



# TONBRIDGE & MALLING BOROUGH COUNCIL

## EXECUTIVE SERVICES

---

---

**Chief Executive**

Julie Beilby BSc (Hons) MBA

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

---

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

Contact: Committee Services  
[committee.services@tmbc.gov.uk](mailto:committee.services@tmbc.gov.uk)

2 October 2018

To: MEMBERS OF THE CABINET  
(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Cabinet to be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Wednesday, 10th October, 2018 commencing at 7.30 pm

Yours faithfully

JULIE BEILBY

Chief Executive

## A G E N D A

### PART 1 - PUBLIC

- |    |                          |        |
|----|--------------------------|--------|
| 1. | Apologies for absence    | 7 - 8  |
| 2. | Declarations of interest | 9 - 10 |

3. Minutes 11 - 14
- To confirm as a correct record the Minutes of the meeting of the Cabinet held on 6 June 2018
4. Minutes of Extraordinary Meeting 15 - 18
- To confirm as a correct record the Minutes of the extraordinary meeting of the Cabinet held on 3 September 2018
5. Minutes of Extraordinary Meeting 19 - 22
- To confirm as a correct record the Minutes of the extraordinary meeting of the Cabinet held on 4 September 2018
6. Matters Referred from Advisory Boards 23 - 44
- The notes of meetings of Advisory Boards are attached, any recommendations identified by an arrow being for determination by the Cabinet. Notices relating to any decisions already taken by Cabinet Members under the arrangements for delegated decision making have previously been circulated.*
7. Matters Referred from Advisory Panels and Other Groups 45 - 76
- The minutes of meetings of Advisory Panels and Other Groups are attached, any recommendations being identified by an arrow.*

#### **Matters for Recommendation to the Council**

8. Revised Statutory Investment Guidance and Treasury Management and Prudential Codes of Practice 77 - 104
- The revised Guidance and Codes impose additional requirements on local authorities aimed to address concerns arising from the commercialism agenda, in particular the use of loans and the purchase of property to generate a profit.*
9. Treasury Management Update and Mid-Year Review 2018/19 105 - 126
- Cabinet is invited to recommend endorsement of the action taken by officers in respect of treasury management activity to date, note the progress made in respect of property fund investment and retain the current risk parameters.*

#### **Executive Key Decisions**

10. West Kent Partnership - Business Rates Retention Pilot: Housing and Commercial Growth Fund 127 - 138
- Item ERG 18/20 referred from Economic Regeneration Advisory Board minutes of 5 September 2018*

11. Class C Empty Property Council Tax Discount and Long Term Empty Homes Premium 139 - 148

*Item FIP 18/29 referred from Finance, Innovation and Property Advisory Board minutes of 17 September 2018*

### **Executive Non-Key Decisions**

12. Garden Communities Prospectus - Expression of Interest 149 - 152

*The report summarises the most recent Government prospectus launched in August and seeks agreement to make an Expression of Interest for assistance in respect of the strategic development site at Borough Green being promoted through the emerging Local Plan.*

13. Review of Youth Engagement, Sports and Events Development 153 - 196

*To review the Council's approach to youth engagement, sports and events development as recommended by the Overview and Scrutiny Committee at its meeting of 21 June 2018.*

### **Matters submitted for Information**

14. Medium Term Financial Strategy Update and Bid for 75% Business Rates Retention Pilot 197 - 202

*The report provides an update on the Medium Term Financial Strategy and projected funding gap ahead of the forthcoming budget cycle. It also updates Members on the bid for the 75% Business Rates Retention Pilot.*

15. Local Digital Declaration 203 - 204

*A report advising Cabinet of the launch of the Local Digital Declaration and detail of the Local Digital Fund Prospectus.*

16. Urgent Items 205 - 206

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**

17. Exclusion of Press and Public 207 - 208

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**

### **Executive Non-Key Decisions**

18. Proposed Disposal of Amenity Lane at Keats Road, Larkfield 209 - 214

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

*Item FIP 18/38 referred from Finance, Innovation and Property Advisory Board minutes of 17 September 2018*

19. Proposed Lease at Swanmead Sportsground, Tonbridge 215 - 220

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

*Item FIP 18/39 referred from Finance, Innovation and Property Advisory Board minutes of 17 September 2018*

20. Urgent Items 221 - 222

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

Councillor N J Heslop, (Leader) and (Economic Regeneration)  
Councillor M A Coffin, (Finance, Innovation and Property)  
Councillor Mrs M F Heslop, (Community Services)  
Councillor D Lettington, (Street Scene and Environment Services)  
Councillor P J Montague, (Housing)  
Councillor H S Rogers, (Strategic Planning and Infrastructure)

Members of the Council who are not members of the executive may attend meetings of the Cabinet. With the agreement of the Leader, any such Member may address the Cabinet on any item on the agenda but may not vote.

This page is intentionally left blank

Apologies for absence

This page is intentionally left blank



Declarations of interest

This page is intentionally left blank

## **TONBRIDGE AND MALLING BOROUGH COUNCIL**

### **CABINET**

**Wednesday, 6th June, 2018**

**Present:** Cllr N J Heslop (Chairman), Cllr M A Coffin, Cllr Mrs M F Heslop, Cllr D Lettington and Cllr P J Montague

Councillors Mrs J A Anderson, O C Baldock, M C Base, R P Betts, D J Cure, Mrs A S Oakley, M R Rhodes, A K Sullivan and M Taylor were also present pursuant to Access to Information Rule No 22.

Apologies for absence were received from Councillor H S Rogers

### **PART 1 - PUBLIC**

#### **CB 18/38 DECLARATIONS OF INTEREST**

There were no declarations of interest made in accordance with the Code of Conduct.

#### **CB 18/39 MINUTES**

**RESOLVED:** That the Minutes of the meeting of the Cabinet held on 20 March 2018 be approved as a correct record and signed by the Chairman.

### **MATTERS FOR RECOMMENDATION TO THE COUNCIL**

#### **CB 18/40 REVIEW OF THE CONSTITUTION**

The report of the Director of Central Services and Monitoring Officer provided an update on the review of the Council's Constitution and addressed specific questions raised at the meeting of the Overview and Scrutiny Committee held on 19 April 2018.

Particular reference was made to concerns expressed about arrangements for call-in of planning applications by ward Members. In response, the specific delegation DPHEH 100 had been amended so that the relevant Area Planning Committee Chairman would be a consultee to any determination by the Director of Planning, Housing and Environmental Health as to whether the request for call-in was supported with a reasoned justification on planning grounds. It was also noted that the time limit for making a request for call-in had been amended to 21 days commencing on the date of notification of the application via List B. Members welcomed the changes and the opportunity for dialogue with the planning officers prior to any request for call-in although it was noted that the onus was on Members to trigger such dialogue.

At the meeting of the Overview and Scrutiny Committee the Leader had given an undertaking to allow further consideration of the question of removing the 15 minute time limit on debating petitions at Council meetings and for petitions to be debated in the first instance elsewhere than at full Council. Since the process for receiving and considering petitions was at the discretion of the Council, the draft petition scheme had been amended to allow for petitions with over 1500 signatures to be considered by either Council or Cabinet depending on whether the subject matter was an executive or Council function. Members endorsed this course of action and agreed that there should be no time limit on the overall debate of petitions, subject to a five minute limit on speeches by individual Members and the two petitioners whether at Council or Cabinet, with specific permission for non-executive Members to speak at Cabinet meetings during the debate on petitions.

**RECOMMENDED:** That

- (1) the overall time limit for debate of petitions be removed, subject to a five minute limit on speeches by individual Members and two petitioners, and specific reference be made to the ability of both executive and non-executive Members to speak at Cabinet meetings when petitions are debated;
- (2) the proposed revisions to the Constitution arising from the questions raised by the Overview and Scrutiny Committee, as set out in section 1.6 of the report, be approved;
- (3) subject to (1) above, the amended Constitution at Annexes 1 to 6 of the report be adopted; and
- (4) authority be delegated to the Director of Central Services and Monitoring Officer to make any further changes to the formatting of the Constitution as he considers appropriate.  
**\*Referred to Council**

**DECISIONS TAKEN IN ACCORDANCE WITH PARAGRAPH 4,  
PART 3 OF THE CONSTITUTION**

**CB 18/41 REVENUE AND CAPITAL OUTTURN 2017/18**

Decision Notice D180042CAB

**CB 18/42 CORPORATE ENFORCEMENT POLICY**

Decision Notice D180043CAB

**MATTERS SUBMITTED FOR INFORMATION****CB 18/43 MATTERS REFERRED FROM ADVISORY BOARDS**

The notes of the meetings of the following Advisory Boards were received, any recommendations contained therein being incorporated within the decisions of the Cabinet reproduced at the annex to these Minutes.

Finance, Innovation and Property Advisory Board of 23 May 2018  
Communities and Housing Advisory Board of 29 May 2018  
Economic Regeneration Advisory Board of 4 June 2018

**RESOLVED:** That the report be received and noted.

**CB 18/44 MATTERS REFERRED FROM ADVISORY PANELS AND OTHER GROUPS**

The Minutes of the meetings of the following Advisory Panels and other Groups were received, any recommendations contained therein being incorporated within the decisions of the Cabinet reproduced at the annex to these Minutes.

Tonbridge Forum of 16 April 2018

**RESOLVED:** That the report be received and noted.

**CB 18/45 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.

**DECISIONS TAKEN IN ACCORDANCE WITH PARAGRAPH 4,  
PART 3 OF THE CONSTITUTION****CB 18/46 LAND AT COMMERCIAL ROAD, TONBRIDGE**

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

Decision Notice D180044CAB

The meeting ended at 8.28 pm

This page is intentionally left blank

## **TONBRIDGE AND MALLING BOROUGH COUNCIL**

### **CABINET**

**Monday, 3rd September, 2018**

**Present:** Cllr N J Heslop (Chairman), Cllr M A Coffin, Cllr Mrs M F Heslop, Cllr D Lettington, Cllr P J Montague and Cllr H S Rogers

Councillors Mrs J A Anderson, Mrs S M Barker, M C Base, R P Betts, D J Cure, R W Dalton, D A S Davis, Mrs T Dean, Mrs S L Luck, B J Luker, Mrs A S Oakley, M Parry-Waller, S C Perry, M R Rhodes, R V Roud, T B Shaw, Miss S O Shrubsole, A K Sullivan and M Taylor were also present pursuant to Access to Information Rule No 23.

### **PART 1 - PUBLIC**

#### **CB 18/47 DECLARATIONS OF INTEREST**

There were no declarations of interest made in accordance with the Code of Conduct.

#### **CB 18/48 MATTERS REFERRED FROM PLANNING AND TRANSPORTATION ADVISORY BOARD**

The notes of the meetings of the following Advisory Boards were received.

Planning and Transportation Advisory Board of 5 June 2018  
Planning and Transportation Advisory Board of 24 July 2018

**RESOLVED:** That the report be received and noted subject to Minute CB 18/49 below.

#### **CB 18/49 PLANNING AND TRANSPORTATION ADVISORY BOARD – 24 JULY 2018 - VOTING**

The joint report of the Chairman of the Planning and Transportation Advisory Board and the Director of Central Services and Monitoring Officer explained the circumstances leading to a review of the voting on the Local Plan at the meeting of the Planning and Transportation Advisory Board on 24 July 2018. This had concluded that the proper outcome of the vote was that the recommendation for the draft Local Plan to be recommended to Cabinet for consideration had been defeated.

Members were advised that, having considered the legal and constitutional issues in detail and with the benefit of Counsel's opinion, it was proper for the consideration of the Local Plan by the Cabinet to go

ahead as planned, albeit with the correct vote and views of the Planning and Transportation Advisory Board noted and taken into account. It remained the case that the Cabinet had the responsibility to formulate the Local Plan and make a recommendation to the Council.

**RESOLVED:** That

- (1) the contents of the report be noted; and
- (2) the draft Local Plan be considered in the context of the discussion and advice presented in the report.

**MATTERS FOR RECOMMENDATION TO THE COUNCIL**

**CB 18/50 LOCAL PLAN**

The report of the Director of Planning, Housing and Environmental Health presented a set of Local Plan documents which, subject to the agreement of full Council, were proposed to be submitted to the Secretary of State following public consultation required by Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

The key matters arising from consideration of the draft Local Plan at the meetings of the Planning and Transportation Advisory Board were summarised, including the amendments incorporated in the draft Local Plan document. The report also provided an update of the Local Plan evidence base and set out the next steps in the progress of the Plan.

Considerable debate ensued with particular concerns expressed about the capacity of infrastructure across the Borough and uncertainty about future investment. It was noted that the sites proposed to be allocated in the Local Plan were themselves planned to bring forward infrastructure provision appropriate to new development.

The implications of not having an up to date Local Plan were discussed and the Cabinet concluded that, notwithstanding concerns about individual sites, it was preferable to take forward the Local Plan for submission within the six months transition period before the revised NPPF standardised approach to housing need assessment became applicable.

A local Member presented a petition on behalf of residents of West Malling, opposing any development on the Green Belt east of Offham Road. This was noted and it was advised that the most appropriate course of action was for the petition to be included in the public consultation that would take place should the Local Plan be approved by the Council.



The Cabinet acknowledged the work of officers in developing the Local Plan and the Leader thanked all Members for their contribution to the process and to the meeting.

**RECOMMENDED:** That

- (1) the content of the report be noted; and
- (2) the Local Plan and accompanying documents appended to the report be commended to full Council for approval for the purposes of public consultations and submission to the Secretary of State in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012.

**\*Referred to Council**

**CB 18/51 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 9.30 pm

This page is intentionally left blank

## **TONBRIDGE AND MALLING BOROUGH COUNCIL**

### **CABINET**

**Tuesday, 4th September, 2018**

**Present:** Cllr N J Heslop (Chairman), Cllr M A Coffin, Cllr Mrs M F Heslop, Cllr D Lettington, Cllr P J Montague and Cllr H S Rogers

Councillors Mrs J A Anderson, O C Baldock, M A C Balfour, Mrs P A Bates, Mrs S Bell, R P Betts, P F Bolt, M O Davis, S M Hammond, D Keeley, D Keers, R D Lancaster, B J Luker, Mrs A S Oakley, M Parry-Waller, S C Perry, M R Rhodes, R V Roud, T B Shaw, C P Smith, A K Sullivan and Miss G E Thomas were also present pursuant to Access to Information Rule No 23.

### **PART 1 - PUBLIC**

#### **CB 18/52 DECLARATIONS OF INTEREST**

There were no declarations of interest made in accordance with the Code of Conduct.

### **EXECUTIVE KEY DECISION AND MATTERS FOR RECOMMENDATION TO THE COUNCIL**

#### **CB 18/53 WASTE SERVICES CONTRACT RETENDER**

Decision Notice D180050CAB (Items 1 – 14)

The report of the Borough Council's Management Team sought approval of a number of recommendations considered at the Street Scene and Environment Services Advisory Board of 4 September 2018 related to the Waste Services contract and tendering exercise.

In addition, the report proposed approval and/or endorsement of three separate recommendations to be referred to the Extraordinary Council meeting on 18 September 2018.

The positive and detailed discussion at the Street Scene and Environment Services Advisory Board immediately prior to the meeting of Cabinet was noted. The potential to improve recycling rates within the Borough as a result of an enhanced service was also noted.

**RESOLVED:** That the recommendations of the Street Scene and Environment Services Advisory Board held on 4 September 2018 be approved as follows:

- (1) the procurement process undertaken by Officers be endorsed;

- (2) the South West Kent Waste Partnership – Waste Services Contract 2019 be awarded to the successful contractor as detailed in the report;
- (3) the future provision of bring sites includes the ten locations outlined in the report (at paragraph 1.6.1(ii)) with a review of bring sites to be reported to a future meeting of the Street Scene and Environment Services Advisory Board;
- (4) the existing service arrangements for the Saturday Bulky Household Waste and WEEE collections be retained (excluding garden waste) with a review of the arrangements to be reported to a future meeting of the Street Scene and Environment Services Advisory Board;
- (5) the high speed roads within the Borough continue to be cleansed 12 times a year with a review after 12 months of operation;
- (6) the proposed draft Inter Authority Agreement be approved and authority delegated to the Directors of Street Scene, Leisure and Technical Services and Finance and Transformation to make any final amendments, in liaison with the Cabinet Members for Street Scene and Environment Services and Finance, Innovation and Property;
- (7) regular updates on the arrangements for the new contract be reported to the Street Scene and Environment Services Advisory Board;
- (8) the details and style of joint branding to be used by the successful contractor be considered in liaison with the established Member Group and Tunbridge Wells Borough Council;
- (9) delegated authority be given to the Director of Street Scene, Leisure and Technical Services, in liaison with the Cabinet Member for Street Scene and Environment Services, to approve the final form of the Joint Working Agreement to be entered into;
- (10) the role of Partnership Manager be undertaken in the first year of the new contract by Tonbridge and Malling Borough Council;
- (11) the current Capital Plan provision for the replacement of existing containers and purchase of containers for new households be reviewed and adjusted as part of the Capital Plan review;
- (12) the procurement of the new containers for the Waste Services Contract be progressed through an appropriate Purchasing Framework;

- (13) the Strategic Communications Overview and approach to the development of a detailed Operational Marketing Plan be approved; and
- (14) the actions to address the impacts identified in the Equality Assessment be noted

**RECOMMENDED:** That the following be referred to Council



- (1) The new opt-in garden waste charge at the standard rate of £40 per year, as outlined in the report to the Street Scene and Environment Services Advisory Board at paragraph 1.4.3, be agreed and further detail on a reduced introductory charge be considered in accordance with proposals set out at 1.4.3 at a future meeting of the Advisory Board;
- (2) The provision of new containers for the Waste Services Contract be added to the Capital Plan, funded from the earmarked reserve; and
- (3) A marketing/communication budget be established to publicise and promote the new enhanced service in the sum of £100,000 funded from the Invest to Save reserve.

**\*Referred to Council**

**CB 18/54 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 9.00 pm

This page is intentionally left blank

# Agenda Item 6

The notes of meetings of Advisory Boards are attached, any recommendations identified by an arrow being for determination by the Cabinet. Notices relating to any decisions already taken by Cabinet Members under the arrangements for delegated decision making have previously been circulated.

This page is intentionally left blank



**TONBRIDGE AND MALLING BOROUGH COUNCIL**

**COMMUNITIES AND HOUSING ADVISORY BOARD**

**Monday, 16th July, 2018**

**Present:** Cllr M R Rhodes (Chairman), Cllr Miss G E Thomas (Vice-Chairman), Cllr Mrs J A Anderson, Cllr Mrs S M Barker, Cllr Mrs B A Brown, Cllr D J Cure, Cllr R W Dalton, Cllr S M Hammond, Cllr D Keeley, Cllr Mrs A S Oakley, Cllr L J O'Toole, Cllr M Parry-Waller and Cllr T B Shaw

Councillors O C Baldock, Mrs P A Bates, Mrs M F Heslop, N J Heslop, D Lettington, B J Luker, P J Montague and R V Roud were also present pursuant to Council Procedure Rule No 15.21.

Mr A Nicholl (Tonbridge Sports Association) was also present

Apologies for absence were received from Councillors Mrs S Bell, V M C Branson and Mrs S L Luck

**PART 1 - PUBLIC**

**CH 18/15 DECLARATIONS OF INTEREST**

There were no declarations of interest made in accordance with the Code of Conduct. However, in the interest of transparency, Councillor N Heslop advised that he was a member of the Board of The Bridge Trust.

**CH 18/16 MINUTES**

**RESOLVED:** That the notes of the meeting of the Communities and Housing Advisory Board held on 29 May 2018 be approved as a correct record and signed by the Chairman.

**CH 18/17 PRESENTATION ON THE ONE YOU SERVICE**

Claire McAfee, Health Improvement Manager, gave a detailed presentation of the work undertaken by the new One You Service and answered questions on the range of services available to improve the health and wellbeing of the local community.

**MATTERS FOR RECOMMENDATION TO THE CABINET****CH 18/18 LEYBOURNE LAKES COUNTRY PARK - DEVELOPMENT OPPORTUNITIES**

Decision Notice D180047MEM

The report of the Director of Street Scene, Leisure and Technical Services provided an update on the investigation of development opportunities at Leybourne Lakes Country Park (LLCP) linked to capital investment. Attention was drawn to the proposed Tender Evaluation Criteria with particular reference to the time frame for procurement and the proposal that the evaluation would be based on the most economically advantageous tender (MEAT) with a Price/Quality split of 40% and 60% respectively. It was noted that the Tender process did not commit the Borough Council to outsourcing the management of the country park.

**RECOMMENDED:** That

- (1) the Evaluation Criteria, as detailed in the report be approved;
- (2) the timeframe, as outlined in the report, be approved; and
- (3) Dartford Borough Council be commissioned to administer and support the procurement of the contract.

**CH 18/19 HOUSING NEEDS SURVEY**

Decision Notice D180048MEM

The report of the Director of Planning, Housing and Environmental Health outlined a proposal to commission detailed housing needs research to inform the Council's strategic approach to housing provision and development management and to assist the consideration of planning applications and liaison with developers and Housing Associations. It was anticipated that the research would provide an insight into the housing needs and aspirations of the Borough's population and show the Council where pressures and local variations of need arose.

**RECOMMENDED:** That a Housing Needs Research and Survey, as detailed in the report, be commissioned from Arc4.

**MATTERS SUBMITTED FOR INFORMATION****CH 18/20 LEISURE TRUST UPDATE**

The Director of Street Scene, Leisure and Technical Services presented the latest Annual Service Delivery Plan – Cumulative Quarterly

Monitoring Report for the period 1 January to 31 March 2018 (Quarter 4) in respect of the performance of the Tonbridge and Malling Leisure Trust.

**CH 18/21 UPDATE FROM THE COMMUNITY SAFETY PARTNERSHIP**

The report of the Director of Central Services provided an update on the recent work of the Community Safety Partnership.

**MATTERS FOR CONSIDERATION IN PRIVATE**

**CH 18/22 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 8.29 pm

This page is intentionally left blank

**TONBRIDGE AND MALLING BOROUGH COUNCIL**

**STREET SCENE AND ENVIRONMENT SERVICES ADVISORY BOARD**

**Tuesday, 4th September, 2018**

**Present:** Cllr M O Davis (Chairman), Cllr O C Baldock (Vice-Chairman), Cllr Mrs J A Anderson, Cllr M A C Balfour, Cllr S M Hammond, Cllr D Keeley, Cllr D Keers, Cllr Mrs A S Oakley, Cllr S C Perry, Cllr M R Rhodes, Cllr T B Shaw and Cllr Miss G E Thomas

Councillors P F Bolt, C P Smith, Mrs S Bell, Mrs M F Heslop, N J Heslop, D Lettington, R V Roud, Mrs P A Bates, R P Betts, M A Coffin, B J Luker, P J Montague, M Parry-Waller, H S Rogers and A K Sullivan were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors L J O'Toole, Ms S V Spence and T C Walker

**PART 1 - PUBLIC**

**SSE 18/9 DECLARATIONS OF INTEREST**

There were no declarations of interest made in accordance with the Code of Conduct.

**SSE 18/10 MINUTES**

**RESOLVED:** That the notes of the meeting of the Street Scene and Environment Services Advisory Board held on 13 February 2018 be approved as a correct record and signed by the Chairman.

**MATTERS FOR RECOMMENDATION TO THE CABINET**

**SSE 18/11 WASTE SERVICES CONTRACT RETENDER**

Following consideration of the outcome of the tendering exercise for a new Waste Services Contract, set out in the Part 2 report on this agenda (Minute Number SSE 18/16, the report of the Borough Council's Management Team set out a number of proposals related to the introduction of a garden waste charge, the capital funding for the purchase of new containers and the creation of a marketing/communications budget.

The report made reference to a Joint Working Agreement (JWA) which was being developed between the Borough Council, Tunbridge Wells Borough Council and Kent County Council. The JWA would supplement

the Inter Authority Agreement by establishing the joint working arrangements and would make provision for the allocation of costs and liabilities on a fair basis between all parties.

Members welcomed the enhanced service options arising from the new waste services contract, particularly the introduction of kerbside collection of plastics and glass, as it offered a much improved service to residents. It was also recognised that the proposal to charge for garden waste collection, for those households who wished to opt-in, was necessary to support these service enhancements. In addition, the introduction of charges for garden waste collection represented a fairer system of charging as residents who did not use the service would not be subsidising those who did. It was noted that the proposed charge of £40 per year represented good value for money, whilst supporting the enhancement of recycling and, as a result of the kerbside collections, provided a service for everyone.

There was no evidence of increased statutory nuisance regarding bonfires or increased fly tipping of garden waste on the introduction of charges reported elsewhere in the county, although this would be monitored by the Borough Council.

The importance of effective communication with residents over the changes being made to the waste service was reiterated and details of a marketing strategy were outlined in the report.

**RECOMMENDED:** That



- (1) the details and style of joint branding to be used by the successful contractor be considered in liaison with the established Member Group and Tunbridge Wells Borough Council;
- (2) delegated authority be given to the Director of Street Scene, Leisure and Technical Services, in liaison with the Cabinet Member for Street Scene and Environment Services, to approve the final form of the Joint Working Agreement to be entered into (paragraph 1.3.4 of the report refers);
- (3) the role of Partnership Manager be undertaken in the first year of the new contract by Tonbridge and Malling Borough Council (paragraph 1.3.3 of the report refers);
- (4) the current Capital Plan provision for the replacement of existing containers and purchase of containers for new households be reviewed and adjusted as part of the Capital Plan review (paragraph 1.5 of the report refers);

- (5) the procurement of the new containers for the Waste Services Contract be progressed through an appropriate Purchasing Framework (paragraph 1.5 of the report refers);
- (6) the Strategic Communications Overview, included at Annex 2, and approach to the development of a detailed Operational Marketing Plan included within the report (as outlined in paragraph 1.7) be approved;
- (7) the actions to address the impacts identified in the Equality Impact Assessment, as outlined in the report at paragraph 1.11, be noted.

**\*Referred to Cabinet**

**FOR COUNCIL DECISION:**

- (8) the new opt-in garden waste charge at the standard rate of £40 per year, as outlined in the report at paragraph 1.4.3, be agreed and further detail on a reduced introductory charge be considered in accordance with the proposals set out at 1.4.3 at a future meeting of this Advisory Board;
- (9) the provision of new containers for the Waste Services Contract be added to the Capital Plan and funded from the earmarked reserve, as set out in Annex 1 to the report;
- (10) a marketing/communication budget be established to publicise and promote the new enhanced service in the sum of £100,000 funded from the Invest to Save reserve (paragraph 1.7 refers).

**\*Referred to Cabinet**

**SSE 18/12 ENVIRONMENTAL HEALTH PERFORMANCE 2017-18**

Decision Notice D180049MEM

The operational activities of the Borough Council, in relation to its statutory Environmental Health functions, undertaken by the Environmental Protection and Food and Safety Teams for 2017/18 were summarised in the report of the Director of Planning, Housing and Environmental Health.

Service improvements related to the approach to air quality management and team procedures were also proposed for 2018/19 and these were set out in paragraph 1.4.1 of the report.

Members noted a minor correction to the recommendation set out at paragraph 1.8.1 as the dates referred to should read 2017/18 and 2018/19 respectively.

**RECOMMENDED:** That

- (1) the performance information related to activities associated with the food and safety and environmental protection functions in 2017/18 be noted; and
- (2) the service improvements for 2018/19, as detailed in paragraph 1.4.1 of the report, be endorsed.

### **MATTERS SUBMITTED FOR INFORMATION**

#### **SSE 18/13 WASTE AND STREET SCENE SERVICES UPDATE**

The report of the Director of Street Scene, Leisure and Technical Services provided an update on the Christmas and New Year collection arrangements for 2018/19, which were noted by Members.

Advance notification to residents would be included in the recycling calendars, news releases and on bin hangers in the lead up to the Christmas period. Details would also be publicised on the Borough Council's website, social media and via the telephone message system.

#### **SSE 18/14 CAPITAL PROGRAMME - POST IMPLEMENTATION REVIEWS**

The report of the Director of Street Scene, Leisure and Technical Services brought forward Post Implementation Reviews for a number of completed capital schemes.

Full details of reviews related to East Peckham Flood Alleviation; Tonbridge Castle East Curtain Wall Footpath; Car Park Enhancement Programme – Phases 2-5 and Tonbridge Town Lock were set out in Annexes 1 – 4. Members noted that the projects were relatively historic.

#### **SSE 18/15 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**

#### **SSE 18/16 WASTE SERVICES CONTRACT RETENDER**


**(LGA 1972 – Sch. 12A Paragraphs 3 and 5 – Financial or business affairs of any particular person; and Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings)**

The report of the Borough Council's Management Team presented the outcome of the tendering exercise for a new Waste Services Contract for refuse, recycling and street cleansing and recommended to Cabinet the award of the contract to the successful contractor. Members were reminded that the current Waste Services Contract expired at the end of February 2019 and was being retendered on a partnership basis with Tunbridge Wells Borough Council.

In addition, the report set out a number of service options and sought endorsement of the Inter Authority Agreement with Kent County Council.

After careful consideration of the options detailed in the report, Members recognised that the procurement of the new contract had been a major piece of work involving Officers from both Tonbridge and Malling and Tunbridge Wells Borough Councils. It was also recognised that the new contract offered opportunities for service improvements which had been requested by residents over a number of years. The introduction of the kerbside collection of plastics and glass would help improve the Borough Council's recycling rate. Members noted that a considerable amount of work was now required to ensure the successful mobilisation and implementation of the new arrangements. In addition, the significant contribution of officers in Financial, Legal and Waste Services was recognised and Members asked that their appreciation be recorded.

**RECOMMENDED:** That

- 
- (1) the procurement process undertaken by Officers, as set out in the report, be endorsed;
  - (2) the South West Kent Waste Partnership – Waste Services Contract 2019 be awarded to the successful contractor, as detailed in sub-section 1.5.20 of the report;
  - (3) the future provision of bring sites include the ten locations outlined in the report (at paragraph 1.6.1 (ii)), with a review of bring sites to be reported to a future meeting of the Street Scene and Environment Services Advisory Board;

- (4) the existing service arrangements for the Saturday Bulky Household Waste and WEEE collections be retained (excluding garden waste), with a review of the arrangements to be reported to a future meeting of the Street Scene and Environment Services Advisory Board;
- (5) the high speed roads within the Borough continue to be cleansed 12 times a year with a review after 12 months of operation;
- (6) the proposed draft Inter Authority Agreement (included at Annex 6 to the report) be approved and authority delegated to the Directors of Street Scene, Leisure and Technical Services and Finance and Transformation to make any final amendments, in liaison with the Cabinet Members for Street Scene and Environment Services and Finance, Innovation and Property; and
- (7) regular updates on the arrangements for the contract be reported to future meetings of the Street Scene and Environment Services Advisory Board.

**\*Referred to Cabinet**

The meeting ended at 8.50 pm

## **TONBRIDGE AND MALLING BOROUGH COUNCIL**

### **ECONOMIC REGENERATION ADVISORY BOARD**

**Wednesday, 5th September, 2018**

**Present:** Cllr B J Luker (Chairman), Cllr R P Betts (Vice-Chairman), Cllr J L Botten, Cllr Mrs S L Luck, Cllr Miss J L Sergison, Cllr C P Smith, Cllr F G Tombolis and Cllr T C Walker

Councillors Mrs J A Anderson, O C Baldock, M A Coffin, N J Heslop, Mrs A S Oakley, M Parry-Waller, M R Rhodes and H S Rogers were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors T Bishop, T I B Cannon, R D Lancaster, L J O'Toole, Miss S O Shrubsole and B W Walker

#### **ERG 18/17 DECLARATIONS OF INTEREST**

There were no declarations of interest made in accordance with the Code of Conduct.

#### **ERG 18/18 MINUTES**

**RESOLVED:** That the notes of the meeting of the Economic Regeneration Advisory Board held on 4 June 2018 be approved as a correct record and signed by the Chairman.

### **MATTERS FOR RECOMMENDATION TO THE CABINET**

#### **ERG 18/19 BOROUGH ECONOMIC REGENERATION STRATEGY 2019-2023: CONSULTATION DRAFT**

Decision Notice D180051MEM

The report of the Chief Executive summarised the achievements of the current Borough Economic Regeneration Strategy 2015-2019 and set out details of the proposed consultation process and timescales for the adoption of the Borough Economic Regeneration Strategy 2019-2023. It was noted that the views of the Council's key economic partners and individual local businesses would be sought during the eight week consultation period in October/December 2018 and that it was anticipated that the new Strategy would be formally adopted in the next municipal year.

**RECOMMENDED:** That the consultation draft of the Borough Economic Regeneration Strategy 2019-2023 be approved for the purposes of local consultation.

**ERG 18/20 WEST KENT PARTNERSHIP - BUSINESS RATES RETENTION PILOT: HOUSING AND COMMERCIAL GROWTH FUND**

The report of the Chief Executive sought endorsement of a range of economic development initiatives to be funded from the Housing and Commercial Growth Fund element of the West Kent Partnership Business Rates Retention Pilot scheme.

