

# Public Document Pack



# TONBRIDGE & MALLING BOROUGH COUNCIL

## EXECUTIVE SERVICES

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**Chief Executive**

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

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

9 July 2019

To: **MEMBERS OF THE FINANCE, INNOVATION AND PROPERTY ADVISORY BOARD**  
(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Finance, Innovation and Property Advisory Board to be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Wednesday, 17th July, 2019 commencing at 7.30 pm

Yours faithfully

JULIE BEILBY

Chief Executive

## A G E N D A

### **PART 1 - PUBLIC**

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

To confirm as a correct record the Notes of the meeting of the Finance, Innovation and Property Advisory Board held on 5 June 2019

**Matters for recommendation to the Cabinet**

*The Head of IT will give a presentation on digital transformation and some of the aspirations Members might wish to establish for our Borough, at the start of the meeting.*

*Subject to any amendments required, Members are asked to recommend the **draft digital strategy to Cabinet** which is still being finalised at the time of writing this report and **will be circulated in advance of the meeting**.*

*Members are asked to note the purchase of mobile working software from the Invest to Save Reserve, and recommend to Full Council that it be included in the Capital Plan.*

*Finally, the Advisory Board is asked to note the progress in respect of the website review and the need for all Members to undertake cyber security training.*

*This report gives details of renewal applications for discretionary rate relief.*

*The Council's policy in respect of discretionary rate relief is also attached*

*The report updates Members on the review of the Council Tax Reduction Scheme. Members are asked to agree the broad scheme framework for progression.*

*This report brings together information on the Council's key budget areas of Salaries, Major Income Streams and Investment Income. The performance of the key budget areas, together with the approved variations to the revenue budget and areas identified through revenue budget monitoring are then summarised to provide an indicative overall budget position for the year. The report also updates Members on capital expenditure and variations that have been agreed in relation to the capital plan.*

*This report identifies the post implementation reviews carried out since the meeting of this Board in September 2018 and the capital plan schemes for which reviews will be due. The report also brings forward a post implementation review in respect of the Tonbridge and Malling Leisure Trust (TMLT) IT Infrastructure Capital Grant for consideration and approval.*

## **Matters submitted for Information**

9.	Revenue and Benefits Update	85 - 90
	<i>A report detailing recent developments in respect of council tax, business rates, council tax reduction and housing benefits.</i>	
10.	CIPFA Financial Management Code Consultation	91 - 108
	<i>In March 2019 the Chartered Institute of Public Finance and Accountancy (CIPFA) published "The CIPFA Financial Management Code Consultation". This report provides an overview of the consultation paper, together with our response.</i>	
11.	Urgent items	109 - 110
	<i>Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.</i>	

## **Matters for consideration in Private**

12.	Exclusion of Press and Public	111 - 112
	<i>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.</i>	

## **PART 2 - PRIVATE**

### **Matters for Recommendation to the Cabinet**

13.	Larkfield Leisure Centre - Mechanical, electrical and roofing works	113 - 118
	<i>This report provides Members with details of the risk assessed approach to the appointment of the contractor for the mechanical, electrical and roofing works at Larkfield Leisure Centre. The report also updates on a review of the loss of income claim and potential environmental improvements.</i>	
14.	Debts for Write Offs	119 - 122
	<i>Approval is sought for the writing-off of debts that are considered to be irrecoverable.</i>	
15.	Urgent items	123 - 124
	<i>Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.</i>	

## **MEMBERSHIP**

Cllr M C Base (Chairman)  
Cllr Miss G E Thomas (Vice-Chairman)

Cllr T Bishop  
Cllr J L Botten  
Cllr G C Bridge  
Cllr C Brown  
Cllr R I B Cannon  
Cllr A E Clark  
Cllr M O Davis

Cllr K King  
Cllr Mrs R F Lettington  
Cllr H S Rogers  
Cllr K B Tanner  
Cllr Mrs M Tatton  
Cllr F G Tombolis  
Cllr C J Williams

# Agenda Item 1

Apologies for absence

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# Agenda Item 2

Declarations of interest

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# Agenda Item 3

## TONBRIDGE AND MALLING BOROUGH COUNCIL

### FINANCE, INNOVATION AND PROPERTY ADVISORY BOARD

Wednesday, 5th June, 2019

**Present:** Cllr M C Base (Chairman), Cllr Miss G E Thomas (Vice-Chairman), Cllr T Bishop, Cllr J L Botten, Cllr G C Bridge, Cllr R I B Cannon, Cllr A E Clark, Cllr K King, Cllr Mrs R F Lettington, Cllr K B Tanner, Cllr Mrs M Tatton and Cllr C J Williams

Councillors Mrs J A Anderson, Mrs P A Bates, R P Betts, V M C Branson, M A Coffin, N J Heslop, M A J Hood, F A Hoskins, D Lettington, P J Montague, Mrs A S Oakley, W E Palmer, M R Rhodes and Miss J L Sergison were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors C Brown, M O Davis and F G Tombolis

#### PART 1 - PUBLIC

#### **FIP 19/13 DECLARATIONS OF INTEREST**

Councillor Bishop declared an Other Significant Interest in the item on Larkfield Leisure Centre Capital Schemes on the grounds that he was one of the Council's appointees to the Tonbridge and Malling Leisure Trust and withdrew from the meeting during its consideration.

#### **FIP 19/14 MINUTES**

**RESOLVED:** That the notes of the meeting of the Finance, Innovation and Property Advisory Board held on 9 January 2019 be approved as a correct record and signed by the Chairman.

#### MATTERS FOR RECOMMENDATION TO THE CABINET

#### **FIP 19/15 LARKFIELD LEISURE CENTRE CAPITAL SCHEMES 2019/20 - MECHANICAL, ELECTRICAL AND ROOFING WORK**

The report of the Management Team provided an update on planned capital works to Larkfield Leisure Centre, identified the benefits of incorporating the replacement of the leisure pool hall roof into the scheme together with the cost implications of such an approach. In introducing the report, the Director of Street Scene, Leisure and Technical Services highlighted the efforts to be made to reduce the loss of income claim from the Leisure Trust; the need for a detailed risk assessment in view of recent information concerning the financial performance of the Kier Group of which the selected contractor, Kier Construction Ltd, was a trading arm; the funding shortfall and how it

could be met; and the environmental considerations informing the design of the works to improve energy efficiency.

Details were given of comparative costs of undertaking the ventilation and boiler works and the roof project separately which demonstrated that the combined approach would be more cost effective and minimise the impact of closure on the customers and business of the Leisure Centre. Members were advised that the total capital and revenue cost estimate for the combined works in respect of ventilation, boilers, roof and space frame, including loss of income during the 36 week closure, amounted to £3.397m against a budget of £2.53m, resulting in a budget shortfall of £867,000.

Considerable discussion ensued and Members requested a report back to the next meeting on the risk assessment and an update on progress.

**RECOMMENDED:** That based on independent advice and detailed financial appraisal:

- (1) the proposed scheme outlined in the report to undertake a package of works to ventilation, boilers, leisure pool hall roof and space frame at Larkfield Leisure Centre be approved;
- (2) the increased cost of £867,000 be met from the Leisure Trust reserve and the Revenue Reserve for Capital Schemes and the relevant revenue and capital budgets be amended accordingly;
- (3) the works be progressed to commence early October 2019 for a period of 36 weeks;
- (4) liaison continue with the Tonbridge and Malling Leisure Trust to minimise the impact of the works on customers and the loss of income claim to the Council; and
- (5) officers be requested to undertake a risk assessment with respect to Kier and report back to the next meeting of the Advisory Board on 17 July 2019.

\*Referred to Cabinet

## FIP 19/16 FINANCIAL PLANNING AND CONTROL

Decision Notice D190039MEM

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 together with approved variations, virements and issues identified via revenue budget monitoring for both the year ended 31 March 2019 and the first month of 2019/20, and for 2018/19 details of the Kent-wide 100% Business Rates Retention pilot.

The information was aggregated to provide a provisional outturn position for 2018/19 and an indicative outturn position for 2019/20. The former showed a contribution to the General Revenue Reserve £35,144 less than the revised estimate after transferring an additional £400,000 and £250,000 respectively to the Tonbridge and Malling Leisure Trust and Building Repairs earmarked reserves in recognition of recent and future cost pressures.

An update was also given on capital expenditure and variations agreed in relation to the capital plan for the year ended March 2019 and the month of April 2019.

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

**FIP 19/17 COUNCIL TAX REDUCTION SCHEME**

Decision Notice D190040MEM

The report of the Director of Finance and Transformation gave an update on the progress of the review of the scheme for Council Tax Reduction which had existed in its current form since April 2017. Details were given of the key issues raised and it was noted that options for the new scheme would be presented to the next meeting of the Advisory Board prior to public consultation.

**RECOMMENDED:** That

- (1) the progress made and key issues being addressed in respect of the review of the Council Tax Reduction Scheme for 2020/21 be noted;
- (2) a report be submitted to the next meeting of the Advisory Board on 17 July detailing proposals and options for consideration and consultation; and
- (3) subject to the content of the report in July, the proposal to go out to public consultation during summer 2019 be endorsed.

**MATTERS SUBMITTED FOR INFORMATION**

**FIP 19/18 PUBLICATION OF ALLOWANCES PAID TO MEMBERS IN FINANCIAL YEAR 2018/19**

The Advisory Board received a copy of the statement of the actual allowances paid to Members during the financial year 2018/19 which had been published in accordance with Regulation 15(3) of the Local Authorities (Members Allowance) (England) Regulations 2003.

**MATTERS FOR CONSIDERATION IN PRIVATE**

**FIP 19/19 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 8.07 pm

## TONBRIDGE & MALLING BOROUGH COUNCIL

### FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

17 July 2019

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

##### Part 1- Public

##### Matters for Recommendation to Cabinet - Council Decision

###### **1 IT STRATEGY AND DIGITAL STRATEGY UPDATE**

The Head of IT will give a presentation on digital transformation and some of the aspirations Members might wish to establish for our Borough, at the start of the meeting.

Subject to any amendments required, Members are asked to recommend the draft digital strategy to Cabinet which is still being finalised at the time of writing this report and will be *circulated in advance* of the meeting.

Members are asked to note the purchase of mobile working software from the Invest to Save Reserve, and recommend to Full Council that it be included in the Capital Plan.

Finally, the Advisory Board is asked to note the progress in respect of the website review and the need for all Members to undertake cyber security training.

###### **1.1 Introduction**

1.1.1 At its meeting on 23 May 2018, Members of the Advisory Board approved a new IT Strategy for the period 2018 – 2022. The strategic objective areas are;

- Customers – improved use of the website by customers. Greater use of “end-to-end” digital services in order to deliver efficiencies in back office processes.
- Staff – ensure officers are provided with up to date and efficient tools and systems for the tasks they are performing. Officers will also be involved in all areas of the projects delivered under the strategy and provided with any support and training that is necessary.
- Members – provide regular technology training sessions for members so they are fully briefed on the latest developments.
- Partners – continue to participate on shared projects with other organisations where there is mutual benefit.

- IT Infrastructure – challenge our current use of legacy business systems and evaluate cloud hosted alternatives.
- Information Security – ensure that risks around information security are managed effectively and is understood at both Member and Management Team level.
- Business Continuity and Disaster Recovery – make sure that changes which arise from projects in the strategy are fully reflected in our Business Continuity and Disaster Recovery plans.

1.1.2 Members of this Advisory Board were updated in January this year on progress with the Strategy, and in particular the redevelopment of the website and the ‘digital agenda’.

## **1.2 Digital Strategy**

- 1.2.1 Members may be aware that the Council appointed a new Head of IT, Ganesh Thangarajah, who commenced in April and brings with him a wealth of experience, ideas and knowledge in developing digital strategies and digital transformation in local government. **The Head of IT will give a presentation on digital transformation and some of the future aspirations Members might wish to establish for our Borough, at the start of the meeting.**
- 1.2.2 Prior to the Head of IT commencing and as outlined in the previous report to the Board in January, Management Team also took the decision to engage a ‘head of digital’ officer from another district council in Kent on a ‘consultancy’ basis in order to help us gather momentum.
- 1.2.3 Members are reminded that in September 2018 the Council became a signatory to the MCHLG’s Local Government Digital Declaration. In signing the declaration, the Council has committed itself, along with over 150 other local government bodies, to:
- utilise research and data in our transformation programmes
  - work towards a shared national service design standard
  - procure new software to shared national standards
  - share our knowledge with others to help improve service delivery
  - share data and information to better serve our customers
  - create common solutions that can be used across local government
  - keep up to date with the changing digital and technology landscapes

- 1.2.4 At a more local level, we have been working closely with other councils in Kent to share knowledge, experience and projects, including through the Kent Connects network. This gives the Council access to information, training and advice on digital and technology issues. The Council is also a subscriber to the Smarter Digital Services (SDS) network, which also provides training and planning for digital transformation programmes, projects and reviews.
- 1.2.5 Our ‘digital by default’ officer group consisting of officers from across the Council, as well as being bolstered by our new Head of IT and our ‘consultant’, have been working hard to prepare for digital transformation. Currently business process mapping is taking place across the Council with the assistance of SDS.
- 1.2.6 I am pleased to report that significant progress is being made in preparing our journey for digital transformation. I shall come onto the website later in the report (see paragraph 1.4) as this is an important lynchpin of our digital agenda and one which is of particular interest to Members.
- 1.2.7 In terms of our digital agenda there are a number of key drivers (in no particular order) that are integral to the strategy that the Council adopts:
- Increasing service demands;
  - Diminishing resources;
  - The green agenda;
  - Evolution of customer expectations;
  - Disconnected communities;
  - Work life balance for staff;
  - Loss of resilience in the local economy;
  - Changing technological landscape.
- 1.2.8 As supported by Management Team, we believe the five core digital principles are:
- 1) ‘One Council’
  - 2) An Efficient Workforce
  - 3) Demand Management
  - 4) Economic Growth; and
  - 5) A ‘Smart’ Borough

All of these core principles will be explored further in the presentation.

- 1.2.9 The mission of our digital strategy will be to deliver the priorities of the Council, through challenge, innovation and transformation underpinned by technology. The vision will be to become an authority where the communities and businesses we serve are able to engage and transact with us seamlessly, irrespective of the services they access.
- 1.2.10 This is a challenge of course, but sets a direction of travel that I believe is the one we need to take.
- 1.2.11 **At the time of writing, the draft Digital Strategy is in the process of being finalised for Members' consideration and will be circulated separately before 17 July.**
- 1.2.12 Members are requested to **review** the draft strategy and, subject to any amendments Members might have, **recommend** its adoption by Cabinet.

### **1.3 Mobile Working**

- 1.3.1 One of the strands of digital transformation that has emerged from the one to one discussions with Directors and staff that the Head of IT has held is the pressing need for a robust and efficient digital solution for staff who work 'in-field' (examples include food safety, environmental health staff and planners).
- 1.3.2 The Head of IT has reviewed the business need and investigated potential solutions as set out in the attached capital plan evaluation **[Annex 1]** and this has the full support of Management Team. Members should note that the relatively modest capital cost of £23,000 can be funded from the Invest to Save Reserve and the annual revenue costs can be absorbed within the IT Software support budget.
- 1.3.3 In view of the pressing need to move forward, in liaison with the Leader, Cabinet Member for Finance, Innovation & Property, Chairman of this Advisory Board, Chairman of Overview and Scrutiny Committee and the two Vice-Chairs of Overview and Scrutiny in order to seek delegated authority to place an order. Approval was given and an order was therefore placed. It is hoped that the solution can be ready to roll out to staff within a few months.
- 1.3.4 In accordance with the Council's normal procedures, this project needs to be added to the Capital Plan. This can only be done by Full Council so a **recommendation** through this report is for the Capital Plan to be updated accordingly.

