



TONBRIDGE & MALLING BOROUGH COUNCIL

EXECUTIVE SERVICES

Chief Executive

Julie Beilby BSc (Hons) MBA

Gibson Building
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To: MEMBERS OF THE COUNCIL

Dear Sir/Madam

I hereby summon you to attend a meeting of the Tonbridge and Malling Borough Council which will be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Tuesday, 29th October, 2019 at 7.30 pm, when the following business is proposed to be transacted:-.

NB Background reports to items referred from Cabinet and Committees have been omitted from printed agenda packs.

PART 1 - PUBLIC

1. Apologies for absence 5 - 6

2. Declarations of interest 7 - 8

To declare any interests in respect of recommended items

3. Minutes 9 - 18

To confirm as a correct record the Minutes of the meeting of Council held on 9 July 2019

4. Mayor's Announcements 19 - 20

5. Planning Application TM/18/01240/FL - Woodford, Old Lane, 21 - 64
Ightham

To consider section 73 application TM/18/01240/FL for variation of conditions 1 (time limited and personal condition), 2 (restore site when temporary consent expires) and 4 (number of caravans) pursuant to planning permission TM/11/01444/FL (variation of conditions 1 and 2 on TM/07/01238/FL: change of use for stationing of two caravans for residential use, fencing and sheds for occupation by a single gypsy family) at Woodford, Old Lane, Ightham which was adjourned for determination by the full Council in accordance with Council Procedure Rule No 15.25.

6. Questions from the public pursuant to Council Procedure Rule 65 - 66
No 5.6
7. Questions from Members pursuant to Council Procedure Rule 67 - 68
No 5.5
8. Leader's Announcements 69 - 70
9. Reports, Minutes and Recommendations 71 - 72

To receive and consider reports, minutes and recommendations from the meetings of the Cabinet and Committees set out in the Minute Book and officers' reports on any matters arising from them, and to receive questions and answers on any of those reports.

Matters for recommendation to the Council are indicated below at items 10 to 19.

10. Treasury Management Update and Annual Report for 2018/19 73 - 98

Item AU 19/29 referred from Audit Committee minutes of 29 July 2019

11. Proposed Scheme of Co-option 99 - 102

Item OS 19/21 referred from Overview and Scrutiny Committee minutes of 29 August 2019

12. Disclosure and Barring Service Policy and Procedure 103 - 116

Item GP 19/18 referred from General Purposes Committee minutes of 8 October 2019

13. Treasury Management Update and Mid-Year Review 2019/20 117 - 138

Item CB 19/56 referred from Cabinet minutes of 16 October 2019

14. Larkfield Leisure Centre Mechanical, Electrical and Roofing Works Capital Scheme - Virement 139 - 142

Item CB 19/57 referred from Cabinet minutes of 16 October 2019

15. Review of Community Safety 143 - 148

Item CB 19/58 referred from Cabinet minutes of 16 October 2019

16. IT Strategy and Digital Strategy Update 149 - 184

Item CB 19/59 referred from Cabinet minutes of 16 October 2019

17. Disabled Facilities Grant Budget 2019-20 185 - 192

Item CB 19/60 referred from Cabinet minutes of 16 October 2019

18. Review and Replacement of Council Website 193 - 218

Item CB 19/61 referred from Cabinet minutes of 16 October 2019

19. Purchase of Temporary Accommodation 219 - 238

Item CB 19/62 referred from Cabinet minutes of 16 October 2019

20. Appointments to Outside Bodies 239 - 240

To consider appointment to the Allington Community Liaison Group.

21. Sealing of Documents 241 - 242

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

PART 2 - PRIVATE

22. TM/18/01240/FL - Woodford, Old Lane, Ightham 243 - 248

LGA 1972 Sch12A Paragraph 5 – Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings

JULIE BEILBY
Chief Executive
Monday, 21 October 2019

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Apologies for absence

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Declarations of interest

To declare any interests in respect of recommended items.

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TONBRIDGE AND MALLING BOROUGH COUNCIL

COUNCIL MEETING

Tuesday, 9th July, 2019

At the meeting of the Tonbridge and Malling Borough Council held at Civic Suite, Gibson Building, Kings Hill, West Malling on Tuesday, 9th July, 2019

Present: Her Worship the Mayor (Councillor Mrs J A Anderson), the Deputy Mayor (Councillor R V Roud), Cllr M C Base, Cllr Mrs P A Bates, Cllr Mrs S Bell, Cllr R P Betts, Cllr T Bishop, Cllr M D Boughton, Cllr V M C Branson, Cllr G C Bridge, Cllr C Brown, Cllr R I B Cannon, Cllr A E Clark, Cllr M A Coffin, Cllr D J Cooper, Cllr R W Dalton, Cllr D A S Davis, Cllr N J Heslop, Cllr P M Hickmott, Cllr M A J Hood, Cllr F A Hoskins, Cllr S A Hudson, Cllr A P J Keeley, Cllr D Keers, Cllr Mrs F A Kemp, Cllr K King, Cllr Mrs C B Langridge, Cllr J R S Lark, Cllr D Lettington, Cllr Mrs R F Lettington, Cllr B J Luker, Cllr P J Montague, Cllr Mrs A S Oakley, Cllr L J O'Toole, Cllr W E Palmer, Cllr M R Rhodes, Cllr H S Rogers, Cllr J L Sergison, Cllr T B Shaw, Cllr N G Stapleton, Cllr K B Tanner, Cllr Mrs M Tatton, Cllr M Taylor, Cllr Miss G E Thomas, Cllr D Thornewell, Cllr F G Tombolis and Cllr C J Williams

Apologies for absence were received from Councillors J L Botten, M O Davis, Mrs T Dean, N Foyle, S M Hammond, A Kennedy and D W King

PART 1 - PUBLIC

C 19/56 DECLARATIONS OF INTEREST

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

However, Councillor T Bishop referred to agenda item 10 (Larkfield Leisure Centre Capital Schemes 2019/20 – Mechanical, Electrical and Roofing Work), which was referred from Cabinet (CB 19/41), and advised that he was a Board Member for the Leisure Trust.

C 19/57 MINUTES

RESOLVED: That the Minutes of the proceedings of the Annual Meeting of the Council held on 20 May 2019 be approved as a correct record and signed by the Mayor.

C 19/58 MAYOR'S ANNOUNCEMENTS

Reference was made to the recent sad death of Honorary Freeman and former Mayor Mrs Marion Cole and the Mayor paid tribute to her service

as a local councillor. The funeral would be held at St Peter and St Paul's Church, Aylesford on Thursday 25 July at noon. The service was open to everyone and the Mayor asked that those wishing to attend inform the Mayor's Office so that the family could have an idea of numbers.

The Mayor reported that since her inauguration at Annual Council she had attended a number of events. These included the Queen's Garden Party, Tonbridge Carnival, the Tonbridge Lions It's a Knockout event and the Tonbridge and Malling Cricket Festival. She was also pleased to report that the recent Civic Service had been well attended.

Upcoming activities and events included the Mayor's Garden Party, which would be held in the Memorial Garden at the Royal British Legion Village on Tuesday 23 July, and another Local Schools Debate was arranged for 11 October. Details of the Charity Quiz to be held around Christmas would follow in due course.

Finally, the Mayor thanked the Deputy Mayor (Councillor Roger Roud) for attending many events on her behalf and commented that this had been an exceptionally busy period.

**C 19/59 QUESTIONS FROM THE PUBLIC PURSUANT TO COUNCIL
PROCEDURE RULE NO 5.6**

No questions were received from members of the public pursuant to Council Procedure Rule No 5.6.

**C 19/60 QUESTIONS FROM MEMBERS PURSUANT TO COUNCIL
PROCEDURE RULE NO 5.5**

No questions were received from Members pursuant to Council Procedure Rule No 5.5.

**C 19/61 NOTICES OF MOTION SUBMITTED PURSUANT TO COUNCIL
PROCEDURE RULE NO 5.27**

Consideration was given to a Notice of Motion pursuant to Council Procedure Rule No 5.27 submitted jointly by Councillors N Heslop, M Coffin, R Betts, D Lettington, V Branson, M Base, F Tombolis and M Boughton in the following terms:

We believe that a sustainable low-carbon future is essential for our own sake, and that of future generations – and is needed urgently to avoid the dangers of runaway climate breakdown.

A recent report published by the Intergovernmental Panel on Climate Change (IPCC) states that in order for us to limit the global temperature increase to 1.5°C, worldwide CO2 emissions need to decline by 45% from 2010 levels by 2030 and reach net zero emissions by 2050. This

target will allow us to support the international commitment to keep the planet's temperature rise below 1.5°C (above pre-industrial levels) as agreed under the Paris Agreement. We also note the recent Intergovernmental Science-Policy Platform on Biodiversity and Ecosystems Services report on global species and habitat loss.

Further to this, Council resolves to:

- 1. Declare its recognition of global climate change and biodiversity emergencies;*
- 2. Consider how the Council can strengthen local protection and enhance protection of species, habitats and ecosystems under available powers;*
- 3. Review services and operations to ensure Tonbridge and Malling Borough Council has policies that support climate change mitigation, for example the provision of electric charging points across the borough, so that it is one of the most welcoming places in the country for driving electric and hybrid vehicles;*
- 4. Request an initial report is made to the Cabinet setting out how, in partnership with other agencies, the Council will be making positive contributions to combat climate change.*

Councillor N Heslop proposed, seconded by Councillor R Betts, an alteration adding text to point 4 of the original motion as follows;

'... and bring forward a revised draft Climate Change Strategy by May 2020 including deliverable performance indicators and an aspiration for Tonbridge and Malling to be carbon neutral by 2030.'

Members signified consent to this alteration.

A number of amendments to the substantive motion were proposed (as set out below).

- (1) It was proposed by Councillor F Hoskins and seconded by Councillor A Clark that the substantive motion include an additional point *'calling upon Westminster to provide the powers and resource to make the 2030 target possible'*.

Upon receipt of the necessary requisition under Council Procedure Rule No 8.4 voting on the amendment was recorded as follows:

Members voting for the proposed amendment to the motion:

Cllr T Bishop, Cllr G C Bridge, Cllr A E Clark, Cllr P M Hickmott, Cllr M A J Hood, Cllr F A Hoskins, Cllr Mrs A S Oakley, Cllr W E Palmer,

Cllr R V Roud, Cllr T B Shaw, Cllr N G Stapleton, Cllr Mrs M Tatton, Cllr M Taylor and Cllr D Thornewell.

Total = 14

Members voting against the proposed amendment to the motion:

Cllr Mrs J A Anderson, Cllr M C Base, Cllr Mrs P A Bates, Cllr Mrs S Bell, Cllr R P Betts, Cllr M D Boughton, Cllr V M C Branson, Cllr C Brown, Cllr R I B Cannon, Cllr M A Coffin, Cllr D J Cooper, Cllr R W Dalton, Cllr D A S Davis, Cllr N J Heslop, Cllr S A Hudson, Cllr A P J Keeley, Cllr D Keers, Cllr Mrs F A Kemp, Cllr K King, Cllr Mrs C B Langridge, Cllr J R S Lark, Cllr D Lettington, Cllr Mrs R F Lettington, Cllr B J Luker, Cllr P J Montague, Cllr L J O'Toole, Cllr M R Rhodes, Cllr H S Rogers, Cllr J L Sergison, Cllr K B Tanner, Cllr Miss G E Thomas, Cllr F G Tombolis and Cllr C J Williams

Total = 33

Members abstaining: None

RESOLVED: That the proposed amendment to the motion be rejected.

- (2) It was proposed by Councillor F Hoskins and seconded by Councillor A Clark that the substantive motion include an additional point *'we will liaise with other governments (both local, national and international) to determine best practice methods to limit global warming to less than 1.5 degrees C'*.

Upon receipt of the necessary requisition under Council Procedure Rule No 8.4 voting on the amendment was recorded as follows:

Members voting for the proposed amendment to the motion:

Cllr T Bishop, Cllr G C Bridge, Cllr A E Clark, Cllr P M Hickmott, Cllr M A J Hood, Cllr F A Hoskins, Cllr Mrs A S Oakley, Cllr W E Palmer, Cllr R V Roud, Cllr T B Shaw, Cllr N G Stapleton, Cllr Mrs M Tatton, Cllr M Taylor and Cllr D Thornewell.

Total = 14

Members voting against the proposed amendment to motion:

Cllr Mrs J A Anderson, Cllr M C Base, Cllr Mrs P A Bates, Cllr Mrs S Bell, Cllr R P Betts, Cllr M D Boughton, Cllr V M C Branson, Cllr C Brown, Cllr R I B Cannon, Cllr M A Coffin, Cllr D J Cooper, Cllr R W Dalton, Cllr D A S Davis, Cllr N J Heslop, Cllr S A Hudson, Cllr A P J Keeley, Cllr D Keers, Cllr Mrs F A Kemp, Cllr K King, Cllr Mrs C B Langridge, Cllr J R S Lark, Cllr D Lettington,

Cllr Mrs R F Lettington, Cllr B J Luker, Cllr P J Montague,
Cllr L J O'Toole, Cllr M R Rhodes, Cllr H S Rogers, Cllr J L Sergison,
Cllr K B Tanner, Cllr Miss G E Thomas, Cllr F G Tombolis and
Cllr C J Williams

Total = 33

Members abstaining: None

RESOLVED: That the proposed amendment to the motion be rejected.

Finally, the Leader of the Council advised that careful consideration had been given to the deadlines and it was felt that May 2020 was a realistic target given the significant amount of work to be undertaken and outcomes identified. Members were reassured that the Climate Change Strategy would be driven forward to meet this deadline.

Upon receipt of the necessary requisition under Council Procedure Rule No 8.4 voting on the Substantive Motion as proposed by Councillor N Heslop and seconded by Councillor R Betts was recorded as follows:

Members voting for the Substantive Motion:

Councillor Mrs J A Anderson, Cllr M C Base, Cllr Mrs P A Bates,
Cllr Mrs S Bell, Cllr R P Betts, Cllr M D Boughton, Cllr V M C Branson,
Cllr G C Bridge, Cllr C Brown, Cllr R I B Cannon, Cllr A E Clark,
Cllr M A Coffin, Cllr D J Cooper, Cllr R W Dalton, Cllr D A S Davis,
Cllr N J Heslop, Cllr P M Hickmott, Cllr M A J Hood, Cllr F A Hoskins,
Cllr S A Hudson, Cllr A P J Keeley, Cllr D Keers, Cllr Mrs F A Kemp,
Cllr A Kennedy, Cllr K King, Cllr Mrs C B Langridge, Cllr J R S Lark,
Cllr D Lettington, Cllr Mrs R F Lettington, Cllr B J Luker,
Cllr P J Montague, Cllr Mrs A S Oakley, Cllr L J O'Toole,
Cllr W E Palmer, Cllr M R Rhodes, Cllr H S Rogers, Cllr R V Roud,
Cllr J L Sergison, Cllr T B Shaw, Cllr N G Stapleton, Cllr K B Tanner,
Cllr Mrs M Tatton, Cllr M Taylor, Cllr Miss G E Thomas,
Cllr D Thornevell, Cllr F G Tombolis and Cllr C J Williams

Total = 46

Members voting against the Substantive Motion:

Total = 0

Members abstaining:

Cllr T Bishop

RESOLVED: That the Notice of Motion (as amended) proposed by Councillor N Heslop and seconded by Councillor R Betts (set out below) be agreed:

1. The Borough Council's recognition of global climate change and biodiversity emergencies be declared;
2. Consideration be given to how the Borough Council can strengthen local protection and enhance protection of species, habitats and ecosystems under available powers;
3. Services and operations be reviewed to ensure Tonbridge and Malling Borough Council has policies that support climate change mitigation, for example the provision of electric charging points across the borough, so that it is one of the most welcoming places in the country for driving electric and hybrid vehicles;
4. An initial report be made to the Cabinet setting out how, in partnership with other agencies, the Council will be making positive contributions to combat climate change and a revised draft Climate Change Strategy brought forward by May 2020 including deliverable performance indicators and an aspiration for Tonbridge and Malling to be carbon neutral by 2030.

C 19/62 LEADER'S ANNOUNCEMENTS

As this was the first full Council meeting since the local elections, the Leader welcomed the opportunity to record appreciation for the relatively smooth first few weeks for the newly elected Council. He had attended all the committee meetings, advisory boards and the majority of area planning committee meetings and had found the quality of scrutiny and debate to be of a high quality.

The Leader was pleased that the Motion on Climate Change had been adopted, so that crucially the Borough Council would review current activities for its contribution to improving the environment while considering additional measures.

Finance

Members were aware that in setting the budget for 2019/2020 in February, projections at that time suggested a funding gap between expenditure and income of circa £550,000. This 'gap' was translated into three savings and transformation contributions of £100,000, £400,000 and £50,000 to be achieved by the start of the year 2020/21, 2024/25 and 2028/29 respectively. Latest projections were that this had increased to over £600,000 highlighting why it was important to identify and implement opportunities to deliver at least this year's savings and transformation contribution of £100,000. The funding gap would undoubtedly change many times throughout the year and the challenge

sat alongside the cumulative savings of £2.5 million achieved since 2016 and the cumulative savings in excess of £4m achieved over the past 6-7 years.

The Leader advised that Cabinet recently reviewed both the Medium Term Financial Strategy (MTFS) and the Savings and Transformation Strategy (STS), with a view to identifying and considering opportunities for both income generation and savings in the medium term. The immediate task was to meet this year's saving tranche and the Overview and Scrutiny Committee had been tasked to review three areas: the community safety function, including CCTV provision and the role of the Community Safety Unit; Disabled Facilities Grants; and the Borough Council's Public Health Function.

As of 31 March 2019, the final collection rate for Council Tax, for the year 2018/19, was 98.91%; and for Business Rates, 99.42%. Once again, both of these collection rates were the highest in Kent.

The Borough Council had recently received two Geoplace Exemplar awards for local address data quality in 2019 and congratulations were extended to the officers in achieving this accolade. Both awards recognised quantifiable benefits to residents of the 'My Account' facility on the website. The judges also focussed on evidence of both savings delivered and collaboration across the Council for service delivery whilst meeting a clear user need.

Local Plan

Officers continued active dialogue with the Planning Inspectors regarding the submitted Local Plan and remained confident that all of the Inspectors' questions could be responded to. It was likely that there would be further engagement on some specific supplementary material over the summer and early autumn and as soon as this was agreed with the Inspectors Members would be updated.

Members were advised that a bid was made last November to the Government's Garden Communities Programme in respect of the proposed Borough Green Gardens Scheme that was included in the Local Plan. The outcome of a competitive bidding process was that Borough Green Gardens was one of 19 new garden villages announced in the programme.

This had resulted in an award of £150,000 to help fund the project and was a welcome acknowledgement of the opportunities that the new development would provide. While Borough Green Gardens could be delivered without any further financial assistance, the importance of the early delivery of the relief road and other important infrastructure had been emphasised throughout the plan making process. The Borough Council could now plan for the best possible development and looked forward to working with a range of partners to progress towards the

delivery of a sustainable community that benefited from high quality design and much needed investment in infrastructure, in a timely manner in parallel with the submitted Local Plan.

Waste Services Contract

The Leader reported that the new waste contract had started successfully and at future meetings of the Street Scene and Environment Services Advisory Board, Members would receive performance updates against a range of performance indicators.

Subscriptions for the garden waste service were going extremely well with over 9000 residents signed up already and represented 55% of the annual target. This uptake had been helped by some creative marketing overseen by the Member Working Group, the latest example of which was bin hangers on every resident's bin reminding them to not miss out on the early bird discount that would close on 2 August.

The Borough Council was getting closer to the start of the commencement of the new service arrangements on 30 September, and the delivery of the garden waste bins would start in a couple of weeks with the food waste caddies being delivered to every household in the Borough in August.

Before the new service started every resident would receive an information booklet through the post to explain the new arrangements and the website would continue to be updated.

Housing

The Council's work with partner councils and organisations to engage with rough sleepers continued and a total of £250,000 had been received from central government to fund pilot programmes. The Borough Council was also actively working on the options for a night shelter and in the coming months it was hoped to formally launch the Severe Weather Action Protocol, which was trialled last winter and already had many partners involved.

Economic Regeneration

The Borough Council had now adopted a new Economic Regeneration Strategy for the period 2019-2023. The Strategy set out a vision which aimed to: "Maximise the unique strengths of the local area to help create a resilient, dynamic and inclusive economy that fosters sustainable growth in the Borough."

In order to achieve this, a number of key objectives, each underpinned by a number of activities had been identified: Planning for economic growth; obtaining funding for key infrastructure; supporting skills and work-readiness among school students; creating an environment that

supported local business; helping the town centres to become resilient during a time of change; promoting tourism and supporting the rural economy.

The Leader was pleased to have hosted a business networking event in Tonbridge last Wednesday for a number of small business owners from across the Borough. Similar events had been held last year in Tonbridge, Snodland and Kings Hill and it was intended to have a rolling programme of similar events across the Borough.

Since formally launching the New Shopfront Improvement Grant Scheme to enhance the town and district centres at the end of March, a scheme supported by Business Rate Retention pilot, the Leader was pleased to report that 11 applications had now been approved equating to a total grant contribution of £29,000.

Members would have read that Hadlow College was placed in administration by the Secretary of State for Education and that West Kent and Ashford College was in financial difficulties. While this was an alarming position, both colleges remained open with no immediate impact on teaching staff and students.

The FE Commissioner had now invited expressions of interest for the management of both colleges which were currently being assessed and a decision as to the preferred bidder was expected within the next few weeks. The Chief Executive and the Leader had been invited by the FE Commissioner to speak to members of his team and make the case of the provision of further education in West Kent.

C 19/63 LARKFIELD LEISURE CENTRE CAPITAL SCHEMES 2019/20 - MECHANICAL, ELECTRICAL AND ROOFING WORK

Item CB 19/41 referred from Cabinet minutes of 5 June 2019.

RESOLVED: That the recommendations at Minute CB 19/41 be approved.

C 19/64 HUMAN RESOURCES STRATEGY UPDATE

Item GP 19/12 referred from General Purposes Committee minutes of 19 June 2019.

RESOLVED: That the recommendation at Minute GP 19/12 be approved.

C 19/65 APPOINTMENTS TO OUTSIDE BODIES

Consideration was given to the report of the Director of Central Services regarding the reappointment of Mrs M Heslop and the appointment of Mr D Cure as nominated trustees of the Petley and Deakins Almshouse

Charity Tonbridge. It was suggested that one Trustee be (re)appointed for two years initially and the other for four years to stagger the terms to ensure there was no period without a Council representative.

In addition, consideration was given to the appointment of nominated trustees of the Board of the Hospital of the Holy Trinity, Aylesford for a four year term to July 2023.

RESOLVED: That

- (1) Mrs M Heslop be reappointed as a trustee of the Petley and Deakins Almshouse Charity for a period of two or four years;
- (2) Mr D Cure be appointed as a trustee of the Petley and Deakins Almshouse Charity for a period of two or four years; and
- (3) Councillors D Keers and C Williams be appointed as trustees to the Board of the Hospital of the Holy Trinity, Aylesford for a four year term

C 19/66 SEALING OF DOCUMENTS

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

The meeting ended at 8.40 pm

Mayor's Announcements

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TONBRIDGE & MALLING BOROUGH COUNCIL

COUNCIL

29 October 2019

Report of the Director of Planning, Housing and Environmental Health

Part 1- Public

Matters For Decision

1 PLANNING APPLICATION TM/18/01240/FL – WOODFORD, OLD LANE, IGHTHAM

Summary

Permanent planning permission is sought for the residential occupation of this site by a single Traveller family along with associated variations to other conditions imposed previously at appeal to allow for an increase in the number of caravans sited on the land. The application was reported to the Area 2 Planning Committee given the planning history of the site on 03 July and 14 August 2019 (on the latter occasion accompanied by a Part 2 report from the Director of Central Services and Monitoring Officer). Members of the Area 2 Planning Committee resolved not to accept the recommendation that planning permission be granted on a permanent basis but rather that a further temporary planning permission (for a period of 7 years) be granted. As such, in accordance with the Constitution, this application is being reported to Council for a decision.

1.1 Introduction

- 1.1.1 The reports to APC2 of 03 July and 14 August 2019, including the Part 2 report and associated appendices, are attached in full and set out in detail the reasoning behind and recommendation of the Director of Planning, Housing and Environmental Health. This report should be read in conjunction with those papers.
- 1.1.2 For the purposes of taking this decision, the Constitution provides that the same rules apply both to applications determined by an Area Planning Committee and where the matter is referred to full Council. Rule 16.1 of the Council and Committee Procedure Rules (Constitution: Part 4, p29) provides that the public speaking rules apply to planning applications being considered by the Council when it has 'resolved itself into a committee of the full council'. As such, the procedure rules relating to Planning Committees are to be applied in this instance.

1.2 Legal Implications

- 1.2.1 Prior to determining this application, Members are requested to note the Monitoring Officer's legal advice contained within the Part 2 report to members of Area 2 Planning Committee dated 14 August 2019. Again, to be read in conjunction with the associated papers appended to this report.

(a) Determination of Planning Applications

- 1.2.2 Planning applications must be determined in accordance with the development plan, unless material considerations indicate otherwise (see s.70 (2) Town & Country Planning Act 1990 and s.38 (6) Planning and Compulsory Purchase Act 2004). For TMBC, the development plan is currently the Local Development Framework adopted in 2007. The National Planning Policy Framework ("NPPF"), Planning Practice Guidance ("PPG") and Planning Policy for Traveller Sites ("PPTS") are important material considerations.
- 1.2.3 Paragraph 11(c) of the NPPF requires that planning authorities approve development proposals which accord with the development plan "without delay".
- 1.2.4 The key matter for consideration in this case centres on the legal and policy considerations relevant to the decision of APC2 to resolve to grant a (7 year) temporary planning permission rather than a permission that would allow the family to reside on the site on a permanent basis. The justification put forward by APC2 in support of the further temporary period was on the basis that circumstances may have changed in 7 years' time that would mean permanent occupation may no longer be necessary. This was on two bases: (i) That the personal circumstances of the family may have changed and (ii) that the Council will have adopted a new Local Plan which contains policies for Gypsy and Traveller sites.
- 1.2.5 The Planning Practice Guidance (the "PPG") is clear in respect of when it is reasonable and justifiable to grant temporary planning permissions, as follows:

Under section 72 of the Town and Country Planning Act 1990 the local planning authority may grant planning permission for a specified temporary period only. Circumstances where a temporary permission may be appropriate include where a trial run is needed in order to assess the effect of the development on the area or where it is expected that the planning circumstances will change in a particular way at the end of that period.

A temporary planning permission may also be appropriate to enable the temporary use of vacant land or buildings prior to any longer-term proposals coming forward (a 'meanwhile use').

It will rarely be justifiable to grant a second temporary permission (except in cases where changing circumstances provide a clear rationale, such as temporary classrooms and other school facilities). Further permissions can normally be granted permanently or refused if there is clear justification for doing so.

- 1.2.6 There is no basis in policy or law for the Council to adopt a “wait and see” approach to planning applications, nor to grant temporary permissions in order to facilitate some future prospective (and by no means certain) “change” in relevant circumstances.
- 1.2.7 The Council in its function as Local Planning Authority has submitted its Local Plan to the Secretary of State for examination. Whilst no date has been set for the examination as yet, the Council, in submitting the Plan, has confirmed that it believes it to be a sound and reasoned approach to meeting identified needs (including evidenced needs for Traveller accommodation) over the plan period. In drafting the Plan, the decision was taken to address identified need for Traveller pitches on a case by case, criteria based approach rather than through the allocation of specific sites. It is not possible at this stage of the process to simply decide that approach is no longer palatable and suggest that sites should be found to allocate for such purposes. Notwithstanding the fact that it is not feasible at this stage to use the time between submission of the Local Plan and the examination dates to fundamentally change elements of the Plan, Members must also be aware that no sites were forthcoming for such purposes when the “Call for Sites” exercise was undertaken and there remains no indication of any that could be used for such purposes that would be available, suitable or indeed deliverable. To suggest otherwise is pure supposition and decision making cannot be formulated on such a basis.
- 1.2.8 The fact therefore remains that the Council has an identified, extant and current unmet need for permanent gypsy/ traveller pitches that will not be addressed in a manner anticipated by the previous inspector in granting the temporary planning permission at this site.
- 1.2.9 Members are aware that relevant decisions made by the Secretary of State via the Planning Inspectorate are important material considerations. Whilst they do not create precedents in every case, they must be given due weight in the decision making process to ensure consistency in decision making. The key decision in this respect is the permanent permission granted at The Spinney, Wrotham Heath. The Inspector in that case made it very clear that the Council’s position concerning unmet need in that case formed a key part of the very special circumstances. The decision letter is reproduced in full as an annex to this report.
- 1.2.10 Similarly, it would be entirely unreasonable to seek to time limit residential occupation of the site until the children residing there reached the age of 18 (for example). The appended reports quite correctly explain that the best interests of any children residing on the site are a primary consideration in this case. However, that is not to say that it is the only consideration. It should be made clear that even in the event that no children resided on this site, the recommendation would remain as it stands given the position concerning unmet need given the assessment and conclusions given in this regard.

1.3 Financial and Value for Money Considerations

- 1.3.1 An award of costs against the Council by the Planning Inspectorate would be for the expense incurred by the Applicant in lodging and pursuing a planning appeal. The applicant has already engaged professional planning agents and these would likely take such an appeal forward. Legal representation may also be instructed to assist in preparing and making their appeal case.
- 1.3.2 There would in addition be further costs to the Council in terms of its own officer time and resourcing up to and including the appearance at any appeal hearing or inquiry.

1.4 Risk Assessment

- 1.4.1 The risk of an award of costs by the Planning Inspectorate presents a reputational risk because it would indicate that the Inspectorate considered the Council had behaved in an unreasonable manner.
- 1.4.2 Members' attention is also drawn to the previous advice of the Monitoring Officer in the Part 2 report.

1.5 Equality Impact Assessment

- 1.5.1 The Council's statutory duties under s.149 Equality Act 2010 are directly engaged in this matter, as the applicants share a protected characteristic. The Council must have due regard to the need to promote equality of opportunity between those persons who have a protected characteristic and those who do not. The Council must also have due regard to the need to eliminate discrimination, harassment, victimisation or any other conduct that is prohibited by law.
- 1.5.2 The appellant's rights to respect for private and family life under Article 8 of the European Convention of Human Rights are also engaged.
- 1.5.3 More detailed legal advice on these issues is set out in the Monitoring Officer's Part 2 report.

1.6 Recommendation

- 1.6.1 **Grant planning permission** subject to the following conditions:

Conditions:

1. The residential use hereby permitted shall be carried on only by [REDACTED] and their resident dependants

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

2. In the event that the site ceases to be occupied by those named in Condition 1) above, the use hereby permitted shall cease and all caravans and associated buildings or structures brought on to the land, or works undertaken to it in

connection with the use, shall be removed and the land restored to its condition before the development took place.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

3. No more than three caravans (of which no more than 1 shall be a static caravan) as defined by the Caravan Sites and Control of Development Act 1960 and the Caravan Sites Act 1968, shall be stationed on the site at any one time and no further caravans shall be placed at any time anywhere within the site.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

4. Prior to the installation of any means of foul or surface water disposal system, a scheme shall be submitted to the Local Planning Authority for approval. The approved scheme shall be implemented within two months of the date of the approval.

Reason: In order to prevent pollution of controlled waters.

5. No external lighting shall be erected within the site without the prior written approval of the Local Planning Authority.

Reason: In the interests of rural and visual amenity

6. The existing screen hedging shown on the approved plan shall be retained at a minimum height of 2.5m.

Reason: Pursuant to Section 197 of the Town and Country Planning Act 1990 and to protect the appearance and character of the site and locality.

7. Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) (England) Order 2015, or any re-enactment thereof, no fences, walls, gates or other means of enclosure shall be erected within any part of the application site.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity

8. Prior to the stationing of any more than one touring caravan on this site as hereby approved, details of the layout of the site detailing the siting of the caravans shall be submitted to and approved by the Local Planning Authority. The development shall thereafter be undertaken in accordance with the approved details.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity

Informative:

1. The applicant is reminded that the use hereby approved does not afford any permitted development rights and that any built development or engineering operations in connection with the use would require planning permission from the Local Planning Authority.

Background papers:

contact: Emma Keefe

Reports to the Area 2 Planning Committee of the
Director of Planning, Housing and Environmental
Health and the Director of Central Services and
Monitoring Officer

Ightham
Wrotham, Ightham And
Stansted

1 June 2018

TM/18/01240/FL

Proposal: Section 73 application for the variation of conditions 1 (time limited and personal condition), 2 (restore site when temporary consent expires) and 4 (number of caravans) pursuant to planning permission TM/11/01444/FL (Variation of conditions 1 and 2 on TM/07/01238/FL: Change of use for stationing of two caravans for residential use, fencing and sheds for occupation by a single gypsy family)

Location: Woodford Old Lane Ightham Sevenoaks Kent TN15 9AH

Go to: [Recommendation](#)

1. Description:

- 1.1 Temporary planning permission for the change of use of land to allow for residential occupation by a single family was granted at appeal under planning reference TM/11/01444/FL in July 2015.
- 1.2 Permission was granted on a temporary basis given the identified harm arising to the Green Belt as a result of the development, whilst recognising that appeal decisions around that time were making clear Inspectors were not satisfied that alternative sites for such use would become available in the short term for acceptable relocation.
- 1.3 This current application seeks the variation of a number of planning conditions imposed by the planning inspector at that time in order to allow for permanent residential occupation of the site. The conditions proposed to be varied, and the manner in which the variations are proposed, are summarised below:
- 1.4 Condition 1 allows for residential occupation of the site only for a period of seven years from 17 July 2011 (July 2018) and only by the applicants and their resident dependants. The variation sought in this respect is to allow for permanent residential occupation by this family but with the condition expanded to recognise the change in family circumstances to cite members of the family who are now adults within the limitations of the personal permission.
- 1.5 Condition 2 is linked to [1] above insofar that it requires restoration of the site to its former condition when the residential occupation of the site ceases. The submission indicates that this condition should be removed in the event that a permanent permission is granted.
- 1.6 Condition 4 of the planning permission states that no more than two caravans can be stationed on the site at any one time (of which no more than one can be a static caravan). The current application seeks to amend this to allow for a total of three

Area 2 Planning Committee

touring caravans, again in recognition of the changed circumstances of the family in occupation.

- 1.7 It is acknowledged that some time has elapsed since the submission of the current planning application and seeking to determine this application. It should however be made clear that this application was submitted in advance of the temporary period expiring. Determination has been held in abeyance pending the outcome of a number of key decisions from the Planning Inspectorate, High Court, and subsequently Court of Appeal, which would form material planning considerations and which needed to be considered within the context of this case. The Court proceedings in particular became rather protracted because of the number of parties involved (including intervention from the Equalities and Human Rights Commission) and satellite issues which had to be resolved before the Courts could make a determination. Those matters are still, to some extent, outstanding but in light of much more recent decisions by the planning inspectorate (which form important material considerations) there is now no imperative to await further outcomes for the purposes of progressing this application.
- 1.8 The recent decisions of the planning inspectorate required careful review and consideration in light of site specific circumstances and this has now been completed.
- 1.9 It is therefore now necessary to consider the planning application alongside the relevant planning policy framework, in light of the prevailing circumstances of the site and surrounding land and within this wider context. I refer to these as relevant throughout the assessment that follows:

2. Reason for reporting to Committee:

- 2.1 Given the planning history of the site.

3. The Site:

- 3.1 The site lies within the Metropolitan Green Belt, outside any defined village settlement confines and within designated countryside.

4. Planning History (relevant):

TM/11/01444/FL	Refuse; Allowed on	31 May 2012
	appeal	24 July 2015

Variation of conditions 1 and 2 on TM/07/01238/FL: Change of use for stationing of two caravans for residential use, fencing and sheds for occupation by a single gypsy family

5. Consultees:

- 5.1 PC: Objects

5.2 Private Reps – 10 letters of objection. Objections raised on the following (summarised) grounds:

- Site should be restored to its original condition as it is AONB;
- No changes in circumstance that justify continued occupation of the site;
- Old Lane is a single track lane and any increase in traffic would be dangerous;
- Applicant has had ample time to make alternative arrangements;
- Family have been absent from the site for long periods of time;
- Noise and disturbance from dogs barking;
- Preference for continued occupation of the site should not mean it is allowed.

6. Determining Issues:

6.1 Since the Council and Planning Inspector last considered the use of this site, the planning policy framework has moved on significantly with the publication of the NPPF, NPPG and PPTS, replacing PPG2 and Circular 01/2006: Planning for Gypsy and Traveller Caravan Sites respectively. Most recently, the NPPF has been revised (February 2019) and it is on this basis that the current application must now be assessed.

