

# TONBRIDGE & MALLING BOROUGH COUNCIL



## EXECUTIVE SERVICES

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### Chief Executive

Julie Beilby BSc (Hons) MBA

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Kings Hill, West Malling  
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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 July 2022

To: MEMBERS OF THE FINANCE, REGENERATION AND PROPERTY  
SCRUTINY SELECT COMMITTEE  
(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Finance, Regeneration and Property Scrutiny Select Committee to be held in the Council Chamber, Gibson Drive, Kings Hill on Tuesday, 26th July, 2022 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

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## **PART 1 - PUBLIC**

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4. Declarations of interest 9 - 10

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

5. Minutes

*There are no Minutes for consideration as this is the first meeting of this committee*

6. Work Programme 2022/2023 11 - 22

Members of the committee are invited to submit suggestions for the work programme to the Chair, the Scrutiny, Policy and Communities Manager and the Principal Democratic Services Officer in advance of the meeting.

The Terms of Reference for Scrutiny Select Committees are attached as an annex (pages 5-9 refer to the Finance, Regeneration and Property SSC)

### **Matters for recommendation to the Cabinet**

7. Business Rates Local Scheme Decision 23 - 32

A report giving details of a new discretionary rate relief scheme for 2022/23

### **Matters submitted for Information**

8. Revenue and Benefits Update 33 - 36

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

9. Urgent items

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**

10. Exclusion of Press and Public 37 - 38

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

## **PART 2 - PRIVATE**

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

11. Gibson Building - High Level Options for Long Term Officer Accommodation 39 - 66

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

This report updates Members on progress with reviewing the Council's office accommodation requirements and presents high-level options for consideration

**Due to its size Annex 2 will either be published as a supplement or emailed under Private/Confidential cover to Members.**

12. Urgent items 67 - 68

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 R I B Cannon (Chair)  
Cllr F G Tombolis (Vice-Chair)

Cllr M C Base  
Cllr P Boxall  
Cllr T Bishop  
Cllr C Brown  
Cllr M O Davis  
Cllr Mrs T Dean  
Cllr D Harman

Cllr N J Heslop  
Cllr M A J Hood  
Cllr D Lettington  
Cllr B J Luker  
Cllr H S Rogers  
Cllr C J Williams

## **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.

**Finance, Regeneration and Property Scrutiny Select Committee – Substitute Members (if required)**

	<b>Conservative</b>	<b>Liberal Democratic</b>	<b>Green</b>	<b>Ind. Kent Alliance</b>	Note
1	Roger Dalton	Frani Hoskins	Anna Cope		
2	Nick Foyle	Anita Oakley	April Clark		
3	Denis King	Roger Roud	Nick Stapleton		
4	James Lark	Michell Tatton			
5	Georgina Thomas	David Thornwell			

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

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Declarations of interest

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## Scrutiny Select Committees – Membership and Terms of Reference

<b>Title:</b>	<b>Communities and Environment Scrutiny Select Committee</b>
<b>Membership:</b>	15 Members
<b>Quorum:</b>	4 Members
<b>Terms of Reference:</b>	
<b>Communities</b>	
Community Safety initiatives	
Environmental Strategy	
Matters related to: <ul style="list-style-type: none"> <li>- The West Kent Partnership (LSP)</li> <li>- LA21</li> <li>- Climate Change</li> </ul>	
Implementation, monitoring and future review of the: <ul style="list-style-type: none"> <li>- Borough's Sustainable Community Strategy</li> <li>- Community Safety Strategy</li> </ul>	
Liaison with local voluntary groups	
Grant support to local voluntary groups	
Take a strategic view of issues affecting: <ul style="list-style-type: none"> <li>- rural parts of the Borough; including the work of the Medway Valley Countryside Partnership, and make appropriate recommendations to the Executive and other agencies</li> <li>- older persons within the Borough, including assessing the impact of the projected increase in the number of older persons, and make appropriate recommendations to the Executive and other agencies</li> </ul>	
Public Health strategies and actions	
Health improvement and health inequalities strategies	
Strategies and actions for tackling youth related drug problems	