**RECOMMENDED:** That Cabinet be commended to endorse the economic projects for West Kent as a whole and those for Tonbridge and Malling as set out at paragraphs 1.1.3 and 1.1.4 of the report. ◀

**\* Referred to Cabinet**

**ERG 18/21 INNOVATION PARK MEDWAY MASTERPLAN - CONSULTATION DRAFT**

Decision Notice D180052MEM

The report of the Chief Executive provided an update on progress with the illustrative masterplan for Innovation Park Medway promoted by Medway Council and advised that, as an area of the site fell within the Borough, the agreement of Tonbridge and Malling Borough Council was required to progress the comprehensive development. It was noted that a six week consultation on the indicative masterplan would be undertaken between 17 September and 28 October 2018 and anticipated that the revised plan would be reported to Cabinet in January 2019 with a view to adopting it for the purposes of economic development and marketing.

**RECOMMENDED:** That the draft of the Innovation Park Medway indicative masterplan be approved for consultation.

**ERG 18/22 BUSINESS RATES RETENTION PILOTS 2019-20**

Decision Notice D180053MEM

The joint report of the Chief Executive and the Director of Finance and Transformation set out the background to the Ministry of Housing, Communities and Local Government (MHCLG) invitation to local authorities to submit bids to participate in the Business Rates Retention Pilots 2019/20 which would allow 75% Business Rates Retention to promote financial sustainability and support strategic decision making across a functional economic area. It was noted that the Kent Council Leaders across Kent and Medway supported the submission of the bid for a further year of pilot status.

**RECOMMENDED:** That

- (1) a bid, with other Kent authorities, for pilot status under the 75% Business Rate Retention Prospectus for 2019/20, be supported; and
- (2) the Chief Executive and the Director of Finance and Transformation, in liaison with the Leader and the Cabinet Member for Finance, Innovation and Property, be authorised to 'sign off' the final bid submission.

**MATTERS FOR CONSIDERATION IN PRIVATE****ERG 18/23 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 8.08 pm

This page is intentionally left blank

**TONBRIDGE AND MALLING BOROUGH COUNCIL**

**FINANCE, INNOVATION AND PROPERTY ADVISORY BOARD**

**Monday, 17th September, 2018**

**Present:** Cllr M C Base (Chairman), Cllr R D Lancaster (Vice-Chairman), Cllr R P Betts, Cllr T Bishop, Cllr V M C Branson, Cllr Mrs B A Brown, Cllr T I B Cannon, Cllr M O Davis, Cllr S M King and Cllr F G Tombolis

Councillors O C Baldock, M A Coffin, N J Heslop, D Lettington, Mrs S L Luck and M R Rhodes were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors Mrs S Bell, D J Cure, Miss J L Sergison and A K Sullivan

**PART 1 - PUBLIC**

**FIP 18/27 DECLARATIONS OF INTEREST**

The following Members declared an Other Significant Interest in the item on Applications for Discretionary Rate Relief in respect of applications by the organisations indicated; they withdrew from the meeting during their consideration:

Councillor O Baldock (member of Tonbridge Juddians RFC and vice-president of Tonbridge Lions which was supported by the applicant for hardship relief)

Councillor M Davis (vice-president of Tonbridge Juddians RFC and his firm represented K Sports Management Ltd)

**FIP 18/28 MINUTES**

**RESOLVED:** That the notes of the meeting of the Finance, Innovation and Property Advisory Board held on 23 May 2018 be approved as a correct record and signed by the Chairman.

**MATTERS FOR RECOMMENDATION TO THE CABINET**

**FIP 18/29 CLASS C EMPTY PROPERTY COUNCIL TAX DISCOUNT AND LONG TERM EMPTY HOMES PREMIUM**

Further to Decision No D170059MEM, consideration was given to the report of the Director of Finance and Transformation as to whether there should be a change to the Class C empty property council tax discount and whether a 100% long term empty homes premium should be applied, both from 1 April 2019 where Regulations allowed.

It was noted that all but two Kent authorities had committed to reducing the Class C empty property discount to one month or less and details were given of the experience of those that had removed the discount completely. Members were minded to reduce the discount to zero but considered that it should be introduced for a trial period of one year with a report back on any implications.

Members considered increasing the premium on long term empty homes to 100% and the grant of delegated authority to implement it subject to the Regulations receiving the Royal Assent.

**RECOMMENDED:** That

- (1) the Class C empty property discount be removed with effect from 1 April 2019 for a trial period of one year and a report back on any implications; and
- (2) delegated authority be granted to the Director of Finance and Transformation in liaison with the Cabinet Member for Finance, Innovation and Property to apply a long term empty homes premium of 100% from April 2019 if Regulations allow.

**\*Referred to Cabinet**

**FIP 18/30 THE 2019/20 LOCAL GOVERNMENT FINANCE SETTLEMENT  
TECHNICAL CONSULTATION AND INVITATION TO PILOT 75%  
BUSINESS RATES RETENTION IN 2019/20**

Decision Notice D180054MEM

The report of the Director of Finance and Transformation provided an overview of “The 2019-20 Local Government Finance Settlement Technical Consultation” and an “Invitation to Local Authorities in England to pilot 75% Business Rates Retention in 2019/20”, published by the Ministry of Housing, Communities and Local Government, together with a response to the Technical Consultation.

**RECOMMENDED:** That the response to the Technical Consultation (set out at Annex 1 to the report), as agreed with the Leader, the Cabinet Member for Finance, Innovation and Property and the Chairman of the Finance, Innovation and Property Advisory Board, be noted and endorsed.

**FIP 18/31 FINANCIAL PLANNING AND CONTROL**

Decision Notice D180055MEM

The report of the Director of Finance and Transformation provided information on the Council’s key budget areas of salaries, major income streams and investment income. It also gave details of the variations agreed in relation to the revenue budget and areas identified through



budget monitoring, summarised to provide an indicative overall budget position for the year which showed a net adverse variance of £104,000. It was noted that this had arisen because better than budgeted performance had enabled a one-off contribution to the Building Repairs Reserve to fund a number of items of unbudgeted building repair works.

An update was given on capital expenditure and variations agreed in relation to the capital plan. The report also gave an update on the Savings and Transformation Strategy and funding gap and the proposed introduction by CIPFA of a financial resilience index.

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

## **FIP 18/32 APPLICATIONS FOR DISCRETIONARY RATE RELIEF**

Decision Notice D180056MEM

The report of the Director of Finance and Transformation gave details of renewal and new applications for discretionary rate relief which were considered in accordance with the previously agreed criteria for determining such applications. Further information was provided in relation to two applicants in accordance with Decision No D180029MEM (1). Consideration was also given to an application for hardship relief.

**RECOMMENDED:** That

- (1) in respect of the renewal applications discretionary rate relief be awarded as set out at Annex 2 to the report, in the case of the scout/guides groups indefinitely with effect from 1 April 2018; and the remainder with effect from 1 April 2018 and time limited to 31 March 2020 with Tonbridge Juddians RFC granted 100% relief and K Sports Management Limited 70% relief;
- (2) the new applications for discretionary rate relief be determined as follows:

Kent Archaeological Society, Room 20, The Manwaring Building, East Malling Research Station, New Road, East Malling – no discretionary relief be awarded

Housing & Care 21, Flat 4 Watercress Court, 98 Mill Street, East Malling - no discretionary relief be awarded;

Hospice in the Weald, 19 & 21 Swan Street, West Malling - no discretionary relief be awarded; and
- (3) the application for hardship relief in respect of The Green Barn Farmshop Limited, 2 The Pavilion, Tonbridge be refused.

**FIP 18/33 RURAL RATE RELIEF - RURAL SETTLEMENT LIST**

Decision Notice D180057MEM

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 retained unaltered for the next financial year.

**RECOMMENDED:** That the current rural settlement list shown on the map at Annex 1 to the report remain in force for the year 2019/20.

**MATTERS SUBMITTED FOR INFORMATION**

**FIP 18/34 REVENUES AND BENEFITS UPDATE**

The report gave details of recent developments in respect of council tax, business rates, council tax reduction and housing benefits. Members were pleased to note that the performance of the Benefits Service in recently published data for 2017/18 showed the combined performance to process new claims and changes in circumstances was best in Kent and among the top ten nationally, and they thanked staff for their hard work.

**FIP 18/35 CAPITAL PLAN POST IMPLEMENTATION REVIEWS MONITORING REPORT**

The report identified the post implementation reviews carried out since the meeting of the Advisory Board in September 2017 together with the capital plan schemes for which reviews were due or outstanding. It was proposed to remove the Renewable Energy Schemes item from the list for review since the last payment in respect of the scheme had been made in 2008/09 and funds had been vired to other schemes.

**MATTERS FOR CONSIDERATION IN PRIVATE**

**FIP 18/36 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 18/37 DEBTS FOR WRITE OFF**

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

Decision Notice D180058MEM

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.

It was noted that in future debts over £5,000 would be reported for write off (in accordance with the revised Constitution).

**RECOMMENDED:** That the 10 items shown in the schedule of amounts over £1,000, totalling £15,250.74 be written-off for the reasons stated within the schedule.

**FIP 18/38 PROPOSED DISPOSAL OF AMENITY LANE AT KEATS ROAD, LARKFIELD**

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

The report of the Director of Central Services gave details of an application from a resident of Keats Road, Larkfield to purchase an area of amenity land adjacent to their property.

**RECOMMENDED:** That the area of amenity land at Keats Road, Larkfield be disposed of in line with the conditions set out in the report, subject to provision of further information regarding the valuation.

**\*Referred to Cabinet**



**FIP 18/39 PROPOSED LEASE AT SWANMEAD SPORTSGROUND,  
TONBRIDGE**

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

The report of the Director of Central Services gave details of a proposed lease of land adjacent to Swanmead Sportsground Pavilion, Tonbridge to the Cricket Club for the siting of two storage containers.

**RECOMMENDED:** That a lease of land adjacent to Swanmead Sportsground Pavilion be approved in principle on the basis of the conditions outlined in the report, subject to clarification of details to the Cabinet meeting.

**\*Referred to Cabinet**

The meeting ended at 8.49 pm

# Agenda Item 7

The minutes of meetings of Advisory Panels and Other Groups are attached, any recommendations being identified by an arrow.

This page is intentionally left blank

## **TONBRIDGE AND MALLING BOROUGH COUNCIL**

### **JOINT TRANSPORTATION BOARD**

**Monday, 11th June, 2018**

**Present:** Mr M Payne (Chairman), Cllr H S Rogers (Vice-Chairman), Cllr D A S Davis, Cllr R D Lancaster, Cllr D Lettington, Cllr M Taylor, Mr M Balfour, Mrs T Dean, Mrs S Hohler, Mr P Homewood and Mr H Rayner

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

Apologies for absence were received from Borough Councillor M Parry-Waller and Mr R Long

Ms W Palmer was also present on behalf of the Kent Association of Local Councils (KALC)

### **PART 1 - PUBLIC**

#### **JTB 18/8 DECLARATIONS OF INTEREST**

There were no declarations of interest made in accordance with the Code of Conduct.

#### **JTB 18/9 MINUTES**

**RESOLVED:** That, subject to the amendment of the resolution at Minute JTB 18/5 to read 'That Kent County Council be commended to proceed with the scheme and retain the short stay drop off spaces outside the front of the station with no room for a further bus stop', the Minutes of the meeting of the Joint Transportation Board held on 12 March 2018 be approved as a correct record and signed by the Chairman.

### **MATTERS FOR RECOMMENDATION TO THE BOROUGH CABINET**

#### **JTB 18/10 PARKING ACTION PLAN**

Decision Notice D180045MEM

The report of the Director of Street Scene, Leisure and Technical Services set out details of the proposed sites and the associated proposals to be included in Phase 10 of the Parking Action Plan together with a list of locations to be held for consideration in future phases of the Plan. Members were reminded of the current procedures and informal consultation process for promoting changes to parking restrictions and

advised that, separate to the Phased Parking Action Plan, Parking Reviews would be undertaken in Kings Hill, Hildenborough and Hadlow. In addition it was noted that, due to the number, variety, size and scope of requests received in respect of Snodland, the town should be considered for a future Parking Review.

**RECOMMENDED:** That

- (1) the list of locations identified in Annex 1 to the report be taken forward for investigation and informal consultation as Phase 10 of the Parking Action Plan; and
- (2) the parking issues in Snodland be considered as a separate Parking Review.

**JTB 18/11 PARKING ACTION PLAN - REVIEW OF ZONE D2 BUSINESS PERMITS**

Decision Notice D180046MEM

The report of the Director of Street Scene, Leisure and Technical Services set out details of the outcome of a review of Business Permits within the D2 Parking Zone in the Barden Road Area, Tonbridge. A summary of the results of a survey undertaken to identify the location and number of business permit holders parking in the area was set out in Annex 2 to the report.

The report explored the advantages and disadvantages of a number of options which could address the concerns of both residential and business permit holders and support was expressed for Option 3 which would restrict business permits for 'commercial-office' parking to specific underused roads and allow the remaining 'commercial-retail/showroom' businesses to park in the D1 Zone. It was noted that this proposal could be further modified by offering season tickets for the long-stay car parks at a reduced-rate for two years to those business permit holders displaced by this option. It was indicated that the changes could be introduced without a change to the on-street Traffic Regulation Order and that Business permit holders would be advised that the changes would come into effect at the next permit renewal date.

**RECOMMENDED:** That

- (1) Option 3 be taken forward to address the concerns around Business Permit Parking in the D1 and D2 Zones; and
- (2) the review of D1 and D2 Business Parking Permits be added to the holding list for review as part of the Phased Parking Review.



**MATTERS FOR DECISION****JTB 18/12 HOLBOROUGH LAKES WAITING RESTRICTIONS TRO**

The report of the Head of Transportation, Kent County Council, set out details of an application received from Berkeley Homes (Eastern Counties) Ltd. for a Traffic Regulation Order (TRO) to restrict waiting on various roads within the Holborough Lakes housing development. Details of the extent of the proposed new waiting restrictions were set out in Appendix B to the report and it was noted that some of these related to locations where double yellow lining was already in place. A summary of the responses received by 4 September 2017 to the advertisement of the proposed TRO, and subsequent replies from the applicant, were set out in Appendix D to the report.

Members expressed concern about the 'retrospective' nature of the application, the existence of an extant TRO for the development which the developer had failed to comply with and that double yellow lining had been laid in locations which were the subject of this application. Particular reference was made to the need to provide parking for residents within the development as the lack of this would exacerbate on-street parking issues elsewhere in Snodland. The Board acknowledged that the applicant would be able to seek minor amendments to the existing scheme if it could be demonstrated that these were required for safety reasons.

**RESOLVED:** That the proposed traffic regulation order 'The Kent County Council (Various Roads, Tonbridge and Malling) (Waiting Restrictions & On-Street Parking Places) Amendment No 17 Order 2017' be rejected in its entirety and the previous (existing) Traffic Regulation Order be adhered to.

**MATTERS SUBMITTED FOR INFORMATION****JTB 18/13 HIGHWAY WORKS PROGRAMME**

The report of KCC Highways and Transportation provided an update on footway and carriageway improvement, drainage repairs and improvements, street lighting, transportation and safety schemes, Developer Funded Works (Sections 278 and 106 works), bridge works and approved traffic schemes. In addition the report provided details of current County Member funded schemes within the Borough.

**RESOLVED:** That the report be received and noted.

**JTB 18/14 TONBRIDGE HIGH STREET - POST MONITORING REVIEW**

The report of the Head of Transportation, Kent County Council, outlined the pre and post scheme monitoring undertaken in respect of the Tonbridge High Street Improvement Scheme completed in June 2016. It

was noted that that the scheme had been evaluated against the original objectives of the project, namely to provide an attractive, safer environment, improve access to jobs and public transport, improve air quality and alleviate congestion.

**RESOLVED:** That the report be received and noted.

#### **JTB 18/15 TONBRIDGE HIGH STREET REVIEW - BUS STOP G OPTIONS**

Further to Minute JTB 18/14 the report of the Head of Transportation, KCC outlined the options under consideration to address the congestion issues at Bus Stop G located outside 34 High Street, Tonbridge and sought guidance on those to be taken forward to the detailed design stage. The Board requested that Option 3a (2/3rds width lay-by with bus 2/3rds on lay-by and 1/3rd on carriageway) and Option 4 (Splitting services by moving some services from Stop G to other location) be investigated further.

**RESOLVED:** That the Report be received and noted.

#### **JTB 18/16 TONBRIDGE INTERCHANGE IMPROVEMENTS - PROGRESS REPORT**

The report of the Head of Transportation, KCC provided an update on progress with the West Kent Local Growth Fund (LGF) funded scheme for the Transport Interchange Improvements at Tonbridge Station. The Board noted that construction would commence on 25 July 2018 and that it was anticipated that the majority of the difficult works would be undertaken during the school holiday period to minimise disruption to traffic flow. It was noted that a meeting had been held with the bus operating companies to help plan the works to mitigate impact on customers accessing bus stops and that the relevant companies would continue to be kept involved and consulted both before and during construction of the access improvement scheme.

Attention was drawn to recent advice received from the anti-terrorism police requiring the installation of anti-ram bollards near the station forecourt. Members were extremely concerned about the effect the installation of bollards could have on the provision of more space for pedestrian movements, which was an integral part of the Interchange Improvements, and suggested that legal advice be sought on the consequences of undertaking a fundamental change to the agreed project. The Board noted that the Principal Transport Manager, KCC would seek clarification on the design around the station in respect of the anti-ram bollards and report back to the Chairman, the Leader of the Borough Council and the KCC Cabinet Member for Planning, Highways, Transport and Waste to take instruction on how to proceed with the scheme.

**RESOLVED:** That the report be received and noted.

**MATTERS FOR CONSIDERATION IN PRIVATE**

**JTB 18/17 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 10.04 pm

This page is intentionally left blank

## **TONBRIDGE AND MALLING BOROUGH COUNCIL**

### **PARISH PARTNERSHIP PANEL**

**Thursday, 14th June, 2018**

**Present:** Cllr N J Heslop (Chairman), Cllr M A Coffin (Vice-Chairman), Cllr R P Betts, Cllr R W Dalton, Cllr D Lettington, Cllr B J Luker, Cllr D Markham and Cllr T B Shaw.

Together with Addington, Aylesford, Borough Green, Burham, East Peckham, Hadlow, Hildenborough, Kings Hill, Leybourne, Offham, Platt, Plaxtol, Shipbourne, Snodland, Trottiscliffe, Watlington, Wouldham, Wrotham Parish/Town Councils and County Councillors Mrs S Hohler and Mr H Rayner.

Councillors O C Baldock, H S Rogers, M Parry-Waller and Miss J L Sergison were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors Mrs J A Anderson, Mrs S M Barker, T I B Cannon, R V Roud and Birling, East Malling and Larkfield, Ightham and Ryarsh Parish Councils.

### **PART 1 - PUBLIC**

#### **PPP 18/9 MINUTES**

**RESOLVED:** That the Minutes of the meeting held on 15 February 2018 be approved as a correct record and signed by the Chairman.

#### **PPP 18/10 UPDATE ON ACTION IDENTIFIED IN THE LAST MINUTES**

The Chairman referred to Minute Number PPP 18/8 (Tonbridge and Malling Services Update) regarding the creation of a 'service directory' for parish councils and, although this continued to be a work in progress, comments on the draft version circulated in advance of the meeting were invited.

#### **PPP 18/11 KENT POLICE SERVICES UPDATE**

The Sub-Divisional Commander for Tunbridge Wells and Tonbridge (Chief Inspector Pete Steenhuis) provided a brief overview of the new model of policing introduced by Kent Police. This included the amalgamation of Tonbridge and Tunbridge Wells into one sub-division and the establishment of Specialist Investigation Teams to look at serious and complex crime.

With regard to general crime officers now followed cases through from first reporting, investigation and follow up and, whilst the central office was based in Tonbridge, officers were distributed throughout the sub-

divisional area as required. Meetings were held daily at 0830 hours to identify areas of concerns and actions for the day.

The Community Safety Unit continued to deal with local crime and safety issues and for Tonbridge and Malling this was based at the Borough Council offices in Kings Hill.

Particular reference was made to traveller incursions and whether the police had any powers to act if there was evidence of anti-social behaviour, criminal damage, fly-tipping or intimidation on those sites.

In response, Chief Inspector Steenhuis advised that Kent Police were able to remove unlawful encampments promptly and emphasised that crime would not be tolerated. Individuals would be prosecuted where possible but evidence was required to support the case.

Chief Inspector Steenhuis referred to the strong processes in place at Tonbridge and Malling which enabled a very quick response to traveller incursions, with 'directions to leave' served within 24 hours and an application to the court for a hearing (section 72) being applied for at the same time.

It was noted that for privately owned land it was the responsibility of that individual landowner to deal with a traveller incursion and not the local authority.

A Government consultation on seeking views on the effectiveness of powers for dealing with unauthorised development and encampments finished on 15 June and a response would be submitted on behalf of the Borough Council.

In response to a question on street gangs, Chief Inspector Steenhuis advised that a Serious and Organised Crime Board had been established to discuss, review and monitor this issue. Currently, there was no significant movement of street gangs from London into Tonbridge and Malling identified, although there had been some movement related to drug dealing and this had recently resulted in some arrests.

Other points discussed included:

- 'Red routing': Increased police visibility and patrols in areas identified with heightened activity, mainly related to anti-social behaviour, to act as a deterrent and to try and identify those causing problems;
- Police attendance at parish council meetings: There was a preference for PSCOs to be dealing with crime for the benefit of the community rather than attending numerous meetings. It was felt

that officers should only attend these meetings when there was something significant to report.

Finally, it was noted that Chief Inspector Steenhuis would be transferring to the Metropolitan police area in the future. He apologised for the lack of continuity this offered but that he remained the Sub-Divisional Commander until further notice.

## **PPP 18/12 LOCAL PLAN**

The Chairman, in his role as Leader of the Council, opened the discussion by reminding Members that the Borough Council had a duty, prescribed by Government, to set out local planning policies which identified how land was used and determine what would be built where. A Local Plan enabled a local authority to retain control of potential development opportunities.

Members were advised that failure to submit a Local Plan within the transitional period, proposed by the Government in the new draft National Planning Policy Framework (NPPF), would result in significant risks associated with having to address a substantially higher provision of housing as a result of the introduction of a standardised methodology for assessing housing need. It would also cause significant further delays, which would place the Borough Council in a more vulnerable position in terms of land supply in responding to planning applications and facing planning appeals. This proposed transition period had prompted the need to revise the previous timetable and every effort was being made to submit the Local Plan to the Secretary of State in December 2018.

The Director of Planning, Housing and Environmental Health and the Planning Policy Manager provided an update on the preparation of the Local Plan. A draft document with a refined development strategy, policies and proposals had been considered by the Planning and Transportation Advisory Board on 5 June 2018. It was anticipated that the next meeting of the Advisory Board in July 2018 would review the final draft of the Local Plan with the formal public consultation, required under Regulation 19, to follow in September 2018. This offered parish councils and members of the public the opportunity to comment on the proposals. All responses received would be submitted to the Secretary of State with the Local Plan for approval in December.

It was reported that the policies in the draft Local Plan document outlined the key development requirements associated with each major site, including the need for significant infrastructure. Further work on completing and updating evidence was inevitable as the process progressed.

Particular reference was made to the major sites at Bushey Wood, South Aylesford, Kings Hill (Broadwater Farm) and Borough Green. All

of which had seen refined housing allocations in response to consultation and the emerging evidence, including further assessment on transport modelling and capacity issues. The extension of the green belt to the east of West Malling was welcomed and Planning Officers were confident that special circumstances could be demonstrated to support this case.

A number of concerns were raised and included:

- Infrastructure Funding and Delivery: Members were advised that an Infrastructure Delivery Plan would be prepared assessing and identifying funding opportunities;
- Congestion and increased traffic flows on roads and the effects on rural communities (particularly the A20, Hermitage Lane, Borough Green and Junction 4 of the M20);
- Duty to Co-operate: The Borough Council would robustly defend and challenge any request to meet development needs of nearby areas, although it was recognised that this issue was likely to arise at the Public Examination. The Cabinet Member for Strategic Infrastructure and Planning (Councillor Howard Rogers) advised of the importance of understanding the challenges and needs of neighbouring local planning authorities and he would be meeting with his counterparts to discuss common themes;
- Early delivery of the new A25 relief road for Borough Green Gardens. This point had been raised by the Planning and Transportation Advisory Board in June and noted by officers for further investigation;
- Risks around alternative and/or additional sites being brought forward by other interested parties were noted;
- Regulation 19 representations: Responses would be made available when submitted to the Secretary of State and options would be considered to support availability to third parties; and
- A number of questions were asked about air quality and mitigation and these would be addressed out of meeting.

Finally, the next steps in the Local Plan process were reiterated and these included further evidence assessment of a number of sites. Comments would be welcomed as part of the formal public consultation exercise expected to take place in September.

#### **PPP 18/13 KENT COUNTY COUNCIL SERVICES UPDATE**

Members noted the report of the Kent County Council Community Liaison Officer (Anne Charman), which set out details of a number of County initiatives and consultations.



All Kent County Council consultations could be viewed online at:

<http://consultations.kent.gov.uk//consult.ti>

The Chairman referred to the Big Conversation programme on the future of rural bus services which aimed to find new potential opportunities in providing rural transport services. A meeting on this subject was to be held at Borough Green village hall on 5 July between 1900-2100 hours. If this was inconvenient a further meeting was arranged for 19 July in Sessions House, Maidstone between 1900-2100 hours. Parish councils were encouraged to attend to discuss and identify potential new opportunities for rural transport services.

It was also reported that the County Council continued to work on potholes and since March 2018 had filled 1,091 in Tonbridge and Malling.

#### **PPP 18/14 TONBRIDGE AND MALLING BOROUGH COUNCIL SERVICES UPDATE**

The Chairman, in his role as Leader of the Council, provided an update on key points of relevance to Tonbridge and Malling. The headline messages included:

##### **Larkfield Leisure Centre:**

Investment in new gym, free weights area, two new dance studios and improved changing areas. The Leisure Centre had recently received an outstanding Quest award and this placed the facility in the top 2% nationally, together with Tonbridge Swimming Pool, which was a great achievement.

##### **Leybourne Lakes Country Park:**

Investment in new parking, interpretation and play structures. Consideration was also being given to future development opportunities.

In addition, the Borough Council continued to support, promote and run initiatives related to healthy living, business engagement and support, rural businesses, employment and skills and environmental initiatives. Further detail on these were set out in the presentation which would be attached to the Minutes for information.

The meeting ended at 9.30 pm

This page is intentionally left blank

## **TONBRIDGE AND MALLING BOROUGH COUNCIL**

### **PARISH PARTNERSHIP PANEL**

**Thursday, 6th September, 2018**

**Present:** Cllr N J Heslop (Chairman), Cllr M A Coffin (Vice-Chairman), Cllr Mrs J A Anderson, Cllr Mrs S M Barker, Cllr R P Betts, Cllr T I B Cannon, Cllr R W Dalton, Cllr D Lettington, Cllr B J Luker, Cllr R V Roud and Cllr T B Shaw.

Together with representatives from Addington, Aylesford, Birling, Borough Green, Burham, Ditton, East Malling and Larkfield, Hadlow, Hildenborough, Ightham Parish Council, Kings Hill, Offham, Platt, Plaxtol, Shipbourne, Stansted, Waterringbury, West Malling, Wouldham and Wrotham Parish Councils and County Councillors Mrs S Hohler and Mr H Rayner

Councillors H S Rogers, O C Baldock and M R Rhodes were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from County Councillor Mr P Homewood, Kent Police and the Kent County Council Community Liaison Officer.

### **PART 1 - PUBLIC**

#### **PPP 18/15 MINUTES**

**RESOLVED:** That the Minutes of the meeting held on 14 June 2018 be approved as a correct record and signed by the Chairman.

#### **PPP 18/16 UPDATE ON ACTION IDENTIFIED IN THE LAST MINUTES**

The Chairman referred to Minute Number PPP18/10 (Update on Action Identified in the Last Minutes) regarding the 'service directory' for parish councils which had been circulated in advance of the last meeting. It was reported that the only comment received so far was a request to publish the 'service directory' onto a parish council website. This request was agreed as the information was available on the Borough Council's website, although the potential for contact details to change at short notice was noted.

As there had been no further comments received it was agreed that the 'service directory' reflected accurately the information required by Parish Councils.

**PPP 18/17 LOCAL PLAN UPDATE**

In his role as Leader of the Borough Council, the Chairman opened the discussion by reminding Members of the key milestones achieved so far in the preparation of the Local Plan.

It was explained that that every council in the country had a statutory obligation to identify sufficient land for future house building and this had to be set out in a Local Plan. The number of houses that had to be planned for was decided by an approach set down by central Government and not by the local council. In Tonbridge and Malling the housing need had been identified as 13,920 homes for the period of the Local Plan up to 2013. This represented a figure of 696 dwellings per year and meant that, over and above sites already approved, sufficient new land to build an additional 6,800 homes had to be identified.

Following the Call for Sites exercise and evidence-based assessment the draft Local Plan now included 31 sites, refined to achieve an estimated potential yield of 6,834 new dwellings. This had significantly reduced in size to reflect Local Plan evidence and changes arising from consultations.

The Leader reiterated the very severe consequences if the Borough Council failed in its duty to adopt a Local Plan. Without a Plan in place the Borough Council's ability to manage development would be weakened. In addition, the failure to submit a Local Plan within the transitional period set out by the Government in the new draft National Planning Policy Framework (published on 24 July 2018) would result in significant risks associated with having to address a substantially higher housing provision. It would also cause significant further delays, which would place the Borough Council in a more vulnerable position in terms of land supply in responding to planning applications and facing planning appeals.

In summary, the Leader indicated that generally it was accepted that more homes were required for future generations. However, these should be in the right place and supported by adequate infrastructure. This was what the Local Plan sought to do and it was the responsibility of the Borough Council to consider the strategic overview given the difficult task set by Government. It was noted that the Local Plan was unlikely to resolve community infrastructure problems completely, although it was hoped that the situation could be improved by maximising investment from developers, as identified in the Local Plan.

The Director of Planning, Housing and Environmental Health and the Planning Policy Manager then provided an update on the preparation of the Local Plan. A revised draft document with a refined development strategy, policies and proposals had been considered recently by the Planning and Transportation Advisory Board on 5 June and 24 July and at an Extraordinary Cabinet on 3 September 2018. The latter had

recommended to Council that the draft Local Plan be approved for submission to the Secretary of State and a further period of statutory consultation.

Reference was made to the revised National Planning Policy Framework (NPPF) and it was confirmed that the transitional arrangements, previously outlined, remained in place. Consequently the target date for submitting the Local Plan to the Secretary of State was now 24 January 2019, if the Borough Council wished to have the Plan examined against the previous NPPF and in particular to avoid the new standardised approach to housing assessment.

A number of changes made since the last meeting of the Panel were summarised and included amendments to the following policies related to strategic sites:

- LP27: Strategic Site Bushey Wood, Eccles – transport assessment added to the masterplan;
- LP29: Strategic Site Borough Green Gardens - following further consideration it had been decided to revert to the previous policy wording i.e. that the whole relief road is completed and open by no later than the completion of 15% of the total number of dwellings in the masterplan;
- LP30: Strategic Site Broadwater Farm – detailed transport assessment added to the masterplan;
- LP35: Employment Land at the former Aylesford Newsprint site and amendments to ensure that the site was subject to a masterplan in advance of a planning application.

Further detail of these amendments was set out in the Extraordinary Cabinet report of 3 September which could be viewed on the Borough Council's [website](#); together with the completed evidence base and the Infrastructure Delivery Plan.

Members were advised that, subject to Council approval, the next step would be further public consultation (Regulation 19) and all parish/town councils would be provided with a detailed information pack and a full set of documents to comment on. It was envisaged that a six week public consultation would start at the beginning of October 2018, or very soon after, and would give local residents and other parties the opportunity to comment on the proposals. These comments/representations would be submitted to the Secretary of State with the Local Plan and would ultimately be considered by an appointed Planning Inspector.

A number of tools would be used during the consultation including the website, social media platforms, YouTube, infographics and an

opportunity for face to face discussions via drop in sessions. There would also be hard copies of documents at various locations (Council offices and libraries) to maximise coverage.

Although there was opportunity to comment on the Plan (via the Regulation 19 consultation arrangements) it was unlikely that the Borough Council would make any substantive changes as the document was believed to be 'sound'. However, the Planning Inspector could decide on amendments and it was, therefore, important for parish/town councils and residents to participate in the consultation process. All information related to the draft Local Plan, including representations received under Regulation 19, would be submitted to the Secretary of State and made publically available, subject to General Data Protection Regulations compliance.

