

# TONBRIDGE & MALLING BOROUGH COUNCIL



## EXECUTIVE SERVICES

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### Chief Executive

Julie Beilby BSc (Hons) MBA

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

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

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

18 January 2023

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

Dear Sir/Madam

Your attendance is requested at a meeting of the Overview and Scrutiny Committee to be held in the Council Chamber, Gibson Drive, Kings Hill on Thursday, 26th January, 2023 commencing at 7.30 pm.

Members of the Committee are required to attend in person. Other Members may attend in person or participate online via MS Teams.

Information on how to observe the meeting will be published on the Council's website.

Yours faithfully

JULIE BEILBY

Chief Executive

## A G E N D A

1. Guidance on the Conduct of Meetings

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## **PART 1 - PUBLIC**

2. Apologies for absence
3. Notification of Substitute Members 7 - 8
4. Declarations of interest 9 - 10

Members are reminded of their obligation under the Council's Code of Conduct to disclose any Disclosable Pecuniary Interests and Other Significant Interests in any matter(s) to be considered or being considered at the meeting. These are explained in the Code of Conduct on the Council's website at [Code of conduct – Tonbridge and Malling Borough Council \(tmbc.gov.uk\)](https://www.tmbc.gov.uk/code-of-conduct).

Members in any doubt about such declarations are advised to contact Legal or Democratic Services in advance of the meeting.

5. Minutes 11 - 16

To confirm as a correct record the Minutes of the meeting of the Overview and Scrutiny Committee held on 17 November 2022

6. Any Executive Decisions which have been 'called in' 17 - 18

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

7. Capital Plan Review 2022-23 19 - 74

The report reviews the current position of the existing Capital Plan and recommends schemes to be added to and deleted from List C; schemes for evaluation and schemes for inclusion on List B. An updated Capital Strategy is also presented for endorsement.

8. Revenue Estimates 2023/24 75 - 92

The report sets out the draft Estimates 2023/24 for scrutiny and the Committee are invited to make recommendations to Cabinet.

Due to its size the Estimates Booklet (Annex 1) is attached as a supplement.

9. S106 Matters 93 - 130

This report proposes an updated s106 protocol and a new monitoring structure for s106 monies, as well as updating Members on the recently published Infrastructure Delivery Statement.

### **Matters for Information**

10. Key Performance Indicators 131 - 134

A number of Key Performance Indicators (KPIs) are presented to enable the Overview and Scrutiny Committee to assess and scrutinise performance.

11. Record of Decisions taken by the Executive 135 - 138

The record of decisions taken during November and December 2022 are attached

12. Notice of Forthcoming Key Decisions 139 - 142

The Notice of key decisions to be considered by the Cabinet in February is attached.

13. Work Programme 2023 143 - 144

The Work Programme setting out matters to be scrutinised during 2022/23 is attached for information. Members can suggest future items by liaising with the Chair of the Committee.

14. Urgent Items 145 - 146

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

**Matters for consideration in Private**

15. Exclusion of Press and Public 147 - 148

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

**PART 2 - PRIVATE**

16. Urgent Items 149 - 150

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

## **MEMBERSHIP**

Cllr Mrs A S Oakley (Chair)  
Cllr A E Clark (Vice-Chair) and Cllr M O Davis (Vice-Chair)

Cllr M C Base  
Cllr C Brown  
Cllr R I B Cannon  
Cllr A Cope  
Cllr R W Dalton  
Cllr D Harman  
Cllr F A Hoskins  
Cllr S A Hudson

Cllr Mrs F A Kemp  
Cllr D W King  
Cllr J R S Lark  
Cllr H S Rogers  
Cllr M Taylor  
Cllr D Thornewell  
Cllr F G Tombolis

## **GUIDANCE ON HOW MEETINGS WILL BE CONDUCTED**

- (1) All meetings of the Borough Council will be livestreamed to YouTube here, unless there is exempt or confidential business be discussed:  
  
<https://www.youtube.com/channel/UCPp-IJISNgoF-ugSzxjAPfw/featured>
- (2) There are no fire drills planned during the time a meeting is being held. For the benefit of those in the meeting room, the fire alarm is a long continuous bell and the exits are via the doors used to enter the room. An officer on site will lead any evacuation.
- (3) Should you need this agenda or any of the reports in a different format, or have any other queries concerning the meeting, please contact Democratic Services on [committee.services@tmbc.gov.uk](mailto:committee.services@tmbc.gov.uk) in the first instance.

### **Attendance:**

- Members of the Committee/Advisory Board are required to attend in person and be present in the meeting room. Only these Members are able to move/ second or amend motions, and vote.
- Other Members of the Council can join via MS Teams and can take part in any discussion and ask questions, when invited to do so by the Chairman, but cannot move/ second or amend motions or vote on any matters. Members participating remotely are reminded that this does not count towards their formal committee attendance.
- Occasionally, Members of the Committee/Advisory Board are unable to attend in person and may join via MS Teams in the same way as other Members. However, they are unable to move/ second or amend motions or vote on any matters if they are not present in the meeting room. As with other Members joining via MS Teams, this does not count towards their formal committee attendance.
- Officers can participate in person or online.
- Members of the public addressing an Area Planning Committee can participate in person or online. Please contact [committee.services@tmbc.gov.uk](mailto:committee.services@tmbc.gov.uk) for further information.

Before formal proceedings start there will be a sound check of Members/Officers in the room. This is done as a roll call and confirms attendance of voting Members.

### **Ground Rules:**

The meeting will operate under the following ground rules:

- Members in the Chamber should indicate to speak in the usual way and use the fixed microphones in front of them. These need to be switched on when speaking or comments will not be heard by those participating online. Please switch off microphones when not speaking.
- If there any technical issues the meeting will be adjourned to try and rectify them. If this is not possible there are a number of options that can be taken to enable the meeting to continue. These will be explained if it becomes necessary.

For those Members participating online:

- please request to speak using the 'chat or hand raised function';
- please turn off cameras and microphones when not speaking;
- please do not use the 'chat function' for other matters as comments can be seen by all;
- Members may wish to blur the background on their camera using the facility on Microsoft teams.
- Please avoid distractions and general chat if not addressing the meeting
- Please remember to turn off or silence mobile phones

### **Voting:**

Voting may be undertaken by way of a roll call and each Member should verbally respond For, Against, Abstain. The vote will be noted and announced by the Democratic Services Officer.

Alternatively, votes may be taken by general affirmation if it seems that there is agreement amongst Members. The Chairman will announce the outcome of the vote for those participating and viewing online.

**Overview and Scrutiny Committee – Substitute Members (if required)**

|   | <b>Conservative</b> | <b>Liberal Democratic</b> | <b>Green</b> | <b>Ind. Kent Alliance</b> | Note |
|---|---------------------|---------------------------|--------------|---------------------------|------|
| 1 | Sue Bell            | Tim Bishop                | Mark Hood    | Wendy Palmer              |      |
| 2 | David Cooper        | Paul Boxall               |              | Tim Shaw                  |      |
| 3 | Nick Foyle          | Trudy Dean                |              |                           |      |
| 4 | Nicolas Heslop      | Roger Roud                |              |                           |      |
| 5 | Brian Luker         | Michelle Tatton           |              |                           |      |

**Members of Cabinet cannot be appointed as a substitute to this Committee**

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Declarations of interest

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## TONBRIDGE AND MALLING BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE

#### MINUTES

Thursday, 17th November, 2022

**Present:** Cllr Mrs A S Oakley (Chair), Cllr A E Clark (Vice-Chair), Cllr M O Davis (Vice-Chair), Cllr C Brown, Cllr R I B Cannon, Cllr A Cope, Cllr D Harman, Cllr F A Hoskins, Cllr S A Hudson, Cllr Mrs F A Kemp, Cllr D W King, Cllr J R S Lark, Cllr H S Rogers, Cllr D Thornevell, Cllr F G Tombolis and Cllr B J Luker (substitute)

**In attendance:** Councillors R P Betts, M D Boughton, M A J Hood, D Keers were also present pursuant to Council Procedure Rule No 15.21.

**Virtual:** Councillors Mrs P A Bates, T Bishop, V M C Branson, M A Coffin, P J Montague, W E Palmer, M R Rhodes, R V Roud, K B Tanner and Mrs M Tatton participated via MS Teams and joined the discussion when invited to do so in accordance with Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors M C Base, R W Dalton and M Taylor

#### PART 1 - PUBLIC

##### **OS 22/37 NOTIFICATION OF SUBSTITUTE MEMBERS**

Notification of substitute members were recorded as set out below:

- Cllr Luker substitute for Cllr Dalton

In accordance with Council Procedure Rules 17.5 to 17.9 these Councillors had the same rights as the ordinary member of the committee for whom they were substituting.

##### **OS 22/38 DECLARATIONS OF INTEREST**

For reasons of transparency, Councillor M Davis advised that he was one of the Borough Council appointees to the Board of the Tonbridge and Malling Leisure Trust which would be discussed under agenda item 8. As the report was for information only and in the view of the Monitoring Officer did not represent an Other Significant Interest there was no requirement for Councillor Davis to withdraw from the meeting.

**OS 22/39 MINUTES**

**RESOLVED:** That the Minutes of the meeting of the Overview and Scrutiny Committee held on 6 October 2022 be approved as a correct record and signed by the Chairman.

**OS 22/40 EXECUTIVE DECISION 'CALLED IN' - D22009CAB - SPORTS DEVELOPMENT AND YOUTH PROVISION**

The report of the Scrutiny Officer advised that in accordance with the Overview and Scrutiny Procedure Rules set out in the Constitution, five members of the Committee had raised a valid 'call-in' request in relation to the decision taken by the Cabinet in respect of Sports Development and Youth Provision.

Decision Notice D220099CAB (attached at Annex 1) had been published on 10 November 2022 and subsequently called-in by Councillors Clark, Cope, Hoskins, Oakley and Thornewell.

The grounds for call-in were set out in the report, at paragraph 1.1.2, and the decision was 'deferred' pending consideration by the Overview and Scrutiny Committee.

Members of the Committee considered the grounds for the call-in and had regard to the responses provided by the Cabinet Member for Community Services. There was detailed discussion on the merits of the proposals and the concerns raised around the disproportionate impact on vulnerable, disadvantaged and/or disabled young people; the performance of the service and its impact on local communities. In response, the Cabinet Member recognised the importance of embracing diversity and reassured the Committee that this would be reflected in any future decisions in respect of new youth projects. Particular reference was made to the Leisure Pass Scheme and consideration would be given on how to improve diversity and disability access.

However, the Cabinet Member reminded the Committee of the challenging financial position faced by the Borough Council, that sports development and youth provision were discretionary services and that these services were offered by alternative providers. In addition, the Leader of the Borough Council indicated that funding from the UK Shared Prosperity Fund could be available to support new youth projects in the future. It was important to recognise that services could be provided in a different way and strong relationships with partners would be pursued to avoid duplication of youth based projects and to reduce gaps in provision.

It was proposed by Councillor Hoskins and seconded by Councillor Thornewell that the decision be referred to Cabinet to:

- identify any gaps in service, including adverse impacts on disadvantaged/disabled users; and
- consider how funds received from central government could be used in relation to youth engagement/activities

Following a formal vote this proposal was rejected with 11 Members voting against and 5 voting in favour.

The Overview and Scrutiny Committee felt that there should be no further recommendations made to the Cabinet and that the decision should be implemented as taken.

Following a formal vote this opinion was supported with 11 Members voting in favour, 4 voting against and 1 abstaining.

As the Overview and Scrutiny Committee had no further recommendations to make to the Cabinet the grounds for call-in were not supported.

**RESOLVED:** That, as there were no further recommendations to make to the Cabinet the decision would come into immediate effect. Therefore, the proposals in respect of Sports Development and Youth Provision could be implemented from 18 November 2022.

(Note: Vice-Chair (Cllr M Davis) was in the Chair for this item as the Chair (Cllr A Oakley) was one of the five Members who had requested the call-in)

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

#### **OS 22/41 CORPORATE STRATEGY - CONSULTATION DRAFT**

The report of the Chief Executive presented a draft of the Corporate Strategy 2022-2025 for public consultation. The Strategy (attached at Annex 1) demonstrated the ambition for the Borough in a simpler and clearer format.

Attention was drawn to the four priorities set out in the Strategy, summarised in 1.2.3 of the report, and details of community engagement to gather views of local residents and businesses was outlined in 1.3. It was envisaged that consultation would take place over a four week period during Winter 2022-23 and would be promoted via partnership networks, the website and social media channels.

It was reported that consultation responses would inform any amendments to the Corporate Strategy. In addition, it would be important to develop an annual action plan setting out key measures to help deliver the Strategy.

Members commented on the proposals for public consultation and questioned whether promotion on social media would reach a wide enough audience. It was noted that recent online consultations and/or surveys had managed a good level of response. With regard to the online consultation form, it was indicated that this would be designed to enable users to submit detailed answers.

A number of minor and factual corrections were identified and Members were invited to raise these out of meeting with the Strategic Economic Regeneration Manager.

**RECOMMENDED:** That the Corporate Strategy Consultation draft (attached at Annex 1) be commended to Cabinet for approval. ◀

**\*Referred to Cabinet**

### **MATTERS FOR INFORMATION**

#### **OS 22/42 TONBRIDGE AND MALLING LEISURE TRUST**

The joint report of the Director of Street Scene, Leisure and Technical Services and the Director of Finance and Transformation provided background on the Tonbridge and Malling Leisure Trust, its scope and the services it provided. In response to a request from Councillor Base the report also identified savings over the past 9 years as a consequence of the Borough Council's decision to outsource to a local Trust.

It was noted that, in what would be the first ten years of the Trust's existence until the end of the current financial year, the total savings/investment as a consequence of outsourcing to a Trust amounted to around £5.8m compared to continued provision of an in-house model.

In addition, it was noted that the as a result of the pandemic and unprecedented increases in utility costs the Borough Council would have provided unanticipated financial support to the Trust over the past three years of around £2.3m. These exceptional circumstances had been managed through strong partnership working that might not have been possible with another operating model or contractor. The financial support provided was deemed the most cost effective approach to retaining facilities and service to residents.

In summary, the arrangement with the Trust had generated significant financial savings, maintained standards and levels of service and enabled further investment in the facilities.

Members welcomed the financial detail set out in the report and the support offered to the Trust during the pandemic. However, concern was expressed about the Trust's ability to cope with rising energy costs.

Reference was made to the utility cost sharing agreement between the Leisure Trust and the Borough Council and it was indicated that neither organisation could sustain rising costs for the long term. In an effort to help mitigate costs associated with gas and electricity the Trust had introduced a surcharge on all casual swimming. It was expected that this would generate additional income in excess of £200,000, although the cost to the Borough Council was likely to be around £650,000. Members were reminded that if the authority was running the facilities direct then it would have to bear these costs in any event.

It was reported that decarbonisation and energy efficient projects at the Trust facilities were being pursued by the Borough Council and it was hoped that more detail would be presented to the Scrutiny Select Committees in due course.

Members were reminded that the Trust currently operated Larkfield Leisure Centre, the Angel Centre, Tonbridge Swimming Pool, Poul Wood Golf Club and Leybourne Lakes Country Park. The Management Agreement between the Borough Council and the Leisure Trust would run until 31 October 2033. At five year intervals there was a service fee review and, as part of the review, the Leisure Trust would present a business plan of how the Borough Council's priorities would be achieved. Members would have opportunity to consider this business plan at the appropriate time.

#### **OS 22/43 RECORD OF DECISIONS TAKEN BY CABINET MEMBERS**

The decisions taken by the Cabinet and Cabinet Members during September and October were presented for information and noted by the Committee.

Subsequent to the publication of the agenda, a number of decisions had been taken by Cabinet on 8 November, as well as a Cabinet Member decision taken in respect of a car parking study in Tonbridge.

#### **OS 22/44 WORK PROGRAMME**

The Work Programme setting out matters to be scrutinised during 2022/23 was noted. Members were invited to suggest future items by liaising with the Chair of the Committee. It was requested that the following matters be considered for inclusion in the Work Programme, subject to liaison with relevant Services:

- The Leisure Trust – utility costs, decarbonisation and energy efficient projects, sustainability and future of leisure facilities
- Review of Governance Arrangements

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

#### **OS 22/45 EXCLUSION OF PRESS AND PUBLIC**

There were no items considered in private.

The meeting ended at 10.05 pm



# Agenda Item 6

Any Executive Decisions which have been “called in”

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## TONBRIDGE & MALLING BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE

26 January 2023

Joint Report of the Director of Finance and Transformation and  
Cabinet Member for Finance, Innovation and Property

#### Part 1- Public

#### Matters for Recommendation to Cabinet

#### 1 CAPITAL PLAN REVIEW 2022/23

This report:

- Reviews the current position of the existing Capital Plan (List A).
- Recommends schemes to be added to and deleted from List C.
- Recommends schemes from List C for evaluation.
- Recommends schemes for inclusion on List B from those evaluated schemes selected for evaluation this time last year or earlier and in certain circumstances schemes identified for Fast-Track evaluation.
- Presents an updated Capital Strategy for endorsement.

Members are reminded however, that any aspirations in respect of capital schemes need to be set within the context of the difficult and challenging financial outlook.

#### Dashboard / Key Points

- Capital Plan is built on a “ladder” style basis:
- At the top – List A – sits the schemes that have received approval and have funding assigned (including the replacement of existing assets)
- List B - schemes have received in principle support but are awaiting funding to be assigned at an appropriate time
- List C is a list of potential schemes that have been identified for possible future adoption
- Funding can be found from the Capital Reserve (for which the annual capital allowance is £250,000); S106 sums (developer contributions); or external grants
- This year’s recommendations for schemes to be moved to the top of the ladder – List A – can be met from the capital allowance and/or other funding sources

## **1.1 Introduction**

- 1.1.1 The capital plan process, as outlined below, provides a means of maintaining a pool of schemes (List C) from which schemes can be selected for evaluation and possible implementation. It also provides an opportunity to review the provisions for schemes which are already in the Capital Plan (List A).
- 1.1.2 The criteria established to guide the inclusion of new List C schemes (holding list of schemes not yet fully worked up) and ultimately the inclusion of schemes on List A (schemes assigned budget provision) are:
- to meet legislative requirements including health and safety obligations;
  - funded from external resources; and
  - reduce revenue expenditure and or generate income.
- 1.1.3 The subsequent recommendations where appropriate have regard to these criteria.
- 1.1.4 The review takes place within the context of the revenue estimates, reflecting the fact that capital schemes have an impact on revenue. Positive impacts may include potential to reduce costs and or generate income. Negative impacts may include loss of income during construction and will include loss of investment income where the project costs are met from the Council's resources.
- 1.1.5 Under the previous governance arrangements, the draft capital plan prepared by officers were initially considered, on behalf of Cabinet, by the Finance, Innovation and Property Advisory Board before being presented to this Committee.
- 1.1.6 Following the changes to governance arrangements early in 2022, the Cabinet now works alongside officers to prepare the draft capital plan. Accordingly, this report is now a joint report of the Director of Finance and Transformation and the Cabinet Member for Finance, Innovation and Property.

## **1.2 Capital Plan Funding**

- 1.2.1 Capital expenditure is currently funded from the revenue reserve for capital schemes, grants from government and other bodies, developer contributions and from capital receipts derived from the sale of assets.
- 1.2.2 There is also an annual contribution to the revenue reserve for capital schemes to match the funding required for the replacement of existing assets (vehicles, plant and equipment) and recurring capital expenditure. The contribution in 2023/24 is £974,000.
- 1.2.3 There remains an annual capital allowance for all other capital expenditure not least in light of the difficult and challenging financial outlook. Any 'bids' for capital schemes or discretionary capital grants are to be assessed in the context of the

annual allowance. The annual capital allowance is currently set at £250,000 and it is proposed that the annual allowance continue to be set at that level.

- 1.2.4 It should be noted, based on current projections, that from 2029/30 the Council may need to borrow to fund such expenditure. This does not however, preclude a decision to borrow in order to fund in full or in part a capital investment opportunity that meets the Council's strategic priorities and objectives, achieves value for money and delivers a financial return. Each such opportunity to be considered on a case by case basis as appropriate.
- 1.2.5 In addition, the Invest to Save Reserve or Transformation Reserve (made up of specific grants received from government in respect of revenues and benefits functions) amongst other Reserves could be used to fund in full or in part appropriate capital plan schemes.

### **1.3 Capital Plan Review Process**

1.3.1 The Capital Plan consists of three main elements:

- List C is a holding list of schemes which ordinarily have not been fully worked up. List C schemes can be in two states – schemes which have been retained on List C for possible future adoption and schemes which have been selected for evaluation, effectively short-listed for adoption.
- List B is a holding list of List C schemes which have been evaluated and not eliminated. The presumption is that, subject to budget guidance, these schemes will be adopted for inclusion in List A.
- List A is the approved capital programme. Schemes will be selected from List B for inclusion in List A in accordance with budgetary guidance. This selection will be carried out in conjunction with the revenue budget process.

1.3.2 The role of this Committee is to consider four aspects of the review process and make recommendations to Cabinet. The four aspects are:

- A review of the existing Capital Plan (List A).
- The addition of new schemes to List C and the removal of schemes from List C.
- The selection of schemes from List C which are considered suitable for evaluation.
- Consideration of those List C schemes which have been evaluated.

1.3.3 Cabinet on 14 February will consider and make recommendations on the transfer of schemes from List B to List A in the light of the overall financial position. Finally, Council on 21 February will consider recommendations from Cabinet.

1.3.4 Capital Plan schemes should emerge from, or be designed to achieve, the Council's strategic priorities and objectives. As part of this review any new schemes being recommended for inclusion on List C are justified by reference to one or more of the three criteria detailed at paragraph 1.1.2.

#### **1.4 Review of the Existing Capital Plan (List A)**

1.4.1 Attached at **[Annex 1]** is the existing Capital Plan (List A) in budget book format along with explanatory notes. The following routine adjustments to the 2022/23 Budget Book have been made:

- the outturn for 2021/22 has been taken into account and any slippage still required has been included in 2022/23;
- schemes included in the existing Budget Book which were completed in 2021/22 have been removed;
- in accordance with the policy of having a rolling six year Capital Plan (current year plus six) an additional year, 2028/29, has been added; and
- the profiling of project spend has been reviewed and adjusted where appropriate to reflect the most likely pattern of spend across the plan period.

1.4.2 Paragraphs 1.4.3 to 1.4.9 detail specific amendments to the Capital Plan (List A) approved by Council in February 2022.

1.4.3 The Cabinet Member for Environment and Climate Change approved the sum of £31,000 be added to the Capital Plan in respect of an anti-idling project at five schools across the borough grant funded by DEFRA. Cabinet Member Decision D220047MEM dated 13 May 2022.

1.4.4 Council in July 2022 approved the sum of £140,000 be added to the Capital Plan for the installation of PV system at Larkfield Leisure Centre funded from the Climate Change Reserve.

1.4.5 Cabinet in November 2022 approved the sum of £40,000 and £55,000 be added to the Capital Plan in 2023/24 and 2024/25 respectively to meet grant payments in respect of the UK Shared Prosperity Fund shopfront improvement and vacant unit scheme. Of this sum £65,000 is to be funded from UK Shared Prosperity Fund monies and £30,000 in 2023/24 from the Business Rates Retention Scheme Reserve.

1.4.6 A number of other UK Shared Prosperity Fund projects / initiatives covering the three-year period 2022/23 to 2024/25 have also been added to the Capital Plan as follows:

- Mobile CCTV £20,000

- Tonbridge Wayfinding £25,000
- Digital Information Boards £120,000
- Bus Shelter Green Roofs Pilot £30,000
- West Kent Green Business Grants £75,000
- Carbon Descent Plans £75,000
- Safer Sustainable Car Parks £100,000

1.4.7 A total sum of £445,000 of which £430,000 is to be funded from UK Shared Prosperity Fund monies and £15,000 in 2023/24 from the Business Rates Retention Scheme Reserve. Further details can be found in the report to Cabinet on 5 July 2022.

1.4.8 Capital renewals provisions have been extended by a further year to enable the current level of assets (vehicles, plant and equipment) to be maintained. Renewals figures included in 2022/23 and subsequent years incorporate provision for inflation (typically an uplift of 2% per annum). Average renewals spend over the seven-year period of the plan is £882,000 per annum (2022/23 - 2028/29).

1.4.9 Provision for recurring expenditure has also been extended by a further year (see table below).

| <b>Capital Plan (List A) recurring expenditure</b>   |                          |                         |
|--|--------------------------|-------------------------|
|  | <b>2028/29<br/>£'000</b> | <b>Annex 1<br/>Page</b> |
| <b>Planning, Housing and Environmental Health</b>    |                          |                         |
| Housing assistance (net)                             | 30                       | CP 4                    |
| <b>Street Scene, Leisure and Technical Services</b>  |                          |                         |
| Recycling waste bins growth / replacement            | 31                       | CP 10                   |
| Refuse bins growth / replacement                     | 61                       | CP 10                   |
| Garden waste bins growth / replacement               | 37                       | CP 10                   |
| Improvements to existing car parks rolling programme | 30                       | CP 16                   |
| <b>Total</b>   | <b>189</b>               |                         |

1.4.10 It is **RECOMMENDED** that Cabinet be asked to endorse the Capital Plan (List A) position as shown in **[Annex 1]**.

## **1.5 List C Update**

1.5.1 As a result of the difficult and challenging financial outlook the focus has to be on what are seen as priority capital plan schemes or where there is potential for external funding.

1.5.2 It should be noted that a number of List C schemes are dependent on and will, in all likelihood, only proceed if funded in full or in large part by developer contributions, government grant or other external funding opportunities. An updated schedule of List C schemes is attached at **[Annex 2]**. The update includes schemes which are recommended to be added to List C and schemes to be deleted from List C.