6.2 Notwithstanding this, the main issues in the consideration of this case continue to relate to the principle of the development within the Green Belt, its impact upon openness, its impact upon the rural character of the locality more generally and the issues surrounding the provision and need of Traveller sites across the Borough. These matters form the basis of the assessment that follows.

Planning Policy for Traveller Sites (PPTS):

6.3 This forms part of the NPPF and should be read in conjunction with that document. PPTS makes clear that the policies set out in the NPPF will apply also to decision-taking for Traveller sites. In applying those provisions to Traveller sites, references in those provisions to policies in the NPPF should, where relevant, be read to include policies in the PPTS.

6.4 PPTS states that the government's overarching aim is to ensure fair and equal treatment for Travellers, in a way that facilitates their traditional and nomadic way of life while respecting the interests of the settled community, and gives guidance in respect of the use of evidence, plan-making and decision-taking. It sets out that government's aims in respect of Traveller sites are:

- that local planning authorities should make their own assessment of need for the purposes of planning;

Area 2 Planning Committee

- to ensure that local planning authorities, working collaboratively, develop fair and effective strategies to meet need through the identification of land for sites;
- to encourage local planning authorities to plan for sites over a reasonable timescale;
- that plan-making and decision-taking should protect Green Belt from inappropriate development;
- to promote more private Traveller site provision while recognising that there will always be those travellers who cannot provide their own sites;
- that plan-making and decision-taking should aim to reduce the number of unauthorised developments and encampments and make enforcement more effective;
- for local planning authorities to ensure that their Local Plan includes fair, realistic and inclusive policies;
- to increase the number of Traveller sites in appropriate locations with planning permission, to address under-provision and maintain an appropriate level of supply;
- to reduce tensions between settled and traveller communities in plan-making and planning decisions;
- to enable provision of suitable accommodation from which Travellers can access education, health, welfare and employment infrastructure;
- for local planning authorities to have due regard to the protection of local amenity and local environment.

6.5 Specific planning policies for Traveller sites, including sites within the Green Belt, are clearly set out within this document. The requirements set out in PPTS are considered in detail throughout this report.

Human Rights and Equalities Considerations:

- 6.6 A key matter in this type of application is the European Convention on Human Rights as applied by the Human Rights Act 1998 along with the Council's requirement to act in accordance with the Equality Act 2010.
- 6.7 In terms of Equalities legislation, Gypsies and Travellers have a protected status that must be considered in all decisions made by Public Authorities. The Council needs to coherently apply the PPTS, as described above, which itself has been subject to Equality Impact Assessment (EqIA) by the Government. Specifically, the Council in the exercise of its statutory functions (in this case the determination of

planning applications) has a clear duty to have due regard to particular needs and lifestyles when making decisions.

6.8 The Public Sector Equality Duty is set out at Section 149 of the Equality Act 2010. It imposes a duty on all public authorities that they must, in the exercise of their functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

6.9 This is a duty that applies to Local Planning Authorities, the Planning Inspectorate and the Secretary of State. The key point is that whilst the duty is not a lone justification to grant planning permission or to not take enforcement action, decision makers must have regard to it when considering Traveller cases.

6.10 For example, it is necessary for consideration to be given as to whether refusing planning permission (which could potentially mean that the applicants would have to resort to roadside encampments) would be an action which would “foster good relations” between the settled community and Travellers. This is a matter to which the Planning Committee must give due regard in the consideration of this case, and one that the Planning Inspectorate will have regard to in determining any subsequent appeal lodged in the event that planning permission is refused and enforcement action reinstated.

Impact on the Green Belt:

6.11 The site lies within the Metropolitan Green Belt where the NPPF affords strict control to development stating that inappropriate development is, by definition, harmful to the Green Belt and should not be approved except in very special circumstances. Policy CP3 of the TMBCS sets out that national Green Belt policy will apply.

6.12 Paragraph 143 inappropriate development is, by definition, harmful to the Green Belt and should not be approved except in very special circumstances. Paragraph 144 goes on to state that when considering any planning application, local planning authorities should ensure that substantial weight is given to any harm to the Green Belt. ‘Very special circumstances’ will not exist unless the potential harm to the Green Belt by reason of inappropriateness, and any other harm resulting from the proposal, is clearly outweighed by other considerations.

- 6.13 Paragraphs 145 and 146 set out the exceptions to inappropriate development within the Green Belt, including at paragraph 146 (e) material changes in the use of land provided that they preserve its openness and do not conflict with the purposes of including land within it. It is this exception that requires consideration within the context of this application because the development in question amounts to a material change of use in the land rather than built or operational development.
- 6.14 Paragraph 134 sets out the five purposes of including land within the Green Belt as being:
- a) to check the unrestricted sprawl of large built-up areas;
 - b) to prevent neighbouring towns merging into one another;
 - c) to assist in safeguarding the countryside from encroachment;
 - d) to preserve the setting and special character of historic towns; and
 - e) to assist in urban regeneration, by encouraging the recycling of derelict and other urban land.
- 6.15 Policy E of the PPTS states that Traveller sites (temporary or permanent) in the Green Belt are inappropriate development; such development is harmful to the Green Belt and should not be approved except in very special circumstances. In July 2013, in a Ministerial Statement, the Secretary of State made clear he considered that the single issue of unmet need, whether for Traveller sites or for conventional housing, is unlikely to outweigh harm to the Green Belt, and other harm, such as to constitute the very special circumstances justifying inappropriate development in the Green Belt. A further written Ministerial Statement in January 2014 re-emphasised this point. Policy CP20 of the TMBCS also states that there is a presumption against Traveller sites in the Green Belt unless there are very special circumstances, although this now is broadly out of date given the conflict that exists with the NPPF.
- 6.16 I am of the view that the development still constitutes inappropriate development within the Green Belt, given that the structures in situ to some degree materially affect openness in both visual and spatial terms, and represent a form of physical encroachment into the countryside. As such, very special circumstances are still required which outweigh the degree of harm caused to the Green Belt.
- 6.17 However, it is necessary to have regard to what the previous inspector said in respect of actual harm to the openness of the Green Belt given the particular characteristics of the development and the site circumstances, which is set out as follows:
- The development has encroached into the countryside and consequently conflicts with one of the purposes of the Green Belt. The extent of encroachment is limited, which reduces the amount of actual harm. There is no conflict with the other remaining four purposes of the Green Belt.*

In summary, the primary source of harm is through the inappropriateness of the change of use of the land. The actual loss of openness and the encroachment increases that harm to a small degree.

- 6.18 Having established this, it is also necessary to consider whether the development causes any other harm, which includes any other harm to the Green Belt itself, along with any other harm that is relevant for planning purposes. In this respect, in terms of Green Belt impact, the structures on site are small in scale and extent and, whilst they have a presence within the Green Belt which in my view affects openness, this impact is very limited on the ground. This harm must as a matter of policy be given “great weight”, but whilst this limited physical impact is not – as a matter of law – capable of amounting to a very special circumstance outweighing the definitional harm identified it does however limit the degree of harm arising on the whole.

Impact on the countryside:

- 6.19 Policy CP14 of the TMBCS restricts development within the countryside to certain types. In the broadest of terms, the continued residential occupation of this site would not fall within any of the exceptions sited and as a result there is conflict with policy CP14.
- 6.20 Elsewhere across the Borough, with the restrictions set out in CP14 in mind, developments within the countryside (irrespective of whether they also lie within the Green Belt) have met with refusal of planning permission on grounds of principle i.e. they do not meet one of the types of development set out in the policy in the same way as identified in this application. However, I am mindful that recent appeal decisions indicate that Planning Inspectors are allowing appeals for development within the countryside on wider considerations involving locational characteristics, regardless of those restrictions. These appeal decisions are important material planning considerations and regard must be had to them in the assessment of this case. This means that we must carefully consider the site specific characteristics of any such schemes rather than immediately concluding that CP14 does not allow for such development to take place and issuing a blanket embargo against anything that does not strictly adhere to the restrictions contained within it. Effectively, for determining this planning application, policy CP14 must be considered to be out of date.
- 6.21 Notwithstanding this position, a core principle of the NPPF is that planning should recognise the intrinsic beauty and character of the countryside. Policy CP20 of the TMBCS requires consideration of the visual effect of the development on the character and appearance of its surroundings and rural amenity.
- 6.22 More generally, policies CP1 and CP24 of the TMBCS and policy SQ1 of the MDE DPD require all development to be well designed, of a high quality, appropriately respecting the site and its surroundings.

6.23 In these respects, the determining inspector previously noted in particular:

The site is tucked away off Old Lane, a narrow sunken land enclosed by hedgerows and earth banks. The layout of the caravan site responds to the physical features of the land. The mobile home and domestic spaces are on the lower part of the land and are effectively screened by boundary hedgerows and trees. The mobile home as a dwelling type is compatible with the diversity of building forms in the surrounding area.

6.24 He goes on to state:

The visual impact of the site is limited by the topography, well-established vegetation and the position of the site "off the beaten track".

In conclusion, the development does not cause visual intrusion and detracts little from the character and appearance of the surrounding area. In this respect the development does not prejudice rural amenity.

6.25 Whilst I note that this submission proposes the inclusion of additional touring caravans on the site, a suitably worded condition can control their siting to ensure it is visually appropriate.

6.26 For the reasons given above concerning the character and appearance of the site, I am satisfied that the requirements of the relevant policies are met and there would be no harm to the rural character or appearance of the countryside.

Residential amenity:

6.27 Crucially, there were no grounds to resist the development on grounds of impact to residential amenity at the time it was last considered and no such issues were found to be determinative by the inspector in granting a temporary planning permission in 2015. I do not consider that the introduction of additional touring caravans to serve the family would alter this position.

6.28 I do note that representations have indicated disturbance arising from barking dogs but this is not material to the consideration of this application. In such instances, complaints should be properly directed to the Environmental Protection Team to allow for separate investigations to take place as to whether a nuisance is occurring.

Other material considerations:

Meeting need:

6.29 The most recent inspector's decision concerns a site known as "The Spinney", Wrotham where permanent planning permission has been allowed on appeal. This site is also within the Green Belt. In respect of need, the determining inspector set out as follows:

The Council is unable to demonstrate a 5 year supply of traveller sites as sought in paragraph 10 of Planning Policy for Traveller Sites, and the evidence is that the site would provide affordable housing for the appellant. There is emerging policy that seeks to address this matter, but Green Belt land may well be required, and the outcome of that process is some way off. This is a consideration of significant weight.

As set out in paragraph 24 of Planning Policy for Traveller Sites, subject to the best interests of the child, personal circumstances and unmet need are unlikely to clearly outweigh harm to the Green Belt and any other harm so as to establish very special circumstances. However, 'unlikely' should not be read to mean that these considerations will never clearly outweigh the harm, and any decision must take account of the actual weight afforded both the harm and the other considerations. A determination of weight is for the Decision taker.

- 6.30 This, and other previous appeal decisions, indicate clearly that the correct mechanism for delivery of sites is therefore through the new Local Plan. The plan led system is the means of achieving sustainable development in Traveller site provision and PPTS provides a framework for plan-making in this respect. The determining inspector in the case of The Spinney set out that:

There is emerging Policy LP37 in the Tonbridge & Malling Local Plan which lists sites that are to be safeguarded for the provision of accommodation for travellers that meet the definition in Planning Policy for Traveller Sites, of which one, Orchard Place is agreed to be within the Green Belt, and redevelopment or expansion of those listed sites will only be permitted if all of 7 criteria are met. The Policy ends with the statement that development of sites will not be permitted in the Green Belt unless very special circumstances can be demonstrated and there is compliance with other policies in the Local Plan. Limited weight attaches to this emerging policy as it has not yet been examined.

- 6.31 In a more recent appeal decision (Aylesford Lakes), issued after the submission of the Local Plan to the Planning Inspectorate, the Inspector there noted that the emerging plan was still (due to the number of unresolved objections) insufficiently advanced to be afforded more than limited weight.
- 6.32 In light of these observations it is clear that, for the current application, the issue of unmet need and supply of sites must be considered primarily in the context of the current supply situation as it stands, rather than seeking to rely upon the emerging policies to remedy the lack of supply in the future.
- 6.33 I note that representations reference that the applicants have not sought to find an alternative site during the temporary period allowed by the inspector. However, it was clear that the inspector granted a temporary permission in this instance to allow for the progression of the local plan, which on the evidence available at that time indicated likely adoption in 2017.

- 6.34 Furthermore, inspectors have repeatedly set out that the public site at Coldharbour cannot be relied upon to meet need and that small private sites such as this have a clear part to play in meeting identified need.
- 6.35 With these factors collectively in mind and given that this site contributes towards meeting an identified need for such accommodation within the Borough, this is capable of amounting to a very special circumstance outweighing the harm identified. Furthermore, whilst only limited weight can be attributed to draft policy LP37, it is worth noting that allowing for the limited expansion of this site to accommodate the family in fact properly aligns with the broad principles adopted in drafting that policy as a way of addressing the needs of the Borough.

Personal Circumstances:

- 6.36 Since the application was submitted, officers have conducted an Equalities Assessment to establish the particular circumstances of the family in occupation. This has confirmed that there are children of school age living on the site who attend local schools.
- 6.37 As a matter of law, there is a requirement for decision makers to treat the best interests of any children affected by a decision to grant/refuse planning permission or to issue/uphold an enforcement notice as 'a primary consideration'. The requirement comes from Article 3(1) of the *UN Convention on the Rights of the Child* (UNCRC) and is considered by the European Court of Human Rights to be integral to the consideration of Article 8 rights in any case where a decision of a public body will affect children.
- 6.38 Insofar as planning decisions are concerned, the best interests of the children are discussed in the case of *Stevens v Guildford Borough Council* [2013] EWHC 792 (Admin) which related to stationing of the caravans on the site as a single family site. The Judgement acknowledges that the Courts have long recognised that town and country planning involves acute, complex and interrelated social, economic and environmental implications, requiring judgements of fact and degree. The *Stevens* Judgement states that once identified, although a primary consideration, the best interests of the child are not determinative of the planning issue. The Judgement recognises that most planning cases will have too many competing rights and interests, and will be too factually complex, to allow such an exercise.
- 6.39 However, it equally recognises that no other single consideration must be regarded as more important or given greater weight than the best interests of any child, merely by virtue of its inherent nature apart from the context of the individual case. Further, the best interests of any child must be kept at the forefront of the decision-maker's mind as he examines all material considerations and performs the exercise of planning judgment on the basis of them; and, when considering any decision he might make (and, of course, the eventual decision he does make), he needs to assess whether the adverse impact of such a decision on the interests of the child is proportionate.

6.40 What is clear in these respects is that the children's best interests and the other factors weighted in favour of the grant of planning permission in any given case have the potential to be outweighed by the harm that could be caused by such a grant of permission; the key point being that those best interests are not necessarily determinative and could properly be found to be outweighed by the identified harm. In this case, my view is that the interests of the children residing on site would be best served in them remaining on site, in permanent accommodation, where they will have the greatest ability to access education and healthcare.

Very special circumstances:

6.41 With the above assessment in mind, it is necessary to establish whether very special circumstances exist which outweigh the identified harm to an extent to justify the grant of planning permission. The NPPF states that very special circumstances will not exist unless the potential harm to the Green Belt by reason of inappropriateness, and any other harm, is clearly outweighed by other considerations. This requirement sets a very high threshold.

6.42 Notwithstanding this policy position, the most recent appeal decision (The Spinney) granted a permanent planning permission for a Traveller site within the Green Belt with the very special circumstances being unmet need and personal circumstances. This is reflective of all earlier decisions by the Planning Inspectorate too where inspectors have habitually granted temporary planning permissions with the justification in mind that the new local plan would positively allocate sites in order to meet the Borough's identified need for pitches (often described in their decision letters as being a lack of suitable alternative accommodation). They were, in effect, giving the Council time to forward plan for such need. The draft local plan policy (LP37) goes further than the current adopted policy (CP20) insofar that it seeks to safeguard existing authorised sites across the Borough but does not allocate new sites in order to meet our identified need as inspectors have continually anticipated it would in making their decisions to date.

6.43 This is important for us because the PPTS sets out that whilst matters of unmet need and personal circumstances are *unlikely* to outweigh harm to the Green Belt as to establish very special circumstances, there are cases where this will be the case. Indeed, in the absence of a policy which seeks to address unmet need, inspectors in every instance have concluded that the lack of available suitable alternative sites amounts to very special circumstances. The rationale behind this in every case being that the grant of temporary permissions would afford us time to satisfactorily meet our need through the local plan coming forward. The draft plan does not do this in a manner perhaps anticipated by those inspectors, notwithstanding the fact that there is a justification for this approach which will be for the examining inspector to address in due course. There remains an identified need (albeit relatively small) through our own evidence base and alternatives are not coming forward through the local plan process.

Temporary planning permission:

- 6.44 The applicant has set out that in the event a permanent permission is not forthcoming, they would ask for a further temporary permission for a period of 4 years.
- 6.45 Guidance states that a temporary planning permission *may* be appropriate where it is expected that planning circumstances will change in a particular way at the end of the period. More specifically, PPTS emphasises the importance of positive planning to manage development and sets clear objectives to increase the number of authorised Traveller sites in appropriate locations to address under-provision and maintain an appropriate level of supply.
- 6.46 The planning practice guidance sets out that under section 72 of the Town and Country Planning Act 1990 the local planning authority may grant planning permission for a specified temporary period only. Circumstances where a temporary permission may be appropriate include where a trial run is needed in order to assess the effect of the development on the area or where it is expected that the planning circumstances will change in a particular way at the end of that period. The guidance makes clear that it will rarely be justifiable to grant a second temporary permission – further permissions should normally be granted permanently or refused if there is clear justification for doing so.
- 6.47 In light of this guidance, and the preceding assessment that has taken place, I do not consider that it would be necessary or indeed justified to grant a further temporary planning permission in this instance. There are very special circumstances present which are supported by very recent and consistent approaches by the Planning Inspectorate that indicate a permanent permission should be granted here.

Conclusion:

- 6.48 I therefore conclude that these factors combined along with the best interests of the children living on the site is sufficient to amount to a case of very special circumstances outweighing the harm to the Green Belt by reason of inappropriateness. Permanent permission within the terms as set out by the submission, allowing for the additional named occupants and additional touring caravans (subject to approval of their precise location) should be granted. Rather than removing condition 2 as previously imposed, this should be varied to set out that in the event that residential occupation does cease for some reason in the future, the land would be restored to its former condition.
- 6.49 As such, the following recommendation is put forward:

7. Recommendation:

- 7.1 Grant planning permission** in accordance with the following submitted details:
Supporting Statement Redacted dated 23.08.2018, Location Plan dated 29.05.2018, Statement Renewal 2018 dated 29.05.2018, subject to the following conditions:

Conditions:

- 1 The residential use hereby permitted shall be carried on only by [REDACTED] and their resident dependants.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

- 2 In the event that the site ceases to be occupied by those named in Condition 1) above, the use hereby permitted shall cease and all caravans and associated buildings or structures brought on to the land, or works undertaken to it in connection with the use, shall be removed and the land restored to its condition before the development took place.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

- 3 No more than four caravans (of which no more than 1 shall be a static caravan) as defined by the Caravan Sites and Control of Development Act 1960 and the Caravan Sites Act 1968, shall be stationed on the site at any one time and no further caravans shall be placed at any time anywhere within the site.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

- 4 Prior to the installation of any means of foul or surface water disposal system, a scheme shall be submitted to the Local Planning Authority for approval. The approved scheme shall be implemented within two months of the date of the approval.

Reason: In order to prevent pollution of controlled waters.

- 5 No external lighting shall be erected within the site without the prior written approval of the Local Planning Authority.

Reason: In the interests of rural and visual amenity

- 6 The existing screen hedging shown on the approved plan shall be retained at a minimum height of 2.5m.

Area 2 Planning Committee

Reason: Pursuant to Section 197 of the Town and Country Planning Act 1990 and to protect the appearance and character of the site and locality.

- 7 Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) (England) Order 2015, or any re-enactment thereof, no fences, walls, gates or other means of enclosure shall be erected within any part of the application site.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity

- 8 Prior to the stationing of any more than one touring caravan on this site as hereby approved, details of the layout of the site detailing the siting of the caravans shall be submitted to and approved by the Local Planning Authority. The development shall thereafter be undertaken in accordance with the approved details.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity

Contact: Emma Keefe

SUPPLEMENTARY REPORTS

AREA 2 PLANNING COMMITTEE

DATED 3 JULY 2019

Ightham TM/18/01240/FL
Wrotham, Ightham And Stansted

Section 73 application for the variation of conditions 1 (time limited and personal condition), 2 (restore site when temporary consent expires) and 4 (number of caravans) pursuant to planning permission TM/11/01444/FL (Variation of conditions 1 and 2 on TM/07/01238/FL: Change of use for stationing of two caravans for residential use, fencing and sheds for occupation by a single gypsy family) at Woodford Old Lane Ightham

DPHEH: For the avoidance of any doubt, this application seeks a variation on the number of caravans to be stationed on the site from 2 to 3 (1no. static; 2no. tourers). Condition 3 erroneously cites a total of 4 caravans and should be amended accordingly.

Furthermore, Condition 2 as recommended is intended to ensure that in the event the applicants permanently cease occupation of the site, it is restored to its former condition. This does not include during periods where the applicants might be away travelling but rather if they cease to occupy permanently to ensure occupation is not taken up by another family. It is, therefore, intrinsically linked to Condition 1.

Members should be aware that this application relates to a material change of use of land, not building operations. The use in question does not benefit from any permitted development rights in the same way that dwellinghouses do. An Informative to that effect can be added to any grant of permission.

AMENDED RECOMMENDATION

Amend Condition 3:

3. No more than three caravans (of which no more than 1 shall be a static caravan) as defined by the Caravan Sites and Control of Development Act 1960 and the Caravan Sites Act 1968, shall be stationed on the site at any one time and no further caravans shall be placed at any time anywhere within the site.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

Additional Informative 1:

1. The applicant is reminded that the use hereby approved does not afford any permitted development rights and that any built development or engineering operations in connection with the use would require planning permission from the Local Planning Authority.

Area 2 Planning Committee

Ightham Wrotham, Ightham And Stansted	1 June 2018	TM/18/01240/FL
Proposal:	Section 73 application for the variation of conditions 1 (time limited and personal condition), 2 (restore site when temporary consent expires) and 4 (number of caravans) pursuant to planning permission TM/11/01444/FL (Variation of conditions 1 and 2 on TM/07/01238/FL: Change of use for stationing of two caravans for residential use, fencing and sheds for occupation by a single gypsy family)	
Location:	Woodford Old Lane Ightham Sevenoaks Kent TN15 9AH	
Go to:	Recommendation	

1. Description:

- 1.1 Determination of this application was deferred on 03 July 2019 to allow for legal services to provide the committee with a report setting out the risks involved should the recommendation of officers to grant planning permission subject to conditions not be accepted, and planning permission refused or a further temporary planning permission granted.

- 1.2 This is in line with the Council's Constitution which sets out as follows:

Where a Committee rejects a recommendation to approve, or is minded to refuse, an application which is recommended for approval by the Director of Planning, Housing and Environmental Health on grounds which the Director does not consider can be substantiated at appeal, the matter shall be deferred to the next meeting of the Committee to enable the Director of Central Services & Monitoring Officer to submit an independent report to the Committee on the possibility of costs being awarded against the Council. If the Director of Central Services & Monitoring Officer's report indicates that there is likely to be a significant risk of costs being awarded against the Borough Council and the Committee resolves to refuse the application that decision will be a recommendation only and the matter shall be submitted to Council for resolution.

- 1.3 Copies of the previous officer's report and supplementary report from the 03 July meeting are annexed for ease of information.

2. Consultees (since 03 July):

- 2.1 None

3. Determining Issues:

- 3.1 The key issues for consideration were addressed in detail within the report of 03 July but I would further clarify as follows:

Very special circumstances: unmet need:

- 3.2 Discussion took place at the July committee meeting concerning whether or not it could be concluded that very special circumstances had been found in this case sufficient to outweigh the identified harm (which is limited to harm by virtue of inappropriateness rather than any other Green Belt or wider planning harm). That is, rightly, a matter of planning judgement but that judgement must be made within the context of all relevant material considerations.
- 3.3 A fundamental change in the position concerning the existence of very special circumstances now when compared to that available to previous inspectors determining applications on this site is the most recent appeal decision in this Authority for traveller accommodation in the Green Belt. The inspector in that case expressly set out that unmet need within the Borough should be considered as a very special circumstance when appreciating that the emerging local plan does not propose to allocate any private sites to address that need. Whilst the Council's position in this respect will be tested at examination of the local plan itself, in the meantime there is a need to determine individual applications for development within the context of the prevailing development plan, national policy and relevant material considerations; in this case the decision made in respect of "The Spinney" and the site specific circumstances of individual cases. In order to assist the committee in this respect, the appeal decision is reproduced in full as a further annex to this report.

Temporary planning permissions:

- 3.4 The LPA is able in limited and evidenced circumstances to grant a planning permission for a temporary period of time. Indeed, those provisions have previously been invoked in this particular case. I also note that the applicant has mentioned within their submission that they would be prepared to accept a further temporary planning permission.
- 3.5 However, it must be understood that regardless of the "offer" made by the applicants in this case, the LPA must in all circumstances ensure that any planning conditions imposed upon a permission meet specified statutory and policy tests. Paragraph 55 of the NPPF (reflected in the Neighbourhood Planning Act 2107) sets out that planning conditions should only be imposed where they are:
- 1) necessary;
 - 2) relevant to planning and;
 - 3) to the development to be permitted;
 - 4) enforceable;
 - 5) precise and;

Area 2 Planning Committee

6) reasonable in all other respects.

3.6 Under section 72 of the Town and Country Planning Act 1990 the local planning authority may grant planning permission for a specified temporary period only. Circumstances where a temporary permission may be appropriate include where a trial run is needed in order to assess the effect of the development on the area or where it is expected that the planning circumstances will change in a particular way at the end of that period.

3.7 A condition limiting use to a temporary period only where the proposed development complies with the development plan, or where material considerations indicate otherwise that planning permission should be granted, will rarely pass the test of necessity. It will rarely be justifiable to grant a second temporary permission – further permissions should normally be granted permanently or refused if there is clear justification for doing so.

3.8 With these considerations in mind, and reflecting on the position as set out above and within the July report concerning the overall merits of granting planning permission, the grant of a further temporary planning permission either because the circumstances of the applicant might change in the future or in expectation or hope that the local plan position might change would fail to meet the tests we are required to apply. Indeed, the latter would only arise in the event that formal allocations were to be made for new private sites within the Borough and that is not something that the strategy under progression seeks to provide for.

3.9 Furthermore, it should be noted that in the event a further temporary permission was issued, the applicant would have a right to appeal against its imposition regardless of whether they had indicated acceptance at application stage.

3.10 With the above considerations in mind, the following recommendation is reiterated.

4. Recommendation:

4.1 **Grant planning permission** in accordance with the following submitted details: Supporting Statement Redacted dated 23.08.2018, Location Plan dated 29.05.2018, Statement Renewal 2018 dated 29.05.2018, subject to the following conditions:

Conditions:

- 1 The residential use hereby permitted shall be carried on only by [REDACTED] and their resident dependants.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

Area 2 Planning Committee

- 2 In the event that the site ceases to be occupied by those named in Condition 1) above, the use hereby permitted shall cease and all caravans and associated buildings or structures brought on to the land, or works undertaken to it in connection with the use, shall be removed and the land restored to its condition before the development took place.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

- 3 No more than three caravans (of which no more than 1 shall be a static caravan) as defined by the Caravan Sites and Control of Development Act 1960 and the Caravan Sites Act 1968, shall be stationed on the site at any one time and no further caravans shall be placed at any time anywhere within the site.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity.

- 4 Prior to the installation of any means of foul or surface water disposal system, a scheme shall be submitted to the Local Planning Authority for approval. The approved scheme shall be implemented within two months of the date of the approval.

Reason: In order to prevent pollution of controlled waters.

- 5 No external lighting shall be erected within the site without the prior written approval of the Local Planning Authority.

Reason: In the interests of rural and visual amenity

- 6 The existing screen hedging shown on the approved plan shall be retained at a minimum height of 2.5m.

Reason: Pursuant to Section 197 of the Town and Country Planning Act 1990 and to protect the appearance and character of the site and locality.

- 7 Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) (England) Order 2015, or any re-enactment thereof, no fences, walls, gates or other means of enclosure shall be erected within any part of the application site.

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity

- 8 Prior to the stationing of any more than one touring caravan on this site as hereby approved, details of the layout of the site detailing the siting of the caravans shall be submitted to and approved by the Local Planning Authority. The development shall thereafter be undertaken in accordance with the approved details.

Area 2 Planning Committee

Reason: In order to preserve the open function and nature of the Green Belt and in the interests of amenity

Informative:

- 1 The applicant is reminded that the use hereby approved does not afford any permitted development rights and that any built development or engineering operations in connection with the use would require planning permission from the Local Planning Authority.

Contact: Emma Keefe

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SUPPLEMENTARY REPORTS

AREA 2 PLANNING COMMITTEE

DATED 14 AUGUST 2019

Ightham TM/18/01240/FL
Wrotham, Ightham And Stansted

Section 73 application for the variation of conditions 1 (time limited and personal condition), 2 (restore site when temporary consent expires) and 4 (number of caravans) pursuant to planning permission TM/11/01444/FL (Variation of conditions 1 and 2 on TM/07/01238/FL: Change of use for stationing of two caravans for residential use, fencing and sheds for occupation by a single gypsy family) for Woodford Old Lane Ightham

Private Reps: Since publication of the main agenda, a further 24 private representations have been received, objecting to the application. Insofar as they cite material planning considerations relevant to the determination of this application, the objections centre on the fact that the site lies within the Green Belt and the consideration that very special circumstances do not exist.

RECOMMENDATION REMAINS UNCHANGED

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Appeal Decision

Inquiry Held on 3 and 4 July 2018

Site visit made on 3 July 2018

by S J Papworth DipArch(Glos) RIBA

an Inspector appointed by the Secretary of State

Decision date: 12th September 2018

Appeal Ref: APP/H2265/W/17/3191362

Land west of Wrotham Heath Place, London Road, Wrotham Heath, Sevenoaks TN15 7RS

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant planning permission.
 - The appeal is made by Ms Caroline Smith against the decision of Tonbridge & Malling Borough Council.
 - The application Ref TM/17/02534/FL, dated 8 September 2017, was refused by notice dated 4 December 2017.
 - The development proposed is stationing of three touring caravans for residential use for Gypsy family, provision of hardstanding, cesspits and electricity meter (part retrospective).
-

Decision

1. I allow the appeal and grant planning permission for the stationing of three touring caravans for residential use for Gypsy family, provision of hardstanding, cesspits and electricity meter at Land west of Wrotham Heath Place, London Road, Wrotham Heath, Sevenoaks TN15 7RS in accordance with the terms of the application, Ref TM/17/02534/FL, dated 8 September 2017, subject to the conditions 1) to 8) on the attached schedule.

Procedural Matters

2. At the time of the Inquiry, national policy was contained in the National Planning Policy Framework of March 2012. There was also a Draft Text for Consultation dated March 2018 regarding a proposed revised publication, although the consultation period had expired. The final revised publication was expected to be issued before this Decision could be written and issued. It was agreed at the Inquiry that rather than make submissions on the content of the draft, the Inquiry would remain open with written submissions being prepared on the final publication version.
3. That publication took place on 24 July 2018, and the submissions were duly received. There was no need for the Inquiry to resume and it was closed in writing on 3 September 2018.
4. With regard to the definitions of inappropriate development, the revised Framework contains at paragraph 145g) an additional exception that had not featured in the previous version. New paragraph 146e) provides for material changes of use which are not restricted to those mentioned. In addition, the planning policy statement of 31 August 2015 on Green Belt Protection and

Intentional Unauthorised Development has not been incorporated in the revised Framework, and along with most other Written Ministerial Statements, is no longer policy.

Main Issues

5. The main issues are therefore;
- Whether the proposal is for inappropriate development in the Green Belt.
 - The effect of the proposal on the character and appearance of the area.
 - The effect of the proposal on protected trees and species.
 - The effect of the proposal on the living conditions of nearby residential occupiers.
 - Further findings on Policy CP20.
 - The weight to be attached to the other considerations put forward by the appellant in support of the proposal.
 - Whether the harm to the Green Belt by reason of inappropriateness, and any other harm, would be clearly outweighed by other considerations, so as to provide the very special circumstances necessary to justify the development.

Reasons

Green Belt

6. Paragraph 133 of the Framework states that the Government attaches great importance to Green Belts; the fundamental aim of Green Belt policy is to prevent urban sprawl by keeping land permanently open; the essential characteristics of Green Belts are their openness and their permanence. Policy E of Planning Policy for Traveller Sites sets out policy for such sites in the Green Belt.
7. Policy CP3 of the Tonbridge & Malling Borough Core Strategy 2007 states that National Green Belt policy will be applied to named areas of land, and that should now be taken to be the 2018 Framework. Policy CP20 is specific to gypsies and travellers, with provision to be made through a specific land allocation Development Plan Document or permitted in accordance with criteria, and with a general statement that there will be a presumption against the development of such accommodation in the Green Belt unless there are very special circumstances.
8. There is emerging Policy LP37 in the Tonbridge & Malling Local Plan which list sites that are to be safeguarded for the provision of accommodation for travellers that meet the definition in Planning Policy for Traveller Sites, of which one, Orchard Place is agreed to be within the Green Belt, and redevelopment or expansion of those listed sites will only be permitted if all of 7 criteria are met. The Policy ends with the statement that development of sites will not be permitted in the Green Belt unless very special circumstances can be demonstrated and there is compliance with other policies in the Local Plan. Limited weight attaches to this emerging policy as it has not yet been examined.

9. The site is presently an open area of land with a margin of trees and other vegetation, more dense towards the narrowing part of the site adjacent to the hotel, which land adjoins to the north-west. To the west the site has a frontage to the busy A20 London Road which provides an approach to both the M26 and the M20 motorways as they diverge. South of the site is the access track which also serves dwellings at and around Wrotham Heath Place, a one-time single house with servants quarters and land around, these being to the east of the site. South of the access and those dwellings is woodland that extends to the A20 junction with the A25.
10. There is some dispute over the nature of the land prior to the clearance that has taken place, the appellant describing the area within the now-protected trees as being scrub of laurel and rhododendrons. It is of note that the 1:2500 Ordnance Survey map to which reference has been had in order to ascertain the route of the adjoining footpath, shows a difference in notation between the appeal site and the woodland to the south, the former being shown in white as with the land around the dwellings at Wrotham Heath Place.
11. In addition there are 2 features of domestic occupation still extant on the site; an 'ice house' and a 'gazebo' consisting of an hexagonal base and stone columns of which 5 out of the 6 remain standing, on an unnaturally raised mound. The clear inference from these features and the likely existence of self-set ornamental shrubs rather than woodland in the central avenue of the site is that the land was part of the garden of Wrotham Heath Place, presenting a prospect from the house and domestic facilities for the storage of ice. It is immaterial to this finding whether the 'gazebo' had a roof or just a ring entablature, or whether it was used for sitting or as a classically derived 'eye-catcher' in the view. It is accepted from the Land Registry extracts that this land was separated from the Place, which was itself subdivided into dwellings.
12. This finding leads to the conclusion that the site should be regarded as garden as a last lawful use, and hence previously developed land. The definition in the Glossary to the Framework provides for 'the curtilage of developed land' and 'land which is or was occupied by a permanent structure'. In this case the remains of the permanent structures have not blended into the landscape in the process of time so as to have lost that status.
13. The appellant argues that this leads to consideration of the revised paragraph 145g) of the Framework, and specifically the new second limb where the test is not to cause substantial harm to the openness of the Green Belt. However, that complete paragraph concerns the construction of buildings, and the appeal proposal is for the stationing of caravans, and even then, touring vans rather than mobiles homes.
14. The other relevant change is in paragraph 146e), where a material change of use of land need not be inappropriate development provided it preserves openness and does not conflict with the purposes of the Green Belt.
15. The appeal proposal would, as a matter of fact, reduce openness, on what is able to be open garden land, but the degree of that reduction should be tempered by the fact of the proposal being for the readily moveable items of 3 touring caravans, and not all of which would be on the site when travelling takes place. The possibility of re-using an existing building as a day-room further limits the likelihood of harm to openness.

16. The findings over the status of the land have a greater impact on the matter of the purposes of Green Belt set out in paragraph 134 of the Framework. Of those 5 purposes, only the safeguarding of the countryside from encroachment is of concern here, and the lawful use of the land as garden, notwithstanding its detachment from the one-time dwelling, leads to the conclusion that no encroachment would occur.
17. To conclude however, there would be a reduction in openness even allowing for the relocation of the caravans and activity within the site and for the re-use of a building, and that should be considered therefore as not preserving openness so that the exception in paragraph 146e) does not apply. The proposal is inappropriate development in the Green Belt and as stated in paragraph 144 of the Framework, substantial weight should be given to any harm to the Green Belt.