## 1.4 Website

- 1.4.1 As mentioned earlier in the report, the website is an important lynchpin of our digital agenda and one which is of particular interest to Members.
- 1.4.2 The redesign of our website has to be approached in two parts: firstly from the “business/service” angle, and secondly from the IT design end.
- 1.4.3 The “business/service” review is being led by the Head of Licensing, Community Safety and Customer Services with a group of officers representing the whole Council. In redesigning the look, feel and content of the website it is critical to put the customer at the core.
- 1.4.4 The work on website design and content falls into two distinct categories:
  - Core transactional (mainly statutory services)
  - Commercial/Promotional/news website
- 1.4.5 Engagement with the users of TMBC’s website is critical to understand ‘*How they are using it now?*’; ‘*What are TMBC doing right?*’; and understanding ‘*What they want to see?*’
- 1.4.6 To enable TMBC to understand clearly the answers to these questions, a number of short online surveys have been written by the Head of Licensing, Community Safety and Customer Services, covering
  - a) general website users
  - b) business community
  - c) visitors to the Borough
  - d) visitors to reception; and
  - e) TMBC staff and Members.
- 1.4.7 The Customer Service teams at Kings Hill, Tonbridge Castle and at the Customer Service Surgeries are engaging with customers in filling a very short survey for each visit. This is helping us very clearly to understand, if the query can be completed on-line and helping TMBC identify any awareness/training that is needed to support the development of the digital on-line agenda.
- 1.4.8 Over the last 3 years, users to the TMBC website have requested 278,759 unique searches, with searches on Council Tax, Parking, Planning, Waste Services, Housing and Jobs making up the top six.

1.4.9 The officers with the two groups have been developing the hierarchy of their respective service areas, identifying what the users will see first, then after the user has chosen that option, what the user will see next.

Example: (this is just a *small* extract from Housing)

1 <sup>st</sup> tier	Housing		
2 <sup>nd</sup> tier	Apply for social housing	Find a home	Get advice about homelessness
3 <sup>rd</sup> tier	Complete an assessment	Apply to join our Housing Register	Online form – find out what help you might get.

1.4.10 The completed hierarchy will then be shown to the user, to enable TMBC to understand if the user is comfortable with the words used within the proposed hierarchy. Customers do not necessary group services and needs by TMBC Service areas.

1.4.11 Engagement with the users to test proposed hierarchy will be via on-line and group sessions using word cards. The group would like to also involve Members in this process, and perhaps the first port of call for this could be liaison with the Member Working group for the website which was being coordinated by the Leader following discussion at this Advisory Board in January 2019.

1.4.12 For information, the Leader has agreed that the Member group is to consist of:

- Cllr Martin Coffin (Chair)
- Cllr Matt Boughton
- Cllr Robin Betts
- Cllr Georgina Thomas
- Cllr Mrs Anita Oakley

1.4.13 The general timetable for the business/service work is:

- Engagement with Customers – July/ August
- Engagement with Members - July/August
- Recommendations to Digital Group/ Management Team regarding website specification – September

- Development of content - October onwards

- 1.4.14 Once the business/service end has been specified, the IT team can then procure and deliver the web platform for population of content by the business/service group.
- 1.4.15 Whilst it is difficult to say exactly when this work will be complete, we plan to have this ready by April 2020.
- 1.4.16 Naturally, officers will work alongside the appointed Members of the website working group, with meetings called as and when appropriate.

## **1.5 Training and Awareness for Members**

- 1.5.1 Member will be aware of the heightened profile of cyber security. Some Members might recall that I reported to this Advisory Board in January following the LGA's cyber stocktake exercise, and since then we have prepared a separate risk register on cyber security as recommended through that exercise.
- 1.5.2 One of the other recommendations was that all staff and Members receive cyber security training. I am pleased to say that we have procured some on-line training which is already being rolled out on a phased basis. The training not only covers cyber security but also the use and retention of personal data, which has of course become extremely sensitive since the introduction of the General Data Protection Regulations in May last year.
- 1.5.3 This training will be rolled out to Members by email and each Member will be asked to log in and commence their training. The training consists of a set of modules so can be done in small "chunks". We have received good feedback on the training so far, and I would encourage Members to undertake it as soon as practical – it is extremely pertinent from a business perspective of course, but it is also helpful on a personal level!

## **1.6 Legal Implications**

- 1.6.1 None at this stage.

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

- 1.7.1 Mobile working software can be funded from the Invest to Save Reserve.
- 1.7.2 The Invest to Save Reserve can also provide opportunities to support the implementation of other digital solutions as identified through the digital strategy.

## **1.8 Risk Assessment**

- 1.8.1 The risk of not moving forward with the digital agenda is that the Council may not be providing services in the ways that our residents wish.

1.8.2 We believe that digital solutions can help to manage demand pressures and make limited resources/capacity go further.

## **1.9 Equality Impact Assessment**

1.9.1 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.

## **1.10 Policy Considerations**

1.10.1 Customer Contact

1.10.2 Human Resources

1.10.3 Communications

1.10.4 Community

## **1.11 Recommendations**

1.11.1 Members are requested to:

- 1) **Review** the draft digital strategy and, subject to any amendments Members might have, **recommend** its adoption by Cabinet;
- 2) **Note** the decision taken in liaison with the Members set out in the report, to proceed with the purchase of mobile working software funded from the Invest to Save Reserve;
- 3) **Recommend** to Full Council that the Capital Plan is updated to include the mobile working software;
- 4) **Note** the progress in respect of the website review; and
- 5) **Note** the need for all Members to undertake cyber security training.

Background papers:

Nil

contact: Ganesh Thangarajah  
Sharon Shelton  
Anthony Garnett

Sharon Shelton  
Director of Finance and Transformation

## Capital Plan List C – Evaluation

1	<b>Corporate IT Initiatives: Enterprise Mobile Working Solution</b>														
1	<b>Specification:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; vertical-align: top;">(i)</td><td style="width: 25%;"><b>Purpose of the scheme</b></td><td colspan="2">To enable in-field workers to work more efficiently without having to duplicate their efforts in typing the information into line of business application systems.</td></tr> <tr> <td style="vertical-align: top;">(ii)</td><td><b>Relevance to National / Council's Objectives</b></td><td>(a) National: The Green Agenda</td><td>(b) Council: Cost reduction, Income Generation, Legislative compliance (GDPR,PSN)</td></tr> <tr> <td style="vertical-align: top;">(iii)</td><td><b>Targets for judging success</b></td><td>(a) Improved operational efficiency amongst in-field/mobile workers (i.e. visiting officersinspectors)</td><td>(b) Significant reduction in use of paper with in-field workflows</td></tr> </table>			(i)	<b>Purpose of the scheme</b>	To enable in-field workers to work more efficiently without having to duplicate their efforts in typing the information into line of business application systems.		(ii)	<b>Relevance to National / Council's Objectives</b>	(a) National: The Green Agenda	(b) Council: Cost reduction, Income Generation, Legislative compliance (GDPR,PSN)	(iii)	<b>Targets for judging success</b>	(a) Improved operational efficiency amongst in-field/mobile workers (i.e. visiting officersinspectors)	(b) Significant reduction in use of paper with in-field workflows
(i)	<b>Purpose of the scheme</b>	To enable in-field workers to work more efficiently without having to duplicate their efforts in typing the information into line of business application systems.													
(ii)	<b>Relevance to National / Council's Objectives</b>	(a) National: The Green Agenda	(b) Council: Cost reduction, Income Generation, Legislative compliance (GDPR,PSN)												
(iii)	<b>Targets for judging success</b>	(a) Improved operational efficiency amongst in-field/mobile workers (i.e. visiting officersinspectors)	(b) Significant reduction in use of paper with in-field workflows												
2	<b>Description of Project / Design Issues:</b> <p>As part of the Digital transformation effort IT services have undertaken a review of the operational processes for the in-field/visiting officers amongst various council services (i.e. Environmental health officers, Food &amp; Safety Inspectors, Environmental protection officers, Waste inspectors, Health improvement officers, Housing Technical Officers, Housing Options Officers, Accommodation &amp; Support Officers, Planning Enforcement Officers, Planning officers, Landscape Officer, Planning Technical Officers, Parks officers, etc.).</p> <p>Currently, the in-field/visiting officers' operational efforts involve printing of existing documents and forms in preparation for their visits. Once on site, they fill in the information collected on paper forms and duplicate their efforts in typing the gathered information into relevant business systems once they are back at the office. They also manually index and store any evidence gathered during the visits, such as photographs and signatures. Production of performance management reports are also produced manually along with production of confirmation/communication (i.e. Letters) back to the clients. Accumulatively, these manual process causes inefficiencies, where a significant proportion of staff's productive time are wasted on administering paper work. Hence, the services face the challenge of sustaining the quality of service, whilst meeting the ever increasing demand with diminishing resources.</p> <p>Total mobile system provides an enterprise solution that can be rapidly deployed to in-field officers irrespective of their field of work or the line of business systems their service uses. This will enable the services to:</p> <ul style="list-style-type: none"> <li>• Cut down on paper-based administration – with an intuitive application and easy-to-use forms, paperwork is reduced, re-typing information is eliminated and information is stored securely</li> <li>• Greater workforce capacity - increase field service capacity and unlock essential staff time that can then be used to focus on key frontline services</li> </ul>														

## Capital Plan List C – Evaluation

	<ul style="list-style-type: none"> <li>• Simplified access to information – access to all relevant job information and field data via a single mobile source</li> <li>• Improve SLA performance – deliver a more responsive, efficient workforce to improve SLA performance.</li> <li>• Deliver compliance – ensure processes are adhered to and the correct information is captured to maintain compliance with legislation</li> <li>• Increase employee satisfaction – with smarter scheduling and intuitive mobile workforce management, field staff enjoy an improved work / life balance.</li> <li>• Reduce costs - minimise organisation overheads and a reliance on agency staff through improved processes, reduced travel and administration</li> </ul> <p>The software will be hosted on existing servers and databases. Thus incurring no further revenue overheads.</p> <p>Internal IT staff will be trained to develop and deploy solutions. This will help sustain the design and minimise development costs whilst enabling the services to exploit the art of the possible in line with their business demands. This will also help generate income via potential provision of 'Mobile Working solution' as a service (SaaS) or a Platform (PaaS) to other Kent authorities with similar disciplines of services.</p>												
3	<p><b>Milestones / Risk:</b></p> <p>Milestones: Procurement, Implementation and Deployment.</p> <p>Risk: The current levels of inefficiency coupled with the increase in service demand across services will result in increased operational cost or degradation in quality of service.</p>												
4	<p><b>Consultation:</b></p> <p>Discussions have taken place with Management Team with regard to immediate requirement of an Enterprise Mobile working solution.</p>												
5	<p><b>Capital Cost:</b></p> <p>46 User licenses. Total cost of £23,000</p>												
6	<p><b>Profiling of Expenditure</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 15%;">2019/20 (£'000)</th> <th style="text-align: center; width: 15%;">2020/21 (£'000)</th> <th style="text-align: center; width: 15%;">2021/20 (£'000)</th> <th style="text-align: center; width: 15%;">2022/23 (£'000)</th> <th style="text-align: center; width: 15%;">2023/24 (£'000)</th> <th style="text-align: center; width: 15%;">2024/25 (£'000)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">23</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	2019/20 (£'000)	2020/21 (£'000)	2021/20 (£'000)	2022/23 (£'000)	2023/24 (£'000)	2024/25 (£'000)	23					
2019/20 (£'000)	2020/21 (£'000)	2021/20 (£'000)	2022/23 (£'000)	2023/24 (£'000)	2024/25 (£'000)								
23													
7	<p><b>Capital Renewals Impact:</b></p> <p>Nil</p>												
8	<p><b>Revenue Impact:</b></p> <p>Loss of investment income of £900 per annum (£23,000 at 4%). Annual support and maintenance of £4,600 per annum (20% of capital cost).</p>												

### Capital Plan List C – Evaluation

9	<b>Partnership Funding:</b> None		
10	<b>Project Monitoring / Post Implementation Review:</b> Project to be managed by IT services. Post implementation review to be conducted 12 months after completion.		
11	<b>Screening for equality impacts:</b>		
	<b>Question</b>	<b>Answer</b>	<b>Explanation of impacts</b>
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	N/A	
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	N/A	
	c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?	N/A	
12	<b>Recommendation:</b> Scheme be added to List A, funded in full from the Invest to Save Reserve.		

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# Agenda Item 5

## TONBRIDGE & MALLING BOROUGH COUNCIL

## FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

17 July 2019

### Report of the Director of Finance and Transformation

#### Part 1- Public

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

#### 1 APPLICATIONS FOR DISCRETIONARY RATE RELIEF

A report giving details, at paragraph 1.1, of renewal applications for discretionary rate relief.

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

##### 1.1 Renewal applications for discretionary rate relief

- 1.1.1 Members will be aware that discretionary rate relief can be granted (as shown at [ANNEX 1]) either as a top-up to mandatory rate relief (in respect of charitable organisations and community amateur sports clubs) or, on its own, to non profit-making organisations that are not charities etc. (and do not therefore qualify for mandatory rate relief).
- 1.1.2 Organisations that had awards of discretionary rate relief time-limited to 31 March 2019 were invited to re-apply, and I have listed, at [ANNEX 2], an application from Carers First that has recently been received.
- 1.1.3 The annex details the level of discretionary rate relief awarded in 2018/19 and the proposed amount of relief the organisation would receive in 2019/20.
- 1.1.4 There is no longer a direct cost to the Council in awarding relief. However, Members should note that all awards of relief affect the Council's business rate yield; for 2019/20, based on previous criteria and level of applications, it has been estimated that £212,176 discretionary relief will be awarded.
- 1.1.5 Since making their application, I have been notified that the office has been re-assigned to another organisation. However, for the period of time the office was in use (1 April 2019 to 18 June 2019), I believe that they complied with the policy, and were of particular benefit to the needs of the residents of the Borough. Therefore, there appear to be good grounds for awarding the current level of discretionary rate relief in this case.

- 1.1.6 At the previous meeting of this Board, Members endorsed the practice of advising organisations that there could be a reduction in the level of relief awarded in the future. Members also recommended a requirement for organisations to reapply every two years with the exception of scout/guides groups which were regarded as “de minimis” in terms of the level of relief awarded.
- 1.1.7 Members are **REQUESTED** to **RECOMMEND** to Cabinet that, in respect of the re-application for relief as shown at **[ANNEX 2]**, discretionary rate relief be awarded for the period 1 April 2019 to 18 June 2019.

## **1.2 New applications for discretionary rate relief**

- 1.2.1 Since the last meeting of the Board, I have received two new applications for rate relief that have reached a stage where they are ready for Members’ consideration. I give below further details of these applications.
- 1.2.2 **Empathy Action, Unit 5a & 5b Cannon Bridge Works, Cannon Lane, Tonbridge, Kent, TN9 1PP. Rateable Value £30,250**
- 1.2.3 The applicant is a registered charity and I have therefore granted 80% mandatory rate relief. It is for Members to decide whether discretionary relief should be granted as well.
- 1.2.4 The aim of the charity is to promote the prevention and relief of poverty and to advance education by providing experiential learning opportunities; undertaking research and assisting in the provision of projects to enable individuals to generate a sustainable income.
- 1.2.5 The property is used for constructing, maintaining and storing sets/equipment that are their mobile workplaces which are in use throughout the year. It is also used as rehearsal space for their team when preparing for their programmes.
- 1.2.6 As the property is used mainly for storage and the organisation is based in Tunbridge Wells, Members might be inclined to refuse an award of discretionary relief as the policy states the Council is unlikely to grant relief unless there is some specific benefit to the residents of Tonbridge & Malling Borough Council over and above the benefit to the residents of other areas in which the charity operates.
- 1.2.7 However, should Members decide to award the maximum 20% ‘top up’ relief as a ‘special case’, the applicant will receive £3,506.81 for the period 4 February 2019 to 31 March 2020.
- 1.2.8 Members are **REQUESTED** to consider the application and make an appropriate **RECOMMENDATION** to Cabinet regarding discretionary rate relief. If relief is awarded, Members are requested to consider time-limiting any awards of relief, initially, to 31 March 2021 as per para 1.1.6.