1.5.3 To assist Members a summary of the proposals is detailed in the table below.

| <b>List C additions and deletions</b>  |                         |
|--|-------------------------|
|  | <b>Annex 2<br/>Page</b> |
| <b>Schemes to be added to List C</b>   |                         |
| <b>Corporate Services</b>  |                         |
| Gibson East Refurbishment  | CP 29                   |
| De-carbonising the Council's Estate  | CP 30                   |
| <b>Schemes to be deleted from List C</b>   |                         |
| <b>Street Scene, Leisure and Technical Services</b>  |                         |
| Tonbridge Farm Sportsground – Provision of Toilets (provision met by alternative provider) |                         |
| Tonbridge Castle – Site Improvements (funded in full from Welcome Back Fund)               |                         |
| Taddington Valley Woodland Management (classified as revenue expenditure)                  |                         |

1.5.4 It is **RECOMMENDED** that Cabinet be asked to amend List C as detailed in paragraph 1.5.3.

## **1.6 Selection of List C Schemes for Evaluation**

1.6.1 At this meeting, Members have the opportunity to recommend schemes for evaluation.

1.6.2 It is recognised that the evaluation of schemes imposes a resource requirement and, in consequence, Services have to establish a balance between the evaluation of new schemes and the delivery of existing approved schemes.

1.6.3 The schedule of List C schemes in **[Annex 2]** indicates the schemes which have been recommended for evaluation coming out of this Capital Plan Review



including where recommended for Fast-Track evaluation and summarised in the table below. On this occasion, two schemes have been recommended both for Fast-Track evaluation.

- 1.6.4 In addition, there are two schemes selected for evaluation in a previous Review that are yet to be evaluated / subject to further evaluation as follows: Tonbridge Racecourse Sportsground – Improvement Works Phase 3 and River Medway – Riverside Environmental Improvements, Tonbridge.

| <b>Schemes selected for evaluation from List C</b>   |                         |
|--|-------------------------|
|  | <b>Annex 2<br/>Page</b> |
| <b>Corporate Services</b>  |                         |
| Gibson East Refurbishment (Fast-Track)   | CP 29                   |
| De-carbonising the Council's Estate (Fast-Track)<br>Carbon Descent Initiatives –<br>Installation of solar PV at Tonbridge Swimming Pool<br>Installation of LED lighting at Tonbridge Swimming Pool<br>Installation of LED lighting at Larkfield Leisure Centre | CP 30                   |

- 1.6.5 It is **RECOMMENDED** that Cabinet be asked to select the schemes listed in paragraph 1.6.4 for evaluation including where recommended for Fast-Track evaluation.

## **1.7 Evaluation of List C Schemes**

- 1.7.1 As part of the 2021/22 and previous Capital Plan reviews a number of schemes were selected for evaluation. The results of those evaluations which have been concluded are given in **[Annex 3]** including those schemes recommended for Fast-Track evaluation.
- 1.7.2 Members are reminded that the Capital Strategy sets out criteria for evaluation. These criteria are the basis for the pro forma structure for reporting on the evaluation which includes screening for equality impacts.
- 1.7.3 Details of the evaluated schemes are summarised below.

| <b>Capital / revenue consequences of evaluated schemes</b> |                     |                                       |                     |
|--|---------------------|---------------------------------------|---------------------|
|  | <b>Capital Cost</b> | <b>Annual revenue / renewals cost</b> | <b>Annex 3 Page</b> |
|  | <b>£'000</b>        | <b>£'000</b>                          |                     |
| <b>Corporate Services</b>                                  |                     |                                       |                     |
| Gibson East Refurbishment                                  | 3,000               |                                       | CP 31               |
| De-carbonising the Council's Estate                        | 225                 | 11                                    | CP 33               |
|  |                     |                                       |                     |
| <b>Total</b>   | <b>3,225</b>        | <b>11</b>                             |                     |

- 1.7.4 The scale of the Gibson East Refurbishment is such that it is to be seen as a standalone project outside of the capital plan review process where it is proposed the estimated capital cost of £3.0m be funded in the first instance from the Revenue Reserve for Capital Schemes. Subsequently, the proceeds (capital receipt) from the sale of Gibson West are used to fund capital expenditure up to the value of the cost of the works to in effect reimburse the Reserve. This of course assumes our share of the sale proceeds will as a minimum cover the cost of the works. The opportunity to apply for grant funding for energy efficiency measures/ environmental improvements to the public estate will also be explored.
- 1.7.5 In addition, a revenue budget in the current financial year is required in the sum of £50,000 to meet professional fees and survey costs to take forward the project funded from an earmarked reserve and where an **ongoing revenue saving** as a result of the scaling back of office accommodation of £200,000 has **already** been built into the Medium Term Financial Strategy.
- 1.7.6 The estimated capital cost of the De-carbonising the Council's Estate capital plan scheme comprising three carbon descent initiatives is to be met from the Climate Change Reserve.
- 1.7.7 Members are reminded that evaluated schemes can be recommended for inclusion on List B, retention on List C, or deletion from the Capital Plan process. Recommendation for inclusion on List B does not commit a scheme to be included in the Capital Plan, but is an expression of "in principle" support.
- 1.7.8 List B schemes will be considered by Cabinet on 14 February alongside the revenue estimates. Schemes may be selected for transfer from List B to the Capital Plan (List A) taking into account the overall budget position.
- 1.7.9 It is **RECOMMENDED** that Cabinet be asked to endorse the transfer of the two schemes shown in paragraph 1.7.3 from List C to List B.

## 1.8 Capital Strategy

- 1.8.1 Updates to both the Prudential Code and Treasury Management Code were published by the Chartered Institute of Public Finance and Accountancy (CIPFA) in December 2021 and uphold a key principle that borrowing primarily for return on investment is not permissible.
- 1.8.2 The requirements of both the Treasury Management and Prudential Codes of Practice published by CIPFA have been taken into account and reflected as appropriate in the annual review and update of the Capital Strategy attached at **[Annex 4]**. The Strategy has no annexes but includes links to a number of other documents or web pages which are referred to in the text and are available on the Council's website or the internet.
- 1.8.3 CIPFA – “The Capital Strategy should describe how the investment of capital resources will contribute to the achievement of the authority’s key objectives and priorities that are detailed in their Performance Plans and Community Plans/Strategies. An authority’s Capital Strategy should be one of the key, overarching strategies that support service plans. The strategy will also determine priorities between the various services and look for opportunities for cross-cutting and joined-up investment. The authority’s Capital Strategy should describe how the deployment of capital resources contributes to the achievement of the described goals. It will also help to ensure that issues around property and other assets are fully reflected in the Council’s planning.”
- 1.8.4 It is **RECOMMENDED** that Cabinet be invited to endorse the Capital Strategy as attached at **[Annex 4]** for adoption by Council and publication on the Council’s website.

## 1.9 Legal Implications

- 1.9.1 The Local Government Act 2003 and its subsidiary regulations set out the framework for the system of capital controls which applied from 1 April 2004 whereby local authorities must set their own borrowing limits with regard to affordability, prudence and sustainability. Underpinning this is a requirement to follow the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

## 1.10 Financial and Value for Money Considerations

- 1.10.1 The transfer of schemes from List C to List B has no financial impact. The transfer of schemes from List B to List A will be considered by Cabinet on 14 February in the context of the Medium Term Financial Strategy and the overall budget position.
- 1.10.2 The Capital Strategy outlines a capital plan process which follows the CIPFA Prudential Code and in addition to supporting the achievement of the Council’s strategic priorities and objectives, focuses on value for money.

## 1.11 Risk Assessment

- 1.11.1 The proceeds from the sale of Gibson West may not fully cover the cost of the Gibson East Refurbishment and or the sale takes longer than anticipated placing the Revenue Reserve for Capital Schemes under pressure and recourse to borrowing earlier than expected with consequent financial implications.
- 1.11.2 Financial implications of new schemes to be considered by Cabinet at the February budget meeting.
- 1.11.3 Failure to endorse a satisfactory Capital Strategy may lead to a capital programme which does not fully support the Council's strategic priorities and objectives.

## 1.12 Equality Impact Assessment

- 1.12.1 Where there is a perceived impact on end users an equality impact assessment has or will be carried out as schemes progress as appropriate.

## 1.13 Recommendations

- 1.13.1 It is **RECOMMENDED** that Cabinet be asked to endorse the Capital Plan (List A) position as shown in **[Annex 1]**.
- 1.13.2 It is **RECOMMENDED** that Cabinet be asked to amend List C as detailed in paragraph 1.5.3.
- 1.13.3 It is **RECOMMENDED** that Cabinet be asked to select the schemes listed in paragraph 1.6.4 for evaluation including where recommended for Fast-Track evaluation.
- 1.13.4 It is **RECOMMENDED** that Cabinet be asked to endorse the transfer of the two schemes shown in paragraph 1.7.3 from List C to List B.
- 1.13.5 It is **RECOMMENDED** that Cabinet be invited to endorse the Capital Strategy as attached at **[Annex 4]** for adoption by Council and publication on the Council's website.

Background papers:

Nil

contact: Donna Riley  
Neil Lawley

Sharon Shelton  
Director of Finance and Transformation

| <b>Capital Plan: List A<br/>Service Summary</b> |                            |   |                     |                     |                     |                     |                     |                     |                 |
|---|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|   | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|   | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Capital Plan Schemes</b>                     |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Planning, Housing & Environmental Health        | 1,554                      | 56  | 30                  | 30                  | 30                  | 30                  | 30                  | 30                  | 1,790           |
| Street Scene, Leisure & Technical Services      | 288                        | 784   | 1,396               | 287                 | 275                 | 159                 | 159                 | 174                 | 3,522           |
| Corporate                                       | 15                         | 12  | 105                 | 0                   | 0                   | 0                   | 0                   | 0                   | 132             |
| Sub-total                                       | 1,857                      | 852   | 1,531               | 317                 | 305                 | 189                 | 189                 | 204                 | 5,444           |
| <b>Capital Renewals</b>                         |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Planning, Housing & Environmental Health        | n/a                        | 0   | 0                   | 13                  | 0                   | 0                   | 0                   | 0                   | 13              |
| Street Scene, Leisure & Technical Services      | n/a                        | 590   | 1,776               | 544                 | 241                 | 453                 | 601                 | 965                 | 5,170           |
| Corporate                                       | n/a                        | 125   | 525                 | 322                 | 150                 | 102                 | 129                 | 254                 | 1,607           |
| Sub-total                                       | n/a                        | 715   | 2,301               | 879                 | 391                 | 555                 | 730                 | 1,219               | 6,790           |
| <b>Total</b>                                    | 1,857                      | 1,567   | 3,832               | 1,196               | 696                 | 744                 | 919                 | 1,423               | 12,234          |

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**Capital Plan: List A**  
**Planning, Housing and Environmental Health**

|   | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|---|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|   | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Capital Plan Schemes</b>                             |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Housing   | 1,554                      | 46  | 30                  | 30                  | 30                  | 30                  | 30                  | 30                  | 1,780           |
| Environmental Health                                    | 0                          | 10  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 10              |
| Sub-total   | 1,554                      | 56  | 30                  | 30                  | 30                  | 30                  | 30                  | 30                  | 1,790           |
| <b>Capital Renewals</b>                                 | n/a                        | 0   | 0                   | 13                  | 0                   | 0                   | 0                   | 0                   | 13              |
| <b>Total Planning, Housing and Environmental Health</b> | <b>1,554</b>               | <b>56</b>   | <b>30</b>           | <b>43</b>           | <b>30</b>           | <b>30</b>           | <b>30</b>           | <b>30</b>           | <b>1,803</b>    |

**Capital Plan: List A**  
**Planning, Housing and Environmental Health**

|  | Code  | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|--|-------|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|  |       | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Housing</b>   |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (a) Disabled Facility Grants   |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (i) Mandatory Grants<br>Less repayments                                  | P03AC | n/a                        | 1,956<br>(10)                                     | 1,050<br>(10)       | 1,050<br>(10)       | 1,050<br>(10)       | 1,050<br>(10)       | 1,050<br>(10)       | 1,050<br>(10)       | 8,256<br>(70)   |
| (ii) Discretionary Grants  | P03AT | n/a                        |   |                     |                     |                     |                     |                     |                     |                 |
| (iii) Government Grant   |       | n/a                        | (1,946)   | (1,040)             | (1,040)             | (1,040)             | (1,040)             | (1,040)             | (1,040)             | (8,186)         |
| Sub-total  |       | n/a                        | 0   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0               |
| (b) Housing Assistance<br>Less repayments                                | P03AD | n/a                        | 60<br>(30)  | 60<br>(30)          | 60<br>(30)          | 60<br>(30)          | 60<br>(30)          | 60<br>(30)          | 60<br>(30)          | 420<br>(210)    |
| Sub-total  |       | n/a                        | 30  | 30                  | 30                  | 30                  | 30                  | 30                  | 30                  | 210             |
| (c) Temporary Accommodation  |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (i) 4 Dwellings, Pembury Road, Tonbridge<br>Less Developer Contributions | P03AX | 2,060<br>(506)             | 150<br>(354)                                      |                     |                     |                     |                     |                     |                     | 2,210<br>(860)  |
| Sub-total  |       | 1,554                      | (204)   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 1,350           |
| (ii) Ground Floor Unit, High Street, Tonbridge<br>Sub-total              | P03AY | 0                          | 10  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 10              |
|  |       | 0                          | 10  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 10              |
| (iii) Freehold, 47 High Street, Tonbridge<br>Sub-total                   | P03AZ | 0                          | 210   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 210             |
|  |       | 0                          | 210   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 210             |
| <b>Total Housing to Summary</b>  |       | <b>1,554</b>               | <b>46</b>   | <b>30</b>           | <b>30</b>           | <b>30</b>           | <b>30</b>           | <b>30</b>           | <b>30</b>           | <b>1,780</b>    |



**Capital Plan: List A  
Planning, Housing and Environmental Health**

|  | Justification                                     | Scheme notes  |
|--|---|---|
| <p><b>Housing</b><br/>(a) Disabled Facility Grants</p> | <p><i>Former Corp't Aims &amp; Priorities</i></p> | <p>Given the level of budget available this year which includes prior year slippage and the forthcoming review of the housing assistance programme, it is likely that a reprofiling exercise will be undertaken. Funding continues to be made available from the Better Care Fund to enable qualifying residents to apply for grants to help with adaptation costs.</p> |
| <p>(b) Housing Assistance</p>                          | <p><i>Former Corp't Aims &amp; Priorities</i></p> | <p>Budget reviewed by Communities &amp; Housing Advisory Board, July 2016. Gross budget provision reduced from £90,000 to £60,000 per annum. An earmarked reserve has been established to meet any shortfall in assumed grant repayments.</p>   |

|   | Justification   | Scheme notes  |
|---|---|---|
| (c) Temporary Accommodation<br><br>(i)<br><br><br><br><br><br><br><br><br><br>(ii)<br><br><br><br><br><br><br><br><br><br>(iii) | Cost Saving<br><br><br><br><br><br><br><br><br><br>Cost Saving<br><br><br><br><br><br><br><br><br><br>Cost Saving | Purchase and conversion of Pembury Road properties for temporary accommodation purposes.<br><br><br><br><br><br><br><br><br><br>Scheme approved by Council in October 2020 to acquire ground floor accommodation at 47 High Street, Tonbridge to provide office accommodation and a CCTV monitoring capability relating to the Council owned flats in the adjoining properties.<br><br><br><br><br><br><br><br><br><br>The Leader of the Council and Chairman of Overview and Scrutiny Committee, under urgency provisions agreed the purchase of the freehold of 47 High Street, Tonbridge. The purchase of the freehold has now been completed. |

**Capital Plan: List A**  
**Planning, Housing and Environmental Health**

|  | Code               | Expenditure To 31/03/22 | 2022/23 Estimate inc Prior Year Slippage | 2023/24 Estimate | 2024/25 Estimate | 2025/26 Estimate | 2026/27 Estimate | 2027/28 Estimate | 2028/29 Estimate | Scheme Total |
|--|--------------------|-------------------------|--|------------------|------------------|------------------|------------------|------------------|------------------|--------------|
|  |                    | £'000                   | £'000                                    | £'000            | £'000            | £'000            | £'000            | £'000            | £'000            | £'000        |
| <b>Environmental Health</b>                          |                    |                         |  |                  |                  |                  |                  |                  |                  |              |
| (a) Air Quality Monitoring Station                   | P02EN              |                         | 10                                       |                  |                  |                  |                  |                  |                  | 10           |
| Sub-total  |                    |                         | 10                                       |                  |                  |                  |                  |                  |                  | 10           |
| (b) Anti-idling Campaign Project Government Grant    | P02EM              |                         | 31                                       |                  |                  |                  |                  |                  |                  | 31           |
| Sub-total  |                    |                         | (31)                                     |                  |                  |                  |                  |                  |                  | (37)         |
|  |                    |                         | 0  |                  |                  |                  |                  |                  |                  | (6)          |
| Total Environmental Health to Summary                |                    | 0                       | 10                                       | 0                | 0                | 0                | 0                | 0                | 0                | 4            |
| <b>Capital Renewals</b>                              |                    |                         |  |                  |                  |                  |                  |                  |                  |              |
| (c) Environmental Protection Provision for Inflation | P02EBCR01<br>P02EZ | n/a<br>n/a              |  |                  | 12<br>1          |                  |                  |                  |                  | 12<br>1      |
| Total Capital Renewals to Summary                    |                    | n/a                     | 0  | 0                | 13               | 0                | 0                | 0                | 0                | 13           |

**Capital Plan: List A  
Planning, Housing and Environmental Health**

|   | Justification   | Scheme notes  |
|---|---|---|
| <p><b>Environmental Health</b></p> <p>(a) Air Quality Monitoring Station</p> <p>(b) Anti-idling Campaign Project</p> <p><b>Capital Renewals</b></p> <p>(c) Environmental Protection</p> | <p>Statutory requirement, Health &amp; Safety</p> <p>Statutory requirement, Health &amp; Safety</p> <p><i>Former Corp't Aims &amp; Priorities</i></p> | <p>Provision relates to the purchase of an additional Nitrogen Dioxide monitor. This will enable continuous monitoring of air quality at two locations across the borough at any one time in line with the agreed Air Quality Action Plan (AQAP).</p> <p>Provision relates to the purchase of five mobile sensors to record indicative levels of Nitrogen Dioxide and Particulates at participating schools. This will enable monitoring of air quality associated with school traffic, specifically where car engines remain in an idling position. This project is in line with the agreed Air Quality Action Plan (AQAP).</p> <p>Provisions relate to the replacement of noise and gas pollution monitoring equipment.</p> |

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**Capital Plan: List A  
Street Scene, Leisure & Technical Services**

|   | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|---|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|   | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Capital Plan Schemes</b>                                 |                            |   |                     |                     |                     |                     |                     |                     |                 |
| <b>Street Scene</b>   | n/a                        | 275   | 120                 | 129                 | 129                 | 129                 | 129                 | 129                 | 1,040           |
| <b>Leisure</b>  |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Larkfield Leisure Centre                                    | 0                          | 140   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 140             |
| Sports Grounds  | 33                         | 177   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 210             |
| Open Spaces   | 124                        | 0   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 124             |
| Other Leisure Schemes                                       | 103                        | 0   | 15                  | 0                   | 0                   | 0                   | 0                   | 15                  | 133             |
| <b>Technical Services</b>                                   |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Car Parking   | 0                          | 30  | 30                  | 30                  | 30                  | 30                  | 30                  | 30                  | 210             |
| Electrical Vehicle Charging Points                          | 3                          | 37  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 40              |
| Land Drainage / Flood Defence                               | 25                         | 125   | 1,231               | 128                 | 116                 | 0                   | 0                   | 0                   | 1,625           |
| Sub-total   | 288                        | 784   | 1,396               | 287                 | 275                 | 159                 | 159                 | 174                 | 3,522           |
| <b>Capital Renewals</b>                                     | n/a                        | 590   | 1,776               | 544                 | 241                 | 453                 | 601                 | 965                 | 5,170           |
| <b>Total Street Scene, Leisure &amp; Technical Services</b> | 288                        | 1,374   | 3,172               | 831                 | 516                 | 612                 | 760                 | 1,139               | 8,692           |

**Capital Plan: List A  
Street Scene, Leisure & Technical Services**

|   | Code  | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|---|-------|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|   |       | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Street Scene</b>                       |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (a) Green Waste Bins Growth / Replacement | P02BC | n/a                        | 160   | 31                  | 31                  | 31                  | 31                  | 31                  | 31                  | 346             |
| (b) Refuse Bins Growth / Replacement      | P02DA | n/a                        | 75  | 61                  | 61                  | 61                  | 61                  | 61                  | 61                  | 441             |
| (c) Garden Waste Bin Replacement          | P02CF | n/a                        | 40  | 28                  | 37                  | 37                  | 37                  | 37                  | 37                  | 253             |
| Total Street Scene to Summary             |       | n/a                        | 275   | 120                 | 129                 | 129                 | 129                 | 129                 | 129                 | 1,040           |
| <b>Larkfield Leisure Centre</b>           |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (d) PV System                             | P05LR | n/a                        | 140   |                     |                     |                     |                     |                     |                     | 140             |
| Total Larkfield Leisure Centre to Summary |       | n/a                        | 140   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 140             |

**Capital Plan: List A  
Street Scene, Leisure & Technical Services**

|   | Justification  | Scheme notes   |
|---|--|--|
| <p><b>Street Scene</b></p> <p>(a) Green Waste Bins Growth / Replacement</p> <p>(b) Refuse Bins Growth / Replacement</p> <p>(c) Garden Waste Bin Replacement</p> <p><b>Larkfield Leisure Centre</b></p> <p>(d) PV System</p> | <p><i>Former Corp't Aims &amp; Priorities</i></p> <p>Reduce Expenditure &amp; Income Generation</p> <p>Climate Change &amp; Cost Savings</p> | <p>The recycling and refuse provisions cater for growth in the number of properties served and the replacement of existing collection bins and boxes. The 2022/23 revised estimates include the agreed roll out programme to flats, a requirement to pre-order due to protracted lead in times and increased costs. The ongoing annual budget requirement to be the subject of review in 2023/24.</p> <p>Provision for replacement of garden waste containers.</p> <p>Installation of PV system (solar panels) to the sports hall roof at Larkfield Leisure Centre. This will allow the site to produce some of it's electricity demand from an on-site renewable source, resulting in annual savings to energy costs.</p> |

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**Capital Plan: List A**  
**Street Scene, Leisure & Technical Services**

|   | Code  | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|---|-------|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
| <b>Sports Grounds</b>   |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (a) Racecourse Sportsground Riverside Revetment<br>Less Grants                    | P05DD | 50<br>(17)                 | 175<br>(11)                                       |                     |                     |                     |                     |                     |                     | 225<br>(28)     |
| Sub-total   |       | 33                         | 164   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 197             |
| (b) Racecourse Sportsground Rugby Pitch Drainage<br>Less Developer Contributions  | P05DE | 10<br>(10)                 | 21<br>(8)   |                     |                     |                     |                     |                     |                     | 31<br>(18)      |
| Sub-total   |       | 0                          | 13  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 13              |
| (c) Tonbridge Farm Sportsground Site Improvements<br>Less Developer Contributions | P05DF |                            | 40<br>(40)  |                     |                     |                     |                     |                     |                     | 40<br>(40)      |
| Sub-total   |       | 0                          | 0   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0               |
| Total Sports Grounds to Summary   |       | 33                         | 177   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 210             |



**Capital Plan: List A**  
**Street Scene, Leisure & Technical Services**

|  | Justification  | Scheme notes  |
|--|--|---|
| <p><b>Sports Grounds</b></p> <p>(a) Racecourse Sportsground Riverside Revetment</p> <p>(b) Racecourse Sportsground Rugby Pitch Drainage</p> <p>(c) Tonbridge Farm Sportsground Site Improvements</p> | <p>Health &amp; Safety</p> <p>External Funding</p> <p>External Funding</p> | <p>Replace sections of the existing wooden revetment which is failing and causing erosion of the riverbank at Tonbridge Racecourse Sportsground. Scheme is part funded by a grant from the Environment Agency. Phase 1 complete. Phase 2 currently in design for delivery later this financial year.</p> <p>To improve drainage to the rugby pitches at Tonbridge Racecourse Sportsground that are currently subject to regular flooding to maintain and enhance their use. Funded from developer contributions and a virement of £8,000 from the Land Drainage Improvement Programme. Gross budget, approved February 2020, increased by £10,000 to £26,000 offset in full by grant from Sport England. Further funding of £5,000 required to meet cost of EA flood risk assessment and compensation as required in the planning application.</p> <p>To enhance and provide additional facilities at Tonbridge Farm Sportsground including the installation of a new outdoor gym and an additional piece of toddler play equipment. Funded in full from developer contributions.</p> |

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**Capital Plan: List A**  
**Street Scene, Leisure & Technical Services**

|  | Code  | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|--|-------|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|  |       | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Open Spaces</b>   |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (a) Leybourne Lakes Country Park Path Improvements<br>Less Grants & Developer Contributions    | P05FH | 74<br>(22)                 |   |                     |                     |                     |                     |                     |                     | 74<br>(22)      |
| Sub-total  |       | 52                         | 0   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 52              |
| (b) Leybourne Lakes Country Park Facility<br>Improvements<br>Less Developer Contributions      | P05FF | 544<br>(472)               | 393<br>(393)                                      |                     |                     |                     |                     |                     |                     | 937<br>(865)    |
| Sub-total  |       | 72                         | 0   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 72              |
| <b>Total Open Spaces to Summary</b>  |       | 124                        | 0   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 124             |
| <b>Other Leisure Schemes</b>   |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (c) Tonbridge Cemetery / Closed Churchyards<br>Memorial Safety<br>Less Developer Contributions | P05KV | 106<br>(3)                 |   | 15                  |                     |                     |                     |                     | 15                  | 136<br>(3)      |
| Sub-total  |       | 103                        | 0   | 15                  | 0                   | 0                   | 0                   | 0                   | 15                  | 133             |
| <b>Total Other Leisure Schemes to Summary</b>  |       | 103                        | 0   | 15                  | 0                   | 0                   | 0                   | 0                   | 15                  | 133             |