<b>Leisure</b>	
Provision, development, management and maintenance of informal and formal public open spaces	
Larkfield Leisure Centre	<i>NB: The Tonbridge &amp; Malling Leisure Trust operates these facilities on behalf of the Borough Council</i>
Angel Centre, Tonbridge	
Tonbridge Swimming Pool	
Poult Wood Golf Centre, Tonbridge	
Leybourne Lakes Country Park	
Grounds Maintenance – Tonbridge Cemetery	
Children’s play provision	
Country Parks and access to the countryside	
Advisory and/or consultancy services on outdoor leisure and grant aid issues	
Water recreation	
Annual programme of sports coaching	
Parks patrolling and security	
Allotments liaison – Tonbridge	
Cemetery management and burial function	
Provision and promotion of Borough wide arts events	
Provision of public art	
Partnerships	
Support for arts marketing	
Tonbridge Gatehouse Exhibition	
Tonbridge Council Chamber functions (e.g. weddings)	
Tonbridge Castle Grounds – events programme	
Heritage interpretation throughout the Borough	

Youth Development Plan	
Youth activity programmes	
Youth consultation and engagement	
Young Achievers Award	
To advise the Council in respect of its twinning links with Le Puy-en-Velay and Heusenstamm and generally to promote twinning within the Borough.	
<b>Environment</b>	
Abandoned vehicles	Litter control
Animal welfare	Noise control
Air quality	Pest control
Climate Change	Private drains and sewers
Contaminated land	Public health and control of nuisances
Dog control	Public conveniences
Environment	Recycling
Environmental monitoring	Refuse collection
Fly-tipping	Street name signage maintenance
Fly-posting	Street cleansing
Food safety	Sunday trading
Graffiti removal	Verge/grass cutting
Health and safety at work	
CCTV operations	
Civil contingencies/ Emergency readiness and response	
Design, consultation and implementation of car parking action plan	

Engage with businesses to ensure compliance with food hygiene regulations
Kent Resource Partnership
Land drainage and flood attenuation
Management and maintenance policy for the off-street car parks
Matters relating to the development and delivery of co-ordinated street scene services, including partnership working with KCC Highways and other external bodies
Overall monitoring of the transport and highway activities including improvement programmes, street signage
Promotion of traffic management highway improvement and crash remedial schemes and works
Review and management of the on-street parking regime including enforcement procedures
The annual review of the charging structure for public car parking in the Borough

<b>Title:</b>	<b>Finance, Regeneration &amp; Property Scrutiny Select Committee</b>
<b>Membership:</b>	15 Members
<b>Quorum:</b>	4 Members
<b>Regeneration</b>	
Attracting new business investment into the Borough	
Encouraging and supporting growth of existing businesses	
Engaging and listening to the local business community	
Promoting the Borough as a popular tourism destination/Tourism marketing	
Representing the Borough Council on the West Kent Partnership	
Supporting local entrepreneurship	
Working to improve the vitality of the Borough's town and local centres	
<b>Economic Development Tasks</b>	
Commission and fund: <ul style="list-style-type: none"> <li>- Business support seminars</li> <li>- Free 1-2-1 business advice sessions</li> </ul>	
Ensure payments by the Council for services from local business are paid promptly	
Help to foster business networking via an online business directory	
Maximise use of the Council's own property portfolio to support local business	
Provide on-line advice for businesses in search of funding	
Signposting businesses to support provided by partner agencies	
Supporting Local Business	
Use the Council's own procurement processes to support local business	
<b>Business Engagement</b>	
Contribute to existing business networks and fora active in the Borough	

Holding regular engagement events for local business
Receive and act upon feedback from local businesses
Support locally held business award initiatives
<b>Promoting Inward Investment</b>
Promote, support and bring forward new sites for employment use
Engage with developers to ensure new employment-related development is well planned
Signpost to on-line advice for businesses in search of new premises/sites
Work with Locate in Kent to promote the take up of vacant business property
<b>Partnership Working</b>
Achieve a higher economic priority for the area in relation to the wider LEP
Assist with the delivery of the West Kent Investment Strategy
Contribute to the economic work of the West Kent Partnership
<b>Rural Business Sector</b>
Commission and fund support for: <ul style="list-style-type: none"> <li>- home-based businesses</li> <li>- the land-based sector</li> </ul>
Matters related to Farmers' Markets
Promote the enhancement of local broadband services in areas of need