It was emphasised that if Council did not approve the draft Local Plan the process would need to be substantially restarted and be subject to the revised NPPF which would lead to significant delay and an increase in housing figures to address.

The following comments and points were raised, discussed and noted:

- A number of representations had been received in advance of the Regulation 19 consultation and it was suggested that these be resubmitted to avoid confusion.
- It was confirmed that the 15% referred to in relation to the proposed relief road in Borough Green equated to 450 new dwellings. In addition, the Local Plan set out the proposed approach for the road which would be subject to detailed appraisal as part of master-planning and ultimately a planning application. It was also intended that the road would be integral part of the proposed development and be fully developer funded. Funding streams to assist the implementation of the overall scheme were also being explored but the Local Plan proposals were not dependent on that initiative.
- If the Planning Inspector returned the draft Local Plan for modification there should not be an uplift in housing figures as long as it was submitted during the transitional period. i.e before 24 January 2019.
- A priority at this stage was to help residents understand the context of the draft Local Plan and Parish Councils had a role to play in that regard. Representations would be sent to the Secretary of State to review and make a final decision.
- Infrastructure and transport remained a significant concern for most areas and Members were reassured that the onus would be

on developers to ensure appropriate infrastructure existed to mitigate the impact of proposed development.

- Members were advised that Transport Assessments had been undertaken by independent consultants in collaboration with Kent County and Tonbridge and Malling Borough Councils.
- It was confirmed that there was a collaborative approach between neighbouring authorities and other public sector organisations, such as health and education, when considering the cumulative effect on infrastructure. However, it was unrealistic to expect new developments to address historic infrastructure issues.
- There was good communication with local Clinical Commissioning Groups which had identified need for additional facilities to accompany new development. Beyond that there was limited ability for the Borough Council to directly address wider health service problems. It was hoped that the Health Authority would have regard to housing provision when commissioning services.
- The process of a Local Plan Public Examination was summarised and once an Inspector was appointed they would contact the Borough Council to make arrangements for a hearing. The venue would be within Tonbridge and Malling. Public examinations ordinarily took 4 – 6 weeks to review all the evidence with a further 3 months before a final decision was made. There was also the possibility of the Inspector asking to hear from those who had made representations but this was subject to their discretion and subject to the points made.
- Concern was expressed around viability assessments and affordable housing. Members were advised that whole Plan Viability Assessments, setting out parameters around land values and costings would be provided to developers, to reduce the potential of over paying for land.
- Reference was made to the Duty to Co-operate and the Cabinet Member for Strategic Planning and Infrastructure (Councillor Howard Rogers) advised he was in close communication with his counterparts at neighbouring authorities to identify areas of potential conflict and to commit to a statement of common ground.
- Flexibility around parking standards was welcomed as it provided opportunity to address parking concerns as part of a planning application.

Finally, the Panel was reminded that the Local Plan was a strategic document and would be a valuable tool in supporting and guiding development management throughout the Borough.

**PPP 18/18 WASTE SERVICES CONTRACT UPDATE**

Members were reminded that the current Waste Services Contract for refuse, recycling and street cleansing was due to expire at the end of February 2019 and was being retendered on a partnership basis with Tunbridge Wells Borough Council and in liaison with Kent County Council.

Following consideration by the Street Scene and Environment Services Advisory Board and the Extraordinary Cabinet on 4 September 2018 the new South West Kent Waste Partnership contract had been awarded. Although this would commence on 1 March 2019 the existing service would continue while arrangements were made to launch the new service. The name of the successful contractor would be announced on 25 September 2018.

The new contract enabled a much improved service to be delivered to residents and included:

- Weekly food waste collection;
- Fortnightly collection of residual waste;
- Alternative fortnightly collection of plastics, cartons, cans and glass (mixed dry recyclate) in a wheeled bin with a separate container for paper and card; and
- A separate fortnightly collection of garden waste (as an 'opt in' charged service)

It was reported that the proposals maintained the current frequency of high speed roads cleansing, which was the highest in Kent, retained the Saturday bulky waste collection service and would contribute to the Borough Council's Savings and Transformation Strategy.

Particular reference was made to the proposed introduction of 'opt-in' charges for the collection of garden waste. Members were advised that the Street Scene and Environment Services Advisory Board and the Cabinet had recommended to Council a standard charge of £40 per year, with further detail related to any introductory offers to be considered by the Advisory Board at a future date. It was explained that these 'opt-in' charges would support the enhanced recycling service, particularly the introduction of kerbside collection for plastics and glass.

Residents would be fully informed of all details and an independent PR consultant had been engaged to develop a Marketing and Communication Strategy. The Borough Council recognised that effective communication and messaging was vital in promoting the new service.

The Cabinet Member for Street Scene and Environment Services (Councillor David Lettington) welcomed the proposals, which delivered a



much improved service, and would encourage increased recycling of plastics and glass. However, it was reiterated that a significant amount of work remained to ensure the smooth introduction of the new service.

The Panel participated in significant discussion on a number of issues including the future of 'bring sites'; the size and number of containers; home composting; opportunities for additional services to be added such as the collection of textiles, batteries and other small electrical equipment; availability of additional bins for garden waste; collection of light bulbs and recycling rates within Tonbridge and Malling.

In response Members were advised that all options regarding the contract and service were subject to further review and discussion with the preferred contractor, the Street Scene and Environment Services Advisory Board and the Cabinet. However, it was likely that the Borough Council would retain a number of 'bring sites' at key locations within the borough, although experience suggested that recycling sites might not be required due to improved kerbside collection. It was also unlikely that light bulbs would be collected for recycling unless an efficient and cost effective solution could be identified. Shops were required to help customers recycle old bulbs for free by offering an in-store 'take back scheme' or paying towards a recycling service and retailers should be encouraged to honour this requirement.

In conclusion, the new Waste Services Contract aimed to offer fairer recycling for all.

#### **PPP 18/19 KENT POLICE SERVICES UPDATE**

Kent Police had submitted apologies, due to operational pressures and Members noted the report of Inspector Kerry Rothwell, which set out details of a number of recent initiatives and operations. Further detail was set out in the update report attached to the agenda.

#### **PPP 18/20 KENT COUNTY COUNCIL SERVICES UPDATE**

Members noted the report of the Kent County Council Community Liaison Officer (Anne Charman) which set out details of a number of County initiatives and consultations. Further detail was set out in the Kent County Council Services update report attached to the agenda.

All Kent County Council consultations could be viewed online at:

<http://consultations.kent.gov.uk/consult.ti>

**PPP 18/21 TONBRIDGE AND MALLING BOROUGH COUNCIL SERVICES  
UPDATE**

The Chairman, in his role as Leader of the Council, advised that key points of relevance to Tonbridge and Malling had been covered elsewhere on the agenda as the Local Plan and the Waste Services Contract represented significant challenges for the Borough Council at the current time.

However, Members were reminded that the Heritage Open Days were running from Thursday 6 – Sunday 16 September and enabled free entry into 27 historical properties in the Borough.

The meeting ended at 9.40 pm

## **TONBRIDGE AND MALLING BOROUGH COUNCIL**

### **TONBRIDGE FORUM**

**Monday, 10th September, 2018**

**Present:** Cllr N J Heslop (Chairman), Cllr C P Smith (Vice-Chairman),  
Cllr Mrs J A Anderson, Cllr Mrs P A Bates, Cllr P F Bolt,  
Cllr V M C Branson, Cllr M R Rhodes and Cllr Miss G E Thomas.

Together with County Councillor Mr R Long and representatives from:

Society of Friends	Tonbridge Rotary Club
Tonbridge Art Group	Tonbridge Sports Association
Tonbridge Civic Society	Tonbridge Theatre and Arts Club
Tonbridge Historical Society	Tonbridge Town Team
Tonbridge Lions Club	University of the Third Age

Apologies for absence were received from Councillors O C Baldock, D J Cure, Mrs M F Heslop, F G Tombolis and County Councillor Mr M Payne, Kent Police (Tonbridge), Tonbridge Line Commuters and Tonbridge Music Club.

#### **TF 18/9 MINUTES**

**RESOLVED:** That the Minutes of the meeting held on 16 April 2018 be approved as a correct record and signed by the Chairman.

#### **TF 18/10 UPDATE ON ANY ACTION IDENTIFIED IN THE LAST MINUTES**

The following updates were provided:

##### **TF 18/2 Chairman Announcements**

The Forum was advised of a positive response to the new seating arrangements and these allowed for informed and audible discussion to be undertaken. In addition, the Chairman indicated that consideration would be given to the current format of the 'question time.'

#### **TF 18/11 UPDATE ON LOCAL PLAN**

In his role as Leader of the Borough Council, the Chairman opened the discussion by reminding Members of the key milestones achieved so far in the preparation of the Local Plan.

It was explained that every council in the country had a statutory obligation to identify sufficient land for future house building and this had to be set out in a Local Plan. The number of houses that had to be planned for was decided by an approach set down by central Government and not by the local council. In Tonbridge and Malling the

housing need had been identified as 13,920 homes for the period of the Local Plan up to 2031. This represented a figure of 696 dwellings per year and meant that, over and above sites already completed, under construction and approved, sufficient new land to build an additional 6,800 homes had to be identified.

Following the Call for Sites exercise and evidence-based assessment the draft Local Plan now included 31 sites, refined to achieve an estimated potential yield of 6,834 new dwellings. This had significantly reduced in size to reflect Local Plan evidence and changes arising from consultations.

The Leader reiterated the very severe consequences if the Borough Council failed in its duty to adopt a Local Plan. Without a Plan in place the Borough Council's ability to manage development would be weakened. In addition, the failure to submit a Local Plan within the transitional period set out by the Government in the new draft National Planning Policy Framework (published on 24 July 2018) would result in significant risks associated with having to address a substantially higher housing provision. It would also cause significant further delays, which would place the Borough Council in a more vulnerable position in terms of land supply in responding to planning applications and facing planning appeals.

In summary, the Leader indicated that generally it was accepted that more homes were required for future generations. However, these should be in the right place and supported by adequate infrastructure. This was what the Local Plan sought to do and it was the responsibility of the Borough Council to consider the strategic overview given the difficult task set by Government. It was noted that the Local Plan was unlikely to resolve community infrastructure problems completely, although it was hoped that the situation could be improved by maximising investment from developers, as identified in the Local Plan.

The Head of Planning and the Planning Policy Manager then provided an update on the preparation of the Local Plan. A revised draft document with a refined development strategy, policies and proposals had been considered recently by the Planning and Transportation Advisory Board on 5 June and 24 July and at an Extraordinary Cabinet on 3 September 2018. The latter had recommended to Council that the draft Local Plan be approved for submission to the Secretary of State after a further period of statutory consultation. Further detail set out in these reports was available on the Borough Council's [website](#); together with the completed evidence base including the Infrastructure Delivery Plan.

Reference was made to the revised National Planning Policy Framework (NPPF) and it was confirmed that the transitional arrangements, previously outlined, remained in place. Consequently the target date for submitting the Local Plan to the Secretary of State was now 24 January

2019, if the Borough Council wished to have the Plan examined against the previous NPPF and in particular to avoid the new standardised approach to housing assessment.

Members were advised that, subject to Council approval, the next step would be further public consultation (Regulation 19) and there would be a detailed information pack and a full set of documents to comment on. It was envisaged that a six week public consultation would start at the beginning of October 2018, or very soon after, and would give local residents and other parties the opportunity to comment on the proposals. These comments/representations would be submitted to the Secretary of State with the Local Plan and would ultimately be considered by an appointed Planning Inspector.

A number of tools would be used during the consultation including the website, social media platforms, YouTube, infographics and an opportunity for face to face discussions via drop in sessions. There would also be hard copies of documents at various locations (Council offices and libraries) to maximise coverage. All forms used as part of the Regulation 19 consultation would be compliant with the General Data Protection Regulations.

Although there was opportunity to comment on the Plan (via the Regulation 19 consultation arrangements) it was unlikely that the Borough Council would make any substantive changes as the document was believed to be 'sound'. However, the Planning Inspector could decide on amendments and it was, therefore, important for organisations and residents to participate in the consultation process. All information related to the Local Plan, including representations received under Regulation 19, would be collated into common themes and submitted to the Secretary of State and made publically available, subject to General Data Protection Regulations compliance.

It was anticipated that an independent Planning Inspector would be appointed to the Borough Council early in 2019 if the draft Local Plan was submitted in December 2018 as planned. Once an Inspector was appointed they would contact the Borough Council to make arrangements for a hearing within Tonbridge and Malling. Public Examinations ordinarily took 4-6 weeks to review all the evidence with a further 3 months before a final decision was made. There was also the possibility of the Inspector asking to hear from those who had made representations, but this was subject to their discretion and subject to the points made.

The Borough Council anticipated adopting the new Local Plan by the end of 2019, subject to the Inspector's comments and any suggested amendments.

The following comments and points were raised, discussed and noted:

- It was important that any representations submitted in advance of the formal consultation were resubmitted as part of the Regulation 19 consultation to avoid confusion and to ensure they were forwarded to the Secretary of State/Planning Inspector for consideration.
- It was confirmed that any resident or organisation could comment on any site whether or not they were included in the draft Local Plan and the Chairman strongly encouraged participation in the consultation. Technical advice could be provided by Planning Services.
- The Head of Planning indicated that residents would be advised that there was opportunity to object (or support) sites not in the draft Local Plan during promotion of the Regulation 19 consultation.
- Members recognised the significant risk to the Borough Council of missing the transitional period submission deadline of December 2018 and noted the significant penalty that could be imposed in terms of increased numbers of housing.
- It was emphasised that if Council did not approve the draft Local Plan the process would need to be substantially restarted and be subject to the revised NPPF which would lead to significant delay and an increase in housing figures to address.
- The status of existing policies such as the Central Area Action Plan and Climate Change Policy were queried. In response, it was clarified that these policies would no longer apply as other measures to address these concerns would be set out in the Local Plan. It was hoped that this would provide greater flexibility and would run alongside the NPPF and the Planning Policy Guidance.
- The introduction of new GDPR legislation in May 2018 had represented a significant challenge regarding the publication and sharing of personal information. This had impacted upon the Borough Council's ability to publish representations received via the Regulation 18 consultation, which had been collected prior to a disclaimer and privacy notice being available. Action had been taken to resolve this for the Regulation 19 consultation and all information would include a disclaimer which would make it easier to publish.

Finally, the Forum was reminded that the Local Plan was a strategic document and would be a valuable tool in supporting and guiding development management throughout the Borough.

**TF 18/12 UPDATE ON WASTE SERVICES CONTRACT**

The Head of Street Scene and Leisure and the Waste Contract Officer provided an update on the procurement process for the new Waste Services Contract. Members were reminded that the current refuse and recycling collections and street cleansing contract ended in February 2019 and was being retendered on a partnership basis with Tunbridge Wells Borough Council and in liaison with Kent County Council.

Following consideration by the Street Scene and Environment Services Advisory Board and the Extraordinary Cabinet on 4 September 2018 the new South West Kent Waste Partnership contract was due to be awarded. Although this would commence on 1 March 2019 the existing service would continue while arrangements were made to launch the new service. The name of the successful contractor would be announced on 25 September 2018.

The new contract enabled a much improved service to be delivered to residents and included:

- Weekly food waste collection;
- Fortnightly collection of residual waste;
- Alternative fortnightly collection of plastics, cartons, cans and glass (mixed dry recyclate) in a wheeled bin with a separate container for paper and card;
- A separate fortnightly collection of garden waste (as an 'opt in' charged service); and
- Additional collection of textiles, small electrical items (WEEE) and household batteries

It was reported that the proposals maintained the current frequency of high speed roads cleansing, which was the highest in Kent, retained the Saturday bulky waste collection service and would contribute to the Borough Council's Savings and Transformation Strategy.

Particular reference was made to the proposed introduction of 'opt-in' charges for the collection of garden waste. Members were advised that the Street Scene and Environment Services Advisory Board and the Cabinet had recommended to Council a standard charge of £40 per year, with further detail related to any introductory offers to be considered by the Advisory Board at a future date. It was explained that these 'opt-in' charges would support the enhanced recycling service, particularly the introduction of kerbside collection for plastics and glass. The Forum was reminded that all the Borough Council's fees and charges were reviewed on an annual basis and this would also apply to the 'opt-in' for garden waste collection.

Residents would be fully informed of all details and an independent PR consultant had been engaged to develop a Marketing and Communication Strategy. The Borough Council recognised that

effective communication and messaging was vital in promoting the new service.

Members welcomed the proposals, which delivered a much improved service, and encouraged increased recycling of plastics and glass. There was also the potential to include additional services such as the collection of small electrical items, textiles and batteries. However, it was noted that a significant amount of work remained to ensure the smooth introduction of the new service.

The Forum participated in significant discussion on a number of issues including the use of bags for properties where bins were not possible; availability of additional bins and associated charging; cross contamination of bins due to their change of use; recycling rates within Tonbridge and Malling; the benefits of home composting and concerns around the seasonal nature of garden waste. In addition, the future of 'bring sites' and collection of light bulbs was raised.

In response Members were advised that all options regarding the contract, service options and collection methods, including the future of 'bring sites' were subject to further review and discussion with the preferred contractor, the Street Scene and Environment Services Advisory Board and the Cabinet. However, in regard to the 'bring sites' it had been agreed that these would be reduced to ten key locations across the Borough following the introduction of the new kerbside collections. These sites would be reviewed following a further 12 months to assess demand and need.

The Forum was also advised that a pragmatic approach had been taken to use existing resources and containers. Officers were confident that the risk of cross contamination due to change of use was minimal. However, there was the option to offer cleaning of bins where appropriate but this was subject to further consideration.

It was also unlikely that light bulbs would be collected for recycling unless an efficient and cost effective solution could be identified. Shops were required to help customers recycle old bulbs for free by offering an in-store 'take back scheme' or paying towards a recycling service and retailers should be encouraged to honour this requirement.

In conclusion, the new Waste Services Contract aimed to offer a fairer service accessible to all.

#### **TF 18/13 KENT POLICE UPDATE**

Kent Police were unable to attend this meeting due to operational pressures and their apologies were noted.

However, the Chairman referred to the Community Alcohol Partnership which had been launched in Tonbridge on 13 July 2018. The scheme



aimed to prevent underage drinking with a mix of education, enforcement, community engagement and the provision of diversionary activities for young people. It was hoped that this would be as successful as the initiative operating in Snodland.

#### **TF 18/14 KENT COUNTY COUNCIL SERVICES UPDATE**

Members noted the report of the Kent County Council Community Liaison Officer (Anne Charman) which provided details on a number of County initiatives and consultations. Further information was available on the Kent County Council Services Update report attached to the agenda.

The Kent County Councillor for Tonbridge (Richard Long) provided a brief update on the progress of the High Street and Station improvement works and advised of new proposals related to the location and design of the lay-bys.

There would also be improvements to the pedestrian access outside the station and consideration was being given to the reconfiguration of nearby roads.

Further detail related to these would be presented in due course.

Reference was made to a temporary pedestrian crossing in Tonbridge which Members of the Forum considered dangerous. County officers were aware of the concerns raised and County Councillor Long offered to clarify the position with Kent Highway Services.

#### **TF 18/15 TONBRIDGE AND MALLING SERVICES UPDATE**

The Chairman (in his role as Leader of the Borough) provided an update on key points relevant to Tonbridge. The headline messages set out in the presentation would be available online and circulated with the Minutes. However, in summary these included:

- Help for homeless households: The Borough Council had taken positive action to increase affordable temporary accommodation in the borough with the purchase of a property on Tonbridge High Street.
- Business Rates Retention Scheme: Kent authorities had successfully bid for involvement in the Business Rates Retention Pilot. As a result part of the funding secured would go towards promoting economic growth. Proposed initiatives relevant to Tonbridge included grants for independent businesses under a Commercial Frontages Improvement Scheme; support for pop-up shops, Wi-Fi and events.

- Fairtrade Tonbridge: The Borough Council were awaiting a decision from the Fairtrade Foundation regarding the application for Fairtrade Town status. Any organisation wishing to get involved was asked to contact the Borough Council's Economic Regeneration Officer (Jeremy Whittaker).
- A number of recent events had been well attended and these included the Luna Cinema, Illyria performances, marking the Centenary of the end of World War I, the medieval Fayre and Dragon Boat Races. The Chairman thanked all the organisations involved for their contribution in making the events so successful.
- Leisure improvements and investment such as the newly resurfaced Tonbridge to Penshurst Cycle Path and new footpaths and children's play area at Haysden Country Park. The Borough Council continued to explore funding streams for further investment.

The University of the Third Age referred to the recent Overview and Scrutiny Committee review into the support and provision of events and sought clarity on proposals to introduce charging to use the Castle Lawn and Sportsground. In response, the Head of Street Scene and Leisure confirmed that a review was ongoing and no decision had been reached at the present time. It was indicated that a sensible and cautious approach to charging for community and charity events would be taken. However, it was realistic for the Borough Council to consider charging for commercial and corporate events to cover administration fees and utilities costs.

## **TF 18/16 ANNOUNCEMENTS FROM ORGANISATIONS**

### **Christmas Festival 2018:**

The Tonbridge Rotary Club announced that the Tonbridge Christmas Festival would take place on 25 November 2018. The High Street would be closed for a number of festive events and the evening would finish with a firework display.

### **Promotion of Tonbridge:**

The Tonbridge Town Team advised that a range of merchandise promoting Tonbridge was available to buy. This included tee shirts with the slogan 'I am a Tonbridge Dragon', reusable coffee cups and reusable water bottles. Prices ranged from £6 to £4. Anyone interested should contact Mr Howard Porter.

The meeting ended at 9.25 pm

## **TONBRIDGE AND MALLING BOROUGH COUNCIL**

### **JOINT TRANSPORTATION BOARD**

**Monday, 24th September, 2018**

**Present:** Mr M Payne (Chairman), Cllr M Parry-Waller, Cllr M Taylor, Mrs T Dean, Mr R Long and Mr H Rayner

Borough Councillors O C Baldock, P F Bolt, V M C Branson, B J Luker, M R Rhodes and R V Roud were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Borough Councillors H S Rogers (Vice-Chairman), D A S Davis and R D Lancaster

Ms W Palmer was also present on behalf of the Kent Association of Local Councils

### **PART 1 - PUBLIC**

#### **JTB 18/18 DECLARATIONS OF INTEREST**

There were no declarations of interest in accordance with the Code of Conduct.

#### **JTB 18/19 MINUTES**

**RESOLVED:** That the Minutes of the meeting of the Joint Transportation Board held on 11 June 2018 be approved as a correct record and signed by the Chairman.

#### **JTB 18/20 PARKING ACTION PLAN - PHASE 10**

Decision Number D180059MEM

The report of the Director of Street Scene, Leisure and Technical Services presented the outcome of the investigation and informal consultation stages of the 40 parking restriction proposals contained in Phase 10 of the Parking Action Plan and sought approval to proceed to formal consultation in respect of 34 locations. It was noted that five locations would not be proceeded with as the changes were no longer required or necessary and that the requested changes at the A20/A25 Wrotham Heath were not readily available or were likely to be to the detriment of local residents.

**RECOMMENDED:** That, subject to withdrawal of the scheme at Rochester Road, Burham (Location reference 10-29), the recommendations for each location shown in Annex 1 to the report be

adopted and, where appropriate, be taken forward to formal consultation.

### **MATTERS SUBMITTED FOR INFORMATION**

#### **JTB 18/21 TOWER INDUSTRIAL ESTATE, WROTHAM**

The Joint Transportation Board gave consideration to matters raised by County Councillors Mrs S Hohler and H Rayner regarding the safety of road users and pedestrians using the footway of the A20 London Road, Wrotham in the vicinity of the Tower Industrial Estate. County Councillor Rayner acknowledged that parking enforcement had improved the situation but stated that parking on the footpath and verges, work on vehicles in the public highway, inconsiderate parking and obscured sight lines created a danger to local residents, road users, the business premises on the site and customers visiting the industrial estate.

**RESOLVED:** That a site visit be undertaken by the local Members and officers of both the County and Borough Councils to review the issues raised.

#### **JTB 18/22 TONBRIDGE AND MALLING HIGHWAY WORKS PROGRAMME**

The report of KCC Highways and Transportation provided an update on the footway and carriageway improvement, drainage repairs and improvements, street lighting, transportation and safety schemes, Developer Funded Works (Sections 278 and 106 works), bridge works and approved traffic schemes. In addition the report provided details of current County Member funded schemes within the Borough. A verbal update was provided on progress with the relocation of the bus stop outside Café Nero in Tonbridge High Street and the improvements to Tonbridge Station Forecourt and the Board noted that consultation would be undertaken in November regarding the extension of a 20 mph speed limit into roads surrounding the High Street.

**RESOLVED:** That the report be received and noted.

### **MATTERS FOR CONSIDERATION IN PRIVATE**

#### **JTB 18/23 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 8.34 pm

## TONBRIDGE & MALLING BOROUGH COUNCIL

### CABINET

10 October 2018

#### Report of the Director of Director of Finance and Transformation

#### Part 1- Public

#### Matters for Recommendation to Council

#### **1 REVISED STATUTORY INVESTMENT GUIDANCE AND TREASURY MANAGEMENT AND PRUDENTIAL CODES OF PRACTICE**

The revised Guidance and Codes impose additional requirements on local authorities aimed to address concerns arising from the commercialism agenda, in particular, the use of loans and the purchase of property to generate a profit.

#### **1.1 Introduction**

- 1.1.1 Under the Local Government Act 2003 the Council is required to comply with Statutory Guidance on Local Government Investments and through that guidance, have regard to the CIPFA Treasury Management Code of Practice and the CIPFA Prudential Code. Historically the scope of the statutory guidance and the codes was limited to the investment of an authority's cash surpluses and the management of borrowing undertaken to support its capital expenditure plans. Updated statutory guidance and codes have been issued that broaden that scope to include expenditure on loans and the acquisition of non-financial assets (property) intended to generate a profit.

#### **1.2 Statutory Guidance & Codes of Practice**

- 1.2.1 A report detailing the changes imposed on the Council through the revised statutory guidance and codes of practice was presented to Audit Committee on 1 October 2018. The report is replicated in full at **[Appendix 1]**.

#### **1.3 Legal Implications**

- 1.3.1 The Local Authorities (Capital Finance and Accounting (England) Regulations 2003 require local authorities to have regard to both documents.
- 1.3.2 Under Section 151 of the Local Government Act 1972, the Section 151 Officer has statutory duties in relation to financial administration and stewardship including securing effective arrangements for treasury management.

- 1.3.3 In addition, Link Asset Services are employed to provide independent advice on legislative and professional changes that impact on the treasury management function.

## **1.4 Financial and Value for Money Considerations**

- 1.4.1 A purpose of the Code is to encourage the pursuit of value for money in treasury management, and to promote the reasoned use, development and appreciation of appropriate and practical measures of performance.
- 1.4.2 Performance is monitored against a benchmark return and against other local authorities in Kent and the broader local authority pool via Link's benchmarking service.

## **1.5 Risk Assessment**

- 1.5.1 Link Asset Services are employed to provide advice on the content of the Treasury Management and Annual Investment Strategy and this, coupled with a regular audit of treasury activities ensures that the requirements of the Strategy and the Treasury Policy Statement adopted by this Council are complied with.
- 1.5.2 Credit ratings remain a key tool in assessing risk. It is recognised that their use should be supplemented with sovereign ratings and market intelligence. Appropriate sovereign, group and counterparty limits are established to ensure an appropriate level of diversification.
- 1.5.3 In the light of these safeguards and stringent Treasury Management Procedures it is considered that any risks to the authority implicit in the Treasury Management function have been minimised.

## **1.6 Equality Impact Assessment**

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

## **1.7 Recommendations**

- 1.7.1 Subject to any comments from the Audit Committee, Cabinet is invited to **recommend** to Council:
- 1) To note the new requirements and disclosures contained in the Statutory Guidance on Local Government Investments 2018 Edition set out at **[Annex 1]**.
  - 2) The four clauses to be formally adopted as set out in the Code and reproduced at **[Annex 2]** be readopted.
  - 3) The Treasury Management Policy Statement as set out in the Code and reproduced at **[Annex 3]** be readopted.

- 4) To note the new statement pertaining to investments that are not part of treasury management activity reproduced at **[Annex 4]**.
- 5) To note the additional paragraphs to be added to the Council's TMPs as set out at **[Annex 5]**.
- 6) To note the additional paragraphs to be added to the Council's Capital Strategy as set out at **[Annex 6]**.
- 7) To note the prudential indicators as set out at **[Annex 7]**.

Background papers:

contact: Michael Withey  
Neil Lawley

Statutory Guidance on Local Government Investments  
(3<sup>rd</sup> Edition ) 2018  
Treasury Management Code of Practice and Cross-Sectoral Guidance Notes 2017 Edition  
Prudential Code 2017 Edition Nil

Sharon Shelton  
Director of Finance and Transformation

This page is intentionally left blank



**TONBRIDGE & MALLING BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**01 October 2018**

**Report of the Director of Finance and Transformation**

**Part 1- Public**

**Matters for Recommendation to Cabinet**

**1 REVISED STATUTORY INVESTMENT GUIDANCE AND TREASURY  
MANAGEMENT AND PRUDENTIAL CODES OF PRACTICE**

**The revised Guidance and Codes impose additional requirements on local authorities aimed to address concerns arising from the commercialism agenda, in particular, the use of loans and the purchase of property to generate a profit.**

**1.1 Introduction**

1.1.1 Under the Local Government Act 2003 the Council is required to comply with Statutory Guidance on Local Government Investments and through that guidance, have regard to the CIPFA Treasury Management Code of Practice and the CIPFA Prudential Code. Historically the scope of the statutory guidance and the codes was limited to the investment of an authority's cash surpluses and the management of borrowing undertaken to support its capital expenditure plans. Updated statutory guidance and codes have been issued that broaden that scope to include expenditure on loans and the acquisition of non-financial assets (property) intended to generate a profit.

1.1.2 The Statutory Guidance and Codes of Practice are lengthy documents and are not appended to this report. If a Member would wish to obtain copies please contact Michael Withey at [michael.withey@tmbc.gov.uk](mailto:michael.withey@tmbc.gov.uk)

**1.2 Statutory Guidance on Local Government Investments 2018 Edition**

1.2.1 The Statutory Guidance on Local Government Investments requires authorities to prepare an annual investment strategy (the Strategy) to be approved by full Council prior to the start of each financial year. The disclosures required to be published and made publicly available in the Strategy may be included in a treasury management strategy, a capital strategy or any other publicly available document (e.g. budget presentation). The requirements and disclosures that arise in respect of loans and non-financial assets are summarised in [Annex1].

### 1.3 Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes 2017 Edition

#### ***Introduction***

- 1.3.1 For the purposes of this Code CIPFA has adopted the following as its definition of treasury management activities:
- The management of the organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and pursuit of optimum performance consistent with those risks.
- 1.3.2 Investments in the definition above covers all the financial assets of the organisation, as well as other non-financial assets which the organisation holds primarily for financial returns, such as *directly owned* investment property. This may therefore include investments which are not managed as part of normal treasury management or under treasury management delegations.
- 1.3.3 In the main, the changes made to the Code, address concerns arising from the 'commercialism agenda' to ensure the risks associated with investment in 'non-financial assets' which are held primarily for financial returns' are properly evaluated, reported, subject to scrutiny and managed over time.
- 1.3.4 The Code makes it clear that the control of risk and optimising returns consistent with the organisation's risk appetite should be applied across all investment activities, including more commercially based investments.

#### ***Key Principles***

- 1.3.5 The Code identifies three key principles detailed below with a minor change made to Key Principle 2 highlighted in italics.
- Key Principle 1 – Public service organisations should put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities.
  - Key Principle 2 – Their policies and practices should make clear that the effective management and control of risk are prime objectives of their treasury management activities and that responsibility for these lies clearly within their organisations. Their appetite for risk should form part of their annual strategy, including any use of financial instruments for the prudent management of those risks, and should ensure that priority is given to security and *portfolio* liquidity when investing *treasury management* funds.
  - Key Principle 3 – They should acknowledge that the pursuit of value for money in treasury management, and the use of suitable performance

measures, are valid and important tools for responsible organisations to employ in support of their business and service objectives; and that within the context of effective risk management; their treasury management policies and practices should reflect this.

- 1.3.6 The Code further recommends the adoption of four key clauses and the preparation of a treasury management policy statement and treasury management practices in order to achieve the above.

***Clauses to be Formally Adopted***

- 1.3.7 It is recommended that the four clauses recommended to be formally adopted as set out in the Code and reproduced at **[Annex 2]** be adopted / readopted.

***Treasury Management Policy Statement***

- 1.3.8 It is recommended that the Treasury Management Policy Statement as set out in the Code and reproduced at **[Annex 3]** be adopted / readopted.