**Capital Plan: List A**  
**Street Scene, Leisure & Technical Services**

|  | Justification   | Scheme notes  |
|--|---|---|
| <p><b>Open Spaces</b></p> <p>(a) Leybourne Lakes Country Park Path Improvements</p> <p>(b) Leybourne Lakes Country Park Facility Improvements</p> <p><b>Other Leisure Schemes</b></p> <p>(c) Tonbridge Cemetery / Closed Churchyards Memorial Safety</p> | <p>External Funding</p> <p>External Funding</p> <p><i>Former Corp't Aims &amp; Priorities</i></p> | <p>Due to increased usage of the Country Park, including the popular weekly Parkrun, resurfacing of the path around the main lake is required on health and safety grounds, and in order to maintain good access for the public including making it accessible for less able users. It was originally hoped the scheme could be funded in full from grants and/or developer contributions. Works now completed. Further pathworks around the lake were funded by KCC public rights of way and have also been completed.</p> <p>To build a purpose built lakeside facility to provide year round catering and a centre for watersports. The facility would meet an identified customer need and would be income generating. The project will help support the long term sustainability of the Leisure Trust. Costs to be met from developer contributions and a £64,000 contribution from the Council's Climate Change Reserve, together with a virement of £8,000 from LLCP path improvement works capital plan scheme. Scheme now complete and operational.</p> <p>Provision based on Local Government Ombudsman's recommendation to inspect every five years.</p> |

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| <b>Capital Plan: List A<br/>Street Scene, Leisure &amp; Technical Services</b> |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
|--|-------|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|  | Code  | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|  |       | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Car Parking</b>   |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (a) Existing Car Parks Improvement Programme                                   | P01AB | n/a                        | 30  | 30                  | 30                  | 30                  | 30                  | 30                  | 30                  | 210             |
| Total Car Parking to Summary   |       | 0                          | 30  | 30                  | 30                  | 30                  | 30                  | 30                  | 30                  | 210             |
| <b>Transportation</b>  |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (b) Electrical Vehicle Charging Points<br>Less grant and contributions         | P01EA | 3                          | 117<br>(80)                                       |                     |                     |                     |                     |                     |                     | 120<br>(80)     |
| Total Transportation to Summary  |       | 3                          | 37  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 40              |
| <b>Land Drainage / Flood Defence</b>   |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (c) Wouldham River Wall  | P01HS | 25                         |   | 1,100               |                     |                     |                     |                     |                     | 1,125           |
| (d) Leigh Flood Storage Area   | P01HV |                            | 125   | 131                 | 128                 | 116                 |                     |                     |                     | 500             |
| Total Land Drainage/Flood Defence to Summary                                   |       | 25                         | 125   | 1,231               | 128                 | 116                 | 0                   | 0                   | 0                   | 1,625           |

| <b>Capital Plan: List A<br/>Street Scene, Leisure &amp; Technical Services</b>  |   |  |
|---|---|--|
|   | Justification   | Scheme notes   |
| <p><b>Car Parking</b></p> <p>(a) Existing Car Parks Improvement Programme</p> <p><b>Transportation</b></p> <p>(b) Electrical Vehicle Charging Points</p> <p><b>Land Drainage / Flood Defence</b></p> <p>(c) Wouldham River Wall</p> <p>(d) Leigh Flood Storage Area</p> | <p><i>Former Corp't Aims &amp; Priorities</i></p> <p><i>Former Corp't Aims &amp; Priorities</i></p> <p><i>Former Corp't Aims &amp; Priorities</i></p> <p><i>Former Corp't Aims &amp; Priorities</i></p> | <p>An annual provision for capital investment in the Council's off-street car parks to ensure that their condition is adequate for health &amp; safety, legislation, the needs of our customers and income generation. A condition survey of the car parks has been progressed to determine a future work programme.</p> <p>Provision to progress phases 1 and 2 of programme to install Electric Vehicle charging points in Council owned car parks across the borough. Procurement progressed using framework and KCC countywide tender exercise. Installation of phase 1 nearing completion.</p> <p>Strengthening / rebuilding to address movement detected in the retaining wall between the public open space and the River Medway. Budget increased by £300,000 to £1,000,000, as part of the 2015/16 Capital Plan Review, reflecting a re-evaluation of scheme costs by the consultant Quantity Surveyor. Movement in the wall is being monitored by an external consultant over the next 5 years to determine requirement for works. Funding rescheduled to 2023/24 in liaison with local Members and the Parish Council. Funding may need to be brought forward if monitoring identifies significant changes in movement levels of the wall. Budget increased by £125,000 to maintain the purchasing power of the reprogrammed scheme. Health and safety related path repairs were undertaken in 2018/19.</p> <p>Contribution to an Environment Agency project to improve the Leigh Flood Storage Area. Project aims to provide additional flood protection and reduce the risk of flooding to local households and business premises and a range of community and leisure facilities, including those in the ownership of the Council, particularly in central Tonbridge. Scheme approved by Cabinet September 2016.</p> |

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**Capital Plan: List A**  
**Street Scene, Leisure & Technical Services**

|  | Code      | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|--|-----------|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|  |           | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Capital Renewals</b>                                      |           |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Sports Grounds & Open Spaces<br>Less grant and contributions | P05KGBC05 | n/a<br>n/a                 | 70  | 888                 | 173                 | 44                  | 140                 | 143                 | 170                 | 1,628           |
|  |           |                            | 70  | 888                 | 173                 | 44                  | 140                 | 143                 | 170                 | 1,628           |
| Technical Services:  |           |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (a) CCTV   | P01BA     | n/a                        | 37  | 35                  | 35                  | 35                  | 35                  | 41                  | 35                  | 253             |
| (b) Car Parking  | P01JF     | n/a                        | 4   | 20                  | 40                  | 9                   | 18                  | 141                 | 0                   | 232             |
|  |           |                            | 111   | 943                 | 248                 | 88                  | 193                 | 325                 | 205                 | 2,113           |
| Provision for Inflation                                      |           | n/a                        | 0   | 9                   | 7                   | 4                   | 14                  | 30                  | 24                  | 88              |
| Sub-total  |           |                            | 111   | 952                 | 255                 | 92                  | 207                 | 355                 | 229                 | 2,201           |
| Leisure Centres:   |           |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (c) Angel Centre   | P05KGBC01 | n/a                        | 56  | 393                 | 127                 | 58                  | 68                  | 34                  | 302                 | 1,038           |
| (d) Larkfield Leisure Centre                                 | P05KGBC02 | n/a                        | 191   | 462                 | 106                 | 63                  | 76                  | 65                  | 399                 | 1,362           |
| (e) Tonbridge Swimming Pool                                  | P05KGBC04 | n/a                        | 220   | 164                 | 65                  | 37                  | 61                  | 109                 | 95                  | 751             |
| (f) Poult Wood Golf<br>Clubhouse                             | P05KGBC03 | n/a                        | 104   | 26                  | 16                  | 15                  | 28                  | 32                  | 16                  | 237             |
| Course   | P05KGBC07 | n/a                        | 18  | 0                   | 7                   | 4                   | 35                  | 5                   | 62                  | 131             |
| Grounds Maintenance  | P05KGBC06 | n/a                        | 50  | 43                  | 54                  | 12                  | 38                  | 55                  | 7                   | 259             |
|  |           |                            | 639   | 1,088               | 375                 | 189                 | 306                 | 300                 | 881                 | 3,778           |
| Provision for Inflation                                      | P05KZ     | n/a                        | 0   | 11                  | 11                  | 10                  | 22                  | 28                  | 101                 | 183             |
| Savings Target (assumes 25%)                                 |           | n/a                        | (160)   | (275)               | (97)                | (50)                | (82)                | (82)                | (246)               | (992)           |
| Sub-total  |           |                            | 479   | 824                 | 289                 | 149                 | 246                 | 246                 | 736                 | 2,969           |
| <b>Total Capital Renewals to Summary</b>                     |           | n/a                        | 590   | 1,776               | 544                 | 241                 | 453                 | 601                 | 965                 | 5,170           |

**Capital Plan: List A  
Street Scene, Leisure & Technical Services**

|   | Justification   | Scheme notes   |
|---|---|--|
| <p><b>Capital Renewals</b></p> <p>Street Scene - Recycling Initiatives</p> <p>Sports Grounds &amp; Open Spaces</p> <p>Technical Services:</p> <p>(a) CCTV</p> <p>(b) Car Parking</p> <p>Leisure Centres:</p> <p>(c) Angel Centre</p> <p>(d) Larkfield Leisure Centre</p> <p>(e) Tonbridge Swimming Pool</p> <p>(f) Poulton Wood Golf Course</p> <p>Savings target</p> | <p align="center"><i>Former<br/>Corp't Aims<br/>&amp; Priorities</i></p> <p>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}</p> | <p>Provision for the replacement of life expired assets (primarily children's play equipment and sports / other equipment) used at leisure facilities. Provisions reviewed annually.</p> <p>Following the Overview and Scrutiny Committee review of capitals renewals (September 2014) savings target increased from 20% to 25% for 2015/16 and embedded in the detailed estimates thereafter by increasing estimated useful life for scheduled items. However, no changes were made to the Leisure Centre renewals schedules (expended by TMLT) so the 25% savings target is retained throughout the plan period.</p> |

| <b>Capital Plan: List A<br/>Corporate</b> |                            |   |                     |                     |                     |                     |                     |                     |                 |
|---|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|   | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|   | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Capital Plan Schemes</b>               |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Land and Property                         | 10                         | 0   | 60                  | 0                   | 0                   | 0                   | 0                   | 0                   | 70              |
| Information Technology Initiatives        | 5                          | 12  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 17              |
| Other Schemes                             | 0                          | 0   | 45                  | 0                   | 0                   | 0                   | 0                   | 0                   | 45              |
| Sub-total                                 | 15                         | 12  | 105                 | 0                   | 0                   | 0                   | 0                   | 0                   | 132             |
| <b>Capital Renewals</b>                   | n/a                        | 125   | 525                 | 322                 | 150                 | 102                 | 129                 | 254                 | 1,607           |
| <b>Total Corporate</b>                    | 15                         | 137   | 630                 | 322                 | 150                 | 102                 | 129                 | 254                 | 1,739           |

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| <b>Capital Plan: List A<br/>Corporate</b>           |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
|---|-------|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|   | Code  | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|   |       | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Land and Property</b>                            |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (a) Tonbridge Castle Offices: Re-tile Roof          | P06AA | 10                         |   | 60                  |                     |                     |                     |                     |                     | 70              |
| Total Land and Property to Summary                  |       | 10                         | 0   | 60                  | 0                   | 0                   | 0                   | 0                   | 0                   | 70              |
| <b>Information Technology Initiatives</b>           |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (b) Revenues and Benefits IT Digital Solution       | P06EW | 5                          | 12  |                     |                     |                     |                     |                     |                     | 17              |
| Total Information Technology Initiatives to Summary |       | 5                          | 12  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 17              |
| <b>Other Schemes</b>                                |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (c) UK Shared Prosperity Fund Projects/Initiatives  | P06FN |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Mobile CCTV   | FN10  | n/a                        | 20  |                     |                     |                     |                     |                     |                     | 20              |
| Tonbridge Wayfinding                                | FN20  | n/a                        | 25  |                     |                     |                     |                     |                     |                     | 25              |
| Digital Information Boards                          | FN30  | n/a                        |   | 40                  | 80                  |                     |                     |                     |                     | 120             |
| Shopfront and Vacant Unit Improvements              | FN40  | n/a                        |   | 40                  | 55                  |                     |                     |                     |                     | 95              |
| Bus Shelter Green Roofs Pilot                       | FN50  | n/a                        |   | 30                  |                     |                     |                     |                     |                     | 30              |
| West Kent Green Business Grants                     | FN60  | n/a                        |   | 25                  | 50                  |                     |                     |                     |                     | 75              |
| Carbon Descent Plans                                | FN70  | n/a                        |   |                     | 75                  |                     |                     |                     |                     | 75              |
| Safer Sustainable Car Parks                         | FN80  | n/a                        |   |                     | 100                 |                     |                     |                     |                     | 100             |
| Less Grants   | FN90  | n/a                        | (45)  | (90)                | (360)               |                     |                     |                     |                     | (495)           |
| Total Other Schemes to Summary                      |       | 0                          | 0   | 45                  | 0                   | 0                   | 0                   | 0                   | 0                   | 45              |

| <b>Capital Plan: List A<br/>Corporate</b>   |  |   |
|---|--|---|
|   | Justification  | Scheme notes  |
| <p><b>Land and Property</b><br/>(a) Tonbridge Castle Offices : Re-tile roof</p> <p><b>Information Technology Initiatives</b><br/>(b) Revenues and Benefits IT Digital Solution</p> <p><b>Other Schemes</b><br/>(c) UK Shared Prosperity Fund Projects/Initiatives</p> | <p><i>Former Corp't Aims &amp; Priorities</i></p> <p>Cost Saving</p> <p>External Funding</p> | <p>Retailing of roof to protect asset. Condition has not materially worsened. Bulk of the budget has been deferred to 2022/23. Spend to 31/3/16 relates to re-roofing works associated with the Tonbridge Castle Reception enhancement project carried out a number of years ago.</p> <p>IT digital solution which all staff in the service can readily access and improvements to online presentation of information and 24/7 access for tax payers at an estimated cost of £65,000. Key elements of this project have now been progressed through revenue initiatives reducing the capital requirement by £45,000. In 2022/23 the address database will be extended to include national postcode dataset to streamline customer access to landlords living outside of the borough, as well as planning agents, License holders(Taxi) who reside outside the borough. The scheme is expected to complete in 2022/23.</p> <p>Projects/Initiatives to be funded in large part from the UK Shared Prosperity Fund Grant Award and the balance from the Kent and Medway 100% Business Rates Retention Pilot Reserve. Further details can be found in the report to Cabinet on 5 July 2022.</p> |

| <b>Capital Plan: List A<br/>Corporate</b> |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
|---|-------|----------------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
|   | Code  | Expenditure<br>To 31/03/22 | 2022/23<br>Estimate inc<br>Prior Year<br>Slippage | 2023/24<br>Estimate | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate | Scheme<br>Total |
|   |       | £'000                      | £'000   | £'000               | £'000               | £'000               | £'000               | £'000               | £'000               | £'000           |
| <b>Capital Renewals</b>                   | P06FA |                            |   |                     |                     |                     |                     |                     |                     |                 |
| (a) General                               |       |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Departmental Administration               | GR01  | n/a                        | 4   | 1                   |                     | 7                   | 1                   |                     |                     | 13              |
| Council Offices                           | GR02  | n/a                        |   | 26                  |                     |                     |                     | 3                   |                     | 29              |
| Print Unit                                | GR03  | n/a                        |   | 105                 | 78                  |                     |                     | 15                  |                     | 198             |
| Tonbridge Christmas Lighting              | GR09  | n/a                        |   |                     |                     | 38                  |                     |                     |                     | 38              |
| Elections                                 | GR10  | n/a                        |   | 11                  |                     |                     |                     |                     |                     | 11              |
| Sub-total                                 |       | n/a                        | 4   | 143                 | 78                  | 45                  | 1                   | 18                  | 0                   | 289             |
| Information Technology                    | P06FB | n/a                        | 121   | 377                 | 235                 | 98                  | 94                  | 100                 | 228                 | 1,253           |
| Desktop Hardware                          | FB10  |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Mobile Hardware                           | FB20  |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Computer Suite                            | FB30  |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Other Hardware                            | FB40  |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Network                                   | FB50  |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Corporate Software                        | FB60  |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Operational Software                      | FB70  |                            |   |                     |                     |                     |                     |                     |                     |                 |
| User Software                             | FB80  |                            |   |                     |                     |                     |                     |                     |                     |                 |
| Sub-total                                 |       | n/a                        | 121   | 377                 | 235                 | 98                  | 94                  | 100                 | 228                 | 1,253           |
| Provision for Inflation                   | P06FZ | n/a                        | 0   | 5                   | 9                   | 7                   | 7                   | 11                  | 26                  | 65              |
| <b>Total Capital Renewals to Summary</b>  |       | n/a                        | 125   | 525                 | 322                 | 150                 | 102                 | 129                 | 254                 | 1,607           |

**Capital Plan: List A  
Corporate**

|   | Justification   | Scheme notes   |
|---|---|--|
| <p><b>Capital Renewals</b></p> <p>(a) General</p> <p>    Departmental Admin</p> <p>    Council Offices</p> <p>    Print Unit</p> <p>    Tonbridge Christmas Lighting</p> <p>    Elections</p> <p>(b) Information Technology</p> | <p><i>Former Corp't<br/>Aims &amp;<br/>Priorities</i></p> | <p>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>} Provision for the renewal of life-expired or obsolete equipment. Subject to annual review.<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>}<br/>} See sub-headings for type of equipment covered by renewals provisions. Full replacement, significant upgrades and new systems are identified as capital plan schemes in their own right.</p> |

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## Schedule of List C Schemes

| Cost Bands: A = £5,000 to £25,000 B= £26,000 to £50,000 C= £51,000 to £100,000 D= £101,000 to £200,000 E= Greater than £200,000 |   |   |   |
|---|---|---|---|
| Service   | Scheme Title  | Recommended for Evaluation                  | Cost Band   |
| New / Existing Scheme   | Details of Scheme / Comments  | ✓ = Yes<br>X = No<br>A/S = Already Selected | and Justification                                   |
| Street Scene, Leisure & Technical Services<br><br>Existing Scheme   | <p><b>Leisure Centres: Angel Leisure Centre - Facility Refurbishment</b></p> <p>Scheme identified by Leisure Trust in its Business Plan, prior to Covid-19 pandemic, to develop and refurbish the Angel Leisure Centre facilities. Options under consideration by the Trust include facilities such as soft play, indoor climbing, party rooms and enhanced fitness and dance studio provision. All were subject to a full site survey, design/build proposals and the Council's strategic approach to its assets in the town centre. Funding was to be on a partnership basis with the Trust due to the Council's building and maintenance responsibilities within the Management Agreement. Determining the future of the Angel Centre has been identified as a priority within the work to date on the Tonbridge Town Centre Asset Review.</p> <p><b>Retain on List C for evaluation within the context of the Tonbridge Town Centre Asset Review.</b></p> | <b>X</b>                                    | Band E<br><br>External funding<br>Income generating |

## Schedule of List C Schemes

| Cost Bands: A = £5,000 to £25,000 B= £26,000 to £50,000 C= £51,000 to £100,000 D= £101,000 to £200,000 E= Greater than £200,000 |  |   |  |
|---|--|---|--|
| Service   | Scheme Title   | Recommended for Evaluation                  | Cost Band  |
| New / Existing Scheme   | Details of Scheme / Comments   | ✓ = Yes<br>X = No<br>A/S = Already Selected | and Justification  |
| Street Scene, Leisure & Technical Services<br><br>Existing Scheme   | <p><b>Sports Grounds: Tonbridge Racecourse Sportsground – Improvement Works Phase 3</b></p> <p>Previous improvements have been made at the site in accordance with the Site Management Plan. Phase 3 improvements aim to enhance existing provision and bring forward new facilities for the public. Proposals include the potential extension of the Skate Park and Outdoor Gym, improvements to paths and improvements to drainage. Potential for developer contributions and other external funding opportunities.</p> <p>Scheme recommended for evaluation as part of the 2019/20 Capital Plan Review.</p> <p><b>Evaluation deferred to 2023/24 due to lack of developer contributions/external funding.</b></p> | <b>A/S</b>                                  | Band C<br><br>External funding   |
| Street Scene, Leisure & Technical Services<br><br>Existing Scheme   | <p><b>Open Spaces: Haysden Country Park – Site Improvements Phase 2</b></p> <p>Additional site improvements have been identified within the Management Plan for the site including path improvements, play area improvements and replacement of the existing building facility. Park has seen a significant increase in use during the pandemic. Potential funding from developer contributions.</p> <p><b>Retain on List C.</b></p>   | <b>X</b>                                    | Band C<br><br>Health & Safety<br>External funding<br>Income generating |

## Schedule of List C Schemes

| Cost Bands: A = £5,000 to £25,000 B= £26,000 to £50,000 C= £51,000 to £100,000 D= £101,000 to £200,000 E= Greater than £200,000 |   |   |   |
|---|---|---|---|
| Service   | Scheme Title  | Recommended for Evaluation                  | Cost Band   |
| New / Existing Scheme   | Details of Scheme / Comments  | ✓ = Yes<br>X = No<br>A/S = Already Selected | and Justification                                 |
| Street Scene, Leisure & Technical Services<br><br>Existing Scheme   | <b>Open Spaces: Holly Hill Path Improvements</b><br><br>Improvements to path network at Holly Hill Public Open Space. Scheme subject to funding from developer contributions.<br><br><b>Retain on List C.</b>   | <b>X</b>                                    | Band A<br><br>External funding<br>Health & Safety |
| Street Scene, Leisure & Technical Services<br><br>Existing Scheme   | <b>Environmental Improvements: River Medway Riverside Environmental Improvements, Tonbridge</b><br><br>Proposal for new riverside environmental improvements including lighting along sections of the River Medway in Tonbridge. Section 1, from Town Lock to Cannon Lane; Section 2, from the Big Bridge to Tonbridge Swimming Pool and Section 3 along River Walk and through River Lawn. Brought forward following residents and Member requests to improve security of pedestrian access to the town centre.<br><br>Scheme introduced and selected for evaluation in the 2015/16 Capital Plan Review. £42,000 has currently been secured through developer contributions and further opportunities for developer contributions may be forthcoming. An external consultant's report has been received and will be used to inform the evaluation.<br><br><b>Evaluation deferred to 2023/24.</b> | <b>A/S</b>                                  | Band D<br><br>Former Corporate Aims & Priorities  |

Schedule of List C Schemes


| Cost Bands: A = £5,000 to £25,000 B= £26,000 to £50,000 C= £51,000 to £100,000 D= £101,000 to £200,000 E= Greater than £200,000 |  |   |                            |
|---|--|---|----------------------------|
| Service   | Scheme Title   | Recommended for Evaluation                  | Cost Band                  |
| New / Existing Scheme   | Details of Scheme / Comments   | ✓ = Yes<br>X = No<br>A/S = Already Selected | and Justification          |
| Street Scene, Leisure & Technical Services  | <p><b>Swanmead Sportsground: Flood Alleviation Works</b></p> <p>Works required to address existing and potentially increasing issues with flooding on site. Works proposed to ensure future continuing use and support current income from pitch hire. To be progressed subject to the identification of external funding. Project identified in liaison with the Tonbridge Sports Association. Scheme will also consider the potential of additional on-site parking.</p> <p><b>Retain on List C.</b></p> | X   | Band A<br>External Funding |



Schedule of List C Schemes

| Cost Bands: A = £5,000 to £25,000 B= £26,000 to £50,000 C= £51,000 to £100,000 D= £101,000 to £200,000 E= Greater than £200,000 |  |   |   |
|---|--|---|---|
| Service   | Scheme Title   | Recommended for Evaluation                  | Cost Band   |
| New / Existing Scheme   | Details of Scheme / Comments   | ✓ = Yes<br>X = No<br>A/S = Already Selected | and Justification   |
| Property Services<br><br><b>New Scheme</b>  | <p><b>Gibson East Refurbishment</b></p> <p>As part of the Council’s savings target, a £200,000 saving from 1 April 2024 associated with the reduction in its office accommodation has been factored into the Medium Term Financial Strategy. Cabinet have asked officers to investigate the option to relocate all Council staff operating at Kings Hill into the Gibson East building. In order to achieve the target the building will need to undergo a refurbishment including re-configuration of internal spaces, installing lower carbon technologies (such as heat pumps and solar panels) as well as generally updating the building.</p> <p><b>Recommended for “Fast Track” evaluation – see Annex 3</b></p> | ✓   | Band E<br><br>Justification - Facilitating a saving to be made on the Council’s operational costs |
|   | <p><b>Revenue budget needed for evaluation:</b></p> <p>Revenue funding of £50,000 will need to be made available in the 2022/23 financial year to meet the initial costs of fees and surveys.</p>  |   |   |

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## Schedule of List C Schemes

| Cost Bands: A = £5,000 to £25,000 B= £26,000 to £50,000 C= £51,000 to £100,000 D= £101,000 to £200,000 E= Greater than £200,000 |   |   |   |
|---|---|---|---|
| Service   | Scheme Title  | Recommended for Evaluation                  | Cost Band   |
| New / Existing Scheme   | Details of Scheme / Comments  | ✓ = Yes<br>X = No<br>A/S = Already Selected | and Justification   |
| Property Services<br><br><b>New Scheme</b>  | <p><b>De-carbonising the Council's Estate</b></p> <p>The Council have declared a climate emergency and have an aspiration to become carbon neutral by 2030.</p> <p>To achieve that aspiration in terms of the Council's own estate, investment will be needed in renewable technologies. De-carbonising surveys will be required for each building, which will set out the options available, likely costs and the potential carbon reductions. These options will be presented to Members and their views sought on what schemes should be prioritised. Project specific capital evaluations will then be brought forward for consideration.</p> <p>In each case external funding opportunities will be explored.</p> <p><b>Capital Plan Scheme comprising of three Carbon Descent Initiatives have been recommended for "Fast Track" evaluation - see Annex 3</b></p> | ✓   | Band E<br><br>Justification – Reducing the Council's carbon footprint in line with the Council's 2030 net zero aspiration |
|   | <p><b>Revenue budget needed for evaluation:</b></p> <p>Revenue funding will be required for the de-carbonising surveys, which will need to be added to existing revenue budgets</p>   |   |   |