<b>Skills and Employability</b>
Commission services to promote entrepreneurship in deprived communities
Develop and support Job Clubs in areas of particular need
Help promote: <ul style="list-style-type: none"> <li>- the take up of local apprenticeships available in the Borough</li> <li>- work experience opportunities for young people with local businesses</li> </ul>
Offer regular Borough Council apprenticeships to local young people
Work with Job Centre Plus and other partners to tackle local worklessness issues
Work with local schools and colleges to develop work-readiness skills
<b>Supporting Town Centres</b>
Allocation of Innovation Fund
Contribute to the promotional work of the Town Team in Tonbridge and in other local centres
Encourage the improvement of the environment and appearance of town and local centres
Support a major redevelopment of Tonbridge Town Centre
Support opportunities for additional retail activities e.g. Farmers Markets
Tackle the need to find new uses for empty shop premises
<b>Supporting the Tourism Sector</b>
Deliver an annual programme of cultural events
Manage Tonbridge Castle as a key visitor attraction
Operate the Tourist Information Centre at Tonbridge
Prepare online visitor information
Work with operators to help promote cultural and entertainment events
Work with Visit Kent to promote the Borough's visitor attractions and accommodation

<b>Finance</b>
Administration of Housing & Council Tax Benefits and Council Tax Reduction Scheme
Annual Estimates & the provision of medium term forecasts
All strategic and corporate matters relating to Information Technology and E-government (not within the direct purview of other portfolio holders)
Capital Planning including the management of new 'bids' and the preparation of a medium term plan
Collection of Council Tax and Business Rates
Day to Day financial operations, including debt recovery / management and payment of staff & creditors
Developing shared service arrangements
Development of the Council's procurement strategy
Financial management for the Council as a whole in accordance with proper practices, including the preparation of annual estimates and the provision of medium term forecasts
<b>Property</b>
Operational management of acquisition and disposal of land and property including leases, easements and other interests
Maintenance and improvement of Council property
Operational management of Council land and property not falling within the purview of other portfolio holders, specifically offices, depots, commercial and industrial holdings and vacant land and premises
Strategic management of land and property requirements, resources and allocation in line with the Asset Management Plan
Usage of Council offices and allocation of accommodation
<b>Customer Services</b>
Meeting the Council's targets for customer satisfaction

Development of a corporate customer charter
Development and implementation of a customer contact strategy encompassing a range of access channels including face-to face, telephone, website, letters and text messaging
<p>To consider:</p> <ul style="list-style-type: none"> <li>- VFM (Value for Money) and Performance Reviews</li> <li>- Service delivery improvement for customers in support of the Council's Diversity Policy and Equality Act requirements in consultation with service users</li> <li>- Options for local service delivery across the Borough in response to identified need</li> </ul>
All matters relating to Data Protection and Freedom of Information
Personnel issues that do not fall within the purview of the General Purposes Committee
Matters relating to skills education and training

<b>Title:</b>	Housing and Planning Scrutiny Select Committee
<b>Membership:</b>	15 Members
<b>Quorum:</b>	4 Members
<b>Terms of Reference:</b>	
<b>Planning</b>	
Conservation Area and Character Area appraisals and improvement schemes	
Countryside planning and transport initiatives	
Design and procedural guidance	
Evaluation, programming, consultation and implementation of projects on the Council's capital plan	
Improvement of operating systems	
Input into Regional Transport Strategy	
Liaison with the Cabinet Member for Housing over delivery of the Council's Strategic Housing Objectives	
Local transport projects (such as Tonbridge Transport Strategy, A228/A20 corridor, West Malling station)	
Major regional projects (e.g., A21, Rail Investment)	
Neighbourhood Plans/Village design statements	
Performance monitoring and review	
Planning enforcement - overview of performance, resources and priorities	
Preparation of development briefs	
Preparation of the statutory Development Plan (as defined in s.38 Planning and Compulsory Purchase Act 2004)	
Public transport initiatives (bus priority measures, Medway valley line)	