- 1.2.9 **Hospice Of Hope Romania Ltd, Unit 6, The Granary, Goblands Farm, Court Lane, Hadlow, Tonbridge, Kent, TN11 0DP. Rateable Value £2,550**
- 1.2.10 The applicant is a registered charity and I have therefore granted 80% mandatory rate relief. It is for Members to decide whether discretionary relief should be granted as well.
- 1.2.11 The aim of the charity is to raise money for hospice care. Although the charity has a trading arm (Hospices of Hope Trading Ltd), this is not applicable in this case as the property is used to store hospice medical supplies. The charity is therefore the liable party for rating purposes.
- 1.2.12 As the property is used solely for storage, Members might be inclined to refuse an award of discretionary relief as the policy states the Council is unlikely to grant relief unless there is some specific benefit to the residents of Tonbridge & Malling Borough Council over and above the benefit to the residents of other areas in which the charity operates.
- 1.2.13 However, should Members decide to award the maximum 20% 'top up' relief as a 'special case', the applicant will receive £341.08 for the period 20 November 2018 to 31 March 2020.

### **1.3 Legal Implications**

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

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

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

### **1.5 Risk Assessment**

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

### **1.6 Equality Impact Assessment**

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

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

Background papers:

contact: Glen Pritchard  
01732 876146

Applications for relief from the organisations referred to in the main body of the report received since April 2019 and held in Financial Services.

Sharon Shelton  
Director of Finance and Transformation

## **DISCRETIONARY RATE RELIEF POLICY 2019/20**

### **Background**

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

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

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

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

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

### **Charity Relief – Mandatory Relief (80%)**

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

#### **Charity registration**

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

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

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

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

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

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

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

```

graph LR
    A[Discretionary 'Top-up' – up to 20% paid by:] --> B[40% TMBC  
9% Kent County  
1% Kent Fire]
    A --> C[50% Government]
  
```

## **Discretionary Relief (up to 100%)**

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

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

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

**Discretionary – up to 100% paid by:**

```

graph LR
    A[Discretionary – up to 100% paid by:] --> B[40% TMBC  
9% Kent County  
1% Kent Fire]
    A --> C[50% Government]
  
```

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

## **Factors to be used in determining awards of Discretionary Rate Relief**

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

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

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

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

#### **Meaning of 'special needs'**

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

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

#### **Restrictions on the granting of relief**

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

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

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

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

### **Special cases**

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

### **Application Process**

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

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

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

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

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

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

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

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

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

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

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

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

### **Affordability**

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

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

### Decision Form

**Name of Organisation:**

**Reason for Application:**

**Liability.....**

**Discretionary Rate Relief Awarded**

**YES**

**NO**

**If yes Amount Awarded.....**

Awarding Discretionary Rate Relief – Factors Considered by Members of the Finance, Innovation & Property Advisory Board

Reason for refusing Discretionary Rate Relief, if applicable

Signed.....

Dated.....

**ANNEX 2**

<b>Organisation</b>	<b>Address</b>	<b>Relief awarded 2018/19</b>	<b>Proposed relief to be awarded 2018/19</b>
Carers First	146A High Street, Tonbridge, Kent, TN9 1BB	20% Top Up	£141.42
			<b>£141.42</b>

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# Agenda Item 6

TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

17 July 2019

## Report of the Director of Finance and Transformation

### Part 1- Public

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

##### 1 COUNCIL TAX REDUCTION SCHEME 2020/21

The report updates Members on the review of the Council Tax Reduction Scheme. Members are asked to agree the broad scheme framework for progression.

###### 1.1 Introduction

1.1.1 At this Board on 5 June 2019 Members considered and approved the recommendations to;

- 1) Note the progress being made and key issues being addressed in respect of the review of the Council Tax Reduction Scheme for 2020/21.
- 2) Agree that a report should be submitted to the next meeting of this Advisory Board on 17 July which detailed proposals and options for consideration and consultation
- 3) Subject to the content of the report in July, endorse the proposal to go out to public consultation during Summer 2019

###### 1.2 Key Issues

1.2.1 I must emphasise, in proposing a new Scheme, across Kent we are working on the premise that the overall cost envelope will remain as close to the current cost as possible - we are not looking to deliver "savings or cuts" from this review, but to meet the changing needs of a Scheme.

1.2.2 Detailed modelling of proposed changes is necessary to assess the financial impact on residents and our Budget. Analysis will be used to validate options for consultation and inform equality impact assessments. Modelling is currently underway and expected to be completed over the next month.

1.2.3 Any proposals must be made with consideration to the technical constraints placed by the software used to administer the Scheme.

- 1.2.4 In parallel with the review, representatives from the Kent district councils are working with the major precepting authorities to formulate a revised funding ‘model’ for assistance towards the administrative costs of running the schemes. This is in recognition of the fact that the operation of a scheme, as it stands or with changes, has a cost borne by each billing authority but to the benefit of major preceptors, ie Kent County Council, Kent Fire & Rescue, Kent Police & Crime Commissioner, through Council Tax receipts.
- 1.2.5 It is recognised that whenever changes to a scheme are made, there may be detrimental impact on some residents. It is suggested that the Council continues to operate its Exceptional Hardship Payment scheme to support those residents who suffer from any disproportionate impacts.
- 1.2.6 Any proposed change would only relate to working age residents as the scheme for pension age applicants is prescribed by Central Government and cannot be amended.
- 1.2.7 Each Council must undertake public consultation prior to adopting a new Scheme. The consultation on proposals and options for a new Scheme will need to take place in late Summer / Autumn 2019.

### **1.3 Proposed New Scheme**

- 1.3.1 As mentioned at the meeting in June, a group of Finance Officers from the Kent districts have been working closely together in setting the objectives of the review, and maintaining a common approach to the design of the local schemes. A consultant has been appointed on behalf of the Kent districts and major precepting authorities, all sharing the associated costs. The consultant has been assisting in the evaluation of alternative scheme models, the public consultation process and with the equality impact assessment documents.
- 1.3.2 The aim of the exercise is to simplify and reduce the cost of administration of the scheme whilst keeping the overall expenditure of the replacement scheme cost neutral. That is, although there may be some individual households who win or lose under a new scheme, in total a similar amount of financial support will remain across the Borough.
- 1.3.3 The necessity to change our current reduction scheme is driven by the ongoing migration of housing benefit claims to Universal Credit (UC). Universal Credit is replacing housing benefit in the Borough for most working age households. Currently around 100 households per month are moving on to the new benefit, with a complete transfer due sometime before 2024.
- 1.3.4 Individual Universal Credit awards are assessed each month by the Department for Work and Pensions (DWP). With automated transfer of data between the DWP and Council computer systems, the continual UC recalculations cause frequent changes to a household’s Council Tax Reduction (CTR) award. Under our current scheme, a change as little as a penny in a UC award will trigger a re-assessment

for CTR, generating a new council tax bill, notification letters and probably adjusting the timing and amounts of monthly instalments, causing excessive administration for the Council and confusion for householders. As the number of households assisted with UC and CTR increases, so does the administrative burden and cost for the Council.

- 1.3.5 The proposal is to move from a means tested reduction towards an income based discount. The implementation of a set of income bands and associated fixed discounts will create a simplified, easy to understand and administer scheme. Banding schemes have become more common in areas where Universal Credit has had an earlier impact. The basis of the proposed scheme is to calculate the total income of the applicant and partner, make some allowance for the household composition and apply a percentage discount on the Council Tax bill.
- 1.3.6 An income-banded scheme would reduce the number of changes to entitlement making it simpler for the claimant to understand and to budget; and at the same time improve efficiency of billing and collection. Whilst the Council still needs to review each change, this simplifies the assessment process for officers, treating CTR more as a discount and moving away from it being a benefit with traditional complex benefit rules.
- 1.3.7 For similar reasons, three Districts in Kent went through this exercise last year, introducing 'banded' schemes from 1 April 2019. We are fortunate that representatives from these Councils attend our meetings, sharing experiences and providing advice. Early indicators show success in achieving the aims we are seeking.
- 1.3.8 An **example** of a banded scheme can be seen in **Table 1** below where households are distinguished by those with and without children, while the discount figure is the level of discount from the council tax bill.

#### 1.4 **Table 1: Example Banded Scheme**

<b>Discount</b>	<b>Single Weekly Income (£)</b>	<b>Couple Weekly Income (£)</b>	<b>1 Child Weekly Income (£)</b>	<b>2+ Children Weekly Income (£)</b>
<b>80%</b>	0 – 110	0 – 160	0 – 190	0 – 270
<b>60%</b>	110.01 – 150	160.01 – 190	190.01 – 220	270.01 – 340
<b>40%</b>	150.01 – 190	190.01 – 220	220.01 – 270	340.01 – 420
<b>20%</b>	190.01 – 280	220.01 – 310	270.01 – 340	420.01 – 495

1.4.1 The Council is currently considering consultation on the following changes for the scheme for 2020/21;

- Introducing a banded scheme incorporating an income ‘grid’ for all working age applicants replacing the current means tested approach which was based on the previous Council Tax Benefit scheme  
(Option 1)
- Limiting the number of dependent children used in the calculation of support to two for *all* working age applicants  
(Option 2)
- Changing the claiming process for all applicants who receive Universal Credit to make it easier  
(Option 3)
- Removing the current earnings disregards and replacing them with a standard disregard of £25  
(Option 4)
- Disregarding Carer’s Allowance which is currently taken into account as income (Option 5)
- Introducing a special disregard to off-set losses of certain disability premia  
(Option 6)
- Disregarding the Support element of any Employment and Support allowance  
(Option 7)
- Introducing a Minimum Income Floor for self-employed applicants of £250 from the date of claim  
(Option 8)
- Reducing the current capital limit from £16,000 to £6,000  
(Option 9)

## **1.5 Alternative Choices**

1.5.1 The consultation questionnaire will ask if changes should be made to our current scheme and seek opinion as to how rising costs could otherwise be met, such as:

- Raising Council Tax, which may require a local referendum
- Use of reserves, perhaps a short-term option but does not represent a sustainable solution and may divert investment in other Council services

- Increasing charges for other services, raising fees and charges to customers for services that are already chargeable to support a Council Tax Reduction Scheme
- Further cuts to Council services (*over and above those already required through the MTFS*) to fund the scheme

## **1.6 Consultation**

- 1.6.1 Over the coming weeks, most Kent district councils will report similarly to their Members to seek authority to proceed in the way outlined within this report.
- 1.6.2 The Council has a statutory duty to consult on a proposed scheme. Case-law has determined the guiding principles for fair consultation. Regard will be made to the rules around consultation laid out through the Supreme Court Ruling in the case of *R (on the application of Moseley) v London Borough of Haringey* (2014) and in particular, the need to set out alternative choices within the consultation.
- 1.6.3 The guiding principles which have been established through case-law for fair consultation are as follows:
- The consultation must be carried out at a stage when proposals are still at a formative stage
  - Sufficient information on the reasons for the decision must be provided to permit the consultees to carry out intelligent consideration of the issues and to respond
  - Adequate time must be given for consideration and responses to be made
  - The results of the consultation must be properly taken into account in finalising any decision
- 1.6.4 In addition, an Equality Impact Assessment (EQIA) is necessary to consider the effect of potential changes on groups with protected characteristics. A full EQIA will be prepared and considered prior to any final decisions being taken.
- 1.6.5 The Kent Finance Officers' group are currently working closely with the consultant in order to prepare robust and consistent consultation material that can be individually branded by each participatory District. The group's agreed project timetable anticipates consultation commencing in August/September and allowing a minimum of 8 weeks for members of the public and other relevant stakeholders to comment.
- 1.6.6 The consultation will be primarily web based, but it will be important to write to all claimants to draw their attention to the consultation. Paper copies of the questionnaire will be available on request. Additionally, it will be important to solicit qualitative feedback from stakeholder groups such as the CAB, local debt advice

agencies, registered social landlords and other organisations with a significant interest. There is also a duty to consult with the major precepting authorities.

- 1.6.7 Given the tight timescales we are all working towards, through this report I am **seeking delegated authority for me to finalise the consultation material and undertake the consultation in liaison with the Chair, Vice Chair and Cabinet Member for Finance, Innovation & Property** taking on board any thoughts or observations Members may have.
- 1.6.8 My intention is to report details of the consultation to the Board at our next meeting of 18 September 2019. By this point in time the consultation should be underway.
- 1.6.9 Following the consultation, review of its outcomes and full equality impact assessment, a further report will be made to the Board at our meeting scheduled for 8 January 2020. I then propose to take forward comments and recommendations to the Cabinet meeting of 28 January 2020 for the Council Tax Reduction Scheme 2020/21 to be adopted by Full Council 18 February 2020.

## **1.7 Legal Implications**

- 1.7.1 The Council has a statutory duty to consult on a proposed scheme.

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

- 1.8.1 The cost of consultancy has been shared by all Kent authorities. TMBC's share of this cost is under £500.
- 1.8.2 It is anticipated that there will be some (limited) direct costs associated with the consultation process which will be funded from the Council Tax Support budget.
- 1.8.3 With the objective for a new scheme to remain cost neutral there will be minimal impact on the Council Taxbase, removing the risk of a new scheme creating a budget discrepancy within 2020/2021.

## **1.9 Risk Assessment**

- 1.9.1 If consultation is not carried out appropriately, there is a risk of challenge once a decision is taken.

## **1.10 Equality Impact Assessment**

- 1.10.1 Decision-makers are required under the Public Sector Equality Duty (s149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups.

1.10.2 A first stage Equality Impact Assessment (EQIA) will be made available to the Chair, Vice Chair and Cabinet Member for Finance, Innovation & Property prior to finalising the consultation material.

1.10.3 A full equality impact assessment report reviewing the impacts of the findings of the consultation results will be provided to the Board at the January meeting.

### **1.11 Policy Considerations**

Equalities/Diversity; Communications, Financial Strategy

### **1.12 Recommendations**

1.12.1 The Director of Finance and Transformation is delegated authority to finalise consultation material and undertake the consultation in liaison with the Chair, Vice Chair and Cabinet Member for Finance, Innovation & Property.

Background papers:

contact: Sharon Shelton

Nil

Sharon Shelton

Director of Finance & Transformation

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## TONBRIDGE & MALLING BOROUGH COUNCIL

## FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

17 July 2019

### Report of the Director of Finance and Transformation

#### Part 1- Public

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

#### 1 FINANCIAL PLANNING AND CONTROL

This report brings together information on the Council's key budget areas of Salaries, Major Income Streams and Investment Income. The performance of the key budget areas, together with the approved variations to the revenue budget and areas identified through revenue budget monitoring are then summarised to provide an indicative overall budget position for the year. The report also updates Members on capital expenditure and variations that have been agreed in relation to the capital plan.

##### 1.1 Salaries Monitoring Statement

- 1.1.1 Appended for information at [Annex 1] is a budgetary control statement that compares actual expenditure on basic salaries, temporary staff, overtime, superannuation and national insurance to the end of June 2019, with the appropriate proportion of the original estimate for 2019/20.
- 1.1.2 Members will note that management savings to the end of June are **£25,500 more** than anticipated.

##### 1.2 Income Monitoring Statement

- 1.2.1 Appended for information at [Annex 2] is a budgetary control statement that compares actual income from fees and charges to the end of June 2019, with the appropriate proportion of the original estimate for 2019/20.
- 1.2.2 Members will note that overall income to the end of June is **£92,850 less** than anticipated.

##### 1.3 Treasury Management

###### *Core Funds*

- 1.3.1 The Council achieved a return of 1.08% on its core fund investments for the period ended May 2019, compared to the 3-month LIBID benchmark of 0.69%. Investment income achieved for the period ended May 2019 is £47,400.

- 1.3.2 At the end of May 2019 the value of core funds stood at £26m. This was invested at an average rate of 1.13% and an average maturity of 220 days.

*Cash Flow Funds*

- 1.3.3 The Council achieved a return of 0.76% on its cash flow investments for the period ended May 2019, compared to a 7-day LIBID benchmark of 0.57%. Investment income achieved for the period ended May 2019 is £13,400.
- 1.3.4 At the end of May 2019 the value of cash flow investments stood at £8.2m. This was invested at an average rate of 0.76% and an average maturity of 3 days.

*Property Investment Funds*

- 1.3.5 Property funds pay dividends quarterly based on activity to the end of March, June, September and December. No dividends are due in the period 1 April to 31 May.
- 1.3.6 At the end of May 2019 the value of property funds stood at £5m spread across three different funds.