***Treasury Management Practices***

- 1.3.9 The TMPs (12) detail the processes and procedures to be followed in the operation and management of the treasury management function and run to many pages and as a result are not reproduced in full. Much of the changes detailed below focus on TMPs as they apply to non-treasury management investments.
- TMP1 *Risk management* amended to include within the General Statement that – “This organisation regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that robust due diligence procedures cover all external investment.” This includes investment and risk management criteria for any material non-treasury investment portfolios.
  - A new risk management consideration has been introduced under TMP1 covering inflation risk management – “The organisation will keep under review the sensitivity of its treasury assets and liabilities to inflation, and will seek to manage the risk accordingly in the context of the whole organisation’s inflation exposures.”
  - TMP2 *Performance measurement* to include methodology and criteria for assessing the performance and success of non-treasury investments.
  - TMP4 *Approved instruments, methods and techniques* includes a new paragraph regarding MIFID II – “This organisation has reviewed its classification with financial institutions under MIFID II and has set out in the schedule to this document those organisations with which it is registered as a professional client and those with which it has an application outstanding to register as a professional client.” Treasury Management Strategy

Statement will need to reflect in what circumstances an authority has opted up to professional status, and a schedule prepared of all counter parties where this applies, with a commitment that these arrangements will be regularly reviewed as appropriate.

- *TMP5 Decision making, governance and organisation* to include a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making.
- *TMP6 Reporting requirements and management information arrangements* to include where and how often monitoring reports are taken in relation to non-treasury investments.
- *TMP8 Cash and cash flow management* makes a correction to a previous error when referencing back to TMP1.
- *TMP10 Training and qualifications* to include how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

### ***Investments that are not part of Treasury Management Activity***

- 1.3.10 A new section has been added covering investments that are not part of treasury management activity (commercialism agenda) and the primary reason for the changes made to the Code; requiring the inclusion of a new statement **[Annex 4]**.
- 1.3.11 These investments should be proportional to the level of resources available to the organisation and the organisation should ensure that the same robust procedures for consideration of risk and return are applied to these decisions.
- 1.3.12 Due diligence procedures should ensure effective scrutiny of proposed investments, identification of risk to both capital and returns, any external underwriting of those risks, and the potential impact on the financial sustainability of the organisation if those risks come to pass. Where necessary independent and expert advice should be sought to ensure due diligence is suitably robust.
- 1.3.13 A published schedule should be agreed by Council that set outs the organisation's investment management practices for non-treasury investments. Where a Capital Strategy is produced by a local authority including the authority's approach to commercial activities, the detail may be published separately. The authority should ensure effective arrangements are in place for the effective scrutiny of strategy and policies.
- 1.3.14 A register of investments and financial guarantees should be maintained and regularly reviewed as part of performance reporting arrangements, including periodic reassessment of the probability of financial guarantees being called upon.

- 1.3.15 For ease of reference the additional text to be added to the TMPs as a result can be found at **[Annex 5]**.

#### **1.4 Prudential Code for Capital Finance in Local Authorities 2017 Edition**

- 1.4.1 The objectives of the Prudential Code are to ensure, within a clear framework, that the capital expenditure plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to the organisation.
- 1.4.2 The Prudential Code requires authorities to look at capital expenditure and investment plans in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to the long run financing implications and potential risks to the authority. Effective financial planning, option appraisal, risk management and governance processes are essential in achieving a prudential approach to capital expenditure, investment and debt.
- 1.4.3 To demonstrate that local authorities have fulfilled these objectives, the Prudential Code sets out the indicators that must be used, and the factors that must be taken into account. The Prudential Code sets out a clear governance procedure for the setting and revising of a Capital Strategy and prudential indicators. This will be done by the same body that takes the decisions for the local authority's budget.
- 1.4.4 The Capital Strategy is intended to give a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 1.4.5 The Capital Strategy to include the authority's approach to commercial activities including processes ensuring effective due diligence and defining the authority's risk appetite including proportionality in respect of overall resources; and requirements for independent and expert advice and scrutiny arrangements. An overview of the governance process for approval and monitoring and ongoing risk management of any other financial guarantees and other long-term liabilities; and a summary of the knowledge and skills available to the authority and confirmation that these are commensurate with the authority's risk appetite.
- 1.4.6 The additional paragraphs to be added to the Council's Capital Strategy as a result can be found at **[Annex 6]** and the prudential indicators required to be published under the 2017 Code can be found at **[Annex 7]**.

#### **1.5 Legal Implications**

- 1.5.1 The Local Authorities (Capital Finance and Accounting (England) Regulations 2003 require local authorities to have regard to both documents.

1.5.2 Under Section 151 of the Local Government Act 1972, the Section 151 Officer has statutory duties in relation to financial administration and stewardship including securing effective arrangements for treasury management.

1.5.3 In addition, Link Asset Services are employed to provide independent advice on legislative and professional changes that impact on the treasury management function.

## **1.6 Financial and Value for Money Considerations**

1.6.1 A purpose of the Code is to encourage the pursuit of value for money in treasury management, and to promote the reasoned use, development and appreciation of appropriate and practical measures of performance.

1.6.2 Performance is monitored against a benchmark return and against other local authorities in Kent and the broader local authority pool via Link's benchmarking service.

## **1.7 Risk Assessment**

1.7.1 Link Asset Services are employed to provide advice on the content of the Treasury Management and Annual Investment Strategy and this, coupled with a regular audit of treasury activities ensures that the requirements of the Strategy and the Treasury Policy Statement adopted by this Council are complied with.

1.7.2 Credit ratings remain a key tool in assessing risk. It is recognised that their use should be supplemented with sovereign ratings and market intelligence. Appropriate sovereign, group and counterparty limits are established to ensure an appropriate level of diversification.

1.7.3 In the light of these safeguards and stringent Treasury Management Procedures it is considered that any risks to the authority implicit in the Treasury Management function have been minimised.

## **1.8 Equality Impact Assessment**

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

## **1.9 Recommendations**

1.9.1 Members are asked to **recommend** to Cabinet and subsequently full Council:

- 1) To note the new requirements and disclosures contained in the Statutory Guidance on Local Government Investments 2018 Edition set out at **[Annex 1]**.
- 2) The four clauses to be formally adopted as set out in the Code and reproduced at **[Annex 2]** be readopted.

- 3) The Treasury Management Policy Statement as set out in the Code and reproduced at **[Annex 3]** be readopted.
- 4) To note the new statement pertaining to investments that are not part of treasury management activity reproduced at **[Annex 4]**.
- 5) To note the additional paragraphs to be added to the Council's TMPs as set out at **[Annex 5]**.
- 6) To note the additional paragraphs to be added to the Council's Capital Strategy as set out at **[Annex 6]**.
- 7) To note the prudential indicators as set out at **[Annex 7]**.

Background papers:

contact: Michael Withey  
Neil Lawley

Statutory Guidance on Local Government Investments  
(3<sup>rd</sup> Edition ) 2018  
Treasury Management Code of Practice and Cross-Sectoral Guidance Notes 2017 Edition  
Prudential Code 2017 Edition

Sharon Shelton  
Director of Finance and Transformation

This page is intentionally left blank



## Statutory Guidance on Local Government Investments 2018 Edition

*New requirements and disclosures to address concerns attributed to loans and non-financial investments. Some elements may also be applicable to investment activity undertaken for treasury management purposes.*

### 1 General

- 1.1 Investments made by local authorities can be classified into one of two main categories. Investment held for treasury management purposes and other investments. Treasury management investments prioritise security (protecting the sum invested), liquidity (funds are available to spend when needed) and yield in that order of importance. The balance between security, liquidity and yield may differ for other types of investment. Local authorities should **disclose the contribution** that other investments make towards service delivery objectives and or its place making role.

### 2 Use of indicators

- 2.1 The Strategy should **include quantitative indicators** that allow Councillors and the public to assess a local authority's total risk exposure as a result of its investment decisions. They should include how investments are funded and the rate of return received. Where investments are funded by borrowing the indicators used should reflect the additional debt servicing costs taken on. The indicators an authority has chosen to use should be consistent from year to year.
- 2.2 Where a local authority has entered into a long term investment or has taken out long term debt to finance an investment the indicators should allow Councillors and the general public to assess the risks and opportunities of the investment over both its payback period and over the repayment period of any debt taken out.

### 3 Loans

- 3.1 A local authority may choose to make loans to local enterprises, local charities, wholly owned companies and joint ventures as part of a wider strategy for local economic growth even though the loans may not be seen as prudent in terms of security and liquidity. Such loans can continue to be made provided the Strategy **demonstrates**:
- Total financial exposure is proportionate;
  - An allowed "expected credit loss" model has been used;
  - Appropriate credit control arrangements to recover overdue repayments are in place;
  - The authority has formally agreed the total level of loans by type and the total loan book is within a self-assessed level.

#### 4 **Non-financial investments**

- 4.1 Non-financial investments are non-financial assets (property) that are held primarily to generate a profit. Strategies should **confirm the fair value of assets**, assessed annually, is sufficient to provide security against loss. Where fair value is no longer sufficient to provide security against loss the strategy should **detail the mitigating action** being taken to protect the capital invested. An updated strategy should be presented to full Council if a loss is recognised in the year end accounts **detailing the impact** of the loss on the security of investments and the revenue consequence.

#### 5 **Risk assessment**

- 5.1 The Strategy should **state the authority's approach** to assess risk of loss before entering into and whilst holding an investment, making clear in particular: how it has assessed the market that it is / will be competing in, the nature and level of competition, how it thinks that the market / customer needs will evolve over time, barriers to entry and exit and any ongoing investment requirement.

#### 6 **Liquidity**

- 6.1 For non-financial investments the Strategy should **set out the procedures** for ensuring that the funds can be accessed when they are needed, for example to repay capital borrowed. It should also state the local authority's view of the liquidity of the investments that it holds, recognising that assets can take a considerable period to sell in certain market conditions. Where local authorities hold non-financial investment portfolios they can choose to assess liquidity by class of asset or at a portfolio level if appropriate.

#### 7 **Proportionality**

- 7.1 Where a local authority is or plans to become dependent on profit generating investment activity to achieve a balanced revenue budget, the Strategy should **detail the extent** to which funding expenditure to meet the service delivery objectives and/or place making role of that local authority is dependent on achieving the expected net profit. In addition, the Strategy should detail the local authority's contingency plans should it fail to achieve the expected net profit.
- 7.2 The **assessment of dependence** on profit generating investments and borrowing capacity allocated to funding these should be disclosed as a minimum over the life-cycle of the Medium Term Financial Plan. However, an assessment of longer term risks and opportunities is recommended.

#### 8 **Borrowing in advance of need**

- 8.1 Authorities **must not borrow more than or in advance of their needs** purely in order to profit from the investment of the extra sums borrowed.

8.2 Where a local authority chooses to disregard the Prudential Code and this Guidance and borrows or has borrowed purely to profit from the investment of the extra sums borrowed the Strategy should explain:

- Why the local authority has decided not to have regard to this Guidance or to the Prudential Code in this instance; and
- The local authority's policies in investing the money borrowed, including management of the risks, for example, of not achieving the desired profit or borrowing costs increasing.

9 **Capacity, skills and culture**

9.1 The Strategy should ***disclose the steps*** taken to ensure that those elected members and statutory officers involved in the investments decision making process have appropriate capacity, skills and information to enable them to take informed decisions as to whether to enter into a specific investment, to assess individual assessments in the context of the strategic objectives and risk profile of the local authority and to enable them to understand how the quantum of these decisions have changed the overall risk exposure of the local authority.

9.2 The Strategy should ***disclose the steps*** taken to ensure that those negotiating commercial deals are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate.

9.3 Where appropriate the Strategy should ***comment on*** the corporate governance arrangements that have been put in place to ensure accountability, responsibility and authority for decision making on investment activities within the context of the local authority's corporate values.

This page is intentionally left blank

**Four clauses recommended to be formally adopted**

**Clause 1** – This organisation will create and maintain, as the cornerstones for effective treasury management:

- a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
- suitable treasury management practices (TMPs) setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key principles.

**Clause 2** – This organisation, i.e. full Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

**Clause 3** – This organisation delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to Cabinet via the Audit Committee, and for the execution and administration of treasury management decisions to the Director of Finance and Transformation, who will act in accordance with the organisation's policy statement and TMPs and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

**Clause 4** – This organisation nominates the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

This page is intentionally left blank

**Treasury Management Policy Statement**

- 1.** This organisation defines its treasury management activities as:  
The management of the organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 2.** This organisation regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 3.** This organisation acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employ suitable comprehensive performance measurement techniques, within the context of effective risk management.

This page is intentionally left blank



**Investments that are not part of Treasury Management Activity**

This organisation recognises that investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activity includes loans supporting service outcomes, investments in subsidiaries, and investment property portfolios.

This organisation will ensure that all the organisations investments are covered in the capital strategy, investment strategy or equivalent, and will set out, where relevant, the organisation's risk appetite and specific policies and arrangements for non-treasury investments. It will be recognised that the risk appetite for these activities may differ from that for treasury management.

The organisation will maintain a schedule setting out a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and the organisations risk exposure.

This page is intentionally left blank

## **Additional text to be added to the Council's Treasury Management Practices**

### **TMP 1 Risk Management**

#### **General Statement**

This organisation regards a key objective of its treasury management and other investment activities to be the security of the principal sums it invests. Accordingly, it will ensure that robust due diligence procedures cover all external investment including investment properties.

#### **TMP 1.5 Inflation risk management**

The organisation will keep under review the sensitivity of its treasury assets and liabilities to inflation, and will seek to manage the risk accordingly in the context of the whole organisation's inflation exposures.

Inflation risk, also called purchasing power risk, is the chance that the cash flows from an investment won't be worth as much in the future because of changes in purchasing power due to inflation.

### **TMP 4 Approved Instruments, Methods and Techniques**

#### **TMP 4.2 Implementation of MIFID II requirements**

This organisation has reviewed its classification with financial institutions under MIFID II and has set out in the schedule to this document those organisations with which it is registered as a professional client and those with which it has an application outstanding to register as a professional client.

#### **TMP 4.7 Non-treasury management investments**

This organisation recognises that investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activity includes loans supporting service outcomes, investments in subsidiaries, and investment property portfolios.

This organisation will ensure that all the organisation's investments are covered in the capital strategy, investment strategy or equivalent, and will set out, where relevant, the organisation's risk appetite and specific policies and arrangements for non-treasury investments. It will be recognised that the risk appetite for these activities may differ from that for treasury management.

The organisation will maintain a schedule setting out a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and the organisation's risk exposure.

See separate schedule encompassing *[to be prepared if required]*:

- Risk Management.
- Performance Measurement.
- Organisation, clarity and segregation of responsibilities, and dealing arrangements.
- Reporting requirement and management information arrangements.
- Training and qualifications.

## **TMP 6 Reporting Requirements and Management Information Arrangements**

### **TMP 6.1 Annual programme of reporting**

Capital Strategy *[to be reported as part of the Treasury Management and Annual Investment Strategy, Capital Plan Review and or Budget Report]* to cover the following:

- Give a longer term view of the capital programme and treasury management implications thereof beyond the detailed three year time horizon.
- An overview of treasury and non-treasury investments to highlight the risks and return involved in each and the balance (proportionality) between types of investments.
- The authorities risk appetite and specific policies and arrangements for non-treasury investments.
- Schedule of non-treasury investments.

**Extract from the Capital Strategy relating to the 2017 Prudential Code**

- 1 The legislative framework is set out in the Local Government Act 2003 and its subsidiary regulations. This framework provides for a prudential system based on borrowing limits set by each individual local authority. Under this system, local authorities must have regard to affordability, prudence and sustainability and must follow the “Prudential Code for Capital Finance in Local Authorities 2017 Edition” published by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 2 The Prudential Code requires that a number of prudential indicators are set.
- 3 The objectives of the Prudential Code are to ensure, within a clear framework, that the capital expenditure plans are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to the Council. The Prudential Code requires authorities to look at capital expenditure and investment plans in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to the long run financing implications and potential risks to the authority. Effective financial planning, option appraisal, risk management and governance processes are essential in achieving a prudent approach to capital expenditure, investment and debt.

This page is intentionally left blank

## Prudential Indicators

Estimates calculated on a three year rolling basis. Actuals for the last complete financial year.

### 1 Capital Expenditure (obligatory)

- 1.1 Estimate of total capital expenditure to be incurred in years 1, 2 and 3 (and 4, etc. if applicable).
- 1.2 Actual capital expenditure for previous financial year.
- 1.3 Estimate of capital financing requirement as at the end of years 1, 2 and 3. *[This is a measure of an authorities underlying need to borrow for capital purposes.]*
- 1.4 Actual capital financing requirement for previous financial year.

### 2 External Debt (obligatory)

- 2.1 Authorised limit for external debt = authorised limit for borrowing + authorised limit for other long-term liabilities for years 1, 2 and 3. *[This represents a level of borrowing which, though not desired, could be afforded but may not be sustainable.]*
- 2.2 Operational boundary for external debt = operational boundary for borrowing + operational boundary for other long-term liabilities for years 1, 2 and 3. *[This based on the probable external debt during the course of a financial year. It is not a limit. Actual external debt could vary around this boundary for short periods of time during a financial year. It acts as a monitoring indicator to ensure that the authorised limit is not breached.]*
- 2.3 Actual external debt = actual borrowing + actual other long-term liabilities.
- 2.4 Comparison of gross debt and the capital financing requirement. *[In order to ensure that over the medium term debt will only be for capital purposes, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.]*

### 3 Affordability (obligatory)

- 3.1 Estimate of financing costs ÷ estimate of net revenue stream x 100% for years 1, 2 and 3. *[This ratio provides an indication of the impact an authority's capital investment plans will have on its overall finances.]*
- 3.2 Actual financing costs ÷ actual net revenue stream x 100%

### 4 Local indicators (discretionary)

- 4.1 Estimate of the incremental impact of capital investment decisions on the council tax *[How much council tax at Band D will increase by or decrease by if a particular capital plan scheme is progressed.]*

This page is intentionally left blank



## TONBRIDGE & MALLING BOROUGH COUNCIL

### CABINET

10 October 2018

#### Report of the Director of Finance and Transformation

#### Part 1- Public

#### Matters for Recommendation to Council

#### **1 TREASURY MANAGEMENT UPDATE AND MID-YEAR REVIEW**

A report detailing treasury management activity undertaken during the period April to August of the current financial year was considered by Audit Committee on 1 October. The report also provided an update on progress in securing additional property fund investment and reminded Members of the parameters that define the Council's risk appetite. Cabinet are invited to recommend that Council endorse the action taken by officers in respect of treasury management activity to date, note the progress made in respect of property fund investment and retain the current risk parameters.

#### **1.1 Introduction**

- 1.1.1 Council adopted the 2009 CIPFA Code of Practice for Treasury Management on 18 February 2010. That Code (and its 2011 minor update) requires as a minimum that full Council approves an annual strategy prior to the start of the financial year, a mid-year review of that strategy (this report) and an outturn report.
- 1.1.2 Additional reports updating Members on current activity are presented to the Audit Committee and performance is also reported on a regular basis to the Finance, Innovation and Property Advisory Board. The combination of Member reporting and detailed scrutiny of activity ensures this Council complies with best practice.
- 1.1.3 The treasury management report presented to the Audit Committee on 1 October 2018 is replicated in full at **[Appendix 1]**.

#### **1.2 Investment Performance**

- 1.2.1 A gross annualised return of 0.74% was generated on cash flow and core cash investments for the period April to August 2018. In cash terms, investment income of £104,250 is £33,050 better than our profiled budget for the same period.
- 1.2.2 The additional income is due in part to higher core fund balances (unspent business rate appeal provisions) and in part due to an improvement in investment rates Banks offered in the lead-up to and are now offering following the August

Bank Rate rise. Income for the 2018/19 financial year as a whole is expected to exceed budget by some £75,000.

- 1.2.3 All investments undertaken in 2018/19 complied in full with the requirements of the 2018/19 Treasury Management and Annual Investment Strategy including prudential and treasury limits.

### **1.3 Long term Investment Update**

- 1.3.1 A review of long term investment opportunities (bonds, equities and property) was presented to Audit Committee in January 2017. The review concluded property fund investment to be the most appropriate. The use of commercial property funds for both existing cash balances and any new money derived from the sale of assets was subsequently approved by Council February 2017 and reaffirmed February 2018.
- 1.3.2 £2m of the Council's existing cash balances was identified for long term investment. This in combination with £1m anticipated from the sale of surplus property was applied in 2017/18 bringing the total investment in property funds in that financial year to £3m. Investment was spread across three funds to ensure, as far as is possible, stability of annual income and capital growth over time. More recently a further £2m has been invested in property funds. This has been financed from the 2018/19 business rates pilot grant (£0.5m), the better than expected 2017/18 outturn (£0.5m) and a further £1m in anticipated sale proceeds. Further investments are envisaged though timing is dependent on the progress of planned disposals.
- 1.3.3 Income from property funds of £30,200 has been received thus far in 2018/19 (quarter ending June 2018) which represents an annualised return of 3.62%.
- 1.3.4 Commercial property values have a strong correlation to economic activity (GDP). Property values rise as the economy grows and fall during a recession. During a recession property values can fall significantly reducing the underlying value of the Council's investment.
- 1.3.5 The costs associated with buying and selling property are deducted from the sum invested on entry to a fund and its subsequent value on exit. These costs are expected to be recouped over time as property values rise increasing the underlying value of the Council's investment.
- 1.3.6 Property fund investment is only appropriate for cash that is available long term and has no spending commitment associated with it. The duration of a property fund investment may need to be extended to avoid crystallising a loss in the event that property values fall.

## **1.4 Review of Risk Parameters**

- 1.4.1 The 2018/19 Treasury Management and Annual Investment Strategy was approved by Council in February 2018. The Strategy limits the Council's exposure to investment risks via the specification of minimum sovereign and counterparty credit ratings and associated exposure limits. The Strategy also imposes restrictions on the duration of an investment and the type of investment instrument that can be used. In conducting a mid-year review of the Strategy no change to the Council's current risk appetite is proposed.

## **1.5 Legal Implications**

- 1.5.1 Under Section 151 of the Local Government Act 1972, the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management.
- 1.5.2 This mid-year review fulfils a requirement in The Chartered Institute of Public Finance & Accountancy's Code of Practice on Treasury Management 2009 and 2011. The 2017 revision of the Code is the subject of a separate report elsewhere on this agenda.

## **1.6 Financial and Value for Money Considerations**

- 1.6.1 As outlined above.

## **1.7 Risk Assessment**

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

## **1.8 Equality Impact Assessment**

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

## **1.9 Recommendations**

- 1.9.1 Subject to any comments from the Audit Committee, Cabinet is invited to **RECOMMEND** that Council:
- 1) Endorse the action taken by officers in respect of treasury management activity for the period April to August 2018.
  - 2) Note the £5m in property fund investments that have been undertaken since June 2017.

- 3) Retain the existing parameters intended to limit the Council's exposure to investment risks.

Background papers:

contact: Michael Withey

[Link interest rate forecast \(August 2018\)](#)

[Link benchmarking data \(June 2018\)](#)

Sharon Shelton

Director of Finance and Transformation

**TONBRIDGE & MALLING BOROUGH COUNCIL****AUDIT COMMITTEE****01 October 2018****Report of the Director of Finance and Transformation****Part 1- Public****Matters for Recommendation to Cabinet – Council Decision****1 TREASURY MANAGEMENT UPDATE AND MID-YEAR REVIEW**

**The report provides an update on treasury management activity undertaken during April to August of the current financial year. A mid-year review of the Treasury Management and Annual Investment Strategy for 2018/19 is also included in this report.**

**1.1 Introduction**

1.1.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2009) was adopted by this Council on 18 February 2010. The Code's revision in 2017 is the subject of a separate report on this agenda.

1.1.2 The primary requirements of the 2009 Code (and it's 2011 minor update) are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- Receipt by the full Council of an Annual Treasury Management Strategy Statement, including the Annual Investment Strategy, for the year ahead; a mid-year Review Report (this report) and an Annual Report (stewardship report) covering activities during the previous year.
- Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Audit Committee.

1.1.3 This mid-year report has been prepared in compliance with CIPFA's 2009 and 2011 Codes of Practice, and covers the following:

- An economic update and revised interest rate forecast.
- Investment performance for April to August of the 2018/19 financial year including recent benchmarking data.
- Compliance with Treasury and Prudential Limits for 2018/19.
- Long term investment update.
- A review of the risk parameters contained in the 2018/19 Treasury Management and Annual Investment Strategy.

## **1.2 Economic Background**

1.2.1 The UK economy grew by 1.8% in 2017, its slowest rate of annual growth since 2012. Growth in the first quarter (Q1) of 2018 at 0.2% also disappointed. This was driven in part by the unusually bad weather that affected all parts of the country. The weak growth was also attributed to the fall in consumer disposable income as inflation has, until recently, outstripped wage growth. Growth improved in Q2 to 0.4% and Q3 got off to a good start helped by the warmer weather and World Cup.

1.2.2 The labour market has continued to show strength with the unemployment rate maintaining its downward trend falling to a multi-decade low in July of 4.0%. At the same time pay growth, excluding bonuses, rose by 2.9% in July outstripping inflation for the fourth consecutive month. CPI inflation whilst still above target (2.0%) has fallen from a high of 3.1% in November 2017 to 2.5% in July 2018. Inflation is expected to come under pressure from rising oil / energy prices in the short term but fall back later in the year from easing food prices and other imported goods inflation as the impact of the post referendum fall in the value of sterling fades.

1.2.3 At their February 2018 meeting, the Monetary Policy Committee (MPC) voted unanimously to leave Bank Rate unchanged at 0.5%. However, the committee indicated 'rates would be increasing sooner and at a greater rate than was previously thought'. This prompted market expectation rising to near 100% of a Bank Rate increase in May. The May meeting disappointed and the Bank's stance changed to a data dependent wait and see. The improving economic position and the split vote (6:3) at the June meeting again led to growing market expectation of an early rate rise. At the MPC's August meeting members voted unanimously to increase Bank Rate to 0.75%. The decision reaffirmed the Q1 dip in output was only temporary. In the subsequent press conference the rise was justified based on 'employment is at a record high, there is very limited spare capacity, real wages are picking up and external price pressures are declining'.

### 1.3 Interest Rate Forecast

- 1.3.1 The Bank Rate, having remained at an emergency level of 0.5% for over seven years, was cut to 0.25% in August 2016. In November 2017, the Bank of England returned the Bank Rate to 0.5%. Bank Rate was increased to 0.75% in August 2018. Link's current forecast (August 2018) anticipates Bank Rate rising to 1.0% by September 2019 and to 1.25% by June 2020.

Rate	Now	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
	%	%	%	%	%	%	%	%	%	%	%
Bank Rate	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.25	1.25	1.50	1.50
3 mth LIBID	0.75	0.80	0.80	0.90	1.10	1.10	1.20	1.40	1.50	1.60	1.60
6 mth LIBID	0.85	0.90	0.90	1.00	1.20	1.20	1.30	1.50	1.60	1.70	1.70
12 mth LIBID	1.00	1.00	1.00	1.10	1.30	1.30	1.40	1.60	1.70	1.80	1.80
25yr PWLB	2.80	2.90	3.00	3.10	3.10	3.20	3.30	3.30	3.40	3.50	3.50

### 1.4 Investment Performance

- 1.4.1 In accordance with the CIPFA Code the Council's priorities, in order of importance, are: to ensure security of capital; liquidity; and having satisfied both, to obtain an appropriate level of return which is consistent with the Council's risk appetite.
- 1.4.2 The Council's investments are derived from cash flow surpluses, core cash and other long term cash balances.
- 1.4.3 Cash flow surpluses are available on a temporary basis and the amount mainly dependent on the timing of council tax and business rates collected and their payment to precept authorities and government. Less significant cash flows relate to receipt of grants, payments to housing benefit recipients, suppliers and staff. Cash flow surpluses build up during the course of a financial year and are spent by financial year end. Thus far in 2018/19 cash flow surpluses have averaged £11.3m.
- 1.4.4 The Authority also has £20m of core cash balances. These funds are for the most part available to invest for more than one year, albeit a proportion is usually transferred to cash flow towards the end of the financial year to top-up daily cash balances. Core cash includes the Council's capital and revenue reserves which are being consumed over time to meet capital expenditure and 'buy time' to enable the authority to deliver its revenue savings targets. The core cash balance also includes some £4m to meet business rate appeals which are expected to be resolved in 2018/19 and 2019/20.
- 1.4.5 Long term investment at the end of August 2018 comprised £5m in property fund investments.

- 1.4.6 A full list of investments held on 31 August 2018 is provided at **[Annex 1]** and a copy of our lending list of the same date is provided at **[Annex 2]**. The table below provides a summary of funds invested and interest / dividends earned at the end of August.

	Funds invested on 31 August 2018 £m	Average duration to maturity Days	Weighted average rate of return %	Interest / dividends earned to 31 August 2018 £	Annualised return %	LIBID benchmark (average from 1 April 2018) %
Cash flow	14.5	63	0.73	27,200	0.57	0.40 (7 Day)
Core cash	20.0	201	0.94	77,050	0.82	0.59 (3 Mth)
<b>Sub-total</b>	<b>34.5</b>	<b>143</b>	<b>0.85</b>	<b>104,250</b>	<b>0.74</b>	<b>0.53 (Ave)</b>
Long term	5.0			30,200	3.62	
<b>Total</b>	<b>39.5</b>					

*Property funds pay dividends quarterly. The return quoted above is based on dividends received for the quarter April to June 2018.*

- 1.4.7 **Cash flow and Core cash Investments.** Interest earned of £104,250 to the end of August is £33,050 better than the original estimate for the same period. The authority also outperformed the LIBID benchmark by 21 basis points. The additional income is due in part to higher core fund balances (unspent business rate appeals provisions) and in part due to an improvement in investment rates banks offered in the lead-up to and are now offering following the August Bank Rate rise.
- 1.4.8 The Council takes advantage of Link's benchmarking service which enables performance to be gauged against Link's other local authority clients. An extract from the latest benchmarking data is provided in the form of a scatter graph at **[Annex 3]**. The graph shows the return (vertical scale) vs. the credit / duration risk (horizontal scale) associated with an authority's investments. At 30 June 2018 our return at 0.76% (purple diamond) was above the local authority average of 0.66%. Based on the Council's exposure to credit / duration risk that return was also above Link's predicted return (above the upper boundary indicated by the green diagonal line). The Council's risk exposure was broadly in-line with the local authority average.
- 1.4.9 **Long term investment.** The availability of cash balances over the longer term (10 years) and the suitability of different types of long term investment (equities, bonds and property) was explored in the report to Audit Committee, January 2017. Of the alternatives, investment in property funds was considered best suited to



meet the Council's more immediate funding need (a sustainable, stable income stream). The use of property funds for both existing cash balances and any new money, including that derived from the sale of assets, was subsequently approved by Council in February 2017 and reaffirmed in February 2018.

- 1.4.10 £2m of the Council's existing cash balances was identified for long term investment. This in combination with £1m anticipated from the sale of surplus property was applied in 2017/18 bringing the total investment in property funds in that financial year to £3m. Investment was spread across three funds to ensure, as far as is possible, stability of annual income and capital growth over time. More recently a further £2m has been invested in property funds. This has been financed from the 2018/19 business rates pilot grant (£0.5m), the better than expected 2017/18 outturn (£0.5m) and a further £1m in anticipated sale proceeds. Further investments are envisaged though timing will be dependent on the progress of planned disposals (River Walk Offices and Teen & Twenty site).
- 1.4.11 Property funds issue and redeem primary units at a buy and sell price with the difference between the two prices reflecting the costs associated with buying and selling property (legal and other fees, stamp duty etc.). The price spread varies from fund to fund but is typically in the region of 8% (6% on entry to a fund and 2% on exit). Where units are traded on a secondary market the impact of the spread can be reduced and delays in the purchase or redemption of units avoided. The following table compares the current sale value of each investment with the initial purchase price.

<b>Property fund</b> (Primary = units in the fund purchased from the fund manager, Secondary = units purchased from another investor at a discount, Date = first month investment attracted dividends)	<b>Purchase price</b>  <b>(a)</b> <b>£</b>	<b>Sale value at date of purchase</b>  <b>(b)</b> <b>£</b>	<b>Current sale value August 2018</b>  <b>(c)</b> <b>£</b>	<b>Current sale value above (below) purchase price (c-a)</b>  <b>(c-a)</b> <b>£</b>
LAPF (Primary, July 2017)	1,000,000	922,200	964,400	(35,600)
Lothbury (Primary, July 2017)	1,000,000	927,700	997,300	(2,700)
Hermes (Secondary, October 2017)	1,000,000	939,000	997,900	(2,100)
LAPF (Primary, June 2018)	1,000,000	922,200	924,700	(75,300)
Lothbury (Secondary, July 2018)	1,000,000	973,000	978,100	(21,900)
<b>Total</b>	<b>5,000,000</b>	<b>4,684,100</b>	<b>4,862,400</b>	<b>(137,600)</b>

- 1.4.12 Income from property funds of £30,200 has been received thus far in 2018/19 (quarter ending June 2018) which represents an annualised return of 3.62%.

