRP upgrade.
Sub-total		20	12	6	
(d) Council Chamber Conference System	P06ER		95	68	Scheme complete. Balance of funding to be used to upgrade meeting room projection equipment.
(e) Virtual Desktop Infrastructure	P06ET		200	120	Central servers / software complete. Implementation, testing and handover due to take place in 2018/19.
(f) Revenues and Benefits IT Digital Solution	P06EW		65		Project re-scheduled, order expected to be placed May 2018.
Total Information Technology Initiatives to Summary		20	402	198	
Other					
(h) Local Strategic Partnership Less Performance Reward Grant	P06FJ	146 (149)	3		Scheme completed. Balance of funding no longer required.
Sub-total		(3)	3	0	
Total Other to Summary		(3)	3	0	

CAPITAL PLAN MONITORING STATEMENT 2017/18 TO 31 MARCH 2018
CORPORATE

	Code	Expenditure To 31/03/17	2017/18 Original Inc Prior Year Slippage	2017/18 Actual to 31 March 2018	
		£'000	£'000	£'000	
Capital Renewals					
(i) General :	P06FA				
Departmental Administration	GR01	n/a	5	2	
Sub-total		n/a	5	2	
(ii) Information Technology :	P06FB		43		}
Desktop Hardware	FB10	n/a	6	34	}
Mobile Hardware	FB20	n/a	36	4	}
Computer Suite	FB30	n/a	37	27	}
Other Hardware	FB40	n/a	3		}
Network	FB50	n/a	4		}
Corporate Software	FB60	n/a	7		}
Operational Software	FB70	n/a	20		}
User Software	FB80	n/a	24	12	}
Sub-total		n/a	180	77	}
Total Capital Renewals to Summary		n/a	185	79	

Underspend / carry forward to 2018/19 to be reviewed Autumn 2018.

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
SUMMARY OF SERVICES

	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018
	£'000	£'000	£'000
Capital Plan Schemes			
Planning, Housing & Environmental Health	0	30	2
Street Scene, Leisure & Technical Services	912	1,796	5
Corporate	224	318	15
Sub-total	1,136	2,144	22
Capital Renewals			
Planning, Housing & Environmental Health	n/a	1	0
Street Scene, Leisure & Technical Services	n/a	1,172	21
Corporate	n/a	708	3
Sub-total	n/a	1,881	24
Total	1,136	4,025	46

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018
	£'000	£'000	£'000
Capital Plan Schemes			
Housing	0	30	2
Sub-total	0	30	2
Capital Renewals	n/a	1	0
Total Planning, Housing and Environmental Health	0	31	2

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
PLANNING, HOUSING AND ENVIRONMENTAL HEALTH

	Code	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018	
		£'000	£'000	£'000	
Housing					
(a) Disabled Facility Grants					
(i) Mandatory Grants Less repayments	P03AC	n/a	775	84 (9)	} Reflects budget provisions approved Council February 2018. Grant support of £255,000, deferred from prior years, is also available. } } }
(ii) Discretionary Grants	P03AT	n/a	25	10	
(iii) Government Grant		n/a	(800)	(85)	
Sub-total		n/a	0	0	
(b) Housing Assistance Less repayments	P03AD	n/a	60 (30)	2	} New scheme approved Council April 2018. }
Sub-total		n/a	30	2	
(c) Homeless Accommodation Less Developer Contributions	P03AX		1,600 (1,600)		
Sub-total		0	0	0	
Total Housing to Summary		0	30	2	
Capital Renewals					
(d) Environmental Protection	P02EB CR01	n/a	1		
Total Capital Renewals to Summary		n/a	1	0	

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018
	£'000	£'000	£'000
Capital Plan Schemes			
Street Scene	n/a	84	0
Leisure			
Larkfield Leisure Centre	367	508	0
Sports Grounds	4	88	0
Open Spaces	0	0	0
Other Leisure Schemes	89	27	0
Technical Services			
Car Parking	16	70	5
Transportation	376	13	0
Land Drainage / Flood Defence	60	1,006	0
Sub-total	912	1,796	5
Capital Renewals	n/a	1,172	21
Total Street Scene, Leisure & Technical Services	912	2,968	26

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018	
		£'000	£'000	£'000	
Street Scene					
(a) Green Waste Bins Growth / Replacement	P02BC	n/a	16		} Provisions to be reviewed Autumn 2018. } }
(b) Refuse Bins Growth / Replacement	P02DA	n/a	68		
Total Street Scene to Summary		n/a	84	0	
Larkfield Leisure Centre					
(c) Refurbishment of Lifestyles Health Suite Less TMLT Contribution	P05LL	429 (62)	3		
Sub-total		367	3	0	
(d) Ventilation and Boiler Replacement	P05LP		505		
Total Larkfield Leisure Centre to Summary		367	508	0	
Sports Grounds					
(e) Tonbridge School Athletics Track Improvements Less Developer Contribution	P05DC		161 (161)		
Sub-total		0	0	0	
(f) Racecourse Sports Ground Riverside Rivetment Less Grants	P05DD	4	116 (28)		
Sub-total		4	88	0	
(g) Racecourse Sports Ground Rugby Pitch Drainage Less Developer Contribution	P05DE		25 (25)		
Sub-total		0	0	0	
Total Sports Grounds to Summary		4	88	0	

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018
		£'000	£'000	£'000
Open Spaces				
(a) Open Spaces Site Improvements - Phase 2 Less Developer Contributions	P05FV	57 (57)	12 (12)	
Sub-total		0	0	0
(b) Haysden Country Park Car Park Extension Less Developer Contributions	P05FB		30 (30)	
Sub-total		0	0	0
(c) Haysden Country Park Sewage Treatment Less Developer Contributions	P05FC		75 (75)	
Sub-total		0	0	0
Total Open Spaces to Summary		0	0	0
Other Leisure Schemes				
(d) Tonbridge Cemetery Memorial Safety Less Developer Contributions	P05KV	92 (3)	19	
Sub-total		89	19	0
(e) Tonbridge Cemetery Path Works Less Developer Contributions	P05KD		15 (15)	
Sub-total		0	0	0
(f) Tonbridge to Penshurst Cycle Route Refurbishment Less Developer Contributions	P05KL		60 (60)	
Sub-total		0	0	0
(g) Community Group Funding	P05KS	n/a	8	
Total Other Leisure Schemes to Summary		89	27	0

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018	
		£'000	£'000	£'000	
Car Parking					
(a) Improvement Programme for Existing Car Parks	P01AB	n/a	46	5	Includes slippage of £16,000 - to be reviewed Autumn 2018.
(b) Car Parking Action Plan Phases 8 and 9	P01AW	16	24		
Total Car Parking to Summary		16	70	5	
Transportation					
(b) Local Transport Plan Partnership Programme Less Grants & Contributions	Sub-total	P01ED	215 (9)	9	
			206	9	0
(b) Community Partnership Initiatives		P06FE	170	4	
Total Transportation to Summary		376	13	0	
Land Drainage / Flood Defence					
(e) Drainage Improvement Programme Less DEFRA Grant and other income	Sub-total	P01HR	88 (30)	8	
			58	8	0
(f) Wouldham River Wall		P01HS	2	998	
Total Land Drainage / Flood Defence to Summary		60	1,006	0	

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
STREET SCENE, LEISURE & TECHNICAL SERVICES

	Code	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018	
		£'000	£'000	£'000	
Capital Renewals					
Street Scene					
(a) Recycling Initiatives	P02EBCR02	n/a	3		} Provisions to be reviewed Autumn 2018.
Leisure					}
(b) Sports Grounds & Open Spaces	P05KGBC05	n/a	177		}
Technical Services					}
(c) CCTV	P01BA	n/a	30	5	}
(d) Car Parking	P01JF	n/a	24	15	}
Provision for inflation			7		}
Sub-total		n/a	241	20	}
Leisure Centres					}
(e) Angel Centre	P05KGBC01	n/a	250		}
(f) Larkfield Leisure Centre	P05KGBC02	n/a	525	1	}
(g) Tonbridge Swimming Pool	P05KGBC04	n/a	171		}
(h) Poulton Wood Golf					}
Grounds Maintenance	P05KGBC06	n/a	86		}
Clubhouse	P05KGBC03	n/a	101		}
Course	P05KGBC07	n/a	72		}
Net savings (assumes 25%)		n/a	(274)		}
Sub-total		n/a	931	1	}
Total Capital Renewals to Summary		n/a	1,172	21	

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
CORPORATE

	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018
	£'000	£'000	£'000
Capital Plan Schemes			
Land and Property	10	60	0
Information Technology Initiatives	214	258	15
Sub-total	224	318	15
Capital Renewals	n/a	708	3
Total Corporate	224	1,026	18

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
CORPORATE

	Code	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018	
Land and Property					
(a) Tonbridge Castle Office: Re-tile Roof	P06AA	10	60		
Total Land and Property to Summary		10	60	0	
Information Technology Initiatives					
(b) General IT Developments	P06DA	n/a	30		
(c) Housing Services Document Management Less Government Grant	P06DH	34 (8)	6		
Sub-total		26	6	0	
(d) Council Chamber Conference System	P06ER	68	27		
(e) Virtual Desktop Infrastructure	P06ET	120	80	15	
(f) Revenues and Benefits IT Digital Solution	P06EW		65		
(g) Data Protection (GDPR) Software	P06DR		50		
Total Information Technology Initiatives to Summary		214	258	15	
New scheme approved Council April 2018.					

CAPITAL PLAN MONITORING STATEMENT 2018/19 TO 30 APRIL 2018
CORPORATE

	Code	Expenditure To 31/03/18	2018/19 Including Prior Year Slippage	2018/19 Actual to 30 April 2018		
		£'000	£'000	£'000		
Capital Renewals						
(i) General :	P06FA				} Provisions to be reviewed Autumn 2018.	
Departmental Administration	GR01	n/a	24			
Print Unit	GR03	n/a	129			
Telephones	GR05	n/a	3			
Snack Facilities	GR06	n/a	5			
Tonbridge Christmas Lighting	GR09	n/a	32			
Sub-total		n/a	193	0		
(ii) Information Technology :	P06FB		63			
Desktop Hardware	FB10	n/a	6			
Mobile Hardware	FB20	n/a	50	3		
Computer Suite	FB30	n/a	151			
Other Hardware	FB40	n/a	17			
Network	FB50	n/a	117			
Corporate Software	FB60	n/a	14			
Operational Software	FB70	n/a	40			
User Software	FB80	n/a	36			
Sub-total		n/a	494	3		
Provision for Inflation	P06FZ	n/a	21			
Total Capital Renewals to Summary		n/a	708	3		

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Chris Megainey
Deputy Director



**Ministry of Housing,
Communities &
Local Government**

**Ministry of Housing, Communities and
Local Government**

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2 Marsham Street
London SW1P 4DF

E-Mail:
Chris.Megainey@communities.gsi.gov.uk

Chief Finance Officers of only those billing authorities with parishes in England
(Via email only)

28 March 2018

Dear Colleague,

COMPENSATING PARISHES FOR LOSS OF INCOME DUE TO LOCAL COUNCIL TAX SUPPORT SCHEMES

The Government signalled in its recently published response to an Independent Review of Local Council Tax Support Schemes that it will explore ways in which it can strengthen the requirement for principal authorities to pass a share of local council tax support to their towns and parishes. A copy of the full Government response is at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/676786/LCTS_Government_Response.pdf.