*All Investments*

- 1.3.7 The combined return figure for core, cash flow and property investment funds is compared with the original estimate for 2019/20 later in this report.

#### **1.4 Approved Variations to the Revenue Budget**

- 1.4.1 Listed below are the variations that have been agreed to the revenue budget. It has been based upon those variations approved by Portfolio Holders, Committees, Cabinet and Council up to the meeting of Cabinet on 25 June 2019.
- 1.4.2 Council 9 April 2019

- Approved urgent reinstatement works to the Tonbridge Castle Motte following storm damage in March 2019. The works are estimated to cost £20,000 to be funded from the Local Authorities Parks Improvement Fund received in 2018/19.
- Approved a supplementary estimate of £20,000 to progress high priority repair works to Council owned bridges.

- 1.4.3 Communities and Housing Advisory Board 28 May 2019

- Recommended that a contribution of £9,750 be made by the Council in respect of the proposal brought forward by Leybourne Parish Council to protect an area of open space from Traveller incursion.

1.4.4 Finance, Innovation and Property Advisory Board 5 June 2019

- Recommended that the budgets in respect of the planned major programme of works at Larkfield Leisure Centre be adjusted to reflect both increased capital and revenue costs associated with the works. The latest estimated loss of income claim in respect of the proposed scheme is £1,368,000 compared to the current budget provision of £1,000,000. The increase to be funded from the Tonbridge and Malling Leisure Trust Reserve.

1.4.5 Street Scene and Environment Services Advisory Board 11 June 2019

- Recommended commencement of detailed landfill gas investigation and risk assessment work at Priory Wood Open Space and to procure an upgrade to the gas pump and service contract. The investigation and risk assessment costed at £26,650 and the service contract £1,300 per annum.

1.4.6 General Purposes Committee 19 June 2019

- Approved the regrading and reduction in hours of a Senior Planning Policy Officer post at a cost of £1,650 per annum.
- Approved the deletion / increase in hours of Park Rangers posts resulting in a saving of £250 per annum.

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

Description	Paragraph Reference	2019/20 £	2020/21 £
Tonbridge Castle Motte	1.4.2	-	-
Bridge Repairs	1.4.2	20,000	-
Leybourne Open Space	1.4.3	9,750	-
TMLT Loss of Income Claim	1.4.4	-	-
Priory Wood	1.4.5	26,650	1,300 *
Senior Planning Policy Officer	1.4.6	1,250	1,650 *
Park Rangers	1.4.6	(200)	(250) *
<b>Total</b>		<b>57,450</b>	<b>2,700</b>

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

## **1.5 Virements**

1.5.1 There have been no virements made to the original revenue estimates for 2019/20 reported to Council on 19 February 2019.

## **1.6 Revenue Budget Monitoring**

- 1.6.1 As part of our budget monitoring and control arrangements Chief Officers confirm that budgetary control has been undertaken within the Service areas under their control each month and at the same time highlight those areas, if any, which they wish to bring to the attention of the Director of Finance and Transformation. In addition, the Accountancy Section also monitors budgetary performance across the whole range of services during the year. At the time of writing this report the following areas have been brought to my attention.
- 1.6.2 The Council has been awarded £100,000 to fund a multi-agency approach to tackling rough sleeping.
- 1.6.3 There is a contract variation order in respect of the waste services contract in the sum of £23,500 to reflect the temporary delivery of paper and cans to a different location than that specified in the contract.
- 1.6.4 Kent County Council are to pay in the order of £156,000 in recognition of the increased council tax yield as a result of recent changes made to council tax discounts and exemptions.
- 1.6.5 Recent above inflationary uplift in energy prices resulting in increased costs of circa £25,000 over current budget provision.
- 1.6.6 Loss of income claim received from the Tonbridge and Malling Leisure Trust in the sum of £27,800 following closure of the Spacebowl at Larkfield Leisure Centre in February, April and May.
- 1.6.7 Invoice raised in 2018/19 in the sum of £13,900 for works carried out at Vale Rise Depot not required. Sum due deducted from a monthly contract payment.
- 1.6.8 Management Team have made the following establishment changes under delegated authority:
- Posts in the Parking Enforcement Team have been regraded at a cost of £35,300 per annum.
  - The Customer Services restructure at Tonbridge Castle resulted in termination payments of £17,250 (£5,050 of which was paid in 2018/19 and the balance in 2019/20).
  - Temporary staffing arrangements in the Waste and Street Scene Team have been extended to the end of January 2020. The extension will cost

£48,350 to be funded from the ring-fenced sum (£32,800) and the Waste and Street Scene Initiatives Reserve (£15,550).

- Temporary Special Projects Officer post has been extended to the end of March 2020 at a cost of £29,450 to be funded from the Transformation Reserve (£7,350 reflected in Salaries Monitoring Statement above).
- Temporary Revenues and Visiting Assistant post has been extended to the end of March 2020 at a cost of £28,450 to be funded by a contribution from Kent County Council and management savings.

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

- Local Authority Data Sharing Programme Grant £9,576
- Single Fraud Investigation Service Project Grant £902
- Universal Credit New Burdens Grant £31,950
- Verify Earnings and Pensions Alerts £26,201
- Welfare Reform Grant £28,891

1.6.10 On 27 June 2019, it was announced that the Borough Council had been awarded £150,000 capacity funding for 2019/20 as a result of the inclusion of Borough Green Gardens into the Government's Garden Communities Programme. The letter from MHCLG to the Chief Executive is attached at **[Annex 3]** for Members' information.

1.6.11 Although still to be fully defined, it is proposed that this funding should be used towards staffing, design and landscaping work, and master-planning in order to ensure the proposals for the area stand out from the ordinary and bring infrastructure and facilities that benefit new and existing residents alike. Given the need to progress quickly with this work, it is proposed that detailed decisions on expenditure, as outlined above, be delegated to the Director of Planning, Housing and Environmental Health.

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

Description	Paragraph Reference	2019/20 £	2020/21 £
Rough Sleeping Initiative	1.6.2	-	-
Waste Services Contract	1.6.3	23,500	-
Council Tax Discounts / Exemptions	1.6.4	(156,000)	-
Energy Prices	1.6.5	25,000	25,000 *
TMLT Loss of Income	1.6.6	27,800	-
Vale Rise Depot	1.6.7	13,900	-
Parking Enforcement Team	1.6.8	26,500	35,300 *
Customer Services Team	1.6.8	12,200	-
Waste & Street Scene Team	1.6.8	-	-
Special Projects Officer	1.6.8	(7,350)	-
Revenues and Visiting Assistant	1.6.8	-	-
Central Government Grants	1.6.9	-	-
Borough Green Gardens	1.6.10/11	-	-
<b>Total</b>		<b>(34,450)</b>	<b>60,300</b>

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

## 1.7 Revenue Budget Summary

- 1.7.1 The table below brings together information on the Council's key budget areas, the variations agreed to the revenue budget and items identified through budgetary control to provide an indicative overall budget position for the year.

Description	Budget to June £	Actual to June £	Variance £
Salaries Monitoring Statement	2,497,950	2,472,450	(25,500)
Income Monitoring Statement	(1,551,100)	(1,458,250)	92,850
Treasury Management (to May)	(47,300)	(60,800)	(13,500)
Approved Variations to the Revenue Budget			57,450
Revenue Budgetary Control			(34,450)
<b>Net Adverse Variance</b>			<b>76,850</b>

- 1.7.2 This would suggest if nothing else changed, the contribution to the General Revenue Reserve would be £373,750 compared to £450,600 anticipated when the budget was set in February 2019.

## 1.8 Savings and Transformation Strategy

- 1.8.1 Alongside the Medium Term Financial Strategy sits a Savings and Transformation Strategy. The purpose of the Strategy is to provide structure, focus and direction in addressing the financial challenge faced by the Council. In so doing, it recognises that there is no one simple solution and as a result we will need to adopt a number of ways to deliver the required savings and transformation contributions within an agreed timescale. A number of key themes have been identified, together with outline targets and timescales.
- 1.8.2 When the budget was set in February 2019 the projected funding gap was £550,000 with a savings and transformation contribution of £100,000 to be achieved by 1 April 2020. Taking in isolation the position detailed in this report suggests the funding gap has increased to over £600,000 highlighting why it is important to identify and implement opportunities to deliver at least this year's savings and transformation contribution of £100,000. Notwithstanding the funding gap will undoubtedly change many times as we move through the year.

## 1.9 Capital Monitoring Statement

- 1.9.1 Appended for information at **[Annex 4]** is a capital monitoring statement which compares actual capital expenditure for the period 1 April 2019 to 31 May 2019 with the 2019/20 Capital Plan. The Capital Plan for 2019/20 is based on the 2019/20 budgets that were approved by Council on 19 February 2019, amended for slippage from 2018/19.
- 1.9.2 Prior year's expenditure is only shown for finite schemes for which there is a budget in 2019/20. Where schemes are of a rolling programme nature, prior year's expenditure has not been shown in order to avoid large, generally meaningless, totals building up.

1.9.3 Capital Plan schemes which are scheduled to start in 2020/21 and beyond have not been shown. The budget profile for these schemes can be found in the 2019/20 Revenue and Capital Budgets Book.

1.9.4 Members will note a Capital Plan spend (net) at the end of May 2019 of £30,000 against a budget of £4.2m.

## **1.10 Approved Variations to the Capital Plan**

1.10.1 The latest estimated capital cost of the planned major programme of works at Larkfield Leisure Centre is £2,149,000 (including expenditure to date of £120,000) compared to the current budget provision of £1,650,000. The increased cost to be funded from the Tonbridge and Malling Leisure Trust Reserve and Revenue Reserve for Capital Schemes.

1.10.2 Budget provision for Housing Disabled Facility Adaptations is based on the current year approved provision of 959,000 (Council, February 2019) plus prior year slippage of £284,000. These budgets will be reviewed once the Council's share of support from the Better Care Fund for 2019/20 has been agreed with Kent County Council.

1.10.3 The Council has received the second and final payment of EU Exit Funding for Local Government in the sum of £17,484 to support local authorities in their preparations for the UK leaving the EU.

## **1.11 Capital Plan Issues**

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

## **1.12 Legal Implications**

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

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

1.13.1 As set out above.

## **1.14 Risk Assessment**

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

## **1.15 Equality Impact Assessment**

- 1.15.1 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.

## **1.16 Recommendations**

- 1.16.1 Members are asked to:

- 1) **Recommend** that detailed decisions on expenditure in respect of the £150,000 funding awarded by MHCLG for Borough Green Gardens, be delegated to the Director of Planning, Housing and Environmental Health.
- 2) **Note** that as at the end of June 2109 the projected overall outturn position is a net adverse variance of circa £77,000 when compared to the budget set in February 2019.
- 3) **Note** the position in respect of the projected funding gap and over the coming months the need to identify and implement opportunities to deliver at least this year's savings and transformation contribution of £100,000.

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

Background papers:

contact: Neil Lawley

Nil

Sharon Shelton  
Director of Finance and Transformation

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**Salaries Budgetary Control Monitoring Statement**

**Annex 1**

**Period Ended Last Day of June 2019**

**2019/20 Financial Year**

Service	Annual Budget 2019/20	Budget to end of June (a)	Actual to end of June (b)	Above (Below) Budget (b - a)
<b>Central</b>				
Administration & Property	783,650	195,950	187,300	(8,650)
Legal	493,000	123,250	132,250	9,000
Personnel	461,650	115,400	112,750	(2,650)
<b>Executive</b>	<b>517,550</b>	<b>126,550</b>	<b>132,450</b>	<b>5,900</b>
<b>Finance &amp; Transformation</b>				
Finance	1,812,900	452,700	431,850	(20,850)
Information Technology	876,600	222,250	217,350	(4,900)
<b>Planning, Housing &amp; Environmental Health</b>				
Environmental Health & Housing	1,339,350	334,850	324,500	(10,350)
Planning	1,868,950	467,150	441,800	(25,350)
<b>Street Scene, Leisure &amp; Technical</b>				
Street Scene & Leisure	1,245,600	324,250	327,950	3,700
Technical	632,300	158,100	145,750	(12,350)
Management Savings	10,031,550	2,520,450	2,453,950	(66,500)
Shared Working Arrangements	(63,600)	(15,200)	(15,200)	0
<b>Sub-total</b>	<b>9,967,950</b>	<b>2,505,250</b>	<b>2,438,750</b>	<b>(66,500)</b>
Non-budgeted spend on recruitment & other expenses to the end of June				0
Payments outstanding for the period to the end of June				33,700
Budgeted management savings to the end of June				30,000
Budgeted ring-fenced sum to the end of June				(22,700)
<b>Net Management Savings</b>				<b>(25,500)</b>

Financial Services  
2 July 2019

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Income Budgetary Control Monitoring StatementPeriod Ended Last Day of June 20192019/20 Financial Year

Service	Annual Budget 2019/20	Budget to end of June (a)	Actual to end of June (b)	(Above) Below Budget (b - a)
	£	£	£	£
<b>Central</b>				
Land Charges	(271,000)	(74,900)	(50,250)	24,650 [1]
Licensing	(333,300)	(71,700)	(83,550)	(11,850)
Sub-Total	(604,300)	(146,600)	(133,800)	12,800
<b>Planning, Housing &amp; Environmental Health</b>				
Planning Fees	(792,000)	(198,000)	(147,600)	50,400 [2]
Building Regulations	(388,000)	(73,000)	(74,600)	(1,600)
Sub-Total	(1,180,000)	(271,000)	(222,200)	48,800
<b>Street Scene, Leisure &amp; Technical</b>				
Garden Waste Collection	(550,000)	(295,000)	(277,750)	17,250
Recycling Performance Payment	(345,000)	0	0	0
Recycling Credits	(169,000)	0	8,700	8,700
Short Stay Car Parking	(1,915,000)	(461,000)	(449,050)	11,950
Long Stay Car Parking	(720,000)	(173,000)	(187,450)	(14,450)
Penalty Charge Notices	(306,000)	(76,500)	(66,950)	9,550
Car Parks Season Tickets	(250,000)	(93,000)	(96,000)	(3,000)
Residents Parking Permits	(130,000)	(35,000)	(33,750)	1,250
Sub-Total	(4,385,000)	(1,133,500)	(1,102,250)	31,250
<b>Grand Total</b>	<b>(6,169,300)</b>	<b>(1,551,100)</b>	<b>(1,458,250)</b>	<b>92,850</b>

[1] Reflects current market demand for property searches.

[2] Reflects transition to a new Local Plan and volatility of the development environment.

Financial Services  
2 July 2019

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Ministry of Housing,  
Communities &  
Local Government

**Simon Ridley**  
Decentralisation and Growth

**Ministry of Housing, Communities & Local Government**  
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Julie Beilby  
Chief Executive, Tonbridge and Malling  
Borough Council

Email:  
[GardenCommunities@communities.gov.uk](mailto:GardenCommunities@communities.gov.uk)  
Tel: 0303 444 0000

[www.gov.uk/mhclg](http://www.gov.uk/mhclg)

**27 June 2019**

Dear Julie,

**Re: Borough Green Gardens**

I am delighted to confirm that, following a competitive bidding process, you have been selected to join the Garden Communities Programme. We have allocated £150,000 of capacity funding to support the delivery of Borough Green Gardens for the 2019/2020 financial year.

There was a very strong response to the prospectus we published last summer inviting local partners to come forward with ambitious locally-supported new Garden Communities. I am pleased that Borough Green Gardens is one of 19 Garden Villages selected.

The creation of well-planned and designed, locally-led Garden Villages makes a critical contribution to our ambitions both to build 300,000 homes a year by the mid-2020s, and to provide a stable pipeline of homes for the future. But this is not a numbers game – these places have the potential to become vibrant new communities where people can live and work, and to create a legacy that will be enjoyed and valued by future generations. Our ambition is that your new Garden Village sets a new standard for planning and delivering new settlements at scale that can support a local area's housing and economic growth ambitions.