Character and Appearance

18. Core Strategy Policy CP20 includes as a criterion for permitting new sites the need for residential or rural amenity not to be prejudiced and Policy CP24 seeks good design and for development not to be detrimental to the functioning and character of the countryside. The Managing Development and the Environment Development Plan Document Policy SQ1 requires all new development to, among other things, protect, conserve, and where possible enhance the character and local distinctiveness of the area.
19. The reason for refusal refers to an exposed position, but no viewpoints have been put forward, other than a reference to the proximity of a public footpath. This right-of-way was seen passing the north-east edge of the site at a lower level, from where only a limited view would be had of any activity or items on the site. That view could be further controlled through the location of the touring caravans as a result of a Site Development Scheme secured by condition, their present position being more exposed to view than is necessary and the size and configuration of the site, together with their mobility, allows ready re-location.
20. The use of that footpath and hence the likely numbers of receptors is in real doubt since notwithstanding signposts at the site boundary and at the nearby hotel, the link between was found to be indistinguishable and incapable of being walked. The limited evidence is of any users not following the designated route, and the Council were unable to point to any formal diversion. As a result, were the caravans and much of the activity to be placed more to the north and west, there would be limited adverse effects discernible from public places. A Site Development Scheme could provide enhancement along the boundary to avoid harm if the footpath's correct line were to be re-asserted in the future.
21. Given the earlier conclusions on the status of the land, it is concluded that the use as a traveller site of the type proposed would not cause harm to the character and appearance of the area and the relevant parts of the Development Plan policies would be accorded with.

Protected Trees and Species

22. A further result of the findings on the status of the land is the likelihood of the long-standing trees, as opposed to self-set ornamental species, being around

the margins of the avenue containing the garden structures. There is no compelling evidence of the site having been of the woodland character and appearance seen to the south of the access drive.

23. The Council's landscape witness agreed that whilst the hardstanding has been placed too close to the trunks of the trees, no lasting harm has been caused in the short time involved, and that the risk of any such harm can be successfully mitigated by condition. The alternative would be enforcement action that has not commenced, in order to avoid the long-term harm referred to in the reason for refusal.
24. Local residents asserted that there had been bats on the site, and it is the case that were there proof of use for roosting or foraging, this would be required to be addressed. However, the Council did not raise this concern and did not request any further studies or reports. The finding of the first main issue on the status of the land and the continued protection of the trees that surrounded the likely self-set species indicate that habitat can be maintained in any event. The control of lighting so as not to adversely affect bats would be a reasonable aim in the Green Belt in any event.
25. To conclude, conditions could ensure that long term harm would not be caused, so that the health of the trees would be assured. Hence, Policy CP1 on protecting the natural environment and Policy NE4 on maintaining tree cover would be satisfied.

Living Conditions

26. It is not part of the Council's case that residential amenity would be harmed, as sought to be safeguarded in Policy CP20, although this was raised by local residents during the Council's consideration of the application. This concern was again stated in written representation to the Appeal and was voiced at the Inquiry. A visit was carried out to the site of the nearby dwellings at Wrotham Heath Place.
27. The entrance track does not pass any dwelling on entering or leaving the site, and there are intervening garages and an outbuilding between the site and the dwellings. In addition, many of the dwellings have boundary treatment or face the other way. The site does not dominate the nearest settled community, a requirement of Policy C of Planning Policy for Traveller Sites.
28. There has been some change to the view along the track for users passing the site, but this could be addressed satisfactorily by condition and a Site Development Scheme. It is concluded that there is no harm to residential amenity and that the requirement of the relevant part of Policy CP20 is met.

Further Findings on Policy CP20

29. The forgoing reasoning has addressed some but not all criteria of this policy, and for completeness it is recorded that there is an identified need that cannot be reasonable met elsewhere; that the site respects the scale of, and does not dominate, the nearest settled community; the site can be adequately accessed; and it is reasonably close to facilities. Together with the previous findings of this Decision, it is concluded that the proposal accords with the criteria of Policy CP20, although pending resolution of the matter of very special circumstances, it cannot be said that the whole policy is accorded with.

Other Considerations

30. As a result, in addition to the harm by reason of this being inappropriate development in the Green Belt, there is a limited reduction in openness, but no adverse effect on the purpose of the Green Belt in this location, although substantial weight should be given to any harm to the Green Belt. The Framework states that inappropriate development should not be approved except in very special circumstances which will not exist unless the potential harm to the Green Belt by reason of inappropriateness, and any other harm, is clearly outweighed by other considerations. No other harm has been identified and criteria (a) to (e) of Policy CP20 are complied with, while criterion (f) does not apply. The following matters were put forward at the Inquiry;
31. *Unmet Need* It was agreed at the Inquiry that the Council is unable to demonstrate a 5 year supply of traveller sites as sought in paragraph 10 of Planning Policy for Traveller Sites, and the evidence is that the site would provide affordable housing for the appellant. There is emerging policy that seeks to address this matter, but Green Belt land may well be required, and the outcome of that process is some way off. This is a consideration of significant weight.
32. *Personal Need* Whilst the provisions of the Written Ministerial Statement on Green Belt Protection and Intentional Unauthorised Development no longer need to be addressed, it is appropriate to consider why the appellant left the site in Ashford. That site had a value since there was no personal restriction, but the use did have an end-date, so that its value would decrease as that 2019 date was neared. The decision to realise that value and seek an alternative does not appear an unreasonable one. The need remains for the appellant to find an affordable site and the Council are unable to offer such a site. The stated needs of the appellant for the use of only touring caravans is a consideration of significant weight and there is certainly no option of returning to the previous site, that option would appear to be roadside living.
33. *Health* The medical evidence has not been disputed and stands unchallenged other than the Council's view as to the weight that should be afforded it. The need was instrumental to a High Court Judge's decision to permit use of the land pending the outcome of this Appeal. Whilst the appellant's needs and those of her partner may be similar to those of many travellers, significant weight does attach to the ability to access health-care from the site and this would be lost were the appellant to resort to roadside living.
34. *The Best Interest of Children* There are no children living on the site and the full force of the provisions of paragraph 24 of Planning Policy for Traveller Sites on the best interests of the child cannot be said to apply. There are grandchildren and the stated wish of the appellant is for them to be able to visit and stay occasionally, perhaps even permanently but there is little corroborative evidence on this matter. Nevertheless, traveller families are close-knit and it would be expected that the travelling lifestyle would require child-care by grandparents and the like. Whilst this does not reach the status of being a paramount consideration, significant weight attaches to this matter since grandparents not having a secure home would impinge on the interests of the grandchildren.
35. *Planning Gain* The appellant points to the difficulties likely in being able to exert control over the appearance of the site were the Appeal to be dismissed.

The provisions of a Site Development Scheme secured by condition would overcome those difficulties. Moderate weight attaches to this matter.

Planning Balance and Human Rights

36. As set out in paragraph 24 of Planning Policy for Traveller Sites, subject to the best interests of the child, personal circumstances and unmet need are unlikely to clearly outweigh harm to the Green Belt and any other harm so as to establish very special circumstances. However, 'unlikely' should not be read to mean that these considerations will never clearly outweigh the harm, and any decision must take account of the actual weight afforded both the harm and the other considerations. A determination of weight is for the Decision taker.
37. The conclusions on the main issues are that there is limited harm through the effect on openness, but sufficient to bring about a failure to accord with paragraph 146e) and a finding that the proposal is for inappropriate development in the Green Belt, but no other harm has been identified, with major areas of policy being complied with. The balance lies in there being other considerations that clearly outweigh the harm to the Green Belt and that consequently very special circumstances exist in order to permit the proposal, but only on the basis of a personal permission in view of the weight attached to the personal considerations put forward.
38. As a result of these conclusions, the grant of personal permission would not adversely affect the Human Rights of the appellant and her partner.
39. Such a grant could however affect the rights of nearby residents, and in particular those provided for in Article 8 as incorporated by the Human Rights Act 1998, to respect for private and family life, and in Article 1 of the First Protocol to the peaceful enjoyment of possessions. These are however qualified rights and no harm has been found to the living conditions of those nearest occupiers. It is Government policy to provide for the lifestyle of gypsies and travellers, and in the balance it is determined that the limited degree of interference that would be caused to local residents would be insufficient to give rise to a violation of their rights.

Conditions

40. The Council had put forward a set of conditions and these were discussed and amended at the Inquiry. For the reasons set out in this Decision, a condition limiting the use to [REDACTED] is warranted, and on that basis there is no need to consider a temporary permission, and no need for a gypsy and traveller occupancy condition as it is agreed that they satisfy the definition in the Annex 1: Glossary to Planning Policy for Traveller Sites. However further proof of need and the best interest of the child would be required to extend that to include any grandchildren as permanent residents. The numbers of caravans applied for should be fixed by condition and it is clear that no mobile homes are applied for and thus should be excluded by condition.
41. As the use has commenced, it is necessary to set out the situation in default of a need to submit further details and carry out the resulting approved work. The suggested Condition 7) is expanded to include a Site Development Scheme as referred to in various parts of the Reasons to this Decision. The removal of hardstanding would be achieved in agreeing this Scheme.

42. That condition should also include the submission of a remediation scheme to return the land to an agreed condition when the named persons cease to occupy the land, and a condition should specify that requirement.
43. There is an Article 4 Direction on the land covering means of enclosure and temporary buildings, and the appellant argued that the suggested condition removing certain other permitted development rights is not required in view of the findings as to the status of the land. That may well be the case, but in this location there should be some degree of control, whilst not signalling that no such works would be acceptable. The Site Development Scheme could specify areas to be left open, and the possibility of making use of the existing garage as a Dayroom appears reasonable in avoiding further adverse effects on openness.
44. The standard conditions on commercial activities and controlling the size of vehicles are required, although the dog breeding that the appellant carries out could be specifically allowed. That activity, even if amounting to little more than a hobby to supply friends and acquaintances, is controlled by a licensing regime in any event.

Conclusions

45. The proposal is inappropriate development due to the effect, albeit limited, on the openness of the Green Belt, but there is no other harm. Other considerations have been found to clearly outweigh the harm such that very special circumstances exist, but only sufficient to allow a personal permission to be granted. Conditions attached to the permission would allow control that would not otherwise be so readily available. It is therefore concluded that the appeal should be allowed and a personal permission should be granted.

S J Papworth

INSPECTOR

APPEARANCES

FOR THE LOCAL PLANNING AUTHORITY:

K Toogood	Solicitor-Advocate
he called;	
E Keefe	Development Control Manager Tonbridge & Malling Borough Council
E Guthrie	Landscape Officer Tonbridge & Malling Borough Council

FOR THE APPELLANT:

A Masters	of Counsel
he called;	
B Woods BA(TP) MRTPI	Managing Director WS Planning and Architecture
D Dunn	Appellant's partner

INTERESTED PERSONS:

Cllr A Kemp	Chair Area 2 Planning Committee
D Marks	On behalf of local residents
Local Residents	took part at the site inspection

DOCUMENTS

Document	1	Lee Valley Regional Park Authority High Court case, omitted from Core Documents, submitted by Council
Document	2	Appeal Decision ' <i>East Acres, Branbridges Road, East Peckham</i> ' (Ref: APP/H2265/W/16/3164093 dated 15 January 2018) submitted by Council
Document	3	Suggested conditions submitted by Council
Document	4	' <i>Submission that ARCH figures are wrong</i> ' submitted by appellant
Document	5	Endorsement of Officer's delegated decision signed by members of Area 2 Planning Committee submitted by Cllr A Kemp
Document	6	Statement of D Marks on behalf of local residents
Document	7	Submissions on 2018 National Planning Policy Framework from E Keefe and Council Final Submissions
Document	8	Submissions on 2018 National Planning Policy Framework from B Woods and Appellant's Final Submissions
Document	9	e-mail from Planning Inspectorate dated 3 September 2018 formally closing the Inquiry

SCHEDULE OF CONDITIONS

- 1) The use hereby permitted shall be carried on only by [REDACTED]
[REDACTED]
- 2) When the site ceases to be occupied by those named in Condition 1) above, the use hereby permitted shall cease and all caravans and associated buildings or structures brought on to the land, or works undertaken to it in connection with the use, shall be removed and the land restored to its condition before the development took place, as agreed pursuant to the requirements of Condition 4)
- 3) No more than three caravans, as defined by the Caravan Sites and Control of Development Act 1960 and the Caravan Sites Act 1968, shall be stationed on the site at any one time, of which none shall be static caravans, and no further caravans shall be placed at any time anywhere within the site.
- 4) The use hereby permitted shall cease and all caravans and associated buildings or structures brought onto the land for the purposes of such use shall be removed and the land restored to its condition before the development took place within 28 days of the date of failure to meet any one of the requirements set out in i) to iv) below:
 - i) within 3 months of the date of this decision a Site Development Scheme showing details of:
 - a) the means of foul and surface water drainage of the site;
 - b) facilities for the storage and collection of refuse and waste;
 - c) proposals for the use of the existing garage as a day room or utility room;
 - d) details of external lighting;
 - e) details of a scheme of landscaping within the site, to include details of the removal of areas of existing hard-standings and areas to be kept open and free of hardstanding, buildings and other structures or domestic paraphernalia in the future, together with proposals for any such hardstanding, buildings, kennels and other structures or domestic paraphernalia, and;
 - f) a plan showing the condition to which the land would be restored either in the default of this condition or as required by Condition 2)shall have been submitted for the written approval of the Local Planning Authority and the said details shall include a timetable for their implementation;
 - ii) within 6 months of the date of this decision the details to be submitted in i) above shall have been approved by the Local Planning Authority or, if the Local Planning Authority refuse to approve the details, or fail to give a decision within the prescribed period, an appeal shall have been made to, and accepted as valid made by, the Secretary of State;
 - iii) if an appeal is made in pursuance of ii) above, that appeal shall have been finally determined and the submitted details shall have been approved by the Secretary of State;

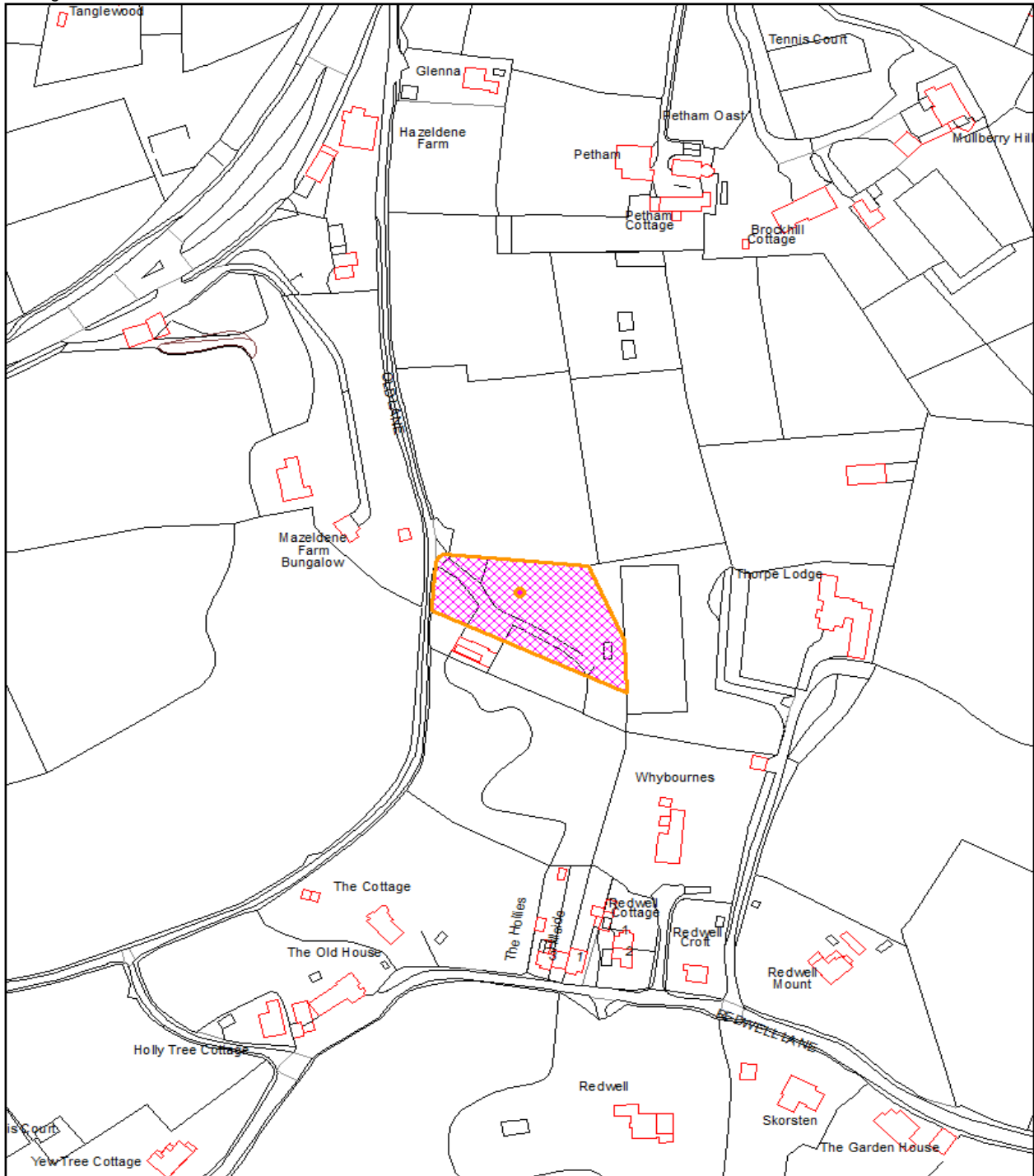
- iv) the approved details shall have been carried out and completed in accordance with the approved timetable arising as appropriate from i) to iii) above
- 5) Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) (England) Order 2015, no buildings or other structures or domestic paraphernalia shall be erected within any part of the site or otherwise placed on the land other than in accordance with the details shown on the approved drawings or agreed pursuant to a condition attached to this permission. The remaining areas of the site shall be kept clear of all obstructions at all times.
- 6) No commercial activities shall take place on the land, including the storage of materials. Nothing in this condition shall prevent the keeping of dogs for breeding.
- 7) No vehicles over 3.5 tonnes in unladen weight shall be stationed, stored or otherwise parked on the site at any time.
- 8) Other than as provided for pursuant to Condition 4), no external lighting shall be put in place or used on the site.

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TM/18/01240/FL**Woodford Old Lane Ightham Sevenoaks Kent TN15 9AH**

Section 73 application for the variation of conditions 1 (time limited and personal condition), 2 (restore site when temporary consent expires) and 4 (number of caravans) pursuant to planning permission TM/11/01444/FL (Variation of conditions 1 and 2 on TM/07/01238/FL: Change of use for stationing of two caravans for residential use, fencing and sheds for occupation by a single gypsy family)

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Agenda Item 6

Questions from the public pursuant to Council Procedure Rule No 5.6

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Agenda Item 7

Questions from Members pursuant to Council Procedure Rule No 5.5

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Leader's Announcements

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Agenda Item 9

Meeting	Page Nos in Minute Book	Recommendations to Council
3 July: Area 2 Planning Committee - Minute Numbers: AP2 19/29 – 34	3 – 6	
9 July: Council - Minute Numbers: C 19/56 – 66	7 – 16	
11 July: Area 3 Planning Committee - Minute Numbers: AP3 19/19 – 24	17 – 18	
12 July: Licensing and Appeals Panel - Minute Numbers: LAP 19/4 – 6	19 – 20	
29 July: Audit Committee - Minute Numbers: AU 19/27 – 37	21 – 24	AU 19/29
1 August: Area 1 Planning Committee - Minute Numbers: AP1 19/21 – 26	25 – 28	
14 August: Area 2 Planning Committee - Minute Numbers: AP2 19/35 – 42	29 – 34	
29 August: Overview and Scrutiny Committee - Minute Numbers: OS 19/19 – 26	35 – 38	OS 19/21
12 September: Area 1 Planning Committee - Minute Numbers: AP1 19/27 – 31	39 – 42	
20 September: Licensing and Appeals Panel - Minute Numbers: LAP 19/7 – 9	43 - 46	
1 October: Audit Committee - Minute Numbers: AU 19/38 – 46	47 – 50	
3 October: Area 3 Planning Committee - Minute Numbers: AP3 19/25 – 31	51 – 54	
8 October: General Purposes Committee - Minute Numbers: GP 19/16 – 21	55 – 60	GP 19/18
10 October: Overview and Scrutiny Committee - Minute Numbers: OS 19/27 – 32	61 – 64	

16 October: Cabinet - Minute Numbers: CB 19/54 – 71	65 – 70	CB 19/56 – 62
Cabinet Decision Notices - D190051MEM – D190056MEM - D190057MEM – D190060MEM - D190061MEM – D190062MEM - D190063MEM – D190065MEM - D190066MEM – D190069MEM - D190070MEM - D190071CAB – D190076CAB	71 - 110	

Item AU 19/29 referred from Audit Committee minutes of 29 July 2019

AU 19/29 TREASURY MANAGEMENT UPDATE AND ANNUAL REPORT FOR 2018/19

The report of the Director of Finance and Transformation provided an update on treasury management activity undertaken during April to June of the current financial year within the context of the national economy. The treasury management outturn position for 2018/19 was also presented.

The report provided a commentary on investments derived from cash flow surpluses, core cash balances and other long term cash balances and it was noted that long term investment at the end of June 2019 comprised £5m in property fund investment. A full list of investments held on 30 June 2019 was set out at Annex 2 to the report.

RECOMMENDED: That the following be commended to the Council:

- (1) the action taken by officers in respect of treasury management activity for April to June 2019 be endorsed; and
 - (2) the 2018/19 outturn position be noted.
- *Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

29 July 2019

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Council

1 TREASURY MANAGEMENT UPDATE AND ANNUAL REPORT FOR 2018/19

The report provides an update on treasury management activity undertaken during April to June of the current financial year. The treasury management outturn position for 2018/19 is also included in this report.

1.1 Introduction

- 1.1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) issued a revised Code of Practice for Treasury Management in December 2017. The revised Code was adopted by Council on 30 October 2018 and suggests that Members should be informed of treasury management activity at least twice a year, but preferably quarterly. This report, therefore, ensures this Council is embracing best practice in accordance with CIPFA's revised Code of Practice.

1.2 Economic Background

- 1.2.1 The UK economy grew by 1.8% in 2018. Growth in quarter 1 of 2019 was unexpectedly strong at 0.5% (2.0% year on year). However, this was boosted by stock building ahead of the original March Brexit deadline. Growth in quarter 2 is expected to slow close to zero.
- 1.2.2 The Monetary Policy Committee raised Bank Rate from 0.5% to 0.75% in August 2018 but have since abstained from any further increases. Further action from the MPC is not expected until the uncertainties over Brexit clear. A no deal exit may see Bank Rate being cut in order to support growth. However, the MPC does have concerns over the trend in wage inflation which peaked at a new post financial crisis high of 3.5%, excluding bonuses, in the three months to December before falling marginally to 3.4% more recently. Growth in employment fell to only 32,000 in the three months to April, well below the 2018 average, while the unemployment rate remained at 3.8 percent, its lowest rate since 1975. Correspondingly, the total level of vacancies has risen to new highs.
- 1.2.3 CPI inflation rose slightly to 2.1% in April before falling back again to 2.0% in May. Subject to an EU withdrawal agreement, CPI is expected to remain around this level over the next two years.

- 1.2.4 The rise in wage inflation and fall in CPI inflation is good news for consumers as their spending power is improving. The difference between the two figures is now around 1.3% representing a real terms increase. Given the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the UK in the coming months

1.3 Interest Rate Forecast

- 1.3.1 The Bank Rate, having remained at an emergency level of 0.5% for over seven years, was cut to 0.25% in August 2016. In November 2017, the Bank of England returned the Bank Rate to 0.5%. Bank Rate was increased to 0.75% in August 2018. Link's current forecast (July 2019) anticipates Bank Rate rising to 1.0% by September 2020 and to 1.25% by March 2021.

Rate	Now %	Sep- 19 %	Dec- 19 %	Mar- 20 %	Jun- 20 %	Sep- 20 %	Dec- 20 %	Mar- 21 %	Jun- 21 %	Sep- 21 %	Dec- 21 %	Mar- 22 %
Bank Rate	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.50	1.50
3 mth LIBID	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.20	1.30	1.40	1.40	1.40
6 mth LIBID	0.80	0.80	0.80	0.80	0.90	1.00	1.20	1.40	1.50	1.60	1.60	1.60
12 mth LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.40	1.50	1.60	1.70	1.80	1.80
25yr PWLB	2.40	2.40	2.50	2.60	2.70	2.80	2.90	3.00	3.00	3.10	3.20	3.30

1.4 Investment Performance

- 1.4.1 In accordance with the CIPFA Code the Council's priorities, in order of importance, are: to ensure security of capital; liquidity; and having satisfied both, to obtain an appropriate level of return which is consistent with the Council's risk appetite.
- 1.4.2 The Council's investments are derived from cash flow surpluses, core cash balances and other long term cash balances.
- 1.4.3 Cash flow surpluses are available on a temporary basis and the amount mainly dependent on the timing of council tax and business rates collected and their payment to precept authorities and government. Less significant cash flows relate to receipt of grants, payments to housing benefit recipients, suppliers and staff. Cash flow surpluses build up during the course of a financial year and are spent by financial year end **[Annex 1]**. Thus far in 2018/19 cash flow surpluses have averaged £10.8m.
- 1.4.4 The Authority also has £26m of core cash balances. These funds are for the most part available to invest for more than one year, albeit a proportion is usually transferred to cash flow towards the end of the financial year to top-up daily cash balances. Core cash includes the Council's capital and revenue reserves which are being consumed over time to meet capital expenditure and 'buy time' to

enable the authority to deliver its revenue savings targets. The core cash balance also includes some £8m to meet business rate appeals of which £3m are expected to be resolved in 2019/20 and the balance in future years.

1.4.5 Long term investment at the end of June 2019 comprised £5m in property fund investments.

1.4.6 A full list of investments held on 30 June 2019 is provided at **[Annex 2]** and a copy of our lending list of 1 July 2019 is provided at **[Annex 3]**. The table below provides a summary of funds invested and interest / dividends earned at the end of June.

	Funds invested on 30 June 2019	Average duration to maturity	Weighted average rate of return	Interest / dividends earned 1 April to 30 June 2019	Gross annualised return	LIBID benchmark (average from 1 April 2019)
	£m	Days	%	£	%	%
Cash flow	8.4	44	0.80	20,600	0.76	0.57(7 Day)
Core cash	26.0	190	1.13	71,500	1.10	0.68 (3 Mth)
Sub-total	34.4	155	1.05	92,100	1.00	0.65 (Ave)
Long term	5.0			44,900	3.59	
Total	39.4			137,000	1.31	

1.4.7 **Cash flow and Core cash Investments.** Interest earned of £92,100 to the end of June is £21,500 better than the original estimate for the same period. The authority also outperformed the LIBID benchmark by 35 basis points. The additional income is due to the higher core fund balances relating to unspent provisions for business rate appeals.

1.4.8 The Council takes advantage of Link's benchmarking service which enables performance to be gauged against Link's other local authority clients. An extract from the latest benchmarking data is provided in the form of a scatter graph at **[Annex 4]**. The graph shows the return (vertical scale) vs. the credit / duration risk (horizontal scale) associated with an authority's investments. As at 31 March 2019 the Council's return at 0.99% (purple diamond) was above the local authority average of 0.87%. Based on the Council's exposure to credit / duration risk that return was at the top-end of Link's predicted return (just below the upper boundary indicated by the green diagonal line). The Council's risk exposure was also above the local authority average but not excessive by comparison.

- 1.4.9 **Long term Investment.** The availability of cash balances over the longer term (10 years) and the suitability of different types of long term investment (equities, bonds and commercial property) was explored in the report to Audit Committee, January 2017. Of the alternatives, investment in property funds was considered best suited to meet the Council's more immediate funding need: a sustainable, stable income stream.
- 1.4.10 £3m was invested in property investment funds during 2017/18 and a further £2m invested during 2018/19. Investment was spread across three funds to ensure, as far as is possible, stability of annual income and capital growth over time. Additional property fund investments are expected in the future as resources become available from asset disposals and other windfalls.
- 1.4.11 During the period 1 April 2019 to 30 June 2019 the £5m investment in property funds generated dividends (income) of £44,900 which represents an annualised return of 3.59%.
- 1.4.12 Property funds issue and redeem primary units at a buy and sell price with the difference between the two prices reflecting the costs associated with buying and selling property (legal and other fees, stamp duty etc.). The price spread varies from fund to fund but is typically in the region of 8% (6% on entry to a fund and 2% on exit). Where units are traded on a secondary market the impact of the spread can be reduced and delays in the purchase or redemption of units avoided. The table below compares the sale value of each investment if sold to the fund manager with the initial purchase price. Economic growth in the UK slowed in 2018/19 as did the rate at which fund sale values appreciated. A fall in sale values was recorded at some month ends especially during the second half of 2018/19. Nevertheless, since inception, the overall progress towards breakeven is still encouraging.

Property fund (Primary = units in the fund purchased from the fund manager. Secondary = units purchased from another investor at a discount. Date = first month the investment attracted dividends)	Purchase price (a) £	Sale value at date of purchase (b) £	Sale value 30 June 2019 (c) £	30 June sale value above (below) purchase price (c-a) £
LAPF (Primary, July 2017)	1,000,000	922,200	974,100	(25,900)
Lothbury (Primary, July 2017)	1,000,000	927,700	979,500	(20,500)
Hermes (Secondary, Oct 2017)	1,000,000	939,000	1,010,100	10,100
LAPF (Primary, June 2018)	1,000,000	922,200	934,000	(66,000)
Lothbury (Secondary, July 2018)	1,000,000	973,000	960,600	(39,400)
Total	5,000,000	4,684,100	4,858,300	(141,700)

1.5 Compliance with the Annual Investment Strategy

- 1.5.1 Throughout April to June 2019 all of the requirements contained in the 2019/20 Annual Investment Strategy intended to limit the Council's exposure to investment risks (minimum sovereign and counterparty credit rating; durational limits; exposure limits in respect of counterparties, groups of related counterparty and sovereigns; and specified and non-specified investment limits) have been complied with. No borrowing was undertaken during April, May or June 2019.
- 1.5.2 The Council has also operated within the treasury limits and prudential indicators set out in the Annual Investment Strategy. The 2019/20 Prudential and Treasury Indicators will be included for review as part of the treasury management report to the October 2019 meeting of Audit Committee.

1.6 2018/19 Treasury Management Outturn

- 1.6.1 A detailed report covering treasury management activity for the last financial year was submitted to Cabinet on 5 June 2019 as an annex to the Revenue and Capital Outturn report for 2018/19. That annex is replicated in full and provided at **[Annex 5]** to this report. The role of this Committee is to act as scrutineer on behalf of full Council.
- 1.6.2 A summary of the investment performance included in Annex 5 is as follows:

	2018/19 Average balance £m	Return %	2018/19 Interest/ dividends earned £	2018/19 Revised Estimate £	Variance Better (worse) £
Cash flow surpluses	15.5	0.73	112,189	90,000	22,189
Core cash	23.0	0.91	210,690	190,000	20,690
Long term investment	4.6	3.55	162,908	172,000	(9,092)
Total	43.1	1.13	485,787	452,000	33,787

- 1.6.3 The combined performance of the Authority's investments bettered the revised estimates by £33,787 (£108,787 when compared to the 2018/19 original estimates).

1.7 Legal Implications

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

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

1.8 Financial and Value for Money Considerations

- 1.8.1 Investment income at the end of June 2019 (month three of the financial year) from cash flow surpluses and core cash investments is £21,500 better than budget for the same period. Income from property funds at the end of June is broadly in-line with budget expectations. Investment income for the 2018/19 financial year as a whole exceeded the revised budget by £33,787.
- 1.8.2 The Bank Rate having remained at a historic low of 0.5% for over seven years was cut to 0.25% in August 2016. In November 2017, the Bank of England returned the Bank Rate to 0.5%. Link's July 2019 forecast anticipates Bank Rate rising to 1.00% by September 2020.
- 1.8.3 Performance is monitored against a benchmark return and against other local authorities in Kent and the broader local authority pool via Link's benchmarking service.
- 1.8.4 Whilst the annual income stream from a property fund exhibits stability (circa 4% per annum net of management fees) capital values rise and fall with the cyclical nature of economic activity. During a downturn in the economy capital values may fall significantly. The duration of a property fund investment may need to be extended to avoid crystalizing a loss and as a consequence, the investment's duration cannot be determined with certainty.
- 1.8.5 Buying and selling property involves significant costs making property unsuitable for short term investment. Buying and selling costs are reflected in the entry fees (circa 6%) and exit fees (circa 2%) a property fund will charge unit holders. These fees are expected to be recouped overtime through capital appreciation.
- 1.8.6 The money being applied to property fund investment from existing resources is expected to be available in perpetuity. Nevertheless, the Council's cash balances will continue to be monitored and due regard had to the potential for a fund to delay payment of redemption requests by up to 12 months. Funds will seek to minimise their own cash balances in favour of holding property and therefore manage redemption requests for the benefit of all fund participants. The Council is only likely to seek redemption to pursue a higher yielding income opportunity should one be identified.

1.9 Risk Assessment

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

1.10 Equality Impact Assessment

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

1.11 Recommendations

1.11.1 Members are invited to **RECOMMEND** that Council:

- 1) Endorse the action taken by officers in respect of treasury management activity for April to June 2019.
- 2) Note the 2018/19 outturn position.