The Department recently approached some of the parishes that wrote to us in 2017 to complain about this issue and they have confirmed that the issues remain. The Government's clear expectation is that billing authorities will work with parish and town councils to pass down funding so that increases in their precepts can be avoided. However, some billing authorities are still not passing local council tax support funding on to parish and town councils, and would urge them to reconsider. Without a share of local council tax support funding, parishes may come under pressure to further increase their council tax precept in order to fill the gap, or may have to scale back the services they provide.

Before we decide next steps, we would like to know billing authorities' perspectives on this issue which would help us to better understand the scale of the problem. **We would be grateful if you could answer the question in the form attached with yes or no and return it by email to: Council.Tax@communities.gsi.gov.uk by 27 April 2018.**

If you require any further information regarding the contents of this letter please contact Mercy Adebisi at: Mercy.Adebisi@Communities.gsi.gov.uk.

Chris Megainey

Chris Megainey
Deputy Director, Local Government Finance



**Ministry of Housing,
Communities &
Local Government**

**COMPENSATING PARISHES FOR LOSS OF INCOME DUE TO COUNCIL TAX
SUPPORT SCHEMES**

Question to Billing Authorities

Did/will your billing authority compensate parishes for loss of income due to local council tax support schemes from the Revenue Support Grant in the following financial years? Please indicate yes or no.

- 2013/14 Yes
- 2014/15 Yes
- 2015/16 Yes
- 2015/17 Yes
- 2017/18 No
- 2018/19 No

Comments: The Council ceased receiving any Revenue Support Grant in 2017/18 having seen incremental reductions in RSG ever since the Council Tax Support payment was 'rolled in'. Although we understand that the Secretary of State is to launch a consultation this Spring regarding the impact of 'Negative RSG', all other things being equal we are due to see Negative RSG clawback of just short of £1m in 2019/20. Therefore we do not have any RSG from which to pass on CTR payments!

We consulted parish councils (as well as the public) during 2016 about withdrawing CTR payments plus grants made under s136, with the intention of instead bringing in special expenses for the non-parished area to create more equity across the borough. The majority of parish councils supported this approach and acknowledged the impact on their own finances in doing so. Parish councils also acknowledged that the borough council's RSG was being phased out and would cease in 2017/18. Special expenses was consequently introduced in 2017/18 and grants and CTR payments were withdrawn in full liaison with the parish councils in our area.

To enforce a reversal of this decision would be wholly perverse. Firstly, because the borough council does not actually receive any RSG anymore, and secondly because the parish councils in our area have been party to the decision made. A reversal would mean that equivalent savings would need to be made by the borough council in order to 'balance the books' which is ludicrous when this has been planned and worked through with the local councils.

Name of Billing Authority Tonbridge and Malling Borough Council

Name of Chief Finance Officer Sharon Shelton

Signature  **Date** 12 April 2018

TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 May 2018

Report of the Director of Finance and Transformation

Part 1- Public

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

1 CORPORATE DEBT RECOVERY POLICY

This report informs Members of the outcome of the review of the Council's Corporate Debt Recovery Policy.

1.1 Introduction

1.1.1 The Council's Corporate Debt Recovery Policy was adopted in July 2012 and subsequently reviewed and updated in May 2014 and again in January 2016.

1.1.2 The Council aims to ensure that all monies due are to the Council are recovered economically, efficiently and effectively in order for it to continue to provide services and keep the council tax as low as possible for those liable to pay it. In pursuit of that aim the Council will endeavour to treat all customers equally, in line with the Council's standards of customer care and will differentiate between those who can pay, but do not, and those having genuine difficulty in paying.

1.1.3 The Council will treat all debtors in a consistent manner which is fair, sympathetic, firm and cost effective whilst ensuring that it distinguishes between those who cannot pay and those who will not pay.

1.1.4 The Council has for many years had several debt recovery procedures tailored to the particular type of debt and attached as annexes to the overall Policy.

1.1.5 This latest review found that only minor changes were required to the Policy. A copy of the updated Corporate Debt Recovery Policy is attached at **[Annex 1]**.

1.2 Legal Implications

1.2.1 There is no legal requirement to have a Corporate Debt Recovery Policy, but the Local Government Ombudsman has previously advocated the publication of a Council Tax Debt Recovery Policy which is included in the Policy.

- 1.2.2 Guidance from the Department for Work and Pensions in respect of housing benefit overpayments advises that it is for councils to decide how far to pursue recovery.

1.3 Financial and Value for Money Considerations

- 1.3.1 Economic, efficient and effective debt recovery procedures is an important element of good financial management.

1.4 Risk Assessment

- 1.4.1 Whilst the comments of the Ombudsman were made in respect of council tax debts the Council could be open to criticism for not setting out its debt collection policy for other Council debts.

1.5 Equality Impact Assessment

- 1.5.1 The Policy will apply equally to all debtors and take into account any factors that may lead to different treatment of debtors because of extenuating circumstances.

1.6 Policy Considerations

- 1.6.1 Customer Contact

1.7 Recommendations

- 1.7.1 Members are asked to **RECOMMEND** approval of the Corporate Debt Recovery Policy [**Annex 1**] for publication on the Council's website, subject to any required amendments.

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

Background papers:

Nil

contact: Mike Bytheway
Paul Worden
Andy Bracey

Sharon Shelton
Director of Finance and Transformation

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

Adopted July 2012

Revised May 2018

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Key Principles

Further Information

Annex A - General Debt Recovery Policy

Annex B - Council Tax Recovery Policy

Annex C - National Non-Domestic Rate Recovery

Annex D - Housing Benefits Overpayment Policy

Annex E - Parking Recovery Policy

Introduction

The Council aims to ensure that all monies due to the Council are recovered economically, efficiently and effectively in order for it to continue to provide services and keep the council tax as low as possible for those who are liable to pay it. In pursuit of that aim, the Council will endeavour to treat all customers equally, in-line with the Council's standards of customer-care and will differentiate between those who can pay, but do not, and those having genuine difficulty in paying. Each annex provides details of the debt recovery procedures used by that particular service. However, the key principles noted below are common to all debt recovery procedures and must be included in any new or amended procedures.

Statement of Intent

The Council will treat all debtors in a consistent manner which is fair, sympathetic, firm and cost-effective whilst ensuring that it distinguishes between those who cannot pay and those who will not pay.

At all times the action taken to recover debts will take account of, and comply with other relevant Council policies including but not limited to – equality, violence at work, and the vulnerable person's policy.

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

Key Principles

The following key principles will be applied to all areas of debt recovery:

- Hard copy/electronic invoices/bills and notices are issued and sent to debtors promptly and in accordance with published/statutory requirements.
- Where a debtor is in receipt of housing benefit and/or council tax reduction, the Council will make every effort to ensure that the debtor is receiving the maximum benefit to which they are entitled.
- Debtors who cannot pay will, as far as possible, be distinguished from those who will not pay.
- Recovery action will be fair and equitable with the aim of ensuring that, where debtors have the means, they fulfil their obligation to pay their debts.
- An appraisal of the debtor's circumstances will be undertaken and used as the basis for agreeing mutually acceptable repayment arrangements.
- We will aim to strike a fair balance between the claims of Tonbridge and Malling Borough Council and those of competing creditors. Where such a need is identified, debtors will be asked if they have considered seeking assistance from a money advice service such as the Citizens Advice Bureau (CAB).
- Every effort will be made to maintain communication with debtors.
- Irrecoverable Debts - when a debt is deemed to be irrecoverable the process outlined in the Council's Financial Procedure Rules will be implemented.

Further Information

Additional information relating to the repayment of Council debts may be obtained from Financial Services.

By e-mail: financial.services@tmbc.gov.uk

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

Annex A – General Debt Recovery Policy

Introduction

These procedure notes provide guidelines for the recovery of the Council's general debts. General debts are those debts held on the Council's Sales Ledger System and do not include – Council Tax, Business Rates, Car Park Penalty Charge Notices, Housing Benefit Overpayments or Statutory Fines.

Debtors will be notified in accordance with relevant regulations, e.g. emergency Building Control works and will be clearly informed of any rights they may have to dispute the Council's decisions.

Debt Recovery Process

Invoices are raised on a daily basis and, for debt recovery purposes, a notional 'due by' date of seven days after the date of the invoice is used. If the invoice is not paid within seven days and the debtor has neither queried the charge nor requested payment by instalments (see below) debt recovery proceedings will commence.

- A Reminder to Pay is issued 18 days after the date of the invoice.
- A Legal Notice is issued 32 days after the date of the invoice.
- A Letter before Action is issued 46 days after the date of the invoice.
- The debt is passed to an enforcement agent from 76 days (can vary depending on circumstances of each case) after the date of the invoice.
- If, after a maximum of 90 days with the enforcement agent, the debt has not been recovered in full or an instalment arrangement entered into, the debt is returned to the Council for further consideration including legal action.

The Director of Finance & Transformation may amend the timings of each of these actions as deemed appropriate.

Court action should not be instigated solely because of the legal right of the Council to do so, but because it is a reasonable route left open after other means of recovery have been attempted.

Instalment Arrangements

A Chief Officer in consultation with the Director of Finance & Transformation may enter into or agree other payment terms which reflect the ability of the debtor to repay their debt or where there are special circumstances that need to be taken into consideration. Instalment arrangements may usually only be arranged for non-corporate debtors or charities and only after their specific circumstances have been fully considered. In practice the amount of the instalments and term of the arrangement are governed by the debtors' financial situation and their ability to pay.

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

If at all possible the arrangement should provide for the debt being repaid as soon as possible and within the current financial year. If the repayment term exceeds 12 months the Council may apply an interest rate where allowable.

If a debtor fails to adhere to an agreed instalment arrangement the debt becomes payable in full as soon as the payment has been missed. However, if the debtor forewarns the Council that they will be unable to make a payment and the reason given is acceptable, the arrangement may be allowed to continue with either the term extended or the value of the missing payment incorporated into the remaining instalments.

Legal Considerations

If, having exhausted all of the above mentioned actions, the debt remains unpaid the Council will consider the appropriateness in taking formal legal action in line with prevailing legal requirements. In such instances guidance will be sought from the Council's Legal Team.

If the debtor owns property it may be possible to place a Land Registry Charge on the property. Again, in such instances guidance will be sought from the Council's Legal Team.

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

ANNEX B – Council Tax Recovery Policy

Foreword

In accordance with the provisions of the Local Government Finance Act 1992 the Council is responsible for levying and collecting all Council Tax that is payable on all occupied and unoccupied domestic properties, which are not exempt and situated in the borough.

In order to ensure arrears are kept to a minimum, it is essential that the Council operate an effective and efficient approach to the collection of Council Tax monies using the methods determined by legislation and regulation.

In pursuit of that aim, the Council will endeavour to treat all customers equally, and in-line with the Council's standards of customer-care, and differentiate between those who can pay, but do not, and those having genuine difficulty in paying. This policy specifically addresses issues relating to the recovery of council tax debts. However, it must be read in the context of the Council's Corporate Debt Recovery Policy.