As you know, delivering a Garden Village carries costs that go beyond the typical remit of local authorities: capacity funding ensures that places have the resources to fulfil their growth ambitions. We will be in touch to discuss your plans and approach, including how the funding can be put to best use. Other aspects of our support include expert delivery advice from

Homes England and cross-government brokerage to resolve strategic policy barriers to delivery.

The Garden Communities Programme demonstrates how local partners and central government can work together innovatively to transform local communities. Our support will be focused on enabling the creation of Garden Villages that are beautiful and sustainable; that are supported by the right infrastructure; and that benefit new and existing communities alike.

If you have any questions please contact Frank Danielsigbinobaro, who will be leading on this area of the Garden Communities work on: [GardenCommunities@communities.gov.uk](mailto:GardenCommunities@communities.gov.uk)

I welcome your ambitious plans for high quality housing growth that Borough Green Gardens represents and look forward to working with you.

Yours Sincerely,



**Simon Ridley**

Director General, Decentralisation and Growth  
Ministry for Housing, Communities and Local Government

<b><u>CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019</u></b>				
<b><u>SUMMARY OF SERVICES</u></b>				
	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019	
<b>Capital Plan Schemes</b>				
Planning, Housing & Environmental Health	n/a	50	4	
Street Scene, Leisure & Technical Services	235	2,282	9	
Corporate	271	189	0	
	Sub-total	506	2,521	13
<b>Capital Renewals</b>				
Planning, Housing & Environmental Health	n/a	24	0	
Street Scene, Leisure & Technical Services	n/a	1,107	12	
Corporate	n/a	584	5	
	Sub-total	n/a	1,715	17
<b>Total</b>		506	4,236	30

**CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019**  
**PLANNING, HOUSING AND ENVIRONMENTAL HEALTH**

	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019
	£'000	£'000	£'000
<b>Capital Plan Schemes</b>			
Housing	n/a	30	4
Environmental Health	0	20	0
Sub-total	0	50	4
Total Planning, Housing and Environmental Health	0	50	4

<b>CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019</b>					
<b>PLANNING, HOUSING AND ENVIRONMENTAL HEALTH</b>					
	Code	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019	
<b>Housing</b>		£'000	£'000	£'000	
(a) Disabled Facility Grants					
(i) Mandatory Grants	P03AC	n/a	1,243	172	} Comprises 2019/20 original budget of £959,000 plus prior year slippage of £284,000. Budget provisions to be reviewed when the Council's share of support from the Better Care Fund is agreed with KCC (expected June 2019). }
Less repayments	P03AT	n/a			
(ii) Discretionary Grants		n/a	(1,243)	(172)	
(iii) Government Grant		n/a	0	0	
(b) Housing Assistance	P03AD	n/a	60	14	
Less repayments		n/a	(30)	(10)	
(c) Homeless Accommodation	P03AX	n/a	30	4	
Less Developer Contributions		1,088 (1,088)	447 (447)		
	Sub-total	0	0	0	
Total Housing to Summary		n/a	30	4	
<b>Environmental Health</b>					
(d) Air Quality Monitoring Station	P02EN		20		
Total Environmental Health to Summary		0	20	0	
<b>Capital Renewals</b>					
(e) Environmental Protection	P02EBCR01	n/a	24		
Provision for Inflation	P02EZ	n/a			
Total Capital Renewals to Summary		n/a	24	0	

<b><u>CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019</u></b> <b><u>STREET SCENE, LEISURE &amp; TECHNICAL SERVICES</u></b>				
	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019	
	£'000	£'000	£'000	
<b>Capital Plan Schemes</b>				
<b>Street Scene</b>	n/a	692	2	
<b>Leisure</b>				
Larkfield Leisure Centre	113	1,287	0	
Sports Grounds	4	256	1	
Open Spaces	0	0	0	
Other Leisure Schemes	95	13	0	
<b>Technical Services</b>				
Car Parking	0	30	5	
Land Drainage / Flood Defence	23	4	1	
	Sub-total	235	2,282	9
<b>Capital Renewals</b>	n/a	1,107	12	
Total Street Scene, Leisure & Technical Services	235	3,389	21	

<b><u>CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019</u></b> <b><u>STREET SCENE, LEISURE &amp; TECHNICAL SERVICES</u></b>					
	Code	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019	
<b>Street Scene</b>		£'000	£'000	£'000	
(a) Green Waste Bins Growth / Replacement	P02BC	n/a	31		
(b) Refuse Bins Growth / Replacement	P02DA	n/a	61	2	
(c) Containers for new Waste / Recycling Service					
(i) Initial purchase	P02CN		600		
Total Street Scene to Summary		n/a	692	2	
<b>Larkfield Leisure Centre</b>					
(d) Ventilation and Boiler and Pool Hall Roof	P05LP	113	1,287		
Total Larkfield Leisure Centre to Summary		113	1,287	0	
<b>Sports Grounds</b>					
(e) Tonbridge School Athletics Track Improvements Less Developer Contribution	P05DC	140 (140)	21 (21)		
Sub-total		0	0	0	
(f) Racecourse Sportsground Riverside Rivetment Less Grants	P05DD	18 (14)	207 (14)		
Sub-total		4	193	0	
(g) Racecourse Sportsground Rugby Pitch Drainage Less Developer Contribution	P05DE		16 (8)		
Sub-total		0	8	0	
(h) Racecourse Sportsground Swimming Pool Bridge Less Developer Contribution	P05DN		120 (65)	1	
Sub-total		0	55	1	
Total Sports Grounds to Summary		4	256	1	

<b><u>CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019</u></b> <b><u>STREET SCENE, LEISURE &amp; TECHNICAL SERVICES</u></b>					
	Code	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019	
<b>Open Spaces</b>		£'000	£'000	£'000	
(a) Open Spaces Site Improvements - Phase 2 Less Developer Contributions	Sub-total	P05FV	57 (57)	12 (12)	
			0	0	0
(b) Haysden Country Park Sewarage Treatment Less Developer Contributions	Sub-total	P05FC		75 (75)	3 (3)
			0	0	0
Total Open Spaces to Summary			0	0	0
<b>Other Leisure Schemes</b>					
(c) Tonbridge Cemetery Memorial Safety Less Developer Contributions	Sub-total	P05KV	98 (3)	13	
			95	13	0
Total Other Leisure Schemes to Summary			95	13	0
<b>Car Parking</b>					
(a) Existing Car Parks Improvement Rolling Programme	P01AB	n/a	30	5	
Total Car Parking to Summary			0	30	5
<b>Land Drainage / Flood Defence</b>					
(b) Woudham River Wall	P01HS	23	4	1	
Total Land Drainage / Flood Defence to Summary		23	4	1	

<b><u>CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019</u></b>					
<b><u>STREET SCENE, LEISURE &amp; TECHNICAL SERVICES</u></b>					
	Code	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019	
<b>Capital Renewals</b>		£'000	£'000	£'000	
Sports Grounds & Open Spaces	P05KGBC05	n/a	353		{ Provisions includes slippage from 2018/19 - to be reviewed Autumn 2019. } } } } } }
<b>Technical Services</b>					
(a) CCTV	P01BA	n/a	15		
(b) Car Parking	P01JF	n/a	2		
	Sub-total	n/a	370	0	
<b>Leisure Centres</b>					
(c) Angel Centre	P05KGBC01	n/a	287	5	
(d) Larkfield Leisure Centre	P05KGBC02	n/a	224	5	
(e) Tonbridge Swimming Pool	P05KGBC04	n/a	179	1	
(f) Poult Wood Golf					
Clubhouse	P05KGBC03	n/a	106	1	
Course	P05KGBC07	n/a	81		
Grounds Maintenance	P05KGBC06	n/a	82		
Net savings (assumes 25%)		n/a	(222)		
	Sub-total	n/a	737	12	
Total Capital Renewals to Summary		n/a	1,107	12	

**CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019**  
**CORPORATE**

	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019
	£'000	£'000	£'000
<b>Capital Plan Schemes</b>			
Land and Property Information Technology Initiatives	10 261	60 129	0 0
Sub-total	271	189	0
<b>Capital Renewals</b>	n/a	584	5
Total Corporate	271	773	5

<b><u>CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019</u></b>				
<b><u>CORPORATE</u></b>				
	Code	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019
<b>Land and Property</b>				
(a) Tonbridge Castle Office: Re-tile Roof	P06AA	10	60	
Total Land and Property to Summary		10	60	0
<b>Information Technology Initiatives</b>				
(b) General IT Developments	P06DA	n/a	30	
(d) Council Chamber Conference System	P06ER	68	27	
(e) Virtual Desktop Infrastructure	P06ET	188	12	
(f) Revenues and Benefits IT Digital Solution	P06EW	5	60	
Total Information Technology Initiatives to Summary		261	129	0

<b><u>CAPITAL PLAN MONITORING STATEMENT 2019/20 TO 31 MAY 2019</u></b>					
<b><u>CORPORATE</u></b>					
	Code	Expenditure To 31/03/19	2019/20 Including Prior Year Slippage	2019/20 Actual to 31 May 2019	
<b>Capital Renewals</b>		£'000	£'000	£'000	
(a) General :	P06FA				
Departmental Administration	GR01	n/a	1		}
Print Unit	GR03	n/a	164		}
Telephones	GR05	n/a	6		}
Snack Facilities	GR06	n/a	1		}
Tonbridge Christmas Lighting	GR09	n/a			}
	Sub-total				
		n/a	172	0	}
(b) Information Technology :	P06FB				
Desktop Hardware	FB10	n/a	93		}
Mobile Hardware	FB20	n/a	6	2	}
Computer Suite	FB30	n/a	5	3	}
Other Hardware	FB40	n/a	82		}
Network	FB50	n/a	14		}
Corporate Software	FB60	n/a	155		}
Operational Software	FB70	n/a	7		}
User Software	FB80	n/a	16		}
	Sub-total				
		n/a	25		}
	Provision for Inflation	P06FZ			
Total Capital Renewals to Summary		n/a	403	5	}
		n/a	9		}
			584	5	

## TONBRIDGE & MALLING BOROUGH COUNCIL

## FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

17 July 2019

### Report of the Director of Finance and Transformation

#### Part 1- Public

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

#### 1      CAPITAL PROGRAMME: POST IMPLEMENTATION REVIEWS MONITORING REPORT

This report identifies the post implementation reviews carried out since the meeting of this Board in September 2018 and the capital plan schemes for which reviews will be due. The report also brings forward a post implementation review in respect of the Tonbridge and Malling Leisure Trust (TMLT) IT Infrastructure Capital Grant for consideration and approval.

##### 1.1    Background

1.1.1 The Council's Capital Strategy provides for the reporting of post implementation reviews to demonstrate the effectiveness of capital expenditure. A system for monitoring post implementation reviews for capital projects was endorsed by this Board and subsequent monitoring reports have been presented to meetings of the Board.

##### 1.2    Progress

1.2.1 Capital projects for which a post implementation review has been carried out since the meeting of this Board on 17 September 2018 are detailed in [Annex 1]. The Annex covers the following schemes including the TMLT IT Infrastructure Capital Grant being reported to this meeting:

- Parking Action Plan Phases 6 & 7 (SSES AB November 2018).
- Haysden Country Park Play Area Extension (CHAB November 2018).
- Haysden Country Park Site Improvements (CHAB November 2018).
- Larkfield Leisure Centre Pool Disinfection (CHAB November 2018).
- Public Open Spaces Site Improvements (CHAB November 2018).

- Leybourne Lakes Country Park Car Park Extension (CHAB February 2019).
- Tonbridge Memorial Garden (CHAB February 2019).
- Larkfield Leisure Centre Health Suite (CHAB February 2019).
- TMLT IT Infrastructure Capital Grant (FIPAB July 2019).

*TMLT IT Infrastructure Capital Grant Post Implementation Review (PIR)*

- 1.2.2 The purpose of the grant was to facilitate TMLT taking ownership and responsibility for the IT infrastructure and associated support in the interest of both parties on financial and operational grounds. A copy of the PIR can be found at **[Annex 2]**.
- 1.2.3 The schedule of forthcoming and outstanding post implementation reviews, most of which are current capital plan schemes, is provided at **[Annex 3]**. The schedule comprises 24 schemes.

### **1.3 Legal Implications**

- 1.3.1 None.

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

- 1.4.1 The reporting of post implementation reviews is important for testing the effectiveness of the Council's capital expenditure and is in accordance with the Council's Capital Strategy.

### **1.5 Risk Assessment**

- 1.5.1 There is a risk that not carrying out post implementation reviews may lead to the repetition of capital expenditure which is not effective or does not provide value for money.

### **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 The Post Implementation Review in respect of the TMLT IT Infrastructure Capital Grant **[Annex 2]** be approved.

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

Background papers: contact: Mike Withey

Nil

Sharon Shelton  
Director of Finance and Transformation

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## Capital Plan Post Implementation Reviews - July 2019

<b>Post Implementation Review Monitoring: Completed Reviews</b>		<b>Notes</b>
<b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b>  <b>Completion Date / Final Payment:</b> <b>Final Cost:</b> <b>Post-implementation review (PIR):</b>  <b>Criteria for judging success:</b>  <b>PIR reported: Body / Date</b>	SSL&T - Car Parking Parking Actions Plan Phases 6 & 7 F&PAB / 3 Jan 07 & 7 Jan 09 / Recommended for List B 2007/08 £25,000 & 2009/10 £25,000  July & Sept 2016 (work) / July & October 2016 (final payment) £63,179 12 Months after completion  The scheme will be judged against: - Implementation of actions identified in Parking Action Plan  <b>Street Scene and Environment Services AB / 5 November 2018</b>	Phased programme of on-street car parking measures to progress the Council's Parking Action Plan.  Targets met in-line with Local Priorities, Schemes addressed on-street parking initiatives at East Malling, Larkfield, West Malling and Tonbridge.  Phase 6 budget increased from £25,000 to £38,000, 2010/11 Capital Plan Review. Schemes completed in-line with amended budget.
<b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b> <b>Completion Date / Final Payment:</b> <b>Final Cost:</b> <b>Post-implementation review (PIR):</b>  <b>Criteria for judging success:</b>  <b>PIR reported: Body / Date</b>	SSL&T - Open Spaces Haysden Country Park Extension of Play Area FIPAB / 13 January 2016 / Recommended for List B 2016/17 / £61,000 including a £6,000 third party contribution June 2016 (work) / August 2016 (final payment) £61,494 12 Months after completion  The scheme will be judged against: - Increased range of free play facilities accessible to the public - Improvement in satisfaction surveys  <b>Communities and Housing AB / 12 November 2018</b>	Scheme to supply and install a range of additional play equipment to enhance facilities already provided at the Haysden Country Park play area.  The project has been successful in providing additional opportunities for play at the Country Park and has supported increased site usage and increased income through the car park. The Scheme was supported by an external grant of £50,000 from SITA.  Scheme delivered in-line with budget.
<b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b> <b>Completion Date / Final Payment:</b> <b>Final Cost:</b> <b>Post-implementation review (PIR):</b>  <b>Criteria for judging success:</b>  <b>PIR reported: Body / Date</b>	SSL&T - Open Spaces Haysden Country Park Site Improvements Cabinet / March 2016 / Recommended transfer from List C to List A 2016/17 / £49,500 including £3,500 third party contribution. October 2016 (work) / November 2016 (final payment) £54,576 12 Months after completion  The scheme will be judged against: - Increased range of facilities available to public - Reduced bank erosion - Sustaining / improving visitor satisfaction surveys - Reduce flooding  <b>Communities and Housing AB / 12 November 2018</b>	General site improvements to include proposals brought forward by Haysden Country Park volunteers. Works to include improvements to the western end of Barden Lake.  The project has made significant improvements to the visual quality of the site and enhanced both biodiversity and bank protection. The scheme was delivered in partnership with the community with the planting being undertaken by local volunteers  Additional £5,076 expenditure supported by additional partnership contributions. Net cost to Council £11,013 in-line with budget. Partnership contributions included £35,000 from the Cory Trust.