Background papers:

contact: Mike Withey

Link interest rate forecast (July 2019)

Link benchmarking data (March 2019)

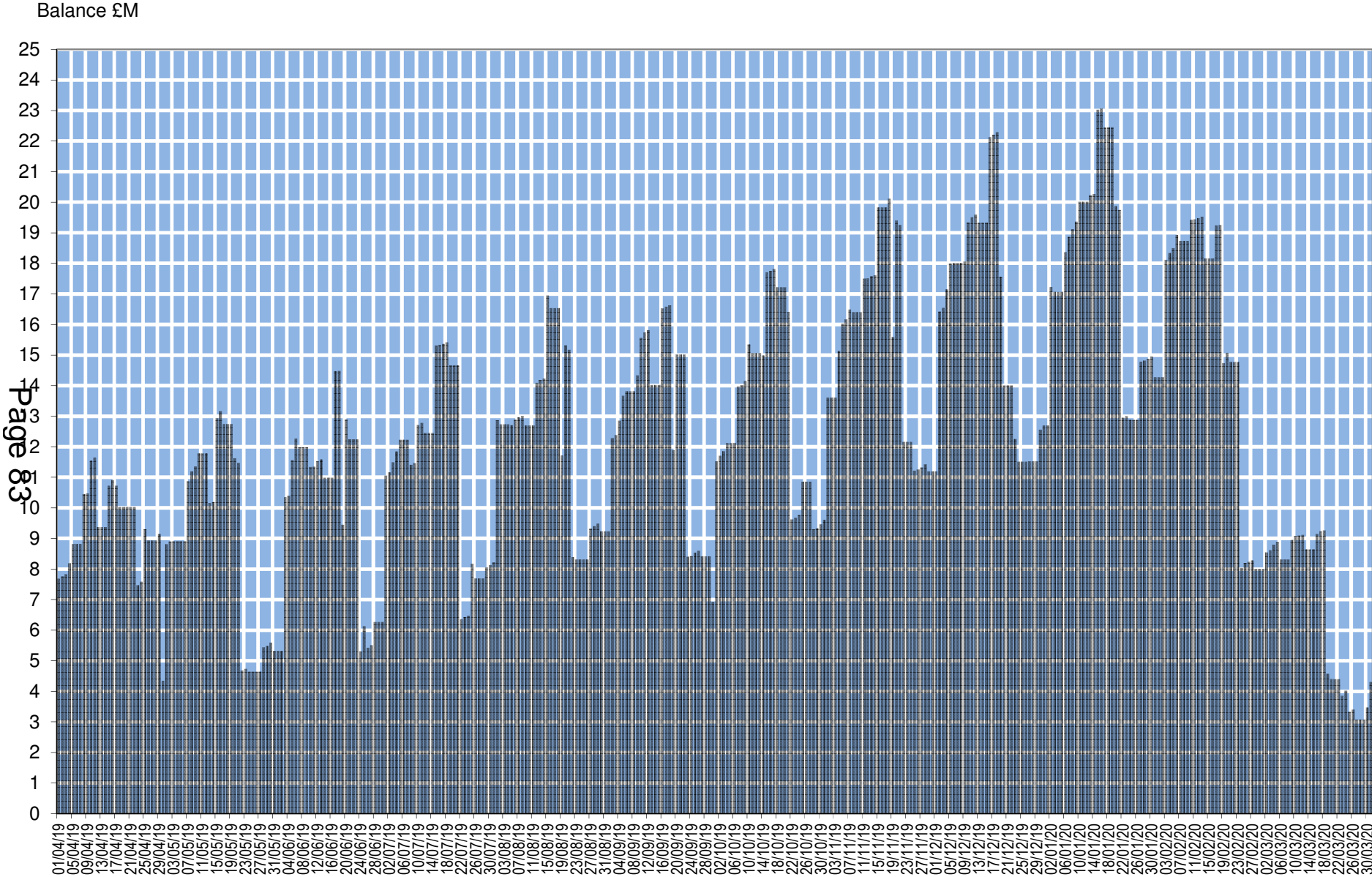
Sharon Shelton

Director of Finance and Transformation

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Cash flow surpluses

(Estimate of the daily cash balances for the 2019-20 financial year - prepared 27-3-2019)



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Tonbridge and Malling Borough Council - Investment summary at 30th June 2019

Counterparty	Sovereign	Fitch Credit rating		Link Suggested Post CDS Duration Limit	Investment						Instrument type / Product	Cash Flow Surpluses £	Core Cash Balances £	Long Term Investment Balances £
		Long Term	Short Term		Start Date	End Date	Duration	Amount Invested £	Return %	Proportion of total %				
Bank of Scotland	UK	A+	F1	1 year	03/09/2018	03/09/2019	1 year	1,000,000	1.05%	10.16%	Fixed Term		1,000,000	
Bank of Scotland	UK	A+	F1	1 year	04/03/2019	21/02/2020	1 year	1,000,000	1.25%		Fixed Term		1,000,000	
Bank of Scotland	UK	A+	F1	1 year	27/03/2019	27/03/2020	1 year	1,000,000	1.25%		Fixed Term		1,000,000	
Bank of Scotland	UK	A+	F1	1 year	15/04/2019	15/04/2020	1 year	1,000,000	1.25%		Fixed Term		1,000,000	
Bank of Scotland Total								4,000,000						
Barclays Bank 95 Day Notice	UK	A+	F1	6 months	20/06/2019	23/09/2019	3 months	1,000,000	0.95%	2.54%	95 Day Notice	1,000,000		
Barclays Bank Total								1,000,000						
Blackrock MMF	n/a	AAA	mmf (Eq)	5 years	28/06/2019	01/07/2019	Overnight	250,000	0.72%	0.63%	MMF	250,000		
Blackrock MMF Total								250,000						
BNP Paribas MMF	n/a	AAA	mmf (Eq)	5 years	28/06/2019	01/07/2019	Overnight	1,000,000	0.74%	2.54%	MMF	1,000,000		
BNP Paribas MMF Total								1,000,000						
Coventry Building Society	UK	A-	F1	6 months	20/06/2019	20/03/2020	9 months	1,000,000	0.96%	2.54%	Fixed Term	1,000,000		
Coventry Building Society Total								1,000,000						
Deutsche MMF	n/a	AAA	mmf	5 years	28/06/2019	01/07/2019	Overnight	250,000	0.74%	0.63%	MMF	250,000		
Deutsche MMF Total								250,000						
Federated MMF	n/a	AAA	mmf	5 years	28/06/2019	01/07/2019	Overnight	3,863,000	0.76%	9.81%	MMF	3,863,000		
Federated MMF Total								3,863,000						
Goldman Sachs Int'l Bank	UK	A	F1	6 months	15/03/2019	16/12/2019	9 months	2,000,000	1.07%	5.08%	Fixed Term		2,000,000	
Goldman Sachs Int'l Bank Total								2,000,000						
Lloyds Bank	UK	A+	F1	1 year	15/05/2019	15/05/2020	1 year	2,000,000	1.25%	7.62%	Fixed Term		2,000,000	
Lloyds Bank	UK	A+	F1	1 year	28/05/2019	28/05/2020	1 year	1,000,000	1.25%		Fixed Term		1,000,000	
Lloyds Bank Total								3,000,000						
Morgan Stanley MMF	n/a	AAA	mmf	5 years	28/06/2019	01/07/2019	Overnight	1,000,000	0.74%	2.54%	MMF	1,000,000		
Morgan Stanley MMF Total								1,000,000						
National Westminster Bank	UK	A+	F1	1 year	25/03/2019	25/03/2020	1 year	2,000,000	1.08%	10.18%	CD	10,000	2,000,000	
National Westminster Bank	UK	A+	F1	1 year	07/05/2019	07/05/2020	1 year	2,000,000	1.08%		CD		2,000,000	
National Westminster Bank	UK	A+	F1	1 year	28/06/2019	01/07/2019	Overnight	10,000	0.20%		Call			
National Westminster Bank Total								4,010,000						
Rabobank	Netherlands	AA-	F1+	1 year	15/01/2019	14/01/2020	1 year	2,000,000	1.16%	5.08%	CD		2,000,000	
Rabobank Total								2,000,000						
Santander UK	UK	A+	F1	6 months	23/11/2018	23/08/2019	9 Months	2,000,000	1.13%	17.78%	Fixed Term		2,000,000	
Santander UK	UK	A+	F1	6 months	05/12/2018	05/09/2019	9 Months	2,000,000	1.13%		Fixed Term		2,000,000	
Santander UK	UK	A+	F1	6 months	05/03/2019	05/12/2019	9 Months	1,000,000	1.13%		Fixed Term		1,000,000	
Santander UK	UK	A+	F1	6 months	02/04/2019	02/01/2020	9 Months	1,000,000	1.13%		Fixed Term		1,000,000	
Santander UK	UK	A+	F1	6 months	17/05/2019	17/02/2020	9 Months	1,000,000	1.13%		Fixed Term		1,000,000	
Santander UK Total								7,000,000						
Standard Chartered Bank	UK	A+	F1	6 months	05/04/2019	04/10/2019	6 Months	2,000,000	1.00%	5.08%	CD		2,000,000	
Standard Chartered Bank Total								2,000,000						
Toronto Dominion Bank	Canada	AA-	F1+	1 year	11/10/2018	11/10/2019	1 year	2,000,000	1.03%	5.08%	CD		2,000,000	
Toronto Dominion Bank Total								2,000,000						
Hermes Property Unit Trust	n/a	n/a	n/a	n/a	29/09/2017	n/a	n/a	1,000,000	3.47%	2.54%	Property Fund			1,000,000
Hermes Property Unit Trust Total								1,000,000						
Local Authorities' Property Fund	n/a	n/a	n/a	n/a	29/06/2017	n/a	n/a	1,000,000	4.32%	5.08%	Property Fund			1,000,000
Local Authorities' Property Fund	n/a	n/a	n/a	n/a	30/05/2018	n/a	n/a	1,000,000	4.01%		Property Fund			1,000,000
Local Authorities' Property Fund Total								2,000,000						
Lothbury Property Trust	n/a	n/a	n/a	n/a	06/07/2017	n/a	n/a	1,000,000	3.08%	5.08%	Property Fund			1,000,000
Lothbury Property Trust	n/a	n/a	n/a	n/a	02/07/2018	n/a	n/a	1,000,000	2.99%		Property Fund			1,000,000
Lothbury Property Trust Total								2,000,000						
					Total invested			39,373,000		100.00%		8,373,000	26,000,000	5,000,000

Number of investments	30	Average investment value £		1,312,000
Number of counter parties	18	Average counter party investment £		2,187,000
Group exposures:		Core £	Cash £	Combined £
Royal Bank of Scotland + National Westminster (UK Nationalised 20%)		4,000,000	10,000	4,010,000
Bank of Scotland + Lloyds (20%)		7,000,000	-	7,000,000
Property Funds Total		£		%
		5,000,000		12.70

Total non-specified investments should be less than 60% of Investment balances	12.70%
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Notes:
CD = Certificate of Deposit, MMF = Money Market Fund
Property fund returns are based on dividends distributed from the start of each investment. Capital appreciation / depreciation is recorded elsewhere. Last update May 2019.

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Tonbridge and Malling Borough Council Lending List

Checked against Link's Duration Matrix dated 28/06/19

Minimum investment criteria is Link's Green (100 days) Duration Band
(entry point broadly equates to Fitch A-, F1 unless UK nationalised / semi-nationalised).

Counterparty	Sovereign	Sovereign Rating [1]	Fitch Long Term	Fitch Short Term	UK Classification	Exposure Limit	Link Duration [2]	
							Credit Rating	Post CDS
Bank of Montreal	Canada	AAA	AA-	F1+	n/a	£7m	1 year	1 year
Toronto Dominion Bank	Canada	AAA	AA-	F1+	n/a	£7m	1 year	1 year
Danske Bank	Denmark	AAA	A	F1	n/a	£7m	6 months	6 months
Nordea Bank Abp	Finland	AA+	AA-	F1+	n/a	£7m	1 year	1 year
Rabobank (Cooperatieve Rabobank U.A.)	Netherlands	AAA	AA-	F1+	n/a	£7m	1 year	1 year
ING Bank	Netherlands	AAA	AA-	F1+	n/a	£7m	1 year	1 year
Svenska Handelsbanken AB (Group Limit with Handelsbanken Plc £7m)	Sweden	AAA	AA	F1+	n/a	£7m	1 year	1 year
Bank of Scotland (Group limit BOS & Lloyds £7m)	UK	AA	A+	F1	Ring-fenced	£7m	1 year	1 year
Barclays Bank (Group Limit Barclays and Barclays UK £7m)	UK	AA	A+	F1	Non-RF	£7m	6 months	6 months
Barclays Bank UK (Group Limit Barclays and Barclays UK £7m)	UK	AA	A+	F1	Ring-fenced	£7m	6 months	6 months
Goldman Sachs Int'l Bank	UK	AA	A	F1	Exempt	£7m	6 months	6 months
Handelsbanken Plc (Group Limit with Svenska Handelsbanken AB £7m)	UK	AA	AA	F1+	Exempt	£7m	1 year	1 year
HSBC UK Bank	UK	AA	AA-	F1+	Ring-fenced	£7m	1 year	1 year
Lloyds Bank (Group limit BOS & Lloyds £7m)	UK	AA	A+	F1	Ring-fenced	£7m	1 year	1 year
Santander UK	UK	AA	A+	F1	Ring-fenced	£7m	6 months	6 months
Standard Chartered Bank	UK	AA	A+	F1	Exempt	£7m	6 months	6 months
Coventry Building Society	UK	AA	A-	F1	Exempt	£7m	6 months	6 months
Nationwide Building Society	UK	AA	A	F1	Exempt	£7m	6 months	6 months
National Westminster Bank (Group limit Nat West and RBS £7m). UK Nationalised.	UK	AA	A+	F1	Ring-fenced	£7m	1 year	1 year
The Royal Bank of Scotland (Group limit Nat West and RBS £7m). UK Nationalised.	UK	AA	A+	F1	Ring-fenced	£7m	1 year	1 year
UK Debt Management Office including Treasury Bills	UK	AA	n/a	n/a	n/a	No limit	5 years	5 years
UK Treasury Sovereign Bonds (Gilts)	UK	AA	n/a	n/a	n/a	£16m/£8m	5 years	5 years
UK Local Authority (per authority)	UK	AA	n/a	n/a	n/a	£7m	5 years	5 years

[1] Reflects the lowest of the three rating agencies views (Fitch, Moody's and Standard and Poor's). Strategy requires sovereigns to be rated at least AA-. Non-UK sovereign limit of 20% or £7m.
[2] **All deposits overnight** unless otherwise **approved in advance** by the Director of Finance and Transformation **AND** Chief Financial Services Officer. If other than overnight, duration for non-UK entities must not exceed Link's post CDS duration assessment. For UK entities, duration may be extended by up to three months **based on credit ratings alone** or six months if **CDS is below average** subject to a maximum combined duration of 12 months.

Money Market Funds				
Minimum investment criteria AAA				
Fund Name	Moody	Fitch	S&P	Exposure Limit
Blackrock	AAA	-	AAA	£7m
BNP Paribas	-	-	AAA	£7m
Deutsche Fund	AAA	AAA	AAA	£7m
Federated	-	AAA	AAA	£7m
Insight Liquidity (Group limit IL & ILP of £7m)	-	AAA	AAA	£7m
Morgan Stanley	AAA	AAA	AAA	£7m

Enhanced Cash Funds				
Minimum investment criteria AAA				
Fund Name	Moody	Fitch	S&P	Exposure Limit
Insight Liquidity Plus (Group limit IL & ILP £7m)	-	-	AAAf /S1	£3.5m

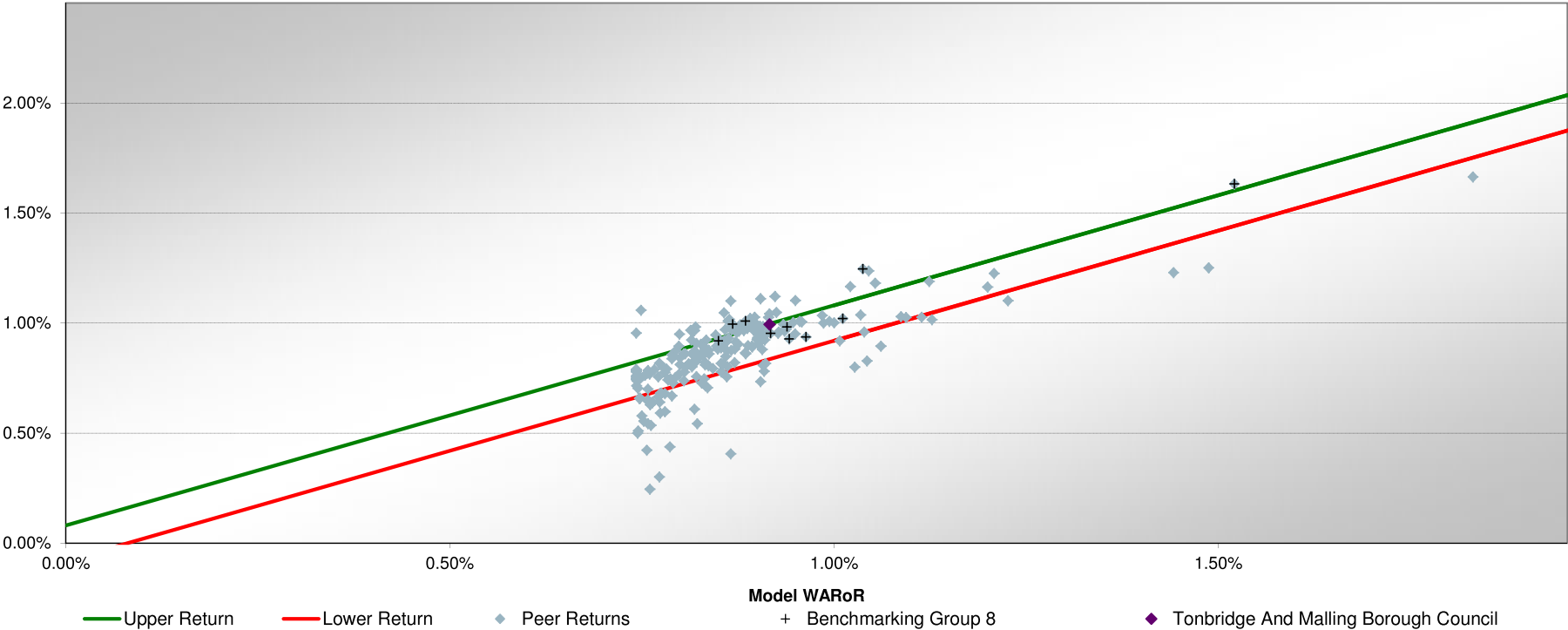
Approved by Director of Finance and Transformation 1st July 2019	No Change
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Tonbridge And Malling Borough Council

Population Returns against Model Returns March 2019

Page 89



	Actual WARoR	Model WARoR	Difference	Lower Bound	Upper Bound	Performance
Tonbridge And Malling Borough Council	0.99%	0.92%	0.08%	0.84%	1.00%	Inline

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Tonbridge and Malling Borough Council

Treasury Management Annual Report 2018/19

1.1 Introduction

1.1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activity and the actual prudential and treasury indicators for 2018/19. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

1.1.2 During 2018/19 the minimum reporting requirements were that full Council should receive the following treasury reports:

- an annual strategy in advance of the year;
- a mid-year review; and
- an annual review following the end of the year describing the activity compared to the strategy (this report).

In addition, treasury management updates have been presented to each meeting of the Audit Committee throughout the 2018/19 financial year. Treasury performance was also considered at the Finance, Innovation and Property Advisory Board through the regular Financial Planning and Control reports.

1.1.3 Changes in the regulatory environment place a much greater onus on Members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members.

1.1.4 This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit Committee before they were reported to full Council.

1.2 Economic Background

1.2.1 After weak economic growth in the UK of only 0.2% in quarter one of 2018, growth picked up to 0.4% in quarter 2 and to a particularly strong 0.7% in quarter 3, before cooling off to 0.2% in the final quarter. Given all the uncertainties over Brexit, this weak growth in the final quarter was as to be expected. However, some recovery in the rate of growth is expected going forward. The annual growth in Q4 came in at 1.4% y/y confirming that the UK was the third fastest growing economy in the G7 in quarter 4.

1.2.2 After the Monetary Policy Committee raised Bank Rate from 0.5% to 0.75% in August 2018, it is little surprise that they have abstained from any further increases since then. We are unlikely to see any further action from the MPC until the uncertainties over Brexit clear. If there were a disorderly exit, it is likely

that Bank Rate would be cut to support growth. Nevertheless, MPC concerns have been increasing over the trend in wage inflation which peaked at a new post financial crisis high of 3.5%, excluding bonuses, in the three months to December before falling only marginally to 3.4% in the three months to January. Employers increased hiring at the fastest pace in more than three years in the three months to January 2019 as the country's labour market defied the broader weakness in the overall economy as Brexit approached. The number of people in work surged by 222,000, helping to push down the unemployment rate to 3.9 percent, its lowest rate since 1975. Correspondingly, the total level of vacancies has risen to new highs.

1.2.3 CPI inflation has been on a falling trend since peaking at 3.1% in November 2017, reaching a new low of 1.8% in January 2019 before rising marginally to 1.9% in February. However, in the February 2019 Bank of England Inflation Report, the latest forecast for inflation over both the two and three year time horizons remained marginally above the MPC's target of 2%.

1.2.4 The rise in wage inflation and fall in CPI inflation is good news for consumers as their spending power is improving as the difference between the two figures is now around 1.5%, i.e. a real terms increase. Given the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months.

1.3 Treasury Position at 31 March 2019

1.3.1 At the beginning and the end of 2018/19 the Council's debt and investment position was as follows:

	31 March 2018 £m	Rate / Return %	Average duration Days	31 March 2019 £m	Rate / Return %	Average duration Days
Variable rate debt:						
Overdraft	0.0	-	-	0.0	-	-
Total debt	0.0	-	-	0.0	-	-
Fixed rate investments:						
Cash flow surpluses	-	-	-	-	-	-
Core cash	13.0	0.80	118	16.0	1.06	155
Variable rate investments:						
Cash flow surpluses	6.4	0.47	3	7.4	0.78	1
Core cash	7.0	0.60	50	8.0	1.06	219
Sub-total	26.4	0.67	72	31.4	0.99	134
Long term investments:						
Property Funds	3.0	3.73	-	5.0	3.55	-
Total investments	29.4	1.47	-	36.4	2.04	-

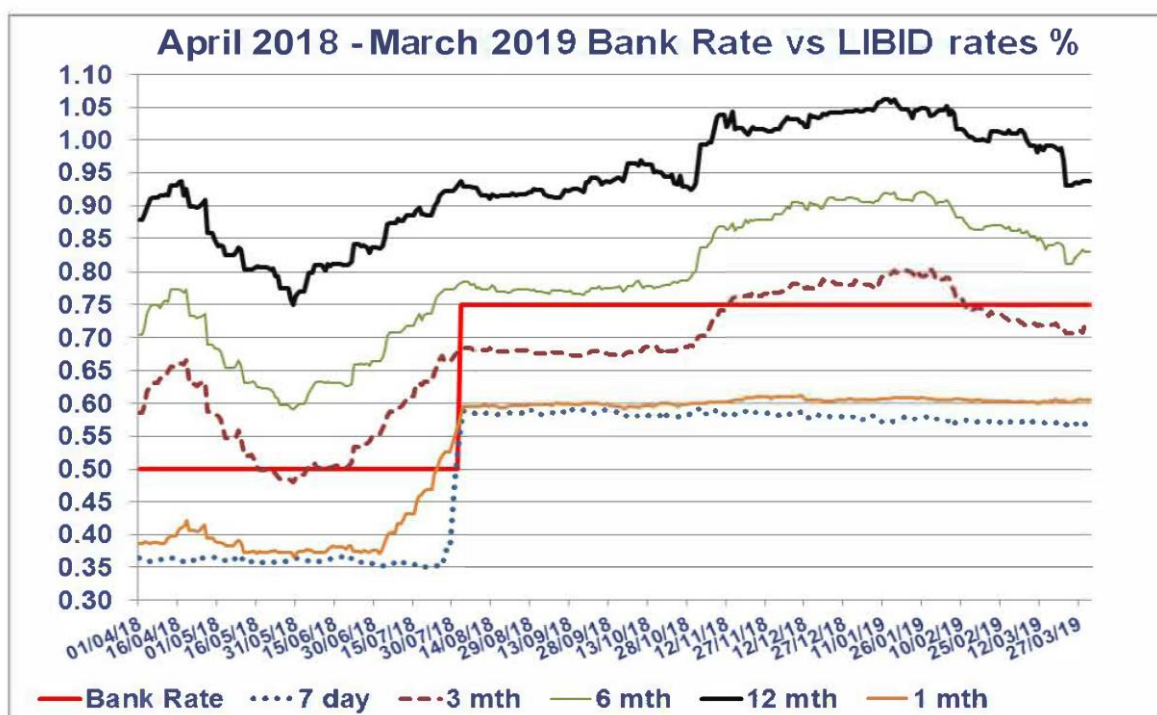
- 1.3.2 The rise in investment balances reflects: surpluses on business rates and council tax collection funds due to be distributed in 2019/20; unspent provisions for business rate appeals which have yet to be determined by the Valuation Office; reprogramming of some planned capital expenditure; lead authority for shared expenditure anticipated in 2019/20 (West Kent Partnership); and ad-hoc disposals used to part fund capital expenditure in 2018/19.

1.4 The Strategy for 2018/19

- 1.4.1 In November 2017, the Bank of England returned the Bank rate to 0.5%. The expectation for interest rates within the treasury management strategy for 2018/19 anticipated the next rise in the Bank Rate in the fourth quarter of 2018. Bank Rate was increased to 0.75% in August 2018. The low interest rate environment and bank regulatory changes in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby term deposits with financial institutions would continue to be dominated by low counterparty risk considerations. Additional property fund investments would be undertaken from 'new money' that became available derived from the sale of existing property assets or other windfalls.

1.5 Investment Rates in 2018/19

- 1.5.1 Rates offered by banks for deposits began to rise from their low point at the end of May 2018 in anticipation of the August Bank Rate rise. Since August, bank offers have continued to drift up wards peaking in January 2019. More recently offers have been declining in response to weaker economic growth in the UK, Brexit driven uncertainty and concerns for the global economy. Current market expectation is bank rate remaining at 0.75% before rising in 2020.



1.6 Investment Outturn for 2018/19

- 1.6.1 The Council's investment policy sets out the approach for choosing investment counter-parties and is based on credit ratings provided by the three main credit rating agencies. This is supplemented by additional market information including credit rating outlooks and credit default swap data (CDS). The 2018/19 Annual Investment Strategy was approved by Council in February 2018 and was subjected to a mid-year review in October 2018. In undertaking the review, no changes were made to the Council's minimum counter-party credit requirement (Fitch A-, F1 unless UK state owned) or counter-party exposure limits (maximum of 20% of funds per financial institution). Subject to a number of constraints, discretion to extend investment duration by up to six months over the Council's external treasury advisor's suggested duration was also retained.
- 1.6.2 **Cash flow investment.** In 2018/19 cash flow surpluses averaged £15.5m and earned an average rate of return of 0.73%. The average 7-day LIBID rate, used to compare performance, was 0.51%. Cash flow surpluses arise from the timing difference between the receipt of monies (from council tax, business rates, grants, etc.) and its subsequent payment (to precepting authorities, housing benefit recipients, suppliers, staff, etc.). Cash flow surpluses are required to meet regular payment obligations and as a consequence are invested in bank deposit accounts and money market funds which allow next day access. The opportunity to invest for longer durations and generate additional yield is taken when cash flow surpluses permit.
- 1.6.3 **Core cash investment.** In 2018/19 core cash averaged £23.0m and earned an average rate of return of 0.91%. The 3-month LIBID rate used as a comparator was 0.68%. Core cash comprises the authority's revenue and capital reserves. Unlike cash flow, core cash is not required to meet regular payment obligations and is available to invest for longer durations including durations exceeding one year. This added flexibility allows core cash to generate a better return relative to cash flow surpluses.
- 1.6.4 **Long term Investment.** The availability of cash balances over the longer term (10 years) and the suitability of different types of long term investment (equities, bonds and commercial property) was explored in the report to Audit Committee, January 2017. Of the alternatives, investment in property funds was considered best suited to meet the Council's more immediate funding need: a sustainable, stable income stream.
- 1.6.5 At the start of the year £3m was invested in property investment funds and a further £2m invested during the year. Investment was spread across three funds to ensure, as far as is possible, stability of annual income and capital growth over time. Additional property fund investments are expected in the future as resources become available from asset disposals and other windfalls.
- 1.6.6 In 2018/19 investment in property funds averaged £4.6m and income of £162,908 was received which represents an annualised return of 3.55%.
- 1.6.7 Property funds issue and redeem primary units at a buy and sell price with the difference between the two prices reflecting the costs associated with buying

and selling property (legal and other fees, stamp duty etc.). The price spread varies from fund to fund but is typically in the region of 8% (6% on entry to a fund and 2% on exit). Where units are traded on a secondary market the impact of the spread can be reduced and delays in the purchase or redemption of units avoided. The table below compares the sale value of each investment if sold to the fund manager with the initial purchase price. Economic growth in the UK slowed in 2018/19 as did the rate at which fund sale values appreciated. A fall in sale values was recorded at some month ends especially during the second half of 2018/19. Nevertheless, since inception, the overall progress towards breakeven is still encouraging.

Property fund (Primary = units in the fund purchased from the fund manager. Secondary = units purchased from another investor at a discount. Date = first month the investment attracted dividends)	Purchase price (a) £	Sale value at date of purchase (b) £	Sale value March 2019 (c) £	March sale value above (below) purchase price (c-a) £
LAPF (Primary, July 2017)	1,000,000	922,200	973,300	(26,700)
Lothbury (Primary, July 2017)	1,000,000	927,700	975,900	(24,100)
Hermes (Secondary, Oct 2017)	1,000,000	939,000	1,009,900	9,900
LAPF (Primary, June 2018)	1,000,000	922,200	933,200	(66,800)
Lothbury (Secondary, July 2018)	1,000,000	973,000	957,000	(43,000)
Total	5,000,000	4,684,100	4,849,300	(150,700)

1.6.8 **Summary.** Investment performance for the year 2018/19 is summarised in the table below:

	2018/19 Average balance £m	Return %	2018/19 Interest/ dividends earned £	2018/19 Revised Estimate £	Variance Better (worse) £
Cash flow surpluses	15.5	0.73	112,189	90,000	22,189
Core cash	23.0	0.91	210,690	190,000	20,690
Long term investment	4.6	3.55	162,908	172,000	(9,092)
Total	43.1	1.13	485,787	452,000	33,787

- 1.6.9 The overall performance of the Authority's investments bettered the revised estimates by £33,787 (£108,787 when compared to the 2018/19 original estimates).
- 1.6.10 In finalising the Council's revised estimates the income estimate for cash flow was increased from £58,000 to £90,000; the return from core cash was increased from £124,000 to 190,000; and income from property funds reduced from £195,000 to £172,000.
- 1.6.11 The original estimate assumed Bank Rate would rise December 2018. The increase in income from cash flow surpluses and core cash reflects the impact of an earlier than expected rise in Bank Rate in August 2018 in combination with higher than expected balances due to Valuation Office delays in processing business rate appeals. Higher than expected balances continued to year end. Reduced income from property funds reflects the revised timetable in respect of the sale of the River Walk Offices and a marginally lower return in 2018/19 compared to 2017/18 (3.55% vs 3.73%).

1.7 Compliance with the Annual Investment Strategy

- 1.7.1 The Annual Investment Strategy aims to limit the Council's exposure to investment risks by prescribing: minimum counter-party credit criteria; maximum exposure limits in respect of sovereigns, counter-parties and group of related counter-party; the type of investment instrument that can be used; and investment duration limits. Throughout the period April 2018 to March 2019 the requirements set out in the Annual Investment Strategy for 2018/19, as approved by Council in February 2018, were complied with. No liquidity issues were experienced resulting in nil borrowing throughout 2018/19.

1.8 Treasury and Prudential Codes of Practice

- 1.8.1 Updated Treasury Management and Prudential codes of practice were published by CIPFA on 21 December 2017. Whilst the codes apply to the 2018/19 financial year, given the timing of their release, CIPFA's Treasury and Capital Management Panel recommended the requirements of both Codes be 'implemented as soon as possible' and acknowledged that they may not be 'fully implemented until' the '2019/20 financial year'.
- 1.8.2 The Codes have been updated to address concerns arising from the Localism Act 2011 (commercialism agenda). The focus of both updates is to ensure the risks associated with investment in '**non-financial assets** which are held primarily for financial returns' are properly evaluated, reported, subject to scrutiny and managed over time. Non-financial assets will include the purchase of property to rent, shares and loans in subsidiaries or other outsourcing structures such as IT or building services providers.
- 1.8.3 Council adopted the December 2017 edition of the Codes in October 2018 and the requirements of the Codes have been taken into account and reflected as appropriate in this annual review and 2019/20 update of both the Capital Strategy and the Treasury Management and Annual Investment Strategy.

- 1.8.4 The Council has no material non-financial investments. Property funds, as opposed to directly owned property, are used as part of the Council's treasury management activity.

Financial Services
May 2019

Prudential and Treasury Indicators

1 Prudential Indicators	2017/18 Actual £'000	2018/19 Original £'000	2018/19 Actual £'000
Capital expenditure	1,834	4,336	3,587
Ratio of financing costs to net revenue stream	-2.46%	-2.89%	-3.51%
Net borrowing requirement:			
Brought forward 1 April	nil	nil	nil
Carried forward 31 March	nil	nil	nil
In year borrowing requirement	nil	nil	nil
Capital financing requirement as at 31 March	nil	nil	nil
Annual change in capital financing requirement	nil	nil	nil
Incremental impact of capital investment decisions:			
Increase in Council Tax (Band D) per Annum	£0.48	£0.20	£0.20

2 Treasury Management Indicators	2017/18 Actual £'000	2018/19 Original £'000	2018/19 Actual £'000
Authorised limit for external debt:			
Borrowing	nil	5,000	nil
Other long term liabilities	nil	nil	nil
Total	nil	5,000	nil
Operational boundary for external debt:			
Borrowing	nil	2,000	nil
Other long term liabilities	nil	nil	nil
Total	nil	2,000	nil
Actual external debt	nil	Nil	nil
Upper limit for fixed rate exposure over one year at year end	nil	0 – 60%	nil
Upper limit for variable rate exposure under one year at the year end	13,434 (45.6%)	40 – 100%	15,411 (42.3%)
Upper limit for total principal sums invested for over 365 days	3,000 (10.2%)	60%	5,000 (13.7%)

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

Item OS 19/21 referred from Overview and Scrutiny Committee minutes of 29 August 2019

OS 19/21 PROPOSED SCHEME OF CO-OPTION

The report of the Chief Executive set out details of a revised scheme for the co-option of individuals and organisations to the Committee to assist with the scrutiny process in accordance with recently published Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities.

RECOMMENDED: That the Borough Council's proposed Scheme of Co-Option, as set out at section 1.2 to the report, be endorsed.

***Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

29 August 2019

Report of the Chief Executive

Part 1- Public

For decision

1 PROPOSED SCHEME OF CO-OPTION

To suggest a revised scheme of co-option to the Overview and Scrutiny Committee.

1.1 Background

- 1.1.1 Following discussions at the meeting of the Overview and Scrutiny Committee held on the 20th June 2019, it was resolved that a formal scheme regarding the co-option of members to the Committee be brought forward. It was noted that the recently published Statutory Guidance on Overview and Scrutiny recommended such a scheme to help determine how individuals and organisations might assist with the scrutiny process.
- 1.1.2 Members will recall that a full annual programme of scrutiny reviews was put forward and agreed at the June meeting for the remainder of this municipal year. The wide range of topics to be considered by the Committee would suggest that a new approach to co-option should now be introduced.
- 1.1.3 Over the coming year, it would be valuable for the Committee to hear evidence and advice from a range of experts relevant to the issue being reviewed, both to assist discussions at the Committee and to better inform the formulation of any final recommendations. This approach would be particularly relevant for issues being reviewed that fall outside of the Council's normal remit.

1.2 The Proposed Scheme of Co-Option

- 1.2.1 The following arrangements are suggested:
 - (a) That at the initial 'scoping stage' of each Scrutiny review being undertaken, Members of the Overview and Scrutiny Committee are asked to agree if:

- any co-option of external participants is considered necessary for that review, and
 - if any co-option is needed, who might be most appropriate individual or organisation to invite to assist with that review.
- (b) That there is a maximum of 3 external co-optees for any one review taking place.
- (c) That any co-optees assisting the review are able to give their views on the matter under consideration but have no formal voting rights.
- (d) That any co-optees assisting the review would, where appropriate, be invited to review a final draft prior to its formal consideration by the Overview and Scrutiny Committee.

1.3 RECOMMENDATION

- 1.3.1 That the Borough Council's proposed Scheme of Co-Option, as set out above, **BE ENDORSED.**

Background papers:

contact: Gill Fox

Nil

Julie Beilby
Chief Executive

Item GP 19/18 referred from General Purposes Committee minutes of 8 October 2019

GP 19/18 DISCLOSURE AND BARRING SERVICE POLICY AND PROCEDURE

The report of the Director of Central Services referred to a review by Internal Audit of the Council's safeguarding procedures which resulted in a recommendation to adopt a standalone policy on ensuring that staff had the relevant level of DBS check. A new Disclosure and Barring Service (DBS) Policy was accordingly presented for consideration. This defined the different types of disclosure and regulated activity against which all posts must be considered and a full list of Council posts requiring a DBS check was set out in Annex 2 to the report.

RECOMMENDED: That the new DBS Policy, as set out at Annex 1 to the report, be adopted as a standalone policy separate from the Safeguarding Policy.

***Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

08 October 2019

Report of the Director of Central Services

Part 1- Public

Recommendation to Council

1 DBS POLICY AND PROCEDURE

The report attached in Annex 1 presents a new Disclosure and Barring Service Policy (DBS) for consideration by this Committee.

1.1 Introduction

- 1.1.1 Internal Audit undertook a review of the Council's Safeguarding procedures and published their findings on 27 June 2019. One of the subsequent recommendations was for the Council to adopt a standalone policy (separate from the Council's Safeguarding Policy) on how the Council ensures its staff have the relevant level of DBS check. Whilst the audit report acknowledged that staff who required a DBS check had an appropriate and up to date check it recommended a policy and procedure was put in place for ensuring that posts are risk assessed to identify those requiring either an enhanced, standard or basic DBS check
- 1.1.2 The policy presented in Annex 1 defines the different types of disclosure and regulated activity which all posts must be considered against. Annex 2 shows the full list of TMBC posts which require a DBS check and the level of check required. Posts in the Civil Enforcement team have recently been added to the list of posts which require a standard DBS check.
- 1.1.3 The policy describes the new procedure in relation to Personnel Services administering the DBS checks as part of the pre-employment check process for all roles and levels of disclosure across the organisation. The policy also sets out the time frame of rechecking current staff members set at every three years, this is based on current national guidelines and will be subject to review.
- 1.1.4 The policy details the procedure for making decisions on information disclosed on a DBS check such as cautions, reprimands and convictions.

1.2 Legal Implications

- 1.2.1 The recommended policy is compliant with the Rehabilitations of Offenders Act 1974.

1.3 Financial and Value for Money Considerations

- 1.3.1 The Licensing Service carry out the administration of the checking process on behalf of the Council and recharge the costs of the checks to the relevant service. The fees for the checks are set nationally by the DBS, from 1 October 2019 the cost of the check fees are reducing to £23 for a basic and standard check and £44 for an enhanced check.

1.4 Risk Assessment

- 1.4.1 The Council is committed to ensuring the wellbeing and safety of all service users. This includes developing, implementing and maintaining effective recruitment policies and procedures to promote the safeguarding of children, young people and vulnerable adults.

1.5 Equality Impact Assessment

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

1.6 Policy Considerations

- 1.6.1 Safeguarding Policy and Reporting Procedure.