## CAPITAL PLAN LIST C – EVALUATIONS

| Project |  | Central Services: Gibson East Refurbishment         |  |
|---------|--|---|--|
| 1       | <b>Specification:</b>  |   |  |
|         | (i)  | <b>Purpose of the scheme</b>                        | To refurbishment Gibson East to allow all Council Kings Hill based staff to be located there, facilitating the disposal of Gibson West                               |
|         | (ii)   | <b>Relevance to National / Council's Objectives</b> | (a) National: Climate Change<br>(b) Council: Climate Change – providing more on-site renewable technology<br>(c) Financial: Reducing the Council's operational costs |
|         | (iii)  | <b>Targets for judging success</b>                  | (a) Staff being able to operate from Gibson East to allow the disposal of Gibson West<br>(b) Reduced running costs of Gibson East                                    |
| 2       | <p><b>Description of Project / Design Issues:</b><br/>As part of the Council's savings target, a £200,000 saving from 01/04/2024 associated with the reduction in its office accommodation has been factored into the Medium Term Financial Strategy (MTFS). Cabinet have asked officers to investigate the option to relocate all Council staff operating at Kings Hill into the Gibson East building, facilitating the disposal of Gibson West. In order to achieve this the building will need to undergo a refurbishment, including re-configuration of internal spaces, installing lower carbon technologies (such as heat pumps and solar panels) as well as an overall update to the building.</p> <p>Refurbishment work will need to be completed prior to the disposal of Gibson West therefore the Council will need to forward fund the cost of the works. Provided that an agreement is reached with Kent County Council for the release of the restrictive covenants on the site, and on the assumption the capital receipt realised from the sale of Gibson West is no less than the proposed cost of the refurbishment, the proposed works can be offset.</p> |   |  |
| 3       | <p><b>Milestones / Risks:</b><br/>Confirmation of the Council's space requirements<br/>Completion of the design phase<br/>Procurement exercise for works<br/>Works period<br/>All staff relocated into Gibson East</p>   |   |  |
| 4       | <p><b>Consultation:</b><br/>Consultation has taken place with the relevant Cabinet Member and internal officers.</p>   |   |  |
| 5       | <p><b>Capital Cost:</b><br/>£3,000,000 to be met from the Revenue Reserve for Capital Schemes.</p>   |   |  |

## CAPITAL PLAN LIST C – EVALUATIONS

|   |   |                        |                        |                        |                               |                        |
|---|---|------------------------|------------------------|------------------------|-------------------------------|------------------------|
| 6   | <b>Profiling of Expenditure</b>   |                        |                        |                        |                               |                        |
|   | <b>2022/23 (£'000)</b>  | <b>2023/24 (£'000)</b> | <b>2024/25 (£'000)</b> | <b>2025/26 (£'000)</b> | <b>2026/27 (£'000)</b>        | <b>2027/28 (£'000)</b> |
|   |   | <b>£3,000,000</b>      |                        |                        |                               |                        |
| 7   | <b>Capital Renewals Impact:</b><br>None.  |                        |                        |                        |                               |                        |
| 8   | <b>Revenue Impact:</b><br>Depending on the final scope of the refurbishment, it is hoped the ongoing running costs of Gibson East will be lowered through reduced use of utilities. An estimated £200,000 of annual revenue savings have been factored into the MTFs as a result of the intended scaling back of office accommodation.<br>Opportunity cost associated with not receiving interest payments on £3,000,000 would be £120,000 per annum. |                        |                        |                        |                               |                        |
| 9   | <b>Partnership Funding:</b><br>The Council will explore opportunities to fund any carbon reducing works via government grant schemes, such as the Public Sector Decarbonisation Scheme, although it should be noted these grant schemes have been hugely over-subscribed in recent times.   |                        |                        |                        |                               |                        |
| 10  | <b>Project Monitoring / Post Implementation Review:</b><br>Director responsible: Adrian Stanfield<br>Progress reported to: Finance, Regeneration & Property Scrutiny Select Committee / Cabinet<br><br>Post Implementation review to be carried out twelve months after completion  |                        |                        |                        |                               |                        |
| 11  | <b>Screening for equality impacts:</b>  |                        |                        |                        |                               |                        |
|   | <b>Question</b>   |                        |                        | <b>Answer</b>          | <b>Explanation of impacts</b> |                        |
|   | a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?   |                        |                        | No                     |                               |                        |
|   | b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?   |                        |                        | N/A                    |                               |                        |
| c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above? |   |                        | N/A                    |                        |                               |                        |
| 12  | <b>Recommendation:</b><br><br>Transfer from List C to List B.   |                        |                        |                        |                               |                        |

## CAPITAL PLAN LIST C – EVALUATIONS

| <b>Project</b> |  | Central Services: Carbon Reduction Measures at Larkfield Leisure Centre and Tonbridge Swimming Pool |  |
|----------------|--|---|--|
| 1              | <b>Specification:</b>  |   |  |
|                | (i)  | <b>Purpose of the scheme</b>  | To undertake schemes which will result in the reduction of CO2 emissions, to include: <ul style="list-style-type: none"> <li>- Installation of solar PV at Tonbridge Swimming Pool</li> <li>- Installation of LED lighting at Tonbridge Swimming Pool</li> <li>- Installation of LED lighting at Larkfield Leisure Centre</li> </ul> |
|                | (ii)   | <b>Relevance to National / Council's Objectives</b>   | (a) National: Climate Change<br>(b) Council: Climate Change – providing more on-site renewable technology<br>Financial – to reduce the operating costs of the Council's leisure facilities   |
|                | (iii)  | <b>Targets for judging success</b>  | (a) Reduction in CO2 emissions from Larkfield Leisure Centre and Tonbridge Swimming Pool<br>(b) Reduced operating costs at Larkfield Leisure Centre and Tonbridge Swimming Pool  |
| 2              | <b>Description of Project / Design Issues:</b><br>As part of the Council's Climate Change Strategy and aspiration to become carbon neutral by 2030, carbon descent reports were commissioned for two Council buildings which had the largest current carbon footprint, Larkfield Leisure Centre, and Tonbridge Swimming Pool.<br><br>The reports have now been received and while some of the recommendations contained within the reports require some further consideration and assessment, there are three schemes which appear to be relatively simple to implement in the short term, those being the installation of solar panels at Tonbridge Swimming Pool and the installation of LED lighting at both Tonbridge Swimming Pool and Larkfield Leisure Centre.<br><br>Due to the current very high cost of electricity, it is proposed these three schemes are fast tracked and implemented as soon as practically possible so both reductions in cost and in associated CO2 emissions can be realised. |   |  |
| 3              | <b>Milestones / Risks</b><br>Completion of design periods<br>Letting the contracts for the works<br>Completion of the works  |   |  |
| 4              | <b>Consultation:</b><br>Consultation has taken place with the relevant Cabinet Member and internal officers.   |   |  |

## CAPITAL PLAN LIST C – EVALUATIONS

|    |   |                        |                        |                        |                               |                        |
|----|---|------------------------|------------------------|------------------------|-------------------------------|------------------------|
| 5  | <b>Capital Cost</b><br>£225,000 to be met from the Climate Change Reserve   |                        |                        |                        |                               |                        |
| 6  | <b>Profiling of Expenditure</b>   |                        |                        |                        |                               |                        |
|    | <b>2022/23 (£'000)</b>  | <b>2023/24 (£'000)</b> | <b>2024/25 (£'000)</b> | <b>2025/26 (£'000)</b> | <b>2026/27 (£'000)</b>        | <b>2027/28 (£'000)</b> |
|    |   | <b>£225,000</b>        |                        |                        |                               |                        |
| 7  | <b>Capital Renewals Impact:</b><br>None.  |                        |                        |                        |                               |                        |
| 8  | <p><b>Revenue Impact:</b><br/>For the solar PV installation at Tonbridge Pool, the carbon descent report suggests an annual revenue saving, which the Leisure Trust would benefit from, would be in the region of £26,800 per annum, assuming 194 panels can be installed. There would be an additional cost for a servicing and maintenance agreement, anticipated to be in the region of £2,000 per annum which would be funded from the Council's Building Repairs Reserve Expenditure Plan (BRREP).</p> <p>For the LED scheme at Tonbridge Pool, the carbon descent plan suggests an annual revenue saving, which the Leisure Trust would benefit from, would be in the region of £6,360 per annum.</p> <p>For the LED scheme at Larkfield Leisure Centre, the carbon descent plan suggests an annual revenue saving, which the Leisure Trust would benefit from, would be in the region of £4,624 per annum.</p> <p>Opportunity cost associated with not receiving interest payments on £225,000 would be £9,000 per annum based on a 4% rate of return.</p> |                        |                        |                        |                               |                        |
| 9  | <b>Partnership Funding:</b><br>The Council will explore opportunities to fund any carbon reducing works via government grant schemes, such as the Public Sector Decarbonisation Scheme, although it should be noted these grant schemes have been hugely over-subscribed in recent times and if the Council wanted to proceed with the schemes as soon as possible the likelihood is there will not be a current funding round operating.   |                        |                        |                        |                               |                        |
| 10 | <b>Project Monitoring / Post Implementation Review:</b><br>Director responsible: Adrian Stanfield<br>Progress reported to: Finance, Regeneration & Property Scrutiny Select Committee / Cabinet<br>Post Implementation review to be carried out twelve months after completion  |                        |                        |                        |                               |                        |
| 11 | <b>Screening for equality impacts:</b>  |                        |                        |                        |                               |                        |
|    | <b>Question</b>   |                        |                        | <b>Answer</b>          | <b>Explanation of impacts</b> |                        |

**CAPITAL PLAN LIST C – EVALUATIONS**

|  |    |  |     |  |
|--|----|--|-----|--|
|  |    | <b>a.</b> 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  |  |
|  |    | <b>b.</b> Does the decision being made or recommended through this paper make a positive contribution to promoting equality?   | N/A |  |
|  |    | <b>c.</b> What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?   | N/A |  |
|  | 12 | <b>Recommendation:</b><br><br>Transfer from List C to List B.  |     |  |

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## TONBRIDGE AND MALLING BOROUGH COUNCIL

### Capital Strategy

#### 1 Introduction

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

#### 2 The Financial Context

- 2.1 Key financial statistics are:

|  |                       |
|--|-----------------------|
| Net Budget Requirement <b>2022/23</b>                                      | <b>£14.09 million</b> |
| Government Grant / Business rates excluding New Homes Bonus <b>2022/23</b> | <b>£3.5 million</b>   |
| Borough Council Band D Charge <b>2022/23</b>                               | <b>£224.50</b>        |
| Capital Plan <b>2022/23</b> to <b>2027/28</b> (Gross expenditure)          | <b>£14.35 million</b> |
| Fixed Assets at 31 March <b>2022</b>                                       | <b>£89.48 million</b> |
| Debt Outstanding at 31 March <b>2022</b>                                   | Nil                   |
| Revenue Reserve for Capital Schemes at 31 March <b>2022</b>                | <b>£6.83 million</b>  |

- 2.2 The Medium Term Financial Strategy (MTFS) together with the Council's strategic priorities and objectives along with the established criteria used to guide the inclusion of capital plan schemes and the Prudential Code (see paragraph 3.1) form the basis for any capital investment decisions. The MTFS was used to guide the selection of new Capital Plan schemes in recent years

and will continue to be a major influence on the **2022/23** and subsequent Capital Plan reviews. The MTFs is updated at least once a year and the latest version is published on the Council's website.

- 2.3** Capital receipts derived from the sale of capital assets (generally land and buildings) can only be used to repay debt or finance new capital expenditure. The Council's assets are reviewed on a regular basis to identify the potential for alternative use or disposal. To assist with the Council's savings and transformation agenda Members agreed, Council February 2017 and 2018, that amounts (revenue resources) equivalent to the disposal proceeds from existing assets and other windfalls may be invested in externally managed property funds. **£9.3m, has been invested into externally managed property and multi asset funds in order to increase the financial income to the Council.**
- 2.4 The demographic and economic features of the Borough give rise to a realistic assessment of very limited opportunities to attract funds from national and regional sources. Nevertheless, the Council will continue to investigate and exploit external funding opportunities.
- 2.5 Capital expenditure is currently funded from the revenue reserve for capital schemes (RRCS) grants from government and other bodies, developer contributions and from capital receipts derived from the sale of assets.
- 2.6 All government support for the Council's capital expenditure is by way of capital grant. Government support through capital grants is usually ring-fenced for specific purposes. It is the Council's intention to try to secure capital grants, wherever possible, for schemes which advance the Council's strategic priorities and objectives.
- 2.7 There is also an annual contribution to the revenue reserve for capital schemes** to match the funding required for the replacement of existing assets (vehicles, plant and equipment) as well as recurring capital expenditure. **The contribution in 2023/24 is £974,000.**
- 2.8 There is an annual capital allowance for all other capital expenditure. Any 'bids' for capital schemes or discretionary capital grants are to be assessed in the context of the annual allowance. The annual capital allowance *is currently* set at £250,000 *per annum*. Based on current projections the Council may need to borrow to fund such expenditure from **2029/30 onwards**. Priority is afforded to schemes that meet legislative requirements, address health & safety concerns, generate income or reduce the Council's revenue costs.
- 2.9 This does not, however, preclude a decision to borrow *at any time* in order to fund in full or in part *capital investment if deemed appropriate*.

### **3 Legislative Framework and its associated regulations**

- 3.1 The legislative framework is set out by the Local Government Act 2003 and its subsidiary regulations. This framework provides for a prudential system based

on borrowing limits set by each individual local authority. Under this system, local authorities must have regard to affordability, prudence and sustainability and must follow the “Prudential Code for Capital Finance in Local Authorities” published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

- 3.2 The Prudential Code requires that the CIPFA Treasury Management Code of Practice is adopted and that a number of prudential indicators are set.
- 3.3 The objectives of the Prudential Code are to ensure, within a clear framework, that the capital expenditure plans are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to the Council. The Prudential Code requires authorities to look at capital expenditure and investment plans in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to the long run financing implications and potential risks to the authority. Effective financial planning, option appraisal, risk management and governance processes are essential in achieving a prudent approach to capital expenditure, investment and debt.
- 3.4 Another key element of the legislative framework is the duty to secure economy, efficiency and effectiveness in the Council’s use of resources. Achieving value for money is addressed in Section 5 of the Strategy as one of the key principles to be applied in capital investment decisions.

#### **4 Strategic Priorities**

- 4.1 Capital plan schemes should emerge from, or be designed to achieve, the Council’s strategic priorities and objectives set out in overview in the [Corporate Strategy](#). The Strategy sets out Our Vision and Our Values guided by the following core values:
- Taking a business-like approach.
  - Promoting Fairness.
  - Embracing Effective Partnership Working.
  - Valuing our environment and encouraging sustainable growth.
- 4.2 The Corporate Strategy is currently the subject of review and any revisions required to the Capital Strategy to be considered in due course.
- 4.3 The Corporate Strategy is supported by a wide range of Strategies and Plans where specific improvement projects and initiatives are cascaded down into section plans across the Council. These section and other plans also cover a range of other priorities, improvements and indicators that are set and managed by individual services.
- 4.4 The Council’s capital investment decisions should be in support of its strategic priorities and objectives along with the established criteria used to guide the inclusion of capital plan schemes, and this is an integral part of the evaluation

process for each project under consideration. No project should proceed to inclusion within the Capital Plan unless it furthers achievement of the Council's strategic priorities and objectives.

## 5 Principles Supporting the Capital Strategy

5.1 The key principles that underpin the Council's Capital Strategy are:

5.2 **Strategic Priorities.** Establishment of a direct relationship with the Council's strategic priorities and objectives, with a Capital Plan based upon investment needs and prioritised on an authority-wide basis. This demonstrates an explicit link with key strategic planning documents and recognition of the need for a corporate approach to cross-cutting issues such as the environment, social inclusion, affordable housing, economic regeneration and community safety.

5.3 **Public Consultation.** The use of public consultation is, indirectly, an important part of developing the Capital Plan through its use in setting priorities and developing strategies, which may lead to capital projects coming forward.

5.4 **Other Consultation.** As well as individuals communicating directly with Council Officers and Members, other conduits exist for expressing views to the Council. The Parish Partnership Panel, the Tonbridge Community Forum, the Tonbridge Sports Association, and customer panels at leisure facilities allow specific persons or groups of users to express their views.

5.5 **Partnerships.** Partnership initiatives are considered in Section 6 including the West Kent Partnership and the Community Safety Partnership which help shape policy objectives, and which aim to deliver projects in conjunction with others.

5.6 **Procurement Strategy.** The [Procurement Strategy](#) seeks to ensure that good procurement practice is applied consistently throughout the Council. It sets out how the Council will address procurement and establishes its importance to the Council and the contribution it can make to improved service delivery.

5.7 **Support for Regional and National Priorities.** To support, where possible, regional and national priorities, for example urban renaissance, transportation improvements, environmental initiatives such as increased levels of recycling.

5.8 **Support for Local Priorities.** The Borough Council has been consistently investing in its car parks to support the local economy through a phased programme of improvements. The Economic Development strategy sets out broader economic development priorities. Additional funding from the Business Rates Retention Pilot has been earmarked for economic development within the Borough. As a Flood Risk Management Authority, we will maintain our support for the flood defence schemes being developed in the area.

- 5.9 **Availability of External Funding.** In support of the Council's strategic priorities and objectives to monitor and pursue available forms of external partnership and other funding opportunities. Capital schemes are increasingly being funded in full or part by contributions from developers.
- 5.10 The Council's [Local Development Framework Core Strategy](#), adopted in 2007, supports the Government policy that development should contribute towards the community services and infrastructure that are necessary to support that development. The provision of infrastructure by developers as part of a wider project and financial contributions are brought forward by planning conditions or legal agreements on a case by case basis where justified by the application of the statutory tests. These arrangements have brought forward significant provision of and contributions to affordable housing, education facilities, children's play, sports pitches, leisure facilities, highway works and transportation services.
- 5.11 The Council is currently out to consultation on the first draft of the Local Plan (Regulation 18) which covers the period between 2021 to 2040. At this stage, the plan identifies key "issues" relating to the borough. This includes identifying potential "Spatial Strategy Options" and "Strategic Priorities" and inviting representation on these matters.
- 5.12 The Council is keen to secure a continuing supply of homes at appropriate and in sustainable locations to meet the needs and demands of the Borough. It has a proven track record in fostering growth in a strategically planned way. A range of housing provides balanced support for economic investment by companies looking to locate and expand in the Borough. The supply of new homes and businesses themselves make a contribution towards the Council tax base, potential new homes bonus funding and the potential income from business rates. So long as the level is consistent with planning policies and good practice the Borough Council will seek to secure levels of growth that assist in sustaining important local services.
- 5.13 As a non-stockholding Housing Authority, the Council has a key role to play in the delivery of the strategic housing function covering policy and enabling, private sector housing, and in identifying and addressing housing needs. Contained within the Housing Strategy the key priorities are:
- Taking a sustainable approach to housing.
  - Improving housing options and opportunities.
  - Delivering the homes our residents need in the places they are needed.
  - Working in partnership.
- 5.14 **Use of the Council's Assets.** Maintenance of an Asset Management Plan and performance measures for the use of Council owned assets to ensure optimum returns and early release of redundant assets in support of strategic investment priorities and to attract inward investment. An updated Asset Management Plan, covering a four year period, *was approved* by Members in January 2020.

- 5.15 **Consideration of the Impact on the Council's Revenue Budget.** To ensure that capital investment decisions are consistent with the Council's Medium Term Financial Strategy, particularly the management of its revenue budget so as to reduce its dependence upon the use of revenue reserves.
- 5.16 **Value for Money.** Each year the Council's external auditor gives an opinion on whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. All of the Capital Plan processes from identification and selection of schemes, through implementation to subsequent review of completed schemes can contribute to achieving value for money.
- 5.17 **Investment in IT.** In order to improve efficiency and economy and to meet customer aspirations for self-service, particularly via the website; and to enable more flexible and different ways of working to be adopted to support and assist delivery of the Savings and Transformation Strategy. The IT Strategy 2018 to 2022 along with the Digital Strategy 2019 to 2023 has set the direction of travel for the transformation programme.

## 6 Partnerships

- 6.1 **West Kent Partnership.** The Council is a founding member of the West Kent Partnership, (<https://westkentpartnership.org.uk/>) formed on a sub-regional rather than district basis, reflecting the degree of economic and social homogeneity across West Kent and a shared community of interest. The Partnership works with other partners in a joined up fashion for the benefit of the local community with a focus on economic development and infrastructure issues. Finance for these initiatives will come in part from the Business Rates Retention Pilot (a partnership comprising all Kent Authorities). A Number of strategic priorities have benefited from the Local Growth Fund.
- 6.2 **Transportation Partnerships.** The Borough Council has consistently sought to influence the quality of transportation services in its area and increase investment in them by the relevant authorities. These authorities include the local highway authority, (Kent County Council), the strategic road network agency (Highways England), railway operators and Government Departments.
- 6.3 **The Joint Transportation Board,** comprising Members from the Borough and County Councils, provides an overseeing function for the co-ordination of transport investment in the Borough. This ranges from regular reviews of minor improvements, highway maintenance programmes and parking reviews to major investment through key strategies.
- 6.4 **Local Enterprise Partnership (LEP).** The South East Local Enterprise Partnership (SELEP) seeks to promote economic growth across Essex, Kent and East Sussex. Given its size, a federated model of operation has been adopted and the Kent and Medway Economic Partnership (KMEP) is the local body which covers Tonbridge and Malling. A key role for both organisations is to bid for government schemes monies to fund local projects which support

our local economy. TMBC has a key role in identifying and promoting priorities for economic regeneration.

- 6.5 **Other Partnerships.** The Council is also part of a partnership that has promoted a bid to the Local Growth Fund to bring forward the much needed improvement to the Leigh Flood Storage area. This is a strategic infrastructure investment required to safeguard many residential and business properties in the southern part of the Borough and to enable future growth and new development to take place.
- 6.6 **Community Regeneration Partnerships.** The Council has entered into partnerships which have made a genuine difference to the local community with clear and tangible outcomes.
- 6.7 **The Community Safety Partnership (CSP).** The Crime and Disorder Act 1998 placed an obligation on local authorities and the Police (amongst others) to work together to develop and implement a strategy to tackle crime and disorder in their area. The Tonbridge and Malling CSP vision is: working together to ensure the safety and security of Tonbridge and Malling's residents, businesses and visitors.
- 6.8 **Tonbridge Central Area Action Plan.** The Plan provides the ambition for Tonbridge Town Centre and the context for partnership projects to attract private sector investment in the town centre and secure transport and environmental improvements. A number of key sites are allocated that have potential to deliver town centre and mixed use development that can generate increased vitality into the town centre and the High Street in particular. The Action Plan is to be reviewed as part of the new Local Plan.

## 7 Implementing and Managing the Capital Strategy

- 7.1 The Council has developed a process for considering and evaluating potential capital schemes as an integral part of its Capital Strategy. This process for selecting schemes is described below.
- 7.2 Schemes, subject to some exceptions listed below, are selected by a phased process. For convenience, the stages have been termed List A, List B and List C, with List A being the approved Capital Plan.
- 7.3 As schemes come forward they are stored in a list of schemes (List C) for consideration and possible evaluation. These schemes should emerge from, or be designed to achieve, the Council's strategic priorities and objectives along with a set of criteria used to guide the inclusion of new schemes to List C and ultimately the inclusion of schemes on List A. The criteria are: to meet legislative requirements including health and safety obligations; funded from external resources; and reduce revenue expenditure and or generate income. Justification would need to be provided for any schemes that failed to meet one or more of these criteria in order for them to progress through the capital plan process.

- 7.4 From List C, Members select schemes for evaluation. Evaluations will include:
- Specification of the purpose of the scheme and its relevance to the Council's strategic objectives and any wider national policy objectives, the setting of targets by which the success or otherwise of the project can be judged post-implementation.
  - An outline design to facilitate costing and, where appropriate, consultation.
  - Identification of milestones and risks to aid project management and decision making.
  - Consultation, including, where appropriate, public consultation on the scheme's principle.
  - The establishment of a realistic estimated capital cost, incorporating any consultation feedback on design issues.
  - An assessment of the ongoing revenue costs and income generating capacity of the completed scheme including an assessment of the loss of interest from investments and impact on capital renewals provisions.
  - Consideration of partnership and external funding opportunities.
  - Consideration of the time after the end of the project during which the targets and objectives should be reviewed and reported to stakeholders.
  - An equality impact assessment.
- 7.5 The evaluation process will reveal the impact of the project on the revenue base budget, enabling Members to compare the value of the scheme with the financial savings required to pay for it or the impact on the council tax requirement. Schemes successfully passing through evaluation will be included in List B.
- 7.6 The Council is conscious that the process of evaluation is a revenue cost in itself; involving in-house staff and resources or the buying in of external resources and which may draw resources away from the implementation of the approved Capital Plan. In order to minimise the resource impact of evaluation it is important that restraint is exercised in selecting schemes for evaluation. A balance is struck each year between deliverability of the programme and the evaluation of new schemes.
- 7.7 Under the constitutional arrangements adopted by the Council, the evaluated schemes will be reviewed by the Overview and Scrutiny Committee which will advise the budget meeting of Cabinet of those schemes deemed suitable to progress to be included on List B. By considering all eligible schemes at the same time, a corporate approach can be taken to selecting those schemes deemed suitable to progress. Prioritisation of such schemes will be informed by the wider financial climate, the Medium Term Financial Strategy and the requirements of the CIPFA Prudential Code. Prioritisation will take account of national and regional priorities, the Council's strategic priorities and objectives and the financial consequences arising from the schemes proposed.
- 7.8 The main exception to this selection procedure is the investment necessary to maintain existing levels of service. This will consist primarily of renewals provisions and some one-off items outside the basic renewal provisions. These provisions are subject to Member scrutiny within List A and application of value for money principles.



- 7.9 Ultimately the selection of new Capital Plan schemes from List B for inclusion in the Capital Plan (List A) will be determined by the Council following recommendations from the Cabinet in the light of advice from the Overview and Scrutiny Committee.
- 7.10 The Overview and Scrutiny Committee will also review existing Capital Plan (List A) schemes, advising Cabinet of the result. This provides an opportunity to review the budget and progress of existing schemes or even to propose their deferment or deletion.

## **8 The Capital Plan**

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

## **9 Post Implementation Reviews**

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

Strategy updated: December **2022**

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## TONBRIDGE & MALLING BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE

26 January 2023

Joint Report of the Director of Finance and Transformation and  
Cabinet Member for Finance, Innovation and Property

#### Part 1- Public

#### Matters for Recommendation to Cabinet

#### 1 REVENUE ESTIMATES 2023/24

The Council has a statutory duty to set the level of council tax for the forthcoming financial year by 11 March. Under the Budget and Policy Framework Rules of the Constitution, the Cabinet is responsible for formulating initial draft proposals in respect of the Budget. The role of this Committee is to assist both the Cabinet and the Council in the preparation of the Budget for 2023/24 within the context of the Medium Term Financial Strategy and the Council's priorities. This year's budget setting process has had to incorporate the difficult task of estimating the ongoing impact of the pandemic and more recently the conflict in Ukraine and its impact on global economic conditions both next year and over the medium term.