## **1.5 Compliance with the Treasury Management and Annual Investment Strategy**

- 1.5.1 Throughout the period April to August 2018 all of the requirements contained in the 2018/19 Annual Investment Strategy intended to limit the Council's exposure to investment risks (minimum sovereign and counterparty credit ratings; duration limits; exposure limits in respect of counterparties, groups of related counterparty and sovereigns; and specified and non-specified investment limits) have been complied with. No borrowing was undertaken during April to August 2018.
- 1.5.2 The Council has also operated within the treasury limits and prudential indicators set out in the Annual Investment Strategy and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators can be found in **[Annex 4]** to this report.

## **1.6 Review of Risk Parameters**

- 1.6.1 Members will recall the detailed consideration that was given to the 2018/19 Treasury Management and Annual Investment Strategy at the January 2018 meeting of the Audit Committee. The strategy includes the parameters that aim to limit the Council's exposure to investment risks by requiring investments to be placed with high credit rated institutions and that those investments are diversified across a range of counterparties. More specifically the 2018/19 Strategy requires:
- Counterparties must be regulated by a Sovereign rated AA- or better as recognised by each of the three main rating agencies (Fitch, Moody's and Standard & Poor's).
  - Whilst 100% of funds can be invested in the UK, exposure to non-UK banks is restricted to no more than 20% of funds per Sovereign.
  - Exposure to individual counterparties and groups of related counterparty must not exceed 20% of funds.
  - In selecting suitable counterparties the Council has adopted Link's credit worthiness methodology. The methodology combines the output from all three credit rating agencies including credit watches / outlooks and credit default swap data to assign a durational band to a financial institution (100 days, 6 months, 12 months, 5 years, etc.). At the time of placing an investment the financial institution must be assigned a durational band of at least 100 days. This broadly equates to a minimum long term credit rating of Fitch A- (high) and a short term credit rating of Fitch F1 (strong).
  - The duration of an investment in a foreign bank must not exceed Link's recommendation. For UK financial institutions Link's duration recommendation can be enhanced by up to six months subject to the combined duration (Link recommendation plus the enhancement) not exceeding 12 months. Where duration exceeds Link's recommendation by more than three months, the institution's CDS must be below average at the

time the investment is placed and exposure in the extended duration (3 to 6 months) limited to 10% of funds.

- Money Market funds should be rated AAA and exposure limited to no more than 20% per fund. LNAV and VNAV funds may be used as a substitute for CNAV funds.
- Enhanced Money Funds should be rated AAA and exposure limited to no more than 10% per fund and 20% to all such funds.
- Exposure to each non-rated property fund used for long term investment is subject to a maximum £2m (20% of expected long term balances) per fund and across all such funds. No limit applies to new resources made available from, or in anticipation of, the sale of existing property assets or other windfalls.
- Each non-rated diversified income (multi-asset) fund used for medium term investment is subject to a maximum £2m (20% of expected long term balances) per fund and across all such funds.
- Non-specified investments over 1 year duration (includes both property funds and diversified income funds) must not exceed 60% of investment balances.

1.6.2 The returns being offered by financial institutions vary significantly one to another and across all durations. Whilst scope is limited from an income generation perspective there are a sufficient number of creditworthy institutions available to the Council to ensure an appropriate level of diversification. In undertaking this review **no changes to the current approved risk parameters are proposed.**

## 1.7 Legal Implications

1.7.1 Under Section 151 of the Local Government Act 1972, the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority including securing effective arrangements for treasury management. In addition, Link are employed to provide independent advice on legislative and professional changes that impact on the treasury management function.

## 1.8 Financial and Value for Money Considerations

1.8.1 Investment income from cash flow and core cash at the end of August 2018 (month five of the financial year) is £33,050 better than budget for the same period. Income for the 2018/19 financial year as a whole is likely to exceed budget by some £75,000.

1.8.2 Property funds are presently performing in-line with budget albeit just below the 4% target return. Budget performance for the year as a whole will in part be dependent on the timing of additional planned investments which have yet to take place and are themselves dependent on the receipt of sale proceeds from asset disposals.

- 1.8.3 The Bank Rate having remained at a historic low of 0.5% for over seven years was cut to 0.25% in August 2016. In November 2017, the Bank of England returned the Bank Rate to 0.5%. Bank rate was increased to 0.75% in August 2018. Link's current forecast (August 2018) anticipates Bank Rate rising to 1.0% by September 2019 and to 1.25% by June 2020.
- 1.8.4 Performance is monitored against a benchmark return and against other local authorities in Kent and the broader local authority pool via Link's benchmarking service.
- 1.8.5 Whilst the annual income stream from a property fund exhibits stability (circa 4% per annum net of management fees) capital values rise and fall with the cyclical nature of economic activity. During a downturn in the economy capital values may fall significantly. The duration of a property fund investment may need to be extended to avoid crystalizing a loss and as a consequence, the investment's duration cannot be determined with certainty.
- 1.8.6 Buying and selling property involves significant costs making property unsuitable for short term investment. Buying and selling costs are reflected in the entry fees (circa 6%) and exit fees (circa 2%) a property fund will charge unit holders. These fees are expected to be recouped overtime through capital appreciation.
- 1.8.7 The money being applied to property fund investment from existing resources is expected to be available in perpetuity. Nevertheless, the Council's cash balances will continue to be monitored and due regard had to the potential for a fund to delay payment of redemption requests by up to 12 months. Funds will seek to minimise their own cash balances in favour of holding property and therefore manage redemption requests for the benefit of all fund participants. The Council is only likely to seek redemption to pursue a higher yielding income opportunity should one be identified.

## **1.9 Risk Assessment**

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

## **1.10 Equality Impact Assessment**

- 1.10.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act.

## **1.11 Recommendations**

- 1.11.1 Members are invited to **RECOMMEND** that Cabinet:

- 1) Endorse the action taken by officers in respect of treasury management activity for April to August 2018.

- 2) Note the £5m in property fund investments that have been undertaken since June 2017.
- 3) Retain the existing parameters intended to limit the Council's exposure to investment risks.

Background papers:

contact: Mike Withey

Link interest rate forecast (August 2018)

Link benchmarking data (June 2018)

Sharon Shelton

Director of Finance and Transformation

This page is intentionally left blank

## Tonbridge and Malling Borough Council - Investment Summary 31 August 2018

Counterparty	Sovereign	Fitch Credit rating		Link Suggested Post CDS Duration Limit	Investment						Instrument type / Product	Cash Flow Surpluses £	Core Cash Balances £	Long Term Investment Balances £
		Long Term	Short Term		Start Date	End Date	Duration	Amount Invested £	Return %	Proportion of total %				
Bank of Scotland	UK	A+	F1	1 year	23/05/2018	23/05/2019	1 year	1,000,000	1.00%	2.53%	Fixed Term		1,000,000	
Bank of Scotland Total								1,000,000						
Barclays Bank	UK	A	F1	6 months	20/06/2018	20/03/2019	9 months	1,000,000	0.73%	10.12%	Fixed Term		1,000,000	
Barclays Bank	UK	A	F1	6 months	07/08/2018	07/05/2019	9 months	3,000,000	0.89%		Fixed Term		3,000,000	
Barclays Bank Total								4,000,000						
Blackrock MMF	n/a	AAA	mmf (Eq)	5 years	31/08/2018	03/09/2018	Overnight	121,000	0.65%	0.31%	MMF	121,000		
Blackrock MMF Total								121,000						
BNP Paribas MMF	n/a	AAA	mmf (Eq)	5 years	31/08/2018	03/09/2018	Overnight	2,635,000	0.67%	6.66%	MMF	2,635,000		
BNP Paribas MMF Total								2,635,000						
Federated MMF	n/a	AAA	mmf	5 years	31/08/2018	03/09/2018	Overnight	4,280,000	0.66%	10.83%	MMF	4,280,000		
Federated MMF Total								4,280,000						
Goldman Sachs Int'l Bank	UK	A	F1	6 months	21/03/2018	21/12/2018	9 months	2,000,000	1.13%		Fixed Term		2,000,000	
Goldman Sachs Int'l Bank	UK	A	F1	6 months	02/05/2018	04/02/2019	9 months	2,000,000	1.00%		Fixed Term		2,000,000	
Goldman Sachs Int'l Bank	UK	A	F1	6 months	20/06/2018	20/03/2019	9 months	2,000,000	0.97%	15.18%	Fixed Term		2,000,000	
Goldman Sachs Int'l Bank Total								6,000,000						
Lloyds Bank	UK	A+	F1	1 year	15/05/2018	15/05/2019	1 year	2,000,000	1.00%	5.06%	Fixed Term		2,000,000	
Lloyds Bank Total								2,000,000						
Morgan Stanley MMF	n/a	AAA	mmf	5 years	31/08/2018	03/09/2018	Overnight	500,000	0.65%	1.26%	MMF	500,000		
Morgan Stanley MMF Total								500,000						
Hermes Property Unit Trust	n/a	n/a	n/a	n/a	29/09/2017	n/a	n/a	1,000,000	3.58%	2.53%	Property Fund			1,000,000
Hermes Property Unit Trust Total								1,000,000						
Local Authorities' Property Fund	n/a	n/a	n/a	n/a	29/06/2017	n/a	n/a	1,000,000	4.40%		Property Fund			1,000,000
Local Authorities' Property Fund	n/a	n/a	n/a	n/a	30/05/2018	n/a	n/a	1,000,000	3.79%		Property Fund			1,000,000
Local Authorities' Property Fund Total								2,000,000		5.06%				
Lothbury Property Trust	n/a	n/a	n/a	n/a	06/07/2017	n/a	n/a	1,000,000	3.11%	5.06%	Property Fund			1,000,000
Lothbury Property Trust	n/a	n/a	n/a	n/a	02/07/2018	n/a	n/a	1,000,000	To Follow		Property Fund			1,000,000
Lothbury Property Trust Total								2,000,000						
National Westminster Bank	UK	A-	F2	1 year	20/06/2018	20/03/2019	9 months	2,000,000	0.85%		CD		2,000,000	
National Westminster Bank	UK	A-	F2	1 year	29/06/2018	29/03/2019	9 months	2,000,000	0.88%		CD		2,000,000	
National Westminster Bank	UK	A-	F2	1 year	25/07/2018	25/04/2019	9 months	2,000,000	0.95%	15.18%	CD		2,000,000	
National Westminster Bank Total								6,000,000						
Nordea Bank AB	Sweden	AA-	F1+	1 year	08/08/2018	08/02/2019	6 months	2,000,000	0.84%	5.06%		2,000,000		
Nordea Bank AB Total								2,000,000						
Santander Deposit Account	UK	A	F1	6 months	31/08/2018	03/09/2018	Overnight	1,000,000	0.50%	2.53%	Call	1,000,000		
Santander UK Plc Total								1,000,000						
Standard Chartered Bank	UK	A+	F1	6 months	20/04/2018	19/10/2018	6 months	1,000,000	0.90%		CD		1,000,000	
Standard Chartered Bank	UK	A+	F1	6 months	16/07/2018	16/01/2019	6 months	2,000,000	0.83%		CD		2,000,000	
Standard Chartered Bank	UK	A+	F1	6 months	27/07/2018	25/01/2019	6 months	2,000,000	0.90%	12.65%	CD	2,000,000		
Standard Chartered Bank Total								5,000,000						
Total invested								39,536,000		100.00%		14,536,000	20,000,000	5,000,000

Number of investments	24	Average investment value £			1,647,000
Number of counter parties	15	Average counter party investment £			2,636,000
Group exposures:		Core £	Cash £	Combined £	%
Royal Bank of Scotland + National Westminster (UK Nationalised 20%)		6,000,000	-	6,000,000	15.18
Bank of Scotland + Lloyds (20%)		3,000,000	-	3,000,000	7.59
Property Funds Total		£			%
		5,000,000			12.65

Total non-specified investments should be less than 60% of Investment balances 12.65%

## Notes:

CD = Certificate of Deposit, MMF = Money Market Fund

Property Fund returns are indicative only and based on income distributed since the commencement of each investment. Capital appreciation / depreciation is recorded elsewhere.

This page is intentionally left blank



## Tonbridge and Malling Borough Council Lending List

Checked against Link's Duration Matrix dated 31/08/18								
Minimum investment criteria is Link's Green (100 days) Duration Band (entry point broadly equates to Fitch A-, F1 unless UK nationalised / semi-nationalised).								
Counterparty	Sovereign	Sovereign Rating [1]	Fitch Long Term	Fitch Short	UK Classification	Exposure Limit	Link Duration [2]	
							Credit Rating	Post CDS
Bank of Montreal	Canada	AAA	AA-	F1+	n/a	£6m	1 year	1 year
Toronto Dominion Bank	Canada	AAA	AA-	F1+	n/a	£6m	1 year	1 year
Danske Bank	Denmark	AAA	A	F1	n/a	£6m	6 months	6 months
Rabobank (Coöperatieve Rabobank U.A.)	Netherlands	AAA	AA-	F1+	n/a	£6m	1 year	1 year
ING Bank	Netherlands	AAA	A+	F1	n/a	£6m	1 year	1 year
Nordea Bank AB	Sweden	AAA	AA-	F1+	n/a	£6m	1 year	1 year
Svenska Handelsbanken AB	Sweden	AAA	AA	F1+	n/a	£6m	1 year	1 year
Bank of Scotland (Group limit BOS & Lloyds £6m)	UK	AA	A+	F1	Ring-fenced	£6m	1 year	1 year
Barclays Bank (Group Limit Barclays and Barclays UK £6m)	UK	AA	A	F1	Non-RF	£6m	6 months	6 months
Barclays Bank UK (Group Limit Barclays and Barclays UK £6m)	UK	AA	A	F1	Ring-fenced	£6m	6 months	6 months
Goldman Sachs Int'l Bank	UK	AA	A	F1	Exempt	£6m	6 months	6 months
HSBC UK Bank	UK	AA	AA-	F1+	Ring-fenced	£6m	1 year	1 year
Lloyds Bank (Group limit BOS & Lloyds £6m)	UK	AA	A+	F1	Ring-fenced	£6m	1 year	1 year
Santander UK	UK	AA	A	F1	To be determined	£6m	6 months	6 months
Standard Chartered Bank	UK	AA	A+	F1	Exempt	£6m	6 months	6 months
Coventry Building Society	UK	AA	A	F1	Exempt	£6m	6 months	6 months
Nationwide Building Society	UK	AA	A	F1	Exempt	£6m	6 months	6 months
National Westminster Bank (Group limit Nat West and RBS £6m). UK Nationalised.	UK	AA	A-	F2	Ring-fenced	£6m	1 year	1 year
The Royal Bank of Scotland (Group limit Nat West and RBS £6m). UK Nationalised.	UK	AA	A-	F2	Ring-fenced	£6m	1 year	1 year
UK Debt Management Office including Treasury Bills	UK	AA	n/a	n/a	n/a	No limit	5 years	5 years
UK Treasury Sovereign Bonds (Gilts)	UK	AA	n/a	n/a	n/a	£15m (£7.5m)	5 years	5 years
UK Local Authority (per authority)	UK	AA	n/a	n/a	n/a	£6m	5 years	5 years

[1] Reflects the lowest of the three rating agencies views (Fitch, Moody's and Standard and Poor's). Strategy requires sovereigns to be rated at least AA-. Non-UK sovereign limit of 20% or £6m.

[2] All deposits overnight unless otherwise approved in advance by the Director of Finance and Transformation AND Chief Financial Services Officer. If other than overnight, duration for non-UK entities must not exceed Link's post CDS duration assessment. For UK entities, duration may be extended by up to three months based on credit ratings alone or six months if CDS is below average subject to a maximum combined duration of 12 months.

Money Market Funds				
Minimum investment criteria one of AAA-mf, AAAmmf or AAAm				
Fund Name	Moody	Fitch	S&P	Exposure Limit
Blackrock	AAA-mf	-	AAAm	£6m
BNP Paribas	-	-	AAAm	£6m
Goldman Sachs	AAA-mf	AAAmmf	AAAm	£6m
Deutsche Fund	AAA-mf	AAAmmf	AAAm	£6m
Standard Life (Ignis)	-	AAAmmf	AAAm	£6m
Morgan Stanley	AAA-mf	AAAmmf	AAAm	£6m
Federated (Prime Rate)	-	AAAmmf	AAAm	£6m
Insight Liquidity Group limit IL & ILP of £6m	-	AAAmmf	AAAm	£6m

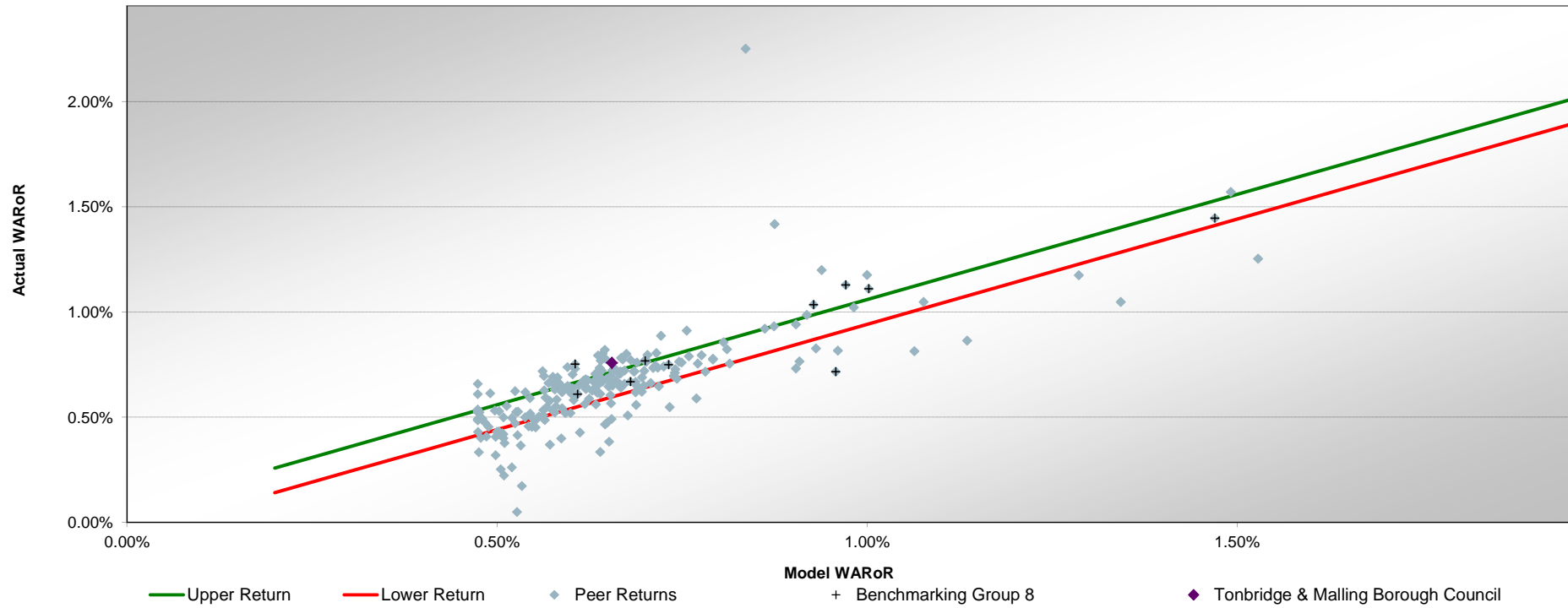
Enhanced Cash Funds				
Minimum investment criteria AAA				
Fund Name	Moody	Fitch	S&P	Exposure Limit
Insight Liquidity Plus Group limit IL & ILP £6m	-	-	AAAf /S1	£3m

Approved by Director of Finance and Transformation  
3rd September 2018

This page is intentionally left blank

## Tonbridge &amp; Malling Borough Council

## Population Returns against Model Returns June 2018



	Actual WARoR	Model WARoR	Difference	Lower Bound	Upper Bound	Performance
Tonbridge & Malling Borough Council	0.76%	0.66%	0.10%	0.60%	0.71%	Above

This page is intentionally left blank

**Prudential and Treasury Indicators**

<b>1 Prudential Indicators</b>	2017/18 Actual £'000	2018/19 Estimate £'000	2019/20 Estimate £'000
Capital expenditure	1,834	4,336	1,740
Ratio of financing costs to net revenue stream	-2.46%	-2.89%	-4.32%
Net borrowing requirement:			
Brought forward 1 April	nil	nil	nil
Carried forward 31 March	nil	nil	nil
In year borrowing requirement	nil	nil	nil
Capital financing requirement as at 31 March	nil	nil	Nil
Annual change in capital financing requirement	nil	nil	Nil
Incremental impact of capital investment decisions:			
Increase in Council Tax (Band D) per annum	£0.48	£0.20	£0.20

<b>2 Treasury Management Indicators</b>	2017/18 Actual £'000	2018/19 Estimate £'000	2019/20 Estimate £'000
Authorised limit for external debt:			
Borrowing	nil	5,000	5,000
Other long term liabilities	nil	nil	nil
Total	nil	5,000	5,000
Operational boundary for external debt:			
Borrowing	nil	2,000	2,000
Other long term liabilities	nil	nil	nil
Total	nil	2,000	2,000
Actual external debt	nil	nil	nil
Upper limit for fixed rate exposure over one year at year end	nil	0 – 60%	0 – 60%
Upper limit for variable rate exposure under one year at the year end	13,434 (45.6%)	40 – 100%	40 – 100%
Upper limit for total principal sums invested for over 364 days	3,000 (10.2%)	60%	60%

<b>3 Maturity structure of new fixed rate borrowing during 2018/19</b>	Upper limit %	Lower limit %
Under 12 months	100	nil
Over 12 months	nil	nil

This page is intentionally left blank

Item ERG 18/20 referred from Economic Regeneration Advisory Board minutes of 5 September 2018

**ERG 18/20 WEST KENT PARTNERSHIP - BUSINESS RATES RETENTION  
PILOT: HOUSING AND COMMERCIAL GROWTH FUND**

The report of the Chief Executive sought endorsement of a range of economic development initiatives to be funded from the Housing and Commercial Growth Fund element of the West Kent Partnership Business Rates Retention Pilot scheme.

**RECOMMENDED:** That Cabinet be commended to endorse the economic projects for West Kent as a whole and those for Tonbridge and Malling as set out at paragraphs 1.1.3 and 1.1.4 of the report.

**\* Referred to Cabinet**

This page is intentionally left blank



**TONBRIDGE & MALLING BOROUGH COUNCIL**  
**ECONOMIC REGENERATION ADVISORY BOARD**

**05 September 2018**

**Report of the Chief Executive**

**Part 1- Public**

**Matters for Recommendation to Cabinet - Key Decision**

**1     WEST KENT PARTNERSHIP - BUSINESS RATES RETENTION PILOT :  
HOUSING AND COMMERCIAL GROWTH FUND**

**To seek endorsement of a range of economic development initiatives to be funded by the Business Rates Retention Pilot.**

**1.1     Background**

- 1.1.1 A report to this Board on the 4<sup>th</sup> June 2018 set out the potential opportunities arising from the Kent and Medway Business Rates Retention pilot and, in particular, funding being made available from the Housing and Commercial Growth Fund to support investment in local economic initiatives. It was agreed that funding would be distributed across Kent and Medway via three clusters: West Kent (the areas of Tonbridge and Malling, Sevenoaks and Tunbridge Wells), North Kent (including Maidstone) and East Kent. Kent County Council is part of each cluster group.
- 1.1.2 The June report initially suggested that the West Kent Cluster would receive funding in the region of £1,055,000. Based on current projections, this has now been revised upwards to circa £1,520,000 subject to ongoing performance in 2018/19. However, a final sum cannot be confirmed until the end of the fiscal year.
- 1.1.3 It was agreed that the West Kent Partnership would receive and administer funding for the West Kent cluster. The Partnership met on the 20<sup>th</sup> July and a copy of the minutes of that meeting is attached as Appendix 1. The Partnership discussed a paper on the Business Rates Retention opportunities setting out how the funding might be utilised both across the West Kent area as a whole and by the three West Kent districts individually. The proposed projects put forward were as follows:

**West Kent-wide projects:** a 'Scale Up' West Kent initiative providing support and advice to smaller businesses wishing to grow and expand; and, following the success of the initial West Kent Enterprise Advisor network which links schools together with businesses and promotes work readiness amongst young people,

funding for an additional adviser to ensure all schools across West Kent can be supported. The combined cost of both projects is £104,000.

**Sevenoaks District Council and Tunbridge Wells Borough Council:** both wish to invest all of their share of the BRR funding into major regeneration initiatives in Swanley and Tunbridge Wells town centre respectively.

**Tonbridge and Malling Borough Council** – a range of projects to foster business growth and support our Town and District Centres as described below.

1.1.4 The proposed initiatives for our Borough are as follows:

- Town and District commercial frontages scheme – grants of up to £5,000 to independent shopkeepers to help renovate and improve their shop fronts, total project funding of £100,000;
- Tonbridge Town Centre - initiatives to increase vitality and viability to include support for pop-up shops, creative start-ups, events and a pilot Wi-Fi scheme: funding of £25,000
- Flexible co-working space for start-up businesses at Kings Hill – making use vacant office accommodation at the Gibson Building, Kings Hill: provisional cost of £75,000
- Business Accommodation - Investment Pot: providing grants of up to £25,000 to encourage and support providers/developers to increase business accommodation in the Borough through refurbishments/conversions etc: Cost: £100,000
- Tourism Promotion Campaign for Malling – working with Visit Kent to develop a promotional campaign to promote the tourism offer in the Malling area: Cost £15000.

1.1.5 The West Kent Partnership has endorsed the proposals put forward by each district and for West Kent as a whole. Kent County Council have yet to formally agree the West Kent proposals.

1.1.6 As set out at paragraph 1.1.2, based on current projections, additional funding in the order of £155,000 may be received by the Council. It is proposed that this additional funding, if and when confirmed, be used to either support some of the projects above that prove to be good value for money or, alternatively, to come forward with new proposals to promote economic growth.

## 1.2 Legal Implications

1.2.1 Maidstone Borough Council is the lead authority for the pilot as set out in the Memorandum of Understanding between all parties. Tonbridge and Malling Borough Council is the accounting body for the West Kent funding stream.

### **1.3 Financial and Value for Money Considerations**

1.3.1 As set out above.

### **1.4 Risk Assessment**

1.4.1 Our aim would be to maintain a degree of flexibility regarding the funding of each of these initiatives and be ready to invest additional funding in those that would demonstrate positive outcomes and to meet local needs.

### **1.5 Equality Impact Assessment**

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

### **1.6 Recommendations**

1.6.1 That the economic projects for West Kent as a whole and those for Tonbridge and Malling, as set out above, **BE ENDORSED**.

The Chief Executive 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: Mark Raymond  
Jeremy Whittaker

Julie Beilby  
Chief Executive

This page is intentionally left blank

## APPENDIX 1

### West Kent Partnership Meeting – 20 July 2018

#### Attending

Nicolas Heslop, TMBC, WKP Chair  
Tracy-Anne Barker, Hadlow Group  
David Smith, KCC (for Nigel Smith)  
Tudor Price, Kent Invicta Chamber  
David Candlin, TWBC  
Cllr Peter Fleming, SDC  
Sarah Nurden, KCC  
Cllr Tracy Moore, TWBC  
Cllr Jane March, TWBC  
Mark Raymond, TMBC  
Andrew Stirling, SDC (for Lesley Bowles)  
Simon Harris, SDC  
Cllr Brian Luker, TMBC  
Hilary Smith, TWBC  
Andrew Metcalf, Kent Invicta Chamber  
Cllr Roddy Hogarth, SDC  
Wendy Wood, WKP

#### Apologies

Jeanette Barlow, MTW NHS Trust  
Jon Regan, Hugh Lowe Farms  
Cllr Mark Dance/Cllr Sean Holden, KCC  
Pav Ramewal, SDC  
Cath Brunger, AXA PPP  
Henry Warde, Squerries  
Adam Bryan, SELEP  
Ian Jones, Kent Police  
Julie Beilby, TMBC  
William Benson, TWBC

#### Guests

Sandra Matthews-Marsh, CEO Visit Kent  
Gavin Cleary, CEO Locate in Kent  
Johanna Howarth, KCC  
Rob Hancock, KCC  
Amelia Atkins, work experience  
Hayley Nixon, SDC

The Chairman welcomed guests and new partner Tracy Moore – new Economic Development and Communications Portfolio holder at TWBC - and thanked Jane March for her contribution to the Partnership. Condolences were recorded to Cllr Jukes for his recent bereavement.

#### Minutes & Matters Arising

- Page 2 – Peter Tweddell has confirmed he is happy to be featured as a case study
- Page 6 – Nicolas has not pursued a meeting with the Minister as senior representatives from Southeastern and Network Rail attended a recent Kent Leaders Meeting. Notes of that meeting will be requested.

#### Visit Kent – Sandra Matthews-Marsh

Sandra highlighted key facts about the West Kent tourism economy including

- Mark Dance and William Benson sit on Visit Kent Board and are strong advocates for West Kent
- Deirdre Wells is new CEO at Visit Kent and currently in cross-over period
- Strong product offer in West Kent
- Biggest issue is lack of bed stock – West Kent is not therefore seen as a short break destination
- Nested brand strategy – West Kent offer includes Maidstone and links to Weald and

some of East Sussex are recognised

Partners raised some points

- National Trust properties a significant element of West Kent offer but are not generating additional spend in the local economy – strategy needs to build visitor experience
- Opportunity in bidding process for new rail franchise to consider smaller stations being handed over to attractions to run special trains – eg, Darenth Valley could develop a brand around wine and lavender. Sandra responded that the visitor economy has been baked into the franchise brief so will be addressed. Halt and last mile concern is a particular issue in West Kent where there is very little infrastructure and where it is difficult to navigate to attractions without a car. A European project – last mile project – will address this

The Chairman thanked Sandra for all her achievements at Visit Kent and wished her well in future endeavours

#### **Action**

- Bid to drive high value, low volume visitor experience is being developed for Channel Interreg programme and there may be an opportunity for WKP to be involved – William and Sandra to bring application to next meeting
- Strategy around developing overnight stay offer required

#### **Locate in Kent – Gavin Cleary**

Gavin's presentation focussed on how to increase the attractiveness of West Kent to companies Locate in Kent is working with. The Kent offer to businesses is holistic but recognises the strengths in different areas. The Kent messaging is being delivered into Consulates around the world as well as within the UK and particularly into London

- Brexit uncertainty is going to present a challenge to attracting foreign investment and will be focussing on opportunities for relocating companies provided by Kent's unique proposition
- Business feedback is that retaining skilled staff is a key challenge
- LIK is moving towards evidence based focus on upcoming sectors – advanced manufacturing, logistics and distribution and especially in West Kent – creative and digital, agri-tech and the knowledge economy
- 22% of active projects are interested in West Kent
- In West Kent demand for industrial space through Locate in Kent exceeds supply by 4-5 times
- Most demand for office space is for 1000-5000sq feet on flexible terms

Partners raised some points

- Town centre office space is being lost to residential under permitted development rights putting even more pressure on supply.
- Sector emphasis recognised but need to attract practical businesses too to support the high tech businesses
- Creative sector in West Kent has pull of London creative agencies to contend with on the one hand and a significant element of lifestyle businesses which are unlikely to grow

- Productivity of inward investors is key – good adoption of technology
- Broadband infrastructure has to be comparable with London
- Closer working with developers required to create best type of premises

### **Action**

West Kent Economic Development Officers and LIK to work closely together so that LIK can understand the assets in West Kent to promote

### **Kent Commercial Land Assessment – Rob Hancock, KCC**

Rob Hancock and David Smith explained that KCC are consulting with partners before commissioning this piece of work in order to help gauge the value of the work, contributors and beneficiaries. KCC are acting as an initiator and coordinator to pull together a market assessment of the requirements for commercial space in the future for Kent. The work will dovetail with local plans and evidence bases and consultants will visit planning teams across the county. An invitation was issued for a West Kent representative to join the project team. The consultants, when appointed, are expected to undertake the work during the second half of September.

A county-wide report is to be commissioned to provide a strategic needs assessment of commercial space across Kent (office, industrial and warehousing/logistics), mapping the demand side against the commercial use types across the three Kent geographies (North, East and West Kent) and to influence the identification and zoning of commercial sites across the county.

The assessment will help to inform KCC investments going forward, support and inform infrastructure bids, provide advice for investors, strengthen the Kent economy and possibly influence policy.

In response to Partners' observations around added value and value for money, David responded that the consultants will draw exclusively on the data already generated at District level to create a Kent-wide picture to prove there is a need for land to be retained for businesses use to deliver local jobs.

### **Action**

Local authorities to assist with supplying data for the assessment. West Kent assessment to be reported to October WKP.

### **Developing a Kent and Medway Enterprise and Productivity Strategy – Johanna Howarth, KCC**

Johanna has been seconded from Cities and Local Growth Unit of Ministry of Housing, Communities & Local Government (MHCLG) having spent the last 5 years working with LEPS in the North on long term economic plans.