1.7 Recommendations

- 1.7.1 This Committee is requested to **RECOMMEND** to Council the new DBS Policy, as a standalone policy separate from the Safeguarding Policy, as set out in Annex 1 of this report.

contact: Mathew Brooks

Adrian Stanfield
Director of Central Services and Deputy Chief Executive

DISCLOSURE AND BARRING SERVICE (DBS) POLICY

1. INTRODUCTION

The Council is committed to ensuring the wellbeing and safety of all service users. This includes developing, implementing and maintaining effective recruitment policies and procedures to promote the safeguarding of children, young people and vulnerable adults.

The Personnel Service undertakes pre-employment checks on all applicants who have been offered a job with the Council. Before commencing employment all applicants must have the right to live and work in the UK, medical clearance from Occupational Health as well as two satisfactory references. (see the Council's Recruitment and Selection Policy, Procedure and Guidance for further information).

The purpose of this policy is to describe how the Council will undertake DBS checks as part of recruitment checks and thereafter during the course of each person's employment in order to protect the safety of all its service users.

The Disclosure and Barring Service (DBS) is an Executive Agency of the Home Office. It acts as a central access point for criminal records and lists people barred from working in schools (List 99), and the Department of Health's lists of people considered unsuitable for work with children or adults on the PoCA (Protection of Children's Act) and POVA (Protection of Vulnerable Adults) lists.

The DBS provides the information that TMBC needs to help assess the suitability of applicants for certain positions. This service is known as 'Disclosure'. There are two barred lists administered by the Independent Safeguarding Authority (ISA) (the Children's List and the Adults List). Checks against these lists apply to any regulated activity (as defined in Section 3) that involves the individual working or volunteering with children or adults. The lists are administered by the Disclosure and Barring Service (DBS).

As well as assessing candidates suitability for a specific post the Council must ensure that candidates who may have offended in the past are not discriminated against. (see the Council's Policy on the employment of Ex-Offenders for further information).

The Council is a Registered Body with the Disclosure and Barring Service and information gained during the recruitment or rechecking process will be treated in accordance with the Disclosure and Barring Service Code of Practice. The Licensing Service carry out the administration of the checks on behalf of the Council.

2. SCOPE

This policy applies to:

- Candidates applying for various roles within the Council where the role requires a DBS check
- Candidates who have been made an offer of employment with the Council to a role which requires a DBS check.

- Current TMBC employees who are subject to a recheck (currently every 3 years).

New staff

All offers of appointment to the Council will be subject to appropriate disclosure of criminal records where it is required for the post.

Existing employees

All staff whose posts require a disclosure will be required to renew their application every three years. In cases where a criminal record is disclosed or a DBS check indicates that the person may be unsuitable to continue in employment, the relevant Director in discussion with the Personnel & Development Manager will decide whether the employee should be suspended from work or transferred temporarily to another post whilst this is under investigation. This may affect the employee's continuing employment with the Council.

Transfers, promotions and employees with a second job with another local authority

Internal transfers, promotions, or staff who have a second job with other local authorities where a current suitable DBS check exists in like for like work will not need a new DBS check if the check was undertaken within the last three years. All other internal appointments are subject to the procedures outlined above.

Agency staff

Agency staff who are taken on in a role which requires a DBS check may not begin work without an original disclosure and this will be overseen by the recruiting line manager. The line manager must see an original, satisfactory disclosure for all agency staff engaged in their service and must not rely on an agency's confirmation of having undertaken this check. If a manager is unclear what to look out for on a disclosure then advice from the Personnel Service should be sought.

The disclosure must be the correct level for that post obtained by the agency within the last year. If a criminal record is disclosed, the relevant Director and Personnel & Development Manager should be notified prior to commencement of work. If, whilst the worker remains in post, the disclosure expires (i.e. becomes over 3 years old) the line manager must ensure that the agency renew the disclosure or the agency worker ceases work.

Contractors

The Council will ensure that contractors have robust systems in place for ensuring that all contracted staff who require a DBS check have been checked before they are engaged to carry out work on behalf of the Council. This should be set out in tender and SLA documentation. Managers of contractors should be aware of the responsibility for the contractors to obtain appropriate checks.

Volunteers

Managers should inform the Personnel Service that checks will be required prior to someone undertaking any voluntary work on behalf of the Council with unsupervised access to children and adults. The DBS will issue a disclosure free of charge to volunteers.

3. TYPES OF DISCLOSURES & REGULATED ACTIVITY

There are three types of Disclosure available:

1. Standard Disclosure: This sets out all convictions held on the Police National Computer, including 'spent' convictions, together with cautions, reprimands or final warnings. For work with children, it includes checks on the Department of Health and Department for Education lists of people who should not work with children. A standard disclosure is applied in relation to a specific job or role only. It is required for jobs with regular contact with children or vulnerable adults.

2. Enhanced Disclosure: This contains all information provided by a standard disclosure, but also includes information held on local police records, and which the police consider relevant to the post to be held. Like standard disclosures, they relate to a specific job or role only. An enhanced disclosure is required for jobs that involve regularly caring for, training, supervising, or being in sole charge of children or adults. If the person is to carry out regulated activity (see below) the enhanced disclosure will include any information held on the relevant barred lists.

Eligibility for standard and enhanced checks is prescribed in legislation.

3. Basic Disclosure: These are the lowest level of disclosure and only contain details of unspent (current) convictions. Basic disclosures verify information from applicants for posts that are not exempt under the Rehabilitation of Offender Act (Exemptions) Order. Basic disclosures can currently only be obtained through Disclosure Scotland.

Baseline Personnel Security Standard (BPSS)

In addition to the three types of disclosure the Council has a number of posts (Annex 1) where the post holders have to access sensitive information via Central Government IT systems, it is a requirement for these post holders to undertake a Baseline Personnel Security Standard (BPSS) check which as part of a wider background check includes a Basic Disclosure check. These checks are coordinated by the Personnel Service and are carried out on our behalf by Kent County Council.

Further information about BPSS checks can be found here:

<https://www.gov.uk/government/publications/government-baseline-personnel-security-standard>

Regulated activity

The full, legal definition of regulated activity is set out in Schedule 4 of the Safeguarding Vulnerable Groups Act 2006, as amended by the Protection of Freedoms Act 2012. No distinction is made between paid and voluntary work.

Regulated activity relating to children

The definition of regulated activity relating to children (from 10 September 2012) comprises of:

- i. Unsupervised activities: teach, train, instruct, care for or supervise children, or provide advice/guidance on well-being, or drive a vehicle only for children;
- ii. Work for a limited range of establishments ('specified places'), with opportunity for contact: for example schools, children's homes, childcare premises. Not work by supervised volunteers; Work under i and ii is regulated only if done regularly.

iii. Relevant personal care, for example washing or dressing; or health care by or supervised by a professional;

iv. Registered child-minding and foster carers.

Regulated activity relating to adults

The definition of regulated activity relating to adults no longer labels adults as 'vulnerable'. Instead the definition identifies the activities which, if any adult requires them, lead to that adult being considered vulnerable at that particular time. This means that the focus is on the activities required by the adult and not on the setting in which the activity is received, nor on the personal characteristics or circumstances of the adult receiving the activities. There is also no longer a requirement for a person to do the activities a certain number of times before they are engaging in regulated activity.

There are six categories of people who will fall within the definition of regulated activity (and so will anyone who provides day to day management or supervision of those people):

i: Providing health care

- Any health care professional providing health care to an adult, or anyone who provides health care under the direction or supervision of a health care professional.

ii. Providing personal care

- Provides physical assistance with eating or drinking, going to the toilet, washing or bathing, dressing, oral care or care of the skin, hair or nails because of an adult's age, illness or disability;
- Prompts and then supervises an adult who, because of their age, illness or disability, cannot make the decision to eat or drink, go to the toilet, wash or bathe, get dressed or care for their mouth, skin, hair or nails without prompting or supervision; or
- Trains, instructs or offers advice or guidance which relates to eating or drinking, going to the toilet, washing or bathing, dressing, oral care or care of the skin, hair or nails to adults who need it because of their age, illness or disability.

iii. Providing social work

The provision by a social care worker of social work which is required in connection with any health care or social services to an adult who is a client or potential client.

iv. Assistance with cash, bills and/or shopping

The provision of assistance to an adult because of their age, illness or disability, if that includes managing the person's cash, paying their bills or shopping on their behalf.

v. Assistance in the conduct of a person's affairs

Anyone who provides various forms of assistance in the conduct of an adult's own affairs for example by virtue of an enduring power of attorney.

vi. Conveying

A person who transports an adult because of their age, illness or disability either to or from their place of residence and a place where they have received, or will be receiving, health care, personal care or social care; or between places where they have received or will be receiving health care, personal care or social care. This will not include family and friends or taxi drivers

4. Appointment of staff - offers of appointment and contracts of employment

The Personnel Service will maintain a list of posts requiring DBS checks (Annex 1) which have been agreed by Management Team. The Personnel Service will be responsible for ensuring the DBS checks are undertaken for relevant posts as part of the existing pre-employment check process. This includes ensuring the DBS forms are completed correctly and that original proof of identity documents are seen.

The Council will use the Disclosure and Barring Service as part of the pre-employment checks during the recruitment process. The information provided by the DBS will help those involved with recruitment to make informed decisions about the suitability of candidates for certain types of work.

Where the post requires a DBS check, the job advert will include a reference to the post being subject to a satisfactory DBS and if so at what level (standard, enhanced or basic). Posts which require a BPSS check will state the requirement for a Basic DBS check. The requirement for a DBS for all posts will also be stated in the Person Specification for the role.

All offers of appointment to posts which require a DBS check will be made conditional on the receipt of a satisfactory DBS check in addition to references, verification of right to live and work, verification of qualifications and medical clearance. Where a DBS check is required, all applicants, regardless of their status, will be expected to apply for a new DBS check. Portability is not acceptable regardless of status. Subject to those exceptions set out in this procedure, employment cannot commence without the original disclosure being sighted.

The Personnel Service will be responsible for ensuring that the original disclosure is seen. If there are no disclosures then the hiring manager will be informed. If there are disclosures then the process set out in section 5 below will be followed.

The employee's contract will contain a clause stating that the offer of employment is subject to receipt of a satisfactory disclosure (renewable every three years) from the Disclosure and Barring Service. If an unsatisfactory disclosure is received, the offer may be withdrawn. This will be explained to the individual as part of the conditional offer of the job.

When a new post requiring a DBS disclosure is created, the manager should use the online eligibility checker to check whether the new role falls within the scope of requiring a DBS check. The Personnel Service should be notified that the post should be added to the existing list of posts that require DBS disclosure.

A Disclosure undertaken by another organisation will not be accepted. If an applicant refuses to give their signed consent to a disclosure application being undertaken, they will not be appointed to the post.

If an applicant believes the information provided by DBS is not correct, the applicant can contact the DBS to dispute the result.

Rechecking of existing employees

DBS disclosures are only valid at the date the application is submitted.

Based on current national guidance and best practise it is the Council's policy that 3 yearly renewal DBS checks must be undertaken for all relevant employees.

The Personnel Service will notify the individual employee and their line manager of the need to submit a new disclosure application. If the individual has subscribed to the DBS Update Service their existing DBS certificate can be used and a Status Check run, If new information is disclosed a new DBS application will need to be made.

Post which require a BPSS check are not subject to a recheck.

5. Making Decisions using Disclosure Information

If a disclosure reveals convictions, reprimands or cautions, the Personnel Service will check with the recruiting manager whether the individual has previously disclosed details of any convictions or cautions. The recruiting manager should discuss the case with their Director and the Personnel & Development Manager before a final decision on future employment is made.

If the individual has not disclosed the convictions, either on an application form (or to their manager if already employed by the Council) when the offence took place, they should be asked why they had not done so. Non-disclosure of relevant information or the disclosure of false information by candidates/employees will normally lead to a withdrawal of an offer of employment, or the instigation of the Council's disciplinary procedures respectively.

If an individual denies that the convictions relate to them, a further check must take place. This can be done by the individual contacting the DBS and advising that there is a dispute on the evidence submitted. The DBS should then undertake an investigation.

Factors to consider when making a decision:

Once it is established that the convictions/cautions relate to the individual, the recruiting manager and their Director in consultation with the Personnel & Development Manager should explore with the applicant the circumstances surrounding the convictions/cautions and when they took place. An applicant's criminal record should be assessed in relation to the tasks they will be required to perform and the circumstances in which the work is to be carried out.

Factors to consider include:

- An examination of the circumstances leading up to the offence, e.g. the influence of financial or domestic circumstances.
- The seriousness of the offence
- Whether the individual's circumstances have changed since the offence was committed, making re-offending less likely.
- The degree of intent on behalf of the offender
- Any relevant information offered by the applicant about the circumstances which led to the offence being committed
- The nature of the job, i.e. does the nature of the job present any opportunity for the post-holder to re-offend in the course of their work?
- The degree of risk that the offence suggests that the individual represents
- The length of time since the offence took place

- The extent of job supervision i.e. does the job involve one-to-one contact with children or other vulnerable groups and what level of supervision will the post-holder receive.

The fact that someone has a conviction or a caution would not necessarily prevent them from taking up or continuing in employment with the Council, although serious consideration must be given to the information that has been received before a decision is made.

The decision on whether to confirm or withdraw the offer of employment will be documented on the employee's personnel file if they are appointed. If the decision is not to appoint this will be kept on the recruitment file for a period of 6 months.

6. Starting employment without a current DBS disclosure

As a general rule, no applicant should be allowed to start work for the Council in a post requiring a disclosure until all pre-employment checks have been received.

In very exceptional circumstances, the relevant Director may decide, in consultation with the Personnel & Development Manager that an applicant may start work before the clearances and checks have been received. This must only be in situations where there is an urgent need to maintain service delivery and all reasonable steps have been taken to protect the safety of service users. The arrangement will remain the responsibility of the employing directorate/service. The individual will be made aware that if they start work with the Council and subsequently receive a disclosure which makes them unsuitable to continue that it will likely result in dismissal under the Council's disciplinary procedure. (see the Council's Disciplinary Procedure for further information).

In any event, every possible step must be taken to protect service users, this will include not allowing the applicant to work in regulated activity to children or adults, allowing the applicant to start work in an alternative or office based post, or being fully supervised at all times when undertaking regulated activity until a satisfactory check has been undertaken.

7. Personnel Service

If managers are uncertain whether any roles within their service should be made subject to a DBS check or unclear about the process to follow then contact the Personnel Service for further advice.

Contact –

Mathew Brooks, HR Advisor, Mathew.Brooks@tmbc.gov.uk or Personnel.Services@tmbc.gov.uk

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ANNEX 2

List of TMBC posts requiring a DBS Check and level of check

Job Title	DBS Level	Service
Head Ranger	Enhanced	SSLTS
Park Ranger	Enhanced	SSLTS
Assistant Ranger	Enhanced	SSLTS
Seasonal Ranger	Enhanced	SSLTS
Youth and Play Development Officer	Enhanced	SSLTS
Leisure Development Assistant	Enhanced	SSLTS
Sports Development Officer	Enhanced	SSLTS
Senior Civil Enforcement Officer	Standard	SSLTS
Civil Enforcement Officer Supervisor	Standard	SSLTS
Civil Enforcement Officer	Standard	SSLTS
Safer & Stronger Communities Manager	Enhanced	Central
Anti-Social Behaviour Officer	Enhanced	Central

List of TMBC posts requiring a BASELINE PERSONNEL SECURITY STANDARD (BPSS) Check

Job Title	DBS Level	Service
DIRECTOR OF CENTRAL SERVICES AND DEPUTY CHIEF EXECUTIVE	BASIC	CENTRAL
SAFER & STRONGER COMMUNITIES MANAGER	BASIC	CENTRAL
HEAD OF LICENSING, COMMUNITY SAFETY & CUSTOMER SERVICES	BASIC	CENTRAL
PRINCIPAL SOLICITOR	BASIC	CENTRAL
PRINCIPAL SOLICITOR LITIGATION	BASIC	CENTRAL
SENIOR ELECTORAL SERVICES OFFICER	BASIC	CEX
ELECTORAL SERVICES OFFICER	BASIC	CEX
SCRUTINY & PARTNERSHIPS MANAGER	BASIC	CEX
DIRECTOR OF FINANCE & TRANSFORMATION	BASIC	FINANCE & TRANS
PA TO DIRECTOR OF FINANCE & TRANSFORMATION & CHIEF FINANCIAL SERVICES OFFICER	BASIC	FINANCE & TRANS
HEAD OF IT	BASIC	FINANCE & TRANS
WEB DEVELOPER	BASIC	FINANCE & TRANS
DEVELOPER	BASIC	FINANCE & TRANS
TECHNICAL SUPPORT MANAGER	BASIC	FINANCE & TRANS
SENIOR TECHNICAL SUPPORT OFFICER	BASIC	FINANCE & TRANS
PRINCIPAL BENEFITS OFFICER	BASIC	FINANCE & TRANS
ADMINISTRATIVE ASSISTANT (Revs & Bens)	BASIC	FINANCE & TRANS
BENEFIT OFFICE SUPERVISOR	BASIC	FINANCE & TRANS
FRAUD OFFICER	BASIC	FINANCE & TRANS
BENEFITS ASSISTANT	BASIC	FINANCE & TRANS
SENIOR REVENUE & BENEFITS LIAISON OFFICER	BASIC	FINANCE & TRANS
ADMINISTRATIVE ASSISTANT(Revs & Bens)	BASIC	FINANCE & TRANS
EXCHEQUER ASSISTANT (OVERPAYMENTS)	BASIC	FINANCE & TRANS
EXCHEQUER SERVICES & SYSTEMS MANAGER	BASIC	FINANCE & TRANS
BENEFITS ASSURANCE OFFICER	BASIC	FINANCE & TRANS
TRAINEE BENEFITS ASSISTANT	BASIC	FINANCE & TRANS
OVERPAYMENT RECOVERY OFFICER	BASIC	FINANCE & TRANS
HOUSING IMPROVEMENT MANAGER	BASIC	PHEH
PRIVATE SECTOR HOUSING AND WELLBEING MANAGER	BASIC	PHEH

SENIOR EHO (PRIVATE SECTOR HOUSING)	BASIC	PHEH
HOUSING OPTIONS & SUPPORT MANAGER	BASIC	PHEH
HOUSING OPTIONS & SUPPORT OFFICER	BASIC	PHEH
FOOD & SAFETY MANAGER	BASIC	PHEH
ENVIRONMENTAL PROTECTION TEAM MANAGER	BASIC	PHEH
WASTE & ENFORCEMENT SUPPORT OFFICER	BASIC	SSLTS
PARKING SUPPORT MANAGER	BASIC	SSLTS
ADMINISTRATION MANAGER	BASIC	SSLTS
STREET SCENE MANAGER	BASIC	SSLTS
ADMINISTRATION ASSISTANT SSLTS	BASIC	SSLTS

Item CB 19/56 referred from Cabinet minutes of 16 October 2019

**CB 19/56 TREASURY MANAGEMENT UPDATE AND MID-YEAR REVIEW
2019/20**

The report of the Director of Finance and Transformation provided an update on treasury management activity undertaken during the period April to August 2019. Members were invited to endorse the action taken by officers in respect of treasury management activity to date and retain the current risk parameters. It was noted that the report had also been considered by the Audit Committee at its meeting on 1 October 2019 and the action commended for endorsement.

RECOMMENDED: That

- (1) the action taken by officers in respect of treasury management activity for the period April to August 2019 be endorsed; and
- (2) the existing parameters intended to limit the Council's exposure to investment risks be retained.

***Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

16 October 2019

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Council

1 TREASURY MANAGEMENT UPDATE AND MID-YEAR REVIEW

A report detailing treasury management activity undertaken during the period April to August of the current financial year was considered by Audit Committee on 1 October. Following review by the Audit Committee, Cabinet are invited to recommend that Council endorse the action taken by officers in respect of treasury management activity to date and retain the current risk parameters.

1.1 Introduction

1.1.1 At its meeting on 1 October 2019, the Audit Committee considered a report on treasury management activity from April to August 2019 and a review of the risk parameters.

1.1.2 The report to the Audit Committee can be found at **[Appendix 1]**.

1.1.3 After full consideration of the report, Audit Committee endorsed the action taken by officers in respect of treasury management activity for April to August 2019 and recommended that the existing parameters intended to limit the Council's exposure to investment risks should be retained.

1.2 Legal Implications

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

1.3 Financial and Value for Money Considerations

1.3.1 As set out in the report to Audit Committee. Investment income from cash flow and core cash at the end of August 2019 (month five of the financial year) is £44,800 better than budget for the same period. Subject to Bank Rate not falling below its current level this figure is expected to increase as the year progresses.

1.4 Risk Assessment

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

1.5 Equality Impact Assessment

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

1.6 Recommendations

- 1.6.1 Cabinet is invited to **RECOMMEND** that Council:

- 1) Endorse the action taken by officers in respect of treasury management activity for the period April to August 2019.
- 2) Retain the existing parameters intended to limit the Council's exposure to investment risks.

Background papers:

contact: Michael Withey

[Link interest rate forecast \(August 2019\)](#)

[Link Benchmarking data \(June 2019\)](#)

Sharon Shelton

Director of Finance & Transformation

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

01 October 2019

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet – Council Decision

1 TREASURY MANAGEMENT UPDATE AND MID-YEAR REVIEW

The report provides an update on treasury management activity undertaken during April to August of the current financial year. A mid-year review of the Treasury Management and Annual Investment Strategy for 2019/20 is also included in this report.

1.1 Introduction

1.1.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management was revised December 2017 and adopted by this Council on 30 October 2018.

1.1.2 The primary requirements of the Code are as follows:

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

1.1.3 This mid-year report has been prepared in compliance with Code and covers the following:

- An economic update and interest rate forecast.
- Investment performance for April to August of the 2019/20 financial year including recent benchmarking data.
- Compliance with Treasury and Prudential Limits for 2019/20.
- A review of the risk parameters contained in the 2019/20 Treasury Management and Annual Investment Strategy.

1.2 Economic Background

- 1.2.1 The first half of 2019/20 saw UK economic growth fall amidst continuing Brexit uncertainty and global growth concerns. In its August Inflation Report the Bank of England was notably downbeat about the outlook for both the UK and major world economies. This mirrored investor confidence around the world which is now expecting a significant downturn or possibly even a recession in some developed economies. Against this back drop it is no surprise that thus far in 2019 the Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75%.
- 1.2.2 CPI inflation has been hovering around the Bank of England's target of 2% during 2019 (July 2.1%). The expectation is for CPI to move upwards a little over the rest of 2019/20 but not to a degree though likely to pose a concern for the MPC.
- 1.2.3 Despite the contraction in UK quarterly GDP growth of -0.2% q/q in quarter 2 (+1.2% y/y), employment rose by 115,000 in the same quarter. This suggests firms are preparing to expand output which could see a return to positive growth in quarter 3. Unemployment has continued close to a 44 year low of 3.9% in June. At the same time wage inflation picked up to a high of 3.9%. In real terms (after adjusting for the effects of inflation) earnings grew by 1.9%. As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. The MPC views wage inflation in excess of 3% as an inflationary pressure which may warrant a rise in Bank Rate if Brexit is accompanied by a deal. A Bank Rate cut is thought likely in the event of a no deal Brexit.
- 1.2.4 Elsewhere, in response to slowing economic growth, the US Federal Reserve cut its equivalent of the Bank Rate by 0.25% in July 2019. The European Central Bank followed suit with a 0.1% cut in September 2019 and signalled a resumption of quantitative easing.

1.3 Interest Rate Forecast

- 1.3.1 The Bank Rate, having remained at an emergency level of 0.5% for over seven years, was cut to 0.25% in August 2016 following the referendum on the UK's membership of the EU. In November 2017, the Bank of England returned the Bank Rate to 0.5%. Bank Rate was increased to 0.75% in August 2018. Link's

current forecast (August 2019) anticipates Bank Rate rising to 1.0% by December 2020 and to 1.25% by March 2022.

Rate	Now %	Sep- 19 %	Dec- 19 %	Mar- 20 %	Jun- 20 %	Sep- 20 %	Dec- 20 %	Mar- 21 %	Jun- 21 %	Sep- 21 %	Dec- 21 %	Mar- 22 %
Bank Rate	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25
3 mth LIBID	0.64	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20
6 mth LIBID	0.67	0.80	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40
12 mth LIBID	0.72	1.00	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60
25yr PWLB	1.95	2.10	2.30	2.40	2.50	2.60	2.70	2.70	2.80	2.90	3.00	3.00

1.4 Investment Performance

- 1.4.1 In accordance with the CIPFA Code the Council's priorities, in order of importance, are: to ensure security of capital; liquidity; and having satisfied both, to obtain an appropriate level of return which is consistent with the Council's risk appetite.
- 1.4.2 The Council's investments are derived from cash flow surpluses, core cash balances and other long term cash balances.
- 1.4.3 Cash flow surpluses are available on a temporary basis and the amount mainly dependent on the timing of council tax and business rates collected and their payment to precept authorities and government. Less significant cash flows relate to receipt of grants, payments to housing benefit recipients, suppliers and staff. Cash flow surpluses build up during the course of a financial year and are spent by financial year end. Thus far in 2019/20 cash flow surpluses have averaged £13m.
- 1.4.4 The Authority also has £26m of core cash balances. These funds are for the most part available to invest for more than one year, albeit a proportion is usually transferred to cash flow towards the end of the financial year to top-up daily cash balances. Core cash includes the Council's capital and revenue reserves which are being consumed over time to meet capital expenditure and 'buy time' to enable the authority to deliver its revenue savings targets. The core cash balance also includes some £8m to meet business rate appeals of which £3m are expected to be resolved in 2019/20 and the balance in future years.
- 1.4.5 Long term investment at the end of August 2019 comprised £5m in property fund investments.
- 1.4.6 A full list of investments held on 31 August 2019 is provided at **[Annex 1]** and a copy of our lending list of 2 September 2019 at **[Annex 2]**. The table below provides a summary of funds invested and interest / dividends earned at the end of August.

	Funds invested on 31 August 2019	Average duration to maturity	Weighted average rate of return	Interest / dividends earned 1 April to 31 August 2019	Gross annualised return	LIBID benchmark (average from 1 April 2019)
	£m	Days	%	£	%	%
Cash flow	14.3	42	0.81	42,200	0.78	0.57(7 Day)
Core cash	26.0	149	1.13	121,300	1.11	0.67 (3 Mth)
Sub-total	40.3	111	1.01	163,500	1.00	0.64 (Ave)
Long term	5.0			43,000	3.44	
Total	45.3			206,500	1.27	

Property funds pay dividends quarterly. The return quoted above is based on dividends received for the quarter April to June 2019.

- 1.4.7 **Cash flow and Core cash Investments.** Interest earned of £163,500 to the end of August is £44,800 better than the original estimate for the same period. The authority also outperformed the LIBID benchmark by 36 basis points. The additional income is due to the higher core fund balances relating to unspent provisions for business rate appeals.
- 1.4.8 The Council takes advantage of Link's benchmarking service which enables performance to be gauged against Link's other local authority clients. An extract from the latest benchmarking data is provided in the form of a scatter graph at **[Annex 3]**. The graph shows the return (vertical scale) vs. the credit / duration risk (horizontal scale) associated with an authority's investments. At 30 June 2019 the Council's return at 1.05% (purple diamond) was above the local authority average of 0.90%. Based on the Council's exposure to credit / duration risk that return also exceeded Link's predicted return (above the upper boundary indicated by the green diagonal line). The Council's risk exposure was also above the local authority average but not excessive by comparison.
- 1.4.9 **Long term Investment.** The availability of cash balances over the longer term (10 years) and the suitability of different types of long term investment (equities, bonds and commercial property) was explored in the report to Audit Committee, January 2017. Of the alternatives, investment in property funds was considered best suited to meet the Council's more immediate funding need: a sustainable, stable income stream.
- 1.4.10 £3m was invested in property investment funds during 2017/18 and a further £2m invested during 2018/19. Investment was spread across three funds to ensure, as far as is possible, stability of annual income and capital growth over time.

Additional property fund investments are expected in the future as resources become available from asset disposals and other windfalls.

- 1.4.11 During the period 1 April 2019 to 30 June 2019 the £5m investment in property funds generated dividends (income) of £43,000 which represents an annualised return of 3.44%.
- 1.4.12 Property funds issue and redeem primary units at a buy and sell price with the difference between the two prices reflecting the costs associated with buying and selling property (legal and other fees, stamp duty etc.). The price spread varies from fund to fund but is typically in the region of 8% (6% on entry to a fund and 2% on exit). Where units are traded on a secondary market the impact of the spread can be reduced and delays in the purchase or redemption of units avoided. The table below compares the sale value of each investment if sold to the fund manager with the initial purchase price. Economic growth in the UK slowed in 2018/19 as did the rate at which fund sale values appreciated. A fall in sale values was recorded at some month ends especially during the second half of 2018/19 and thus far in 2019/20. Nevertheless, since inception, the overall progress towards breakeven is still encouraging.

Property fund (Primary = units in the fund purchased from the fund manager. Secondary = units purchased from another investor at a discount. Date = first month the investment attracted dividends)	Purchase price (a) £	Sale value at date of purchase (b) £	Sale value 31 August 2019 (c) £	31 August sale value above (below) purchase price (c-a) £
LAPF (Primary, July 2017)	1,000,000	922,200	965,900	(34,100)
Lothbury (Primary, July 2017)	1,000,000	927,700	984,000	(16,000)
Hermes (Secondary, Oct 2017)	1,000,000	939,000	1,009,300	9,300
LAPF (Primary, June 2018)	1,000,000	922,200	926,100	(73,900)
Lothbury (Secondary, July 2018)	1,000,000	973,000	965,000	(35,000)
Total change in principal	5,000,000	4,684,100	4,850,300	(149,700)
Total dividends received				280,400
Net benefit				130,700

- 1.4.13 Since their inception, the Council has received dividends from its property fund investments totalling £280,400. Taking the current £149,700 deficit on sale values into account the net benefit to the Council thus far is £130,700.

1.5 Compliance with the Treasury Management and Annual Investment Strategy

- 1.5.1 Throughout the period April to August 2019 all of the requirements contained in the 2019/20 Annual Investment Strategy intended to limit the Council's exposure to investment risks (minimum sovereign and counterparty credit ratings; duration limits; exposure limits in respect of counterparties, groups of related counterparty and sovereigns; and specified and non-specified investment limits) have been complied with. No borrowing was undertaken during April to August 2019.
- 1.5.2 The Council has also operated within the treasury limits and prudential indicators set out in the Annual Investment Strategy and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators can be found in **[Annex 4]** to this report.

1.6 Review of Risk Parameters

- 1.6.1 Members will recall the detailed consideration that was given to the 2019/20 Treasury Management and Annual Investment Strategy at the January 2019 meeting of Audit Committee. The strategy includes the parameters that aim to limit the Council's exposure to investment risks by requiring investments to be placed with high credit rated institutions and that those investments are diversified across a range of counterparties. More specifically the 2019/20 Strategy requires:
- Counterparties must be regulated by a Sovereign rated AA- (UK minimum of A-) or better as recognised by each of the three main rating agencies (Fitch, Moody's and Standard & Poor's).
 - Whilst 100% of funds can be invested in the UK, exposure to non-UK banks is restricted to no more than 20% of funds per Sovereign.
 - Exposure to individual counterparties and groups of related counterparty must not exceed 20% of funds.
 - In selecting suitable counterparties the Council has adopted Link's credit worthiness methodology. The methodology combines the output from all three credit rating agencies including credit watches / outlooks and credit default swap data to assign a durational band to a financial institution (100 days, 6 months, 1 year, 5 years, etc.). At the time of placing an investment the financial institution must be assigned a durational band of at least 100 days. This broadly equates to a minimum long term credit rating of Fitch A- (high) and a short term credit rating of Fitch F1 (strong). A minimum of Fitch BBB (good), F2 (good) applies to UK nationalised / part nationalised banks.
 - The duration of an investment in a foreign bank must not exceed Link's recommendation. For UK financial institutions Link's duration recommendation can be enhanced by up to six months subject to the combined duration (Link recommendation plus the enhancement) not exceeding 12 months. Where duration exceeds Link's recommendation by more than three months, the institution's CDS must be below average at the

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

- Money Market funds should be rated AAA and exposure limited to no more than 20% per fund. LNAV and VNAV funds may be used as a substitute for CNAV funds.
- Enhanced Money Funds should be rated AAA and exposure limited to no more than 10% per fund and 20% to all such funds.
- Exposure to each non-rated property fund used for long term investment is subject to a maximum £3m (20% of expected long term balances) per fund and across all such funds. No limit applies to new resources made available from, or in anticipation of, the sale of existing property assets or other windfalls.
- Each non-rated diversified income (multi-asset) fund used for medium term investment is subject to a maximum £3m (20% of expected long term balances) per fund and across all such funds.
- Non-specified investments over 1 year duration (includes both property funds and diversified income funds) must not exceed 60% of investment balances.

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

1.7 Legal Implications

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

1.8 Financial and Value for Money Considerations

1.8.1 Investment income from cash flow and core cash at the end of August 2019 (month five of the financial year) is £44,800 better than budget for the same period. Subject to Bank Rate not falling below its current level this figure is expected to increase as the year progresses.

1.8.2 Property funds are presently performing in-line with budget albeit just below the 4% target return.

1.8.3 The Bank Rate having remained at a historic low of 0.5% for over seven years was cut to 0.25% in August 2016. In November 2017, the Bank of England

returned the Bank Rate to 0.5%. Bank rate was increased to 0.75% in August 2018. Link's current forecast (August 2019) anticipates Bank Rate rising to 1.0% by December 2020 and to 1.25% by March 2022.

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

1.9 Risk Assessment

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

1.10 Equality Impact Assessment

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

1.11 Recommendations

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

- 1) Endorse the action taken by officers in respect of treasury management activity for April to August 2019.
- 2) Retain the existing parameters intended to limit the Council's exposure to investment risks.

Background papers:

contact: Mike Withey

Link interest rate forecast (August 2019)

Link benchmarking data (June 2019)

Sharon Shelton

Director of Finance and Transformation

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Tonbridge and Malling Borough Council - Investment summary 31 August 2019

Counterparty	Sovereign	Fitch long term	Fitch short term	Link suggested post CDS duration limit	Investment						Cash Flow surpluses £	Core Cash balances £	Long term investment balances £
					Start date	End date	Duration at start	Amount invested £	Return %	Proportion of total %			
Banks & Building Societies													
Bank of Scotland :	UK	A+	F1	1 year				4,000,000		8.83%			
Fixed term deposit					03/09/2018	03/09/2019	1 year	1,000,000	1.05%			1,000,000	
Fixed term deposit					04/03/2019	21/02/2020	1 year	1,000,000	1.25%			1,000,000	
Fixed term deposit					27/03/2019	27/03/2020	1 year	1,000,000	1.25%			1,000,000	
Fixed term deposit					15/04/2019	15/04/2020	1 year	1,000,000	1.25%			1,000,000	
Barclays Bank :	UK	A+	F1	6 months				4,000,000		8.83%			
95 day notice account					30/08/2019	03/12/2019	95 Days	4,000,000	0.95%		4,000,000		
Coventry Building Society :	UK	A-	F1	6 months				1,000,000		2.21%			
Fixed term deposit					20/06/2019	20/03/2020	9 months	1,000,000	0.96%		1,000,000		
Goldman Sachs International Bank :	UK	A	F1	6 months				2,000,000		4.41%			
Fixed term deposit					15/03/2019	16/12/2019	9 months	2,000,000	1.07%			2,000,000	
Lloyds Bank :	UK	A+	F1	1 year				3,000,000		6.62%			
Fixed term deposit					15/05/2019	15/05/2020	1 year	2,000,000	1.25%			2,000,000	
Fixed term deposit					28/05/2019	28/05/2020	1 year	1,000,000	1.25%			1,000,000	
National Westminster Bank :	UK	A+	F1	1 year				4,010,000		8.85%			
Deposit account					30/08/2019	02/09/2019	Overnight	10,000	0.20%		10,000		
Certificate of deposit					25/03/2019	25/03/2020	1 year	2,000,000	1.08%			2,000,000	
Certificate of deposit					07/05/2019	07/05/2020	1 year	2,000,000	1.08%			2,000,000	
Rabobank :	Netherlands	AA-	F1+	1 year				2,000,000		4.41%			
Certificate of deposit					15/01/2019	14/01/2020	1 year	2,000,000	1.16%			2,000,000	
Santander UK Bank :	UK	A+	F1	6 months				7,000,000		15.45%			
Fixed term deposit					05/12/2018	05/09/2019	9 Months	2,000,000	1.13%			2,000,000	
Fixed term deposit					05/03/2019	05/12/2019	9 Months	1,000,000	1.13%			1,000,000	
Fixed term deposit					02/04/2019	02/01/2020	9 Months	1,000,000	1.13%			1,000,000	
Fixed term deposit					17/05/2019	17/02/2020	9 Months	1,000,000	1.13%			1,000,000	
Fixed term deposit					23/08/2019	22/05/2020	9 Months	2,000,000	1.13%			2,000,000	
Standard Chartered Bank :	UK	A+	F1	6 months				2,000,000		4.41%			
Certificate of deposit					05/04/2019	04/10/2019	6 Months	2,000,000	1.00%			2,000,000	
Toronto Dominion Bank :	Canada	AA-	F1+	1 year				2,000,000		4.41%			
Certificate of deposit					11/10/2018	11/10/2019	1 year	2,000,000	1.03%			2,000,000	
Money Market Funds share holding													
Blackrock MMF	n/a	AAA	mmf (Eq)	5 years	30/08/2019	02/09/2019	Overnight	250,000	0.70%	0.55%	250,000		
BNP Paribas MMF	n/a	AAA	mmf (Eq)	5 years	30/08/2019	02/09/2019	Overnight	1,000,000	0.70%	2.21%	1,000,000		
DWS Deutsche MMF	n/a	AAA	mmf	5 years	30/08/2019	02/09/2019	Overnight	3,004,000	0.73%	6.63%	3,004,000		
Federated MMF	n/a	AAA	mmf	5 years	30/08/2019	02/09/2019	Overnight	3,497,000	0.74%	7.72%	3,497,000		
Morgan Stanley MMF	n/a	AAA	mmf	5 years	30/08/2019	02/09/2019	Overnight	1,558,000	0.72%	3.44%	1,558,000		
Property Funds													
Hermes Property Unit Trust :	n/a	n/a	n/a	n/a				1,000,000		2.21%			
Property fund units					29/09/2017	n/a	n/a	1,000,000	3.41%				1,000,000
Local Authorities' Property Fund :	n/a	n/a	n/a	n/a				2,000,000		4.41%			
Property fund units					29/06/2017	n/a	n/a	1,000,000	4.28%				1,000,000
Property fund units					30/05/2018	n/a	n/a	1,000,000	3.98%				1,000,000
Lothbury Property Trust :	n/a	n/a	n/a	n/a				2,000,000		4.41%			
Property fund units					06/07/2017	n/a	n/a	1,000,000	3.09%				1,000,000
Property fund units					02/07/2018	n/a	n/a	1,000,000	3.01%				1,000,000
Total invested								45,319,000		100.00%	14,319,000	26,000,000	5,000,000

Number of investments	30	Average investment value £		1,511,000
Number of counter parties	18	Average counter party investment £		2,518,000
Group exposures:		Core £	Cash £	Combined £
Royal Bank of Scotland + National Westminster (UK Nationalised MAX 20%)		4,000,000	10,000	4,010,000
Bank of Scotland + Lloyds (MAX 20%)		7,000,000	-	7,000,000
Property Funds Total		£		%
		5,000,000		11.03

Total non-specified investments should be less than 60% of Investment balances	11.03
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Notes:
Property fund returns are based on dividends distributed from the start of each investment. Capital appreciation / depreciation is recorded elsewhere. Last update August 2019.