#### Dashboard/ Key Points

- Provisional local government finance settlement 2023/24 is better than expected and gives TMBC a Settlement Funding Assessment (core funding) for 1 year, although indication is that 2024/25 will be 'similar'. Includes allocation of £0.6m for New Homes Bonus; also includes a Funding Guarantee for 2023/24 of £1.8m. The overall funding INCREASE on 2022/23, taking into account other grants rolled in, is £502,000 (7.2%).
- Beyond 2024/25, no indication of future core funding, including any replacement (or not) for NHB making planning difficult.
- Council Tax referendum principles for district councils mean that council tax can only rise by up to 3% or £5, whichever is greater. By way of context, CPI inflation index for November is 10.7%.
- Funding Gap within the MTFs reworked based on the provisional Settlement and now iro £1.7m plus £200k to be delivered from office accommodation. Budget position currently categorised as RED on the Strategic Risk Register.

## 1.1 Introduction

- 1.1.1 The Cabinet is responsible for formulating initial draft proposals in respect of the Budget for 2023/24.
- 1.1.2 Under the previous governance arrangements, the draft Estimates prepared by officers were initially considered, on behalf of Cabinet, by the Finance, Innovation and Property Advisory Board before being presented to this Committee.
- 1.1.3 Following the changes to governance arrangements early in 2022, the Cabinet now works alongside officers to prepare the draft Estimates. Accordingly, this report presenting the draft Estimates is now a joint report of the Director of Finance and Transformation and the Cabinet Member for Finance, Innovation and Property.
- 1.1.4 Under the Budget and Policy Framework, one of the responsibilities of this Committee is to scrutinise the draft Estimates and, where appropriate, make recommendations back to Cabinet.
- 1.1.5 This report is, therefore, intended as the basis for recommendations from this Committee to the Cabinet.
- 1.1.6 A special meeting of the Cabinet is scheduled for the 14 February to consider the recommendations of this Committee and, in addition, take into account the Council's final grant settlement.
- 1.1.7 At that special meeting on the 14 February, the Cabinet will need to formulate its final proposals in respect of the Budget for 2023/24 and the council tax to be levied in respect of the Borough Council. The Full Council will meet on the 21 February to approve the Budget and set the Council Tax. The Full Council may adopt or amend the Cabinet's proposals.
- 1.1.8 The role of this Committee is to consider both the Revised Estimates for 2022/23 and the Estimates for 2023/24 [**Annex 1**] within the context of the Medium Term Financial Strategy and the Council's priorities. For completeness, details of how we are updating the Medium Term Financial Strategy are contained within this report for information.

## 1.2 Medium Term Financial Strategy

- 1.2.1 To recap, the Council's Medium Term Financial Strategy (MTFS) covers both revenue and capital budgets over a rolling ten-year period, and it is this Strategy that underpins the budget setting process each year and over the strategy period. The aim of the Strategy is to give us a realistic and sustainable plan that reflects the Council's priorities. The MTFS sets out the high level objectives the Council wishes to fulfil over the agreed time span and are currently:

- To achieve a **balanced revenue budget** that delivers the Council's priorities by the end of the strategy period.
- To retain a **minimum of £3.0m** in the General Revenue Reserve by the end of the strategy period and **not to fall below £2.0m** at any time during the 10-year period.
- Seek to set future increases in council tax having regard to the **guidelines** issued by the Secretary of State.
- Continue to **identify efficiency savings** and **opportunities for new or additional income sources** and to **seek appropriate reductions in service costs** in delivery of the Savings and Transformation Strategy (STS) approved by Members.
- Subject to there being sufficient resources within the capital reserve, set a **maximum 'annual capital allowance'** each year as part of the budget setting process for all new capital schemes (currently set at £250,000 from the Council's own resources) and give priority to those schemes that generate income or reduce costs.

1.2.2 The MTFs sets out, not only the projected budgets for the period, but also the levels of council tax that are projected to be required to meet the Council's spending plans. Underneath the Strategy for the budget setting year sits detailed estimates formulated in conjunction with Services taking into account past outturn, current spending plans and likely future demand levels / pressures.

1.2.3 This time last year the projected funding gap was put at £2,150,000. The adverse global economic conditions, amongst other things, adding to the uncertainty in the scale of the funding gap over the past twelve months where the latest projected funding gap is £1,700,000. Add to this those initiatives already built into the MTFs, **but not yet delivered**, the scaling back of office accommodation in the sum of £200,000 giving a figure of **£1,900,000** to be found and delivered over the medium term.

1.2.4 The MTFs will need to be updated and rolled forward as part of the 2023/24 budget setting process. Further information about this including the **latest projected funding gap** is discussed later in this report at paragraph 1.11.

### 1.3 Provisional Local Government Finance Settlement

#### *Settlement Funding Assessment (Core Funding)*

1.3.1 On 19 December 2022, the Secretary of State for the Department for Levelling Up, Housing and Communities, Michael Gove MP, made a statement to Parliament on the provisional local government finance settlement for 2023/24. The provisional figures are expected to be confirmed in January / February 2023.

- 1.3.2 Again, the Settlement Funding Assessment (SFA) is for one year only (2023/24) and the Fair Funding Review deferred to a future date. This further prolonging the uncertainty over local government funding more generally and specifically how it shakes down to individual councils.
- 1.3.3 Our provisional SFA for the year 2023/24 as shown in the table below is £2,525,211, an uplift of 9.7% compared to the sum received in 2022/23. The Government again funding what has been referred to as 'Negative RSG'.
- 1.3.4 However, it is important to stress that **funding in what is assumed the near future will be dependent** on the outcome of the yet to be concluded Fair Funding Review.

#### *New Homes Bonus*

- 1.3.5 No further legacy payments are due under the New Homes Bonus (NHB) scheme giving an allocation for the year 2023/24 only which in our case is £610,499.
- 1.3.6 The future of NHB or a replacement remains the subject of discussion, but at the very least will not continue in its current form leaving one of two options. Firstly, the scheme is withdrawn and not replaced; or alternatively it is replaced, but where the funding stream and sum awarded is much reduced (our working assumption and equating to a one-year only scheme).

#### *Under-indexing of the Business Rates Multiplier*

- 1.3.7 The payment for the under-indexing of the business rates multiplier is £406,754.

#### *Services Grant*

- 1.3.8 This was introduced last year albeit it was said as a one-off un-ringfenced grant allocation to support all services delivered by councils. Our provisional allocation for the year 2023/24 as shown in the table below is £89,412.

#### *Funding Guarantee*

- 1.3.9 The Lower Tier Services Grant and a proportion of the expired New Homes Bonus legacy payments have been repurposed to create a one-off funding guarantee to ensure that all authorities will see at least a 3% increase in their core spending power before any decision they make about council tax levels. The increase in core spending power as calculated by the government is 5.1%.
- 1.3.10 It has been assumed from what has been said that the one-off funding guarantee applies to this Spending Review period, the years 2023/24 and 2024/25. Our provisional allocation for the year 2023/24 as shown in the table below is £1,765,688.

### Total Grant Funding

1.3.11 Total grant funding for the year 2023/24 as shown in the table below is £5,397,564, a cash increase of £501,590 or 10.2% when compared to that received in 2022/23. The increase after taking account of grants rolled into the local government finance settlement is 7.2%.

|  | 2022/23          | 2023/24          | Cash Increase/<br>(Decrease) |                |
|--|------------------|------------------|------------------------------|----------------|
|  | £                | £                | £                            | %              |
| Local Share of Business Rates (baseline)               | 2,302,118        | 2,525,211        | 223,093                      | 9.7            |
| Tariff Adjustment ('negative RSG')                     |                  |                  |                              |                |
| <b>Settlement Funding Assessment</b>                   | <b>2,302,118</b> | <b>2,525,211</b> | <b>223,093</b>               | <b>9.7</b>     |
| <b>New Homes Bonus</b>                                 | <b>1,193,947</b> | <b>610,499</b>   | <b>(583,448)</b>             | <b>(48.9)</b>  |
| <b>Under-indexing of the Business Rates Multiplier</b> | <b>235,249</b>   | <b>406,754</b>   | <b>171,505</b>               | <b>72.9</b>    |
| <b>Lower Tier Services Grant</b>                       | <b>1,005,983</b> | <b>-</b>         | <b>(1,005,983)</b>           | <b>(100.0)</b> |
| <b>Services Grant</b>                                  | <b>158,677</b>   | <b>89,412</b>    | <b>(69,265)</b>              | <b>(43.7)</b>  |
| <b>Funding Guarantee</b>                               | <b>-</b>         | <b>1,765,688</b> | <b>1,765,688</b>             | <b>-</b>       |
| <b>Total Grant Funding</b>                             | <b>4,895,974</b> | <b>5,397,564</b> | <b>501,590</b>               | <b>10.2</b>    |

1.3.12 The provisional local government finance settlement 2023/24 is subject to consultation. The return date for responses to the consultation is 16 January 2023. The response to be agreed by the Cabinet Member for Finance, Innovation and Property prior to submission. The consultation paper can be found at the following link:

[Provisional local government finance settlement 2023 to 2024: consultation - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/provisional-local-government-finance-settlement-2023-to-2024)

## 1.4 Kent Business Rates Pool

1.4.1 Adopting a risk based approach and considering the wider Kent position it was decided that the Council should not be part of the formal Kent Business Rates Pool from 2021/22 and to revisit the decision at a future date subject to the existence of business rates pools and its viability at that time.

1.4.2 The Panattoni development on the former Aylesford Newsprint site in particular led the Council to ask the current members of the Pool to consider a request to re-join the Kent Business Rates Pool from April 2023 which was subsequently approved.

1.4.3 Reforms to the Business Rates Retention Scheme / Business Rates have been deferred.

## 1.5 Local Referendums to Veto Excessive Council Tax Increases

- 1.5.1 The Localism Act gives local communities the power to veto excessive council tax increases. The Secretary of State will determine a limit for council tax increases which has to be approved by the House of Commons. If an authority proposes to raise council tax above this limit they will have to hold a referendum to get approval for this from local voters who will be asked to approve or to veto the rise.
- 1.5.2 For the year 2023/24 and also assumed for the year 2024/25, a referendum will be triggered where council tax is increased by **more than 3% or £5, whichever is higher**.
- 1.5.3 Referendum principles currently do not apply to town and parish councils.

## 1.6 Specific Issues

- 1.6.1 This year's budget setting process has had to incorporate the difficult task of estimating the ongoing impact of the pandemic and more recently the conflict in Ukraine and its impact on global economic conditions both next year and over the medium term.
- 1.6.2 The estimates assume the homeless caseload will continue to reduce and, in turn, cost of temporary accommodation.
- 1.6.3 The 2023/24 estimates include a further reduction in the grant award under the New Homes Bonus scheme equating to a one-year only scheme.
- 1.6.4 Certain government initiatives, e.g. Welfare Reform, will undoubtedly impact on the Council's finances over the medium term and an assessment of the potential impact is not straightforward. Nonetheless, I and Management Team will continue to monitor the potential impact as more information is made available.
- 1.6.5 In terms of the council tax base, built into the MTFS is an expectation about future growth in the number of band D equivalents over the ten-year period. It is important, however, to recognise that the scale of development growth both in any one year and over the medium term is very difficult to predict given the market as well as other site specific conditions.
- 1.6.6 Recommendations regarding fees and charges are made during this cycle of meetings and reflected in the revenue estimates.
- 1.6.7 Other than loss of investment income the revenue estimates do not take account of the revenue consequences of new capital schemes. At its meeting on 14 February, the Cabinet will need to give consideration to both the Revenue and Capital Estimates in the context of the MTFS and, where appropriate, recommend additions to the Capital Plan.



- 1.6.8 The annual contribution to the Revenue Reserve for Capital Schemes excluding capital renewals is to continue to be set at £250,000 and rolled forward one year to 2028/29.
- 1.6.9 The annual contribution to the Building Repairs Reserve to meet ongoing maintenance and repair obligations is to remain at £750,000.
- 1.6.10 A large revenue project (circa £150,000) to 'back scan' paper records and to facilitate the rationalisation of office accommodation is included in the draft IT Estimates for 2023/24.
- 1.6.11 More detailed explanatory notes in respect of the revenue estimates can be found in the attached Revenue Estimates Booklet.

## 1.7 Revised Revenue Estimates 2022/23

- 1.7.1 Overall, the draft 2022/23 Revised Estimates show a decrease over the Original Estimates of £462,350 prior to making a contribution to/from the General Revenue Reserve. The principal variations are given in the table below:-

| Description                              | DR<br>£          | CR<br>£          |                |
|--|------------------|------------------|----------------|
| Business Rates Retention Scheme          | 282,450          |                  |                |
| Salaries & Contributions                 | 229,950          |                  |                |
| Information Technology                   | 125,000          |                  |                |
| Energy                                   | 113,000          |                  |                |
| Homelessness (exc. Salaries & Overheads) | 85,800           |                  |                |
| Advertising & Other Recruitment Costs    | 76,800           |                  |                |
| Waste Services                           | 57,450           |                  |                |
| Planning Applications & Appeals          | 49,000           |                  |                |
| Lower Tier Services / Services Grant     | 46,150           |                  |                |
| Major Income Streams                     | 41,050           |                  |                |
| Tree Management                          | 40,000           |                  |                |
| S.106 Agreement Monitoring Income        |                  | 35,000           |                |
| Parking Services Rental Income           |                  | 39,050           |                |
| Housing Benefits Transfer Payments       |                  | 41,400           |                |
| Summons Costs Recovered                  |                  | 50,000           |                |
| Insurance Contract                       |                  | 51,200           |                |
| Payment to Principals / Ticket Refunds   |                  | 84,000           |                |
| Refugee Assistance Grant Allocation      |                  | 117,250          |                |
| New Burdens Grant                        |                  | 122,300          |                |
| Contributions from KCC                   |                  | 209,500          |                |
| Temporary Accommodation                  |                  | 229,000          |                |
| Investment Income                        |                  | 554,800          |                |
| Other Net Changes                        |                  | 75,500           | <b>CR</b>      |
| <b>Total</b>                             | <b>1,146,650</b> | <b>1,609,000</b> | <b>462,350</b> |

## 1.8 Revenue Estimates 2023/24

1.8.1 Overall, the draft 2023/24 Estimates show a decrease over the 2022/23 Original Estimates of £924,428 prior to making a contribution to/from the General Revenue Reserve. The principal variations are given in the table below:-

| Description                             | DR<br>£          | CR<br>£          |                |
|---|------------------|------------------|----------------|
| Budget Stabilisation Reserve            | 1,200,000        |                  |                |
| Salaries & Contributions                | 761,400          |                  |                |
| Waste Services                          | 628,850          |                  |                |
| Information Technology                  | 256,850          |                  |                |
| DLUHC Council Tax Support Admin. Grant  | 93,000           |                  |                |
| Grounds Maintenance Contract            | 77,800           |                  |                |
| Council Tax (Surplus) / Deficit         | 72,691           |                  |                |
| Energy                                  | 65,000           |                  |                |
| Business Rates                          | 64,150           |                  |                |
| Superannuation Backfunding              | 50,000           |                  |                |
| Transfers in Lieu of Interest           | 40,800           |                  |                |
| Tree Management                         | 40,000           |                  |                |
| Parking Services Maintenance of Grounds | 36,000           |                  |                |
| S.106 Agreement Monitoring Income       |                  | 38,500           |                |
| Payments to Members                     |                  | 39,300           |                |
| Insurance Contract                      |                  | 46,350           |                |
| Refugee Assistance Grant Allocation     |                  | 48,800           |                |
| Housing Benefits Transfer Payments      |                  | 58,400           |                |
| General Government Grants inc. NHB      |                  | 60,850           |                |
| Revenue Support Grant                   |                  | 137,300          |                |
| Temporary Accommodation                 |                  | 468,000          |                |
| Major Income Streams                    |                  | 624,000          |                |
| Investment Income                       |                  | 1,060,900        |                |
| Business Rates Retention Scheme         |                  | 1,757,969        |                |
| Other Net Changes                       | 29,400           |                  | <b>CR</b>      |
| <b>Total</b>                            | <b>3,415,941</b> | <b>4,340,369</b> | <b>924,428</b> |

1.8.2 Undoubtedly there will need to be changes made to the Estimates as we move through the budget setting process. It is my intention to bring these together for the Cabinet Budget meeting in February, rather than introduce them in a piecemeal fashion.

## 1.9 Draft Capital Plan

1.9.1 A report elsewhere on this agenda seeks to advise Members of the way forward on the Capital Plan. The criteria established to guide the inclusion of new

schemes to List C (holding list of schemes not yet fully worked up) and ultimately the inclusion of schemes on List A (schemes assigned budget provision) are:

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

- 1.9.2 The Capital Plan review report recommends schemes for inclusion on List B, the short-list of schemes for possible inclusion in the Capital Plan. Members are reminded that the selection from List B, of schemes to be included in the Capital Plan (List A) – if any – will be made at Cabinet on the 14 February for endorsement by Council.
- 1.9.3 Capital expenditure is currently funded from the revenue reserve for capital schemes, grants from government and other bodies, developer contributions and from capital receipts derived from the sale of assets.
- 1.9.4 There is also an annual contribution to the revenue reserve for capital schemes to match the funding required for the replacement of existing assets (vehicles, plant and equipment) and recurring capital expenditure. The contribution in 2023/24 is £974,000.
- 1.9.5 There remains an annual capital allowance for all other capital expenditure not least in light of the difficult and challenging financial outlook. Any ‘bids’ for capital schemes or discretionary capital grants are to be assessed in the context of the annual allowance. The annual capital allowance is currently set at £250,000 and it is proposed that the annual allowance continue to be set at that level.
- 1.9.6 It should be noted, based on current projections, that from 2029/30 the Council may need to borrow to fund such expenditure. This does not however, preclude a decision to borrow in order to fund in full or in part a capital investment opportunity that meets the Council’s strategic priorities and objectives, achieves value for money and delivers a financial return. Each such opportunity to be considered on a case by case basis as appropriate.
- 1.9.7 In addition, the Invest to Save Reserve or Transformation Reserve (made up of specific grants received from government in respect of revenues and benefits functions) amongst other Reserves could be used to fund in full or in part appropriate capital plan schemes.

## **1.10 Consultation with Non-Domestic (Business) Ratepayers**

- 1.10.1 Before the Borough Council determines the amount of its total estimated expenditure and makes calculations of its requirements for the ensuing financial year, it consults representatives of its non-domestic ratepayers about its expenditure proposals (including capital expenditure). The consultees, who

include the local Chambers of Commerce as well as a group of the larger ratepayers in the Borough, receive on request information and copies of the draft budgets and are invited to make written representations if they deem it appropriate. Any points of clarification required are dealt with by telephone, written correspondence or, if appropriate, an informal meeting with officers.

1.10.2 Any comments or representations received from the consultees will be reported to Members during the budget process as appropriate.

## 1.11 Medium Term Financial Strategy Update

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

### *Prevailing Global Economic Conditions*

1.11.2 The impact of current economic conditions on the Council's finances / financial assumptions in respect of inflation, interest rates, etc. and the scale of the impact over the medium term is uncertain and difficult to determine.

1.11.3 As a result of the current adverse economic conditions including the high cost of energy the Tonbridge and Malling Leisure Trust will require financial support from the Council in 2022/23. That support is estimated to be in the order of £750,000. For financial planning purposes it has been assumed a similar level of support will be required in 2023/24. To be funded from the Budget Stabilisation Reserve.

### *Covid-19 Pandemic*

1.11.4 The full extent of the impact of the Covid-19 pandemic on the Council's finances continues to unwind. Much will depend on the extent and speed of the recovery, and societal changes brought about by the response to the pandemic.

1.11.5 It is **important to note** that in arriving at the latest projected funding gap it is assumed that:

- sources of income will in large part return to pre Covid-19 levels albeit the cost of living crisis could slow the speed of recovery – the question is will income return to the levels and in the timescale assumed?
- the high homeless caseload and consequent significant and escalating increased cost of temporary accommodation will be pulled back to pre Covid-19 levels over the medium term – the question is will costs be pulled back to the extent and in the timescale assumed?
- On the basis that the waste contract will be re-let at the end of the first “break-point” (i.e. in March 2027), it has already been assumed that the specification will be ‘pulled back’ in order to mitigate, in part, the anticipated significant increase in cost.

- 1.11.6 What is certain is we need to be prepared to take corrective action if and when required as the situation becomes clearer/unfolds.

*Government Grant Funding (Settlement Funding Assessment + NHB + Other Grants)*

- 1.11.7 **Funding in what is assumed the near future will be dependent** on the outcome of the yet to be concluded Fair Funding Review, and what is to happen to NHB and other grant income moving forward. Notwithstanding the continuing uncertainty and volatility surrounding local government finances with the increased risk of significant variations compared to projections, we still need to plan ahead as best we can.

- 1.11.8 In the latest iteration of the MTFS it is assumed government grant funding and increased business rates income to be retained will reduce from circa £5.96m in 2023/24 to £3.11m in 2027/28 before seeing a modest increase year on year thereafter. A cash decrease of £2.85m or 47.8%.

- 1.11.9 A hypothetical example of how the assumed overall government grant funding and increased business rates income of £3.11m in 2027/28 might be made up is business rates retention scheme (£2.51m) NHB/ replacement (£600,000).

*Business Rates Retention Scheme*

- 1.11.10 Reforms to the Business Rates Retention Scheme / Business Rates have been deferred.

- 1.11.11 However, the **question remains** as to what will our business rates baseline and baseline funding level be under a revamped Business Rates Retention Scheme and how this then compares to that reflected in the MTFS taking into account transfer of any new responsibilities?

*Council Tax Referendum Principles*

- 1.11.12 The MTFS sets out, not only the projected budgets for the period, but also the levels of council tax that are projected to be required to meet the Council's spending plans.

- 1.11.13 For the year 2023/24 and also assumed for the year 2024/25, a referendum will be triggered where council tax is increased by **more than 3% or £5, whichever is higher**. This time last year the MTFS assumed a council tax increase of £5 representing a 2.2% increase in council tax.

- 1.11.14 For the purposes of preparing the budget papers and updating the MTFS an **increase of 3% in 2023/24 and 2024/25** has been assumed followed by the higher of 2% or £5 each year thereafter.

### *Pension Fund Deficit*

1.11.15 The pension fund deficit is forecast to be recovered within the 10-year period of this MTFs and in all significant respects is **why the projected funding gap is £1.7m and not in excess of £3.0m**. It should be noted that this does not mean a pension fund deficit will not reappear, it could, dependent on the future performance of the pension fund and to lessen the risk of that occurring are looking to establish a 'buffer'.

### *Waste Services Contract*

1.11.16 The Waste Services Contract if not extended beyond the initial 8 year contract period could see increased costs over that assumed. Where this was proved to be the case there is an expectation that the first 'port of call' would be to revisit the specification with the aim of bringing the cost down preferably within budget or as close to the budget as possible (see also paragraph 1.11.5).

### *Climate Change Agenda*

1.11.17 Climate Change agenda related costs are not reflected in the MTFs. There is a relatively small earmarked reserve to fund until expended both a revenue budget and specific projects / initiatives in support of the Climate Change Strategy. As such one-off costs over the sum available and any ongoing costs would represent unbudgeted spend / budget growth and, in turn, increase the funding gap.

### *Funding Gap*

1.11.18 As we know, the funding gap is not static and constantly changes in response to both internal and external factors.

1.11.19 It goes without saying that the Council's finances remain under severe pressure where at this stage in the budget process the latest projected funding gap stands at **£1,700,000**. Add to this those initiatives already built into the MTFs, **but not yet delivered**, the scaling back of office accommodation in the sum of £200,000 gives a figure of **£1,900,000** to be found and delivered over the medium term. The difficult and challenging financial outlook demanding a **pressing and concerted** focus of attention. **Not forgetting**, amongst other things, the assumptions highlighted at paragraph 1.11.5 which are in themselves challenging.

1.11.20 The MTFs will continue to be updated as we move through the 2023/24 budget cycle and as more information becomes available and in due course presented with the Budget report to Cabinet in February.

## **1.12 Savings and Transformation Strategy**

1.12.1 Alongside the MTFs sits a Savings and Transformation Strategy (STS). The purpose of the Strategy is to provide structure, focus and direction in addressing the financial challenge faced by the Council. In so doing, it recognises that there

is no one simple solution and as a result we will need to adopt a number of ways to deliver the required savings and transformation contributions within an agreed timescale.

- 1.12.2 A number of key themes have been identified, together with outline targets and timescales which will need to be revisited and aligned with the latest projected funding gap as part of the budget setting process. An updated version of the STS will be presented with the Budget report to Cabinet.

*Savings and Transformation Contributions*

- 1.12.3 The Council set a savings target of £350,000 to be delivered by April 2023 and to date ongoing savings / increased income in the order of £355,000 have been identified, albeit other factors / decisions made giving a net figure of £285,000.
- 1.12.4 There are of course multiple factors that can take the savings target in either the right or wrong direction. A high level overview of the movement in the savings target when the budget was set in February 2022 and the latest projected funding gap of £1,900,000 is detailed below.

|  | £           | £         |
|--|-------------|-----------|
| Savings Target – Council February 2022 |             | 2,150,000 |
| Bring Sites Recycling                  | 42,000      |           |
| Planning Enforcement                   | 25,000      |           |
| Sports Development & Youth Engagement  | (30,000)    |           |
| Ring-Fenced Sums                       | (34,000)    |           |
| Fees & Charges                         | (50,000)    |           |
| Replacement of Uniform System          | (50,000)    |           |
| Members Allowances                     | (60,000)    |           |
| Insurance                              | (60,000)    |           |
| Other (net)                            | (68,000)    | (285,000) |
|  |             |           |
| Other Factors Impacting on MTFS        |             |           |
| Waste Services Contract Inflation      | 640,000     |           |
| Pay Award                              | 340,000     |           |
| Price Inflation                        | 310,000     |           |
| Waste Services Contract Retender       | 300,000     |           |
| IT Expenses                            | 166,000     |           |
| Energy - Council Offices               | 100,000     |           |
| Tree Management                        | 40,000      |           |
| Planning Application Income            | (93,000)    |           |
| Garden Waste Income                    | (193,000)   |           |
| Council Tax Income                     | (222,000)   |           |
| Central Government Funding             | (268,000)   |           |
| Pension Fund Deficit                   | (1,450,000) |           |
| Other                                  | 165,000     | (165,000) |

|  |  |                  |
|--|--|------------------|
|  |  |                  |
| <b>Latest Projected Funding Gap</b>            |  | <b>1,700,000</b> |
| <b>Initiatives Already Built into the MTFS</b> |  | <b>200,000</b>   |
| <b>Total</b>                                   |  | <b>1,900,000</b> |

### 1.13 Legal Implications

1.13.1 There are a number of legislative requirements to consider in setting the Budget which will be addressed as we move through the budget cycle.