The strategy is to be developed by KCC in partnership with local authorities, business and wider public sector partners as a local Kent and Medway response to the national productivity challenge. It is an opportunity to make Kent more competitive nationally and domestically and for people to feel the benefits with an increased standard of living.

The Strategy will explore how value can be added pan Kent and Medway and will be used to make a better case for investment from government and to input into the consultation on the Shared Prosperity Fund. SELEP and Kent have not had a proportionate share of government funding. The Strategy will provide a framework to highlight the delivery that will take place through bids to SELEP. An action plan will be developed in parallel with the strategy

Now at the beginning of a year-long process, KCC are about to start commencing consultation on how to develop the strategy based on 3 principles of a bottom up approach, strong evidence base and to be ambitious and aspirational.

West Kent Chief Executives have expressed an interest in working as a forum to develop and build on work in West Kent in recent years.

Partners supported the development of the Strategy as a vehicle to make a case to Government for funding

### **Business Rates Retention Pilot**

Partners discussed Paper B and County colleagues indicated that the way in which it is framed is helpful, sets West Kent priorities in a strategic context and is complementary to county work around the business support landscape. There are excellent opportunities to work collaboratively.

### **Action**

The terms of reference for the Pilot agreed a year ago name WKP as the determining body for the funding, with the 4 local government representatives as the endorsing bodies. The proposal was endorsed by the 3 West Kent authorities. No KCC Member was present at the meeting and David Smith will liaise with Mark Dance for sign off.

### **Kent Invicta Chamber of Commerce**

### **Economic Survey**

Tudor reported that the survey found there is limited growth but not across the board. Brexit uncertainties mean Investment and confidence are down and businesses are facing major recruitment issues.

Other Brexit concerns for business are importing/exporting to EU, supply chain to London if London severely impacted, volatile exchange rates and competition.

The message from business is that they need certainty and predictions are that things will get worse before they get better

### **Business Support**

Headline points are

- South East Business Boost can now fund revenue as well as capital grants
- LOCASE grant maximum has just been increased to £20,000 – 80 businesses are in receipt of a grant offer but do not have confidence to invest the remaining 60%



- themselves (borne out by survey above)
- Scale Up Programme will be delivered in West Kent

## **KMEP**

- LEP Review (post meeting – published Monday 23) It is evident that this will necessitate changes to the current operation of SELEP
- LGF call for projects – local stakeholders to be invited to submit expressions of interest by 31 August

## **West Kent Priorities 2018-21 Action Plan**

Partners noted the Action Plan which builds on the context paper taken to the April WKP meeting.

## **West Kent Priorities update**

Partners noted the Paper.

## **Enterprise Adviser Network**

- 22 schools and colleges in the Network
- 24 advisers recruited and matched from diverse sectors
- Innovative projects have started to be delivered, eg Dragon's Den
- LinkedIn training delivered to schools to help with their business engagement and to pass techniques onto students – initiative attracted national interest
- Regular networking/training events for Enterprise Advisers being delivered across Kent
- Workshop being planned for teachers to help embed careers into curriculum
- Starting to influence businesses about higher and degree level apprenticeships
- Messaging began around need for meaningful, project based work experience
- Network at capacity but aspiration for complete coverage of all West Kent schools including SEND by end of next school year, funding permitting

The Chairman congratulated Simon on all his achievements from a standing start and pointed towards the development of the Network as an example of West Kent getting on with delivery.

## **AOB**

Gully emptying is impacting businesses and households as they are no longer emptied as regularly and are now cemented and need to be replaced. KCC colleagues to take up with Kent Highways.

## **Dates of next meeting**

Friday 19 October 2018, 10am-noon, Tonbridge & Malling BC offices (TBC)

This page is intentionally left blank

**Item FIP 18/29 referred from Finance, Innovation and Property Advisory Board minutes of 17 September 2018**

**FIP 18/29 CLASS C EMPTY PROPERTY COUNCIL TAX DISCOUNT AND LONG TERM EMPTY HOMES PREMIUM**

Further to Decision No D170059MEM, consideration was given to the report of the Director of Finance and Transformation as to whether there should be a change to the Class C empty property council tax discount and whether a 100% long term empty homes premium should be applied, both from 1 April 2019 where Regulations allowed.

It was noted that all but two Kent authorities had committed to reducing the Class C empty property discount to one month or less and details were given of the experience of those that had removed the discount completely. Members were minded to reduce the discount to zero but considered that it should be introduced for a trial period of one year with a report back on any implications.

Members considered increasing the premium on long term empty homes to 100% and the grant of delegated authority to implement it subject to the Regulations receiving the Royal Assent.

**RECOMMENDED:** That

- (1) the Class C empty property discount be removed with effect from 1 April 2019 for a trial period of one year and a report back on any implications; and
- (2) delegated authority be granted to the Director of Finance and Transformation in liaison with the Cabinet Member for Finance, Innovation and Property to apply a long term empty homes premium of 100% from April 2019 if Regulations allow.

**\*Referred to Cabinet**

This page is intentionally left blank

**TONBRIDGE & MALLING BOROUGH COUNCIL**  
**FINANCE, INNOVATION and PROPERTY ADVISORY BOARD**

**17 September 2018**

**Report of the Director of Finance and Transformation**

**Part 1- Public**

**Matters for Recommendation to Cabinet - Key Decision**

**1     CLASS C EMPTY PROPERTY COUNCIL TAX DISCOUNT AND LONG TERM  
EMPTY HOMES PREMIUM**

**A report to consider whether there should be a change to the Class C empty property council tax discount and whether a 100% long term empty homes premium should be applied, both with effect 1 April 2019 where Regulations allow.**

**1.1    Background**

- 1.1.1   Councils have the power to amend the level of certain discounts that may be granted to those liable to pay council tax.
- 1.1.2   Empty property discounts were originally considered in November 2012 and Council resolved that the level of discount should be set at 100% for a maximum period of three months with effect 1 April 2013. The level of discount was further considered by Cabinet on 9 October 2013 and it was resolved that no changes be made to the current discounts and exemptions in preparation for the new financial year 2014/15 but the possibility of further amendments be considered in due course [Decision D130130CAB].
- 1.1.3   Further consideration was given on 23 July 2014 and 24 September 2014 as to whether there should be any change to the empty property discount. Council subsequently resolved on 4 November 2014 that the period of 100% discount for vacant and unfurnished properties be reduced from three months to two months and a long term empty homes premium of 50% applied to properties that had been empty for more than two years with effect from 1 April 2015 [Decision C14/75].
- 1.1.4   On 20 September 2017, the discount period was reduced to 1 month with effect from 1 April 2018 [Decision D170059MEM]. Members also requested the experience of other authorities offering no discount period be investigated for report back and consideration of that option in due course.

## **1.2 Class C (Empty Property) Discount**

- 1.2.1 All bar two authorities in Kent have now committed to reducing the Class C empty property discount to 1 month or even less as shown at **[ANNEX 1]**.
- 1.2.2 The authorities that removed the discount have not reported many problems other than queries over tenancy end dates and criticism from landlords that they are not given time to turn a property around before their next tenant moves in. Some small debts have also been written off as it is uneconomical to pursue them through the Magistrates' Court.
- 1.2.3 A reduction in the Class C empty property discount will have a negative financial effect on those liable to pay council tax. There could also be an increase in the number of queries or complaints from affected owners/landlords. This could potentially impact on the Revenues team, especially when there is already a high demand on limited resources.
- 1.2.4 If the Class C discount is removed, the number of accounts with small balances (e.g. where an owner is liable for a few days in between tenants) will increase. It may prove uneconomical to recover such debts, which could increase the amount being written off.
- 1.2.5 Members' instructions are requested as to whether this discount should remain at 1 month as was the decision in September 2017.

## **1.3 Class D (Uninhabitable) Discount**

- 1.3.1 With regard to the Class D discount (for properties classed as uninhabitable) Members will see that the majority of authorities still give the maximum 100% discount for 12 months. Reducing this discount could have a detrimental effect on owners of properties that have, for example, been damaged by fire or flood. I therefore retain the view that this discount remains appropriate.

## **1.4 Long Term Empty Homes Premium**

- 1.4.1 With regards to the premium applied to long term empty properties, as Members may be aware, the Government is considering changes to the amount levied to tackle the 200,000 empty homes in England. This was originally highlighted in the Chancellor's Autumn Budget Statement in 2017.
- 1.4.2 The Rating (Property In Common Occupation) and Council Tax (Empty Dwellings) Bill will be going to the Commons for consideration of Lords amendments in due course. The amendments proposed are:
- For the financial year beginning 1 April 2019 to charge a maximum 100% premium on long term empty homes
  - For the financial year beginning 1 April 2020 to charge a maximum 100% premium on long term empty homes that have been empty for less than 5

years and for homes that have been empty for at least 5 years to charge a 200% premium

- For the financial year beginning 1 April 2021 to charge a maximum 100% premium on long term empty homes that have been empty for less than 5 years and for homes that have been empty for at least 5 years but less than 10 years to charge a 200% premium and for homes that have been empty for at least 10 years to charge a 300% premium

1.4.3 The number of long term empty homes in the Borough impacts on the Council's key corporate priorities and has a detrimental effect on residents who live next to them. Therefore, increasing the premium may provide an incentive to owners of these properties to bring them back into use more quickly.

1.4.4 Members are asked to consider increasing the long term empty homes premium to 100% from 1 April 2019 and, if minded to do so, to grant delegated authority to the Director of Finance and Transformation in liaison with the Cabinet Member for Finance, Innovation and Property to apply a 100% premium if Regulations allow.

## **1.5 Legal Implications**

1.5.1 Section 11A(4) of the Local Government Finance Act 1992 states that an English billing authority may determine that the council tax discounts applicable where there is no resident of a dwelling shall be replaced by a lower discount or no discount at all.

## **1.6 Financial and Value for Money Considerations**

1.6.1 Removing the 1 month Class C empty property discount and increasing the premium on long term empty homes would increase the council tax base and, in turn, increase council tax yield.

1.6.2 An initial review of the council tax base suggests an increase in the tax base of 223.5 (Band D equivalents) on the removal of the Class C empty property discount and increasing the premium on long term empty homes to 100% (subject to the Bill receiving Royal Assent) and an increase in council tax yield for this Council of circa £45,000 - see **[ANNEX 2]**.

## **1.7 Risk Assessment**

1.7.1 A decision to remove the Class C empty property discount and/or increase the premium percentage will have a negative financial impact on those liable to pay council tax. There could also be an increase in the number of queries or complaints from affected owners/landlords.

1.7.2 If the Class C discount is removed, the number of accounts with small balances (e.g. where an owner is liable for a few days in between tenants) will increase. It

may prove uneconomical to recover such debts, which could increase the amount being written off.

## 1.8 Equality Impact Assessment

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

## 1.9 Recommendation

- 1.9.1 Members are requested to consider **whether** a change to the Class C empty property discount is appropriate, and if so, **RECOMMEND** to Cabinet that any proposed change take effect from 1 April 2019.
- 1.9.2 Members are asked to **RECOMMEND** to Cabinet that delegated authority be granted to the Director of Finance and Transformation in liaison with the Cabinet Member for Finance, Innovation and Property to apply a long term empty homes premium of 100% from April 2019 if Regulations allow.

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:

Lords Amendment to the Empty Dwellings Bill

contact: Glen Pritchard  
01732 876146  
glen.pritchard@tmhc.gov.uk

Sharon Shelton  
Director of Finance and Transformation



ANNEX 1

Authority	Class C period	%	Class D period	%	2nd Home %	Long term empty %	Premium charged?	Changes (actual/proposed) to discounts?	How did change affect collection/complaints?
Ashford	6 weeks	100	12 months	100	0	0	Yes 50%	No	Reducing to 6 weeks had minimal impact
Canterbury	None		12 months	100	0	0	Yes 50%	No	Removing discount had minimal impact
Dartford	3 months	100	12 months	100	0	0	Yes 50%	Reducing Class C to 1 month April 2019	Not applicable
Dover	None		12 months	100	0	0	No	Premium being considered for April 2019	Removing discount had minimal impact
Folkestone & Hythe	None		None		0	0	Yes 50%	No	Removed in 2014 - some complaints then but few now
Gravesham	1 month	100	12 months	100	0	0	Yes 50%	No	Reducing to 1 month had minimal impact
Maidstone	None		None		0	0	Yes 50%	No	Removing discount had minimal impact
Medway	3 months	100	12 months	100	10%	0	Yes 50%	No	Not applicable
Sevenoaks	3 months	100	12 months	100	0	0	Yes 50%	Reducing Class C to 1 month April 2019	Not applicable
Swale	1 month	100	12 months	100	0	0	Yes 50%	No	Reducing to 1 month had minimal impact
Thanet	None		12 months	100	0	0	Yes 50%	No	Removing discount had minimal impact
Tonbridge & Malling	1 month	100	12 months	100	0	0	Yes 50%		Reducing to 1 month had minimal impact
Tunbridge Wells	None		None		0	0	Yes 50%	No	Removing discount had minimal impact

This page is intentionally left blank

## ANNEX 2

	A	B	C	D	E	F	G	H	Total
Properties with 1 month discount	8	28	63	22	18	7	9	1	156
Ratio to Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Band D Equivalents	8	28	63	22	18	7	9	1	156
<b>Increase in taxbase by removing discount</b>	<b>8</b>	<b>28</b>	<b>63</b>	<b>22</b>	<b>18</b>	<b>7</b>	<b>9</b>	<b>1</b>	<b>156</b>
Properties with Premium	12	41	36	17	12	9	6	2	135
Ratio to Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Band D Equivalents (100% premium)	24	82	72	34	24	18	12	4	270
Band D Equivalents (50% premium)	18	61.5	54	25.5	18	13.5	9	3	202.5
<b>Increase in taxbase with 100% premium</b>	<b>6</b>	<b>20.5</b>	<b>18</b>	<b>8.5</b>	<b>6</b>	<b>4.5</b>	<b>3</b>	<b>1</b>	<b>67.5</b>
<b>TOTAL INCREASE IN TAXBASE</b>	<b>14</b>	<b>48.5</b>	<b>81</b>	<b>30.5</b>	<b>24</b>	<b>11.5</b>	<b>12</b>	<b>2</b>	<b>223.5</b>

This page is intentionally left blank

## TONBRIDGE & MALLING BOROUGH COUNCIL

### CABINET

10 October 2018

#### Report of the Director of Central Services and Monitoring Officer

#### Part 1- Public

#### Executive Non Key Decisions

### 1 **GARDEN COMMUNITIES PROSPECTUS – EXPRESSION OF INTEREST**

**This report summarises the most recent Government prospectus launched in August and seeks agreement to make an Expression of Interest for assistance in respect of the Strategic development site at Borough Green being promoted through the emerging Local Plan.**

#### 1.1 **Introduction**

1.1.1 The Government published the Garden Communities Prospectus on 15<sup>th</sup> August inviting local authorities and private sector partners to come forward and explain how the Government can assist in delivering the vision for new garden communities. Subject to meeting certain eligibility criteria, expressions of interest can be made up to the closing date of 9<sup>th</sup> November.

1.1.2 The proposed strategic development site at Borough Green forming part of the emerging Local Plan meets many of the eligibility criteria for making a bid for assistance. It is important to acknowledge that the deliverability of the site in accordance with the Local Plan is not dependant on a successful bid, but tailored assistance towards the master planning of the site and ensuring the early delivery of the relief road would be welcomed.

1.1.3 Approval is sought for making an expression of interest led by the local authority with support from the promoters of the site, Kent County Council and the Local Enterprise Partnership.

#### 1.2 **Summary of the Prospectus**

1.2.1 The prospectus aims to encourage bids for ambitious, locally supported, proposals for new garden communities at scale. In return for tailored assistance to help design and deliver the vision for these places, the Government expects local areas to deliver significant housing and economic growth.

1.2.2 While the prospectus does not set out a single template for what a successful garden community might look like, there are assessment criteria:

- 1.2.3 Scale: New Garden Towns of 10,000 or more homes or Garden Villages of between 1,500-10,000 new homes.
- 1.2.4 Where a garden community is proposed to take the form of a transformational development to an existing settlement, it will have to meet the criteria set out in the prospectus and in addition, highlight the transformational outcomes for the settlement as a whole.
- 1.2.5 Strategic Fit: Proposals should offer opportunities for significant long term housing and economic growth in a local area and demonstrate how the garden community fits with the housing need for the housing market area. Priority will be given to proposals which respond to housing need in high demand areas.
- 1.2.6 Locally-Led: Proposals should have the backing of local authorities, including county councils in two tier areas and have the support of Local Enterprise Partnerships. Proposals should set out how the local community is being engaged and involved.
- 1.2.7 Garden community qualities: Proposals should demonstrate that they are based on high quality place making design principles.
- 1.2.8 Deliverability and viability: Proposals should be accompanied by credible outline proposals including consideration of delivery models and timescales; infrastructure requirements; opportunities to capture land value; and access to finance and private sector investment.
- 1.2.9 Delivery timescales and accelerated delivery: Proposals that offer a strong prospect of early delivery will be prioritised.
- 1.2.10 If successful the sort of assistance that would be available includes Government support for resource funding, expert delivery advice for Homes England and cross-government brokerage to resolve barriers to delivery.
- 1.3 Expression of Interest for Borough Green Gardens Local Plan Strategic Site (Policy LP27)**
- 1.3.1 The Government launched an earlier initiative in 2016 entitled 'Locally-led garden villages, towns and cities', which has now closed, but this only applied to new, free-standing settlements. The new initiative includes extensions to existing settlements, which would apply to Borough Green.
- 1.3.2 Although the Borough Green Gardens strategic site included in the Local Plan can be delivered without any further assistance, the importance of the early delivery of the relief road and other important infrastructure has been emphasised throughout the plan making process. Much of the work necessary for making an expression of interest has been prepared as part of the Local Plan process. Early discussions with the promoters of the site and Kent County Council suggest that there would

be support for making a bid. At the time of writing a response from the Local Enterprise Partnership was awaited.

- 1.3.3 The strategic site at Borough Green meets many of the assessment criteria listed in the prospectus. It is the only site proposed in the Local Plan that is of a sufficient scale to be considered.
- 1.3.4 If a bid were to be successful, the types of potential Government assistance on offer, particularly in facilitating the early delivery of infrastructure, would be welcomed.

## **1.4 Conclusion**

- 1.4.1 This report summarises the recent Garden Communities Prospectus and seeks approval for preparing an expression of interest for the Borough Green Gardens site, in liaison with private and public sector partners before the deadline for submission on 9<sup>th</sup> November. Due to the timescales involved, delegation to officers to finalise and submit the bid is also sought.

## **1.5 Legal Implications**

- 1.5.1 There are no legal implications arising from this report.

## **1.6 Financial and Value for Money Considerations**

- 1.6.1 If successful Government assistance for bringing forward one of the strategic sites in the Local Plan could potentially contribute to the master planning and early delivery of key infrastructure as required by the Local Plan.

## **1.7 Risk Assessment**

- 1.7.1 The delivery of the Borough Green Gardens site in the Local Plan is not dependent on a successful bid so there is no risk.

## **1.8 Recommendations**

- 1.8.1 That the content of the report be noted; and
- 1.8.2 That subject to Member's support, delegated authority be granted to the Director of Central Services and Monitoring Officer, in consultation with the Leader and Cabinet Member for Strategic Planning & Infrastructure to finalise an expression of interest and submit to the Ministry of Housing, Communities and Local Government by the 9<sup>th</sup> of November 2018.

Background papers:

Garden Communities: Prospectus (MHCLG August 2018)

contact: Ian Bailey (Planning  
Policy Manager)  
Jeremy Whittaker (Economic  
Regeneration Officer)

Director of Central Services and Monitoring Officer  
Adrian Stanfield



## TONBRIDGE & MALLING BOROUGH COUNCIL

### CABINET

10 October 2018

#### Report of the Chief Executive

#### Part 1- Public

#### Executive Non Key Decisions

#### **1 REVIEW OF YOUTH ENGAGEMENT, SPORTS AND EVENTS DEVELOPMENT**

**To review the Council's approach to youth engagement, sports and events development.**

#### **1.1 Background**

- 1.1.1 The Overview and Scrutiny Advisory Committee met on 21 June 2018 to review the Council's approach to youth engagement, sports and events development. The report is attached (Appendix 1). The Committee concluded that the services supported the Council's key priorities, offered value for money, attracted investment into the Borough and, in addition to a direct level of income, provided broader economic, health and social benefits.

#### **1.2 Legal Implications**

- 1.2.1 There are no legal implications arising from this report.

#### **1.3 Financial and Value for Money Considerations**

- 1.3.1 Members will note from the Service Appraisal templates that it is felt that the existing Services do offer good value for money and the proposed options for future approach will offer both increased income to the Council and efficiencies leading to a reduction in overall expenditure.
- 1.3.2 If Members are minded to continue with these service provision an annual revenue saving to the Council of **£14,940** could be achieved, without a reduction in service delivery. The annual revenue saving represents a **28%** reduction in the current operational budget cost of these services to the Council.
- 1.3.3 It is clearly identified in the review that the Services do make a positive contribution to the Council's strategic objectives, and ongoing delivery is therefore justifiable. This point is particularly important bearing in mind the discretionary nature of the Services and the Council's overall financial position.

## 1.4 Risk Assessment

Whilst the services are discretionary, the risks associated with the non-delivery of these services were highlighted in the report to Overview and Scrutiny.

## 1.5 Recommendations

1.5.1 That the following three recommendations as set out in the report to Overview and Scrutiny Committee on 21 June 2018 **BE AGREED**:

- i) the contribution made by the Council's delivery of Youth Engagement, Sports and Events Services to the achievement of its strategic objectives be acknowledged;
- ii) the suggested changes to the existing delivery arrangements as outlined in the report and Annexes 1-3 be agreed;
- iii) the associated savings of £14,940 to the Council's annual revenue budget be included and reflected in the 2018/19 revised revenue budgets.

1.5.2 That **Cabinet CONSIDER** the following:-

- 1) that additional income generating opportunities be explored to include the potential to re-charge licensing costs to organisers of commercial events and the potential introduction of an administration fee for community events on Council land dependent on, and related to, the scale;
- 2) that the proposal put forward by the Tonbridge Town Team to establish a joint working group to help co-ordinate and develop events be investigated;
- 3) that a further review of the costs and benefits of marketing and publicity activities across all Council services be undertaken by the Overview and Scrutiny Committee with a view to reducing such costs where possible;
- 4) that wider use of social media to promote youth activities be encouraged;
- 5) that a wider participation of schools across the Borough in the Youth Forum be promoted via the Enterprise Advisor Network; and
- 6) that a report be made to the Communities and Housing Advisory Board in one year's time to update on progress made in relation to the recommendations arising from the Review of Youth Engagement, Sports and Events Development.

contact: Gill Fox

Chief Executive: Julie Beilby

**TONBRIDGE & MALLING BOROUGH COUNCIL**  
**OVERVIEW & SCRUTINY ADVISORY COMMITTEE**

**21 June 2018**

**Report of the Director of Street Scene, Leisure & Technical Services**

**Part 1- Public**

**For Decision**

**1 REVIEW OF YOUTH ENGAGEMENT, SPORTS AND EVENTS DEVELOPMENT**

**This report presents a review of the Council's approach to youth engagement, sports and events development. If Members are minded to continue to provide these services the report also makes a number of suggestions for future delivery, together with potential associated savings.**

**1.1 Background**

- 1.1.1 At the last meeting of this Committee Members agreed the scope for the review of these three discretionary Service areas. It was agreed that the review would need to assess what specific activities are funded by the allocated revenue budgets and decide whether these continue to provide value for money.
- 1.1.2 In addition, it was agreed by Members of the Committee that the review needed to explore partnership opportunities and ensure that duplication of service was not taking place within the Borough. Members also agreed that the report should demonstrate links to the Council's key priorities and the potential scope to generate external funding to help support those services and reduce overall costs. Furthermore, it was requested that the report highlights both primary and secondary income to ensure the full benefits of these services are shown.
- 1.1.3 In regard to the Youth Forum, Members requested further detail on the attendance/representation of the Forum and clarification on the Council's legal obligation under the Children's Act.
- 1.1.4 Members specifically requested attendance at the meeting of a Police representative to comment on the impact these services may have on crime reduction and I am pleased to advise that a representative will be attending the meeting on the night.
- 1.1.5 Members will be fully aware of the Council's need to make financial savings as detailed in the Savings & Transformation Strategy 2017/18 – 2020/21. All of the services outlined in this review are of a discretionary nature and it is therefore only right that they are the subject of close scrutiny. It is essential that if Members wish

to retain the services in the future they clearly contribute to the Council's strategic objectives, do not duplicate services provided by others and offer value for money.

## 1.2 Review

- 1.2.1 In order to assist Members in evaluating each Service area, attached at **Annexes 1-3** are detailed Service Appraisal templates for each Service area. Members will note that the templates outline the purpose of each Service, the current delivery arrangements, the allocation of resources and the partners involved. The template concludes with an assessment of value for money, associated risks and a suggested way forward including any potential associated savings for Members consideration.
- 1.2.2 In summary the templates highlight the following for each service area:-
- 1.2.3 **Events Development** – The Council's focus in this area is supporting and authorising local community events primarily those held on Borough Council land. In recent years the Council has stepped back from direct provision of events with such events now limited to the Tonbridge Remembrance and Armistice Services and the Medieval Fair at Tonbridge Castle.
- 1.2.4 This service area aims to strengthen community identity and pride, support local community events, increase income (through commercial activities and car parking) and support economic regeneration. With regard to the latter issue, whilst it is difficult to quantify secondary spend, the Council's Economic Regeneration Officer has advised on the benefits of local events predominantly in local coffee shops and food outlets and to a lesser extent on additional retail spend. Other benefits include the promotion of Council facilities encouraging return visits and additional income. A good recent example was the Food and Drink Festival at Tonbridge Castle. The event attracted approximately 3,000 people over the weekend, generated car parking income on the Saturday, enhanced spending within the Town and showcased the Castle as a visitor attraction and wedding venue.
- 1.2.5 As the service area is focussed on events on Council land it is not a direct duplication of services provided by others, however, it does mirror support offered by Parish/Town Council's to their local residents in respect to their respective land ownership.
- 1.2.6 As highlighted in the Scoping Report and shown at **Annex 1** direct budget provision in regard to this service area (excluding Staffing and Central, Departmental & Technical Support Services) is £26,800 with budgeted income of £5,000 and a net cost of £21,800. In 2017 this budget supported the provision of 73 community events and crudely this represents a cost of £298.63 per event. Attendance levels at events varies considerably though with attendance of larger events estimated up to and over 10,000, it is suggested that this represents excellent value for money. This does not take into consideration the additional

benefits of secondary spend highlighted at 1.2.4 above. Many of the events organised also raise significant funds for local charities.

- 1.2.7 Whilst it is acknowledged that many events supported by the Borough Council are within the Tonbridge area this reflects that the Council's primary event venue is Tonbridge Castle. This issue is, however, addressed through the allocation of Special Expenses as, with a total budget allocation of £63,650 for Events (including Staffing and Central, Departmental & Technical Support Services), £46,404 is currently allocated through Special Expenses. Events supported outside Tonbridge include Music at Malling, Heritage Open Days and a range of events at Leybourne Lakes Country Park.
- 1.2.8 **Annex 1** does identify a number of risks associated with the non-provision of this service area that will need to be taken into consideration though also highlights some opportunities for future delivery and potential budget savings.
- 1.2.9 In summary, it is considered that the current service provides good value for money and if Members are minded to continue to provide this service opportunities do exist to drive further income, reduce budget allocation and, therefore, reduce the net cost to the Council. The anticipated net saving to the Council is **£12,440** and is further detailed at **Annex 1**.
- 1.2.10 **Sports Development –** The purpose of the service area is developing, promoting, enabling and delivering sport and physical activities for residents across the borough. The primary aim is to support residents in a number of key areas, including physical health, mental wellbeing, individual development and social and community development through access to sport and activity.
- 1.2.11 To ensure this service is not duplicating provision provided by others, the Council adopts a partnership approach. This is primarily through liaison with Kent County Council's Kent Sports Partnership, the Tonbridge and Malling Leisure Trust and the Tonbridge Sports Association alongside many other organisations, schools, groups, clubs and individuals. This ensures a coordinated and efficient approach is adopted to provision. In specific regard to the KCC, Kevin Day, the Sport and Physical Activity Service Manager and Community Sport Partnership Director has provided the following comments:

*“Local engagement with clubs and organisations is invaluable, as the CSP does not have the capacity to work locally across all clubs and organisations across the whole of Kent & Medway. In addition, the current local officer has insight and information (built up over a number of years) on the local clubs and other community assets that the CSP doesn't have.”*

*“In addition, the work of the officers in Tonbridge & Malling in 2017-18 has also supported a sum of £54,369 being allocated to local projects and programmes in the area. This was the 3<sup>rd</sup> highest amount in the County and equated to 11.5% of funding allocated via Kent Sport. This indicates good engagement from local organisations, which would be less evident if Tonbridge & Malling BC did not have*

*a resource to provide information to local organisations on funding available. Given the part-time nature of the current resource this is significant and demonstrates the local value placed on this resource”*

- 1.2.12 This area of the service also supports volunteers that are vital to the sports sector providing training, guidance and support. A good example of this is the establishment of four parkruns across the borough (two in Malling and two in Tonbridge) that are now entirely managed by volunteers and sees in excess of 1000 participants running every weekend of the year. The following quote has been received from the local parkrun Ambassador:-

*“The Borough Council, and in particular Sports Development, have been incredibly supportive throughout the life of parkrun and have enabled the community to grow and flourish. Their support has materialised in many guises, including assisting in securing start-up funding, first aid courses for volunteers, health and safety advice and kit, support in arranging special events and acting as an intermediary if members of the public have an issue with parkrun”*

- 1.2.13 Sport England’s most recent survey on volunteering to support sport and physical activity (at least twice in the last year (adults aged 16+)) place Tonbridge and Malling ranked third in Kent.
- 1.2.14 The success of the partnership approach is also reflected in latest data from Sport England on levels of Activity covering November 2016-17, showing that Tonbridge and Malling has the highest rate of active population in Kent at 66.8% active for 150 minutes or more a week. Tonbridge and Malling also has the lowest rate of inactive population in Kent at 19.9% doing less than 30 mins a week. The partnership approach also allows the Council to minimise the operational budget and direct and steer outside investment into the borough.
- 1.2.15 As highlighted at **Annex 2** the service has an operational budget of £5,000 with £3,000 of this allocated to the Kent Sport Partnership and the remaining £2,000 used to develop opportunities and assist in attracting additional investment into the borough. In 2017/18 £54,369 was invested in the borough through the Kent Sports Partnership (a return of over £18 for each £1 spent by the Borough Council) and £12,800 of other external funding was also achieved. With regard to the £3,000 Kent Sport Partnership contribution, this level of funding is also provided by all other Districts/Borough Council’s within Kent.
- 1.2.16 As highlighted with events above, sporting activities also have additional benefits to the local economy and generate additional car parking income for the Council. In regard to the latter, based on average attendances at parkruns at Leybourne Lakes (160.5) and Tonbridge (353) if 50% of those attending went by car, this would equate to an annual income of £16,939.00. This figure is a conservative estimate given that Tonbridge parkrun regularly has over 500 attendees, far exceeding the four year average.

1.2.17 Whilst it is difficult to quantify the numbers of residents that benefit from this service, by way of example the Tonbridge Sports Association represents over 5000 individual members, covering 20 different sports and over 50 local clubs. In recognition of the funding contribution made by this Council, the Kent Sport Partnership also supports clubs and individuals across the borough in a number of ways including:-

- 60 clubs supported through The Kent Sport Connect programme.
- 38 coaches supported.
- 84 borough residents accessing KCC's Free Access to National Sports People (FANS) Scheme (the scheme supports athletes competing at a national level).
- 224 individuals, representing 24 workplaces registered and supported by the 'Workplace Challenge' programme.
- 13 'Satellite Clubs' in the borough. These are extensions of community sports clubs which are established in a new venue specifically targeting the 11-25 age group.
- 311 individuals from the borough took part in the Kent School Games finals.

1.2.18 In summary, it is considered that the current service provides good value for money. If Members are minded to continue to provide this service, considering the minimal level of revenue budget it is not anticipated that any further savings could be achieved.

1.2.19 **Youth Engagement** – The focus of this service area is to develop and promote opportunities for young people and ensure young people in Tonbridge and Malling have a voice in, and can influence, decisions taken that affect them.

1.2.20 Akin to Sports Development, a partnership approach is taken rather than direct service provision to encourage investment and action in Tonbridge and Malling in the most effective way. This includes working with a number of partners as highlighted at **Annex 3** and attendance and involvement in groups such as the Local Children's Partnership Group and the Children's Centres District Advisory Board.