## Capital Plan Post Implementation Reviews - July 2019

<b>Post Implementation Review Monitoring: Completed Reviews</b>		<b>Notes</b>
<b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b> <b>Completion Date / Final Payment:</b> <b>Final Cost:</b> <b>Post-implementation review (PIR):</b>  <b>Criteria for judging success:</b> <ul style="list-style-type: none"> <li>- Reduced maintenance, utility and chemical costs</li> <li>- Improved pool water quality in line with industry guidance</li> </ul> <b>PIR reported: Body / Date</b>	SSL&T - Leisure Centres Larkfield Leisure Centre Pool Disinfection FIPAB / 7 January 2015 / Recommended for List B 2015/16 / £150,000 September 2015 (work) / October 2016 (final payment) £148,428 12 Months after completion  The scheme will be judged against: <ul style="list-style-type: none"> <li>- Reduced maintenance, utility and chemical costs</li> <li>- Improved pool water quality in line with industry guidance</li> </ul> <b>Communities and Housing AB / 12 November 2018</b>	Scheme to enhance the existing plant that provides disinfection of the pools with Ultra Violet dosing and auto backwashing plant to all pools. Ultra Violet dosing has previously been installed at Tonbridge Swimming Pool and takes advantage of newer, cleaner technology. The new plant will improve reliability and efficiency of the pool disinfection system and produce energy saving from increased plant efficiency. This installation will enable the operator to meet guidance on water quality and has been recommended by the Health & Safety Executive.  Maintenance requirements have reduced, the system is more efficient, water quality has improved and there have been notable improvements in customer satisfaction.  Scheme completed within budget.
<b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b> <b>Completion Date / Final Payment:</b> <b>Final Cost:</b> <b>Post-implementation review (PIR):</b>  <b>Criteria for judging success:</b> <ul style="list-style-type: none"> <li>- Enhanced play facilities</li> <li>- Meeting the needs of local residents</li> </ul> <b>PIR reported: Body / Date</b>	SSL&T - Open Spaces Public Open Spaces Site Improvements F&PAB / 5 January 2011 / Recommended for List B 2011/12 / £99,000 June 2016 (work) / June 2016 (final payment) £97,474 12 Months after completion  The scheme will be judged against: <ul style="list-style-type: none"> <li>- Enhanced play facilities</li> <li>- Meeting the needs of local residents</li> </ul> <b>Communities and Housing AB / 12 November 2018</b>	The scheme proposes improvements to Scotchers Field, Tonbridge and Leybourne Lakes to address anti-social behaviour, health and safety, access and issues raised by local residents.  The scheme delivered a range of additional play facilities in the area which were well received and remain well used by the local community.  Scheme completed within budget.
<b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b> <b>Completion Date / Final Payment:</b> <b>Final Cost:</b> <b>Post-implementation review (PIR):</b>  <b>Criteria for judging success:</b> <ul style="list-style-type: none"> <li>- Increased number of parking bays</li> <li>- Increased income at peak times</li> </ul> <b>PIR reported: Body / Date</b>	SSL&T - Open Spaces Leybourne Lakes Country Park Car Park Extension FIPAB / 4 January 2017 / Recommended for List B 2017/18 / £17,000 January 2018 (work) / January 2018 (final payment) £16,447 12 Months after completion  The scheme will be judged against: <ul style="list-style-type: none"> <li>- Increased number of parking bays</li> <li>- Increased income at peak times</li> </ul> <b>Communities and Housing AB / 26 February 2019</b>	To undertake works to increase the capacity of the existing overflow car park at Leybourne Lakes Country Park  The project fully met the targets set, increased car parking capacity at the site and supported increased annual income.  Scheme completed within budget.

## Capital Plan Post Implementation Reviews - July 2019

<b>Post Implementation Review Monitoring: Completed Reviews</b>		<b>Notes</b>
<b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b> <b>Completion Date / Final Payment:</b> <b>Final Cost:</b> <b>Post-implementation review (PIR):</b>  <b>Criteria for judging success:</b>	SSL&T - Other Schemes Tonbridge Memorial Garden Improvements F&PAB / 5 January 2011 / Recommended for List B / Scheme revisited Cabinet March 2013. 2011/12 / £25,000 Summer 2014 (main works) / September 2017 (final payment) Gross cost £336,875 less contributions. Net cost to Council £25,411 12 Months after completion  The scheme will be judged against: - Site accessible to all - Meet requirements for Remembrance Sunday Service. - Positive feedback from public.	<p>The scheme will enable safe access for users of the Gardens, ensure the area meets an appropriate standard for the annual Remembrance Sunday Service and make this important public open space a more pleasant and higher quality environment.</p> <p>The project has met all targets set and feedback on refurbishment has been extremely positive. The project has created increased access to and around the site for general public use and in particular the annual remembrance service.</p> <p>Initial approval (F&amp;PAB) was a £25,000 contribution towards Memorial Garden Trust Centennial Commemoration Fund intended to finance the Memorial Garden refurbishment. Refurbishment scheme was incorporated into the Council's Capital Plan to allow the works to be integrated with the, now aborted, Bradford Street Leisure and Community Centre (Cabinet March 2013). Gross scheme budget increased in the 2016/17 Capital Plan Review to £337,000 offset by fund raising, grants and developer contributions of £312,000.</p> <p>Net cost to the Council in-line with original budget.</p>
<b>PIR reported: Body / Date</b>	<b>Communities and Housing AB / 26 February 2019</b>	
<b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b> <b>Completion Date / Final Payment:</b> <b>Final Cost:</b> <b>Post-implementation review (PIR):</b>  <b>Criteria for judging success:</b>	SSL&T - Leisure Centres Larkfield Leisure Centre Refurbishment of Lifestyles Health Suite FIPAB / 8 January 2014 / Recommended for List B 2014/15 / £240,000 March 2016 (work) / May 2018 (final payment) £429,552 gross cost less contributions. Net cost to Council £367,937 12 Months after completion  The scheme will be judged against: - Maintain Lifestyles membership and income levels - Reduced maintenance costs - Increased customer satisfaction.	<p>Refurbishment of existing health suite including re-design and re-provision of spa facilities to complement upgraded fitness facilities. Income maintaining / generating scheme.</p> <p>Scheme met targets for success supporting the retention and sales of lifestyles memberships. Project received very positive feedback from users and has significantly improved the quality of this public facility.</p> <p>Gross budget increased from £240,000 to £402,000 following two separate tender exercises in 2014/15 and 2015/16 (see report to Overview and Scrutiny Committee, September 2015. Gross budget subsequently increased by a further £30,000 to £432,000 reflecting the poor condition of blockwork walls once exposed and additional work funded by the Leisure Trust.</p> <p>Scheme completed in-line with amended budget.</p>
<b>PIR reported: Body / Date</b>	<b>Communities and Housing AB / 26 February 2019</b>	

## Capital Plan Post Implementation Reviews - July 2019

<b>Post Implementation Review Monitoring: Completed Reviews</b>		<b>Notes</b>
<b>Scheme Category:</b>	Corporate Services IT Initiatives	
<b>Scheme Title:</b>	Tonbridge and Malling Leisure Trust IT infrastructure Capital Grant	
<b>Evaluation Meeting: Body / Date / Action</b>	FIPAB / 21 September 2016	
<b>Capital Plan Year / Provision</b>	2016/17 / £200,000	
<b>Completion Date / Final Payment:</b>	October 2016	
<b>Final Cost:</b>	£200,000	
<b>Post-implementation review (PIR):</b>	12 Months after completion	
<b>Criteria for judging success:</b>	Successful transfer of IT systems /data to TMLT's new service provider. Maintain TMLT's access to TMBCs desktop environment during the transition from Council supported IT equipment to TMLT's hardware supplier.	
<b>PIR reported: Body / Date</b>	<b>Finance, Innovation and Property AB / 17 July 2019</b>	

<b>Capital Plan Post Implementation Review</b>	
Service:	Corporate Services
Scheme Title:	TMLT IT Infrastructure Capital Grant
Scheme Description:	Transfer of ownership and responsibility for the IT infrastructure and associated support
Evaluation:	Finance, Innovation & Property Advisory Board, September 2016
Capital Plan Year(s)	2016/17
Approved budget	£200,000
National Priorities	None
Local Priorities	Continued deliver of priority services and a financially viable Council; improve efficiency and resilience of services; reducing overheads; and reducing the costs of procured services.
Targets for judging success:	(a) Successful transfer of IT systems / data to TMLT's new service provider (b) Maintain TMLT's access to TMBCs desktop environment during the transition from Council supported IT equipment to TMLT's hardware supplier
Completion date (work completed):	October 2016
Completion date (final payment):	October 2016
Projected date for post implementation review:	Twelve months after completion
Final cost:	£200,000
Performance against National and Local Priorities and Targets:	The transfer of ownership and responsibility delivering annual revenue savings and a number of other non-quantifiable benefits including a simplification of the Council's IT platform; more straightforward out of hours working arrangements; freeing up IT support staff; and improved network security.
Budget performance / Value for money:	Scheme successfully completed.
Other performance / procurement issues:	None
Ongoing / Outstanding issues:	None

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## Forthcoming and Outstanding Capital Plan Post Implementation Reviews - July 2019

<b>Post Implementation Review Monitoring: Forthcoming and Outstanding Reviews</b>		<b>Notes</b>	<b>Current if listed in the 2019/20 Capital Plan or when last payment</b>
<b>1</b>	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	PH&EH - Housing Sustainable Communities Programme Homeless Accommodation Cabinet / 20 March 2018 / Recommended for List A 2018/19 / £1,600,000	Funded in full from developer contributions. £65,000 of budget provision transferred to revenue to fund service charges, ground rents and repairs, 2018/19 Capital Plan Review.
<b>2</b>	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	PH&EH - Environmental Health Air Quality Air Quality Monitoring Station FIPAB / 9 Jan 2019 / Selected for List B 2019/20 / £20,000	
<b>3</b>	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Street Scene Waste Collection & Recycling Containers for new Waste / Recycling Service SSESAB / 4 Sept 2018 / Recommended for List A 2019/20 / £600,000	Scheme funded in full from Waste Services Contract earmarked Reserve.
<b>4</b>	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Leisure Larkfield Leisure Centre Ventilation, Boiler and Pool Hall Roof FIPAB / 3 Jan 2018 / Selected for List B 2018/19 / £505,000	Budget increased to £1.4m, 2018/19 Capital Plan Review, to incorporate updated cost estimates and expand the scheme to include replacement of the Pool Hall Roof.
<b>5</b>	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Leisure Sports Grounds Tonbridge School Athletics Track Improvements FIPAB / 7 Jan 2015 / Selected for List B 2018/19 / £150,000	Funded in full from grants and other contributions. Gross budget increased to £161,000 funded in full by additional developer contributions, Capital Plan Review 2017/18.
<b>6</b>	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Leisure Sports Grounds Racecourse Sports Ground Riverside Revetment FIPAB / 4 Jan 2017 / Selected for List B 2017/18 / £120,000	Part funded from Environment Agency Grant of £28,000. Gross budget increased to £225,000 following a tender exercise and cost review in 2018, 2018/19 Capital Plan Review.
<b>7</b>	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Leisure Sports Grounds Racecourse Sports Ground Rugby Pitch Drainage FIPAB / 3 Jan 2018 / Selected for List B 2018/19 / £25,000	Gross budget reduced to £16,000 and developer contributions reduced from £25,000 to £8,000, 2018/19 Capital Plan Review.
<b>8</b>	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Leisure Sports Grounds Racecourse Sports Ground Swimming Pool Bridge FIPAB / 9 Jan 2019 / Selected for List B 2019/20 / £120,000	Part funded from developer contributions of £65,000

## Forthcoming and Outstanding Capital Plan Post Implementation Reviews - July 2019

Post Implementation Review Monitoring: Forthcoming and Outstanding Reviews			Notes	Current if listed in the 2019/20 Capital Plan or when last payment
9	Service: <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Leisure Open Spaces Site Improvements Phase 2 F&PAB / 4 January 2012 / Selected for List B 2012/13 / £69,000	Funded in full from developer contributions	Current
10	Service: <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Leisure Open Spaces Haysden Country Park Car Park Extension FIPAB / 3 Jan 2018 / Selected for List B 2018/19 / £30,000	Funded in full from developer contributions. Gross budget reduced to £23,000, 2018/19 Capital Plan Review.	Current
11	Service: <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Leisure Open Spaces Haysden Country Park Sewerage Treatment FIPAB / 3 Jan 2018 / Selected for List B 2018/19 / £75,000	Funded in full from developer contributions	Current
12	Service: <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b>	SSL&T - Leisure Other Schemes Tonbridge Cemetery Path Works FIPAB / 3 Jan 2018 / Selected for List B 2018/19 / £15,000	Funded in full from developer contributions. Gross budget increased to £17,000, 2018/19 Capital Plan Review.	Current
13	Service: <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b>	SSL&T - Leisure Other Schemes Tonbridge to Penshurst Cycle Route Refurbishment FIPAB / 3 Jan 2018 / Selected for List B 2018/19 / £60,000	Funded in full from developer contributions. Gross budget reduced to £37,000, 2018/19 Capital Plan Review.	Current
14	Service: <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b>	SSL&T - Technical Car Parking Parking Action Plan Phase 8 & 9 F&PAB / 4 Jan 2006 & 7 Jan 2015 / Selected for List B 2006/07 / £20,000, 2015/16 £20,000		Current
15	Service: <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Technical Transportation Initiatives Local Transport Plan Partnership Programme Various 2001/02 to 2008/09 / £318,000.	Gross budget amended to £224,000 offset by £9,000 in external funding 2015/16 Capital Plan Review.	Current
16	Service: <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b>	SSL&T - Technical Land Drainage / Flood Defence Drainage Improvement Programme F&PAB / 2 Jan 2008 / Selected for List B 2007/08 / £15,000 and £20,000 per annum from 2008/09	Post implementation review to be undertaken after 4 years. Budget provision limited to a total of £72,000 in the 2008/09 Capital Plan Review. Gross budget increased to £102,000 offset by £30,000 funding from DEFRA in the 2010/11 Capital Plan Review. Gross budget reduced to £88,000 Capital Plan Review 2018/19.	Last payment 2017/18 Total spend £ 88,000
17	Service: <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision</b>	SSL&T - Technical Land Drainage / Flood Defence Wouldham River Wall FIPAB / 8 Jan 2014 / Selected for List B 2015/16 / £700,000	Budget increased to £1,125,000 2018/19 Capital Plan Review.	Current

GREEN = Complete 1 year ago (2017/18)

ORANGE = Completed 2 years ago (2016/17)

RED = Completed 3 or more years ago (2015/16 or before)

## Forthcoming and Outstanding Capital Plan Post Implementation Reviews - July 2019

	<b>Post Implementation Review Monitoring: Forthcoming and Outstanding Reviews</b>	<b>Notes</b>	<b>Current if listed in the 2019/20 Capital Plan or when last payment</b>
18	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	SSL&T - Technical Land Drainage / Flood Defence Leigh Flood Storage Area Cabinet / 6 September 2016 / Recommended for List A 2020/21 / £500,000	Current
19	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	Corporate Information Technology Initiatives Revenues and Benefits Document Management FIPAB / 7 January 2015 / Selected for List B 2015/16 / £60,000	Scheme funded in full from Government Grant. Gross scheme cost reduced to £52,000 2016/17 Capital Plan Review. Last payment 2018/19 Total spend £55,000 (Under one year)
20	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	Corporate Information Technology Initiatives Housing Document Management CHAB / 14 November 2016 / Recommended for List A 2016/17 / £40,000	Part funded from Government grant of £8,000 Current
21	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	Corporate Information Technology Initiatives Council Chamber Conference System FIPAB / 4 January 2017 / Selected for List B 2017/18 / £95,000	Current
22	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	Corporate Information Technology Initiatives Virtual Desktop Infrastructure FIPAB / 4 January 2017 / Selected for List B 2017/18 / £200,000	Current
23	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	Corporate Information Technology Initiatives Revenues & Benefits IT Digital Solution FIPAB / 21 June 2017 / Recommended for List A 2017/18 / £65,000	Current
24	<b>Service:</b> <b>Scheme Category:</b> <b>Scheme Title:</b> <b>Evaluation Meeting: Body / Date / Action</b> <b>Capital Plan Year / Provision:</b>	Corporate Information Technology Initiatives Data Protection (GDPR) Software Cabinet / 20 March 2018 / Recommended for List A 2018/19 / £66,000	Current

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## TONBRIDGE & MALLING BOROUGH COUNCIL

## FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

17 July 2019

### Report of the Director of Finance and Transformation

#### Part 1- Public

#### Matters for Information

##### **1 REVENUES AND BENEFITS UPDATE REPORT**

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

##### **1.1 Collection of council tax and business rates**

- 1.1.1 As at 31 March 2019, the final collection rate for council tax, for the year 2018/19, was 98.91%. This exceeds the target set for the financial year (98.75%). The final collection rate for 2017/18 was 98.61%.
- 1.1.2 As at 31 March 2019, the final collection rate for business rates, for the year 2018/19, was 99.42%. This was below the target set for the financial year (99.6%). The final collection rate for 2017/18 was 99.69%.
- 1.1.3 I am very pleased to report that, once again, both of these collection rates are the highest in Kent.
- 1.1.4 Since the introduction of the council tax reduction scheme in 2013/14, the working age taxpayers in receipt of support have been charged £9.3M. By the end of 2018/19, £8.5M has been collected, approximately 91%. In respect of 2018/19, the collection rate for working age taxpayers fell by 0.5% compared to 2017/18.
- 1.1.5 Previous year council tax arrears also reduced by approximately £1.1M in the last financial year (compared to £790,000 in 2017/18).
- 1.1.6 Members will note that the number of recovery notices issued overall in 2018/19 was 11% lower than in 2017/18 (see **ANNEX 1**). I am hopeful that this downward trend will continue with the introduction of Citizen Access.
- 1.1.7 In respect of business rates, we have consistently collected over 99% since 2008/09. However, as I have mentioned before, collection of business rates is volatile, and the overall collection rate can be affected by factors affecting a small number of accounts.