The recovery process

The collection and enforcement of Council Tax is governed by the Council Tax (Administration and Enforcement) Regulations 1992. It is important that anyone who does not pay their Council Tax by the due date is pursued for payment quickly.

Reminder notices, final notices and summonses are issued in accordance with the recovery timetable approved each year by the Director of Finance and Transformation.

- When a payment is missed, an Instalment Reminder letter will be sent 14 days after the instalment becomes due.
- If the account is brought up to date and then a second instalment is missed, a second reminder letter is sent.
- If the second instalment is brought up to date and then a third instalment is missed, a Final Notice is sent requesting the full outstanding balance for the year.
- A summons will be sent following a reminder or a second reminder or a final notice if the account is not brought up to date. Explanatory notes will be issued with the summons notice explaining the implication of Council Tax Enforcement.

Information regarding the availability of discounts, exemptions and council tax reduction is available on the Council's website.

Where taxpayers have contacted the authority to make a payment arrangement every attempt will be made to clear outstanding arrears by the end of the financial year 31 March.

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

If the resident contacts the Council and agrees an arrangement to pay following a summons, the resident's employer details will be captured and retained where possible.

Should the case reach court, the Council will make an application for a Liability Order at the hearing.

Staff attending court will assist defaulters who may choose to attend court for the Liability Order hearing and ensure they have a written breakdown of summons and liability order costs available. They will also ensure they are equipped with a supply of CTRS (council tax reduction scheme)/Single Person Discount forms etc. In order to provide assistance to complete forms and assess potential entitlement to CTRS/Housing benefit, the taxpayer will be encouraged to meet with a member of the Benefits team at the Council offices.

A Council Tax Notice of Liability Order and information request with details of the possibility of Enforcement Agent action will be issued to the taxpayer within 3 working days of the court hearing.

If the information request is not returned, the case will be passed to Enforcement Agents for recovery action. Fourteen days' notice must be given prior to carrying out this action.

An Attachment of Earnings Order (AEO) is the Council's preferred method of recovery. Once an AEO has been issued to an employer of the debtor, it will not be withdrawn without the express agreement of a senior officer. Generally employers will be instructed to implement orders strictly in accordance with the legislation. An employer is bound by law to action a local authority request to apply an attachment to earnings in respect of a liability order granted under relevant Council Tax legislation. An employer who fails to set up such an attachment will first be reminded but ultimate failure to carry out this action will result in prosecution.

Where information about relevant benefits is provided, an attachment to benefit will be arranged to recover the outstanding debt. Should the authority be unsuccessful in arranging attachment to earnings or benefits, the case will be passed to Enforcement Agents for recovery action.

Should the debt fail to be recovered through the use of the Enforcement Agents, appropriate action may be taken from the following options:

1. Prosecute for potential committal;
2. Charging Orders to be applied for;
3. Petition for Bankruptcy and in appropriate cases apply for an order for sale of the property.

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

Enforcement Agents

Before the Council instructs an Enforcement Agent, the resident will be sent a final warning letter informing the resident that the Council is about to instruct an Enforcement Agent to recover council tax monies that are due and inform them of the costs involved.

When the services of Enforcement Agents have been determined, an agreement will exist along with formal written procedures specifying the standard of service to be provided and will cover the following matters:-

- The initial Enforcement Agent visit will be expected to be within 10 working days of receipt of the case.
- Where no contact has been made within office hours then at least one visit will take place outside normal working hours before the case is returned for alternative action.
- Cases will only be returned by Enforcement Agents after at least three unsuccessful visits have been made
- There will be specific procedures for the removal of goods.
- There will be agreed provision for the security of money collected in the form of bond or client account.
- A joint signatory account will be set up for external Enforcement Agents to pay in all collections requiring an authorised signatory for the withdrawal of the Enforcement Agents portion of fees.
- The authority should be able to access the external Enforcement Agents' system via a link in order to make enquiries.
- Where an arrangement does not exist between the authority and Enforcement Agents, the Enforcement Agent will not retain the case for longer than a maximum of 90 days.
- Money collected by the Enforcement Agents will be paid to the authority on a weekly basis.

Payment arrangements

Except in exceptional circumstances, all arrangements will require the debt to be paid within the current financial year.

Arrangements for payment of a debt, where the debt will not be cleared by the end of the current financial year, will be agreed only where there is a proven inability to clear the debt by the end of the year. Unless agreed otherwise by a senior officer, such arrangements will be made only if the debtor completes and returns a financial statement form.

All payment arrangements will be confirmed in writing to the debtor.

If an information request letter has already been sent to the debtor, a payment arrangement will be made only on condition that the information request is completed by the debtor and returned to the Council (unless the arrangement is over a period of less than one month).

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

Once a case has been passed to the Enforcement Agents, it is not the Council's practice to intervene in discussions between the Enforcement Agents and the debtor as to collection of the debt. The Council may intervene in exceptional circumstances, by, for example, coming to a payment arrangement direct with the debtor. However, such payment arrangements will not be made without the express agreement of a senior officer.

The purpose of all arrangements is to achieve payment of the debt in the shortest possible time, at a rate that is realistically affordable by the debtor. Where possible, a lump sum payment "up front" will be sought from the debtor. Where more than one council tax account is involved (e.g. if the debtor has moved), priority will be given to keeping payments for the current year up-to-date. Debtors will be encouraged to set up a direct debit for the current year's payments.

Where a debtor is on Income Support/JSA (IB)/ESA (IR)/Pension Credit, an arrangement will not be agreed to (unless there are exceptional circumstances) that allows the debtor to pay less than the current recovery amount that can be attached from their state benefit.

If an arrangement is broken, the debtor will be contacted no later than one month after the default occurs. The debtor will be given the chance to bring the arrangement up-to-date before it is cancelled.

Where a debtor has defaulted on one arrangement, a further arrangement will not be agreed unless there is a good reason why the original one was broken.

Costs

Costs may be cancelled where:

- the Magistrates' Court has ordered their cancellation; or
- although the issue of the summons was legally correct, the Council has reason to believe that the taxpayer was genuinely unaware of the debt; or
- there is evidence of extreme hardship; or
- a senior officer of the Council has agreed to their withdrawal.

The amount of the costs is not negotiable.

Debt Counselling

If someone has contacted a debt counselling agency (e.g. Step Change, CAB), we will take a sympathetic line. Where a financial statement has been prepared, and the information supplied has been accepted, any reasonable offer of payment that is based on the statement will be considered and accepted if appropriate.

If a case is already with the Enforcement Agents by the time the debtor seeks advice, they will be contacted and made aware of the debtor's circumstances and the case will be put on hold until we receive the update from the debt counselling agency.

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

Having done this, if we are not contacted by the debt counselling agency the Enforcement Agent will be requested to ascertain whether there are sufficient goods on which to levy.

Committals

When the Authority has tried all other recovery options it will only list unpaid Council Tax cases for committal which exceed the minimum value which is considered by the authority as economical to pursue.

The council will send pre-committal warning letters (pending warrant letter) prior to commencement of proceedings allowing the taxpayer the opportunity to make payment by other methods.

If after 14 days no contact or payment is made the Council will complete Committal Approval Documents, which must be approved by Senior Officer.

If approved, the Council will apply to the Magistrates Court for a Bail Warrant instructing the taxpayer to attend Court at times and dates as specified by the Court.

Once granted by the Court, the Bail Warrant is passed directly to the Enforcement Agent for execution.

The authority shall charge costs up to the statutory maximum at the time of issuing a Committal Warrant to cover admin costs.

Evidence/cases will be presented in court in line with the Council's procedure. The Magistrates will conduct a Means Enquiry to assess if the tax payer is guilty of wilful refusal or culpable neglect. They can commit to prison for a maximum of 90 days per liability order or suspend with a payment order/ remit all or part of the total debt.

Should the taxpayer not attend the Court hearing, a Warrant without Bail will be applied for, together with appropriate costs. This involves arresting the taxpayer and bringing them to Court immediately.

If a Court Order Payment Plan is not adhered to a Section 18 Notice will be issued requiring the taxpayer to attend Court. This notice must be either hand delivered to the taxpayer (requiring a witness statement of service) or sent by recorded delivery. Once a suspended committal sentence has been imposed and the payment plan has been defaulted on, a committal warrant can be applied even in the taxpayer's absence. Any such application requires approval from a Senior Officer.

Bankruptcy

The Council recognises that sometimes it might have no alternative other than to commence bankruptcy proceedings for the recovery of unpaid council tax. In order to establish whether bankruptcy is the most appropriate method of recovery, the Officers of the Council will refer to the Council's document entitled "Recovery Procedure for Selecting Cases for Bankruptcy or Charging Order".

Tonbridge & Malling Borough Council

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Charging Orders

A charging order may be made against a dwelling where the owner is subject to a liability order for unpaid council tax, subject to the amount of the liability order plus costs being at least £1,000.

In deciding whether to apply for a charging order, each case will be considered, on its merits, by a senior officer of the Council. An application for an order is made to the County Court.

In deciding whether to grant an order, the court must consider all aspects of the case, such as the personal circumstances of the debtor and whether any other person would be unduly prejudiced by the making of an order.

If the making of a charging order by the Court does not produce payment from the debtor, then the Council will consider asking the Court for an Order for Sale. If the debtor's outstanding debts (mortgage, council tax etc.) might exceed the estimate of the likely sale price of the property at auction, we will still proceed in applying for a charging order if the difference between the two were marginal. If the difference were more than marginal, then we might still proceed if other factors were relevant, for example:

- the general good of the community, taking into account factors such as the appearance of the area; or
- the desire to bring an empty property onto the market and available for occupation; or
- the prevention of an ever-accumulating debt.

Irrecoverable Debts/Write Offs

The Council may write off the whole, or a proportion, of a debt depending on the circumstances of the particular case. The most common circumstances in which the council will write off a debt are where:

1. It is uneconomical to pursue recovery; or
2. There are humanitarian grounds for not pursuing recovery; or
3. The debtor has died; or
4. The debtor cannot be traced; or
5. The debtor has been declared bankrupt.

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Corporate Debt Recovery Policy

ANNEX C - National Non-Domestic Rate Recovery Policy

Foreword

Schedule 7 (part 1) Local Government Finance Act 1988 provides that the multiplier is set by the Secretary of State. The Valuation Office (an agency of HM Revenue & Customs) provides the rateable value of all non-domestic hereditaments. The Council is responsible for levying and collection of Non Domestic Rates payable on all occupied and unoccupied hereditaments, which are not exempt and situated in the borough.

The Council aims to ensure that all monies due to the non-domestic rate pool are recovered economically, efficiently and effectively. In pursuit of that aim, the Council will endeavour to treat all customers equally, and in-line with the Council's standards of customer-care, and differentiate between those who can pay, but do not, and those having genuine difficulty in paying. This policy specifically addresses issues relating to the recovery of non-domestic rate debts. However, it must be read in the context of the Council's Corporate Debt Recovery Policy.

The recovery process

Reminder notices, final notices and summonses are issued in accordance with the recovery timetable approved each year by the Director (Finance and Transformation).

Following the hearing of summonses by the Magistrates, pre-Enforcement Agent letters will be issued as soon as practicable thereafter.

All cases not subject to a payment arrangement (see below), or other recovery action, will be sent to the Council's Enforcement Agents 14 days after the issue of pre-Enforcement Agent letters.