1.2.21 The Council has taken a step back from direct service provision and, following a previous Overview and Scrutiny Review, the Council discontinued its own holiday activities programme and now supports and signposts external providers, which has removed this previous duplication in this area of work. The previous review resulted in a £59,000 saving to the Council. Work continues to support external providers and signpost opportunities for our residents and in accordance with the previous Scrutiny Review is now focussed on those residents most in need within

the Borough, through the Council's Leisure Pass Scheme. As shown at **Annex 3** it is worth noting that £18,000 is allocated to support Leisure Pass Subsidy, Play scheme Plus and Marketing in accordance with recommendations from the previous Overview and Scrutiny Review. The programme also includes the Y2 Crew that provides diversionary activities in partnership with Kent County Council Integrated Youth Services. In 2017 there were 200 attendances by young people, including 35 young people using Leisure Passes.

1.2.22 With specific regard to direct youth engagement this is primarily undertaken through the Council's Youth Forum. The Forum meet on a quarterly basis and is made up of representatives from fifteen different schools. The Forum provides the opportunity to discuss and consult young people on a range of borough issues and this has included the Tonbridge Railway Station improvements, mental health issues, dementia awareness and electoral services.

1.2.23 The Forum also engage with the Police and are represented on the Independent Police Advisory Group (IPAG). Following recent work with the Youth Forum representatives the following comments were recorded:-

*"Completed Young Persons survey which was completed by over 390 young people; fantastic!. This report will be escalated to Kent Police and County IPAG. A big thank you to the T&M IPAG Youth contingent who began the project which has proved to be a great success and to Tonbridge & Malling Borough Council for setting and escalating the survey monkey to young people across the borough and compiling the report."*

1.2.24 The Chair of the Tonbridge and Malling Youth Forum also co-chairs the Kent County Council Youth Advisory Group (YAG) and ensures resources are targeted effectively within the Borough, issues are disseminated and discussed and that the views of young people in Tonbridge and Malling are given an appropriate platform.

1.2.25 The Scoping Report highlighted obligations that fall on the Council under the Children's Act 2014 – Section 11 Audit Voice of the Child. Section 11 of the Children Act highlights that Safeguarding children is everyone's responsibility and places a statutory duty on key organisations to make arrangements to ensure that in discharging their functions they have regard to the need to safeguard and promote the welfare of children. Further details can be found at **Annex 3**. With regard to Voice of the Child, Government guidance states, at an organisational or strategic level, partners are responsible for ensuring that children and young people are listened to appropriately and concerns expressed about their or any other child's welfare are taken seriously and responded to in an appropriate manner. As much as possible, the Council will actively seek feedback and listen to the views of children and young people, promoting their welfare and listening to the voice of the child. The Youth Forum currently assists the Council in discharging these responsibilities.



1.2.26 The Forum also supports the work of the Tonbridge and Malling Community Safety Partnership with the following specific actions identified to be undertaken in liaison with the Youth Forum (the 2018 – 19 Action Plan was approved by Members of the Community and Housing Advisory Board in May 2018):-

- Child Sexual Exploitation – ‘Link in with national campaigns to raise awareness of the issue’ and ‘Run educational programmes in schools to raise awareness’
- Modern Slavery/Human Trafficking - ‘Link in with national campaigns to raise awareness of the issue’
- Hate Crime – ‘Link to campaigns around reporting hate crimes’
- Mental Health – ‘Link to campaigns around raising mental health issues’

1.2.27 The Council does have an overall operational budget of £27,000 that supports Youth Engagement and this is further detailed at **Annex 3**.

1.2.28 In summary, it is considered that the current service provides good value for money and if Members are minded to continue to provide this service opportunities do exist to reduce budget allocation and, therefore, reduce the net cost to the Council. The anticipated net saving to the Council is **£2,500** and this would specifically reflect a reduction in the Youth Forum budget, as highlighted at **Annex 3**.

### 1.3 Staffing

1.3.1 Direct staffing allocation for each service area is shown within **Annexes 1-3** and in total equates to 2.8 Full Time Equivalents (FTE's). It should be noted that this staffing allocation also supports work outside of the three service areas shown above.

1.3.2 As highlighted within the Scoping Report following the completion of this Scrutiny Review, a review of current staffing arrangements will be undertaken to ensure there is an appropriate level of officer support to deliver the range of services approved by this Committee. Staffing arrangements will then be considered by the Council's Management Team and Members of the General Purposes Committee, as appropriate.

### 1.4 Conclusions

1.4.1 Taking into consideration the information above and further detailed within the **Annexes 1-3** it is suggested that these services do support the Council's key priorities and offer value for money. The services provided compliment, rather than duplicate, services provided by others and aim to attract and steer provision and investment into the borough. The services do attract a direct level of income

though their benefits are far broader, including economic, health and social benefits.

- 1.4.2 If Members are minded to continue with these services a number of opportunities have been identified within the report and annexes to maintain service provision and reduce the net cost to the Council.

## **1.5 Legal Implications**

- 1.5.1 None

## **1.6 Financial and Value for Money Considerations**

- 1.6.1 Members will note from the Service Appraisal templates that it is felt that the existing Services do offer good value for money and the proposed options for future approach will offer both increased income to the Council and efficiencies leading to a reduction in overall expenditure.
- 1.6.2 If Members are minded to continue with these service provision an annual revenue saving to the Council of **£14,940** could be achieved, without a reduction in service delivery. The annual revenue saving represents a **28%** reduction in the current operational budget cost of these services to the Council.
- 1.6.3 It is clearly identified in the review that the Services do make a positive contribution to the Council's strategic objectives, and ongoing delivery is therefore justifiable. This point is particularly important bearing in mind the discretionary nature of the Services and the Council's overall financial position.

## **1.7 Risk Assessment**

- 1.7.1 Whilst the services are discretionary, the risks associated with the non-delivery of these services are highlighted in **Annexes 1-3** for Members consideration.

## **1.8 Equality Impact Assessment**

- 1.8.1 The Services covered by this review do provide opportunities to residents with protected characteristics under the Equality Legislation. Whilst the proposals outlined in this report have no perceived impact on the end users, a full Equality Impact Assessment would be required if it was decided to cease or reduce the current service delivery arrangements.

## **1.9 Policy Considerations**

- 1.9.1 Community, Crime & Disorder Reduction, Customer Contact, Equalities/Diversity, Healthy Lifestyles, Human Resources, Young People

## 1.10 Recommendation

1.10.1 Members are requested to consider the continuation of these services and if service provision is to continue it is **RECOMMENDED** that:-

- i) the contribution made by the Council's delivery of Youth Engagement, Sports and Events Services to the achievement of its strategic objectives be acknowledged;
- ii) the suggested changes to the existing delivery arrangements as outlined in the report and Annexes 1-3 be agreed;
- iii) the associated savings of £14,940 to the Council's annual revenue budget be included and reflected in the 2018/19 revised revenue budgets.

Background papers:

Nil

contact: Darren Lanes  
Stephen Gregg

Robert Styles

Director of Street Scene, Leisure & Technical Services

This page is intentionally left blank

## Scrutiny Review – Service Appraisal

Service Area	<b>EVENTS DEVELOPMENT</b>
Purpose of Service	Boost the local economy, Showcase the borough, Strengthen community pride, Generate revenue, Provide volunteering opportunities, Strengthen relationships in the community, Enjoyment for all and an increased quality of life.
Contribution to National/Corporate Objectives	<p>The events programme seeks to use the Council's Open Spaces for a balance of community and commercial events with a strong focus on income generation. This supports the economic vibrancy of our towns and villages.</p> <p>Social cohesion from events and activities across the Borough are also a key part of crime reduction, counter terrorism and the Prevent Strategy.</p> <p>A focus on income generation aims to deliver an events programme which is financially sustainable whilst still enabling the community to benefit from the opportunities available and the infrastructure in place.</p> <p>The Tonbridge Town Team Business Plan for 2018 – 2020 highlight one of their key aims as: To promote the cultural, social and commercial wellbeing of Tonbridge through encouraging public engagement with the town centre through events, promotions and other activities. The Town Team also have three main themes one of which is Arts, Culture, Sport and Leisure. They have an action of helping to build a yearly event schedule and coordinate with TMBC indicating the importance they see in events within Tonbridge by the Council.</p>
Description of current delivery arrangements	The Council enabled 73 events to take place on its open spaces in 2017. Every event organiser is required to complete an application form which is carefully assessed to ensure that the event will run safely in accordance with statutory requirement. This requires the approval of adequate risk assessments and public liability insurance all of which have to be checked by the appropriate Officers to maintain the Council's duty of care to the public.

	<p>Larger scale events are also considered by the Safety Advisory Group (SAG) and advice is given to organisers for such events and activities taking place within the borough that have an effect on the local infrastructure.</p> <p>Support is given to a number of Community groups including marketing, funding, logistics and safety planning to enable their events to run smoothly and benefit residents. Example events include:-</p> <p>Tonbridge Town Team – Food Festival, Dragon Boat Race, Civil War Re-enactment (new in 2018)  Tonbridge Lions – Tonbridge Carnival, St Georges Day Parade, Tonbridge Triathlon and Tonbridge Half Marathon  Music at Malling – Annual festival  Tonbridge Rotary Club – Christmas Festival, Tonbridge Half Marathon  The Malling Society – Heritage Open Day events and Blue Plaque scheme  Tonbridge Civic Society – Blue Plaque scheme  Tonbridge Calling – Music and community events  Hartley Morris Men – Cultural performances  Sussex Road School – Enrichment activities  Hillview School – End of year showcase  Judd School – Twinning exchange  Charlton Athletic – National Citizenship Service Scheme for Young People  South East Open Studios – Art displays and exhibitions  Heritage Open Days – Free access to properties throughout the borough, including houses and churches. There were 23 properties included in 2017.  Royal British Legion – WW1 Event, Poppy sculptures and historic walks  Jane Austin Society – Historic walks, displays and talks  Hospice in the Weald – DJ set  Action Medical Research – Castle Cycle Ride</p> <p>The Council works in partnership with a number of Commercial operators to facilitate income generation, with the majority taking place on the Tonbridge Castle Lawn and includes:-</p> <p>Luna Cinema – Tonbridge Castle</p>
--	---

	<p>Illyria Theatre Company – Shakespeare, Arthur Conan Doyle, Gilbert &amp; Sullivan  Changeling Theatre Company – Shakespeare, Noel Coward  Summer Band Concerts – Big bands, Wind bands, Jazz bands etc.  Theme Events – Home and Garden show (<i>new for 2018</i>)  Tonbridge Food Festival – Local and exotic food and drink.  Tonbridge Music Festival – Soul and pop music</p> <p>The Council directly runs the following events:-</p> <p>Remembrance and Armistice Services - Tonbridge  Medieval Fair – Re-enactments and stalls in grounds of Tonbridge Castle linked to Heritage Open Weekend and Dragon boat event.</p> <p>Corporate events are also undertaken as and when required, such as:-</p> <p>Tour de France – Through a number of villages/ towns across the Borough  Queens Commonwealth Baton – Tonbridge Castle  Olympic Torch – Through Borough Green  Twinning events – Across the Borough  Queen's Beacons – Tonbridge Castle and across Borough</p> <p>Performing Rights Society and premises licence submissions and authorisation.</p>
Outcomes/Achievements	<p>Tonbridge and Malling has grown its number of community events and activities over recent years and has earned a reputation as a vibrant and progressive Borough with strong community cohesion and spirit.</p> <p>This is highlighted through regular positive feedback provided at events and through social media with events tweets regularly within the most popular sent from the Council reaching on average 4,500 accounts.</p> <p>There has been an increase in the number of events taking place on the Council's open spaces with</p>

	<p>73 events taking place in 2017, providing a breadth of activities to suit everyone. A number of these are free events to attend provided by and supported by numerous volunteers and catering for the whole community. Income generated is often for local charities as well as secondary spend in local facilities/businesses.</p> <p>It was estimated that over 40,000 people attended events on public open spaces authorised by the Council in 2017 not including those that attended Tonbridge Carnival, the Christmas Festival , Remembrance service and parade which often amount to several thousand alone.</p> <p>Events provide a platform for local community groups and businesses to promote their services and engage with residents and also for the Council to promote our messages including crime reduction and community safety, housing support services, health and wellbeing, recycling and refuse, online services available and when at Tonbridge Castle also directly showcasing the opportunities for weddings and the visitor attraction.</p> <p>An example of partnership working is Music@Malling which promotes outstanding artists in concerts, workshops and participatory events in historic venues in and around the Malling area. Outreach activities engage hundreds of young people in creative activities throughout the year. The programming inspires audiences from the local area, region and beyond - bringing new people into an area with a rich heritage and outstanding natural environment. In 2017 Music@Malling held 22 concerts and a range of outreach projects designed for different age groups.</p> <p>In the last 5 years the revenue budgets for the Events programme have reduced from approximately £80,000 to £64,000 and income generation has now exceeded the budget allocation of £5,000 with events such as the Music Festival and the Summer Band Concerts now attracting income for the Council when previously running at a loss.</p>
Staffing Allocation	<p>Direct operational provision of one part-time member of staff, equal to 0.6 FTE (Full Time Equivalent)</p> <p>The three services areas contained within this Scrutiny Report are also supported by 1 full-time Member of staff, therefore, a proportion of their time is allocated to Events Development.</p>



Budget Allocation	<p>The 2018/19 operational revenue budget shows the following:-</p> <p>Expenditure - £26,800 Income - £5,000.00 Net Cost - £21,800</p> <p>It is worthy of note that of the entire budget of £63,650 (including Staffing and Central, Departmental &amp; Technical Support Services), £46,404 is allocated through Special Expenses.</p>
Income Generation	<p>Direct Income is currently sought from the following events with an anticipated total income for 2018/19 of £12,600:-</p> <p>Tonbridge Music Festival - £3,000.00 (new income for 2018) Luna Cinema – Tonbridge Castle - £5,000.00 Food Festival - £1,500.00 Summer Band Concerts from the concessions on site - £1,000.00 Medieval Fair from the stall holders and concessions on site - £1,000.00 Illyria Open Air Theatre – £700.00 Changeling Theatre – £400.00</p> <p>(Additional income is secured for Tonbridge Fun Fair (£3,500.00) though is coded to parking and not shown within these budgets)</p> <p>Further income is also being explored through the following:</p> <p>Luna Cinema – Haysden CP Home and Garden Show</p> <p>In addition to the direct income generated from the events there is also significant indirect income generated from parking, economic investment and promotion of our own facilities and to the businesses in the local area.</p>

	Funds raised indirectly for local charities each year, is estimated to be over £12,000.00
Partners	<p>Numerous community and commercial partners are involved and supported including:</p> <p>           Tonbridge Town Team            Tonbridge Lions            Music at Malling            Tonbridge Rotary Club            Malling Society            Tonbridge Civic Society            Tonbridge History Society            Farmers Markets            Luna Cinema            Changeling Theatre            Illyria Theatre            Royal British Legion            Tonbridge Music Festival         </p>
Value for Money	<p>Significant savings have been made over recent years due to the reduction of direct provision and the introduction of partnership working and income generation.</p> <p>The reduction in the post of Leisure Services officer in 2015 already realised a saving on direct costs, this saw a reduction in the number of days available but an increase in the programme of events offered, as well as an increase in the income generated.</p> <p>The money spent in authorising and assisting events and activities supports the local economy, community pride and cohesion, crime reduction and increased quality of life as well as generating direct income for parking and in secondary spend.</p>
Risks	Failure to provide events support and activities would result in a reduction in the vibrancy of the Borough as events would not be able to take place on Council owned Public Open Spaces.

	<p>Without events at Tonbridge Castle the venue would not be showcased to assist with Wedding promotion and the visitor attraction. Parking income could also be negatively affected by the reduction in activity planned within the Borough.</p> <p>Negative perception of the Council assets not being utilised for the benefit of the community and local charities.</p> <p>Key towns seen as less vibrant and less attractive places to visit and invest in as well as move to compared to alternative locations.</p>
Future Delivery/Associated Savings	<p>A continued emphasis will be on income generation and following a reduction in the direct provision of events the savings on revenue budgets below are proposed:-</p> <p>Arts Support – reduce by £2,040.00  Event Support – reduce by £2,400.00  Publicity &amp; Promotion – reduce by £400.00</p> <p>Total Expenditure Saving - £4,840.00</p> <p>It is proposed that the income budget is increased from £5,000.00 to £12,600 based on the events highlighted previously above.</p> <p>Taking into consideration both the increased income and reduction in revenue expenditure there would be a net saving to the Council of <b>£12,440.</b></p>

This page is intentionally left blank

## Scrutiny Review – Service Appraisal

Service Area	<b>SPORTS DEVELOPMENT</b>
Purpose of Service	Improve physical and mental health, Opportunity for social interaction, Volunteering opportunities, Economic impact, Reduce anti-social behaviour, Reaches all sections of the community irrespective of sex, age, socio-economic background etc., Help talented individuals reach their full sporting potential, Provide diversionary activities and enrich people's lives.
Contribution to National/Corporate Objectives	<p><b><u>National objectives</u></b></p> <p><b>National Government</b></p> <p>Government's Sporting Future strategy:  <i>"Local Government Sport is a key part of local communities. Local authorities are the biggest public sector investor in sport and physical activity, spending over £1bn per year, excluding capital spend. Their understanding of communities enables them to target opportunities and encourage mass participation. Local Responsibilities:- Councils also have an important leadership role to play, bringing schools, voluntary sport clubs, National Governing Bodies of sport (NGBs), health and the private sector together to forge partnerships, unblock barriers to participation and improve the local sport delivery system. So local authorities have, and will continue to have, an absolutely crucial role to play in delivering sport and physical activity opportunities."</i></p> <p><i>"Sport can be the glue that keeps communities together and is a persuasive tool in promoting shared interests alongside fostering a keen sense of civic pride. I have seen at first-hand the positive power sport and recreation exert, from children of all backgrounds emulating their heroes at their local community facilities to supporters working together to protect the assets they value."</i> – MARCUS JONES MP Minister for Local Government Department for Communities and Local Government</p> <p>Since the devolution of public health from the National Health Service (NHS) to local authorities in 2013, many councils have taken the opportunity to integrate physical activity into public health policy as part of a wider shift from a system that treats ill health to one that promotes wellbeing.</p> <p><i>"Promoting physical activity is a core part of our strategies to improve the health of the nation. Sport is only a part of the picture but it is an important part. In particular, encouraging inactive people to take up physical</i></p>

*activity in any form, ranging from walking to sport, can have a hugely beneficial effect.” – JANE ELLISON MP*  
Minister for Public Health Department of Health

### **Serious Violence Strategy recognises the value of sport and recreation:**

The Government published its first Serious Violence Strategy recently highlighting sport and recreation as an active, preventative solution to this critical public challenge. It also emphasises the role of communities and local partnerships in helping to tackle violent crimes.

### **Sport England:**

The benefits of sport have been grouped into five key areas from the Government strategy. Sport England looked at what evidence there is for each and the benefits in May 2017:

- Physical wellbeing: has a very well-established evidence base, and the most robust, perhaps in part because the measurement of physical wellbeing outcomes is supported by well-established and often validated measurement tools (compared to ‘softer’ outcomes like self-esteem or social skills). A large amount of evidence pointed to beneficial impacts of sport and physical activity in terms of prevention of ill health (including cancer, strokes, type 2 diabetes and heart disease), therapeutic and management effects (particularly for people affected by cancer), improvements in strength, balance, gait and motor skills (tending to focus on older or younger people, or on rehabilitative contexts), and maintaining a healthy body weight. Other physical wellbeing outcomes evidenced included improved quality of sleep, increased energy levels, healthy early years development, reduced risky behaviours such as smoking, reduced mortality, effective pain management and improved quality of life in ageing.
- Physical activity, including sport, is linked to reduced risk of over 20 illnesses, including cardiovascular disease and some cancers
- Taking part in regular sport can save between £1,750 and £6,900 in healthcare costs per person.
- Mental wellbeing: much evidence that they contributed to enjoyment or happiness, or more broadly to life satisfaction. Often the element of social interaction was cited as central to this. Volunteers and sports fans also experienced increased life satisfaction, associated with having a sense of purpose and pride. Self-esteem and confidence were found to increase through short- or long-term participation or volunteering, because of the opportunity to develop new skills and relationships. There was general

	<p>agreement that sport and physical activity have the potential to reduce anxiety and depression symptoms, with most evidence on this focusing on specific subgroups. Other positive outcomes included improved cognitive functioning, benefits for people with dementia, and impacts around emotion regulation.</p> <ul style="list-style-type: none"> <li>• <u>Individual development</u>: evidence of improved educational attainment, either directly (improved grades, school engagement, behaviour and reduced absenteeism) or indirectly (by enhancing skills such as self-control and concentration, team working and time management). Positive impacts on employability were discussed in terms of employment opportunities, earnings, job performance and job satisfaction. The evidence on NEETs (young people not in education, employment or training) found positive impacts of sport participation or volunteering in terms of employability, but only a very small number of sources addressed it. There was a positive association in the evidence between sport and physical activity and self-efficacy (for example motivation, goal setting and commitment), for groups including elderly people and disaffected young people. Other outcomes were an increased willingness to volunteer and the development of soft skills (such as integrity, responsibility and leadership).</li> <li>• <u>Social and community development</u>: hardest outcomes to evidence, because the concepts involved – social capital, trust, networks – are notoriously hard to define and measure. That said, there was some compelling evidence particularly around the role of sport and the integration of migrants. Sport was widely seen as a conduit for people of different backgrounds to interact, building bridging capital, via participating, volunteering and spectating. Though the majority of the evidence relating to migrants and sport focused on opportunities to adapt to differences between the country of origin and the host country ('acculturation'), it also covered bridging divides between men and women, homeless people and those who are not homeless, and people with different employment backgrounds. Equally interesting was the small body of literature on sport and bonding capital, which suggested that sport helps to build bonds and relational skills between members of communities.</li> <li>• Published studies show the positive effects of sport on education including improved attainment, lower absenteeism and drop-out, and increased progression to higher education. For instance, young people's participation in sport improves their numeracy scores by 8 per cent on average above non-participants.</li> <li>• Other studies have found that sport programmes aimed at youths at risk of criminal behaviour can enhance self-esteem and reduce reoffending.</li> <li>• <u>Economic development</u>: some evidence on the direct impact of the sport sector on the economy (largely</li> </ul>
--	---

	<p>in terms of gross value added or job creation), and more evidence on the indirect impact of participation in sport and physical activity on the economy (reduced healthcare costs due to a healthier population, reduced crime, and improved employability).</p> <ul style="list-style-type: none"> <li>• In 2010, sport and sport-related activity contributed £20.3 billion to the English economy – 1.9% of the England total.</li> <li>• The contribution to employment is even greater – sport and sport-related activity is estimated to support over 400,000 full-time equivalent jobs, 2.3% of all jobs in England.</li> </ul> <p><b>County Wide Strategy:</b></p> <p><b>Kent and Medway Sports Board, ‘Towards an Active County- a Strategic Framework for Sport and Physical Activity in Kent and Medway’. One of the underpinning principles states that;</b></p> <p>Whilst sport is worthy of development in its own right, for enjoyment and as part of local quality of life, the wider <b>social benefit</b> that sport and physical activity can deliver should be prioritised. It has a considerable contribution to make to improving <b>physical and mental wellbeing, social and community development, individual development</b> and <b>economic development</b></p> <p>The framework creates a shared approach and vision, so that all people and organisations in Kent and Medway may work together to tackle inactivity and work towards a more active county.</p> <p><b>Tonbridge and Malling Borough Council corporate strategy:</b></p> <p><b><i>To be a financially sustainable Council that delivers good value services, provides strong and clear leadership and, with our partners, addresses the needs of our Borough.</i></b></p> <p>Through the delivery of sports development addressing the health and well-being needs of residents in the Borough and the economic development that brings.</p> <p>Aims:</p> <p><b><i>Promoting Fairness</i></b> - acting transparently at all times and being accountable for what we do, and promoting equality of opportunities.</p> <p>Leisure Pass to enable and promote equality of opportunities to those in need of financial assistance.</p>
--	--



	<p>Holiday activities guide offering discounted prices for Leisure Pass holders.</p> <p>FANS Scheme – offering free access to Council run sports facilities for any sports person in a national squad or having a national ranking.</p> <p><b><i>Embracing Effective Partnership Working</i></b> – Offering volunteering opportunities for those that want to develop their sport and improve personal development. Working in partnership with key sporting organisations in the borough to deliver both capital and revenue projects that will increase/improve sporting opportunities for the community.</p>
Description of current delivery arrangements	<p>Partnership working with;</p> <ul style="list-style-type: none"> <li>• Kent Sports Partnership – Coach education, Funding for sport, Workplace Health and Fitness</li> <li>• District Cricket Partnership – Delivery of Young Cricket Leaders course, Facility improvements and Funding applications, Cricket in schools</li> <li>• Tonbridge and Malling Leisure Trust – Discovery Day event, Launch/promotion of local tennis league, Women's Sports week promotion</li> <li>• OneYou Team (Tonbridge and Malling BC Health Team) – promotion of health initiatives, attending community events</li> <li>• Parkrun – awareness raising/healthy living initiatives, NHS 70<sup>th</sup> anniversary celebrations, healthy eating promotion with the Co-op</li> <li>• Tonbridge Sports Association – ongoing liaison with local sports clubs</li> <li>• K Sports, Cobdown – facility development</li> <li>• Kings Hill Sports Park – hire of facilities for annual schools cricket festival</li> <li>• Tonbridge Lions Club – support for Discovery Day event and Y2 Crew scheme</li> </ul>
Outcomes/Achievements	<p>Latest data from Sport England on levels of Activity covering November 2016-17, show that Tonbridge and Malling has the highest rate of active population in Kent at 66.8% active for 150 minutes or more a week, Tonbridge and Malling also has the lowest rate of inactive population in Kent at 19.9% doing less than 30 mins a week.</p>

		Active (150+ minutes a week)		Fairly Active (30-149 minutes a week)		Inactive (<30 minutes a week)	
		Population total	Rate (%)	Population total	Rate (%)	Population total	Rate (%)
	<b>Tonbridge and Malling</b>	<b>67,800</b>	<b>66.8%</b>	<b>13,500</b>	<b>13.3%</b>	<b>20,200</b>	<b>19.9%</b>
	Tunbridge Wells	62,400	66.7%	12,300	13.1%	18,800	20.1%
	Canterbury	91,100	66.6%	17,700	12.9%	28,000	20.5%
	Sevenoaks	62,800	65.8%	11,000	11.5%	21,600	22.7%
	Ashford	64,600	64.4%	12,400	12.4%	23,200	23.2%
	Thanet	73,300	64.2%	11,400	10.0%	29,500	25.8%
	Shepway	57,800	62.7%	11,100	12.1%	23,300	25.3%
	Dartford	51,300	61.6%	9,500	11.4%	22,500	27.0%
	Maidstone	81,900	61.1%	21,600	16.1%	30,600	22.8%
	Dover	56,600	60.1%	13,400	14.2%	24,200	25.7%
	Swale	68,300	58.9%	19,100	16.5%	28,600	24.7%
	Gravesham	48,800	57.6%	11,700	13.9%	24,100	28.5%
Volunteering to support sport and physical activity at least twice in the last year (adults aged 16+) show Tonbridge and Malling third in Kent with good links to the Tonbridge Sports Association and the growth of local parkruns.							
Local Authority		Respondents		Population total	Rate (%)		
Dover		336		20,300	21.6%		
Ashford				19,900	19.9%		

		332		
	<b>Tonbridge and Malling</b>	<b>345</b>	<b>19,700</b>	<b>19.4%</b>
	Sevenoaks	337	<b>18,300</b>	19.2%
	Shepway	344	<b>16,300</b>	17.7%
	Tunbridge Wells	356	<b>15,400</b>	16.4%
	Thanet	332	<b>18,200</b>	16.0%
	Swale	365	<b>18,300</b>	15.8%
	Canterbury	340	<b>21,200</b>	15.5%
	Maidstone	340	<b>20,700</b>	15.5%
	Gravesham	350	<b>12,100</b>	14.3%
	Dartford	342	<b>11,400</b>	13.7%
	<b>Kent Sport/ Community Sports Partnership:</b>			
	The Council spend £3k annually via <i>Kent Sport &amp; Physical Activity Service</i> and their most recent report shown the following investment in the borough of Tonbridge and Malling:			
	Total spend within T&M (excluding PSSP) £38,135			
	Total spend within T&M (including PSSP) £434,405			
	<i>PSSP = Primary School Sports Premium</i>			
	Kevin Day – Sport and Physical Activity Service Manager and Community Sport Partnership Director			

gave the following information -

*“Local engagement with clubs and organisations is invaluable, as the CSP does not have the capacity to work locally across all clubs and organisations across the whole of Kent & Medway. In addition, the current local officer has insight and information (built up over a number of years) on the local clubs and other community assets that the CSP doesn’t have.”*

*“In addition, the work of the officers in Tonbridge & Malling in 2017-18 has also supported a sum of £54,369 being allocated to local projects and programmes in the area. This was the 3<sup>rd</sup> highest amount in the County and equated to 11.5% of funding allocated via Kent Sport. This indicates good engagement from local organisations, which would be less evident if Tonbridge & Malling BC did not have a resource to provide information to local organisations on funding available. Given the part-time nature of the current resource this is significant and demonstrates the local value placed on this resource.”*

A recent local Club Survey, run by Kent Sport showed that:

- There were 30 responses from Clubs within the Borough, which was the 3<sup>rd</sup> highest number and represented 8.4% of all responses;
- 33% of Clubs within the Borough indicated they had received support from their local authority – this was the second highest figure;
- There was high awareness of Kent Sport Club & Coach Forums, with 60% of clubs within the Borough being aware of these (we organise approximately three of these a year in different locations and they are usually run in conjunction with the local authority). A forum was run in Tonbridge & Malling in March 2017, which the TMBC Sports/Leisure Development Officer promoted locally and attended, to provide local knowledge and information, where required.
- 14% of Clubs in the Borough had concerns about their 5 year outlook. This figure might rise if local authority support was not in place.