1.13.2 The Localism Act gives local communities the power to veto excessive council tax increases. The Secretary of State will determine a limit for council tax increases which has to be approved by the House of Commons. If an authority proposes to raise council tax above this limit they will have to hold a referendum to get approval for this from local voters who will be asked to approve or veto the rise.

1.13.3 The Local Government Finance Act 2012 and regulations that followed introduced the current Business Rates Retention Scheme.

### 1.14 Financial and Value for Money Considerations

1.14.1 The scale of the financial challenge places financial sustainability at increased risk.

1.14.2 The uncertainty surrounding local government finances – the awaited outcome of the Fair Funding Review, what is to happen to NHB and other grant income, business rates reforms, in addition to the adverse impact of the current economic conditions and the Covid-19 pandemic continuing to unwind makes financial planning that much more difficult.

1.14.3 The 2023/24 provisional local government finance settlement represents a holding position until the next Parliament, aiming at stability. But the ruling out of a business rates reset, or a Fair Funding Review and the continuing uncertainty surrounding NHB means that the big questions about the future of the funding system remain unaddressed where three key questions remain.

- Firstly, what will our business rates baseline and baseline funding level be and how will this compare to that reflected in the MTFS taking into account transfer of any new responsibilities?
- Secondly, what is the extent to which NHB will feature in future government grant funding and if replaced what level of funding would we receive in its place?
- Thirdly, over what time period will other grant income be ‘in play’ and how much might we expect to receive year on year in that period?



- 1.14.4 A further key question is, will the reductions in income and increased costs seen as a result of the pandemic return in large part to pre Covid-19 levels to the extent and in the timescale assumed?
- 1.14.5 In addition, the impact of current economic conditions on Council finances / financial assumptions in respect of inflation, interest rates, etc. and the scale of the impact over the medium term is uncertain and difficult to determine.

## **1.15 Risk Assessment**

- 1.15.1 The Local Government Act 2003 requires the Chief Financial Officer, when calculating the Council Tax Requirement, to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. Consideration will and is given to the risks associated with any budget setting process where various financial and other assumptions have to be made. To mitigate the risks detailed estimates are formulated in conjunction with Services taking into account past outturn, current spending plans and likely future demand levels / pressures and external advice on assumptions obtained where appropriate.
- 1.15.2 The Medium Term Financial Strategy sets out the high level financial objectives the Council wishes to fulfil and underpins the budget setting process for the forthcoming year and over the Strategy period. As the Council's high level financial planning tool the Strategy needs to be reviewed and updated at least annually and in the current climate regularly reviewed by Management Team. In addition, not identifying and implementing the requisite savings and transformation contributions will put at risk the integrity of the MTFS.
- 1.15.3 The pandemic continues to have a significant adverse impact on the Council's finances and dependent on the extent and speed of the recovery further widen the funding gap.
- 1.15.4 The continuing uncertainty and volatility surrounding local government finances does not aid financial planning with the increased risk of significant variations compared to projections; and the consequent implications on the level of reserves held.
- 1.15.5 The projected figures for New Homes Bonus or its replacement are at risk of further revision downwards which would, in turn, increase the required savings and transformation contributions.
- 1.15.6 The Waste Services Contract if not extended beyond the initial 8 year contract period could see increased costs over that assumed. As mentioned at paragraph 1.11.5, however, it is important to note that forward planning already assumes a reduced specification.

1.15.7 The Inter Authority Agreement with KCC as part of the Waste Services Contract may not be extended beyond the initial 8 year contract period with potential significant adverse budget implications, albeit this is considered unlikely.

1.15.8 Members are reminded that there are factors not reflected in the MTFs, e.g. Climate Change agenda related costs other than a relatively small earmarked reserve and the cost of borrowing for new capital plan schemes when and if required.

1.15.9 Any increase in council tax above the relevant threshold, even by a fraction of a percentage point, would require a referendum to be held.

## **1.16 Equality Impact Assessment**

1.16.1 Where there is a perceived impact on end users an equality impact assessment has been carried out and as further savings and transformation options emerge, further equality impact assessments will need to be carried out as appropriate.

## **1.17 Policy Considerations**

1.17.1 Budgetary and policy framework is relevant to all areas of the Council's business.

## **1.18 Recommendations**

1.18.1 The Committee is asked to:

- 1) Consider the draft Revenue Estimates attached at **[Annex 1]** and make such recommendations, as it considers appropriate, to Cabinet for its special meeting on 14 February.
- 2) Recommend to Cabinet that the Savings and Transformation Strategy is updated to reflect the latest projected funding gap as part of the budget setting process.

Background papers:

Nil

contact: Neil Lawley  
Sharon Shelton

Sharon Shelton  
Director of Finance and Transformation

Martin Coffin  
Cabinet Member for Finance, Innovation  
and Property

- Due to its size the Estimates Booklet (Annex 1) is attached as a supplement

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## TONBRIDGE & MALLING BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE

26 January 2023

Report of the Director of Planning, Housing and Environmental Health

#### Part 1- Public

#### Matters for Recommendation to Cabinet

#### 1 **S106 MATTERS**

**This report proposes an updated s106 protocol and a new monitoring structure for s106 monies, as well as updating Members on the recently published Infrastructure Delivery Statement.**

#### 1.1 **Background**

1.1.1 This report has been produced to set out the current situation and direction of travel TMBC seeks to undertake regarding several S106 related matters.

1.1.2 S106 agreements are a mechanism which make a development proposal acceptable in planning terms, that would not otherwise be acceptable. They are focused on site specific mitigation of the impact of development. S106 agreements are often referred to as 'planning obligations or developer contributions'.

1.1.3 Tonbridge and Malling Borough Council are presently not a CIL charging authority and therefore to mitigate the impact of a development a S106 agreement will be sought with the developer. The current S106 protocol (annex 1) was last updated and agreed by members in December 2011, to ensure the monitoring of the agreements TMBC has appointed a Senior Development Obligations Officer. TMBC is a signatory to the agreements within the local area and one of the receiving authorities of the funds alongside KCC in instances of reciprocal clauses within the S106.

1.1.4 Funds held by TMBC are allocated to projects within the locality of the development or those specified within the legal agreement, this includes parish owned sites to ensure they receive provision/enhancements to local facilities within the areas.

1.1.5 All parish councils have previously been notified of available funding held which they are eligible to use for potential projects. Any queries relating to what monies are currently held and whether a potential project would be eligible should be raised directly with the SDOO via [planning.obligations@tmbc.gov.uk](mailto:planning.obligations@tmbc.gov.uk)

## 1.2 Preparation and content

- 1.2.1 Reporting on the S106 funds held takes place on an annual basis via the Infrastructure Funding Statement (<https://www.tmbc.gov.uk/downloads/download/309/tmbc-planning-obligation-protocols-and-funding-statement>), which outlines what monies have been collected and spent in the last financial year, as well as which projects have been delivered and upcoming planning expenditure. A spreadsheet outlining the existing balances, and payments received within the financial year is published alongside the statement (<https://www.tmbc.gov.uk/downloads/download/309/tmbc-planning-obligation-protocols-and-funding-statement>). This includes information on any contributions that have been directed to Parish Councils.
- 1.2.2 The S106 protocol has been reviewed to ensure the protocol is efficient and up to date (see Annex 1 and 2), any changes have taken into account the interest of all parties involved to ensure sufficient monitoring of the agreements can be completed.
- 1.2.3 The main proposed change to be implemented under the new S106 protocol is the removal of the County Council as a signatory to most agreements. This is proposed to ensure greater control by TMBC over the delivery of the mitigation and payment of the relevant funds, more oversight can be spent on the S106 agreements whilst also minimising the time it takes to complete and sign the agreement. It would impact the process by ensuring most payments are made and directed through the local authority who can then ensure the projects being undertaken by all parties meet the requirement of the S106 contribution and the monies are being used towards the specified purpose.
- 1.2.4 It must be noted that the removal of KCC as a signatory to S106 agreements does not mean KCC will not be signatories to all agreements, there are certain instances that the County Council will still be required as a signatory, such as where the relevant obligation would require the Country to give reciprocal covenants to TMBC and/or the developer.
- 1.2.5 There is an element of risk by removing KCC as a signatory to the majority of agreements, most payments will be channelled through the local authority and the total sum of S106 monies held by TMBC will increase Most S106 agreements have time limited spend requirements (usually 5/10 years). Therefore, it is important to ensure our monitoring is stringent whilst ensuring the mitigation is being provided. The risks and mitigation have been carefully considered by TMBC and outlined within a Risk Assessment (Annex 3).
- 1.2.6 The proposed changes to the protocol will also make changes to the current process undertaken when S106 agreements are being negotiated the removal of KCC as a signatory to most agreements will also minimise the length of time taken to negotiate, agree and sign an agreement, however KCC will still be a signatory in circumstances where the obligation would require KCC to give reciprocal

covenants to TMBC and/or the relevant developer, for instance where the transfer of land is required to build a new school. In instances where KCC is not a signatory to the agreement and as part of the risk mitigation a draft copy of the agreement will be distributed to KCC for noting. The existing and proposed process changes (annexe 4) show the differences in approach to ensure a thorough engagement process is undertaken with the S106.

- 1.2.7 The creation of two monitoring groups would ensure an open line of communication with various departments and KCC. One monitoring group would include internal department colleagues and KCC, the second group would be a strategic group and comprise of internal TMBC staff and Councillors. This enables TMBC to receive direct information, provide a transparent line of communication in relation to the monies being spent between the two Councils as well as members, and answer any queries prior to final comments being provided.
- 1.2.8 It is proposed that the monitoring groups would be structured as follows and outlined within Annex 5 and 6;

| S106 Operational Monitoring Group                                | S106 Strategic Monitoring Group                              |
|--|--|
| Senior Development Obligations Officer (Chair)                   | Director of Planning, Housing & Environmental Health (Chair) |
| Development Obligations officer                                  | Head of Planning   |
| Planning Policy team member – IDP based                          | Planning Policy Manager and Development Management Manager   |
| Team Leader– Major Projects and Senior Planning Officer (Majors) | Cabinet Member for Strategic Planning & Infrastructure       |
| Leisure Services Manager (once appointed)                        | Chair of Housing and Planning Scrutiny Select Committee      |
| Legal  | Head of Legal & Democratic Services                          |
| Finance  | Councillors x 4 (politically balanced)                       |
| KCC representatives x2   | Team Leader – Major Projects                                 |

- 1.2.9 If this proposed structure is agreed, it is proposed that the Operational Monitoring Group is established as soon as possible and that the Strategic Group is established after Annual Council in May 2023. At the first meeting of each group, terms of reference will need to be agreed.
- 1.2.10 At the time of writing KCC is undergoing consultation on their Development Contribution Guide which expires in February 2022, TMBC is currently reviewing

the information supplied and drafting a response to this consultation, however the initial view is that the KCC consultation will not alter the proposed changes to our S106 protocol.

- 1.2.11 The protocol changes include the use of the recently completed and annually updated Parish Infrastructure Statements. When undertaking any negotiations relating to S106 agreements TMBC officers will use this as a tool to request contributions for specific purposes to mitigate the impact of the development and make improvements for the prospective and existing local communities.
- 1.2.12 All parish councils within the borough were requested to complete a Parish Infrastructure Statement which outlined potential projects they would like to undertake, and which could be potentially funded via the use of S106 contributions. We received a very positive responses with 20 parish councils participating and providing a detailed statement. The statements provided include various projects ranging from upgrades to existing facilities to provision of new open space and parks within the area. The statements have been collated into a spreadsheet and will be used by Planning Officers as evidence to aide in future negotiations with developers and allocate monies to parish projects. It is the intention that the Parishes who have not yet engaged with this process will be contacted by the Director of Planning, Housing & Environmental Health to offer some additional support. Consideration is also underway regarding how locally based projects in the non-Parished area of the borough can best be captured.
- 1.2.13 A PowerBI report is currently in development similar to the previously development Enforcement case review report, this will enable Councillors to access and have an overview of live data held in relation to S106 monies. This will enable councillors to review funds held and raise queries in relation to payments directly with the Senior Development Obligations Officer. Once the PowerBI report development has been completed it will be for internal use only as the Infrastructure Funding Statement will be published on an annual basis as legally required to give an overview of allocation and spending for the reporting period.

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

- 1.3.1 There will be direct financial and value for money considerations associated with S106 funds held, the monies received from S106 agreements make a significant difference to the local vicinity of the development. The funds are required to go towards the specified contributions as defined within the agreement, deviation from this could result in severe consequences with the council having to pay back the monies
- 1.3.2 The proposed changes of removing the County Council as a signatory to agreements will mean most contribution payments will be paid to TMBC and any project and payment requests from KCC will be checked and agreed by the local authority before any payments can be transferred. For those agreement where



reciprocal covenants to TMBC and/or the relevant developer are required, KCC will still be signatory to the agreement.

- 1.3.3 It was agreed by Cabinet on the 8 November 2022 to uplift the monitoring fees set out within S106 agreements by 10% on the 1 April 2023 a change from £300 per contribution to £330 per contribution. This change will be put into effect and all agreements drafted and completed after the 1 April 2023 will include the new higher fees. These fees are utilised to offset salary costs in the Planning service, principally the role of the Senior Development Obligations Officer.
- 1.3.4 The new reports and protocol will give Councillors a clear view on what monies are held, how they are allocated and what projects they have been spent on, the live data enables an up to date insight on our current process and the ability to raise any concerns.

## 1.4 Legal Matters

- 1.4.1 The impacts of the updated S106 protocol and process changes will only impact on new agreements. All previously signed or under negotiation agreements will continue to be monitored by TMBC however the payments will be made to the relevant authorities as set out within the S106 agreement.

## 1.5 Risk Assessment

- 1.5.1 The risks of removing KCC have been identified in Annex 3, this outlines the potential risks and mitigation proposed by TMBC.
- 1.5.2 The use of S106 funds on the appropriate projects to be completed in line with the legal agreement, if the funds are not used as required or within the time limit outlined within the S106, a developer is within their right to request a refund of the funds. Stringent monitoring of how the money is spent takes place to ensure correct usage. If money is returned to developers for any reason this could cause a reputational risk.

## 1.6 Recommendations

The Committee is asked to recommend to Cabinet:

- 1.6.1 **APPROVAL** of the revised S106 protocol and process, including the new monitoring structure.
- 1.6.2 **NOTING** of the recently approved and published Infrastructure Funding Statement (21/22) and spreadsheet.

Background papers:

- Annex 1 - Current S106 protocol
- Annex 2 - Proposed new S106 protocol
- Annex 3 – Protocol changes risk assessment
- Annex 4 – Existing and proposed S106 process
- Annex 5 – TMBC S106 monitoring group proposal
- Annex 6 – TMBC S106 members monitoring group proposal

contact: Chelsea Honey-Bradfield  
Senior Development  
Obligations Officer

Eleanor Hoyle  
Director of Planning, Housing and Environmental Health

**Tonbridge and Malling Borough Council**  
**Planning Obligations Protocol**



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

**Contents:**

- 1 Introduction and Context
- 2 Practice
- 3 Role of developers and applicants
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- 5 Involvement of Councillors, Town and Parish Councils and local community groups
- 6 Unilateral Undertakings
- 7 Execution of the Agreement
- 8 Legal Costs
- 9 Implementation and Monitoring

**Annexes:**

1. Guidance to promote local engagement
2. Collecting quantitative and qualitative evidence of need for provision and enhancement of community owned public open space

## **1. Introduction and Context:**

- 1.1 This document is intended to provide best practice guidance on managing Section 106 Planning Obligations related to development taking place in the Borough of Tonbridge and Malling. It is intended to amplify adopted local and national requirements whilst looking towards a collaborative approach to the provision of affordable housing, infrastructure projects and public services across the Borough. The Council believes it is essential that the means of securing such obligations takes place in a fair, open, transparent and reasonable manner in order to retain public confidence in the system and to provide greater clarity to all those involved.
- 1.2 The Council does not operate a Community Infrastructure Level (CIL) charging schedule. It was decided at the meeting of the Community Infrastructure Levy Panel on 19 December 2011 to not move forward with production of such a schedule, although this position is continually kept under review. In determining planning applications for new development, the Council therefore relies on the provisions of the Town and Country Planning Act 1990 to ensure that appropriate and successful mitigation of development takes place in all instances.
- 1.3 Under Section 106 of the Act any person interested in land in the area of a Local Planning Authority may, by agreement or unilaterally, enter into a planning obligation –
  - (a) restricting the development or use of land in any specified way;
  - (b) requiring specified operations or activities to be carried out on the land;
  - (c) requiring the land to be used in any specific way;
  - (d) requiring a sum or sums to be paid to the authority on a specified date for an agreed purpose.
- 1.4 Such agreements are effectively a mechanism designed to ensure a development proposal is acceptable in planning terms where it would not otherwise be acceptable. The statutory tests for such agreements are that the obligations must be:
  - necessary to make the development acceptable in planning terms;
  - directly related to the development; and
  - fairly and reasonably related in scale and kind to the development.
- 1.5 This is further supported in policy through the National Planning Policy Framework 2019 (NPPF) at paragraph 55.

1.6 Common examples of what may be sought as planning obligations in order to make development acceptable in this Borough are as follows:

- Affordable housing;
- Provision of public open space and public realm enhancements;
- Highways, transport and travel schemes including cycle and public transport improvements, highway infrastructure works, pedestrian links and facilities;
- Educational facilities;
- Libraries;
- Healthcare facilities;
- Provision of community facilities;
- Local environmental improvements including enhancement of designated nature conservation areas;
- Flood defence;
- Securing an acceptable mix of uses on development sites;
- Securing affordable business space;
- Archaeology and conservation schemes;
- Pollution mitigation;
- Fire and rescue facilities;
- Crime and disorder prevention activities;
- Town centre improvements; and
- Employment and training.

1.7 However, the above list is not exhaustive and the precise details of what will be sought by way of a planning obligation will be dependent on the scale and nature of the application and will be governed by relevant development plan policies in force in the area and any other material considerations. As such, prospective developers and applicants are advised to read this Protocol in conjunction with all relevant adopted development plan policies and are encouraged to enter into early pre-application discussions with the Council (as set out in more detail at Section 2).

- 1.8 In addition, the Infrastructure Delivery Plan (the “IDP”) identifies critical infrastructure and for strategic allocations the IDP identifies what, where, when and how critical new infrastructure will be provided. For strategic locations the IDP identifies likely infrastructure requirements and the measures needed to ensure their future delivery. As the process for bringing forward the sites progresses, this information will be updated and may identify other more minor infrastructure that is required.
- 1.9 The Council will always seek to explain to prospective applicants what mitigation will need to be provided by Section 106 agreement in the event that they seek pre-application advice. Requirements in this respect are set out in full within the suite of adopted policies contained within the Council’s adopted development plan, which are available on the Council’s website. All prospective applicants are strongly encouraged to engage with the Council through the pre-application advice service at the earliest opportunity.

## **2. Practice**

- 2.1 It is important that the negotiation of planning obligations does not unnecessarily delay the planning process, thereby holding up development delivery. It is therefore essential that all parties proceed as quickly as possible towards the resolution of meaningful and enforceable obligations in parallel to planning applications (including through pre-application discussions wherever appropriate) and in a spirit of early engagement and co-operation, with deadlines and working practices agreed in advance as far as possible (via formal planning performance agreements wherever possible to do so) in order to shape better quality schemes and improve the outcomes of a proposed development.
- 2.2 The Council will advise developers and applicants at the earliest opportunity if a planning obligation is required in connection with their development proposal as well as the reasons for this. Ideally this will form part of the pre-application discussions and further advice on this is provided in the pre-application protocol which is available on the Council’s website. In addition, applicants will be informed as soon as possible if it is likely that there is a potential reason for refusal which could be overcome through a planning obligation arising from engagement and consultation with the relevant infrastructure delivery bodies (both internal to the Council and external providers such as the County Council).
- 2.3 The need for and calculation of financial contributions will be applied consistently by the Council but may, occasionally, be subject to negotiation with the Development Management case officer dealing with the application in consultation with relevant colleagues both within and outside the Council, Where any departure from adopted policy is being proposed this will be made

explicit and fully justified and in full accordance with the planning practice guidance.

- 2.4 The Development Management case officer in their report (whether delegated or committee) will include a detailed analysis setting out the requirements within the section 106 agreement explaining why it is necessary to make the development acceptable in planning terms, stating how the requirements are directly related to the development being proposed and demonstrating how they are fairly and reasonably related in scale and kind. This section of the officer report can then be referred to in any future enquiries or planning appeals.
- 2.5 Wherever possible, all parties should use their best endeavours to ensure by the time applications are reported to the relevant Planning Committee, the legal agreement has either
  - a) been signed by all necessary parties; or
  - b) detailed drafting of the legal agreement has been agreed and execution of the agreement is imminent.
- 2.6 In terms of the latter, when a Planning Committee determines an application for planning permission subject to the completion of the legal agreement, the permission will not be issued until the legal agreement has been completed and signed. Officer reports will, in all cases, make recommendations as to the length of time reasonable to ensure the agreement is completed and signed with recourse to either allow for further time to be built into the process if negotiations are continuing proactively, or to allow for delegated authority to refuse planning permission if it becomes clear that the obligations are not going to be met and there is a clear and justified reason for doing so.

### **3. Role of developers and applicants**

- 3.1 Wherever possible to do so, and in particular where the applicant has engaged in pre-application discussions with the Council, it is preferable that detailed Heads of Terms or fully drafted agreements are submitted with planning applications where policy triggers are met in accordance with adopted development plan policy or where pre-application advice has indicated that obligations will be required from external providers (including the County Council). Failure to provide either of these at the submission stage may result in the planning application being made invalid and possibly returned to the applicant. This is in accordance with the Council's published Local Validation Requirements.
- 3.2 Once a valid application has been received, in all instances, the Development Management case officer will be responsible for leading on and coordinating all negotiations pertaining to planning obligations. At this point, applicants and agents



should not directly contact individual service providers but rather allow the case officer to collate, consider and coordinate any requests for obligations to ensure an effective and consistent approach. This is consistent with the ways of working of the Development Management Team and internal and external stakeholders are aware of this requirement.

- 3.3 In the event that the development is considered unviable by the applicant because of the level of contributions being requested then the Council will always seek detailed evidence from the applicant in accordance with the national Planning Practice Guidance (the “PPG”). Again, this should be provided at the submission stage because the applicant would have understood all policy requirements as part of effective pre-application discussions. In the event that no such evidence is provided and the application is not subject to a Planning Performance Agreement (PPA), the applicant will be given one opportunity to withdraw the application within a prescribed time period after which the Council will refuse planning permission.
- 3.4 In circumstances where viability evidence is put forward, the applicant must provide a full financial appraisal of the scheme (which accords with the requirements set out in the Planning Practice Guidance) and allow the appraisal to be verified, at their expense, by an independent agent chosen by the Council. In these instances, such a process should wherever possible be enshrined within an agreed PPA.

#### **4. Role of the County Council**

- 4.1 Kent County Council is a key service and infrastructure provider within Tonbridge and Malling Borough. As such, it is important to recognise the need for a collaborative working approach between the County and Borough Council in securing necessary planning obligations. As part of this, Tonbridge and Malling Borough Council undertakes to:
- Highlight to developers at the pre-application stage the need to engage with the County Council to establish what requirements they might have in order to incorporate into the finalised proposal and application submission (and for this to be enshrined within the planning performance agreement where applicable and possible to do so);
  - Consult the County Council on all applications for major development across the Borough and invite views on likely infrastructure and services required;
  - Request that the County Council at all times clearly sets out the basis on which infrastructure or other contributions are required and provides this information by a specified deadline;
  - Fully consider any representations from Town Councils, Parish Councils and other community groups seeking contributions where they are in

accordance with the adopted development plan and have been fully evidenced.

- Ensure effective and full liaison between instructed solicitors in order to finalise and execute any agreement.

4.2 Tonbridge and Malling Borough Council are the local planning authority that will have the ultimate responsibility for the determination of planning applications across the Borough. To assist the Council's assessment of any proposals and the need for planning obligations, the County Council will be expected to clearly stipulate the type of infrastructure contributions required to make the development acceptable in planning terms having regard to adopted policy and established evidence base and reasoned justification for the contributions sought.

4.3 The Borough Council's Development Management case officer will be responsible for leading and coordinating all negotiations regarding planning obligations. Where developer approaches are made at a pre-application stage direct to the County Council, the Borough Council should be copied in to any advice given. Once an application has been formally submitted, any such approaches should be directed back to the relevant case officer with any appropriate advice or guidance to assist negotiations.

## **5. Involvement of Borough Councillors, Town and Parish Councils and local community groups**

5.1 Developers promoting larger and strategic schemes are often keen to meet with local Councillors to discuss local needs and the issue of wider community benefits that may come forward as planning obligations. There is an opportunity for Councillors to do this without pre-determining the outcome of the application process through structured and organised Member briefings. Presentations by prospective developers are also possible but officers should also be in attendance at these.