Payment arrangements

Except in exceptional circumstances, all arrangements will require the debt to be paid within the current financial year.

Arrangements for payment of a debt, where the debt will not be cleared by the end of the current financial year, will be agreed only where there is a proven inability to clear the debt by the end of the year. Unless agreed otherwise by a senior officer, such arrangements will be made only if the debtor completes and returns a financial statement form. All payment arrangements will be confirmed in writing to the debtor.

Once a case has been passed to the Enforcement Agents, it is not the Council's practice to intervene in discussions between the Enforcement Agents and the debtor as to collection of the debt. The Council will intervene in exceptional circumstances, by, for example, coming to a payment arrangement direct with the debtor. However, such payment arrangements will not be made without the express agreement of a senior officer.

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The purpose of all arrangements is to achieve payment of the debt in the shortest possible time, at a rate that is realistically affordable by the debtor. Where possible, a lump sum payment “up front” will be sought from the debtor.

Where more than one non-domestic rate account is involved (e.g. if the debtor has moved), priority will be given to keeping payments for the current year up-to-date. Debtors will be encouraged to set up a direct debit for the current year’s payments.

If an arrangement is broken, the debtor will be contacted no later than one month after the default occurs. The debtor will be given the chance to bring the arrangement up-to-date before it is cancelled.

Where a debtor has defaulted on one arrangement, a further arrangement will not be agreed unless there is a good reason why the original one was broken.

Reminders, final notices and summonses

Once issued, a reminder, final notice or summons will be withdrawn only for one of the following reasons:

1. It has been issued in error; or
2. the issue of the notice has crossed with the ratepayer’s payment (a notice is unlikely to be withdrawn on more than one occasion for this reason); or
3. a senior officer has agreed the withdrawal; or
4. it appears that the person will not be liable to pay the amount of the debt shown on the notice, for example because they have moved. The notice will be withdrawn only once it has been confirmed that there will be nothing left to pay.

A final notice may be withdrawn if the taxpayer agrees to change to payment by direct debit (and sets up an instruction).

Where appropriate, the withdrawal of summonses will be confirmed in writing.

Debtors in receipt of reminders, final notices and summonses are encouraged to convert to direct debit.

Costs

Costs may be cancelled where:

1. the Magistrates’ Court has ordered their cancellation; or
2. although the issue of the summons was legally correct, the Council has reason to believe that the taxpayer was genuinely unaware of the debt; or
3. there is evidence of extreme hardship; or
4. a senior officer of the Council has agreed to their withdrawal.

The amount of the costs is not negotiable.

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

Enforcement Agents

Once the Council has passed a debt to its Enforcement Agents for collection, the Enforcement Agents will generally be allowed to collect the debt with minimal interference from the Council. Any debtor wishing to make a payment arrangement against a debt that is with the Enforcement Agents will be referred to the Enforcement Agents.

The Council wishes to ensure that its Enforcement Agents are acting within the law and in accordance with the standards expected by the Council. Any evidence of malpractice by the Enforcement Agents will be investigated by the Council.

The Council will not seek to interfere with the level of fees charged by the Enforcement Agents, unless it appears that they are not legally correct.

The Council will withdraw a case from the Enforcement Agents if:

1. it was sent to the Enforcement Agents in error; or
2. it would be more effective to use a different recovery method; or
3. at a senior officer's discretion, the circumstances of the debtor are exceptional for any reason.

Debt Counselling

If someone has contacted a debt counselling agency (e.g. Step Change, CAB), we will take a sympathetic line. Where a financial statement has been prepared, and the information supplied has been accepted, any reasonable offer of payment that is based on the statement will be considered and accepted if appropriate.

If a case is already with the Enforcement Agents by the time the debtor seeks advice, the case will be left with the Enforcement Agents until he has been able to ascertain whether there are sufficient goods on which to levy. The Enforcement Agents will be contacted and made aware of the debtor's circumstances. Having done this, the Enforcement Agents will be requested to cease further action unless it is apparent that the debtor is able to pay the debt.

Insolvency

The Council recognises that sometimes it might have no alternative other than to commence insolvency proceedings for the recovery of unpaid non-domestic rates. In order to establish whether insolvency is the most appropriate method of recovery, the officers of the Council will refer to the Council's document entitled "Recovery Procedure for Selecting Cases for Bankruptcy or Charging Order".

Security for Unpaid Rates

If a ratepayer has an interest in a property (occupied or unoccupied), the Council may enter into an agreement that any interest is made the subject of a charge to secure payment.

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In consideration of such a charge, the Council will take no further recovery action for the amount concerned for a period specified in the agreement.

The agreement may not be made for a period of more than three years. It may extend to further amounts becoming due from the ratepayer and it may provide for the payment of interest on sums outstanding (and for that interest, also to be subject to the charge).

Committal

Where all other methods of recovery have either failed or are considered inappropriate, the Council will apply to the Magistrates' Court for a warrant of commitment against the debtor (Sole Trader). This action cannot be taken against a company.

On account of the potentially serious consequences to the debtor of imprisonment, all of the debtor's personal circumstances will be fully considered by a senior officer before pursuing this course of action.

Irrecoverable Debts

The Council may write off the whole, or a proportion, of a debt depending on the circumstances of the particular case. The most common circumstances in which the council will write off a debt are where:

1. It is uneconomical to pursue recovery; or
2. There are humanitarian grounds for not pursuing recovery; or
3. The debtor has died; or
4. The debtor cannot be traced; or
5. The debtor has been declared insolvent.

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Corporate Debt Recovery Policy

ANNEX D - Housing Benefits Overpayment Policy

Introduction

An overpayment is defined under Housing Benefit legislation, as being any payment to which there was no entitlement. This policy is designed to set out guidelines for Benefits staff when dealing with benefit overpayments. It is essential that each case should be reviewed on its merits and that appropriate action be taken only after considering all the facts. Any discretion should be exercised in a fair and reasonable manner. However, this policy is intended to set a framework within which recovery actions can be made.

The majority of Housing Overpayments are recoverable. A recoverable Housing Benefit overpayment must always be recovered from the claimant and/or person to whom it was paid. Some debts are irrecoverable, for example, those caused by Official Error where the claimant could not reasonably have known that they had been overpaid or where they had not contributed to the error.

Policy Aims

The aims of the policy are to:

- maximise the recovery of all overpaid benefit through the measures set out below, and
- recover overpaid benefit in the most cost-effective way.

Affected parties will be notified in accordance with regulations and will be clearly informed of any rights to dispute the Council's decisions.

When identifying that an overpayment has arisen, the following factors need to be determined:

- the cause of the overpayment;
- whether or not the overpayment is recoverable;
- whether or not we should seek to recover the overpayment;
- from whom recovery will be sought;
- the method of recovery and, if the amount is to be recovered by instalments, the periodic amount that is to be recovered.

Housing benefit overpayment staff should negotiate instalment repayment rates at a level that will fully repay the debt within the current financial year when practical to do so. However, where a claimant can show that these levels of recovery will cause undue hardship to themselves or their family, then reduced instalments may be agreed if a financial statement is submitted to the Housing Benefit Overpayment Section.

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Causes of overpayments

Benefit overpayments can be caused by any one or combination of the reasons below:

- notification of a change of circumstances after the change has occurred; failure by a claimant to notify a change of circumstances;
- the deliberate withholding of information by an interested party (for example a landlord);
- the provision of incorrect information by a claimant or someone acting on their behalf;
- fraudulent encashment of a benefit payment;
- the death of a claimant, or
- from errors made by staff of the Department for Works and Pensions and/or the Council's own staff. These are known as "official errors".

Deciding if an overpayment is recoverable

When deciding if an overpayment is recoverable all of the pertinent facts, supporting evidence and the Benefit Regulations must be taken account of by the Benefits staff.

Generally, all overpayments are recoverable except when they are the result of an "official error". However, even these are recoverable if it is decided that the claimant could reasonably have been expected to realise that it was an overpayment at the time payment was made.

Due regard of the circumstances relating to the individual case shall be taken into account when deciding if recovery of the overpayment is appropriate.

Deciding if an overpayment should be recovered

Having decided that an overpayment is recoverable a decision then needs to be made on whether or not recovery action is to be taken.

A decision not to recover an overpayment is permissible by law but should only be made in exceptional circumstances under the authorisation of the Director (Finance and Transformation). The Council's Financial Procedure Rules set out the procedures for writing off such debts.

Deciding if non-recovery of recoverable overpayments is appropriate

Where it is believed that the recovery of an overpayment, taking into account social factors, is unreasonable and will cause hardship or significant distress, no recovery shall be sought.

Subject to the approval of the Director (Finance and Transformation), Benefits Overpayment staff will consider not taking recovery action in instances where the

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

claimant's social factors are exceptional and in the following circumstances when known:

- the claimant (or any partner) is terminally ill;
- the claimant is about to enter a residential home; or
- the claimant is suffering from a mental illness.

Deciding from whom benefit should be recovered

From April 2006 the Regulations state that if an overpayment was caused by misrepresentation or failure to disclose information, the overpayment must be recovered from the person who actually misrepresented or failed to disclose that information.

If the overpayment was caused by an official error it must be recovered from the person who, at the time of receiving the overpayment or any notices relating to the payment, could reasonably have been expected to realise that it was an overpayment.

If neither of the above apply the overpayment can be recovered from:

- the claimant;
- the claimant's partner, if they were members of the same household, both at the time of the overpayment and when it is being recovered; or
- the person to whom the overpayment was paid

Appeals against overpayments and recovery

When the Council receives an appeal, within the allowed time period, against the calculation of an overpayment or the decision as to whom it is recoverable from, by a person entitled to appeal the decision then any action to recover the overpayment should be suspended awaiting the outcome of the appeal.

However, if the debtor wishes to make payments against the debt these will not be refused.

Methods of recovery

Overpayments may be recovered by one or more of the following options provided that no undue hardship is caused to the claimant or former claimant:

- deductions from ongoing benefit;
- deductions from earnings
- the issue of an invoice;
- from ongoing benefit paid by another Council;
- deductions from other benefits paid to the claimant by the Department for Work and Pensions; or
- recovery from payments to a landlord in respect of the benefit due to other tenants where that benefit is paid directly to the landlord. This applies in specific 'blameless tenant' circumstances such as when the tenant has died or moved address.
- Recovery from debt collection agency
- Direct Earnings Attachment

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Deductions from ongoing benefit

There are two prescribed rates of deduction from ongoing benefit depending on whether the overpayment has arisen as a result of fraud or not. These rates are usually reviewed annually, normally in April. For illustrative purposes with effect from April 2018 the standard rates are:

- a) £18.50 in the case of a claimant having been found guilty of fraud or having made an admission under caution of deception or fraud for the purpose of gaining benefit or they have agreed to pay a penalty under Section 45A of the Administration Act and the agreement has not been withdrawn; and
- b) £11.10 in other cases.

The following additions may also be made:

- half of any applicable earnings disregarded; □
half of any disregarded regular voluntary or charitable payment; and
- half of any war disablement pension or war widow's pension. TMBC has chosen to omit these pensions from its recovery considerations.