<b>Housing</b>
<p>To oversee the Council's:</p> <ul style="list-style-type: none"> <li>- approach to Housing strategy, housing need and housing market assessment and housing investment programmes</li> <li>- Enabling role and promote new affordable housing, low-cost home ownership housing, key and essential worker housing and schemes for special housing needs</li> <li>- Comprehensive approach to housing options advice, homeless prevention, the management of the housing register</li> <li>- Approach to temporary accommodation arrangements</li> <li>- Disabled Facilities Grant and Housing Assistance Schemes</li> </ul>
Liaison with the Cabinet Member for Strategic Planning & Infrastructure over delivery of the council's strategic housing objectives
Empty Homes
Liaison with Kent County Council and other partners in delivering housing related support programme
Enforcement of caravan site licensing
The Council's functions in home safety, energy efficiency, fuel poverty
Maintaining private sector housing standards and enforcement, including the housing, health and safety rating system, disrepair and defective housing
Houses in multiple occupation (HMO)

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## TONBRIDGE & MALLING BOROUGH COUNCIL

### FINANCE, REGENERATION AND PROPERTY SCRUTINY SELECT COMMITTEE

26 July 2022

#### Report of the Director of Finance & Transformation

#### Part 1- Public

#### Matters for Recommendation to Cabinet/Cabinet Member - Non-Key Decision

### 1 BUSINESS RATES LOCAL SCHEME DECISION

A report giving details of a new discretionary rate relief scheme for 2022/23

#### 1.1 Background

1.1.1 In the budget announcement (27th October 2021), England introduced a new relief that would replace Transitional Relief (TR) and Supporting Small Business Relief (SSB) as both schemes ceased on 31st March 2022.

1.1.2 This new relief was introduced to help businesses who would have still qualified for TR and SSB if the schemes had continued into 2022/23 (as the revaluation has been delayed from 1 April 2022 to 1 April 2023).

#### 1.2 Main Issues

1.2.1 We are required to adopt a local scheme and determine in each individual case when, having regard to Government guidance, to grant relief under section 47 Local Government Finance Act 1988.

1.2.2 The new TR scheme will restrict increases in bills to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value).

1.2.3 The new SSB scheme criteria remains the same as 2021/22, with a percentage cap in 2022/23 of 15% plus inflation (or a cash value increase of £600 if greater).

#### 1.3 Legal Implications

1.3.1 The matters set out in this briefing note are considered routine or uncontroversial and a legal opinion has not been sought.

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

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

- 1.4.1 Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003).

## **1.5 Risk Assessment**

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

## **1.6 Equality Impact Assessment**

- 1.6.1 No impact on other businesses.

## **1.7 Recommendations**

- 1.7.1 Adopt a scheme for the Extension of Transitional Relief and Supporting Small Business Relief for small and medium properties for 2022/23
- 1.7.2 Give delegated authority to the Revenues Manager to award, revise or revoke relief in accordance with the adopted scheme subject to any disputed entitlement to relief being referred to the Director of Finance & Transformation.

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

Background papers:

Extension to the Transitional Relief and Supporting  
Small Business Rate Relief Scheme Policy 2022/23

contact: Glen Pritchard  
01732 876146

Sharon Shelton  
Director of Finance and Transformation





# **Extension to the Transitional Relief and Supporting Small Business Rates Relief Scheme (2022/23 financial year only)**

## Contents

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## 1.0 Purpose of the Policy

- 1.1 The purpose of this policy is to determine the level of discretionary relief to be awarded in respect of Transitional Relief (TR) and Supporting Small Business Rates relief (SSB) for the financial year commencing 1<sup>st</sup> April 2022.
- 1.2 This is a government led initiative and the Council is keen to support businesses as far as possible.