- 1.1.8 The overall business rate arrears reduced by approximately £120,000 in the last financial year, leaving just £75,000 uncollected in respect of all rates due since 1990. The work done in previous years has enabled us to maintain a very low level of arrears and we continue to be in a very strong position to maintain our excellent collection rate.
- 1.1.9 As always, I can assure Members that every effort is being made to maintain high collection rates, and that we are doing all that is possible to collect the council tax and business rates that are due to the Council.
- 1.1.10 As at 30 June 2019, the collection rate for council tax stood at 27.06%. For the same period in the year 2018/19, the collection rate was also 27.06%.
- 1.1.11 As at 30 June 2019, the collection rate for business rates stood at 30.59%. For the same period in the year 2018/19, the collection rate was 30.7%.

## **1.2 Performance and Workload of the Benefits Service**

- 1.2.1 Over the 2018/19 financial year, the average number of days to process new claims for housing benefit and council tax reduction stood at 12.8. It took on average 2.1 days to process changes to existing claims. Our performance ranked amongst the best in the Country and has continued in this vein over the first quarter of the new financial year.
- 1.2.2 The overall number of households assisted with council tax reduction remains stable at 6605, showing a trend of a slight fall in pension age households and equivalent rise in working age.
- 1.2.3 However, with the introduction of the Universal Credit (UC) full service in November 2018, the housing benefit caseload has fallen from 6224 households to 5783 as at the 1 April 2019 and further to 5514 as of 1 July 2019. Of the total, currently 3392 households are working age.
- 1.2.4 The total expenditure of housing benefit across the Borough was a little under £35M last year a reduction of £0.5M. The cause of the lower expenditure is largely due to the annual 1% rent reductions imposed on social landlords.
- 1.2.5 Our Discretionary Housing Payment (DHP) fund was used in full during 2018/19, as with previous years. Careful budgeting meant the fund was exhausted in March 2019 with the new fund available from 1 April. Although a higher number of applications was received over the course of the year, a lower number of awards were made due to the decrease in budget from Government of almost £50,000. Despite demand far outstripping need, the budget for 2019/20 has been cut by a further £28,000 to bring the total fund to £208,000. Awards are made in line with the Council's policy. More information about when and how DHP is used, including our policy, can be found here: <https://www.tmbc.gov.uk/services/advice-and-benefits/benefits/discretionary-housing-payments-dhp>

- 1.2.6 Of the 365 households assisted with DHP in 2018/19, 160 of those awards were made to directly prevent homelessness by clearing rent arrears to stop evictions or provide rent in advance to move families into new homes. Other awards were made to generally alleviate poverty over a short term for households in need due to benefit cuts and various other unfortunate circumstances.
- 1.2.7 Universal Credit, as I have previously reported, was fully rolled out for the Borough in November 2018. Since then, working age residents needing financial help to pay rent must claim help through UC on-line. This applies to residents making new claims and a switch from housing benefit to UC can be triggered for existing housing benefit claimants according to certain triggers such as a partner moving in or out or some changes to tax credits.
- 1.2.8 Residents in temporary accommodation (i.e. those placed as homeless) and residents in supported accommodation (i.e. those needing some help to manage independent living) cannot claim UC to help with housing costs but must still claim housing benefit.
- 1.2.9 At some point prior to 2024 the DWP will announce plans to migrate our existing working age housing benefit caseload across to UC. The national plan has been delayed significantly but trials will start to take place for the conversion of cases in two Councils next year, with more information expected to follow soon after. Eventually we will be left to administer pension age housing benefit claims and those for all residents in supported or temporary accommodation, a number likely to be in the region of 2600 households in total. Just when this will happen we have yet to see, in the meantime we continue to provide the best service we can for the residents in the Borough and keep the Service as flexible as possible.

### **1.3 Shared Management Arrangement with Gravesham Borough Council (GBC)**

- 1.3.1 Members are aware that we currently have a shared arrangement with GBC for the management of the Revenues and Benefits function. GBC have served notice that this arrangement will come to an end on 30 September.
- 1.3.2 I shall be considering the way forward in light of this and where appropriate will report to the General Purposes Committee to address any establishment needs.

### **1.4 Legal Implications**

- 1.4.1 Nil.

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

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

## **1.6 Risk Assessment**

1.6.1 Nil.

## **1.7 Equality Impact Assessment**

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

## **1.8 Policy Considerations**

1.8.1 Community

1.8.2 Customer Contact

Background papers:

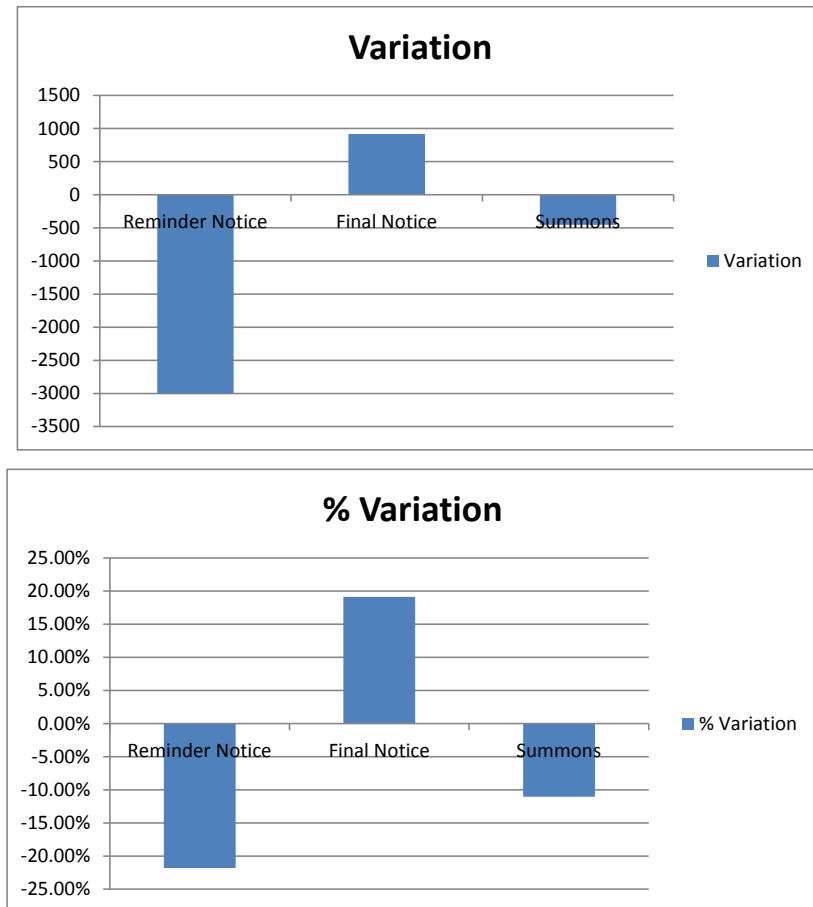
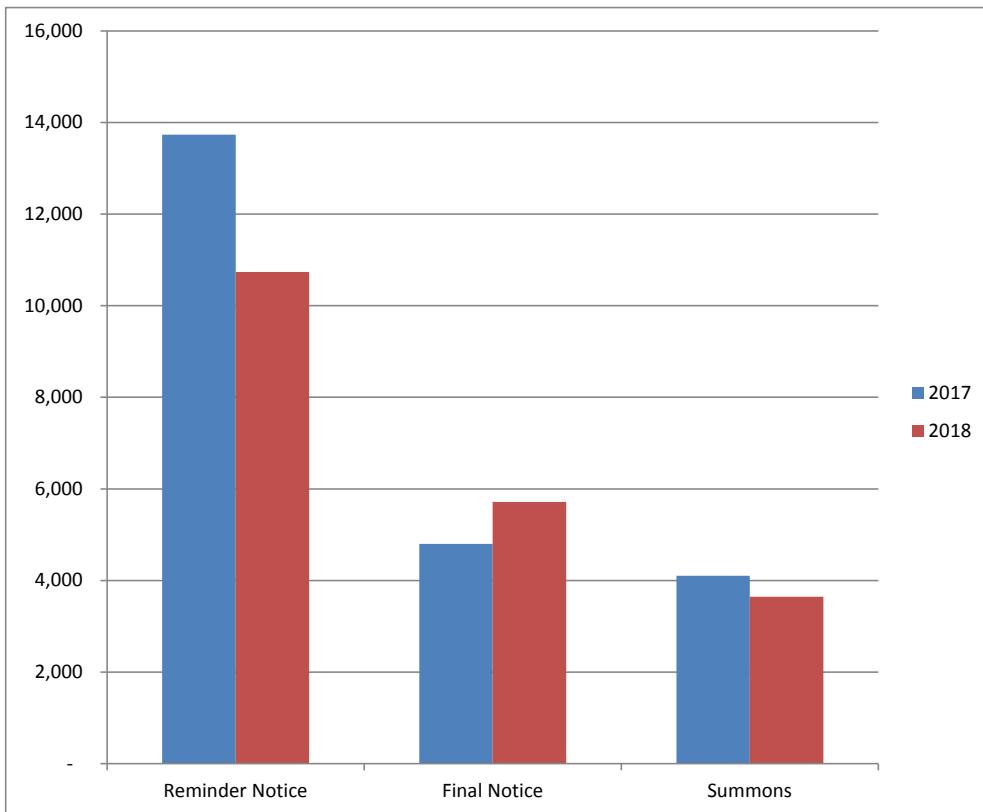
1. In respect of the collection of council tax and business rates, data held within Financial Services.

contact: Glen Pritchard  
01732 876146  
Andrew Rosevear  
01732 876143

Sharon Shelton  
Director of Finance and Transformation

## ANNEX 1

	Reminder Notice	Final Notice	Summons	Total
2017	13,734	4,800	4,100	22,634
2018	10,737	5,718	3,647	20,102
<b>Variation</b>	<b>-2997</b>	<b>918</b>	<b>-453</b>	<b>-2532</b>
<b>% Variation</b>	<b>-21.82%</b>	<b>19.13%</b>	<b>-11.05%</b>	<b>-11.19%</b>



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## TONBRIDGE & MALLING BOROUGH COUNCIL

## FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

17 July 2019

### Report of the Director of Finance and Transformation

#### Part 1- Public

#### Matters for Information

#### **1      THE CIPFA FINANCIAL MANAGEMENT CODE CONSULTATION**

**In March 2019 the Chartered Institute of Public Finance and Accountancy (CIPFA) published “The CIPFA Financial Management Code Consultation”. This report provides an overview of the consultation paper, together with our response.**

##### **1.1    Introduction**

- 1.1.1 The CIPFA is proposing that a Financial Management Code (CIPFA FM Code) should be designed and developed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability.
- 1.1.2 The CIPFA FM Code would therefore for the first time set standards of financial management for local authorities in the UK. A summary of the key points is set out at section 1.2.
- 1.1.3 The draft FM Code is based on a series of principles supported by specific standards and statements of practice. They are considered necessary to provide the strong foundation within local authorities to enable them to:
  - financially manage the short-, medium- and long-term finances
  - manage financial resilience to meet foreseen demands on services
  - financially manage unexpected shocks in their financial circumstances.
- 1.1.4 The draft FM Code is consistent with other CIPFA codes and statements in that it is based on principles rather than prescription. Each local authority (and those bodies designated to apply the FM Code) must demonstrate that the requirements of the FM Code are being satisfied.
- 1.1.5 None of this should be of particular concern to us as we believe this is already embedded at Tonbridge and Malling. **The intention is for the Code to come into effect from April 2020.**

- 1.1.6 Demonstrating compliance with the CIPFA FM Code is the collective responsibility of elected members, myself as the s151 officer and Management Team as the Council's leadership team.
- 1.1.7 Whilst I believe we are already in a good place, a few things that we will need to address are as follows:
- refresher training for staff on Financial Rules and good budget management
  - financial training for Members
  - more regular benchmarking
  - the finalisation of the Asset Management Plan.

- 1.1.8 The consultation paper can be found at the following link:

[file:///C:/Users/nalfs/Downloads/CIPFA\\_Financial\\_Management\\_Code\\_Draft\\_v10\\_Consultation\\_Version%20\(5\).pdf](file:///C:/Users/nalfs/Downloads/CIPFA_Financial_Management_Code_Draft_v10_Consultation_Version%20(5).pdf)

- 1.1.9 The deadline for responses was 30 April 2019 and a copy of the response can be found at **[Annex 1]**.

## **1.2 The CIPFA Financial Management Code Consultation – Summary**

- 1.2.1 Local government finance in the UK is governed by primary legislation, regulation and professional standards as supported by regulation.
- 1.2.2 Section 151 of the Local Government Act 1972 requires that every local authority in England and Wales should ...“make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs.” Legislation also makes sound financial management ultimately the responsibility of the Chief Finance Officer. With these responsibilities come obligations, further reinforced by Section 114 of the Local Government Finance Act 1988 which requires the Chief Finance Officer to report to all elected members if there is or is likely to be unlawful expenditure or if expenditure in the year is likely to exceed resources. An authority’s prudent and proper financial management is also informed by a framework of professional codes of practice and guidance.
- 1.2.3 The general financial management of a local authority, however, has not been supported by a professional code. CIPFA is now proposing that a Financial Management Code (FM Code) should be designed and developed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The FM Code would therefore for the first time set standards of financial management for local authorities in the UK.

- 1.2.4 The FM Code is based on a series of **principles supported by specific standards and statements of practice**. They are considered necessary to provide the strong foundation within local authorities to enable them to financially manage the short, medium and long-term finances; manage financial resilience to meet foreseen demands on services; and financially manage unexpected shocks in their financial circumstances.
- 1.2.5 The FM Code is consistent with other CIPFA codes and statements in that it is based on principles rather than prescription. Each local authority (and those bodies designated to apply the FM Code) must demonstrate that the requirements of the FM Code are being satisfied. Demonstrating this compliance is the collective responsibility of elected members, the chief finance officer and their professional colleagues in the leadership team.
- 1.2.6 The FM Code applies a principle based approach. The Code requires that a local authority demonstrate that its processes satisfy the **principles of good financial management for an authority of its size, responsibilities and circumstances**. The principles are designed to assist in determining whether, in applying standards of financial management a local authority is financially sustainable:
- 1) Organisational **leadership** – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture.
  - 2) **Accountability** – based on medium term financial planning which drives the annual budget process supported by effective risk management, quality supporting data and whole life costs.
  - 3) Financial management is undertaken with **transparency** at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer action and elected member decision making.
  - 4) Adherence to professional **Standards** is promoted by the leadership team and is evidenced.
  - 5) Sources of **assurance** are recognised as an effective tool mainstreamed into financial management and includes political scrutiny and the results of both external audit, internal audit and inspection.
  - 6) The long term **sustainability** of local services is at the heart of all financial management process and is evidenced by prudent use of public resources.
- 1.2.7 To enable authorities to test their conformity with the principles of good financial management the FM Code translates these principles into **Financial Management Standards and supporting Statements of Standard Practice**. The Statements of Standard Practice set the **minimum requirements** to demonstrate adherence to the Code. The Financial Management Standards and supporting Statements of Standard Practice can be found at **[Annex 2]**.