These are the maximum mandatory rates of overpayment recovery and may be reduced if individual circumstances warrant such a course of action. Higher rates of recovery are possible if these are arranged with the consent of the person they are being recovered from.

Direct Earnings Attachment (DEA)

From 8 April 2013 the Social Security Act 1992 was amended allowing Local Authorities to recover overpayments by attachment to earnings without the need to obtain a Court authority.

Where the debtor has not made an arrangement to repay the overpayment and it is found that they are working for an employer, the Local Authority will issue a DEA order to the employer instructing repayment at the appropriate rate as per the net earnings.

Issue of an invoice

In the case of deceased debtors, invoices will be issued to the estate of the individual. In these instances recovery action will be dependent upon the specific circumstances of each case.

Recovery of overpayments for cancelled claims will be started by the issue of an invoice. In the first instance the aim will be to recover the overpayment by a single payment. However, where the claimant can show that this is unaffordable, payment by instalment may be negotiated. It is at this stage that investigations into recovery via third parties (other local authorities and DWP) may be undertaken.

Where the debtor is no longer entitled to benefit because their income is too high, instalments may be agreed after taking into account their net disposable income and reasonable financial needs (the applicable amount used in the last calculation of

Tonbridge & Malling Borough Council

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benefit subject to changes in respect of dependents). Net disposable income may be estimated without the need for absolute proof.

Repayments must be set at levels that the former claimants can reasonably be expected to pay. As a rule of thumb, instalments should not usually be greater than 50% of the “excess income” as calculated in accordance with the previous paragraph. Instalments can be renegotiated at any time to take account of varying circumstances.

If the debtor fails to make payment in full or agree an arrangement to pay within 14 days of the invoice being issued (and there is no ongoing dispute) a reminder will be sent.

If payment in full or an arrangement is not then made within a further 16 days a “Letter before Action” will be issued. This will advise the debtor that legal action or referral to a debt collection agency will be commenced if payment is not received in full or an arrangement made within a further 10 days.

If the debtor fails to respond appropriately within 10 days further recovery action will be taken. The decision on which of these actions is to be taken is solely dependent on which one is expected to maximise the amount recovered.

Deductions from benefits paid by another local authority

Where the former claimant fails to repay an invoiced overpayment, and is in receipt of benefit from another Local Authority, that Authority is to be asked to recover the overpayment by weekly deductions.

Recovery by deduction from benefits paid by the DWP

If the former claimant fails to repay an invoiced overpayment, and is in receipt of one of the benefits listed in Regulation 105 of the Housing Benefit Regulations 2006, the appropriate office is to be asked to recover the overpayment from one or more of the benefits received.

Recovery of overpayments from Landlords and Agents

If the debtor continues to be entitled to receive benefit then the recovery will normally be by deduction from ongoing benefit paid to the landlord unless the landlord has agreed to repay the debt in full directly.

However, in instances where the debtor is no longer entitled to receive benefit, the Social Security Administration (Fraud) Act 1997 allows the recovery of an overpayment of benefit to be made from a current tenant of a landlord even though the debt relates to a former tenant of the landlord. This only arises when the landlord was paid direct for the former claimant and an overpayment arose. This method of recovery is exceptional and must only be used in the appropriate circumstances. Recovery is said, in these circumstances, to be being made from “blameless tenants”.

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Recovery from a Debt Collection Agency

Debt referred to a debt collection agency shall be on a commission only basis. Such commission shall not be passed on to the debtor nor shall the debt collection agency be empowered to take recovery action, unless authorised by the Director (Finance and Transformation), other than as follows: Reminder letters, Telephone calls, Text messages and Home visits.

Legal Considerations

If, having exhausted all of the above mentioned actions, the debt remains unpaid the Council will consider the appropriateness of other legal action. The Council will register a HB Overpayment decision as a judgement of the court. This allows the Council to use any of the court's enforcement procedures for recovery of the debt. These can include:

- A warrant of execution which gives court enforcement agents the authority to take goods from the debtor's home or business. The county court enforcement agents can only enforce a warrant for debts up to £5,000, For any higher amounts the order will be transferred to the High Court;
- Third party debt order which stops the debtor being able to access their bank accounts;
- A charging order which prevents the debtor from selling their assets such as land and property;
- An order to obtain information can be granted if the Council holds little or no information about the debtor;
- A bankruptcy order where the debtor owes £5,000 or more and an arrangement to pay has not been agreed.

Write Off Procedure

Outstanding overpayments will be regularly reviewed to identify any debts that are irrecoverable and need to be authorised for write-off by the Director (Finance and Transformation) under delegated powers or by the Finance, Innovation and Property Advisory Board. The delegated authority for write offs is as follows and additional information is provided in the value based action plan table below.

The following are circumstances where a recoverable overpayment might be reasonably considered for write-off:

- the debtor has absconded and cannot be traced via Locta, Experian, CIS etc;
- the debtor has died leaving no estate;
- the debt has been returned by the Magistrates' Court;
- the debt is uneconomical to collect; or
- it is considered inappropriate to recover a debt due to the physical and/or mental condition of the debtor.

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Corporate Debt Recovery Policy

Value based action plan

Amount	Recovery action sequence	Write off action
£0 to £1	No action.	Submit to Director (Finance and Transformation) for write off as uneconomic to pursue.
£1.01 to £15	<ul style="list-style-type: none"> • Overpayment notification. • Issue invoice or deduct from on-going benefit. • Issue first reminder. 	Submit to Director (Finance and Transformation) for write off as uneconomic to pursue if the debt remains unpaid 35 days after the issue of the first reminder.
£15.01 to £499.99	<ul style="list-style-type: none"> • Overpayment notification. • Issue invoice or deduct from on-going benefit. • Issue first reminder. • Issue Letter before Action. • Check Locta, DWP & Experian. • Refer to debt collection agency. 	Submit to Director (Finance and Transformation) for write off as uneconomic to pursue when debt collection agency return the debt as uncollectable (no payment arrangements)
£500.00 to £1,000.00	<ul style="list-style-type: none"> • Overpayment notification. • Issue invoice or deduct from on-going benefit. • Issue first reminder. • Issue Letter before Action. • Check Locta, DWP, Experian • Use tracing agents, proactive telephone calls and home visits. • Refer to debt collection agency. • If no payment arrangement is made with the agency then if the debtor is working or possesses sufficient assets apply to the County Court for judgement. Utilise Charging orders, consider attachment of earnings, instruct County Court Enforcement Agents, consider insolvency. 	Submit to Director (Finance and Transformation) for write off on return of debt as uncollectable by the debt collection agency or action via the Court proves ineffective or not appropriate (due to case information)
£1,000.01 and greater.	As for over £500.01.	Submit to FIPAB via Director (Finance and Transformation) for write off upon return of debt as uncollectable by the debt collection agency or if action via the Court proves to be either ineffective or not appropriate.

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ANNEX E - Parking Penalty Charge Notice Debt Recovery Policy

Foreword

The Council aims to ensure that all monies due to the Council are recovered economically, efficiently and effectively in order for it to continue to provide services and keep the council tax down for everyone who is liable to pay it. In pursuit of that aim, the Council will endeavour to treat all customers equally, and in line with the Council's standards of customer-care, and differentiate between those who can pay, but do not, and those having genuine difficulty in paying. This policy specifically addresses issues relating to the recovery of Penalty Charge Notice debts. However, it must be read in the context of the Council's Corporate Debt Recovery Policy.

Introduction

The recovery process for Penalty Charge Notices is governed, in the main, by legislation. Parts of the process are automated to ensure that each case is treated consistently and that the necessary time scales are respected and achieved. Whenever possible, and within the constraints of the legal process, the Council will consider mitigation, at any stage, in a sympathetic but consistent manner, in line with the adopted policies of the South East Parking Group and national guidelines. Where the driver has not offered mitigation, or it has been rejected, the legal process will proceed to recover the outstanding charge.

Legal enforcement and recovery process

- All drivers are legally entitled to 14 days in which to pay the Penalty Charge Notice at a 50% discounted rate. The system is set to allow a further 3 days for delays in posting and processing before the amount increases to the full charge.
- The discount period is extended for a further 14 days from the date of any reply to representations or mitigation.
- After 30 days, unpaid Penalty Charge Notices will be referred to the DVLA to identify the registered keeper. The law expects the registered keeper to be responsible for unpaid Penalty Charge Notices.
- Statutory Notices and reminders will then be sent, in a timely manner within the guidelines, to the registered keeper informing him/her of the consequences of not making full payment and allowing him/her to make contact with the Council to arrange payment of the outstanding balance or offer fresh mitigation as to why enforcement should not continue. Each communication, including the original Penalty Charge Notice, provides details of the appeals procedure and offers opportunities to contact the Council to resolve the outstanding matter.
- At the relevant stage the case will be prepared for Debt Registration at the Traffic Enforcement Centre where an order for recovery is sought. The opportunity still exists for the registered keeper to make contact and arrange payment or in some circumstances seek an independent review.
- All cases not subject to a successful payment arrangement (see below), or not subject to an accepted challenge or appeal by the TEC or Traffic Penalty Tribunal, will be sent to the Council's Enforcement Agents 36 days after the issue of an Order of Recovery.

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

Payment arrangements

- Arrangements will not normally be considered when the charge is at the discount stage.
- Requests to make payments by instalments will only be considered if supported by financial evidence.
- Other than in exceptional circumstances, all arrangements will require the debt to be paid within one calendar year.
- The purpose of all arrangements is to achieve payment of the debt in the shortest possible time but at a rate that is realistically affordable by the debtor.
- The debtor will normally be expected to make an immediate initial payment.
- Payment arrangements will be confirmed in writing to the debtor.
- Where more than one Penalty Charge Notice is involved, the arrangement will endeavour to clear cases at the most advanced stage of enforcement first.
- If an arrangement is broken the debtor will be contacted no later than one month after the default occurs and be given the opportunity to bring the arrangement up-to-date. Failure to do so will result in the cancellation of the arrangement and the immediate resumption of the enforcement process.
- Where a debtor has defaulted on one arrangement it is unlikely that a second one will be agreed unless there is a good reason why the original one was broken.
- Once a case has been passed to the Enforcement Agents it is only he who can determine and agree any further payment arrangement. It is not the Council's practice to intervene in discussions, between the Enforcement Agents and the debtor, as to the collection of the debt although it would expect the Enforcement Agents to show due consideration to any particular circumstances that might justify any arrangement.

Debt Counselling

- The Council will normally adopt a sympathetic view to any approach by a debt counselling agency provided a financial statement is submitted and is accepted. It will endeavour to agree an appropriate sum and rate of repayment in all cases.
- If the approach is made after the case is already with the Enforcement Agents then the Enforcement Agents will be advised of the circumstances and requested to cease further action until both the Council and the Enforcement Agents have been able to assess the situation and determine what course of action is appropriate.
- This may include continuing with the execution of the distress warrant or returning it, pending the debtor being in a better position to settle the debt.