## 2.0 General Explanation

- 2.1 The Transitional Relief scheme was introduced in 2017 to help those ratepayers who were faced with higher bills as a result of the revaluation. The scheme ends on 31 March 2022 and, as a result, a small number of ratepayers would face a significant increase to their full rates bill from 1 April 2022.
- 2.2 Government has announced that it would like to extend the current Transitional Relief (TR) scheme and the Supporting Small Business scheme (SSB) for one year to the end of the current revaluation cycle.
- 2.3 This scheme, which has been adopted by the Council, will restrict increases in bills to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value).

## 3.0 How will the relief be provided?

- 3.1 As this is a temporary measure for 2022/23, the government is not changing the legislation around transitional relief. Instead, the government will, in line with the eligibility criteria set out in this guidance, reimburse the Council if it uses its discretionary relief powers, under section 47 of the Local Government Finance Act 1988, to grant relief.

### Who is eligible for the relief?

- 3.2 Hereditaments that will benefit are those with a rateable value up to and including £100,000 who would have received transitional relief and/or SSB in 2022/23. In line with the existing thresholds in the Transitional Relief scheme, the £100,000 rateable value threshold will be based on the rateable value shown for 1<sup>st</sup> April 2017 or the substituted day in the cases of splits and mergers.
- 3.3 This policy does **not** apply to those in downward transition to lower bills, those will fall to their full bill on 1 April 2022.

## How much relief will be available?

- 3.4 Government will fund the discretionary relief to ensure eligible properties receive the same level of protection they would have received had the statutory Transitional Relief scheme and Supporting Small Business scheme extended into 2022/23.
- 3.5 The practical effects of the Transitional Relief scheme will be assumed to remain as it is in the current statutory scheme (As prescribed in the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265) except that:
- (a) the cap on increases for small properties (with a rateable value of less than or equal to £20,000/£28,000 in London) in 2022/23 will be assumed to be 15% (before the increase for the change in the multiplier). Specifically, X in regulation 10(6) for the year commencing 1 April 2022 will be assumed to be 115. Q in regulation 10(12) should be assumed to be 1; and
  - (b) the cap on increases for other properties (up to and including £100,000 rateable value) in 2022/23 will be assumed to be 25% (before the increase for the change in the multiplier). Specifically, X in regulation 10(4) for year commencing 1 April 2022 will be assumed to be 125. Q will be assumed to be 1.
- 3.6 This scheme applies only to hereditaments up to and including £100,000 rateable value based on the value shown for 1<sup>st</sup> April 2017 or the substituted day in the cases of splits and mergers.
- 3.7 Changes in rateable value which take effect from a later date will be calculated using the normal rules in the Transitional Relief scheme. For the avoidance of doubt, properties whose rateable value is £100,000 or less on 1<sup>st</sup> April 2017 (or the day of merger) but increase above £100,000 from a later date will still be eligible for the relief.
- 3.8 Where necessary, the Valuation Office Agency will continue to issue certificates for the value at 31<sup>st</sup> March 2017 (regulation 17, SI 2016 No. 1265) or 1<sup>st</sup> April 2017 (as required under regulations 16 and 18 SI 2016 No.1265).
- 3.9 The relief will be calculated on a daily basis.
- 3.10 The Supporting Small Business scheme will be assumed to remain as it is in the Council's current scheme (for periods up to 31<sup>st</sup> March 2022) with a percentage cap in 2022/23 of 15% plus inflation (or a cash value increase of £600 if greater).
- 3.11 Where a ratepayer would have been in receipt of both Transitional Relief and Supporting Small Business in respect of 2022/23, a single award of section 47 relief will be granted resulting in a chargeable amount equivalent to that had the original Transitional Relief and Supporting Small Business schemes continued.

## **Recalculations of relief**

- 3.12 As with the original Transitional Relief scheme, the amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or to the hereditament. This change of circumstances could arise during the year in question or during a later year.