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Tonbridge and Malling Borough Council Lending List

Checked against Link's "Suggested Credit List" dated 30/08/19								
Minimum investment criteria is Link's green duration band (100 days). Entry point broadly equates to Fitch A-, F1 unless UK nationalised.								
Counterparty	Sovereign	Sovereign rating [1]	Fitch long term	Fitch short term	UK classification	Exposure limit	Link duration based on [2]	
							Credit ratings	Post CDS
UK Banks, Building Societies and other Financial Institutions :								
Bank of Scotland (Group limit BOS & Lloyds £7m)	UK	AA	A+	F1	Ring-fenced	£7m	1 year	1 year
Barclays Bank (Group Limit Barclays and Barclays UK £7m)	UK	AA	A+	F1	Non-RF	£7m	6 months	6 months
Barclays Bank UK (Group Limit Barclays and Barclays UK £7m)	UK	AA	A+	F1	Ring-fenced	£7m	6 months	6 months
Goldman Sachs International Bank	UK	AA	A	F1	Exempt	£7m	6 months	6 months
Handelsbanken Plc (Group Limit with Svenska Handelsbanken AB £7m)	UK	AA	AA	F1+	Exempt	£7m	1 year	1 year
HSBC UK Bank	UK	AA	AA-	F1+	Ring-fenced	£7m	1 year	1 year
Lloyds Bank (Group limit BOS & Lloyds £7m)	UK	AA	A+	F1	Ring-fenced	£7m	1 year	1 year
Santander UK	UK	AA	A+	F1	Ring-fenced	£7m	6 months	6 months
Standard Chartered Bank	UK	AA	A+	F1	Exempt	£7m	6 months	6 months
Coventry Building Society	UK	AA	A-	F1	Exempt	£7m	6 months	6 months
Nationwide Building Society	UK	AA	A	F1	Exempt	£7m	6 months	6 months
National Westminster Bank (Group limit Nat West and RBS £7m). UK Nationalised.	UK	AA	A+	F1	Ring-fenced	£7m	1 year	1 year
The Royal Bank of Scotland (Group limit Nat West and RBS £7m). UK Nationalised.	UK	AA	A+	F1	Ring-fenced	£7m	1 year	1 year
UK Debt Management Office including Treasury Bills	UK	AA	n/a	n/a	n/a	No limit	5 years	5 years
UK Treasury Sovereign Bonds (Gilts)	UK	AA	n/a	n/a	n/a	£16m/£8m	5 years	5 years
UK Local Authority (per authority)	UK	AA	n/a	n/a	n/a	£7m	5 years	5 years
Non-UK Banks :								
Bank of Montreal	Canada	AAA	AA-	F1+	n/a	£7m	1 year	1 year
Toronto Dominion Bank	Canada	AAA	AA-	F1+	n/a	£7m	1 year	1 year
Nordea Bank Abp	Finland	AA+	AA-	F1+	n/a	£7m	1 year	1 year
Rabobank (Cooperatieve Rabobank U.A.)	Netherlands	AAA	AA-	F1+	n/a	£7m	1 year	1 year
ING Bank	Netherlands	AAA	AA-	F1+	n/a	£7m	1 year	1 year
Svenska Handelsbanken AB (Group Limit with Handelsbanken Plc £7m)	Sweden	AAA	AA	F1+	n/a	£7m	1 year	1 year
[1] Reflects the lowest of the three rating agencies views (Fitch, Moody's and Standard and Poor's). Strategy requires sovereigns to be rated at least AA-. Non-UK sovereign limit of 20% or £7m per sovereign.								
[2] All deposits overnight unless otherwise approved in advance by the Director of Finance and Transformation AND Chief Financial Services Officer. If other than overnight duration for non-UK entities must not exceed Link's post CDS duration suggestion. For UK entities duration may be extended by up to three months based on credit ratings alone or six months if CDS is below average, subject to a maximum combined duration of 12 months.								

Money Market Funds (Minimum investment criteria AAA) :					
Fund Name	Moody	Fitch	S&P	Exposure Limit	Link credit worthiness
Blackrock Institutional Cash Series - Sterling Liquidity	AAA	-	AAA	£7m	5 years
BNP Paribas InstiCash - GBP	-	-	AAA	£7m	5 years
DWS Deutsche Global Liquidity - Deutsche Managed Sterling	AAA	AAA	AAA	£7m	5 years
Federated Cash Management - Short Term Sterling Prime	-	AAA	AAA	£7m	5 years
Insight - Sterling Liquidity (Group limit IL & ILP of £7m)	-	AAA	AAA	£7m	5 years
Morgan Stanley Liquidity - Sterling	AAA	AAA	AAA	£7m	5 years

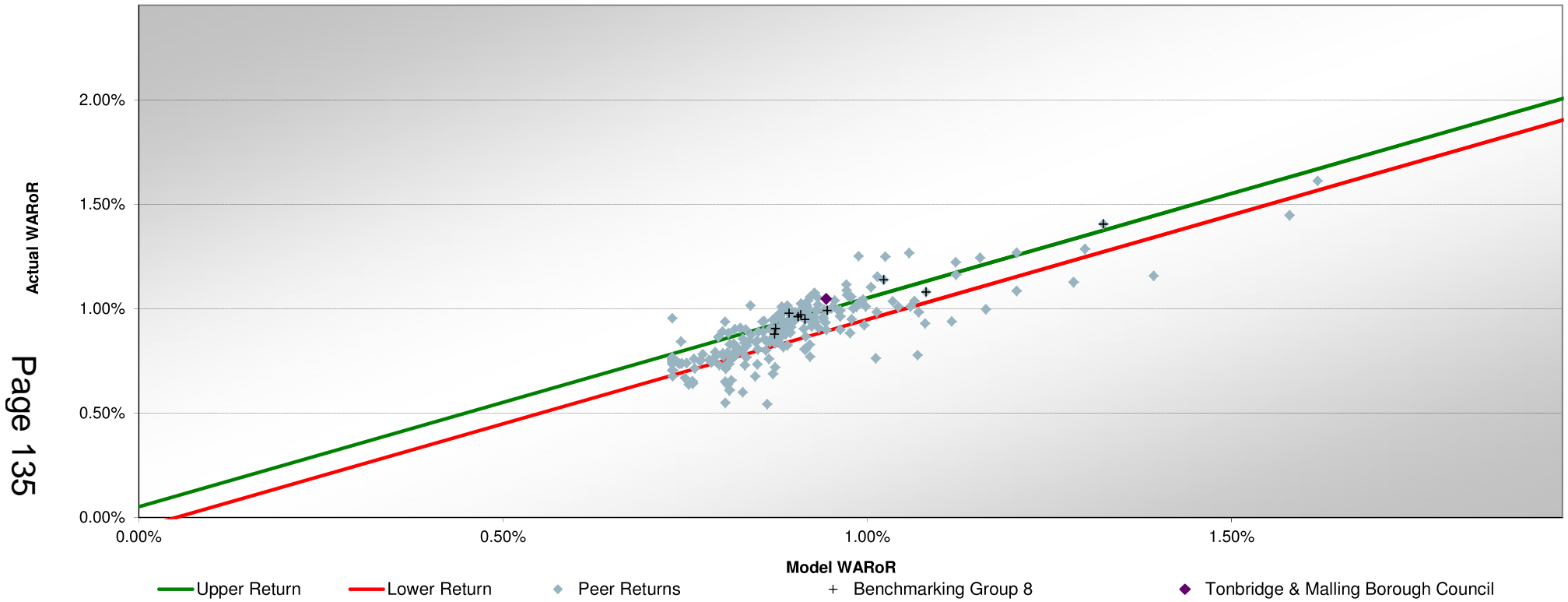
Enhanced Cash Funds (Minimum investment criteria AAA) :					
Fund Name	Moody	Fitch	S&P	Exposure Limit	Link credit worthiness
Insight - Sterling Liquidity Plus (Group limit IL & ILP £7m)	-	AAA	AA+	£3.5m	5 years

Approved by Director of Finance and Transformation	No Change
2nd September 2019	

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Tonbridge & Malling Borough Council

Population Returns against Model Returns June 2019



	Actual WARoR	Model WARoR	Difference	Lower Bound	Upper Bound	Performance
Tonbridge & Malling Borough Council	1.05%	0.94%	0.10%	0.89%	0.99%	Above

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Prudential and Treasury Indicators

1 Prudential Indicators	2018/19 Actual £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
Capital expenditure	3,587	5,366	1,573
Ratio of financing costs to net revenue stream	-3.51%	-3.41%	-5.02%
Net borrowing requirement:			
Brought forward 1 April	nil	nil	nil
Carried forward 31 March	nil	nil	nil
In year borrowing requirement	nil	nil	nil
Capital financing requirement as at 31 March	nil	nil	Nil
Annual change in capital financing requirement	nil	nil	Nil
Incremental impact of capital investment decisions:			
Increase in Council Tax (Band D) per annum	£0.20	£0.25	£0.24

2 Treasury Management Indicators	2018/19 Actual £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
Authorised limit for external debt:			
Borrowing	nil	5,000	5,000
Other long term liabilities	nil	nil	nil
Total	nil	5,000	5,000
Operational boundary for external debt:			
Borrowing	nil	2,000	2,000
Other long term liabilities	nil	nil	nil
Total	nil	2,000	2,000
Actual external debt	nil	nil	nil
Upper limit for fixed rate exposure over one year at year end	nil	0 – 60%	0 – 60%
Upper limit for variable rate exposure under one year at the year end	15,411 (42.3%)	40 – 100%	40 – 100%
Upper limit for total principal sums invested for over 365 days	5,000 (13.7%)	60%	60%

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

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Item CB 19/57 referred from Cabinet minutes of 16 October 2019

CB 19/57 LARKFIELD LEISURE CENTRE MECHANICAL, ELECTRICAL AND ROOFING WORKS CAPITAL SCHEME - VIREMENT

Further to Minutes CB 19/41 and C 19/63, the joint report of the Director of Finance and Transformation and Director of Central Services gave an update on the budget requirements for the mechanical, electrical and roofing work capital scheme at Larkfield Leisure Centre in the light of revised figures for the estimated loss of income claim and capital costs during the lead up to the commencement of the works. It was accordingly proposed that a virement of £230,000 between the relevant revenue and capital budgets be approved.

RECOMMENDED: That a virement of £230,000 between the appropriate revenue and capital budgets in respect of the major programme of works at Larkfield Leisure Centre, as set out in the report, be approved by the Council.

***Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

16 October 2019

Joint Report of the Director of Finance and Transformation and

Director of Central Services and Deputy Chief Executive

Part 1- Public

Matters for Recommendation to Council

**1 LARKFIELD LEISURE CENTRE MECHANICAL, ELECTRICAL AND ROOFING
WORK CAPITAL SCHEME - VIREMENT**

Summary

This report sets out a virement between revenue and capital budgets in relation to the mechanical, electrical and roof work capital scheme at Larkfield Leisure Centre.

1.1 Background

- 1.1.1 Members will be aware that in this year's capital plan there is a scheme being undertaken at Larkfield Leisure Centre which involves replacement of the barrel vault roof and ventilation ductwork in the leisure pool hall, replacement of two gas fired boilers, refurbishment of the air handling unit serving the leisure pool hall, replacement of the air handling unit serving the kitchen and café and painting of the leisure pool hall steel roof trusses.
- 1.1.2 The contractor commenced their site setup on 30th September and works will commence internally on 7th October.

1.2 Budget Provision and Virement

- 1.2.1 Several reports on the scheme have been presented to the Finance, Innovation and Property Advisory Board. The report presented to the Board on 5th June 2019 detailed the financial provisions required to deliver the project.
- 1.2.2 The report stated that £1.0m had been set aside in a revenue budget to meet the anticipated loss of income claim that the Leisure Trust would be able to submit under the terms of their management agreement with the Council, following closure of the leisure pool hall, and that the latest indicative figure had increased to £1.368m. The latest estimated capital cost was £2,149,000 (including expenditure to date of £120,000) compared to the current budget provision of £1,650,000.

1.2.3 Full Council subsequently approved an additional £867,000 of funding to deliver the scheme, some of which would be added to the revenue budget to meet the loss of income claim, whilst the remaining amount would be added to the capital budget to meet the cost of the works.

1.2.4 The above figures have been revised in the lead up to the commencement of works where the estimated loss of income claim has reduced by £230,000 to £1,138,000 and the capital cost increased by an equivalent sum to £2,379,000.

1.2.5 As a result Members are asked to approve a virement of £230,000 between the appropriate revenue and capital budgets.

1.3 Legal Implications

1.3.1 Under the Council's Financial Procedure Rules a virement(s) in excess of £50,000 are to be approved by full Council.

1.4 Financial and Value for Money Considerations

1.4.1 As set out above.

1.5 Risk Assessment

1.5.1 There are no identified risks associated with the virement of funds between the revenue and capital budgets.

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 Policy Considerations

1.7.1 None.

1.8 Recommendations

1.8.1 It is **RECOMMENDED** that Council approve a virement of £230,000 between the appropriate revenue and capital budgets in respect of the major programme of works at Larkfield Leisure Centre detailed above.

Background papers:

Nil

contact: Neil Lawley

Stuart Edwards

Sharon Shelton

Director of Finance and Transformation

Adrian Stanfield

Director of Central Services and Deputy Chief Executive

Item CB 19/58 referred from Cabinet minutes of 16 October 2019

CB 19/58 REVIEW OF COMMUNITY SAFETY

Consideration was given to the report of the Director of Central Services regarding the outcome of a review of Community Safety including CCTV provision undertaken by the Overview and Scrutiny Committee at its meeting of 10 October 2019. It was considered that a response be obtained from the Police and Crime Commissioner and Clarion Housing Group before taking a decision on the future of CCTV provision.

RECOMMENDED: That

(A) in respect of CCTV:

- (1) a decision regarding the level of operation be deferred pending a response to the approach below; and
- (2) the Borough Council write to the Kent Police and Crime Commissioner and the Chief Executive of Clarion Housing Group regarding the level of financial contribution towards the operation of CCTV.

(B) in respect of the Community Safety Partnership:

- (1) growth to the Borough Council's budget for 2019/20 and 2020/21 be accepted and the provision of the Community Safety Services be retained at the current level of resource; and
- (2) the Borough Council write to the Kent Police and Crime Commissioner and the Chief Executive of Clarion Housing Group regarding the level of financial contribution and general support towards the operation of the Community Safety Unit.

***Referred to Council**

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

16 October 2019

Report of the Director of Central Services and Deputy Chief Executive

Part 1- Public

Matters for Recommendation to Council

1 REVIEW OF COMMUNITY SAFETY

1.1 Background

- 1.1.1 A report relating to Community Safety including CCTV provision was considered by the Overview and Scrutiny Committee on 10 October 2019. Due to the timescale and print deadline for Cabinet, recommendations arising from the Overview and Scrutiny meeting will be circulated to Members prior to Cabinet on 16 October.

1.2 Legal Implications

- 1.2.1 As set out in the report to Overview and Scrutiny Committee on 10 October 2019.

1.3 Financial and Value for Money Considerations

- 1.3.1 As set out in the report to Overview and Scrutiny Committee on 10 October 2019.

1.4 Risk Assessment

- 1.4.1 As set out in the report to Overview and Scrutiny Committee on 10 October 2019.

1.5 Equality Impact Assessment

- 1.5.1 As set out in the report to Overview and Scrutiny Committee on 10 October 2019.

1.6 Recommendations

- 1.6.1 Recommendations arising from the Overview and Scrutiny Committee Review of Community Safety on 10 October 2019, will be circulated to Members prior to the Cabinet Meeting.

Background papers:

contact: Anthony Garnett

Nil

Adrian Stanfield

Director of Central Services and Deputy Chief Executive

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

16 October 2019

Report of the Director of Central Services and Deputy Chief Executive together with the Director of Street Scene, Leisure and Technical Services

Part 1- Public

Matters for Recommendation to Council

1 REVIEW OF COMMUNITY SAFETY

1.1 Background

- 1.1.1 A number of options relating to a review of community safety, including the provision of CCTV, were set out in the report considered by the Overview and Scrutiny Committee on 10 October 2019.

1.2 Legal Implications

- 1.2.1 As set out in the report to Overview and Scrutiny Committee on 10 October 2019.

1.3 Financial and Value for Money Considerations

- 1.3.1 As set out in the report to Overview and Scrutiny Committee on 10 October 2019.

1.4 Risk Assessment

- 1.4.1 As set out in the report to Overview and Scrutiny Committee on 10 October 2019.

1.5 Equality Impact Assessment

- 1.5.1 To ensure that the Borough Council have due regard to equality duties, an Equality Impact Assessment will be undertaken if it is opted to make any changes to the current CSU provision. This would need to be reported back to Cabinet to allow the impact of any recommendations to be fully considered. It is not considered that the provision of CCTV is a function that impacts upon a specific group with protected characteristics in any different way to other end users and any service changes recommended would have a remote or low relevance to the substance of the Equality Act.

1.6 Policy Considerations

- Customer Contact
- Communications

- Community

1.7 Recommendations

That, in respect of CCTV:

- (1) the operation be retained at its current level; and
- (2) the Borough Council write to the Kent Police and Crime Commissioner and the Chief Executive of Clarion Housing Group regarding the level of financial contribution towards the operation of CCTV.

That, in respect of the Community Safety Partnership:

- (1) growth to the Borough Council's budget be accepted and the provision of the Community Safety Services be retained at the current level of resource; and
- (2) the Borough Council write to the Kent Police and Crime Commissioner and the Chief Executive of Clarion Housing Group regarding the level of financial contribution and general support towards the operation of the Community Safety Unit.

Background papers:

Overview and Scrutiny Committee report dated 10 October 2019

Overview and Scrutiny Committee scoping report dated 29 August 2019

contact: Anthony Garnett
Andy Edwards
Alison Finch

Adrian Stanfield
Director of Central Services and Deputy Chief Executive

Item CB 19/59 referred from Cabinet minutes of 16 October 2019

CB 19/59 IT STRATEGY AND DIGITAL STRATEGY UPDATE

Item FIP 19/22 referred from Finance, Innovation and Property Advisory Board minutes of 17 July 2019

The Cabinet received the recommendations of the Finance, Innovation and Property Advisory Board at its meeting of 17 July 2019 regarding the adoption of a draft Digital Strategy and purchase of mobile working software.

RECOMMENDED: That

- (1) the draft Digital Strategy 2019 – 2023 be adopted;
- (2) the decision taken in liaison with the Members indicated in the report to proceed with the purchase of mobile working software funded from the Invest to Save Reserve be noted;
- (3) the Council be recommended to update the Capital Plan to include the mobile working software;
- (4) the progress in respect of the website review be noted; and
- (5) the need for all Members to undertake cyber security training be noted.

***Referred to Council**

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Item FIP 19/22 referred from Finance, Innovation and Property Advisory Board minutes of 17 July 2019

FIP 19/22 IT STRATEGY AND DIGITAL STRATEGY UPDATE

Further to Decision No D190001MEM, the Advisory Board received a presentation from the Head of IT on digital transformation together with some of the possible future aspirations to be established for the Borough. Consideration was given to a draft Digital Strategy for 2019 – 2013.

The report of the Director of Finance and Transformation gave details of the purchase of mobile working software following consultation with the Leader, Cabinet Member for Finance, Innovation and Property, Chairman of the Advisory Board and Chairman and Vice-Chairmen of the Overview and Scrutiny Committee. It was noted that the cost of £23,000 could be funded from the Invest to Save Reserve and a capital plan evaluation was set out at Annex 1 to the report.

Finally, progress was reported on the website review including the establishment of the Member Working Group and details given of plans for all Members to undertake online cyber security training.

Considerable discussion ensued and officers responded to Members' comments and questions.

RECOMMENDED: That

- (1) the draft Digital Strategy 2019 – 2013 be adopted;
- (2) the decision taken in liaison with the Members indicated in the report to proceed with the purchase of mobile working software funded from the Invest to Save Reserve be noted;
- (3) the Council be recommended to update the Capital Plan to include the mobile working software;
- (4) the progress in respect of the website review be noted; and
- (5) the need for all Members to undertake cyber security training be noted.

***Referred to Cabinet**

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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 - 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 st tier	Housing		
2 nd tier	Apply for social housing	Find a home	Get advice about homelessness
3 rd 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

1

Corporate IT Initiatives: Enterprise Mobile Working Solution

1	Specification:	
	(i) Purpose of the scheme	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) Relevance to National / Council's Objectives	(a) National: The Green Agenda (b) Council: Cost reduction, Income Generation, Legislative compliance (GDPR,PSN)
	(iii) Targets for judging success	(a) Improved operational efficiency amongst in-field/mobile workers (i.e. visiting officers/inspectors) (b) Significant reduction in use of paper with in-field workflows
2	Description of Project / Design Issues: <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 & Safety Inspectors, Environmental protection officers, Waste inspectors, Health improvement officers, Housing Technical Officers, Housing Options Officers, Accommodation & 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"> • 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 • Greater workforce capacity - increase field service capacity and unlock essential staff time that can then be used to focus on key frontline services 	

Capital Plan List C – Evaluation

	<ul style="list-style-type: none"> • Simplified access to information – access to all relevant job information and field data via a single mobile source • Improve SLA performance – deliver a more responsive, efficient workforce to improve SLA performance. • Deliver compliance – ensure processes are adhered to and the correct information is captured to maintain compliance with legislation • Increase employee satisfaction – with smarter scheduling and intuitive mobile workforce management, field staff enjoy an improved work / life balance. • Reduce costs - minimise organisation overheads and a reliance on agency staff through improved processes, reduced travel and administration <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	Milestones / Risk: Milestones: Procurement, Implementation and Deployment. 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.					
4	Consultation: Discussions have taken place with Management Team with regard to immediate requirement of an Enterprise Mobile working solution.					
5	Capital Cost: 46 User licenses. Total cost of £23,000					
6	Profiling of Expenditure					
	2019/20 (£'000)	2020/21 (£'000)	2021/20 (£'000)	2022/23 (£'000)	2023/24 (£'000)	2024/25 (£'000)
	23					
7	Capital Renewals Impact: Nil					
8	Revenue Impact: 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).					

Capital Plan List C – Evaluation

9	Partnership Funding: None		
10	Project Monitoring / Post Implementation Review: Project to be managed by IT services. Post implementation review to be conducted 12 months after completion.		
11	Screening for equality impacts:		
	Question	Answer	Explanation of impacts
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	N/A	
	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	Recommendation: Scheme be added to List A, funded in full from the Invest to Save Reserve.		

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Digital Strategy 2019-2023



Foreword



New technologies are developing all around us and the way we interact with each other is constantly changing. Tonbridge & Malling Borough Council wants to be at the forefront of this changing landscape, and the publication of this Digital Strategy launches our statement of intent to becoming a digital borough.

We want to ensure that our residents and businesses are able to take advantage of the digital opportunities that are available, accessing services and transacting with us seamlessly.

We want our councillors and staff to be able to work efficiently and effectively embracing the new technological advances, ensuring at all times that our communities are served in the best way we can.

We want to make 'digital' Tonbridge and Malling a smarter place to live and work, and I am delighted to launch this Digital Strategy.

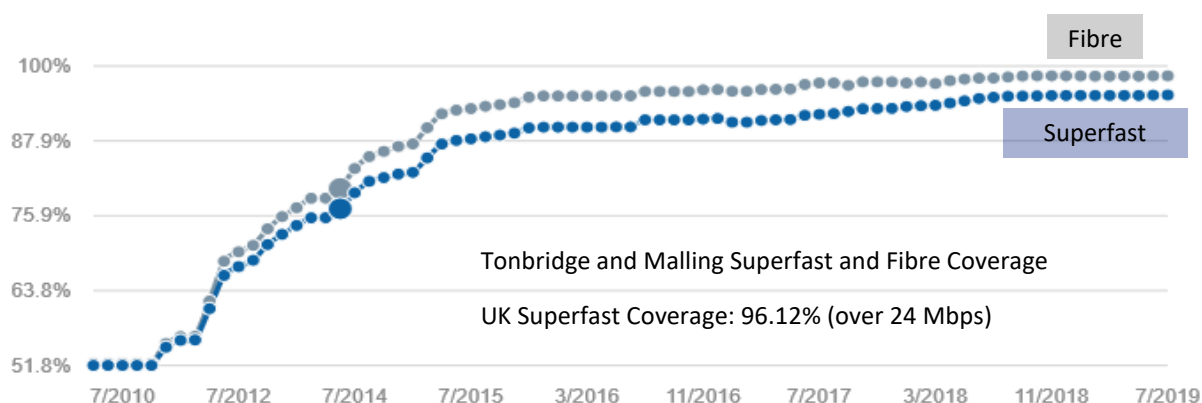


Cllr Martin Coffin
Cabinet Member for Finance, Innovation & Property
and Deputy Leader

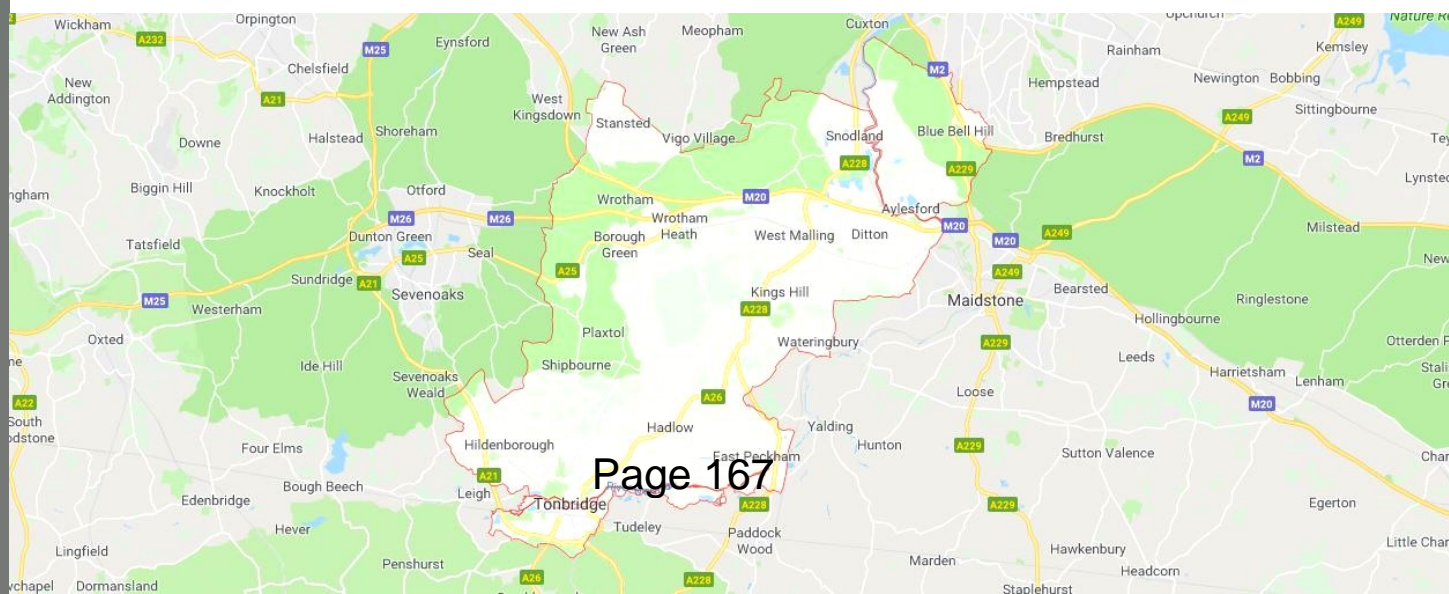
Introduction

In keeping up with the continued efforts at improving customer experience and the quality of public services delivered to our residents and businesses, we will be adopting this Digital Strategy for the four years from 2019 to 2023. In line with the Corporate Strategy, it will remain customer and efficiency focused to underpin the Council and its Members' commitments to the communities and businesses we serve.

Over the last decade the Mobile and Broadband data [network coverage](#) across Tonbridge and Malling Borough Council (TMBC) has increased from 52.1% to 98.4%. In accordance with the global trend, the use of technology in day to day life and the choice of 'Digital' as the go-to-media for most personal and professional interactions amongst our customers has now become the norm.



Our residents already choose to use their smartphones, tablet devices and computers online, for banking, shopping, booking taxis, engaging on multiple social media platforms and many other everyday engagements. Hence, we will make it as easy for them to access our services and transact with the Council using the same devices and technologies that they are already familiar with. With the efficiencies gained, we will provide support to those who are less digitally confident, or who lack access.



In order to use Council funding as cost effectively as possible, and to face the challenges of meeting increasing public service demand with diminishing resources, embracing the Digital platform as the key engagement channel has now become an essential requirement for Tonbridge and Malling Borough Council in meeting its customer expectations.

Where necessary we will mobilise our workforce with technology to provide a more responsive in field service, thus reducing the waiting times for our customers. Working with our partnering authorities within Kent, we will harness the latest technology to offer a proactive service, which will seek to prevent and respond to needs in ways that were not previously possible.

This Digital Strategy sets out the core priorities that we will be embracing to transform the Council's services through the 'Digital Transformation Programme'. In addition, where beneficial, we will use innovative technologies such as 5G, Internet of Things' (IoT), 'and Artificial Intelligence (AI) Robotics to further improve the environment and the lives of our residents.



Key Drivers

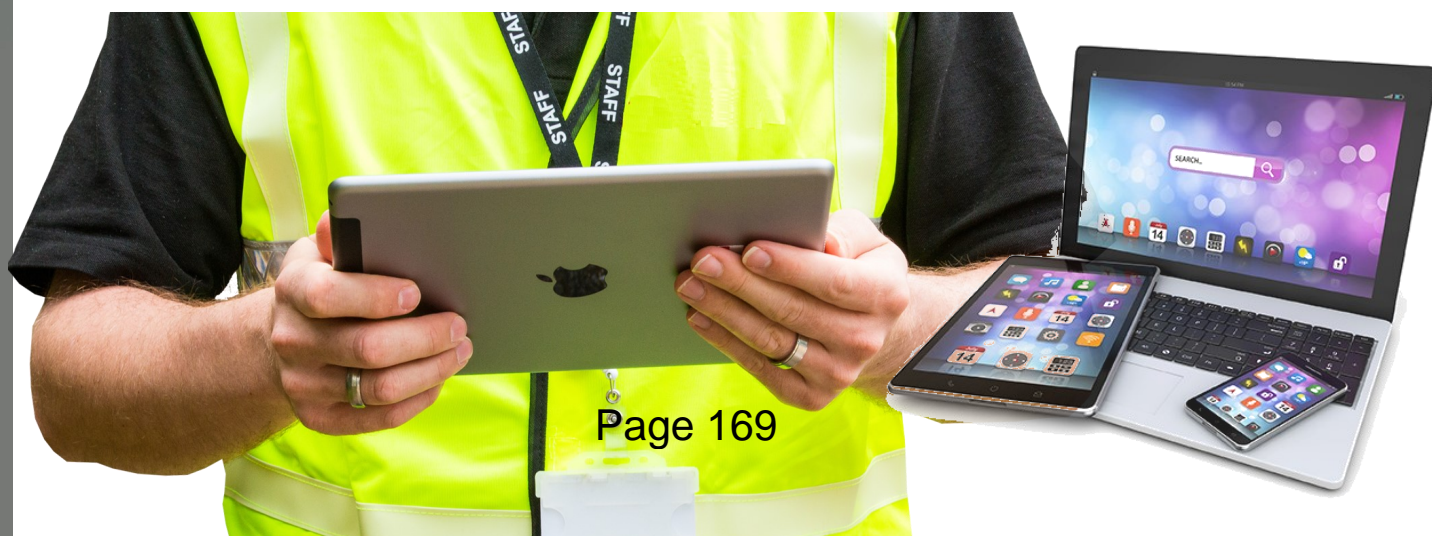
Over recent years the term 'Digital Transformation' has become synonymous with an injection of technology into organisations, often without the focus on either the challenges they face or the outcomes expected. For TMBC it is not simply about using state of the art technology. It is about improving and sustaining the quality of service provided to our residents and businesses, whilst meeting the current operational and financial challenges and preparing for the future demands.

Our residents expect the Council to solve the complexities and make public services intuitive and convenient. This involves overcoming varying challenges for the Council. Like all local authorities, TMBC also face a growing public demand for services, and financial constraints. Hence, developing and adopting a 'Digital Strategy' has now become essential in sustaining the Council services. This includes supporting fundamental change in our Council's service operations, enabled by digital transformation.

Whilst being customer-centric, our 'Digital Strategy' focuses on the following eight key drivers for the Borough over the next four years:

Evolution of customer expectations

Over the years our residents have become accustomed to the convenience of using technologies in their day to day life, where products and services are accessible simpler and faster. The digitally matured leading organisations are providing varying services, be it banking, grocery and gift shopping or the delivery of entertainment streamed to a multiplicity of devices, doing so on-demand and with relative ease. Our customers are also used to receiving truly personalised services that are joined up and integrated with other related services in ways that make sense to them. In addition the devolution and localism will only drive this expectation harder, as residents expect deeper integration across services such as Housing, Council Tax & Benefits, Planning, Parking, Environmental Health.



Increasing service demand

Due to multiple contributing factors from population growth to a number of central government policies coming in to force in recent years, there has been a steady increase in public service demands for local authorities across the country. The demands range from tackling the increase in homelessness to adhering to the new compliance policies impacting multiple disciplines of services across the Council.

Diminishing resources

The public sector funding cuts are widely acknowledged as the primary challenge and in some cases a key risk faced by local authorities and residents alike. According to the Local Government Association (LGA) the local government funding cuts are set to reach as much as 60 percent by 2020, from the 2010 baseline.

The 'Green' agenda

Increasingly with the '[Climate Change Emergency Motion](#)', local authorities are facing challenges in meeting their responsibilities with regard to the national and the local green agenda . For example, making a positive contribution towards tackling the cause and effect of climate change and to lead on and promote, encourage and provide opportunities for healthy living.