- 1.2.8 Compliance will typically but not always be demonstrated by documenting compliance with the Statements of Standard Practice which underpin each of the Financial Management Standards. *Note – see this requiring a response to each of the Statements of Standard Practice by way of a self-assessment.*

### **1.3 Legal Implications**

- 1.3.1 As set out in the consultation paper.

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

- 1.4.1 It is clearly of upmost importance that an organisation can demonstrate and evidence good practice in financial management and as such welcome a Code against which practice can be judged.

### **1.5 Risk Assessment**

- 1.5.1 Clearly, the absence of good practice in financial management puts at risk the integrity of the Council's finances and at worse its financial sustainability.

Background papers:

Nil

contact: Neil Lawley  
Sharon Shelton

Sharon Shelton  
Director of Finance and Transformation

**CIPFA Financial Management Code****Consultation Questions and Response Sheet**

The Financial Management (FM) Code is an important new initiative for local government and those with an interest in its success. The consultation version has been developed with the oversight of a stakeholder group including local government, the audit community and others with an interest in the project. It has also been the subject of practical 'road testing' by a sample containing different types of authorities.

Notwithstanding this rigorous development process, CIPFA are still keen to receive feedback, most especially on those aspect of the Code where good practice has proved difficult to codify.

**Consultation Process**

Please use this FM Code Word format response sheet since this will ensure that your responses can be incorporated consistently into our analysis.

The responses may be shared with members of the stakeholder groups and other CIPFA boards responsible for the governance of the code. If you wish your response to be anonymised for this process then please give reasons why this needs to be the case in submitting your response

Organisation/Respondent	Tonbridge and Malling Borough Council / Director of Finance and Transformation
Contact Name	Sharon Shelton
Contact Email Address	sharon.shelton@tmbc.gov.uk
Any other relevant information on the respondent	
Section 151 Officer	

**Return by email to [FMcode@cipfa.org](mailto:FMcode@cipfa.org) by 30 April 2019**

**The Responsibility of the Chief Finance Officer and Leadership Team**

The FM Code has sought to establish the correct balance between the personal responsibilities of the CFO and the collective responsibilities of the leadership team for financial management.

*Q1 How can the collective responsibility of the leadership team for Financial Management be made more explicit in the Code.*

Suggest that the context in which the responsibility of the leadership team for Financial Management is referred to in the Code is adequate and for each local authority to determine how to discharge and communicate that responsibility within its own organisational structure.

**The Applicability of the Financial Management Code**

The FM Code will apply to all local authorities, including police, fire, combined and other authorities which:

- in England and Wales are defined in legislation for the purposes of Part 1 of the Local Government Act 2003
- in Scotland are defined in legislation for the purposes of Part 7 of the Local Government in Scotland Act 2003, or to the larger bodies (such as Integration Joint Boards) to which Section 10 of this Act applies, and
- in Northern Ireland are defined in legislation for the purposes of Part 1 of the Local Government Finance Act (Northern Ireland) 2011.

*Q2: Does the applicability of the FM Code satisfactorily reflect the increasing complexity and variety of local bodies.*

Yes, believe so.

<b>Compliance with the FM Code</b>
<p>Stakeholders have suggested that inclusion of the Code within the Annual Governance Statement would be an appropriate way for local authorities to report compliance. This may require the <i>CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016)</i> to be amended. CIPFA would welcome comments on the merits and practicality of this suggestion</p>
<p><i>Q3 Would the inclusion within the Annual Governance Statement of a statement of how the authority had complied with the Code be an effective means of reporting compliance?</i></p>
<p>In principle supported on the assumption what is suggested is a concise statement along the lines that the FM Code had been complied with in all material respects but not the detailed evidence supporting that assertion within the Annual Governance Statement.</p> <p>Alternative, the Robustness of Estimates and Adequacy of Reserves Statement as part of the budget setting process?</p>

<b>Long Term Financial Strategy and Medium Term Financial Management</b>
An important objective of the FM Code is to establish longer term financial planning in local authorities. CIPFA wants to encourage local authorities to be more ambitious in their choice of timescale for financial planning.
<i>Q4 Given that the FM Code makes Medium and Long Term financial planning obligatory, how can CIPFA encourage local authorities be more ambitious in the timescales chosen?</i>
Suggest that the Code sufficiently requires, promotes and encourages medium and long term financial planning and for each local authority to determine how in recognising its importance its approach to meet that objective.

<b>Financial Resilience Assessment</b>
To comply with the FM Code an authority will have aligned its spending plans to a robust assessment of its future resources. Where this has not yet happened the leadership will need to take the decisions necessary to restore financial sustainability.
<i>Q5 How can the FM Code give additional support to leadership teams in taking the decisions necessary to restore financial sustainability.</i>
Suggest this is more for the Section 151 Officer and the Corporate Management Team in liaison with the Executive of a local authority to determine what and how it is to address a funding gap between expenditure and income recognising there is in all likelihood no one solution and that solution(s) adopted will vary from authority to authority in scale and size to reflect their particular circumstances.

## Schedule of CIPFA Financial Management Standards and Statements of Standard Practice

Principles	Financial Management Standards	Statements of Standard Practice	Section 1 The Responsibilities of the Chief Finance Officer and Leadership Team
<b>Leadership</b>	<b>A</b>		<b>The leadership team demonstrates that the services provided by the authority provide value for money</b>
<b>Leadership</b>	<b>B</b>		<b>The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government</b>
		B1	<p>The Chief Finance Officer in a public service organisation is a key member of the leadership team, helping it to develop and implement strategy and to resource and deliver the organisation's strategic objectives sustainably and in the public interest.</p> <p>[From CIPFA: The Role of the Chief Financial Officer in Local Government (2016) p 7]</p>
		B2	<p>The Chief Finance Officer must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the organisation's financial strategy.</p> <p>[From CIPFA: The Role of the Chief Financial Officer in Local Government (2016) p 7]</p> <p>Organisations which are required to explain (rather than comply) should set out clearly how the associated risks will be managed and demonstrate notification of the risks to the political leadership.</p>
		B3	<p>The Chief Finance Officer must lead the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.</p> <p>[From CIPFA: The Role of the Chief Financial Officer in Local Government (2016) p 7]</p>

			The Chief Finance Officer should regularly review the skillsets of elected members and all officers with budget/financial management responsibility and ensure appropriate support is provided.
		B4	<p>The Chief Finance Officer must lead and direct a finance function that is resourced to be fit for purpose.  [From CIPFA: The Role of the Chief Financial Officer in Local Government (2016) p 7]</p> <p>The Chief Finance Officer should regularly review the skillsets of all finance staff with senior budget/financial management responsibility and ensure ongoing appropriate support is provided.</p> <p>The ratio of qualified staff as a proportion of total finance staff ensures that the finance function has the necessary financial competence.</p>
		B5	<p>The Chief Finance Officer must be professionally qualified and suitably experienced.  [From CIPFA: The Role of the Chief Financial Officer in Local Government (2016) p 7]</p> <p>The Chief Finance Officer must be able to demonstrate adherence to professional CPD requirements on an annual basis.</p>
		B6	<p>The Chief Finance Officer should promote the highest standards of ethical behaviour in the conduct of financial management.</p> <p>Professionally qualified staff should evidence ongoing benchmarking against the principles of objectivity, integrity professional behaviour, professional competence, dues care and confidentiality.</p>
		B7	<p>To enable financially informed decision making:</p> <p>The Chief Finance Officer should be able to provide the leadership team with sound advice on the key principles of local government finance; and</p> <p>The Chief Finance Officer should be able to demonstrate a sound system which ensures the authority has access to high standards of technical financial advice.</p>

		B8	The chief finance officer should report explicitly on the affordability and risk associated with the capital strategy and where appropriate have access to specialised advice to enable them to reach their conclusions. [The Prudential Code for Capital Finance in Local Authorities 2017 Edition Page 13]
		B9	The chief finance officer must establish the reporting and monitoring processes, and integrate the treasury management indicators into the overall financial planning process. [CIPFA Treasury Management in The Public Services, Guidance Notes For Local Authorities Including Police Forces And Fire And Rescue Authorities (2018 Edition) p9]
		B10	The Chief Finance Officer of Local Government Pension Scheme (LGPS) administering authorities satisfies the requirements of the CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills (2013 edition).
<b>Section 2 Governance and Financial Management Style</b>			
<b>Leadership</b>	<b>C</b>		<b>The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control</b>
<b>Accountability</b>	<b>D</b>		<b>The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016)</b>
		D1	The authority maintains an effective audit committee.
		D2	The audit committee receives and monitors the implementation of internal and external audit recommendations. When threats to the financial sustainability of the authority are identified by auditors the audit committee should ensure that the recommendations are communicated to the leadership team and that the committee are informed of the effectiveness of the leadership team's response.
		D3	The authority has a PSIAS conformant internal audit function.
<b>Transparency</b>	<b>E</b>		<b>The Financial Management Style of the authority supports financial sustainability</b>

		E1	The organisation has an effective framework of financial accountability that is clearly understood and applied throughout, from the political leaders, elected members to directors, finance officers and front line service managers. [Adapted from CIPFA FM Model]
		E2	Finance teams and the organisation they support are actively committed to continuous improvement focused on efficient and effective delivery and organisational performance. The organisation has an effective framework of financial accountability that is clearly understood and applied throughout, from the political leaders, elected members to directors, finance officers and front line service managers. [Adapted from CIPFA FM Model]
		E3	Enabling transformation: the finance team have input into strategic and operational plans taking into account proactive risk management, clear strategic directions and focus-based outcomes.
		E4	Managers understand they are responsible for delivering services cost effectively and are held accountable for doing so. Financial literacy is diffused throughout the organisation so that decision takers understand and manage the financial implications of their decisions.
		E5	The financial management of the authority has been critically evaluated.
			Section 3: Medium to Long Term Financial Management
Sustainability	F		<b>The authority has carried out a credible and transparent Financial Resilience Assessment</b>
		F1	Financial resilience is tested against best and worst case scenarios which cover a wide range of financial demographic and social challenges.
		F2	The authority uses independent objective quantitate measures to assess the risks to its financial sustainability.
		F3	Decision making by the authority demonstrates a sound understanding of the risks associated with its strategic business partners.
Sustainability	G		<b>The authority has a Long Term Financial Strategy for financial sustainability</b>

<b>Sustainability</b>	<b>H</b>		<b>The authority has a capital strategy aligned to its long term financial strategy</b>
		H1	The authority has an asset management plan that reviews the condition, sufficiency and suitability of assets in the light of business needs, and ambitions of the Medium - Long Term Financial Strategy. The plan should evidence rigorous assessment of asset portfolio in relation to service delivery.
		H2	The authority maintains processes to ensure that information about key assets and liabilities in its balance sheet is a sound and current platform for management action.
<b>Standards</b>	<b>I</b>		<b>The authority complies with the CIPFA Prudential Code</b>
<b>Sustainability</b>	<b>J</b>		<b>The authority has a rolling multi-year Medium Term Financial Plan</b>
<b>Sustainability</b>	<b>K</b>		<b>The authority has sustainable service plans that are consistent with its long term financial strategy and the medium term financial plan</b>
		K1	The Medium Term Financial Plan should make reference to other organisational plans (e.g. workforce planning) and performance measures to demonstrate an alignment between service and financial planning.
		K2	The authority has benchmarked the performance of its services against appropriate comparators.
		K3	To inform the Leadership Team's decisions the authority has a single document tracking progress in the delivery of planned savings over the period of the Medium Term Financial Plan.
		K4	The authority publishes its plans for the use of reserves over the period of the Medium Term Financial Plan. The level of reserves at 31st March in any one year should not fall below the level previously agreed. The authority should demonstrate adherence to the most recent guidance on reserves from CIPFA's Local Authority Accounting Panel.
			Section 4: The Annual Budget

<b>Standards</b>	<b>L</b>		<b>The authority complies with its statutory obligations in respect of the budget setting process</b>
<b>Transparency</b>	<b>M</b>		<b>The budget report includes an assessment of its consistency with the current medium term financial plan and long term financial strategy</b>
		M1	The annual report proposing the budget includes an analysis of the success/failures in achieving the spending plans of the previous year and of departures from the planned use of reserves and balances.
<b>Transparency</b>	<b>N</b>		<b>The budget report includes a statement by the Chief Finance Officer on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves</b>
Section 5: Stakeholder Engagement and Business Cases			
<b>Transparency</b>	<b>O</b>		<b>The authority has engaged with key stakeholders in developing its long term financial strategy, medium term financial plan and annual budget</b>
<b>Standards</b>	<b>P</b>		<b>The authority uses a documented option appraisal methodology to demonstrate the VFM of its decisions</b>
		P1	Option appraisal IFAC/PAIB Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal (Annex C to CIPFA FM Code).
		P2	The accounting treatment of material decisions is considered and demonstrated as part of the formal option appraisal process.
<b>Standards</b>	<b>Q</b>		<b>The authority applies the principles contained in the CIPFA Service Reporting Code of Practice and utilises appropriate costing techniques in the development of business cases</b>
Section 6: Performance Monitoring			
<b>Accountability</b>	<b>R</b>		<b>The authority takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability</b>
		R1	Timely time financial and performance information is available to managers via the appropriate systems. The systems are engineered to provide relevant data at a

			sufficiently accurate level. The organisation ensures that information is appropriately tailored and streamlined to avoid the risk of 'data overload'.
		R2	<p>All Financial monitoring reports include:</p> <ul style="list-style-type: none"> <li>• The name of the budget holder responsible for the information presented</li> <li>• Accruals based financial information</li> <li>• Include the approved budget against which monitoring is taking place.</li> <li>• A forecast for the remainder of the budget period,</li> <li>• Service performance information and</li> </ul> <p>- is shown, for instance by reconciliations, to be consistent with the aggregate position for the authority.</p>
		R3	<p>Financial monitoring reports for high risk budgets are:</p> <ul style="list-style-type: none"> <li>• Scrutinised by the leadership team of the organisation on (as a minimum) monthly basis.</li> <li>• Financial monitoring reports for steady state/low risk budgets are:</li> <li>• Received by budget holders on a monthly basis</li> <li>• Received (in aggregate) by the leadership team on a regular basis (in aggregate) by the leadership team.</li> </ul>
		R4	The authority has arrangements which allow annual service budgets to be recalibrated in response to unforeseen developments.
		R5	At the financial monitoring period end the leadership team receives a set of financial statements with forecast outturn for the year ahead
		R6	There are appropriate arrangements in place for reporting and managing the financial performance of each of the organisation's delivery partnerships and collaborative arrangements.
		R7	There are appropriate arrangements in place for the project management and cost control of capital projects.
<b>Assurance</b>	<b>S</b>		<b>The authority monitors the elements of its balance sheet which pose a significant risk to its financial stability</b>

		S1	Unplanned and planned use of reserves are reported [quarterly] to the management team of the organisation and to Council.
		S2	Management accounts include either a full balance sheet or an appropriate level of balance sheet information to meet business needs and evidence of monitoring of material items.
Section 7 External Financial Reporting			
<b>Accountability</b>	<b>T</b>		<b>The Chief Finance Officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice on Local Authority Accounting in the United Kingdom</b>
<b>Assurance</b>	<b>U</b>		<b>The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions</b>

# Agenda Item 11

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

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# Agenda Item 12

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

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

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# Agenda Item 13

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

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# Agenda Item 14

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of the Local Government Act 1972.

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

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# Agenda Item 15

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

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