## **Calculating the extension of Transitional Relief and Supporting Small Business where other reliefs apply**

- 3.13 Under the statutory Transition scheme which ends on 31 March 2022, Transitional Relief is measured before all other reliefs. But the extension of Transitional Relief and Supporting Small Business scheme into 2022/23 will be delivered via section 47 of the Local Government Finance Act 1988 which will be measured **after** other reliefs (including other funded reliefs granted under section 47).

## **4.0 Subsidy control**

- 4.1 The extension of Transitional Relief and Supporting Small Business relief scheme is likely to amount to subsidy. Any relief provided by the Council under this scheme will need to comply with the UK's domestic and international subsidy control obligations.
- 4.2 To the extent that the Council is seeking to provide relief that falls within the Small Amounts of Financial Assistance Allowance, Article 364 of the TCA allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to 325,000 Special Drawing Rights (£343,000 as at 9 December 2021) in a three-year period (consisting of the 2022/23 financial year and the two previous financial years) Expanded Retail Discount granted in either 2020/21 or 2021/22 does not count towards the £343,000 allowance but BEIS business grants (throughout the 3 years) and any other subsidies claimed under the Small Amounts of Financial Assistance limit, should be counted.
- 4.3 In those cases where it is clear to the Council that the ratepayer is likely to breach the Small Amounts of Financial Assistance Allowance then the Council will automatically withhold the relief.

## **5.0 Transitional Relief & Supporting Small Business Rates Relief (2022/23) - the Council's policy for granting discretionary relief.**

- 5.1 Over the past few years, a number of schemes have been led by government but without specific legislative changes. These are administered under S47 of the Local Government Finance Act 1988. The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximise any grants receivable. However, the Council reserves the right to vary its approach where thought appropriate.
- 5.2 In the case of transitional relief and supporting small business rates relief, the Council will grant the relief strictly in accordance with government guidance.

## **6.0 Effect on the Council's Finances**

- 6.1 As this is a government led initiative, grants for the full amount awarded will be available through section 31 of the Local Government Act 2003.

## **7.0 Administration of Discretionary Relief**

- 7.1 The following section outlines the procedures followed by officers in granting, amending, or cancelling discretionary relief and reduction. This is essentially laid down by legislation<sup>1</sup>

### **Applications and Evidence**

- 7.2 Transitional Relief and Supporting Small Business rates relief will be awarded automatically by the Council.
- 7.3 **The Council will provide this service and provide guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties.**

### **Granting of relief**

- 7.4 In all cases, the Council will notify the ratepayer of decisions via their rates demand and details will include:
- The amount of relief granted and the date from which it has been granted;
  - The new chargeable amount; and

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<sup>1</sup> The Non-Domestic Rating (Discretionary Relief) Regulations 1989

- A requirement that the applicant should notify the Council of any change in circumstances that may affect entitlement to relief.

7.5 This relief is to be granted from the beginning of the financial year in which the decision is made or when liability begins whichever is the later.

7.6 Variations in any decision will be notified to ratepayers as soon as practicable

## **8.0 Scheme of Delegation**

### **Granting, Varying, Reviewing and Revocation of Relief**

8.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011. However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.

8.2 The Council's scheme of delegation allows for the Revenues Manager to award, revise or revoke any discretionary relief applications.

8.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.

## **9.0 Reviews**

9.1 Where the Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Revenues Manager. Where a decision is revised, then the ratepayer shall be informed, likewise if the original decision is upheld.

9.2 Where the ratepayer wishes to appeal the decision, the case will be considered by the Council's Director of Finance & Transformation whose decision on behalf of the Council will be final.

9.3 Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

## **10.0 Reporting changes in circumstances**

10.1 Where any award is granted to a ratepayer, the Council will require any changes in circumstances which may affect the relief, to be reported as soon as possible or

in any event within 21 days of the change. This will be important where the change would result in the amount of the award being reduced or cancelled.

- 10.2 Where a change of circumstances is reported, the relief will, if appropriate, be revised or cancelled as appropriate. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.

## **11.0 Fraud**

- 11.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.