5.2 The need for such Member briefings is a matter best addressed through developers and applicants entering into a formal PPA where parameters and timeframes can be agreed between the parties. However, in all instances Council officers would take the lead in providing such briefings, utilising where necessary material provided by the developer.

5.3 Where obligations are required and where it is considered necessary to identify and evidence suitable local projects in accordance with policy requirements, the case officer will discuss with the relevant Ward members at the earliest opportunity.

5.4 Similarly, it is recognised that Town and Parish Councils and other local community groups can positively engage in this process in order to identify

projects within their communities that may be funded through contributions. Such contributions may only be spent on new facilities or improvements to facilities where the new development has been identified as contributing to the need for that facility or will have an impact on the existing facilities. It should however be remembered that costs related to revenue expenditure or costs which primarily relate to the maintenance of existing facilities such as minor repairs, replacement or redecoration will be will not meet the necessary tests.

- 5.5 The Council would expect such groups to clearly identify and robustly evidence any such projects at the time they make their representations on a planning application to enable the Council to make an assessment of the project and take it forward as part of the negotiations with the developer. Submitting this evidence in this manner will in no way prejudice any objections raised within the wider representations made. Where such projects are taken forward, the terms of the obligations will be shared with the group in question so they understand the relative requirements prior to the agreement being finalised. Similarly, if it is not considered that the project can be taken forward, an explanation as to the reasons will be provided within the officer's report.
- 5.6 Further guidance on how to compile such evidence can be found at Annexes 1 and 2 of the Protocol.
- 5.7 It should be remembered that Town and Parish Councils must prepare a report for any financial year in which it receives levy receipts. The information that parish councils should report on is prescribed in Regulation 121B of the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019. The report must be published online. A copy of the report should be sent to the charging authority from which it received levy receipts (the Borough or County Council), no later than 31 December following the reported financial year, unless the report is, or is to be, published on the charging authority's website.

## **6. Unilateral Undertakings**

- 6.1 The submission of unilateral undertakings on behalf of applicants may be acceptable. If this approach is being considered on behalf of the applicant then it is important that it is discussed at the pre-application stage with the relevant Development Management case officer before any work is done on the proposed undertaking. A unilateral undertaking must comply with the same statutory and policy requirements as a bilateral agreement. Where a unilateral undertaking is submitted and it meets the relevant tests then it will be taken into account as a material consideration when determining the application. However, if the obligation does not meet those tests and the proposed development is unacceptable without it, then the planning application will be recommended for refusal. If an alteration to the undertaking would overcome the reason for refusal then the Council will advise the developer prior to determining the application.

## **7. Preparation and Execution of the Agreement**

- 7.1 If the Council has resolved to grant planning permission subject to the execution of a planning obligation, the planning permission will only be issued once the agreement has been executed by all parties and dated by the Council. The Council will ask for evidence that the owner has capacity to enter into the agreement and that any persons signing the agreement on behalf of the owner are authorised to do so. Ideally, this should be provided at the submission stage along with the Heads of Terms/draft agreement.
- 7.2 Applicants requiring a s.106 agreement or undertaking are expected to instruct a specialist solicitor to assist them with the preparation and completion of these documents. These are important and contractually binding documents which are often legally complex. The Council does not produce or expect a “standard format” of agreement to be followed, as this cannot account for every eventuality which a planning obligation may need to address.
- 7.3 All obligations and conditions contained within the agreement will become legally binding once the agreement has been signed. The obligations and conditions contained within the agreement cannot subsequently be changed unless the consent of the owner is obtained together with further approval by Planning Committee or the Director of Planning, Housing and Environmental Housing as is appropriate or necessary. If any such variation is subsequently sought, the developer will be expected to provide a full, reasoned and evidenced justification for such a variation.
- 7.4 Once completed, legal agreements form part of the planning permission and are a public document. As such, anyone may see a copy of it by viewing the documents on Public Access.

## **8. Legal costs**

- 8.1 The Council will require the developer to pay the Council’s legal fees of preparing the planning obligation or checking any draft agreement or unilateral undertaking. These costs vary according to the type of agreement or unilateral undertaking and the scale or complexity of the associated development. The Council’s Legal Department will be able to advise on the cost of dealing with the agreement once they have received instructions from the Planning Department.
- 8.2 The majority of the Council’s section 106 agreements are outsourced to the Council’s appointed external advisers save in a minority of cases where they are legally unable to act for the Council, in which case the matter will be dealt with by the Council’s internal legal team.

## **9. Implementation and Monitoring**

- 9.1 Once planning obligations have been agreed it is important that they are implemented, monitored and, where necessary, enforced in an efficient and transparent way. This is to ensure that contributions are spent on their intended purpose and that the associated development contributes to the sustainability of the area. This will require monitoring which, in turn, may involve joint-working by different parts of the Council.
- 9.2 Following the finalisation of a planning obligation there are a range of different activities that need to be undertaken by a variety of different parties, to different timetables, sometimes extending over a number of years. Some of these tasks include:
- ensuring the delivery of on-site obligations by the developer to the required standard and timetable;
  - ensuring that the necessary infrastructure that the Council or another public body has agreed to provide (wholly or in part, funded by contributions) is delivered;
  - ensuring receipt of financial contributions at appropriate times;
  - monitoring adherence to restrictions on all parties, including the Council, imposed through planning obligations;
  - managing applications for the modification or discharge of agreements; and
  - any necessary enforcement action.
- 9.3 If the Council's monitoring work indicates that contributions from developers have not been spent for their specified purpose within an agreed timeframe, which will be set out in the obligation and depend on the level of the contribution and its proposed end use, they will be returned to the developer. The time periods during which financial contributions are to be spent will run from the date the contribution is received by the Council once the trigger point is reached as opposed to the date of the agreement or obligation.
- 9.4 If the contribution cannot be spent for the originally specified purpose within the timescale set out in the agreement the Council will first seek to negotiate with the developer, or their successor in title, an alternative purpose for the financial contribution.
- 9.5 In order that the monitoring and enforcement of planning obligations is carried out efficiently and effectively for the benefit of communities affected by development, the Council will levy a monitoring fee on each planning obligation (rate of £300 for each obligation contained within the agreement). This monitoring fee will be enshrined within the planning obligation and must be paid by the developer or other parties as may be specified in the obligation on

signing the section 106 agreement. The fee will be applied to all obligations whether these are by agreement or submitted as unilateral undertakings. Similarly, the monitoring fee applies to all obligations including those payable to the County Council (and notwithstanding any fees they may levy in addition) because the Borough Council as determining local planning authority is under a duty to monitor compliance with those obligations as a matter of course too.

**Tonbridge and Malling Borough Council**  
**Planning Obligations Protocol**



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

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- 1 Introduction and Context
- 2 Practice
- 3 Role of developers and applicants
- 4 Role of the County Council
- 5 Involvement of Councillors, Town and Parish Councils and local community groups
- 6 Unilateral Undertakings
- 7 Execution of the Agreement
- 8 Legal Costs
- 9 Implementation and Monitoring

**Annexes:**

1. Guidance to promote local engagement
2. Collecting quantitative and qualitative evidence of need for provision and enhancement of community owned public open space



## **1. Introduction and Context:**

- 1.1 This document is intended to provide best practice guidance on managing Section 106 Planning Obligations related to development taking place in the Borough of Tonbridge and Malling. It is intended to amplify adopted local and national requirements whilst looking towards a collaborative approach to the provision of affordable housing, infrastructure projects and public services across the Borough. The Council believes it is essential that the means of securing such obligations takes place in a fair, open, transparent and reasonable manner in order to retain public confidence in the system and to provide greater clarity to all those involved.
- 1.2 The Council does not operate a Community Infrastructure Level (CIL) charging schedule. It was decided at the meeting of the Community Infrastructure Levy Panel on 19 December 2011 to not move forward with production of such a schedule, although this position is continually kept under review. In determining planning applications for new development, the Council therefore relies on the provisions of the Town and Country Planning Act 1990 to ensure that appropriate and successful mitigation of development takes place in all instances.
- 1.3 Under Section 106 of the Act any person interested in land in the area of a Local Planning Authority may, by agreement or unilaterally, enter into a planning obligation –
  - (a) restricting the development or use of land in any specified way;
  - (b) requiring specified operations or activities to be carried out on the land;
  - (c) requiring the land to be used in any specific way;
  - (d) requiring a sum or sums to be paid to the authority on a specified date for an agreed purpose.
- 1.4 Such agreements are effectively a mechanism designed to ensure a development proposal is acceptable in planning terms where it would not otherwise be acceptable. The statutory tests for such agreements are that the obligations must be:
  - necessary to make the development acceptable in planning terms;
  - directly related to the development; and
  - fairly and reasonably related in scale and kind to the development.
- 1.5 This is further supported in policy through the National Planning Policy Framework 2019 (NPPF) at paragraph 55.

1.6 Common examples of what may be sought as planning obligations in order to make development acceptable in this Borough are as follows:

- Affordable housing;
- Provision of public open space and public realm enhancements;
- Highways, transport and travel schemes including cycle and public transport improvements, highway infrastructure works, pedestrian links and facilities;
- Educational facilities;
- Libraries;
- Healthcare facilities;
- Provision of community facilities;
- Local environmental improvements including enhancement of designated nature conservation areas;
- Flood defense;
- Securing an acceptable mix of uses on development sites;
- Securing affordable business space;
- Archaeology and conservation schemes;
- Pollution mitigation;
- Fire and rescue facilities;
- Crime and disorder prevention activities;
- Town centre improvements; and
- Employment and training.

1.7 However, the above list is not exhaustive and the precise details of what will be sought by way of a planning obligation will be dependent on the scale and nature of the application and will be governed by relevant development plan policies in force in the area and any other material considerations. As such, prospective developers and applicants are advised to read this Protocol in conjunction with all relevant adopted development plan policies and are encouraged to enter into early pre-application discussions with the Council (as set out in more detail at Section 2).

- 1.8 In addition, the Infrastructure Delivery Plan (the “IDP”) identifies critical infrastructure and for strategic allocations the IDP identifies what, where, when and how critical new infrastructure will be provided. For strategic locations the IDP identifies likely infrastructure requirements and the measures needed to ensure their future delivery. As the process for bringing forward the sites progresses, this information will be updated and may identify other more minor infrastructure that is required.
- 1.9 The Council will always seek to explain to prospective applicants what mitigation will need to be provided by Section 106 agreement in the event that they seek pre- application advice. Requirements in this respect are set out in full within the suite of adopted policies contained within the Council’s adopted development plan, which are available on the Council’s website. All prospective applicants are strongly encouraged to engage with the Council through the pre-application advice service at the earliest opportunity.

## **2. Practice**

- 2.1 It is important that the negotiation of planning obligations does not unnecessarily delay the planning process, thereby holding up development delivery. It is therefore essential that all parties proceed as quickly as possible towards the resolution of meaningful and enforceable obligations in parallel to planning applications (including through pre-application discussions wherever appropriate) and in a spirit of early engagement and co-operation, with deadlines and working practices agreed in advance as far as possible (via formal planning performance agreements wherever possible to do so) in order to shape better quality schemes and improve the outcomes of a proposed development.
- 2.2 The Council will advise developers and applicants at the earliest opportunity if a planning obligation is required in connection with their development proposal as well as the reasons for this. Ideally this will form part of the pre-application discussions and further advice on this is provided in the pre-application protocol which is available on the Council’s website. In addition, applicants will be informed as soon as possible if it is likely that there is a potential reason for refusal which could be overcome through a planning obligation arising from engagement and consultation with the relevant infrastructure delivery bodies (both internal to the Council and external providers such as the County Council).
- 2.3 The need for and calculation of financial contributions will be applied consistently by the Council but may, occasionally, be subject to negotiation with the Development Management case officer dealing with the application in consultation with relevant colleagues both within and outside the Council, Where any departure from adopted policy is being proposed this will be made

explicit and fully justified and in full accordance with the planning practice guidance.

- 2.4 The Development Management case officer in their report (whether delegated or committee) will include a detailed analysis setting out the requirements within the section 106 agreement explaining why it is necessary to make the development acceptable in planning terms, stating how the requirements are directly related to the development being proposed and demonstrating how they are fairly and reasonably related in scale and kind. This section of the officer report can then be referred to in any future enquiries or planning appeals.
- 2.5 Wherever possible, all parties should use their best endeavors to ensure by the time applications are reported to the relevant Planning Committee, the legal agreement has either
  - a) been signed by all necessary parties; or
  - b) detailed drafting of the legal agreement has been agreed and execution of the agreement is imminent.
- 2.6 In terms of the latter, when a Planning Committee determines an application for planning permission subject to the completion of the legal agreement, the permission will not be issued until the legal agreement has been completed and signed. Officer reports will, in all cases, make recommendations as to the length of time reasonable to ensure the agreement is completed and signed with recourse to either allow for further time to be built into the process if negotiations are continuing proactively, or to allow for delegated authority to refuse planning permission if it becomes clear that the obligations are not going to be met and there is a clear and justified reason for doing so.

### **3. Role of developers and applicants**

- 3.1 Wherever possible to do so, and in particular where the applicant has engaged in pre-application discussions with the Council, it is preferable that detailed Heads of Terms or fully drafted agreements are submitted with planning applications where policy triggers are met in accordance with adopted development plan policy or where pre-application advice has indicated that obligations will be required from external providers (including the County Council). Failure to provide either of these at the submission stage may result in the planning application being made invalid and possibly returned to the applicant. This is in accordance with the Council's published Local Validation Requirements.
- 3.2 Once a valid application has been received, in all instances, the Development Management case officer will be responsible for leading on and coordinating all negotiations pertaining to planning obligations. At this point, applicants and

agents should not directly contact individual service providers but rather allow the case officer to collate, consider and coordinate any requests for obligations to ensure an effective and consistent approach. This is consistent with the ways of working of the Development Management Team and internal and external stakeholders are aware of this requirement.

- 3.3 In the event that the development is considered unviable by the applicant because of the level of contributions being requested then the Council will always seek detailed evidence from the applicant in accordance with the national Planning Practice Guidance (the “PPG”). Again, this should be provided at the submission stage because the applicant would have understood all policy requirements as part of effective pre- application discussions. In the event that no such evidence is provided and the application is not subject to a Planning Performance Agreement (PPA), the applicant will be given one opportunity to withdraw the application within a prescribed time period after which the Council will refuse planning permission.
- 3.4 In circumstances where viability evidence is put forward, the applicant must provide a full financial appraisal of the scheme (which accords with the requirements set out in the Planning Practice Guidance) and allow the appraisal to be verified, at their expense, by an independent agent chosen by the Council. In these instances, such a process should wherever possible be enshrined within an agreed PPA.

#### **4. Role of the County Council**

4.1 In most circumstances, we would not expect Kent County Council to need to be a signatory to any section 106 agreement. However, in circumstances where the relevant obligation would require the County to give reciprocal covenants to TMBC and/or the relevant developer, then the County will be required to be a signatory.

4.2 Kent County Council is a key service and infrastructure provider within Tonbridge and Malling Borough. As such, it is important to recognize the need for a collaborative working approach between the County and Borough Council in securing necessary planning obligations. As part of this, Tonbridge and Malling Borough Council undertakes to:

- Highlight to developers at the pre-application stage the need to engage with the County Council to establish what requirements they might have in order to incorporate into the finalised proposal and application submission (and for this to be enshrined within the planning performance agreement where applicable and possible to do so);
- Consult the County Council on all applications for major development across the Borough and invite views on likely infrastructure and services required;

- Request that the County Council at all times clearly sets out the basis on which infrastructure or other contributions are required and provides this information by a specified deadline;
- Fully consider any representations from Town Councils, Parish Councils and other community groups seeking contributions where they are in accordance with the adopted development plan and have been fully evidenced.
- Ensure the County council has sight of, and were able to provide comments on, draft agreements where we are collecting contributions on items which would ultimately be delivered by the County Council.

4.3 Tonbridge and Malling Borough Council are the local planning authority that will have the ultimate responsibility for the determination of planning applications across the Borough. To assist the Council's assessment of any proposals and the need for planning obligations, the County Council will be expected to clearly stipulate the type of infrastructure contributions required to make the development acceptable in planning terms having regard to adopted policy and established evidence base and reasoned justification for the contributions sought.

4.4 The Borough Council's Development Management case officer will be responsible for leading and coordinating all negotiations regarding planning obligations. Where developer approaches are made at a pre-application stage direct to the County Council, the Borough Council should be copied in to any advice given. Once an application has been formally submitted, any such approaches should be directed back to the relevant case officer with any appropriate advice or guidance to assist negotiations.

## **5. Involvement of Borough Councillors, Town and Parish Councils and local community groups**

5.1 Developers promoting larger and strategic schemes are often keen to meet with local Councillors to discuss local needs and the issue of wider community benefits that may come forward as planning obligations. There is an opportunity for Councillors to do this without pre-determining the outcome of the application process through structured and organised Member briefings. Presentations by prospective developers are also possible but officers should also be in attendance at these.

5.2 The need for such Member briefings is a matter best addressed through developers and applicants entering into a formal PPA where parameters and timeframes can be agreed between the parties. However, in all instances Council officers would take the lead in providing such briefings, utilising where necessary material provided by the developer.

- 5.3 Where obligations are required and where it is considered necessary to identify and evidence suitable local projects in accordance with policy requirements, the case officer will discuss with the relevant Ward members at the earliest opportunity.
- 5.4 Similarly, it is recognised that Town and Parish Councils and other local community groups can positively engage in this process **via the completion of the Parish Infrastructure statements in order to identify and outline potential projects within their communities that may be funded through contributions.** Such contributions may only be spent on new facilities or improvements to facilities where the new development has been identified as contributing to the need for that facility or will have an impact on the existing facilities. It should however be remembered that costs related to revenue expenditure or costs which primarily relate to the maintenance of existing facilities such as minor repairs, replacement or redecoration will not meet the necessary tests.
- 5.5 The Council would expect such groups to clearly identify and robustly evidence any such projects at the time they make their representations on a planning application to enable the Council to make an assessment of the project and take it forward as part of the negotiations with the developer. Submitting this evidence in this manner will in no way prejudice any objections raised within the wider representations made. Where such projects are taken forward, the terms of the obligations will be shared with the group in question so they understand the relative requirements prior to the agreement being finalised. Similarly, if it is not considered that the project can be taken forward, an explanation as to the reasons will be provided within the officer's report.
- 5.6 Further guidance on how to compile such evidence can be found at Annexes 1 and 2 of the Protocol.
- 5.7 It should be remembered that Town and Parish Councils must prepare a report for any financial year in which it receives levy receipts. The information that parish councils should report on is prescribed in Regulation 121B of the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019. The report must be published online. A copy of the report should be sent to the charging authority from which it received levy receipts (the Borough or County Council), no later than 31 December following the reported financial year, unless the report is, or is to be, published on the charging authority's website.

## **6. Unilateral Undertakings**

- 6.1 The submission of unilateral undertakings on behalf of applicants may be acceptable. If this approach is being considered on behalf of the applicant then it is important that it is discussed at the pre-application stage with the relevant Development Management case officer before any work is done on the

proposed undertaking. A unilateral undertaking must comply with the same statutory and policy requirements as a bilateral agreement. Where a unilateral undertaking is submitted and it meets the relevant tests then it will be taken into account as a material consideration when determining the application. However, if the obligation does not meet those tests and the proposed development is unacceptable without it, then the planning application will be recommended for refusal. If an alteration to the undertaking would overcome the reason for refusal then the Council will advise the developer prior to determining the application.

## **7. Preparation and Execution of the Agreement**

- 7.1 If the Council has resolved to grant planning permission subject to the execution of a planning obligation, the planning permission will only be issued once the agreement has been executed by all parties and dated by the Council. The Council will ask for evidence that the owner has capacity to enter into the agreement and that any persons signing the agreement on behalf of the owner are authorised to do so. Ideally, this should be provided at the submission stage along with the Heads of Terms/draft agreement.
- 7.2 Applicants requiring a s.106 agreement or undertaking are expected to instruct a specialist solicitor to assist them with the preparation and completion of these documents. These are important and contractually binding documents which are often legally complex. The Council does not produce or expect a “standard format” of agreement to be followed, as this cannot account for every eventuality which a planning obligation may need to address.
- 7.3 All obligations and conditions contained within the agreement will become legally binding once the agreement has been signed. The obligations and conditions contained within the agreement cannot subsequently be changed unless the consent of the owner is obtained together with further approval by Planning Committee or the Director of Planning, Housing and Environmental Housing as is appropriate or necessary. If any such variation is subsequently sought, the developer will be expected to provide a full, reasoned and evidenced justification for such a variation.
- 7.4 Once completed, legal agreements form part of the planning permission and are a public document. As such, anyone may see a copy of it by viewing the documents on Public Access.

## **8. Legal costs**

- 8.1 The Council will require the developer to pay the Council’s legal fees of preparing the planning obligation or checking any draft agreement or unilateral undertaking. These costs vary according to the type of agreement or unilateral undertaking and the scale or complexity of the associated development. The Council’s Legal Department will be able to advise on the cost of dealing with



the agreement once they have received instructions from the Planning Department.

- 8.2 The majority of the Council's section 106 agreements are outsourced to the Council's appointed external advisers save in a minority of cases where they are legally unable to act for the Council, in which case the matter will be dealt with by the Council's internal legal team.

## **9. Implementation and Monitoring**

- 9.1 Once planning obligations have been agreed it is important that they are implemented, monitored and, where necessary, enforced in an efficient and transparent way. This is to ensure that contributions are spent on their intended purpose and that the associated development contributes to the sustainability of the area. This will require monitoring which, in turn, may involve joint-working by different parts of the Council.

- 9.2 Following the finalization of a planning obligation there are a range of different activities that need to be undertaken by a variety of different parties, to different timetables, sometimes extending over a number of years. Some of these tasks include:

- ensuring the delivery of on-site obligations by the developer to the required standard and timetable;
- ensuring that the necessary infrastructure that the Council or another public body has agreed to provide (wholly or in part, funded by contributions) is delivered;
- ensuring receipt of financial contributions at appropriate times;
- monitoring adherence to restrictions on all parties, including the Council, imposed through planning obligations;
- managing applications for the modification or discharge of agreements; and
- any necessary enforcement action.

- 9.3 If the Council's monitoring work indicates that contributions from developers have not been spent for their specified purpose within an agreed timeframe, which will be set out in the obligation and depend on the level of the contribution and its proposed end use, they will be returned to the developer. The time periods during which financial contributions are to be spent will run from the date the contribution is received by the Council once the trigger point is reached as opposed to the date of the agreement or obligation.

- 9.4 If the contribution cannot be spent for the originally specified purpose within the

timescale set out in the agreement the Council will first seek to negotiate with the developer, or their successor in title, an alternative purpose for the financial contribution.

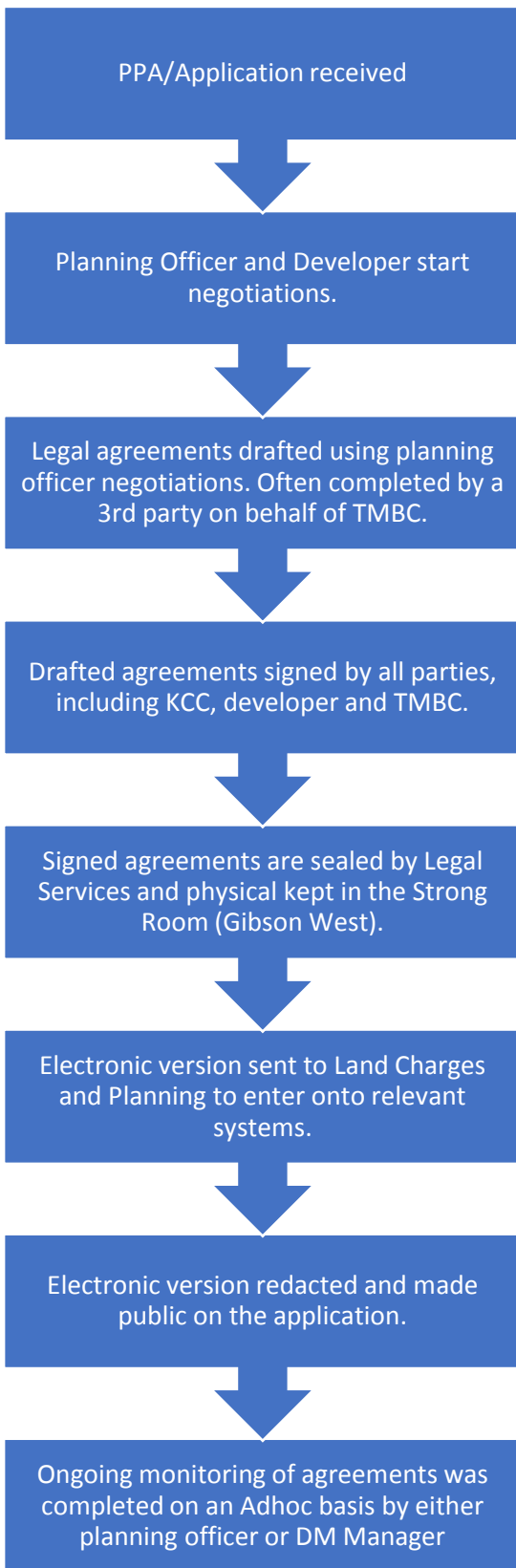
- 9.5 In order that the monitoring and enforcement of planning obligations is carried out efficiently and effectively for the benefit of communities affected by development, the Council will levy a monitoring fee on each planning obligation (rate of £330 for each obligation contained within the agreement). This monitoring fee will be enshrined within the planning obligation and must be paid by the developer or other parties as may be specified in the obligation on signing the section106 agreement. The fee will be applied to all obligations whether these are by agreement or submitted as unilateral undertakings. Similarly, the monitoring fee applies to all obligations including those payable to the County Council (and notwithstanding any fees they may levy in addition) because the Borough Council as determining local planning authority is under a duty to monitor compliance with those obligations as a matter of course too.