Tonbridge & Malling Borough Council

Corporate Debt Recovery Policy

Enforcement Agents

- The Council will only use Enforcement Agents that are members of a recognised professional body and are committed to working in accordance with national guidelines and / or regulations.
- The Council will ensure that its Enforcement Agents are acting within the law and in accordance with the standards expected by the Council. Any evidence of malpractice by the Enforcement Agent will be investigated fully by the Council.
- Once the Council has passed a debt to its Enforcement Agents for collection, the Enforcement Agents will generally be allowed to collect the debt with minimal interference from the Council. Any debtor wishing to make a payment or an arrangement against a debt that is with the Enforcement Agents will be referred to the Enforcement Agents.
- The Council will not seek to interfere with the level of fees charged by the Enforcement Agents, unless it appears that they are not legally correct. However it will seek their co-operation in minimising their fees in appropriate circumstances.
- The Council will normally only withdraw a case from the Enforcement Agents if in the opinion of a Senior Officer there are exceptional circumstances, or on the advice of the Enforcement Agents.
- The Council will maintain regular contact with the Enforcement Agents ensuring that overall performance is satisfactory and that any specific cases do not require an alternative approach. The Council will normally rely upon the professional judgement of the Enforcement Agents in all cases.
- The Council will seek to engage a minimum of two Enforcement Agents to encourage maximum performance and offer flexibility where necessary. Each Enforcement Agent will be expected to return unexecuted warrants well within the lifetime (1 year) of that warrant to enable an alternative company to attempting tracing and execution of the warrant.

Bankruptcy

- If a debtor provides a Bankruptcy Order, or any other evidence of insolvency, dated after the issue of the Penalty Charge Notice/s, the Council would write off the Notice. However a claim would be lodged with the receiver in the hope that some payment would be forthcoming.
- Any Penalty Charge Notice issued after any Bankruptcy or Insolvency Order was made, would be payable and dealt with in accordance with the above policy.

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Corporate Debt Recovery Policy

Irrecoverable Debts

If a debt appears irrecoverable the Council may write off the whole, or a proportion, of a debt depending on the circumstances of the particular case. The most common circumstances in which the council will write off a Penalty Charge Notice are where:

- The Enforcement Agents considers there are insufficient funds upon which to levy distress
- The debtor cannot be traced
- The debtor has died
- The debtor has been declared bankrupt.
- It is uneconomical to pursue recovery
- There are humanitarian grounds for not pursuing recovery

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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 May 2018

Report of the Director of Finance and Transformation

Part 1- Public

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

1 IT STRATEGY UPDATE

A general update on progress towards preparing the new IT Strategy was provided to Members on 3 January. Attached to this report is the draft IT Strategy document for 2018-2022 setting out our aims and ambitions at a high level for this period.

1.1 Background

1.1.1 The existing IT Strategy was agreed by FIPAB on 24th September 2014 and covered the period from 2014 to 2017.

1.1.2 It describes at a high level how current and new technologies can assist with the Council's Transformation agenda and help to make improvements and efficiencies in our processes and in service delivery to the public and other customers.

1.2 The new IT Strategy

1.2.1 The new document attached at **[Annex 1]** sets out strategic objectives in a number of areas which will be underpinned by projects which will deliver these goals.

1.2.2 The projects will be identified in line with the strategic objectives and prioritised according to consultations with Members, Management Team, Officers and our Customers.

1.2.3 The strategic objective areas are;

- Customers – improved use of the website by customers. Greater use of “end-to-end” digital services in order to deliver efficiencies in back office processes.
- Staff – ensure officers are provided with up to date and efficient tools and systems for the tasks they are performing. Officers will also be involved in

all areas of the projects delivered under the strategy and provided with any support and training that is necessary.

- Members – provide regular technology training sessions for members so they are fully briefed on the latest developments.
- Partners – continue to participate on shared projects with other organisations where there is mutual benefit.
- IT Infrastructure – challenge our current use of legacy business systems and evaluate cloud hosted alternatives.
- Information Security – ensure that risks around information security are managed effectively and is understood at both Member and Management Team level.
- Business Continuity and Disaster Recovery – make sure that changes which arise from projects in the strategy are fully reflected in our Business Continuity and Disaster Recovery plans.

1.3 Legal Implications

- 1.3.1 Procurement policy should be followed for all projects arising from the IT Strategy.
- 1.3.2 The IT Strategy will take into account the requirements of the General Data Protection Regulation which is implemented on 25/05/2018.

1.4 Financial and Value for Money Considerations

- 1.4.1 A separate review will be undertaken to determine the resourcing requirements for a programme of work to improve data quality and implement the citizen “golden record”.
- 1.4.2 By adopting “smarter” use of technology in our delivery of services we have the opportunity to improve efficiencies, therefore reducing cost and improving value for money to the resident.

1.5 Risk Assessment

- 1.5.1 Corporate strategies, goals and priorities need to align and support each other. The IT Strategy will support the activities and goals set by the Council. Without a clearly defined strategy we may not be able to prioritise our resources correctly, leading to missed opportunities to improve service delivery and reduce costs.

1.6 Equality Impact Assessment

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

1.7 Policy Considerations

1.7.1 Business Continuity/Resilience

1.7.2 Communications

1.7.3 Customer Contact

1.7.4 Procurement

1.8 Recommendation

1.8.1 Members are asked to consider and **RECOMMEND** approval of the IT Strategy for the period of 2018 to 2022.

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

Background papers:

contact: Darren Everden

Nil

Sharon Shelton
Director of Finance and Transformation

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DRAFT

Tonbridge & Malling Borough Council
IT Strategy 2018 – 2022

May 2018

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1. Introduction

- 1.1. This strategy details at a high level how we can apply and develop Information and Communication Technology (ICT) to support the delivery of the Corporate Performance Plan, our Savings and Transformation plan and service improvement by enabling change and driving forward efficiencies.
- 1.2. This strategy is a statement of our aims and objectives which will be used as the framework within which we can operate and is to form the basis for making future decisions. It also sets the scene for future joint working and collaboration with partner organisations through links to the Kent wide Public Services ICT Strategy.
- 1.3. The extremely rapid pace of change and development of ICT means we have to be constantly identifying opportunities for further improvements. As with any strategy this document will be kept under review and updated to reflect internal and external drivers for change over the next 3 years.
- 1.4. The IT Strategy will support the Vision and Values detailed in Corporate Strategy 2017-2019, namely;
 - Taking a business-like approach
 - Promoting Fairness
 - Embracing Effective Partnership Working
 - Valuing our environment and encouraging sustainable growth
- 1.5. The IT Strategy will also support the objectives set out in the Savings & Transformation Strategy 2018/19 – 2020/21, which are;
 - To deliver sufficient savings in order to bridge the funding gap identified in the Council's MTFS, and to deliver those savings as quickly as possible in order to minimise risk to the Council's finances.
 - To direct resources in line with the principles of the Council's Corporate Strategy
 - To maintain the Council's reputation of good front line service provision
 - To adopt a 'mixed' approach to addressing the funding gap through a series of 'themes'.
 - To be open to accept 'cultural' change/transformation in the ways we work and offer services to the public in order to release efficiencies and savings
 - To engage, as appropriate, with stakeholders when determining how savings will be achieved
- 1.6. Whilst the IT Strategy will cover a number of areas of business transformation and customer service from a technology standpoint, consideration will be given to developing a number of complementary strategies with a view to embedding a corporate change culture within the organisation.
- 1.7. The Roadmap section of the policy collates the action points which are referenced within the main text. These are given an AP reference. Some of the action points are discrete items whereas others will trigger a project or series of projects. As this is a living document, the projects will be documented here as they arise.

2. Current Position

- 2.1. The previous IT Strategy (2014-2017) set out a number of “deliverables” that were expected over the lifetime of the strategy. A significant number of achievements were made in delivering these, which included;

We said	We did
Establish new IT Infrastructure which challenges existing methods of delivery and evaluates new methods (such as shared services, cloud computing, and commoditised hardware)	Implemented new storage and virtual server infrastructure, refreshed Multi-Function Devices and printing infrastructure. Currently installing VDI infrastructure for the adoption of thin clients.
Enable projects to be delivered quicker and with more resilience to change by adopting Agile project methods.	Developments now being run using Agile project management (Safeguarding being the first).
Provide assistance with the formation and enforcement of a Data Governance policy which includes relevant data retention guides.	Work ongoing with the Information Governance OSG as part of the Council GDPR programme.
Development of the My Account and My Nearest functionality of the website to provide rich and relevant information to the customer (such as up to date bill and payment information), encouraging use of the website by implementing time saving features (such as pre-populating forms) and making information easier to find.	My Account was developed to provide online Council Tax balance lookups, streamline payments by pre-populating details, and streamline form filling by pre-populating details and access to electronic Council Tax bills. As part of our ongoing improvement programme the Northgate Citizen Access modules are being added to enable the direct update of back office data from website customer contacts.
Introduction of new self-service options for the customer.	Bulky waste collections and a full suite of licensing forms have been developed.
Consolidate contact channels into a single stream through managed use of social media and a new integrated customer contact system.	Adoption of Social Sign In and Geomant Contact Expert have been delivered.
Implement new communications suite (email and telephony system) to support new flexible working practices	Introduced new telephony platform (Skype for Business) and email platform (Microsoft Exchange)

- 2.2. Despite these achievements, there were a number of areas which remained underdeveloped for a variety of reasons. These included;
- Guiding and supporting staff in the acquisition and use of digital skills through a comprehensive assessment and training programme.
 - Review and challenge business processes throughout the organisation and implement workflow and document management where appropriate.
 - Facilitate new business processes, business models and business moments by the appropriate use of technology.
- 2.3. These are still important points and will be addressed further on in this strategy.

3. Aims & Ambitions

- 3.1. During the course of this strategy we will examine the business systems that we use and how we use them. By and large we are still users of legacy business applications. Systems with a single use and operating as a silo. Using data as a strategic asset and liberating it from these silos is a key goal. Better use of the data we own will help inform business decisions and the setting of priorities arising from the Savings and Transformation Strategy.
- 3.2. If we are to get the most out of the data assets we own then we have to ensure that the quality of data is sufficient for it to be used. We know that the current quality level is extremely variable, so we will aim to improve this by a combination of factors including the establishment of a data quality policy (AP1) and implementation of master data management (AP2). This will ensure that we have an authoritative source of clean customer information in the same way that we have for properties with the Local Land and Property Gazetteer. This will help us to comply with Article 5 of the GDPR which states that data should be accurate and, where necessary, kept up to date. Before any new use of data takes place, Privacy Impact Assessments will be undertaken.
- 3.3. Business change will be a large cultural challenge for the Council. We will need to provide an adequate level of support and resources to ensure we benefit from change rather than resist it (AP3). These is a key requirement for robust project management as part of this process.
- 3.4. The Savings and Transformation Strategy has a number of themes and saving targets to be delivered during the lifetime of this IT Strategy. Examples where Information Technology projects can assist are described in the table below;

Theme	Example of assistive Information Technology
Income Generation & Cost Recovery	Data analysis identifying new opportunities for income and providing a holistic view for cost and debt recovery
In-Service Efficiencies	Better use of technology for service delivery, such as automated workflows and avoidance of double data entry
Service Change & Reduction	Full review of business processes across the organisation to identify candidates for technology led business process re-engineering
Contracts	Reduce the cost of large legacy based IT system contracts and replace them with commodity platform alternatives which carry out common functions such as customer management, fulfilment, payments, notifications, and workforce planning
Organisation Structure Change	Provide effective communications and collaboration tools to enable work to be conducted any time at any place

- 3.5. Work is already underway with the Virtual Desktop Infrastructure project to introduce a wider number of tools and options for workers to get their jobs done. Reviews of service areas across the Council is informing us how to equip a flexible workforce. This work will continue.
- 3.6. The website continues to be our main focus for doing business with the Council. Since the previous website overhaul in 2015, expectations and technology have moved on. The next iteration of the website will take this into consideration. Our objective is to make online the best way of receiving services for the customer and the council.