Work life balance for staff

Over last decade, local authorities across the country have undergone significant reduction in head counts across Council services. At Tonbridge and Malling Borough Council, reduction in workforce capacity over the past 6 to 7 years have exceeded £1m. In addition, as highlighted above, it is widely acknowledged that the demands on local government public services have increased in recent years with the trend indicating further increases in the future. Such increased demand coupled with diminishing resources often put the strain on our staff in meeting Service Level Agreements and customer expectations. Hence, the work life balance becomes a key concern for the Council, both in terms of staff wellbeing and sustaining the levels and quality of services provided.



Disconnected communities

The cost and impacts of disconnected communities has been highlighted in a new study by the [Eden Project Communities](#). It is reported that disconnected communities could be costing the economy £32 billion every year. Also, according to the research, conducted by the Centre for Economics and Business Research, neighbourliness achieved through connected communities already delivers substantial economic benefits to UK society, representing an annual saving of £23.8 billion in total. Therefore, it is imperative for TMBC to leverage technology to achieve community engagement through local investment and in partnership with leading network and internet service providers.

Loss of resilience in the local economy

There is increasing pressure on the Council to incentivise and help grow the local economy by supporting and promoting the local businesses. According to [‘the local democracy think tank’](#), *“When there is low or low quality employment, Councils are at the front line, dealing with the negative outcomes this produces – poor health and mental health, social isolation, homelessness and poverty. At the same time Councils may see their funding constrained as Council tax relief and housing benefit rise, and there is a greater strain on their services.*

It has therefore always been in local government’s interests to keep their local economy healthy as a key way of serving their residents and creating resilient places that promote wellbeing.”

Changing technological landscape

Local authorities are faced with challenges in meeting customer expectations, which are often based on service standards they experience as a norm. The prolonged lack of investment in technological architecture, along with the constraints of the monolithic systems, driven by service silos are key contributors to the stagnation and degradation of public services. Hence, it is essential for the Council to keep up with the changing technological landscape to meet current and future service demands.



Digital Objective

Mission:

To deliver on the priorities of Tonbridge & Malling Borough Council through challenge, innovation and transformation, underpinned by technology

Vision:

To become an authority where the communities and businesses we serve are able to engage and transact with us responsively and seamlessly, irrespective of the services they access



Digital Strategic Priorities

In designing our digital services we will be adopting the [Government Digital Services' \(GDS\) design principles](#) as guidelines. Hence, our priorities will be primarily focused around our customer needs and the sustainability of the quality of service across the authority for all services. The Council will ensure that the digital services are designed to cater for the demographic cohort of the Council's population, ranging from ['Traditionalists' to 'Generation Z' \(aka iGen\)](#).

Over the next four years (2019 to 2023) we will be embracing five priorities as part of the core digital agenda for TMBC. These are 'One Council', 'Efficient Workforce', 'Demand Management', 'Economic Growth' and 'Smart Borough'.



One Council

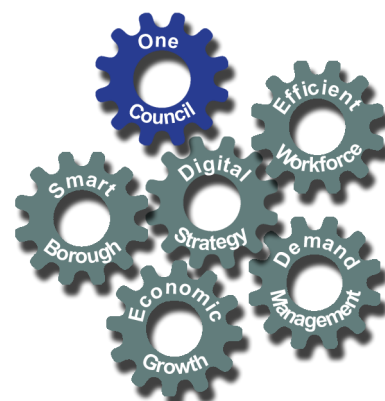
We will ensure that our customers experience a seamless and end-to-end service when engaging with the Council, irrespective of the discipline of service they require. This experience will be underpinned and delivered through technological solutions and approaches that will enable us to operate as 'One Council'. Our frontline services will adopt the '[Digital by default](#)' service standard, where customers could transact with multiple Council services via a single customer portal, accessible securely on the electronic devices that they use in their day-to-day life.

Single web platform & customer portal

In order to provide an Amazon-like, seamless, consistent in quality of service and personalised experience to our residents and businesses, we will be adopting a single Content Management System (CMS) across the Council's statutory and commercial services. This will allow the customers to access all Council services via a secure unified customer portal with single sign-on, either via the web or through an app on their mobile devices.

Inter departmental workflow

We will provide our customers joined up and intuitive public services through automated inter departmental workflow enabled by information sharing across multiple services in compliance with the relevant legislation (i.e.GDPR). Sharing information will bring a wide range of benefits to customers and reduce their duplication of efforts in engaging with various Council services in silos, such as Waste Management, Parking, Planning, Council Tax, Housing Benefits, Business Rates, Environmental Protection and Health Services.

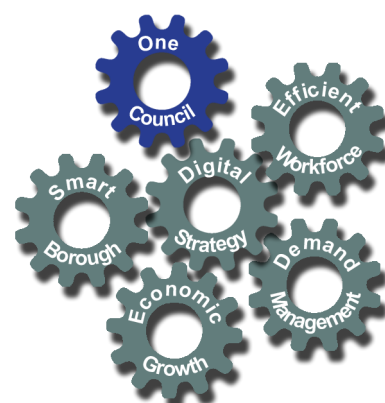


Enterprise business solutions

The 'One Council' concept will be underpinned by adopting an enterprise technical architecture, which can serve multiple customer facing services. Therefore, natively enabling the consistency in quality of customer service experience amongst all frontline services. The enterprise solutions will involve streamlining of multiple facets of customer facing business processes catered via corporate systems such as Customer Relationship Management (CRM) system, Customer portal, Mobile workforce management system, Payment system, Document management system.

Systems consolidation

In addition to the above, where necessary, we will consolidate systems that currently serve the same purpose for various frontline services within the Council. As a result further improving the consistency in the customer experience and eliminating the duplication of investment and reducing the running costs for the Council.



Efficient Workforce

Whilst making our frontline services more intuitive and responsive, we will ensure that our staff are equipped with technology that will enable them to be more efficient and their working practices are aligned to take advantage of the art of the possible in terms of innovation. Therefore , providing our customers a more responsive service, whilst significantly reducing the back office administration efforts. Furthermore, this will significantly contribute towards the Council's 'Green' agenda through eliminated internal and external paper-work and reduced travelling.

Mobilisation

We will embed our mobile working solution into the business processes of our in-field officers to provide an enterprise solution that can be rapidly deployed to their field of work, irrespective of the line-of-business systems their discipline of service uses. This will enable us to:

- 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
- Greater workforce capacity - increase field service capacity and unlock essential staff time that can then be used to focus on key frontline services
- Simplified access to information – access to all relevant job information and field data via a single mobile source
- Improve service level performance – deliver a more responsive, efficient workforce to improve SLA performance
- Deliver compliance – ensure processes are adhered to and the correct information is captured to maintain compliance with legislation
- Increase employee satisfaction – with smarter scheduling and intuitive mobile workforce management, field staff enjoy an improved work / life balance
- Reduce costs - minimise organisation overheads through improved processes, reduced travel and pressure on administration

In addition, our internal IT staff will be trained to develop and deploy solutions. This will help us sustain and minimise the design and development costs, whilst enabling the services to exploit the art of the possible in line with their business demands.



Process automation

We will ensure that all of our business process are aligned and automated where possible to make our customer engagement effortless. This will help increase efficiency in business processes, improve effectiveness of service delivery, enable inter-departmental joined-up services and accessibility to multiple inter-dependent public services for our residents and businesses.

System integration

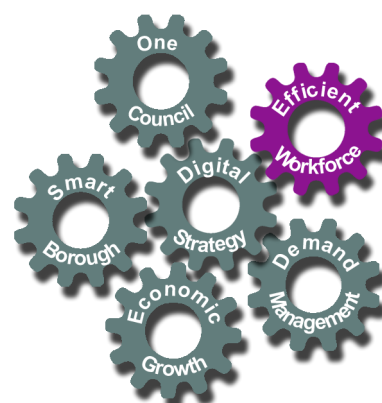
By adopting an enterprise architecture and working closely with our application vendors, we will integrate our systems environment using pre-built Application Programming Interface (API) connectors to create a 'push/pull' data feed between the frontline and back-office systems. This will further enhance our customer's experience of digital services, as the information will be constantly updated amongst all relevant systems through a single interaction. This will also enable our staff in ensuring that they always have the most current and applicable information to hand to deliver the best customer service.

Investment in Staff

This Digital strategy will hold the Council's staff at the heart of it, as they play a primary role in serving and improving the lives of our customers. We will empower our staff with the most appropriate and robust technology, along with the required skills to perform to the best of their ability more efficiently. This will enable them to focus all their efforts on the qualitative aspects of the service delivery, where they add the most value to our residents and the businesses. This will also be an enabler in helping them to achieve optimum work life balance through the gained efficiency.

Agile Organisation

By embracing 'Digital by Default' approach, we will aim to improve our organisational agility within Tonbridge and Malling Borough Council and become early adopters of progressive legislations driven by technological advances. For example, in earnest of the forthcoming reform to annual [electoral registration canvassing](#) by Electoral Commission in 2020, we are getting ourselves ready to adopt 'e-canvassing' as soon as the legislation is in place. This will help alleviate the current inflexible and inefficient paper based approach, and allow the Electoral Registration Officers to prioritise their limited resources on addresses where there has been change.



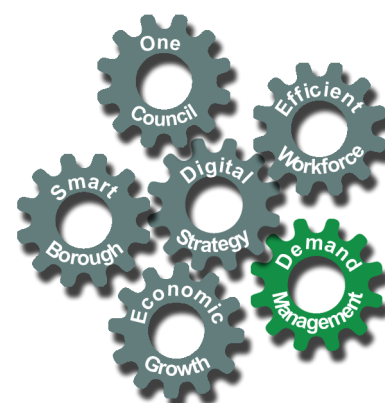
Demand Management

As part of the primary focus of this Digital Strategy, we will ensure that all our business processes and technological solutions are aligned towards switching from the traditional 'meeting demand' approach to a 'managing demand' approach. By adopting this approach, we will change the nature of the Council's role and relationship with our customers. The demand management process will involve providing our customers with solutions that helps alleviate the current demands that are preventable and the demands that are caused by resource capacity to meet their needs and thereby better manage the demand on our public services.

According to the [Local Government Association \(LGA\)](#), *"Demand management is an approach to achieving efficiencies that reaches beyond the boundary of the organisation. By changing the nature of the Council's role and relationship with customers, local authorities are seeking alternative mechanisms to meet customer needs and thereby better manage demand. Changing behaviours – of frontline practitioners, managers and customers– often features as a critical enabler of demand management."*

Self-serve

We will enable and encourage our customers to engage with the Council through the digital media. This is already in practice amongst many of our residents currently engaging with the Council-tax and Housing benefit services, as well as ordering garden waste bins. Our customers will be able to engage with multiple Council services either via using an app on their smart-phones or via the Council's website. This will enable our residents to easily switch from one service to the other (i.e. Council-tax, Parking, Planning, Waste, Environmental Health) via a single customer portal rather than having to call or email the Council. As a result the Council will receive richer information and residents are able to report issues at a time that is convenient to them.



Predictive Analytics

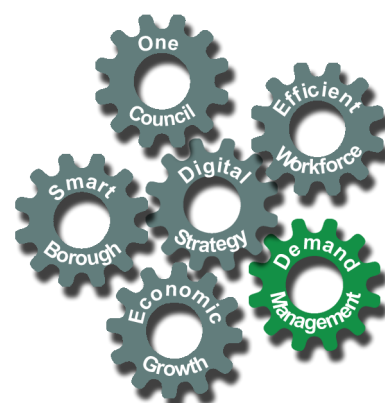
Whilst the 'Self-serve' approach helps with the customer engagement demand, the predictive analysis of our data will provide our services with insights into the preventable demand. In accordance with GDPR guidelines, business intelligence derived through the collective data available, will help create forecasts by integrating data mining, machine learning, statistical modelling, and other data technology. We will use predictive analytics to address the demands that are preventable through foresight.

Active performance monitoring

Through the use of active reporting and monitoring technologies, we will ensure that the Council's performance is managed on an active basis rather than being measured and reported retrospectively (i.e. weekly, monthly, quarterly or annually). This will be achieved via providing the relevant operational managers with dashboard facilities to monitor their performance indicators actively for the services and staff. This will help our services to become more responsive in terms managing the changing demands through efficient management of available resources.

Outcome focused

We will ensure that the adoption of Demand Management approach within the organisation is outcome focused in terms of the Council's statutory services and the relevant commercial services. Whilst we will employ technology to improve customer and staff experience by reducing demand on statutory services such as Council-tax, Housing Benefits, Waste management, planning, etc., we will ensure that technology is used to promote the Council's commercial services to generate income and encourage healthy living amongst our residents.



Economic Growth

The Council, through its digital agenda along with the investment in its infrastructure and website, will endeavour to support and improve local economic growth. We will look to exploit the changing trends of the consumer market, where most shopping is now done online, as an opportunity, rather than a threat to the local economy. As a result, encouraging our local businesses, entrepreneurs and start-ups to establish and flourish and contribute to employment and development of the borough.

Promotion of local businesses

Much is made of the impact that the internet is having on our town centres – especially in terms of shopping and banking habits – and the struggle for these centres to evolve from being purely retail spaces. There are also remendous opportunities to use digital technologies to improve how people enjoy and experience what such places have to offer. By embracing digital in planning and providing for its uptake, the Council will help boost the way local town centres (and the activities that take place within them) are promoted, accessed, used, organised and understood. In doing so, places can gain a commercial advantage and become a key building block of wider tourism promotion too.

Supply chain linkages (B2B)

It is widely acknowledged that keeping supply chains local has significant benefits for the borough. Enabled by technology, the Council will make efforts to ensure that it helps to retain money within the local economy. It will reduce the chance of supply chain reductions, tend to be more sustainable and also make products more brandable. However, much of the time, businesses aren't aware of the other fantastic enterprises on their doorstep. A great way to address this issue is through the use of digital technology to create local links and stimulate that awareness. We will make efforts to establish an innovative local business directory that gives businesses an opportunity to raise their own profile, but also find out what businesses locally could supply them with, such as the goods or services they require, or that they could supply to.

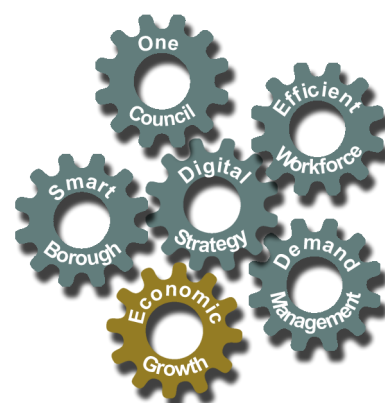


Income generation

As part of the digital strategy, the Council will look to the potential opportunities of generating income through our own commercial property portfolio of buildings and street furniture for small cell 5G rollouts via leading internet service providers within the market. This will in turn ensure that the borough is better connected digitally for our residents and businesses. This approach will also enable us to improve visitor experience at places such as Tonbridge Castle and Country Parks. Opportunities will also emerge from the digital strategy to generate potential income via provision of a 'Mobile Working solution' as a service (SaaS) or a Platform (PaaS) under a shared services arrangement to other interested local authorities with similar disciplines of services as us.

Partnership working

We will work closely in partnership with other Kent authorities via Kent Connects, Kent Public Service Network (KPSN) and Smarter Digital Services (SDS) to deliver on the digital agenda for TMBC. We have already commissioned SDS to facilitate our business process mapping and reengineering workshops for our frontline services. We will also seek to develop wider partnerships with market leading cloud hosting service providers to achieve a more robust and improved frontline service availability for our customers.



Smart Borough

The Council aspires to become a 'Smart Borough', where we will use our digital infrastructure to coordinate and manage our assets through increased connectivity and sharing of data and information. To achieve this we will ensure the provision of an open data platform and a targeted and joined-up approach to developing a smart grid of connectivity across the borough through IoT sensors. This approach will enable the Council, residents, partners and businesses to access and use data to develop proactive solutions to social issues including planning, transport, energy, health and community safety, as well as opening up unlimited new commercial opportunities as a test bed for developers.

Engaged Communities

Through the investment in our digital platforms we will develop and encourage community engagement, where people are embedded within local networks of social support; in which social isolation is reduced and people experience greater wellbeing and other benefits from the better understanding, mobilisation and growth of resilience in their neighbourhoods.

Digital Inclusion

Tonbridge and Malling generally has a good broadband infrastructure, with just around 1% considered digitally excluded due the area not meeting the required minimum 2 Mbps connectivity for streaming services. Through work that the Council is supporting and endorsing through its Borough Economic Regeneration Strategy, these smaller pockets of digitally excluded communities are being supported and enabled. One such example is the national broadband voucher scheme, which enables customers who would not normally be supported through commercial development of enhanced broadband infrastructure.

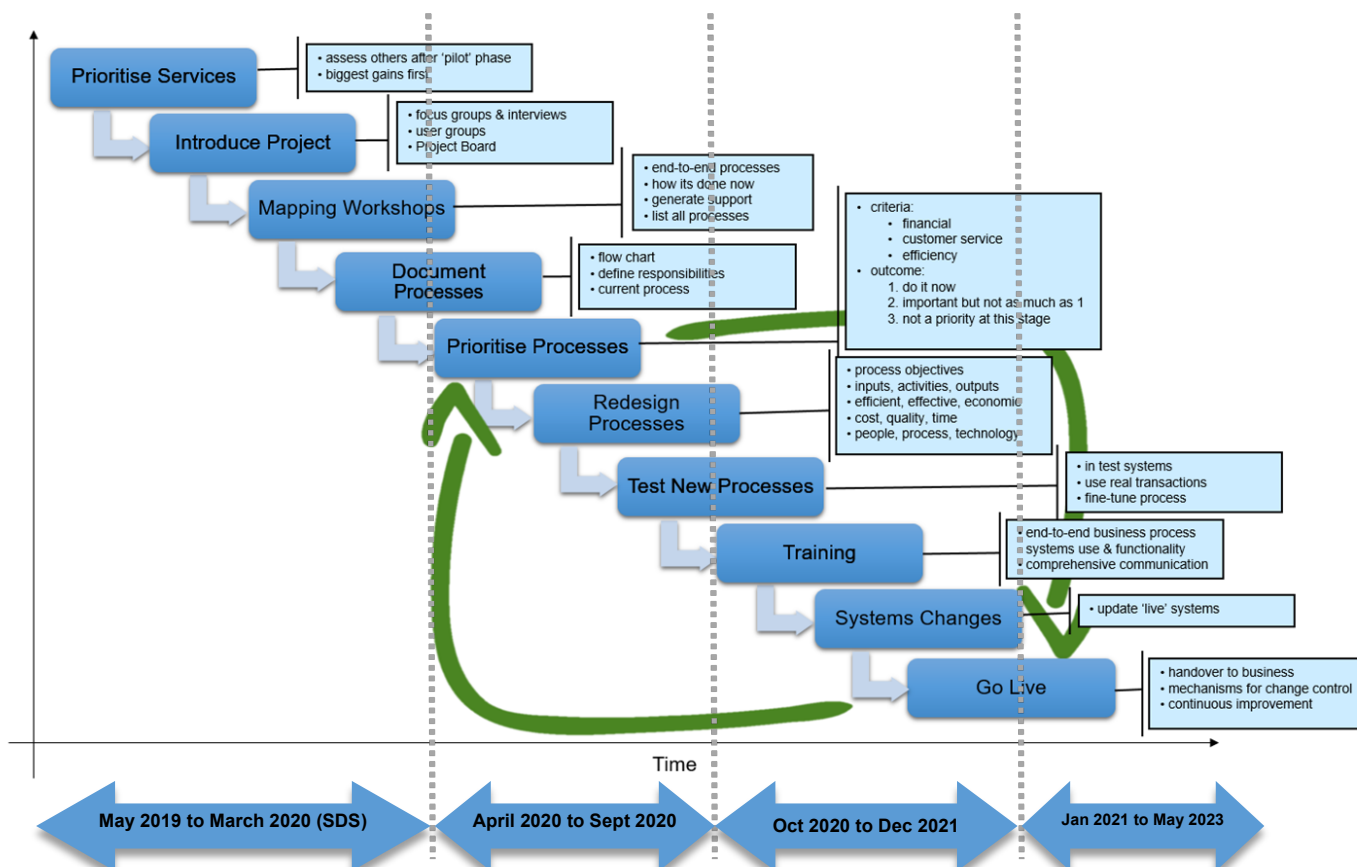


Digital Transformation Approach

In preparation of adopting this strategy over the next four years (2019 to 2023), the Council has already instigated a detailed review of current business processes and the technologies that are being used to underpin them within all of our key services. The business process review will be prioritised and managed as illustrated in the diagram below.

The outcome of the business process review will determine the technological changes required along with the new re-engineered business process to achieve the mission and vision of this Digital strategy. We will be adopting [Six Sigma](#) as the methodology for business process reengineering and Agile as the methodology for software solutions development and implementation process.

The business process review is expected to be completed by the end of this financial year (March 2020), followed by process reengineering, solution development and testing. Based on a successful user acceptance testing by the relevant process owners, we expect the rollout of the solutions to take place from January 2021 to May 2023. However, should there be any quick wins identified during the 'Business Process Review' workshops, then those projects will be prioritised to be delivered at the earliest.





Item CB 19/60 referred from Cabinet minutes of 16 October 2019

CB 19/60 DISABLED FACILITIES GRANT BUDGET 2019-20

Item CH 19/29 referred from Communities and Housing Advisory Board minutes of 23 July 2019

The Cabinet received the recommendations of the Communities and Housing Advisory Board at its meeting of 23 July 2019 regarding the proposed allocation of Disabled Facilities Grant funding available in 2019/20.

RECOMMENDED: That the proposed allocation of funding available in 2019/20, as set out at paragraph 1.2.1 of the report, be approved and the appropriate capital and revenue budgets adjusted accordingly.

***Referred to Council**

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**Item CH 19/29 referred from Communities and Housing Advisory Board
minutes of 23 July 2019**

CH 19/29 DISABLED FACILITIES GRANT BUDGET 2019-20

The report of the Director of Planning, Housing and Environmental Health detailed the proposed allocation of Disabled Facilities Grant funding available in 2019/20. Overall funding for Tonbridge and Malling Borough Council for the period was circa £1,170,000.

In addition, Disabled Facilities Grants (DFGs) would be the subject of a forthcoming Overview and Scrutiny Review.

It was noted that in all cases where a discretionary DFG was awarded for an owner-occupier, the amount would be placed as a local land charge against the property and recovered at sale or transfer. This process enabled the funding to be recycled for future use. Members were advised that the Borough Council had successfully recalled monies in all such cases.

RECOMMENDED: That the proposed allocation of the funding available in 2019/20, as set out in the table at paragraph 1.2.1 of the report, be approved and the appropriate capital and revenue budgets adjusted accordingly.

***Referred to Cabinet**

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TONBRIDGE & MALLING BOROUGH COUNCIL
COMMUNITIES and HOUSING ADVISORY BOARD

23 July 2019

Report of the Director of Planning, Housing and Environmental Health

Part 1- Public

Matters for Recommendation to Cabinet - Council Decision

1 DISABLED FACILITIES GRANT BUDGET 2019/20

1.1 Background

- 1.1.1 Disabled Facilities Grants (DFGs) are a mandatory grant awarded by the local housing authority to provide adaptations in the home e.g. stair lift, level access shower, ramping to enable people to remain independent in their own home. They are available for both children and adults and across all tenures – owner occupied, housing association or private rented. The mandatory element is a means tested grant with a maximum award of £30,000. In Kent all Disabled Facilities Grant referrals will have had an assessment of need carried out by an Occupational Therapist (OT) to determine the work required to meet the needs of the resident.
- 1.1.2 The funding for DFGs has, over the last three years, been awarded through the Better Care Fund. The Better Care Fund was established to bring health and social care funding together to encourage better integration and ways of working. The Better Care Fund grant goes to Kent County Council (KCC) who in turn are required to pass onto districts the DFG funding element and the amounts are specified.
- 1.1.3 For 2019/20 Tonbridge & Malling BC's Better Care Fund allocation is £1,184,711. Of this sum KCC are to top-slice £159,020 (for funding of equipment and minor adaptations, which is done county wide to benefit from economies of scale). This gives overall funding including slippage of £144,000 of circa £1,170,000. This position was confirmed in June 2019 and the budgets agreed as part of the 2019/20 budget setting process need to be updated accordingly.
- 1.1.4 Members should note that DFGs are the subject of a forthcoming O&S review.

1.2 Proposed Allocation of the Funding available in 2019/20

- 1.2.1 The table below details the proposed allocation of the funding available in 2019/20:

Scheme	Proposed allocation of funding 2019/20	Notes
Mandatory DFG	£959,000	REMAINING AS 19/20 AGREED ALLOCATION Spend is anticipated to be similar to 2018/19 with some small additional leeway for increased demand. The DFG spend is the main focus of the BCF allocation and, as such, TMBC needs to make a reasonable allocation to ensure requests for DFGs can be met.
Discretionary DFG	£41,000	ADDITIONAL BUDGET LINE In 18/19 TMBC operated a discretionary budget to allow 'top up' above the £30k mandatory grant limit in cases where an additional amount would make a scheme viable. However, no initial provision was made in the 19/20 budget because of a lack of information on likely allocation levels. NB in all cases where a discretionary DFG is awarded for an owner-occupier the amount will be placed as a local land charge against the property and recovered at sale/transfer thus enabling the funding to be recycled for future use.
West Kent Hospital Discharge Scheme	£74,000	REVENUE COMMITTED 19/20 The costs of this scheme have increased since its inception due to increased coverage to Maidstone Hospital as well as Pembury Hospital.
Handyperson Scheme	£17,000	REVENUE COMMITTED 19/20 This allows the continuation of subsidised handyperson services across the Borough.
OT secondment	£52,000	REVENUE COMMITTED 19/20 This allows the continuation of the streamlined DFG process for residents and support for the wider housing service.
One You Your Home	£40,000	REVENUE COMMITTED UNTIL AUGUST 2019 (Budget provision to March 2020) Previously information reports to CHAB discussed this scheme and referenced funding via Better Care Fund allocation, although no formal Member decision has previously been sought.
Less Grant Repayments	£13,000	
Total	£1,170,000	

- 1.2.2 Due to the nature of the Hospital Discharge Scheme agreement, whereby the share of the cost between the three local authorities is being reviewed on an annual basis based on actual usage by residents, the costs of this scheme fluctuate from year to year. In addition, the requisite financial approval was not sought previously for the One You, Your Home scheme. These items account for a requested increase in the revenue budget for 2019/20 from £112,000 to £183,000, which will be funded from the Better Care Fund allocation now known, rather than TMBC reserves as was proposed for the £112,000 during the budget setting process (on a one year only basis).

1.3 Legal Implications

- 1.3.1 DFGs are a mandatory grant scheme, which local authorities are required to administer.

1.4 Financial and Value for Money Considerations

- 1.4.1 In year budget management is often required on grant schemes of this nature. In 2018/19, an allocation provisionally set aside for 2019/20 spend, was pulled forward to meet demand on DFG budget. Due to some additional grant funding and projected spend not eventually being as high as predicted, this funding was still available for 2019/20. However in light of the 2019/20 allocation, it is considered prudent to operate a similar system whereby this money is retained until the outcome of the O&S review is known

1.5 Risk Assessment

- 1.5.1 Risk assessment on DFG allocations will be carried out as part of the planned O&S review.

1.6 Equality Impact Assessment

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

1.8 Recommendations

- 1.8.1 Members are asked to **RECOMMEND** to Cabinet that the proposed allocation of the Funding available in 2019/20 as set out in the table at paragraph 1.2.1 be approved and the appropriate capital and revenue budgets be adjusted accordingly.

Background papers:

contact: Linda Hibbs

Nil

Eleanor Hoyle

Director of Planning, Housing and Environmental Health

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Item CB 19/61 referred from Cabinet minutes of 16 October 2019

CB 19/61 REVIEW AND REPLACEMENT OF COUNCIL WEBSITE

Item FIP 19/34 referred from Finance, Innovation and Property Advisory Board minutes of 18 September 2019

The Cabinet received the recommendations of the Finance, Innovation and Property Advisory Board at its meeting of 18 September 2019 regarding the initial findings of a number of customer engagement surveys and a capital plan evaluation for the replacement of the website Content Management System.

RECOMMENDED: That

- (1) progress with the review and replacement of the website be noted;
- (2) the scheme be added to List A funded in full from the Transformation Reserve; and
- (3) the net increase in revenue costs be incorporated into the forthcoming Estimates process.

***Referred to Council**

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**Item FIP 19/34 referred from Finance, Innovation and Property Advisory Board
minutes of 18 September 2019**

FIP 19/34 REVIEW AND REPLACEMENT OF COUNCIL WEBSITE

The report of the Director of Finance and Transformation provided an update on progress in developing a website specification in liaison with the Member working group agreed at the last meeting. Details were given of the initial findings of a number of customer engagement surveys together with a capital plan evaluation for the replacement of the website Content Management System.

RECOMMENDED: That

- (1) progress with the review and replacement of the website be noted;
- (2) the scheme be added to List A funded in full from the Transformation Reserve;
and
- (3) the net increase in revenue costs be incorporated into the forthcoming Estimates process.

***Referred to Cabinet**

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

18 September 2019

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Council Decision

1 REVIEW AND REPLACEMENT OF COUNCIL WEBSITE

A report updating Members on the progress in developing a website specification in liaison with the Member Working group.

Members are asked to approve a capital plan evaluation and add the Scheme to the Capital Plan to enable a new CMS to be procured.

1.1 Introduction

1.1.1 Tonbridge & Malling Borough Council's current website was introduced in April 2015 and has 1,376 standard web pages maintained across the organisation by 91 people from different Service areas.

1.1.2 At the last meeting of the Advisory Board in July 2019, Members were updated on the work that has been taking place to redesign the Council's website. This is a cross-service piece of work involving all Services within the Council and is being carried out with the full support of the Management Team.

1.1.3 As advised, the website review has to be approached in two parts: firstly from the "business/service" angle, and secondly from the IT design end.

1.2 Progress of the Website Specification

1.2.1 The Head of Service for Licensing, Community Service and Customer Service has been leading a group of Service Managers in formulating the specification document for the new website.

1.2.2 The Service Managers have been meeting as two separate groups. One has been focusing on the "Transaction" based content of the website, and the other "Commercial/News/ Event" content.

1.2.3 The specification of the new website has taken place over the last few months and has focused on what the "user/customer need" is for the new website. This has been cross-referenced with the work undertaken across the different Service

areas, which has challenged the mind-set and thinking of the Service areas against the strategically important customer need.

- 1.2.4 The proposed new website will house “Commercial focus” service activities, primarily supporting legislative and statutory requirements, together with webpages that support “Commercial Events” (showing *What is on? What to do?*) and featuring relevant “News”.

Personalisation

- 1.2.5 The market for the TMBC website has different type of distinctive users, “*Resident*”, “*Business*” and “*Visitor*”. Each of these type of user has their own needs and it is inherent in the design that “*Personalisation*” features predominately when a user signs in.
- 1.2.6 Members will no doubt agree that website content needs to be personal, usable, relevant and easily accessible to the user.
- 1.2.7 As a user, when you sign on to a banking app or Utility company to view your account, you only want to see content that is relevant to you, or if services and products are being shown to you, they need to be of relevance and could be of interest to you.
- 1.2.8 For example, as a person who lives in a flat on the third story of a building with no garden, if you sign on to the new website you do not want to see the Council trying to sell you a Garden Waste bin. However, you may want to know about council tax, parking permits, nearby leisure facilities and activities taking place locally etc.
- 1.2.9 Likewise if you are a business user of the website you will want to understand business rates, networking events, funding launches, skill fairs and parking permits etc.
- 1.2.10 The key to a new website is to ensure we service the three different types of users i.e. *the Resident, Business and the Visitor* to the Borough.

Website development objectives

- 1.2.11 Our aim through channel shift, is to move interactions with TMBC from letter, email and phone calls to a seamless intuitive online interaction. This should result in reduced customer visits to council offices and allowing officer time to be focused in different ways.
- 1.2.12 In summary, we want to:
- Enable high user satisfaction with customers’ website journey in optimising the minimum number of clicks to find the required information;
 - Ensure content is accurate, appropriate, current and relevant;

- Enable the customer (whether resident or business) to sign on through “My Account” to benefit from all their financial and appropriate Service area needs immediately assessable in one place;
- Hold a “Golden Record” of a customer’s details available to all Service areas to populate records, forms and requests, without rekeying duplicate information;
- Enable web pages to be created with the ability to be “live” for a set period of time and be automatically reviewed by alerts being generated when reaching the expiry or review date;
- Enable directories for businesses (e.g. restaurants and leisure activities) to be automatically maintained, using alerts ensuring up-to-date information is shown and with alerts being generated when reaching the expiry or review date.
- Show alerts and news feeds on web, with links to social media to show any disruptions to service delivery (e.g. bin collections, inclement weather etc.); *and*
- Build a suite of analytical data visible through a dashboard to show performance of the website. This will include exception reporting where the web team and Service Managers can track the live pages.

1.2.13 Continual management of website content is a key issue and Management Team are currently considering how this can be achieved going forward within the corporate establishment.

1.2.14 As outlined in paragraph 1.1.1, currently responsibility for content management is devolved across the Council as we do not have dedicated resources allocated to this function in our staff establishment. Unfortunately however, this can often mean that time dedicated to content management is squeezed when work pressure is high and resources are stretched. If we want to deliver the objectives set out above, it will be imperative to ensure that we do provide adequate focus and resources for this important function going forward. Management Team are currently in the process of considering how this can be managed.

Member working group

1.2.15 A Member Working group was set up to assist in the review and specification. The group consists of :

- Cllr Martin Coffin (Chair)
- Cllr Matt Boughton
- Cllr Robin Betts

- Cllr Georgina Thomas
- Cllr Mrs Anita Oakley

1.2.16 The group met on 7 August and considered, amongst other things:

- 1) What they like or dislike about the current TMBC website
- 2) Who are the “users of the website”?
- 3) Understanding the “customer need” and “personalisation”

1.2.17 Some useful insights and thoughts were forthcoming which have been built into the specification.

1.2.18 Details of the website specification drawn up by the Head of Service for Licensing, Community Service and Customer Service was shared with the Member working group on 4 September. The final specification has enabled the Head of IT to prepare the technical specification (see paragraph 1.3).

Engaging with the External Customer

1.2.19 A number of customer engagement surveys have been send out by the Head of Service for Licensing, Community Service and Customer Service to capture current thinking of the TMBC website and to capture what customers would like to see on a redesigned website. The following surveys are in the process of being completed:

- Survey completed at Customer Service at Tonbridge Castle
- Survey completed at Customer Service at Kings Hill
- Survey completed at Customer Surgeries at Larkfield
- Survey completed at Customer Surgeries at Snodland
- Survey completed by the Businesses community within the Borough
- Survey completed by Members and TMBC staff
- General Website survey (This survey for people visiting the TMBC website cannot start until the annual voter registration period ends in late September 2019).

1.2.20 The feedback has been very good in respect to people engaging honestly on their views, with over 70 members of the public and businesses agreeing for TMBC to follow up with them.

- 1.2.21 It is planned to have an “update of website development” on the staff intranet site to ensure staff can see process and actions from their input. Likewise it is proposed to have a blog where we can update members of the public and businesses.
- 1.2.22 Initial findings for each of the surveys (as at 31 August) is appended at **[Annex 1]** for Members’ information. Information continues to be gathered from customers and will be used to fine-tune the content and layout as appropriate.
- 1.2.23 The Head of Service for Licensing, Community Service and Customer Service is not able to attend the meeting of the Advisory Board on 18 September. Therefore if Members have any detailed questions they would like to raise in respect of the specification or the process that has been followed, please contact the Head of Service, Anthony Garnett, in advance of the meeting on extension 6151 or by e-mail at anthony.garnett@tmbc.gov.uk

1.3 Technical (IT) Specification

- 1.3.1 In a nutshell, the objective is to replace the Council’s current Content Management System (CMS) with the objective of improving customer experience, and allowing customers to access all Council services via a secure unified customer portal with single sign-on. Integration with core back office systems is required.
- 1.3.2 Members will note that this is not a ‘like for like’ replacement of our current website. The anticipated running costs are anticipated to be in excess of those we currently budget for, but to achieve the improvements we all seek, this is an inevitable consequence. Of course, if we can facilitate the channel shift as we hope we can, this will enable us to focus our scarce resources more efficiently.
- 1.3.3 A Capital Plan Evaluation document has been produced and attached at **[Annex 2]**.
- 1.3.4 A prudent budget for the capital cost of the replacement, including any consultancy, design and implementation is recommended as £140,000. However, we will be seeking the most cost efficient solution via a procurement process so we hope the cost will be well within this budget allocation. Ongoing annual revenue implications are anticipated to be in the order of £31,000 for the specification required. Members should note that we currently have existing running costs of £4,000 for the existing website, so these can be netted off future running costs.

1.4 Legal Implications

- 1.4.1 Once approval to proceed has been given, procurement will be done in accordance with EU procurement regulations where appropriate, and the Council's Contract Procedure Rules.