The remaining £2k in in the operational budget assists in bringing in grant funding with over £12k

	<p>attracted this year. The work programme includes:</p> <ul style="list-style-type: none"> <li>• Discovery Day for young people with disabilities and additional needs at Angel Centre. This annual event has been running for over 25 years and is a welcome event for several special schools in the area. Additional funding has been secured by Fidelity International to enhance the programme of activities on offer and to allow schools to attend free of charge.</li> <li>• Young Leaders Cricket Course covering modules in coaching, groundsmanship, first aid, umpiring etc. and volunteering hours back into the community and local clubs. 60 young cricketers have completed the course over the last 4 years many of whom will stay in the sport as players, coaches and administrators and so ensuring the sustainability of their local cricket clubs.</li> <li>• Annual Kwik Cricket Tournament attracting 20 schools and 250 children. The winner of this festival goes on to represent Tonbridge and Malling at the county festival in Canterbury.</li> <li>• Healthy business support, health walks, links to sporting and physical activity opportunities within the private and voluntary sector.</li> <li>• Support with Health team, community engagement meetings and events (Sport Relief, East Malling and Trench and Snodland Partnership meetings etc.)</li> <li>• Support and liaison for local sports clubs with funding applications, facility development and coach education. This includes ongoing liaison with Tonbridge Sports Association.</li> <li>• Tonbridge and Malling Leisure Trust support and liaison including assistance with Quest Stretch focus on community engagement.</li> <li>• Educational sessions for clubs and parkrun including first aid/ defibrillator training, coaching, safeguarding and finding funding.</li> <li>• Parkrun and junior Parkrun support and development, record numbers now attending with 500 runners on average per week at Tonbridge and 250 runners on average per week at Leybourne Lakes Country Park. Tonbridge Parkrun used for the NHS 70<sup>th</sup> year national event highlighting good practice.</li> <li>• Maintaining online sports directory for opportunities and information for public which is linked to the Oneyou campaign. Currently 145 sports clubs and organisations listed on the sports directory.</li> </ul>
Staffing Allocation	Direct operational provision of one part-time member of staff equal to 0.6 FTE (Full Time Equivalent)

	The three services areas contained within this Scrutiny Report are also supported by 1 full-time Member of staff, therefore, a proportion of their time is allocated to Sports Development.
Budget Allocation	<p>Total Sports Development Programme revenue budget of £5000</p> <p>£3,000 allocated to the annual partnership with <i>Kent Sport &amp; Physical Activity Service</i></p> <p>£2,000 allocated to supporting to local projects.</p>
Income Generation	<p>Historically income from the remaining £2,000 not allocated to <i>Kent Sport &amp; Physical Activity Service</i> matches and often exceeds the total revenue budget of £5,000. The following income has been achieved in previous years utilising this £2,000 budget:</p> <p><i>13/14 = £6.4 (Sportivate Lottery funding for Young Cricket leaders course)</i></p> <p><i>14/15 = £4.9k (Street Games, community projects)</i></p> <p><i>15/16 = £4.8k (Street Games, parkrun start-up funding for Tonbridge parkrun)</i></p> <p><i>16/17 = £9.5K (Street Games, parkrun start-up funding for Malling parkrun)</i></p> <p><i>17/18 = £12.8k (Street Games, parkrun start-up funding for Tonbridge Junior parkrun, relocation of baseball club)</i></p> <p>Additional income also achieved through sponsorship for Discovery Day event £1,000.</p> <p>Regular parking income received from sporting activities developed and supported including parkrun with over 500 runners on average per week at Tonbridge and 250 runners on average per week at Leybourne Lakes Country Park.</p> <p>Plus borough investment from Kent Sport/ Community Sports Partnership bringing in £54,369 or £434,405 within (including PSSP)</p> <p><i>PSSP = Primary School Sports Premium</i></p>
Partners	Partnership work with other local providers including;

	<ul style="list-style-type: none"> <li>• Primary and secondary schools</li> <li>• Hadlow College and West Kent College</li> <li>• The Tonbridge and Malling Leisure Trust</li> <li>• Tonbridge and Malling District Cricket Partnership</li> <li>• Tonbridge Sports Association</li> <li>• Local sports clubs and facility providers to support development and sustainability.</li> <li>• Kent Sport to provide a link between the County Council and local clubs, groups and organisations to ensure both opportunities and funding are attracted to the Borough.</li> <li>• Governing Bodies of Sport e.g. the Lawn Tennis Association to launch a new Local Tennis League in Tonbridge</li> <li>• Local businesses who support community events (Fidelity International, Asda, Sainsbury)</li> <li>• Local charities who support local events (Tonbridge Lions Club, The Rotary Club, RBLV)</li> </ul>
Value for Money	<p>The revenue budget of £5k returns £54,369 investment in the borough from the County Sport Partnership together with additional revenue raised of at least £5k plus each year. Last year £12.8k additional revenue was raised.</p> <p>The value of this investment is outlined in the national and local strategies identified earlier but is ultimately used to improve the physical and mental health of local residents through sport and physical activity.</p> <p>The estimated health costs of inactivity was £1.9m for Tonbridge and Malling in August 2016 and the economic value of improved quality and length of life plus health care costs avoided in Tonbridge and Malling at £49.6m. The same report by Sport England also showed 70% satisfied with sporting provision in the area compared to 62.7% nationally.</p>
Risks	<p>Increase in obesity levels and associated issues from reduction in physical activity. Less community cohesion with more sedentary lifestyles and less social interaction that could also lead to an increase in anti-social behaviour particularly from disengaged sections of the community.</p> <p>Reduction in the support and quality of sports provision and facilities particularly less commercially</p>

	<p>focused provision in the Borough such as tennis courts and cricket facilities.</p> <p>An equality impact assessment would be needed for disabled and disadvantaged groups affected by any changes or reduction in provision.</p> <p>Reduction in club and coach education from coaching, safeguarding and health and safety workshops provided leading to associated risks and reputational concerns as well as poor provision leading to reduction in participation.</p> <p>Economic impact of reduced sport and active participation and opportunity directly from car parking income, secondary spend in the area and spend on sports equipment and provisions and indirectly on the health and wellbeing of the workforce and community.</p> <p>Support for talented sports people reduced, limiting the opportunity for community pride and celebration of local success nationally and internationally such as through Dame Kelly Holmes.</p>
Future Delivery/Associated Savings	<p>Continue to source additional funding from grants/ sponsorship to assist in delivery of programme. No additional savings can easily be made as delivery is already at minimum levels to remain effective. Continue partnership approach with Kent County Council to maximise outcomes locally. Further develop links and support internally including with the Tonbridge and Malling Community Safety Unit and the Health Team and the OneYou Kent team.</p>



## Scrutiny Review – Service Appraisal

Service Area	<b>YOUTH ENGAGEMENT</b>
Purpose of Service	Giving young people the opportunity for healthy lifestyles and diversionary activities, Young people involved in decisions that affect them, Help make sure young people have a say in the services and help they need, Promote a more inclusive community, Provide a cost effective way of accessing the views of young people, Consider and review services for Children and Young People in the Borough and help shape local provision.
Contribution to National/Corporate Objectives	<p>The Council's vision for the next three years is:  <i>To be a financially sustainable Council that delivers good value services, provides strong and clear leadership and, with our partners, addresses the needs of our Borough.</i></p> <p>The existing service contributed to this through consultation and engagement with young people, identifying their needs in the Borough, working with partners to address the needs and offering good value holiday activity services through partners with concessionary charges.</p> <p>The availability of the Leisure Pass enables an equality of opportunities to those that require financial assistance.</p> <p>The Service Embraces Effective Partnership Working therefore achieving more by working and engaging effectively with a wide range of local partners from the private, public, voluntary and community sectors. This includes holiday activities with Premier Education, Carrotty Wood, KCC Youth and Children's Centres etc.</p> <p><b>Tonbridge and Malling's Community Safety Partnership</b> has a number of priorities for 2018/19 these being:</p> <ul style="list-style-type: none"> <li>• Organised Crime - to include gangs, child sexual exploitation, modern slavery and human trafficking, violent crime and burglaries.</li> <li>• Vulnerable People – to include hate crimes, domestic abuse, Anti-social behaviour and mental</li> </ul>

	<p>health</p> <ul style="list-style-type: none"> <li>• Counter Terrorism</li> <li>• Substance Misuse</li> </ul> <p>The Action Plan highlights the key role of the Youth Forum in education and awareness linked to campaigns and provision of diversionary activities.</p> <p>Section 11 of the Children Act places a statutory duty on key organisations to make arrangements to ensure that in discharging their functions they have regard to the need to safeguard and promote the welfare of children.</p> <p>All District/Borough Councils are required to ensure that the planning and development of services to safeguard and promote children's welfare are informed by the views of children and parents. This could be through one-off consultations on specific projects, consulting ongoing user groups or drawing on feedback on existing services. Particular efforts should be made to ensure that specific groups of children and young people who are often excluded from participation in activities are supported in giving their views.</p> <p>In addition, in exercising their duty under Section 11 of the Children Act 2004, District/Borough Councils should consider:</p> <ul style="list-style-type: none"> <li>• the impact of each service on children's safety and welfare, for example does the location of a service mean that it can be safely and easily accessed by the children and families for whom it is intended?</li> <li>• how children are to be kept safe whilst using services, for example having in place appropriate supervision by trained staff, and adhering to health and safety regulations; and</li> <li>• ways in which they can improve existing services to ensure children's safety and promote their welfare, for example, ensuring all play areas are safe, accessible and provide opportunities for children to learn and enjoy themselves, and that these changes are informed by the views of local children and their parents.</li> </ul>
Description of current	Signposting activity opportunities to young people for the Easter and Summer Holidays and enabling

delivery arrangements	<p>opportunities to those in receipt of certain benefits that qualify for the Council's Leisure Pass by subsidising the costs.</p> <p>Directly supporting and enabling a forum for young people representatives from schools in the area. Partnership working and scrutinising/ challenging provision from Kent County Council in relation to Early Help provision, diversionary activities, children's centres and schools. Promotion and focus on Mental Health and wellbeing linked to the early help agenda set by Kent County Council.</p>
Outcomes/Achievements	<p><b>Holiday activities programme for Easter and Summer:</b></p> <p>There were 6,465 places taken by young people over the Easter and Summer Holidays across the Borough during 2017 in activities showcased by the Council and 266 young people with Leisure Passes took part in reduced cost activities provided with partners. The number of activities continues to grow since the change of delivery to partnership working and increased by nearly 1,200 from the previous year.</p> <p>Premier Education, who operate a Summer Playscheme equivalent with Leisure Pass discounts available, now also offer and fund Leisure Pass discounts during the Easter Holidays operating at 15 sites locally for residents, including the key areas identified at the scrutiny review of Snodland and East Malling.</p> <p><b>Y2 Crew in partnership with Kent County Council:</b></p> <p>There were 200 attendances by young people last Summer, taking part in diversionary activities in partnership with Kent County Council Integrated Youth Services, including 35 young people using Leisure Passes.</p> <p><b>Youth Forum:</b></p> <p>The Youth Forum have been involved in recent consultations including, Tonbridge railway station improvements, Tonbridge High Street, Youth Mental health, Dementia awareness/ Champions, Electoral services, recycling schemes in schools and work with the Community Alcohol Partnership</p>

(CAP) in Tonbridge linked to the Community Safety Unit.

**Independent Police Advisory Group (IPAG):**

Regular attendee of the group with involvement in plans and policy including work on a recent survey  
The following feedback was recorded:

*“Completed Young Persons survey which was completed by over 390 young people; fantastic!. This report will be escalated to Kent Police and County IPAG. A big thank you to the T&M IPAG Youth contingent who began the project which has proved to be a great success and to Tonbridge & Malling Borough Council for setting and escalating the survey monkey to young people across the borough and compiling the report.”*

**Active Lives Children and Young People survey for the summer term with Kent County Sports Partnership reaching the following schools:**

- Hugh Christie Technology College
- Plaxtol Primary School
- St Katherine's School
- St Peter's Church of England Primary School
- The Judd School
- Tonbridge Grammar School

**Campaigns:**

Development of a Mental Health and wellbeing awareness programme targeting young people in the local area. The scheme has been designed and developed by the Youth Forum in conjunction with TMBC and KCC to produce a ‘Quick Tips’ card for mental health awareness that will be distributed within all schools and available in local shops / café’s, the card will provide quick tips and then sign post young people to a website via a QR code.

The Youth Forum is also working in partnership with Tonbridge Town Team and the Community Safety Partnership to develop a safe havens scheme, this will highlight 3-4 safe spaces in Tonbridge

High Street that can offer help and advice to young people who feel vulnerable and threatened. This work is then planned to roll out to West Malling and the rest of the Borough.

**Youth Forum Schools represented:**

Tonbridge Grammar School  
 The Judd  
 Hayesbrook  
 Holmesdale  
 Weald of Kent  
 Woodlands Primary School  
 Malling School  
 Discovery School

**Additional Schools represented Outside of Borough but with pupils that live in Tonbridge & Malling:**

Bennett Memorial  
 TWGSB  
 Invicta  
 Skinners School, Royal T.Wells  
 Maidstone Grammar school  
 Mascalls Academy in Paddock Wood  
 Derwent Lodge

**Working with the following schools to circulate information and send representatives occasionally:**

Aylesford School  
 Hillview School for Girls  
 Hugh Christie Technology College  
 The Malling School

	<p>Wrotham School</p> <p><b>Other groups represented and consulted include:</b></p> <p>Faith groups Young carers Mind Tonbridge Town Team NCS</p> <p>Although not every school attends each meeting, average attendance of Youth Forum is 17 young people, although this fluctuates around exam times and transition periods and for events is often over 40 young people.</p> <p><b>Young people Award schemes:</b></p> <p>Supporting awards to give and reinforce positive imagery and messages about young people in the Borough.</p> <p><b>Try angle awards:</b></p> <p>Supporting Kent County Council annual nominations for young people aged 11-18 years who really TRY, often with little recognition, to do their best, recognising their outstanding efforts and achievements within our community.</p> <p><b>Young achiever awards:</b></p> <p>Available to a young person or group of young people in the Borough under the age of 26 who have achieved something truly outstanding in sport, art or citizenship.</p>
Staffing Allocation	Direct operational provision of one part-time member of staff equal to 0.6 FTE (Full Time Equivalent)

	<p>The three services areas contained within this Scrutiny Report are also supported by 1 full-time Member of staff, therefore, a proportion of their time is allocated to Youth Engagement.</p> <p>As agree at a previous Scrutiny Review, £1,500 is also allocated for temporary staffing support over the summer holiday period for the Y2Crew partnership scheme with KCC.</p>
Budget Allocation	<p>The operational revenue budget is £27,000 which follows savings linked to previous scrutiny review of playscheme of approx. £59,000 with recommendations that:</p> <p>The Panel agreed that the Borough Council should, from the Summer 2016, withdraw from the direct provision of the Activate programme and instead help market and promote the wide range of schemes already being provided by other parties and</p> <ol style="list-style-type: none"> <li>(1) set aside a sum of <b>£3,000</b> to provide support for leisure pass holders at the current rate to access programmes provided by other agencies;</li> <li>(2) the Borough Council's <b>financial support for the Y2Crew</b> programme be retained subject to other partners providing continued financial contributions;</li> <li>(3) the Borough Council withdraw from the direct provision of the Summer Playscheme from Summer 2016 and seek the support of external providers to take over these schemes subject to the following: <ol style="list-style-type: none"> <li>(a) Leisure Pass concessions for Playscheme attendance initially be amended to <b>provide a 50% reduction per child per week</b>;</li> <li>(b) a sum of <b>£18,000 be set aside to provide continued support for Leisure Pass holders</b> to access schemes at the current 12 sites;</li> </ol> </li> <li>(4) the consideration of the Public Sector Equality Duty be noted and financial provision be made, as set out at paragraph 1.6.4.of the report, to mitigate any impact on children with disabilities who require 1-2-1 support. <i>Which is currently £1,000.</i></li> </ol>

	<p>The current revenue budget for the holiday activities is currently £18,000, which is £4,000 less than the scrutiny approved budget of £22,000. This has been achieved through partnership work and efficiency savings.</p> <p>Funds are raised separately for the Y2Crew and are used to provide the diversionary activity programme directly in partnership with KCC.</p> <p>The Youth Forum have a budget of £4k for logistics and a development initiatives budget of £5k annually.</p>
Income Generation	<p>Income is received from partners, Parish Council's and the Community Safety Partnership Additional income is also received from direct activity provision at the Country parks and from partners providing adverts in the holiday activities brochure.</p> <p><b><u>Y2Crew Income (2017)</u></b></p> <p>Total contributions (Parish Councils/Tonbridge Lions/CSP etc) = £5,300 Total bookings income =£652.50 <b>Total income = £5,952.50</b></p> <p><b><u>Holiday Activities Brochure</u></b></p> <p><b>2017 Easter/Summer</b> Advertising income = £500 Den Building and Bushcraft sessions = £345 <b>Total income 2017 = £845</b></p> <p><b>2018 Easter/Summer</b> Advertising income = £790 Den Building and Bushcraft sessions = £202 <i>(so far from Easter sessions)</i></p>



	<b>Total income 2018 = £992 (to date)</b>
Partners	<p>Partnership work with;</p> <p>Premier Education Kent County Council Kent Youth County Council Community Safety Partnership Parish Council's Carrotty Wood Tonbridge and Malling Leisure Trust Tonbridge School Local clubs and organisations Local businesses</p> <p><b>Youth Advisory Group (YAG):</b></p> <p>Co-chaired by member of Youth Forum who is also listed as a core member of the group, to ensure there is a good understanding of the Youth Offer within their respective Districts and the developments required to enable it to remain consistently of a high standard, from their perspective, for children and young people, aged 8 – 19 years (up to 25 with additional needs), living in the District.</p> <p><b>Local Children's Partnership Group (LCPG):</b></p> <p>Discussing themes identified on the dashboard as being of concern for Tonbridge &amp; Malling. The dashboard highlights levels of absenteeism in secondary schools and the rates of early help referrals in relation to mental health issues. Helping to target resources and funding grants and monitor and review issues as a group. Arrange Early Help Grants to support healthy relationships and obtain regular troubled families and safeguarding updates.</p> <p><b>Children's Centres District Advisory Board (DAB):</b></p>

	<p>Agenda covering Children's Centre delivery and priorities as well as updates from partners relating to health, safeguarding and early years provision and outcomes across the Borough, scrutinising delivery effectiveness and directing provisions.</p>
Value for Money	<p>A young person in the criminal justice system costs the taxpayer over £200,000 by the age of 16. But one who is given support to stay out costs less than £50,000. (Tired of Hanging Around, Audit Commission, 2009) – Diversionary activities (Holiday activities and Y2Crew and positive role models highlighted through awards and engagement and understanding through Youth Forum)</p> <p>A report produced in partnership by the Local Government Group and the National Youth Agency on strengthening democracy found that youth participation strengthens outcomes by:</p> <ul style="list-style-type: none"> <li>• improving service delivery</li> <li>• leading to development of new appropriate provision</li> <li>• improving community cohesion</li> <li>• improving personal and social confidence in young people</li> <li>• improving skills of young people</li> <li>• improving the political literacy of young people</li> <li>• saving Councils money.</li> </ul> <p><a href="http://tinyurl.com/bvyjnt7">http://tinyurl.com/bvyjnt7</a></p> <p>Alternative methods of engaging with young people across the Borough to satisfy the Children's Act 2014 - Section 11 Audit voice of the child would be difficult and it would be hard to guarantee attendance and achieve the same level of representation and borough coverage. It would also suggest less valued participation and possible suggestion of tokenism than the degree of involvement given through the current partnership with the Youth Forum and the level of engagement they have in determining agenda items, issues and campaigns that matter to them.</p>
Risks	<p>Reputational risk of failing to provide for children most in need and financially disadvantaged and in failing to provide a mechanism for feedback and consultation with young people of the Borough. Disengaged and disenfranchised young people with increased risk of anti-social behaviour. Ineffective engagement activities and outcomes with and for younger people in the Borough as uninformed or increased costs of engagement without an organised group and mechanism into schools to canvas wider option.</p> <p>Equality impact assessment for young people and disadvantaged groups would be required if the services were reduced.</p>

Future Delivery/Associated Savings	<p>Continued focus on income generation through advertising within the marketing of holiday activities, possible reduction in quality of marketing material to reduce the costs and consideration of alternative marketing mechanisms could be considered although printed materials are the expected means of information and industry norm. Printed material also a key benefit in the partnership with Premier Education who provide the Playscheme equivalent across the Borough offering the Leisure Pass subsidy.</p> <p>Work on obtaining grants and sponsorship opportunities for the Youth Forum and their projects. Possible reduction in the Youth Forum budget for projects and reduction in budget used for marketing and promotion of the Forum. Review of the logistics of the Youth Forum meetings to reduce the cost of transportation and review of the frequency of meetings to be supported.</p> <p>Reducing the Youth Forum and development Initiatives budgets by 28% would generate a £2,500 saving to the Council.</p>

This page is intentionally left blank

## TONBRIDGE & MALLING BOROUGH COUNCIL

### CABINET

10 October 2018

#### Report of the Director of Finance & Transformation and Chief Executive

#### Part 1- Public

#### Matters for Information

#### 1 MEDIUM TERM FINANCIAL STRATEGY UPDATE AND BID FOR 75% BUSINESS RATES RETENTION PILOT

The report provides an update on the Medium Term Financial Strategy and projected funding gap ahead of the forthcoming budget cycle. It also updates Members on the bid for the 75% Business Rates Retention Pilot.

#### 1.1 Medium Term Financial Strategy – Introduction

1.1.1 As Members are aware, the Council's current Medium Term Financial Strategy (MTFS) covers both revenue and capital budgets over a rolling ten-year period, and it is this Strategy that underpins the budget setting process each year and over the strategy period. The aim of the Strategy is to give us a realistic and sustainable plan that reflects the Council's priorities. The MTFS sets out the high level objectives the Council wishes to fulfil over the agreed time span. These are:

- To achieve a **balanced revenue budget** that delivers the Council's priorities by the end of the strategy period.
- To retain a **minimum of £2.0m** in the General Revenue Reserve by the end of the strategy period.
- Seek to set future increases in council tax having regard to the **guidelines** issued by the Secretary of State.
- Continue to **identify efficiency savings and opportunities for new or additional income sources** and to **seek appropriate reductions in service costs** in delivery of the Savings and Transformation Strategy approved by Members.
- Subject to there being sufficient resources within the capital reserve, set a **maximum 'annual capital allowance'** each year as part of the budget setting process for all new capital schemes (currently set at £200,000 from the Council's own resources) and give priority to those schemes that generate income or reduce costs.

- 1.1.2 The MTFS sets out, not only the projected budgets for the period, but also the levels of council tax that are projected to be required to meet the Council's spending plans. Underneath the Strategy for the budget setting year sits detailed estimates formulated in conjunction with Services taking into account past outturn, current spending plans and likely future demand levels / pressures.

## **1.2 Managing the Financial Challenges**

- 1.2.1 Members are fully aware of the significant financial challenge faced by the Council as a result of the Government's ongoing budget deficit reduction programme which has resulted in continuing reductions in the financial support offered to local government. We believe, however, that our MTFS is resilient and the financial pressures likely to confront us can be addressed in a measured and controlled way, but with ever increasing pressure this is becoming progressively more difficult.
- 1.2.2 Members will recall that when setting the budget for 2018/19 in February 2018 projections at that time suggested that there was a 'funding gap' between expenditure and income of circa £1 million. This 'gap' was translated into three savings tranches of £350,000, £350,000 and £300,000 to be achieved over three consecutive years commencing in 2018/19.
- 1.2.3 It had been the aspiration that the tendering of the waste services contract through a partnership arrangement would contribute towards the first of the savings tranches, and this is alluded to later.

## **1.3 Local Government Finance Settlement 2019/20 and Council Tax Referendum Principles**

- 1.3.1 The Local Government Finance Settlement for 2019/20 is expected to be very similar to that set out in the multi-year settlement for the four year period 2016/17 to 2019/20. This is not surprising given that we are now entering the final year of the multi-year settlement.
- 1.3.2 However, as reported to the Finance, Innovation and Property Advisory Board on 17 September, the government proposes to remove 'Negative RSG' from the settlement in 2019/20 and meet the cost from their share of business rates income. This is still subject to confirmation, but as Cabinet are aware, in our case this would mean we would not need to pay 'Negative RSG' of just under £1m in 2019/20. This would be very welcome given the financial challenges, albeit it should be remembered that this is a "one-off" adjustment.
- 1.3.3 For the year 2019/20 it is proposed (although not yet confirmed) that a referendum will be triggered where council tax is increased by 3%, or more than 3% and more than £5. Increasing council tax by circa 3% in 2019/20 generates a further 0.5% increase over and above our original forecast in the MTFS. For the purposes of preparing the budget papers and updating the MTFS an increase of circa 3% in 2019/20 has been assumed followed by an increase of £5 year on year thereafter.

## **1.4 New Homes Bonus**

- 1.4.1 In terms of New Homes Bonus, the government has indicated that it is likely to increase the baseline below which New Homes Bonus (NHB) will not be paid. Currently, the baseline is 0.4%, meaning that about 230 homes need to be delivered before any NHB is paid. No indication has yet been given as to what the increase is likely to be, but for planning purposes we are assuming that the baseline will increase to 0.6% in 2019/20 (equating to circa 350 new dwellings needing to be delivered before any NHB is paid). If this is translated into cash sums, NHB is anticipated to be in the order of £3m in 2019/20 – although this is of course dependent on the scale and speed of housing delivery.
- 1.4.2 Beyond 2019/20, NHB will continue to fall as changes that have already been made to the scheme work their way through the system and the above-average housing delivery falls out of the calculation. Indeed, it is estimated that by 2023/24 NHB could be in the order of £850,000 assuming that no further changes are made to the scheme. This is a dramatic change to the sums we have so far enjoyed. In other words, NHB remains at risk indefinitely.
- 1.4.3 Cabinet has in the past acknowledged the concerns we have expressed about the future of NHB and indeed the (necessary) reliance we have placed on this source of funding to support the revenue budget. In updating the MTFS, in consultation with Management Team, we have sought to mitigate in part this concern.

## **1.5 2019 Spending Review and Fair Funding Review**

- 1.5.1 Beyond 2019/20, as reported to the Finance, Innovation and Property Advisory Board on 17 September, the 2019 Spending Review will determine the overall funding envelope for local government over the Spending Review period.
- 1.5.2 The Fair Funding Review will determine how that funding is allocated to individual councils and, in turn, will determine business rates baselines and baseline funding levels.
- 1.5.3 It is very difficult to predict how TMBC might fair in that process at this stage and therefore, as Members will appreciate, this period of 'limbo' does not aid financial planning. Undoubtedly it will be some time before the outcome of the above process is known. As a result, the year 2019/20 can effectively be seen as a 'holding year' and we need to await the outcome of the Review to gain a clearer picture for the future.

## **1.6 Updating the MTFS**

- 1.6.1 Notwithstanding all that, we still need to plan ahead as best we can.
- 1.6.2 Members are aware from recent reports to both the Street Scene and Environment Services Advisory Board and the Finance, Innovation and Property Advisory Board that it is hoped that the new waste services contract (including

introducing a charge for garden waste) can make a substantive contribution to the funding gap. Effectively, the target set for delivery by April 2019 can be assumed to have been met.

- 1.6.3 **However, for the avoidance of doubt, it is important to emphasise that irrespective of the scale of that contribution, a funding gap will remain to be addressed over the medium term.** The work being undertaken by the Overview and Scrutiny Committee will therefore be extremely valuable in addressing any further targets we need to achieve.
- 1.6.4 There are some budgetary pressures, particularly with regard to the upkeep of our leisure centres, which will place demands on our finances. For example, there are currently unfunded works required to the roof at Larkfield Leisure Centre which on top of the capital scheme to replace the ventilation system and boiler, together with the associated loss of income claim, requires us to find in excess of £1.7m. The potential windfall from the non-payment of the 'Negative RSG ' mentioned at paragraph 1.3.2 may help to address some of these shortfalls in funding, but for now we must await the outcome of the Settlement.
- 1.6.5 These detailed matters will be addressed during the budget cycle, but for this report we need to turn back to the "bigger picture".
- 1.6.6 For medium term financial planning purposes, in consultation with Management Team we are assuming that, from 2020/21, 'core' grant funding (i.e. business rates baseline plus some element of 'growth performance') will be in the order of £2m uplifted by inflation year on year; and we will continue to support the revenue budget with a contribution of NHB (or its replacement) funding of £600,000 per annum.
- 1.6.7 Members will note that this assumed contribution from NHB is less than the figures we have presented in paragraph 1.4 above. This is a deliberate choice in order to reduce the reliance we place on NHB given the risk we attach to it.
- 1.6.8 If overall funding is in excess of £2.6m as we hope it could be at least in the early years, sums over and above this amount can be used to establish a 'stabilisation reserve' going forward to assist in meeting future savings targets and/or help towards managing risk.
- 1.6.9 As mentioned at paragraph 1.1.1, our MTFS currently assumes that we will hold a minimum of £2m in the General Revenue Reserve. Given the uncertainty about local government financing and the unknown impact of issues such as Brexit to both our income and expenditure, **we will be recommending through the budget cycle that we increase the minimum balance to £3m.**
- 1.6.10 Taking all these matters into account, at this point we anticipate that there will be a funding gap over the medium term of £500,000 to £600,000. Whilst we do not anticipate that this will need to be met in consecutive years, we do expect that we



will be recommending setting a target to be identified during the financial year 2019/20 of around £100,000.

## **1.7 Savings and Transformation Strategy**

- 1.7.1 The Savings and Transformation Strategy will need to be updated in the light of the information set out above. As mentioned at paragraph 1.6.2, it can be assumed that, subject to the finalisation of the award of the waste services contract and the pending introduction of garden waste charges, that the first tranche has been met.
- 1.7.2 During the budget cycle we will need to reset the Strategy, agree the timescales and the targets by theme. Our recommendation, in consultation with Management Team, is that during 2019/20 we need to be identifying savings in the order of £100,000 in readiness for 2020/21.

## **1.8 Kent-wide 75% Business Rates Retention Pilot Bid**

- 1.8.1 At the meeting of the Finance, Innovation and Property Advisory Board in September, Members were advised of the invitation to apply to pilot 75% business rates retention in 2019-20. Bids for new pilots had to be submitted by 25 September 2018, and it is expected that successful applications will be announced before or alongside the provisional Local Government Finance Settlement.
- 1.8.2 We are pleased to advise that the 12 Kent district councils, Kent County Council, Medway Council and the Kent and Medway Fire and Rescue Authority have agreed to and submitted a joint bid for pilot status following the success of the current year's pilot.
- 1.8.3 Were it to be successful, we anticipate a financial sustainability payment to TMBC of circa £370,000 (based on current estimates). There would also be a growth fund for West Kent in the order of £500,000.
- 1.8.4 We now await the outcome of that bid.
- 1.8.5 Members should note that if the bid is unsuccessful, we have requested that we revert to the 'pool' arrangement that existed prior to the current 'pilot' being established.

## **1.9 Legal Implications**

- 1.9.1 There are a number of legislative requirements to consider in setting the Budget which will be addressed as we move through the budget cycle.
- 1.9.2 The Localism Act gives local communities the power to veto excessive council tax increases. The Secretary of State will determine a limit for council tax increases which has to be approved by the House of Commons. If an authority proposes to

raise council tax above this limit they will have to hold a referendum to get approval for this from local voters who will be asked to approve or veto the rise.

## **1.10 Financial and Value for Money Considerations**

- 1.10.1 Underneath the Strategy for the budget setting year sits detailed estimates formulated in conjunction with Services taking into account past outturn, current spending plans and likely future demand levels / pressures.
- 1.10.2 The preparation of the 2018 /19 revised and 2019/20 original estimates will, amongst other things, have a direct impact on the MTFS and as such will be refined and updated as we move through the forthcoming budget cycle.
- 1.10.3 Due to the pending 2019 Spending Review and Fair Funding Review, 2019/20 should be viewed as a holding year.
- 1.10.4 The impact of 'Brexit' on Council finances / financial assumptions in respect of inflation, interest rates, income levels, etc. and the scale of the impact over the medium term is uncertain and difficult to determine.

## **1.11 Risk Assessment**

- 1.11.1 The Medium Term Financial Strategy sets out the high level financial objectives the Council wishes to fulfil and underpins the budget setting process for the forthcoming year and over the Strategy period. As the Council's high level financial planning tool the Strategy needs to be reviewed and updated at least annually and in the current climate regularly reviewed by Management Team.
- 1.11.2 The increased uncertainty and volatility particularly in some of our major sources of income (business rates and New Homes Bonus) make financial planning that more difficult with the increased risk of significant variances compared to projections.
- 1.11.3 Any increase in council tax above the relevant threshold, even by a fraction of a percentage point, would require a referendum to be held.

## **1.12 Policy Considerations**

- 1.12.1 Business Continuity/Resilience
- 1.12.2 Community

Background papers:  
Nil

contact: Sharon Shelton  
Neil Lawley

Sharon Shelton  
Director of Finance & Transformation

Julie Beilby  
Chief Executive

## TONBRIDGE & MALLING BOROUGH COUNCIL

### CABINET

10 October 2018

#### Report of the Director of Finance and Transformation

#### Part 1- Public

#### Matters for Information

#### **1      LOCAL DIGITAL DECLARATION**

**A report advising Cabinet of the launch of the Local Digital Declaration, and detail of the Local Digital Fund Prospectus.**

#### **1.1    Introduction**

- 1.1.1 In July this year, the Local Government Minister Rishi Sunak MP launched the initiative known as the 'Local Digital Declaration'. The initiative is about sharing the best innovation across the public sector to benefit residents.
- 1.1.2 Local authorities are invited to sign up the initiative, effectively committing to use technology to design and deliver public services, share expertise and ensure that residents are able to access services in the ways they wish.
- 1.1.3 Details can be found at: <https://localdigital.gov.uk/declaration/>

#### **1.2    Strategy and Funding**

- 1.2.1 I am in the early stages of working on a Digital Strategy alongside colleagues from Central Services. The IT Strategy which Members recommended via the Finance, Innovation and Property Advisory Board in May, highlights the digital 'agenda' as a high priority strand. Once drafted and considered by Management Team, the Digital Strategy will be presented to the Advisory Board for consideration.
- 1.2.2 In the meantime, I have signed TMBC up for the initiative as not only does it signal our intent, but it also opens up opportunities for seeking funding to support any digital work.
- 1.2.3 The Minister announced a £7.5 million funding package, available for the financial years 2018/19 and 2019/20.
- 1.2.4 The prospectus has just been announced for the first round of funding. Timescales are tight and expressions of interest need to be lodged by 5 October, with full applications (if selected via the expression of interest) being worked up

and submitted by 18 November. Staff are working on an outline project to potentially put forward in the Expression of Interest phase.

### **1.3 Legal Implications**

1.3.1 None

### **1.4 Financial and Value for Money Considerations**

1.4.1 There is no cost to signing up to the Declaration.

1.4.2 Development of digital initiatives will have initial cost implications, although one of the objectives will be to improve efficiency and thereby reduce cost in the longer term.

1.4.3 If we are able to secure funding, this will assist in defraying some of the initial outlay.

### **1.5 Risk Assessment**

1.5.1 There is no risk to signing up to the declaration nor submitting a bid. If additional funds are required to take a project forward, this would need to come via the normal budget cycle route.

### **1.6 Policy Considerations**

1.6.1 Customer Contact

1.6.2 Communications

1.6.3 Community

Background papers:

contact: Sharon Shelton

Nil

Sharon Shelton

Director of Finance & Transformation

# Agenda Item 16

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

This page is intentionally left blank

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**

This page is intentionally left blank



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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank



Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

# Agenda Item 20

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

This page is intentionally left blank