4. Strategic Objectives

4.1. Customers

- 4.1.1. Understanding how customers interact with the website is an important factor in developing a user experience that will encourage repeated use. We will continue to use Google Analytics to benchmark website performance and user requirements, and feed this information into a website development plan (AP4).
- 4.1.2. We will continue to work with external partners (such as Smarter Digital Services at Tunbridge Wells) to conduct user testing, draw on the experience of others and to participate in joint projects of benefit.
- 4.1.3. Development of our online services is an evolutionary process that continually iterates on improvements. Customer opinion is important in this so more opportunities will be built into the customer journey to ask for their views on how well a service is delivered (AP5). This will be crucial information that can be used within the website development plan and the corporate Transformation and Savings plan.
- 4.1.4. Improvements will be required to business processes in order to align them better with digital services. Automated tasks such as notifications, enquiry responses and service fulfilment should be considered and existing processes challenged where a more

streamlined alternative is available (AP6).

- 4.1.5. Close working is required with the Customer Services Team in order to capture and understand key metrics of customer contact. This information can be used to help prioritise the work in the website development programme (AP7).

4.2. Staff

- 4.2.1. Over the last few years our workforce have been demanding more flexibility and choice in the digital tools used to deliver their service. By introducing Skype for Business on the telephony side, and Virtual Desktop Infrastructure on the IT Service Delivery side, we have the foundations of meeting this demand. We will build upon these developments and closely liaise with service departments on the best mix of IT tools for their use. Offering more staff focussed apps will also drive in service efficiencies (AP8).
- 4.2.2. Current legacy business applications are very specialist and duplicate common processes across the organisation, leading to fragmentation and different ways of doing the same thing. We will aim to increase the flexibility and resilience of the organisation by consolidating common processes across services which will help break down information silos (AP9). Candidates for this will include payments, case management, and order fulfilment.
- 4.2.3. All projects will be run according to project management principles and at a minimum will involve a project team consisting of the following;

Project Sponsors	Senior officer and members responsible for driving forward the overall programme
Project Manager	Making sure the components of the project remain on track and are delivered within the budget allocation. Key role in communicating progress to all stakeholders.
Digital Lead	Responsible for content, user journeys, branding and consistency of the transformation service being delivered.
IT Lead	Making sure the technical elements are integrating and providing the desired outcome.
Business Process Analyst	Able to pick apart the components of a current service we deliver, and reconstruct that in a “digital first” manner.
Service Managers and Service Users	A willingness to improve the way we deliver services and come forward with ideas and suggestions of their own to include within the projects.
Transformation OSG	Keeping the wider organisation

	informed and consulted on the overall transformation programme
--	--

4.3. Members

- 4.3.1. It is important that members understand the journey that we are on with digital technology, and also use IT tools effectively to conduct their own business for the Council. We will ensure that members are regularly trained in digital technologies via training sessions (AP10). Members will be canvassed on areas of interest and a training programme will be put into place.
- 4.3.2. We will ensure that Members are provided with suitable equipment and software in order to work in a digital way with the Council (AP11).

4.4. Partners

- 4.4.1. Partnerships exist within many service areas including IT and provide the opportunity for joint projects, co-location and delivery of services. We will continue to work with partners to ensure the opportunities presented by these working relationships can be maximised to help drive down costs and improve service delivery.

4.5. IT Infrastructure

- 4.5.1. We will challenge our legacy infrastructure and business systems with more agile alternatives (AP12). A “cloud first” approach will be taken when replacing in-house business systems which will help drive down the overhead costs associated with on premise

solutions. When evaluating potential solutions, the preference for cloud services will be taken in the following order;

- Software as a Service (SaaS)
- Platform as a Service (PaaS)
- Infrastructure as a Service (IaaS)

4.6. Information Security

4.6.1. Keeping our organisation safe online is a key priority and is one of the top risk management activities undertaken by the Council. The approach to information security is maturing across the local government sector and top level responsibility for this risk is required at both Management Team and Member level (AP13). In addition to keeping pace with emerging the threat landscape on a technical basis, we will also put in place the governance structure and procedures so that our security posture and risks can be evaluated corporately.

4.6.2. We will ensure that the basics of information security are being done well. This includes;

- maintaining firewalls & content filters
- using up to date anti-virus
- promoting good password practice & identity management of users
- patching software to keep it up to date
- not using out of date and unsupported software
- effective monitoring of our environment for anomalous behaviour

4.6.3. We will maintain compliance with regulatory frameworks such as the Public Service Network Code of Connection (PSN CoCo) and Payment Card Industry Data Security Standard (PCI-DSS).

4.6.4. We will also obtain certification on Cyber Essentials (AP14) which is a publically recognised standard set up by the National Cyber Security Centre. This is a voluntary programme but will provide re-assurance to our customers and partners that we managing the information security risk effectively.

4.7. Business Continuity & Disaster Recovery

4.7.1. The Councils Business Continuity Plan and Disaster Recovery Plan will continue to evolve and take on board changes arising from this strategy (AP15).

4.7.2. As a minimum we will ensure that the Council can continue to provide its statutory services in times of emergency or disaster.

4.7.3. We will also ensure that the Council has the IT services it requires to carry out its duties as required by the Civil Contingencies Act 2004.

5. Roadmap

5.1. The following is a list of actions and milestones from the IT Strategy.

Ref	Description	Timeline	Priority
-----	-------------	----------	----------

AP1	Establish data quality policy	2019	High
AP2	Implement Master Data Management to create a golden customer record	2019	High
AP3	Work with Personnel and other services to embrace a culture of change	Throughout life of strategy	Medium
AP4	Formalise website development plan	2018	High
AP5	Seek customer views on completion of website transactions	2019	Medium
AP6	Comprehensive business process reviews across services to identify conversion to digital processes and highlight automation opportunities	Throughout life of strategy	High
AP7	Capture and analyse key customer contact metrics across all channels	2019	Medium
AP8	Ongoing dialog with service areas to determine the best digital tools for the job	Throughout life of strategy	Medium
AP9	Consolidation of common business processes between systems	2020-2021	Medium
AP10	Regular technology training sessions for Members	Annually	Medium
AP11	Ensure Members are equipped with hardware and software to participate in paperless Council meetings	Throughout life of strategy	Medium
AP12	Challenge continued use of legacy business systems vs. cloud based alternatives	2020-2021	Medium
AP13	Establish a lead representative for Information Security at officer (Management Team) and Member level	2018	High
AP14	Ensure that basics of Information Security are done well, regulatory compliance on Information Security is maintained, and obtain Cyber Essentials certification	Throughout life of strategy	High
AP15	Evolve the Business Continuity and Disaster recovery plans in line with business changes	Throughout life of strategy	Medium

TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 May 2018

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1 REVENUES AND BENEFITS UPDATE REPORT

A report detailing recent developments in respect of council tax, business rates, council tax reduction and housing benefits.

1.1 Collection of council tax and business rates

- 1.1.1 As at 31 March 2018, the final collection rate for council tax, for the year 2017/18, was 98.61%. This was below the target set for the financial year (99%). The final collection rate for 2016/17 was 99.03%.
- 1.1.2 As at 31 March 2018, the final collection rate for business rates, for the year 2017/18, was 99.69%. This exceeds the target set for the financial year (99.6%). The final collection rate for 2016/17 was 99.19%.
- 1.1.3 Although the council tax collection rate fell below our (challenging) target, I am very pleased to report that for the third year running, it is the highest in Kent.
- 1.1.4 Since the introduction of the council tax reduction scheme in 2013/14, the working age taxpayers in receipt of support have been charged £7.7M. By the end of 2017/18, £6.9M has been collected, approximately 90%. In respect of 2017/18, the collection rate for working age taxpayers fell by 1% (approximately £17,000) compared to 2016/17, which I believe was a result of the maximum level of support being reduced to 80%.
- 1.1.5 Previous year council tax arrears also reduced by approximately £790,000 in the last financial year (compared to £1.1M in 2016/17).
- 1.1.6 Members will note that the number of recovery notices issued overall in 2017/18 was 5% higher than in 2016/17 (see **ANNEX 1**). This highlights the challenge for the Revenue team to collect council tax, with fewer taxpayers making their payments on time than in previous years.
- 1.1.7 In respect of business rates, the collection rate was 0.5% higher compared to 2016/17. This is encouraging as we move towards a new rate retention scheme; however, as I have mentioned before, collection of business rates is volatile, and

the overall collection rate can be affected by factors affecting a small number of accounts.

- 1.1.8 The overall business rate arrears reduced by approximately £700,000 in the last financial year, leaving just £14,000 uncollected in respect of all rates due since 1990. A lot of work was undertaken in the previous financial year to remove uncollectible debt, and this has now put us in a very strong position to maintain our excellent collection rate.
- 1.1.9 As always, I can assure Members that every effort is being made to maintain high collection rates, and that we are doing all that is possible to collect the council tax and business rates that are due to the Council.
- 1.1.10 As at 30 April 2018, the collection rate for council tax stood at 8.01%. For the same period in the year 2017/18, the collection rate was 7.84%.
- 1.1.11 As at 30 April 2018, the collection rate for business rates stood at 13.76%. For the same period in the year 2017/18, the collection rate was 11.4%.

1.2 Spring Statement

- 1.2.1 In the Spring Statement, the Chancellor announced that the next business rates revaluation would be brought forward one year to 2021. Following the previous announcement on more frequent revaluations, this means that three-yearly revaluations will take effect in 2024.
- 1.2.2 The Spring Statement also confirmed that to prioritise the implementation of the early revaluation, the Government is delaying the linking of local authority billing systems to HMRC's digital tax accounts to the earliest opportunity after the start of the first three-year revaluation cycle in 2024.

1.3 Performance and Workload of the Benefits Service

- 1.3.1 Performance in the Service continues to improve year on year. The average number of days to process new claims for housing benefit and council tax reduction in 2017/18 was 12.9. Over 75% of new claims were put into payment within three days. Changes in circumstances took an average of 3.9 days.
- 1.3.2 The total number of new claims rose slightly in 2017/18 to 3092, compared to 3083 in 2016/17. Most of these were combined housing benefit and council tax reduction claims. While at the same time the number of households assisted by housing benefit and / or council tax reduction fell by 100, equating to 1.5%. The caseload fell by a similar figure the previous year.
- 1.3.3 The number of changes in circumstances also rose, from 49,781 in 2016/17 to 50,966 in 2017/18. Many of these changes are now processed automatically with information from the DWP, relating to changes in state benefits, directly updating the Council's records.