**KCC risk assessment**

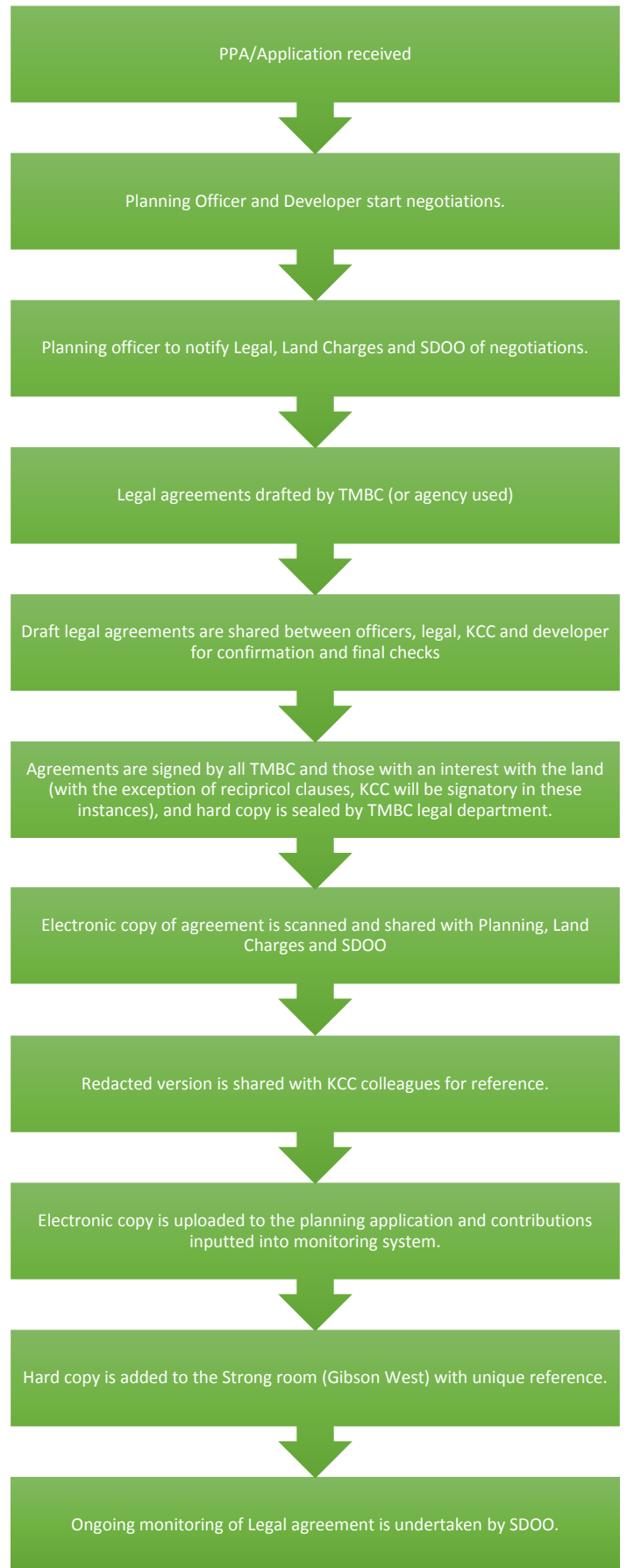
| Query/Risk raised  | Mitigation proposed  |
|--|--|
| The ability of KCC to input into the S106 agreement and have this checked by their independent legal team.   | <p>A monitoring group has been created and will include various TMBC colleagues and KCC to ensure they are able to receive updates relating to ongoing negotiations, ongoing monitoring, and make/raise queries in relation to specific sites.</p> <p>Draft copies of the agreement would be distributed to KCC to enable them to review and provide any potential comments.</p> <p>For those agreements where the reciprocal covenants to TMBC and/or the relevant developer are required, then KCC will still be a signatory to the agreement.</p> |
| KCC costs incurred from independent legal checking would not be funded by the agreement  | Potential to include KCC legal fees into the S106 agreements and the agreement not being signed and completed until KCC have received their legal costs from the developer.  |
| Potential for a threshold for KCC to be included as signatories on agreements.   | Thresholds would not be required as they would be party to any agreements with reciprocal covenants to TMBC and/or the relevant developer are required e.g. such as Land Transfer and School provision. These would be the similar sized developments as the threshold would incur (approx. 500 dwellings).  |
| KCC do not feel the current proforma works effectively for them, they are unable to provide details relating to project start dates and timelines. | TMBC will work alongside KCC when using the proforma, we will investigate any potential changes, however for majority use the current proforma supplied is suitable.   |
| Concerns of being notified when funding has been paid to TMBC and is available for use by KCC.   | <p>Reassured in previous meeting that KCC will be notified when funds are received and what project/site they are to be allocated to.</p> <p>We will look to share real time live data with KCC which outlines the funds held by TMBC and breakdown of contribution, thus enabling KCC to properly plan for the delivery of essential mitigation via the S106 agreement funding.</p>   |

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**Current process:**



**Proposal process:**



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### **TMBC S106 monitoring group.**

It is proposed to create a S106 monitoring group comprising of internal department team members to meet on a regular basis and talk through potential S106 matters including current negotiations taking place, use of Parish infrastructure statements to allocate funds appropriately and enable other teams such as housing/leisure to attempt to obtain more exact figures to enable them to comment on planning applications while requesting the correct amount. The meetings would also give group members a chance to update in other matters such as when/where money has been spent and/or the current progress noted on an application site creating a more open environment to discuss potential points and updates.

The meetings would likely trial starting on a monthly basis and look to change the frequency depending on how many changes we see between meetings, or whether participants feel they are working well.

An invite would be sent out to the below members/departments to initially find out availability and willingness to be included – however initial discussions with internal TMBC departments shows this is a sought after idea.

Proposed members to include:

- Chelsea Honey-Bradfield (Chair)- Senior Development Obligations officer.
- Nadia Ross - Development Obligations Officer.
- Ria Hotchin – Senior Planning Officer (Policy).
- DM Majors officer (once appointed)
- Andrew Longman – Senior Planning Officer (majors)
- Gillian Aylett – Housing Strategy & Enabling Manager
- Mike Harris – Leisure Services Manager – Outdoors
- Mark De Save – Senior Accountant
- Representative from KCC Development Contributions.

Meeting agenda:

- Previous issues raised.
- Current ongoing negotiations with developers.
- Progress of developments within Borough.
- Monies received/spent within period.
- Allocation of funds held using Parish Infrastructure Statement and Capital Plan.
- Project updates.
- Historic S106 matters (monies due to be spent with deadline looming etc.)
- Any other questions/queries.

Once this meeting has taken place a breakdown of the discussion can be stored electronically and where needed shared with other teams/members/councils.

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### **TMBC S106 member monitoring group.**

It is proposed to create a S106 monitoring group comprising of internal TMBC colleagues and Councillors to meet on a regular basis and talk through potential S106 matters and ongoing negotiations relating to large scheme developments, new monies received and spent by TMBC, outlining any projects lined up for funding via S106. The meetings would also give group members a chance to request updates on other S106 matters and raise any concerns they had regarding developments.

The meetings would likely trial starting on a quarterly basis and look to change the frequency depending on how many changes we see between meetings, or whether participants feel they are working well.

An invite would be sent out to the below members/colleagues to initially find out availability and willingness to be included.

#### **Proposed members to include:**

- Chelsea Honey-Bradfield - Senior Development Obligations officer.
- James Bailey – Head of Planning
- Gudrun Andrews – Planning Policy Manager
- Hannah Parker – Development Management Manager
- DM Majors officer (once appointed)
- Cllr Dave Davis - Cabinet Member for Strategic Planning and Infrastructure
- Cllr Jon Botten - Chair of Housing and Planning Scrutiny Select Committee

#### **Potential meeting agenda:**

- Previous issues raised.
- Current ongoing negotiations with developers.
- Progress of developments within Borough.
- Project allocation.
- Monies received/spent.
- Updates from monitoring group meeting with external authorities included.
- Any other questions/queries.

Once this meeting has taken place a breakdown of the discussion can be stored electronically and where needed shared with other teams/members/councils.

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## TONBRIDGE & MALLING BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE

26 January 2023

#### Report of the Director of the Chief Executive

#### Part 1- Public

#### Matters for Information

#### 1 KEY PERFORMANCE INDICATORS

One of the key recommendations of the Peer Challenge Review was to “establish a Corporate Performance Framework which provides visibility and a formal mechanism to track your progress.” This covering report and appendix provides a list of Key Performance Indicators (KPIs) that will be monitored on a quarterly-annual basis and made available on an ongoing basis.

#### 1.1 Overview of KPIs and Next Steps

1.1.1 The KPI dataset that is provided represents the key strategic indicators that the Council reports on to various Government departments and bodies. They are not designed to provide detailed service specific indicators.

1.1.2 Each of the three Scrutiny Select Committees are receiving a suite of KPIs that specifically relate to their area of interest. The KPIs provided in Appendix 1 are those that are either more corporate in nature or do not fit under the remit of the Scrutiny Select Committees. A baseline covering April-June 2022 has been used, with the data for July-September 2022 representing the most up-to-date available statistics for the most part. Where available, statistics relating to October-December 2022 have been provided.

1.1.3 Where required, short explanatory notes have been provided to give additional context.

1.1.4 If there are any questions regarding the KPIs provided, **these should be submitted to the relevant Director/Chief Executive at least 2 days in advance of the scrutiny select committee meeting** in order to ensure that a suitable response can be provided at the meeting. If additional queries are raised at the scrutiny select committee meeting, these will be responded to within 5 working days.

1.1.5 As these statistics are collated on an annual or quarterly basis, and the scrutiny select committees are five times a year, it will not be possible to provide every

meeting with new KPI information. However, it is intended to report to the upcoming select committees once the quarterly information has been produced.

1.1.6 This KPI reporting represents the first stage of a programme of activity to action the recommendation from the Peer Challenge Review. Future steps are likely to include;

- Providing comparator baselines for other Kent districts and other similar authorities (for example, our CIPFA grouping)
- Agreeing KPI targets relating to improvement or maintenance of service delivery standards
- Exploring opportunities for benchmarking offered by the LGA's performance management function
- Regular review of the KPIs at Management Team and Service Management Teams, especially as the Corporate Strategy evolves and is finalised, in order to ensure that there is strong alignment between the KPIs and the Corporate Strategy.

1.1.7 Further down the line, a technological solution, such as Power BI (which is currently being used for planning enforcement) may enable the collation of and access to KPIs to become more streamlined, with real-time, self-serve access for officers and Members. This will be explored alongside the rollout of Agile, which utilises Power BI reporting already. This is likely to provide the opportunity for more detailed statistics about individual service areas and these models will be co-developed by officers and Members.

Background papers:

Nil

contact: Jeremy Whittaker,  
Strategic Economic  
Regeneration Manager

## Appendix 1 – Corporate Key Performance Indicators

|                                   | BASELINE   |             |           |                           | 2022/23   |  |         | 2023/24 |          |         |         | NOTES |
|-----------------------------------|--|-------------|-----------|---------------------------|-----------|--|---------|---------|----------|---------|---------|-------|
|                                   | Value  | Date        | Frequency | Source                    | July-Sept | Oct-Dec  | Jan-Mar | Apr-Jun | Jul-Sept | Oct-Dec | Jan-Mar |       |
| <b>INDICATORS - Other</b>         |  |             |           |                           |           |  |         |         |          |         |         |       |
| <b>Licencing</b>                  |  |             |           |                           |           |  |         |         |          |         |         |       |
| Total number of licenced drivers  | 590  | Jun-22      | Quarterly | Reports from IDOX Uniform | 598       | 593  |         |         |          |         |         |       |
| Total number of vehicle licences  | 503  | Jun-22      | Quarterly | Reports from IDOX Uniform | 535       | 529  |         |         |          |         |         |       |
| Total number of premises licences | 389  | Apr-22      | Quarterly | Home Office Return        | 398       | 398  |         |         |          |         |         |       |
| <b>Communications</b>             |  |             |           |                           |           |  |         |         |          |         |         |       |
| Social media clicks/engagement    | 5,178  | Jul-Sept 22 | Quarterly | Orlo                      | N/A       | 5,587  |         |         |          |         |         |       |
| Website top tasks                 | <ol style="list-style-type: none"> <li>1. Find bin collection days</li> <li>2. Find planning applications</li> <li>3. Pay council tax</li> <li>4. Apply for a parking permit</li> <li>5. Contact us</li> </ol> | Sep-22      | Quarterly | Google Analytics          | N/A       | <ol style="list-style-type: none"> <li>1. My next waste collection dates?</li> <li>2. My Account</li> <li>3. Waste collection updates</li> <li>4. View/ comment on planning apps</li> <li>5. Christmas waste collections 2022</li> </ol> |         |         |          |         |         |       |

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|  |        |              |           |                                   |      |        |  |  |  |  |  |  |
|--|--------|--------------|-----------|-----------------------------------|------|--------|--|--|--|--|--|--|
| Website content engagement                     | 42%    | Sep-22       | Quarterly | Google Analytics                  | N/A  | 43.5%  |  |  |  |  |  |  |
| Website My account Registrations               | 25,725 | Sep-22       | Quarterly | Jadu                              | N/A  | 28,421 |  |  |  |  |  |  |
| My TMBC app downloads                          | 3,827  | Sep-22       | Quarterly | One Signal                        | N/A  | 4,847  |  |  |  |  |  |  |
| <b>Human Resources</b>                         |        |              |           |                                   |      |        |  |  |  |  |  |  |
| Staff Numbers - Headcount                      | 254    | Sep-22       | Quarterly | Chris 21 (Payroll System) Reports | N/A  | 252    |  |  |  |  |  |  |
| Staff Numbers - FTE                            | 234    | Sep-22       | Quarterly | Chris 21 (Payroll System) Reports | N/A  | 223    |  |  |  |  |  |  |
| Vacant Posts (FTE)                             | 14     | Sep-22       | Quarterly | Chris 21 (Payroll System) Reports | N/A  | 24     |  |  |  |  |  |  |
| Sickness absence (days) - short-term           | 3.06   | 2021/2       | Annually  | Chris 21 (Payroll System) Reports | N/A  | N/A    |  |  |  |  |  |  |
| Sickness absence (days) - Medically signed off | 4.53   | 2021/2       | Annually  | Chris 21 (Payroll System) Reports | N/A  | N/A    |  |  |  |  |  |  |
| Gender Pay Gap - Mean                          | 19.80% | 2021         | Annually  | Chris 21 (Payroll System) Reports | N/A  | N/A    |  |  |  |  |  |  |
| Gender Pay Gap - Median                        | 30.60% | 2021         | Annually  | Chris 21 (Payroll System) Reports | N/A  | N/A    |  |  |  |  |  |  |
| <b>Customer Services</b>                       |        |              |           |                                   |      |        |  |  |  |  |  |  |
| % Handled rate                                 | 72%    | Apr-Jun 2022 | Quarterly | AW365                             | 80%  | 91%    |  |  |  |  |  |  |
| % emails responded to within 24 hours          | 100%   | Apr-Jun 2022 | Quarterly | Outlook                           | 100% | 100%   |  |  |  |  |  |  |
| % webchat answer rate                          | 99%    | Apr-Jun 2022 | Quarterly | Webchat tool                      | 99%  | 99%    |  |  |  |  |  |  |

Executive Decisions Record - November 2022

| Decision Number | Title   | Cabinet Member                         | Date of Decision | Date Published | Call-in period ends | Called in                        | Scrutiny Committee Consideration | Referred back to Cabinet | Referred back to Council | Council referred to Cabinet | Date Decision Effective |     |     |          |
|-----------------|---|--|------------------|----------------|---------------------|----------------------------------|----------------------------------|--------------------------|--------------------------|-----------------------------|-------------------------|-----|-----|----------|
| D220095CAB      | Shopfront and Vacant Unit Improvement Scheme  | Cabinet                                | 08.11.22         | 10.11.22       | 17.11.22            |                                  |                                  |                          |                          |                             | 18.11.22                |     |     |          |
| D220096CAB      | Rural England Prosperity Fund   |  |                  |                |                     |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220097CAB      | Fees and Charges Review   |  |                  |                |                     |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220098CAB      | MTFS and Savings Update   |  |                  |                |                     |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220099CAB      | Review of Sports Development and Youth Provision  |  |                  |                |                     |                                  |                                  |                          | 15.11.22                 | 17.11.22                    | N/A                     | N/A | N/A | 18.11.22 |
| D220100CAB      | Public Space Protection Orders  |  |                  |                |                     |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220101CAB      | Planning Enforcement Review   |  |                  |                |                     |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220102CAB      | Tonbridge Castle - Outcome of Public Consultation and Options for Further Commercial Activities |  |                  |                |                     |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220103CAB      | Use of the Council's Public Open Spaces   |  |                  |                |                     |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220104MEM      | TTC - commission on Tonbridge Parking Study   |  |                  |                |                     | Finance, Innovation and Property | 9.11.22                          | 10.11.22                 | 17.11.22                 |                             |                         |     |     |          |
| D220105MEM      | Parking Update  | Technical and Waste Services (via JTB) | 21.11.22         | 28.11.22       | 5.12.22             |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220106MEM      | Parking Action Plan - Phase 13  |  |                  |                |                     |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220107MEM      | Parking Action Plan - Action Group 7  |  |                  |                |                     |                                  |                                  |                          |                          |                             |                         |     |     |          |
| D220108MEM      | Allocation of Support to Vulnerable Households  | Finance, Innovation and Property       | 25.11.22         | 25.11.22       | 2.12.22             |                                  |                                  |                          |                          |                             | 3.12.22                 |     |     |          |
| D220109MEM      | Acquisition of AI (Bot) - Customer Services   | Finance, Innovation and Property       | 25.11.22         | 25.11.22       | 2.12.22             |                                  |                                  |                          |                          |                             | 3.12.22                 |     |     |          |

|                  |                    |              |         |
|------------------|--------------------|--------------|---------|
| Decision pending | Call in period     | Key Decision | Private |
|                  | Subject to call in |              |         |

Executive Decisions Record - December 2022

| Decision Number | Title  | Cabinet Member                                    | Date of Decision | Date Published | Call-in period ends | Called in | Scrutiny Committee Consideration | Referred back to Cabinet | Referred back to Council | Council referred to Cabinet | Date Decision Effective |
|-----------------|--|---|------------------|----------------|---------------------|-----------|----------------------------------|--------------------------|--------------------------|-----------------------------|-------------------------|
| D220110MEM      | Infrastructure Funding Statement 2021-22                     | Strategic Planning and Infrastructure             | 1.12.22          | 2.12.22        | 9.12.22             |           |                                  |                          |                          |                             | 10.12.22                |
| D220111MEM      | Affordable Housing Protocols                                 | Housing and Strategic Planning and Infrastructure | 2.12.22          | 6.12.22        | 13.12.22            |           |                                  |                          |                          |                             | 14.12.22                |
| D220112MEM      | Private Sector Housing Enforcement Policy - Minor Amendments | Housing   | 5.12.22          | 6.12.22        | 13.12.22            |           |                                  |                          |                          |                             | 14.12.22                |
| D220113MEM      | Temporary Accommodation Action Plan                          | Housing   | 6.12.22          | 9.12.22        | 16.12.22            |           |                                  |                          |                          |                             | 17.12.22                |
| D220114MEM      | IGN3 and SPG4 Update   | Strategic Planning and Infrastructure             | 6.12.22          | 9.12.22        | 16.12.22            |           |                                  |                          |                          |                             | 17.12.22                |
| D220115CAB      | Corporate Strategy Consultation Draft                        | Cabinet   | 14.12.22         | 16.12.22       | 23.12.22            |           |                                  |                          |                          |                             | 24.12.22                |
| D220116CAB      | Lower Thames Crossing - Development Consent Order            |   |                  |                |                     |           |                                  |                          |                          |                             |                         |
| D220117CAB      | Household Support Fund (Round 3)                             |   |                  |                |                     |           |                                  |                          |                          |                             |                         |
| D220118CAB      | TTC Asset Review - Phase 2 Proposal                          |   |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                 |  |   |                  |                |                     |           |                                  |                          |                          |                             |                         |

|                  |                    |              |         |
|------------------|--------------------|--------------|---------|
| Decision pending | Call in period     | Key Decision | Private |
|                  | Subject to call in |              |         |



Executive Decisions Record - January 2023

| Decision Number  | Title   | Cabinet Member                   | Date of Decision | Date Published | Call-in period ends | Called in | Scrutiny Committee Consideration | Referred back to Cabinet | Referred back to Council | Council referred to Cabinet | Date Decision Effective |
|------------------|---|----------------------------------|------------------|----------------|---------------------|-----------|----------------------------------|--------------------------|--------------------------|-----------------------------|-------------------------|
| D230001MEM       | Easement Lease, St Benedicts Road, Snodland             | Finance, Innovation and Property | 3.01.23          | 3.01.23        | 10.01.23            |           |                                  |                          |                          |                             | 11.01.23                |
| D230002MEM       | Housing Advisers Programme Grant Funding                | Housing                          | 03.01.23         | 5.01.23        | N/A                 |           |                                  |                          |                          |                             | 5.01.23                 |
| D230003MEM       | Debts for Write Off                                     | Finance, Innovation and Property | 09.01.23         | 10.01.23       | 17.01.23            |           |                                  |                          |                          |                             | 18.01.23                |
| D230004MEM       | Regulation 18 Local Plan Consultation - Initial Outputs | Cabinet                          | 10.01.23         | 12.01.23       | 19.01.23            |           |                                  |                          |                          |                             | 20.01.23                |
| D230005CAB       | Pembury Road Properties                                 |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                  |   |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                  |   |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                  |   |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                  |   |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                  |   |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                  |   |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                  |   |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                  |   |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
|                  |   |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |
| Decision pending | Call in period  | Key Decision                     | Private          | Urgent         |                     |           |                                  |                          |                          |                             |                         |
|                  | Subject to call in                                      |                                  |                  |                |                     |           |                                  |                          |                          |                             |                         |

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**TONBRIDGE AND MALLING BOROUGH COUNCIL  
NOTICE OF FORTHCOMING KEY DECISIONS**

In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, at least 28 days before a key decision is expected to be taken a Notice of Forthcoming Key Decisions will be published. A 'key decision' is an executive decision which is likely either

- (a) to result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority's budget for the service or functions to which the decision relates.

'Significant' when applied to expenditure or savings shall mean a sum in excess of £100,000 or such other sum as may be specified in any enactment or other statutory provision.

or

- (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the local authority.

The Notice of Forthcoming Key Decisions sets out:

- (a) the matter in respect of which a key decision is to be made;
- (b) details of the decision taker and the date on which the key decision will be made;
- (c) a list of documents to be submitted to the decision taker for consideration in relation to the matter;
- (d) the address from which, subject to any prohibition or restriction on their disclosure, copies of or extracts from any document listed is available and the procedure for requesting details.

All key decisions will be made by the Cabinet on the dates specified unless otherwise stated. The agenda and documents to be submitted to the Cabinet (unless they contain exempt information) will be available for inspection at the Council Offices and on the website 5 clear working days before the meeting. Copies or extracts are available from [committee.services@tmbc.gov.uk](mailto:committee.services@tmbc.gov.uk) or Democratic Services, Tonbridge & Malling Borough Council, Gibson Building, Gibson Drive, Kings Hill, West Malling ME19 4LZ.

This document also gives notice of the Council's intention to hold a private meeting (or part thereof) of the Cabinet. It indicates any items where it is likely that the public will be excluded because public discussion would disclose confidential or exempt information and the reasons in each case. Any representations against the intention to hold a private meeting may be made to [committee.services@tmbc.gov.uk](mailto:committee.services@tmbc.gov.uk) or Committee Services, Tonbridge & Malling Borough Council, Gibson Building, Gibson Drive, Kings Hill, West Malling ME19 4LZ.

Members of the Cabinet and their areas of responsibility:

Councillor Matt Boughton (Leader)  
Councillor Robin Betts (Environment and Climate Change)  
Councillor Vivian Branson (Economic Regeneration)  
Councillor Martin Coffin (Finance, Innovation and Property)  
Councillor Dave Davis (Strategic Planning and Infrastructure)  
Councillor Des Keers (Community Services)  
Councillor Piers Montague (Technical and Waste Service)  
Councillor Kim Tanner (Housing)

**NOTICE OF FORTHCOMING KEY DECISIONS**

| Description of Decision   | Date of Cabinet | Who is to be consulted                  | Contact Officer                              | Documents to be submitted to Cabinet | Public or Private (reason if Private)  |
|---|-----------------|---|--|--------------------------------------|--|
| Lease Renewal at 17 Martin Square, Larkfield  | 14 Feb 2023     | Internal consultation including Cabinet | Head of Administrative and Property Services | Officers report                      | Fully exempt Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| Lease Renewal at 1-5 Martin Square, Larkfield   | 14 Feb 2023     | Internal consultation including Cabinet | Head of Administrative and Property Services | Officers report                      | Fully exempt Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| <b>Publication date:</b> 16 December 2022   |                 |   |  |                                      |  |
| Contact: <a href="mailto:committee.services@tmbc.gov.uk">committee.services@tmbc.gov.uk</a> |                 |   |  |                                      |  |

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## OVERVIEW AND SCRUTINY COMMITTEE

### WORK PROGRAMME 2022/23

**Standing items:**

- **Record of Executive (Cabinet and Cabinet Member) Decisions Taken;**
- **Notice of Forthcoming Key Decisions;**
- **Work Programme 2022/23 (information item).**

| Meeting Date         | Matter for Discussion   | Requested by:                            | Director/Officer |
|----------------------|---|--|------------------|
| 26 January 2023      | Revenue Estimates   | Overview and Scrutiny Committee          |                  |
|                      | Capital Plan  |  |                  |
| 26 January 2023      | S106 contributions from developers for Parish Council projects  | Cllr Oakley                              |                  |
| 6 April 2023         | Local Government and Social Care Ombudsman Annual review letter   |  |                  |
|                      | Mandatory and non-mandatory services  |  |                  |
| Date to be confirmed | Review of Governance Arrangements   | Overview and Scrutiny Committee          |                  |
|                      | The Leisure Trust – utility costs, decarbonisation and energy efficient projects; sustainability and future of leisure facilities | Chair of Overview and Scrutiny Committee |                  |

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# Agenda Item 14

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

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# Agenda Item 15

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

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

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# Agenda Item 16

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

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