## TONBRIDGE & MALLING BOROUGH COUNCIL

### FINANCE, REGENERATION AND PROPERTY SCRUTINY SELECT COMMITTEE

26 July 2022

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

#### Part 1- Public

#### Matters for Information

#### 1 REVENUES AND BENEFITS UPDATE REPORT

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

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

1.1.1 As at 30 June 2022, the collection rate for council tax stood at 27.3%. For the same period in the year 2021/22, the collection rate was 27.02%.

1.1.2 As at 30 June 2022, the collection rate for business rates stood at 36.99%. For the same period in the year 2021/22, the collection rate was 27.96%.

1.1.3 Although collection performance is currently above target, I am not expecting this trend to continue (specifically for council tax) in the latter half of this financial year due to the situation with rising energy payments and the general cost of living.

1.1.4 I have therefore reduced the collection target for council tax to 98% this year compared to 98.5% the year before. For business rates, the collection rate remains unchanged for 2022/23 at 98.5% due to a strong performance last year where the target was exceeded (98.9% was collected)

1.1.5 We will of course strive to exceed these amounts. But I have to be realistic in that, for many residents, council tax will not be their priority bill to pay. Businesses could also be affected as residents will have less disposable income to spend.

1.1.6 That being said, our collection rates are still well above average. In 2021/22, the national council tax rate was 95.9% and for business rates 95.5%. For Shire Districts, the rates were 97.2% and 98% respectively.

1.1.7 The level of take-up for direct debit plays a significant part in our ability to collect money, and this has been boosted further to the current level of 82% as a result of the energy rebate scheme.

1.1.8 The amount of arrears for previous year debts currently stands at £5.5M for council tax and £1.4M for business rates. These totals have increased significantly since 2020/21 when we were unable to take any action to recover debts; however,

we are working hard to reduce the levels (£1.4M for council tax and £1.2M for business rates in 2021/22).

## **1.2 Performance of Benefits Service**

- 1.2.1 The average number of days to pay housing benefit and council tax reduction applications was 16.3 as at 1 July. Changes in circumstances take on average 2.6 days. The number of new claims processed is relatively small due to the shift to Universal Credit. The Council remains responsible for applications to housing benefit for pension age households, temporary accommodation and supported accommodation, while new claims for 'mainstream housing support' has transferred to Universal Credit. The claim types remaining with the Council represents a lower proportion of overall numbers but by nature have a far greater work complexity. With this in mind, the performance indicators will show a decline in performance compared to historical results as we work through a reset in levels, it's a similar picture nationally.
- 1.2.2 The number of households paid housing benefit continues to significantly drop. Again, mostly due to the transfer to Universal Credit. Numbers have fallen by 20% over the last two years. On 1 July the total number of households getting help with housing benefit was 3762, almost exactly half working age and half pension age. Pilot sites are underway across the country trialling managed migration of the existing working age housing benefit caseload to Universal Credit. Government ambition remains that nationally the transition from housing benefit to Universal Credit will be completed by the end of 2024.
- 1.2.3 The number of households receiving help with council tax was 6513 on 1 July, 2403 of these were pension age. Again, the number of households receiving help is reducing, which has been the trend since introduction of local council tax reduction schemes in 2013. There was an understandable spike of new claims during the pandemic but numbers are now back to lower than pre-pandemic times.

## **1.3 Legal Implications**

- 1.3.1 none

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

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

## **1.5 Risk Assessment**

- 1.5.1 Failure to collect council tax or business rates in a timely and efficient manner could put the Council's finances under pressure. As the Billing Authority, TMBC

has to pay Preceptors in accordance with an agreed schedule regardless of whether collection is on track.

- 1.5.2 Delays in processing benefit claims or changes of circumstances could place claimants in difficult financial circumstances. Equally, delays in processing changes of circumstances could put the Council's own finances at risk if overpayments are made as a result and become irrecoverable at a later date.

## **1.6 Policy Considerations**

1.6.1 Community

1.6.2 Customer Contact

Background papers:

LG Futures Collection rates for Council Tax and NNDR  
in England 2021 to 2022

contact: Glen Pritchard  
Andrew Rosevear

Sharon Shelton  
Director of Finance and Transformation

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# Agenda Item 10

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 12

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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