- 1.3.4 The total amount of money paid out to either tenants or landlords in housing benefit was £35,143,827. The total expenditure was similar to the previous year despite national measures to cut housing benefit levels through an imposed 1% rent decrease in housing association rents and other welfare reforms restricting payments.
- 1.3.5 Housing benefit is reclaimed by the Council from Government through subsidy. The majority of subsidy is paid at 100% of the expenditure however there are areas of 'loss' where the rate is below 100%. One such area where losses have been increasing each year is for housing benefit paid for temporary accommodation, as the use of such accommodation has increased. Temporary accommodation is used when the Council has a duty to provide homes for homeless households but cannot immediately secure a long term solution. Subsidy rules are complex in this field and accommodation can be expensive, causing substantial losses.
- 1.3.6 Strategic focus on the type of accommodation in use with an eye to financial implications for the Council whilst remaining suitable solutions for homeless households has seen a levelling of cost for 2017/18. However, with new legislation introduced in April 2018 widening the Councils duties around potential homelessness and preventative measures, demand is likely to increase, calling for new cost effective forms of service provision.
- 1.3.7 The Council's Discretionary Housing Payment (DHP) fund was fully used across 2017/18. Of the £284,000 fund, over £185,000 was used to directly prevent homelessness by assisting households to reduce rent arrears or secure accommodation. These actions reduce the use of temporary accommodation. The balance was used to support households in hardship, often due to welfare reform measures. Awards of DHP are made with conditions wherever possible, to improve the likelihood that households will have sustainable tenancies for the future. The Council received 527 DHP applications in total for the year and assisted 431 of these.
- 1.3.8 The Government DHP grant for the Borough has decreased to £236,000 for 2018/19 calling for greater diligence in use of the budget over this year.
- 1.3.9 Universal credit roll-out in the Borough remains timetabled for November 2018. This will initially only affect those claimants making new claims. Some other Councils across Kent will roll-out earlier in the year. My officers will monitor progress in readiness for November.

1.4 Legal Implications

- 1.4.1 Nil.

1.5 Financial and Value for Money Considerations

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

1.6 Risk Assessment

1.6.1 Nil.

Background papers:

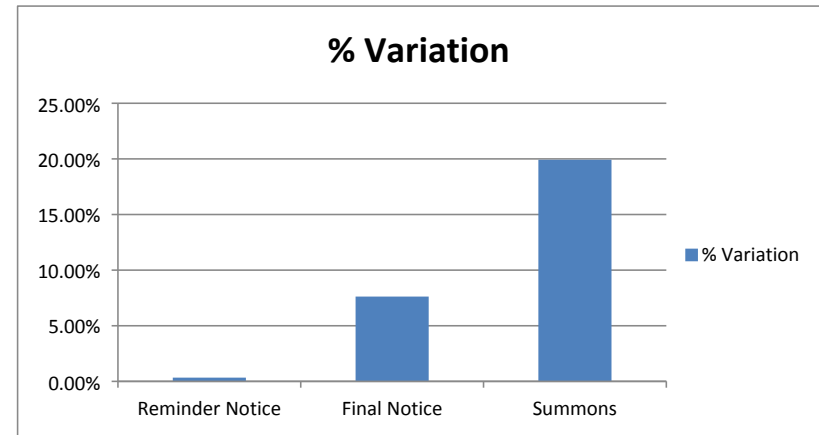
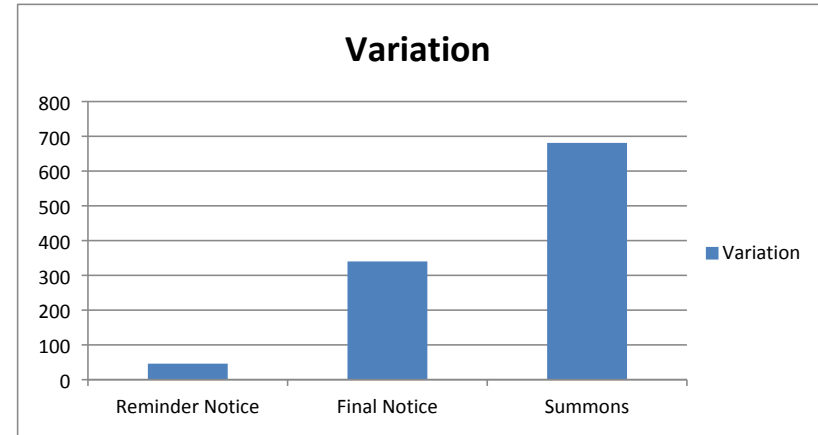
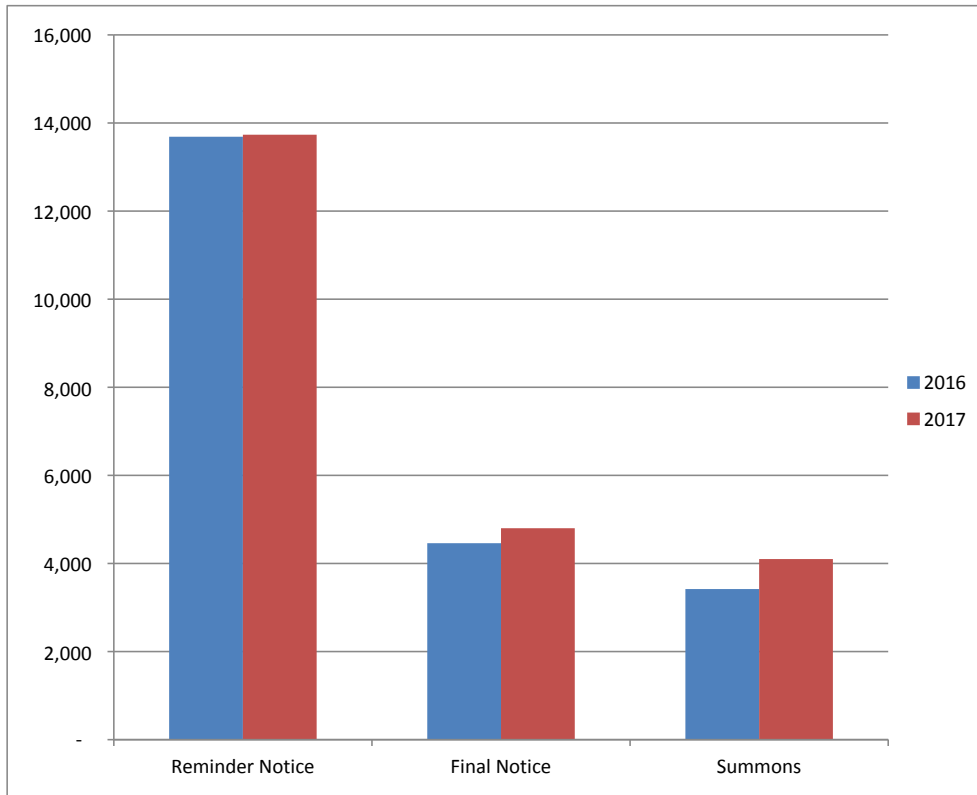
1. In respect of the collection of council tax and business rates, data held within Financial Services.

contact: Glen Pritchard
01732 876146
Andrew Rosevear
01732 876143

Sharon Shelton
Director of Finance and Transformation

	Reminder Notice	Final Notice	Summons	Total
2016	13,688	4,460	3,419	21,567
2017	13,734	4,800	4,100	22,634
Variation	46	340	681	1067
% Variation	0.34%	7.62%	19.92%	4.95%

ANNEX 1



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TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

23 May 2018

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1 PUBLICATION OF ALLOWANCES PAID TO MEMBERS DURING THE FINANCIAL YEAR 2017/18

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

1.1 Background

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

1.2 Legal Implications

1.2.1 This is a requirement for all English local authorities and publication is also consistent with the transparency agenda.

1.3 Financial and Value for Money Considerations

1.3.1 As set out in the attached Statement.

1.4 Risk Assessment

1.4.1 Failure to publish the Statement in accordance with the Regulations could result in adverse publicity and criticism.

1.5 Policy Considerations

1.5.1 Communications

Background papers:

contact: Paul Worden

Nil

Sharon Shelton
Director of Finance and Transformation

In accordance with regulation 15 (3) of the Local Authorities
(Members Allowance) (England) Regulations 2003, I hereby publish details of
allowances paid to the Councillors of Tonbridge & Malling Borough Council
during the financial year 2017/18.

Member	Basic Allowance	Special Responsibility	Mileage	Subsistence/ Expenses	Carers Allowance
ANDERSON J A	5270.02	2514.80			
BALDOCK O C	5270.02	1299.30			
BALFOUR M	5270.02				
BARKER S M	5283.00	520.80			
BASE M C	5283.00	630.80	82.35		
BATES P A	5283.00	110.00			
BELL S	5283.00				
BETTS R P	5270.02				
BISHOP T	5283.00				
BOLT P F	5283.00				
BOTTEN J L	5022.04				
BRANSON V M C	5283.00	2523.80			
BROWN B A	5270.02	54.50			
CANNON T I B	5283.00				
COFFIN M A	5270.02	13287.16			
CURE D J	5283.00	630.80	201.60		
DALTON R W	5283.00		1058.40	34.00	
DAVIS D A S	5270.02	1299.30			
DAVIS M O	5270.02	1299.30	75.60		
DEAN T	5283.00				
EDMONDSTON-LOW T	5283.00	55.50			
ELKS B T M	5022.04				
HAMMOND S M	5283.00				
HESLOP M F	5283.00	8400.00	54.00		
HESLOP N J	5283.00	18384.00	919.35	44.05	
JESSEL S R J	5283.00	490.80			
KEELEY D	5283.00	55.50	91.80		
KEERS D G	4743.34		225.00		
KEMP F A	5178.00	2946.30			
KING S M	5270.02	1299.30			
LANCASTER R D	5270.02	2946.30	111.60		
LETTINGTON D	5270.02	8379.60			
LUCK S L	3120.00				

In accordance with regulation 15 (3) of the Local Authorities
(Members Allowance) (England) Regulations 2003, I hereby publish details of
allowances paid to the Councillors of Tonbridge & Malling Borough Council
during the financial year 2017/18.

Member	Basic Allowance	Special Responsibility	Mileage	Subsistence/ Expenses	Carers Allowance
LUKER B J	5270.02	1299.30			
MARKHAM D	5283.00	270.80			
MONTAGUE P J	5178.00	4316.07			
O'TOOLE L J	5270.02	325.30			
OAKLEY A S	5283.00	3006.38			
PARRY-WALLER M	5270.02	2946.30			
PERRY S C	5178.00				
RHODES M R	5270.02				
ROGERS H S	5283.00	8400.00			
ROUD R V	5283.00				
SERGISON J L	5270.02	2514.80	132.75		
SHAW T B	5283.00				
SHRUBSOLE S O	5270.02	5361.02			
SMITH C P	5270.02				
SPENCE S V	5283.00	740.80			
SULLIVAN A K	5270.02	2946.30	122.85		
TAYLOR F M	5283.00				
THOMAS G E	5283.00				
TOMBOLIS F G	5270.02	54.50			
WALKER B W	5283.00				
WALKER T C	5283.00	55.50			
TOTALS	281482.82	99364.93	3075.30	78.05	0.00
Independent Members of Standards Committee					
ASHTON DS	128.25				
MERCIER D J	369.58				
GLEDHILL JM	128.25				

Sharon Shelton
Director of Finance & Transformation



April 2018

Agenda Item 10

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

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Agenda Item 11

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

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

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

Document is Restricted

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

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 14

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

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