1.5 Financial and Value for Money Considerations

- 1.5.1 The final capital costs (including design, implementation and consultancy) after the procurement exercise can be funded from the Transformation Reserve.
- 1.5.2 Revenue costs will need to be built into base budget through the preparation of Estimates.

1.6 Risk Assessment

- 1.6.1 The risk of not moving forward with a replacement for the website within the context of the digital agenda is that the Council may not be providing services in the ways that our residents wish

1.7 Equality Impact Assessment

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

1.8 Policy Considerations

- Customer Contact
- Communications
- Community
- Procurement

1.9 Recommendations

- 1.9.1 Members are requested to **RECOMMEND** to Cabinet (and thereafter Full Council) that:
- 1) progress with the review and replacement of the website is noted;
 - 2) the scheme be added to List A funded in full from the Transformation Reserve; and
 - 3) the net increase in revenue costs be incorporated into the forthcoming Estimates process.

Background papers:

- Internal document shared with Member working group – website specification for TMBC (work in progress)
- Technical specification for CMS prepared by Head of IT

contact: Anthony Garnett
Ganesh Thangarajah
Sharon Shelton

Sharon Shelton
Director of Finance & Transformation

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Survey completed at Customer Service at Tonbridge Castle- up to 31 August 2019

Questions	Number		Percentage	
	Yes	No	Yes	No
Do you use the Internet?	52	8	86.67%	13.33%
Have you visited TBMC website?	37	23	61.67%	38.33%
Why did you visit TMBC today?	Text field summarised below <ul style="list-style-type: none"> • Parking permits • Benefits • Local information • Garden bins • Council tax • Housing • Hand forms in • To pay a bill at Kiosk • Tourist information • 1 applied on online and had to wait 20 minutes • Having issues accessing online account - I do have one, tried to recover 			
Did you try and complete this on-line?	9	32	21.95%	78.05%
What changes would you like to see within a new website design?	Text field summarised below <p>Majority of people "no comment"</p> <ul style="list-style-type: none"> • None Ok • Could not get information • honestly I prefer personal attention • Full detailed list of what can and cannot be recycled for example. metal • Not very inviting - click on menu and takes you to bottom of screen - no sub • needs to be more engaging • more user friendly • Easy to navigate find the service I need and apply for parking permit online • could not get in 4 tries • 			
Number of people who gave an email address to who we can follow up with	17			

Survey completed at Customer Service at Tonbridge Castle - up to 31 August 2019

	Male	Female	No answer
Number	29	30	0
Percentage	49.15%	50.85%	0%



Age	Number	Percentage
Younger than 18	0	0.00%
18 - 24	2	3.45%
25 - 34	10	17.24%
35 - 44	17	29.31%
45 - 54	8	13.79%
55 - 64	9	15.52%
65 or older	12	20.69%

TN - Tonbridge Postcode Map		Postcode	Number	Percentage
		DA13 0	0	0.00%
		ME1 3	0	0.00%
		ME15 0	0	0.00%
		ME16	0	0.00%
		ME18	0	0.00%
		ME19	2	6.45%
		ME2 1	0	0.00%
		ME20	0	0.00%
		ME5 9	0	0.00%
		ME6 5	0	0.00%
		TN10	10	32.26%
		TN11	2	6.45%
		TN12	1	3.23%
		TN14 6	0	0.00%
		TN15	0	0.00%
		TN4	0	0.00%
		TN9	16	51.61%
			31	100.00%


Survey completed at Customer Service at Kings Hill - up to 31 August 2019

Questions	Number		Percentage	
	Yes	No	Yes	No
Do you use the Internet?	98	21	82.35%	17.65%
Have you visited TBMC website?	70	49	58.82%	41.18%
Why did you visit TMBC today?	Text field summarised below <ul style="list-style-type: none"> • Parking permits • Local information • Council tax • Housing • Hand forms in • To pay a bill at Kiosk • Parking permits • Benefits • DHP applications • Benefit claims 			
Did you try and complete this on-line?	10	109	8.40%	91.60%
What changes would you like to see within a new website design?	Text field summarised below <p>Majority of people "no comment"</p> <ul style="list-style-type: none"> • Nothing - I like it - very easy to use • prefer face to face contact • to include measurements • not easy to navigate • All web sites presume knowledge which not all older people have • make contact numbers easier to find and accessible • something clear and easy to read • More up to date and able to see My Account • Do not use it prefer to talk to a human • Remove redirection to Northgate NES • Too much rubbish - needs to be plain and simple - Easy to follow • just to be user friendly • website is fine thank you • update claim online instead of coming to the office all the time 			
Number of people who gave an email address to who we can follow up with	53			

Survey completed at Customer Service at Kings Hill - up to 31 August 2019



	 Male	 Female	No answer
Number	49	68	1
Percentage	41.53%	57.63%	.85%

Age	Number	Percentage
Younger than 18	1	0.86%
18 - 24	3	2.59%
25 - 34	17	14.66%
35 - 44	27	23.28%
45 - 54	20	17.24%
55 - 64	15	12.93%
65 or older	33	28.45%

TN - Tonbridge Postcode Map			
	Postcode	Number	Percentage
	DA13 0	1	1.18%
	ME1 3	0	0.00%
	ME15 0	0	0.00%
	ME16	0	0.00%
	ME18	4	4.71%
	ME19	38	44.71%
	ME2 1	0	0.00%
	ME20	14	16.47%
	ME5 9	0	0.00%
	ME6 5	7	8.24%
	TN10	6	7.06%
	TN11	4	4.71%
	TN12	5	5.88%
	TN14 6	0	0.00%
	TN15	5	5.88%
	TN4	0	0.00%
	TN9	1	1.18%
	Total	85	100.00%

Survey completed at Customer Surgeries at Larkfield - - up to 31 August 2019



Questions	Number		Percentage	
	Yes	No	Yes	No
Do you use the Internet?	36	50	41.86%	58.14%
Have you visited TBMC website?	21	65	24.42%	75.58%
Why did you visit TMBC today?	Text field summarised below <ul style="list-style-type: none"> • Council tax • Housing • Hand forms and documents • To pay a bill at Kiosk • Parking permits • Benefits • DHP applications • Benefit claims • Help with forms • Homeless • Order brown bin 			
Could this service request be completed on-line?	13	73	15.12%	84.88%
99% of enquiries could be handled by Webchat / Web or by Scan and email				
Have you got access to transport to visit the Council offices?	36	50	41.86%	58.14%

	 Male	 Female	No answer
Number	29	69	1
Percentage	29.29%	69.70%	1.01%

Age	Number	Percentage
Younger than 18	0	0.00%
18 - 24	0	0.00%
25 - 34	6	6.00%
35 - 44	15	15.00%
45 - 54	8	8.00%
55 - 64	23	23.00%
65 or older	48	48.00%

Survey completed at Customer Surgeries at Snodland - - up to 31 August 2019

Questions	Number		Percentage	
	Yes	No	Yes	No
Do you use the Internet?	30	21	58.82%	41.18%
Have you visited TBMC website?	21	29	42.00%	58.00%
Why did you visit TMBC today?	Text field summarised below <ul style="list-style-type: none"> • Council tax • Housing • Hand forms and documents • To pay a bill at Kiosk • Parking permits • Benefits • DHP applications • Benefit claims • Help with forms • Homeless • Order brown bin 			
Could this service request be completed on-line?	22	37	26.00%	74.00%
99% of enquiries could be handled by Webchat / Web or by Scan and email				
Have you got access to transport to visit the Council offices?	22	29	43.14%	56.86%

	 Male	 Female	No answer
Number	31	20	0
Percentage	60.78%	39.22%	00.00%


Age	Number	Percentage
Younger than 18	0	0.00%
18 - 24	2	3.92%
25 - 34	5	9.80%
35 - 44	9	17.65%
45 - 54	12	23.53%
55 - 64	9	17.65%
65 or older	14	27.45%

Survey completed by the Businesses community within the Borough - up to 31 August 2019

It is disappointing that only 7 reply's from 640 emails sent out. However we will continue to engage with the business community through Economic Regeneration Officer, by re sending our request and speaking to businesses as we develop the website design.

Questions					
	Daily	Weekly	Monthly	Quarterly	Yearly
Frequency of using TMBC website	1	2	2	2	0
Percentage	14.29%	28.57%	28.57%	28.57%	00.00%
Reason to view TMBC website	To view Committee agendas, minutes and reports				
	To get information or advice				
Did you find the information you were looking for?	Yes	No			
Number	6	1			
Percentage	85.71%	14.29%			
How easy was it to find the information you were looking for?	Very Easy	Easy	Neither easy or difficult	Difficult	Very difficult
Number	1	3	1	1	1
Percentage	14.29%	42.86%	14.29%	14.29%	14.29%
How satisfied or Dissatisfied were you with the website overall?	Very Satisfied	Fairly Satisfied	Neither Satisfied or Dissatisfied	Fairly Dissatisfied	Very Dissatisfied
Number	2	2	2		1
Percentage	28.57%	28.57%	28.57%	28.57%	14.29%
Number of people who gave an email address to who we can follow up with	2				

Survey completed by the Businesses community within the Borough - up to 31 August 2019

TN - Tonbridge Postcode Map	Postcode	Number	Percentage
	DA13 0		
	ME1 3		
	ME15 0		
	ME16		
	ME18	1	16.67%
	ME19		
	ME2 1		
	ME20	1	16.67%
	ME5 9		
	ME6 5		
	TN10	2	33.33%
	TN11	1	16.67%
	TN12		
	TN14 6		
	TN15		
	TN4		
	TN9	1	16.67%
	Not given	0	00.00%
	Total	6	100.00%

Survey completed by Members and TMBC staff - up to 31 August 2019 - Summary of return

When talking to residents / customers, what are the most frustrating what things that they comment on about the current web site?

(Please answer as many that are appropriate)

	Number	Percentage
When trying to obtain information or advice	46	
When making a payment	8	
When applying for a service	10	
When making a booking	0	
When commenting on a consultation	9	
When applying for a Benefit	4	
When finding out about a local Councillor	4	
When viewing Committee agendas, minutes and reports	8	
When reporting a problem	9	
When make a complaint	6	
Other – please specify	14	

17 other specified.

What's good about the website?

Summary is “Webchat; Information good once found; Search speed; Uncluttered

50 detailed comments

What's not working for you?

Summary is “Design; Not intuitive; Search function; No pictures; Hard to Navigate

80 detailed comments

What information/functionality would you like to see?

Summary is “Good Design; Clear Navigation; Visual images; less jargon; Promotional opportunities;

55 detailed comments

**Survey completed by Members and TMBC staff - up to 31 August 2019 -
Summary of return**

Thinking of your own service, or as a Councillor, how likely are you to choose the TMBC website as a source of information for yourself or your customers (i.e. to direct a customer to)?

Where 1 is not likely at all and 10 is very likely

Not Likely	Response	Percentage
1	11	18.33%
2	3	5.00%
3	7	11.67%
4	5	8.33%
5	10	16.67%
6	5	8.33%
7	3	5.00%
8	6	10.00%
9	3	5.00%
10	7	11.67%
Very Likely	60	100.00%

Thinking of your own service, or as a Councillor, how likely are your customers to telephone or email you a question that they should have been able to easily find on the TMBC website?

Where 1 is not likely at all and 10 is very likely

Not Likely	Response	Percentage
1	10	16.67%
2	2	3.33%
3	1	1.67%
4	4	6.67%
5	7	11.67%
6	4	6.67%
7	3	5.00%
8	15	25.00%
9	5	8.33%
10	9	15.00%
Very Likely	60	100.00%

Survey completed by Members and TMBC staff - up to 31 August 2019 - Summary of return

Thinking of your own service, or as a Councillor, how likely is it that contact you receive by telephone or by email could or should have been avoided by the customer using the TMBC website to answer their own query?

Where 1 is not likely at all and 10 is very likely

Not Likely	Response	Percentage
1	11	18.33%
2	2	3.33%
3	1	1.67%
4	3	5.00%
5	6	10.00%
6	7	11.67%
7	6	10.00%
8	13	21.67%
9	6	10.00%
10	5	8.33%
Very Likely	60	100.00%

Identify 3 frequently asked questions, that are asked of you or of your team, that could have been answered by the customer using the TMBC website, thus avoiding altogether the telephone or email contact.

The questions that have been submitted illustrate very clearly the vast diversity of subject matter and information that people believe a web site should hold.

The response has been very impressive and could form the backbone of a Question / Answer search function for a new website design.

145 questions submitted

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1

Corporate IT Initiatives: CMS Website Solution

1	Specification:	
	(i) Purpose of the scheme	Replacement of the Council's existing website Content Management System (CMS) to improve customer experience and allow customers to access all Council services via a secure unified customer portal with single sign-on,
	(ii) Relevance to National / Council's Objectives	(a) National: Government Digital Services (GDS), The Green Agenda (b) Council: Cost reduction, Legislative compliance (GDPR, PSN)
	(iii) Targets for judging success	(a) Improved customer experiences of TMBC website (b) Increased Digital informational and transactional engagement (c) Reduced paper and face-to-face contact (d) Improved end-to-end customer service efficiencies
2	Description of Project / Design Issues: <p>In delivering the primary objectives of Tonbridge and Malling Borough Council's Digital Strategy (2019-23), workshops were carried out with a number of Members and residents in ascertaining their opinions, experiences and expectations of the TMBC website. Customer services has also carried out research into the 'art of the possible' in terms of digital services by comparing some of the websites of digitally advanced local authorities across the country. The outcome of the review has overwhelmingly highlighted the dissatisfaction amongst our residents and members with the current website, both in terms of presentation, user-friendliness and functionality.</p> <p>As a result of the review Customer services and IT have produced business and technical to underpin and deliver the Council's Digital strategy. In order to achieve the new Business and Technical specification we need to change the existing CMS platform to provide the necessary front and back office integrations seamlessly. This will in turn help ensure that the future overheads are kept low.</p> <p>The new CMS platform should be designed to be non-technical to operate in a low-code platform, which includes features such as page templates allowing for a reusable page of questions to be reused across multiple forms. The platform should also provide a non-technical Workflow management solution for cases/subscriptions/service request management with the ability to automate elements of the service delivery process. These factors will combine to allow IT staff to build/manage forms and workflows quickly and efficiently, removing repetitive tasks through automation and reusing workflows already delivered by other Local Government Authorities. Thus, providing our customers with a single user portal to engage with the council irrespective of services they require.</p>	

Capital Plan List C – Evaluation

3	Milestones / Risk: Milestones: Procurement, Implementation and Deployment. Risk: The current levels of frustration amongst Residents, Members and Businesses in using TMBC website, coupled with the increase in service demand across services will result in increased operational cost or degradation in quality of service delivered.					
4	Consultation: Management Team and Members are supportive of the need to replace the existing website and make it more user friendly and intuitive.					
5	Capital Cost: Composite outline budget of £140,000 for CMS software, design, implementation and consultancy where appropriate. We would be aiming to bring in the most economically advantageous solution well within this budget.					
6	Profiling of Expenditure					
	2019/20 (£'000)	2020/21 (£'000)	2021/20 (£'000)	2022/23 (£'000)	2023/24 (£'000)	2024/25 (£'000)
	140					
7	Capital Renewals Impact: Nil					
8	Revenue Impact: Loss of investment income of £5,600 per annum (£140,000 at 4%). Estimated Annual support and maintenance of £31,000 per annum.					
9	Partnership Funding: None					
10	Project Monitoring / Post Implementation Review: Project to be managed by IT services. Post implementation review to be conducted 12 months after completion.					
11	Screening for equality impacts:					
	Question			Answer	Explanation of impacts	
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?			N/A		
	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	Recommendation: Scheme be added to List A, funded in full from the Transformation Reserve.					

Item CB 19/62 referred from Cabinet minutes of 16 October 2019

CB 19/62 PURCHASE OF TEMPORARY ACCOMMODATION

Item FIP 19/35 referred from Finance, Innovation and Property Advisory Board minutes of 18 September 2019

The Cabinet received the recommendations of the Finance, Innovation and Property Advisory Board at its meeting of 18 September 2019 regarding the purchase of further properties for use as temporary accommodation. A supplementary report updated progress on the purchase of temporary accommodation in the Borough and requested approval for additional funding to ensure the ability for commercial opportunities to be taken.

RECOMMENDED: That

- (1) a sum of £2.1m be added to the Capital Plan for the purchase of property for temporary accommodation purposes, as set out in the supplementary report and accompanying capital plan evaluation annexed thereto, and the Capital Plan be updated accordingly;
- (2) delegated authority be granted to the Director of Planning, Housing and Environmental Health and Director of Central Services, in consultation with the Cabinet Member for Housing and Cabinet Member for Finance, Innovation and Property, to progress the purchase of property for temporary accommodation purposes as outlined in the report; and
- (3) the post implementation review report set out at Annex 2 to the report be approved.

***Referred to Council**

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Item FIP 19/35 referred from Finance, Innovation and Property Advisory Board minutes of 18 September 2019

FIP 19/35 PURCHASE OF TEMPORARY ACCOMMODATION

Further to Minutes CB 18/25 and C 18/23, the joint report of the Director of Central Services and Director of Planning, Housing and Environmental Health updated the position on the purchase of premises for use as temporary accommodation and gave details of the current increasing requirement for such accommodation. A capital plan post implementation review was presented in relation to the earlier decision together with a capital plan evaluation for the purchase of further properties for temporary accommodation.

It was noted that the purchase of temporary accommodation provided a more cost-effective alternative than nightly paid accommodation and the aspiration remained to acquire property across the Borough where possible. Members requested that details of the management of the Council's existing property in Tonbridge and its impact on the well-being of the community be included in the update report to the next meeting of Communities and Housing Advisory Board.

RECOMMENDED: That

- (1) a sum of £1.5m be added to the Capital Plan for the purchase of property for temporary accommodation purposes funded in large part, if not in full, from the two reserves detailed at paragraph 1.3.3 of the report;
- (2) delegated authority be granted to the Director of Planning, Housing and Environmental Health and Director of Central Services, in consultation with the Cabinet Member for Housing and Cabinet Member for Finance, Innovation and Property, to progress the purchase of property for temporary accommodation purposes as outlined in the report; and
- (3) the post implementation review report set out at Annex 2 to the report be approved.

***Referred to Cabinet**

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

18 September 2019

Report of the Director of Central Services and Director of Planning, Housing and Environmental Health

Part 1- Public

Matters for Recommendation to Cabinet - Council Decision

1 PURCHASE OF TEMPORARY ACCOMODATION

Summary

This report updates Members on the purchase of premises for use as temporary accommodation and updates the requirement for temporary accommodation.

1.1 Background

- 1.1.1 At the Cabinet meeting of 20 March 2018, Members considered a report setting out the need for temporary accommodation and gave approval that a sum of £1.6m be added to the Capital Plan for the purchase of property for temporary accommodation funded from s106 monies (Annex 1).
- 1.1.2 A property in Tonbridge High Street was purchased in August 2018, and provides 5 one bedroom flats and 1 two bedroom flat. The property is working well in providing suitable temporary accommodation. A post implementation review is contained in Annex 2.

1.2 Update on need for Temporary Accommodation

- 1.2.1 The number of households in temporary accommodation (TA) reached a peak of 61 at the end of August 2019. Numbers vary, but the trend has been an increase over the last year from 28-49 households at the end of any calendar month in 2018/19 to 49-61 households so far in 2019/20.
- 1.2.2 This increase was anticipated with the introduction of the Homelessness Reduction Act (HRA) and there's a national trend in terms of increasing use of TA. A [survey by the Local Government Association](#) has highlighted the rise in TA use. The number of households in TA is up by more than 70% since 2010 and the burden on councils and their budgets continues to increase.
- 1.2.3 Sixteen households have been accommodated in the flats we own in Tonbridge High Street, with an average length of stay of 114 days/16 weeks. Six households have been accommodated in Clarion homes used as TA over the last 12 months, with an average length of stay in the Clarion homes used as TA of 149 days/21

weeks. The length of stay in nightly paid provision is much lower, as we use it in a broad range of circumstances (e.g. SWEP (Severe Weather Emergency Protocol) may result in short term placements).

- 1.2.2 The average monthly cost for TA provision during 2018/19 was £35,583 (gross spend). The total annual cost for 2018/19 was £426,019 (gross spend) with a net cost of £157,062 to the Council. The total cost for 2019/20 is anticipated to be £640,000 (gross spend), with a net cost of £250,000 to the Council. The difference between gross and net cost reflects the amount of the rent cost that can be covered by housing benefit subsidy.

1.3 Financial and Value for Money Considerations

- 1.3.1 The aim of purchasing property for temporary accommodation purposes is to both manage and reduce the costs to the Council when compared to nightly paid accommodation. The purchase of the property in High Street, Tonbridge is working well both operationally and financially with a cost saving of circa £50,000 when compared to nightly paid accommodation.
- 1.3.2 There is a balance of around £500,000 of the original budget of £1.6m established for the purchase of temporary accommodation. The intention is to supplement the balance of £500,000 with a further £1.5m giving a sum of £2m to facilitate further purchases of temporary accommodation as a more cost-effective alternative to nightly paid accommodation.
- 1.3.3 The sum of £1.5m can in large part, if not in full, be funded from two sources. Monies held in the business rates retention scheme reserve (£900,000 - £1,000,000) and property fund investment reserve (500,000). The residual balance, if any, to be funded from the general revenue reserve.
- 1.3.4 Under the current operating model for the council owned TA in Tonbridge High Street, the accommodation team provide tenancy management and handle voids (arranging repair works and so on). If this approach was to continue with an increased portfolio there would be an impact on resources. We're considering if existing funds can be used to address this.

1.4 Risk Assessment

- 1.4.1 A full and detailed risk assessment on options for purchasing property will inform the final decision.

1.5 Equality Impact assessment

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

1.6 Recommendation

- 1.6.1 A sum of £1.5m be added to the Capital Plan for the purchase of property for temporary accommodation purposes funded in large part, if not in full, from the two reserves detailed at paragraph 1.3.3.
- 1.6.2 Delegated authority be granted to the Director of Planning, Housing and Environmental Health and Director of Central Services in consultation with the Cabinet Member for Housing and Cabinet Member for Finance to progress the purchase of property for temporary accommodation purposes as outlined in this report.
- 1.6.3 Members to approve the post implementation report contained in Annex 2.

Background papers:

Nil

contact: Katie Iggulden
ext. 6364

Adrian Stanfield

Director of Central Services

Eleanor Hoyle

Director of Planning, Housing and Environmental Health

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TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

20 March 2018

Report of the Director of Planning, Housing and Environmental Health and Director of Central Services

Part 1- Public

Recommendation to Council

1 PURCHASE OF TEMPORARY ACCOMMODATION**Summary**

This report sets out the need for access to additional temporary accommodation in order to address both housing management and cost issues and sets out a preferred way of moving forward in the short term utilising funds from planning obligations.

1.1 Background

- 1.1.1 There is a requirement for the Council's Housing Service to use Temporary Accommodation (TA) when people make a homeless application and there is reason to believe we may have a duty to assist them under homelessness legislation. Currently we have 24 households placed in TA. Numbers vary, but have tended to range between 20 and 30 households in recent years. The length of stay varies from a few nights to several months. With the introduction of the Homelessness Reduction Act (HRA), which has been previously reported to Members, we believe this demand will potentially increase by as much as 50%.
- 1.1.2 We currently rely predominantly on nightly paid provision from private providers, i.e. the Riverhill Motel in Hildenborough and out of borough provision through Paramount Independent Properties. Additionally, we have agreed the use of five homes with Clarion housing association for use as TA at Local Housing Allowance (LHA) rates.
- 1.1.3 The average monthly cost for TA provision during 2017/18 is £32,902 to date (gross spend). The total annual cost for 2016/17 was £461,560 (gross spend) with a net cost of £156,713 to the Council. The total cost for 2017/18 is anticipated to be £400,000 (gross spend), with a net cost of £227,798 to the Council. The difference between gross and net cost, reflects the amount of rental that can be covered by housing benefit subsidy, which is significantly lower for nightly paid accommodation.
- 1.1.4 Our ambition is to reach a position where we are able to have tighter control and accessibility to TA and provide more units within the Borough, either which we

own and have control over or by working with our partners. An objective is also to save on the current cost of TA provision by achieving access to a more reliable supply and a lesser dependency on nightly paid.

- 1.1.5 There are section 106 funds obtained in lieu of on-site provision in new development that are available to the Council for the purchase of property for TA purposes. A Capital Plan evaluation **[Annex 1]** for the purchase of property for TA purposes is attached.

1.2 Future TA Strategy

- 1.2.1 There are a range of options for providing TA, both in and out of Borough, which we are currently exploring to develop short and medium term options. They include:

- Purchasing property directly using Section 106 funds accrued for affordable housing provision. A sum of up to circa £1.6m is currently available for this purpose.
- Working in partnership with Registered Providers using existing units – including conversion or redevelopment
- Working with private providers using lease agreements to secure use of privately owned homes (landlord offer)
- making an arrangement to use a set number of units at existing sources (for example, the Riverhill Motel)

- 1.2.2 A combination of these sources of TA provision would enable us to meet two objectives. Firstly, to be more confidently placed to discharge our duties and manage homeless provision across a wider portfolio of property types. Secondly, the option of direct purchase would enable us to address the costs issue and in fact generate a modest income, albeit there would be management and maintenance cost which will need to be carefully considered and specified.

- 1.2.3 Whilst all options are subject of further investigation there is an imperative to determine how some £220,000 of Section 106 money will be spent by August this year, which is a cut-off date in the legal agreement after which time the funds would need to be repaid. Specifically we need to determine whether we spend this money in isolation on the purchase of an individual unit or pool it with the remaining funds enabling the purchase of a number of units or indeed on a rather more substantial building which could be converted into a number of units suitable for TA. The response to this will depend in large measure what the market has to offer in the very near future. Consequently we are asking Cabinet to delegate authority to enable us to respond to opportunities that fall within these parameters in our efforts to advance the appropriate supply of TA.

1.3 Legal Implications

- 1.3.1 The funds available for this project wholly arise from payments made by developers in accordance with legal planning obligations and consequently the monies can only be used for affordable housing, which includes TA provision. In using the section 106 money to purchase property, the Council is bound by its statutory duty to achieve value for money.

1.4 Financial and Value for Money Considerations

- 1.4.1 The aim of purchasing property for TA is to manage and potentially reduce the costs to the Council of TA, in particular by reducing the amount of nightly paid accommodation we require.

1.5 Risk Assessment

- 1.5.1 A full and detailed risk assessment on options for purchasing property will inform the final decision.

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 Cabinet are asked to **recommend** to Council that:
- i) The sum of up to £1.6m be added to the Capital Plan for the purchase of property for TA purposes funded from s.106 monies.
 - ii) Delegated authority be granted to the Director of Planning, Housing and Environmental Health and Director of Central Services in consultation with the Cabinet Member for Housing and Cabinet Member for Finance to progress the purchase of property for TA purposes as set out in the report.

Background papers:

Nil

contact: Jane Heeley
Steve Humphrey

Steve Humphrey
Director of Planning, Housing and Environmental Health

Adrian Stanfield
Director of Central Service

Capital Plan Post Implementation Review	
Service:	Planning, Housing and Environmental Health
Scheme Title:	Homeless Accommodation
Scheme Description:	Provision to purchase property for temporary accommodation purposes to discharge our duties and manage homeless provision and deliver a cost saving to the Council
Evaluation:	Cabinet 20 March 2018
Capital Plan Year(s)	2018/19
Approved budget	£1,600,000
National Priorities	Homelessness Reduction Act.
Local Priorities	A continuing supply of homes, including affordable housing to buy and rent, and prevention of homelessness
Targets for judging success:	(a) Reduction in use of nightly paid accommodation. (b) Reduction in costs to Council
Completion date (work completed):	September 2018 (for leasehold purchase of a property in High Street, Tonbridge)
Completion date (final payment):	August 2018 (for leasehold purchase of a property in High Street, Tonbridge)
Projected date for post implementation review:	Twelve months from date of first occupancy.
Final cost:	Purchase of the property entailed £1.088m of capital spend plus £65,000 revenue spend of the £1.6m budget provided. The balance of £447,000 is being carried forward to enable additional purchase of temporary accommodation in fulfilment of objectives.
Performance against National and Local Priorities and Targets:	The property provides 6 flats for temporary accommodation – 5 x 1 bed and 1 x 2 bed. Clients would otherwise have to be placed in nightly accommodation, and/or potentially out of borough. Location and quality of accommodation is good. Annual saving in cost compared to placement elsewhere amount to £50,000 per annum.
Budget performance / Value for money:	Overall, there are benefits from this purchase for both TMBC and clients placed. Annual saving in cost compared to placement elsewhere amount to £50,000 per annum Client caseload still continues to increase. Report to FIPAB September 2019 recommends supplementing the balance of funding (£447,000) in order to provide more accommodation to achieve national and local objectives.
Other performance / procurement issues:	None from this purchase
Ongoing / Outstanding issues:	None from this purchase.

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CAPITAL PLAN LIST C –EVALUATIONS

	Project Planning, Housing and Environmental Health: Purchase of property for Temporary Accommodation (TA) purposes							
	1	Specification:						
		(i)	Purpose of the scheme	Purchase of property for TA purposes to be more confidently placed to discharge our duties and manage homeless provision and deliver a cost saving to the Council.				
		(ii)	Relevance to National / Council's Objectives	(a) National: Homelessness Reduction Act. (b) Council: A continuing supply of homes, including affordable housing to buy and rent, and prevention of homelessness.				
		(iii)	Targets for judging success	(a) Reduction in use of nightly paid accommodation. (b) Reduction in costs to Council.				
	2	Description of Project / Design Issues: Purchase of property for TA purposes. In 2018 the Council purchased the long leasehold of six flats in Tonbridge High Street to provide temporary accommodation. It is proposed that a further property / properties are purchased in order for the Council to meet the need for temporary accommodation and further reduce the current cost of paying for accommodation.						
	3	Risks Sourcing suitable property; void periods and potential damage to property.						
	4	Consultation:						
	5	Capital Cost: A sum of up to £2.0m made up from £0.5m from s.106 monies, £1.0m from business rates retention scheme reserve and £0.5m from property investment fund reserve.						
	6	Profiling of Expenditure Expenditure profile dependent on scale and timing of purchase of property.						
		2019/20 (£'000)		2020/21 (£'000)	2021/22 (£'000)	2022/23 (£'000)	2023/24 (£'000)	2024/25 (£'000)
		£2.0m						
	7	Capital Renewals Impact: None						
	8	Revenue Impact: There will be both a rental income and running costs associated with the property with the expectation of a net income stream.						
	9	Partnership Funding: None.						

CAPITAL PLAN LIST C –EVALUATIONS

	10	Post Implementation Review: Twelve months from date of first occupancy.		
	11	Screening for equality impacts:		
		Question	Answer	Explanation of impacts
		a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	[Please explain your answer]
		b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	[Please explain your answer]
		c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		
	12	Recommendation: Scheme recommended for inclusion in the Capital Plan List A.		

TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

16 October 2019

Report of the Director of Central Services and the Director of Planning, Housing and Environmental Health

Part 1- Public

Matters for Recommendation to Council

1 UPDATE ON PURCHASE OF TEMPORARY ACCOMMODATION

Summary: this report updates on progress on the purchase of additional Temporary Accommodation (TA) provision in borough and requests approval for additional funding to ensure the ability to take commercial opportunities

1.1 Background

- 1.1.1 At their meeting on 18 September 2019, Members of the Finance, Innovation and Property Advisory Board approved recommendations to add £1.5m to the residual balance of identified developer contributions for the purchase of TA. The report, which detailed the rise in need for TA, is attached to the agenda at item 12.
- 1.1.2 Since this approval, officers have progressed a number of options, including one potential multi-unit purchase and conversion opportunity in Tonbridge Town Centre. Further investigation of these opportunities is demonstrating that the new total of circa£2m will not be sufficient to make the most cost effective acquisition and therefore this report proposes an amendment to the recommendation in the FIPAB report in order to increase the total available budget for the procurement of TA to £2.6m.
- 1.1.3 A detailed report on the current position on TA, options under consideration at present and further future options will be presented to the Communities and Housing Advisory Board in November 2019.

1.2 Financial and Value for Money Considerations

- 1.2.1 As outlined in the FIPAB report, the sum of £2m can be funded from monies held in the business rates retention scheme reserve (£900,000 - £1,000,000) and property fund investment reserve (500,000). The residual balance can be funded from the general revenue reserve and/or any New Homes Bonus funding above that anticipated.
- 1.2.2 An amended list C capital plan evaluation is attached as an Annex.

1.3 Risk Assessment

- 1.3.1 As per the report to FIPAB, each option for procuring additional TA provision will be risk assessed and this analysis will be presented as part of the final decision making reporting.

1.4 Equality Impact Assessment

- 1.4.1 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.

1.5 Recommendations

- 1.5.1 That the recommendation contained in the Finance, Innovation and Property Advisory Board report of 18 September 2019 at 1.6.1 be AMENDED to read as follows;

A sum of £2.1m be added to the Capital Plan for the purchase of property for temporary accommodation purposes as set out in the report and the accompanying capital plan evaluation (Annex) and the Capital Plan be updated accordingly.

- 1.5.2 That the remaining recommendations are APPROVED as per the Finance, Innovation and Property Advisory Board report of 18 September 2019.

Background papers:

Nil

contact: Katie Iggulden
Gillian Aylett

Adrian Stanfield
Director of Central Services
Eleanor Hoyle
Director of Planning, Housing and Environmental Health

CAPITAL PLAN LIST C –EVALUATIONS

Project Planning, Housing and Environmental Health: Purchase of property for Temporary Accommodation (TA) purposes						
1	Specification:					
	(i)	Purpose of the scheme	Purchase of property for TA purposes to be more confidently placed to discharge our duties and manage homeless provision and deliver a cost saving to the Council.			
	(ii)	Relevance to National / Council's Objectives	(a) National: Homelessness Reduction Act. (b) Council: A continuing supply of homes, including affordable housing to buy and rent, and prevention of homelessness.			
	(iii)	Targets for judging success	(a) Reduction in use of nightly paid accommodation. (b) Reduction in costs to Council.			
2	Description of Project / Design Issues: Purchase of property for TA purposes. In 2018 the Council purchased the long leasehold of six flats in Tonbridge High Street to provide temporary accommodation. It is proposed that a further property / properties are purchased in order for the Council to meet the need for temporary accommodation and further reduce the current cost of paying for accommodation.					
3	Risks Sourcing suitable property; void periods and potential damage to property.					
4	Consultation:					
5	Capital Cost: A sum of £2.1m be added to the residual balance of £0.5m giving a total of £2.6m for the purchase of property for TA purposes. The £2.1m to be funded from the business rates retention scheme reserve (£1.0m) property investment fund reserve (£0.5m) and the balance from the revenue reserve for capital schemes and or New Homes Bonus funding above that anticipated.					
6	Profiling of Expenditure Expenditure profile dependent on scale and timing of purchase of property.					
	2019/20 (£'000)		2020/21 (£'000)	2021/22 (£'000)	2022/23 (£'000)	2023/24 (£'000)
	£1.5m		£0.6m			
7	Capital Renewals Impact: None					
8	Revenue Impact: There will be both a rental income and running costs associated with the property with the expectation of a net income stream.					
9	Partnership Funding: None.					

CAPITAL PLAN LIST C –EVALUATIONS

	10	Post Implementation Review: Twelve months from date of first occupancy.		
	11	Screening for equality impacts:		
		Question	Answer	Explanation of impacts
		a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	[Please explain your answer]
		b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	[Please explain your answer]
		c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		
	12	Recommendation: Scheme recommended for inclusion in the Capital Plan List A.		

TONBRIDGE & MALLING BOROUGH COUNCIL
COUNCIL

29 October 2019

Report of the Director of Central Services

Part 1- Public

Matters For Decision

1 APPOINTMENTS TO OUTSIDE BODIES

To consider appointments to the Allington Community Liaison Group

1.1 Introduction

1.1.1 The Allington energy from waste generating station, owner by FCC Environment (UK) Ltd, has a long standing Community Liaison Group (CLG) in order to ensure effective engagement with local stakeholders.

1.1.2 The CLG is currently attended by Councillor Steve Hammond, in addition to officers from TMBC. It is proposed that Councillor Hammond is formally appointed to this group as the Council's representative.

1.2 Legal Implications

1.2.1 None.

1.3 Financial and Value for Money Considerations

1.3.1 Not applicable.

1.4 Risk Assessment

1.4.1 Not applicable.

1.5 Equality Impact Assessment

1.6 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 RECOMMENDED that consideration be given to the appointment of Councillor S Hammond to the Allington Community Liaison Group.

Background papers:

contact: Claire Fox

Nil

Adrian Stanfield
Director of Central Services

Sealing of Documents

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

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By virtue of paragraph(s) 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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