

TONBRIDGE AND MALLING BOROUGH COUNCIL

**FINANCE, REGENERATION AND PROPERTY SCRUTINY SELECT
COMMITTEE**

MINUTES

Tuesday, 15th November, 2022

Present: Cllr R I B Cannon (Chair), Cllr F G Tombolis (Vice-Chair), 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 C J Williams, Cllr D W King (substitute) and Cllr Miss G E Thomas (substitute)

In attendance: Councillors R P Betts and M A Coffin were also in attendance in accordance with Council Procedure Rule No 15.21.

Virtual: Councillors Mrs J A Anderson, Mrs P A Bates, Mrs S Bell, V M C Branson, D Keers, P J Montague, Mrs A S Oakley, W E Palmer, M R Rhodes and K B Tanner participated via MS Teams and joined the discussion when invited to do so by the Chair in accordance with Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors M C Base and H S Rogers

PART 1 - PUBLIC

FRP 22/16 NOTIFICATION OF SUBSTITUTE MEMBERS

Notification of substitute members were recorded as set out below:

- Cllr King substituting for Cllr Rogers
- Cllr Thomas substituting for Cllr Base

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.

FRP 22/17 DECLARATIONS OF INTEREST

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

FRP 22/18 MINUTES

RESOLVED: That the notes of the meeting of the Finance, Regeneration and Property Scrutiny Select Committee held on

11 October 2022 be approved as a correct record and signed by the Chair.

MATTERS SUBMITTED FOR INFORMATION

FRP 22/19 MEDIUM TERM FINANCIAL STRATEGY

The joint report of the Director of Finance and Transformation and the Cabinet Member for Finance, Innovation and Property provided an update on the Medium Term Financial Strategy (MTFS) and the Savings and Transformation Strategy (STS), as requested by the Finance, Regeneration and Property Scrutiny Select Committee.

It was reported that when the Budget was set in February 2022, the adopted MTFS identified a funding gap of circa £2.15m. In June 2022, Cabinet was advised that the funding gap was anticipated to be between £2.5m and £3.0m. Unfortunately, the funding gap continued to grow due to the current global economic issues and rising inflation. At the meeting of Cabinet on 8 November it was reported that the funding gap was now estimated to be between £2.6m at best case to £3.8m at worse case.

Members attention was drawn to the report presented to Cabinet on 8 November (attached at Annex 1) which set out in detail the financial challenges faced by the Borough Council. These included rising inflation, uncertainty around the Fair Funding Review and the future of the New Homes Bonus and a potential reform of business rates. It was also noted that unless central Government recognised the scale of pressure on local authorities in future finance settlements and council tax referendum principles, a number of councils finances would be under severe strain. Partner organisations representing local government continued to lobby Government on these matters.

Significant savings were required by April 2028 in order to preserve the integrity of the Borough Council's financial plans. Members recognised that these were extremely challenging times and it was important to focus firmly on the delivery of the necessary savings. It was the view of Officers that plans to deliver savings of £1.5m within the next 3 years, inclusive of the tranche of savings already identified had to be escalated.

Savings achieved so far in meeting Tranche 1 were summarised in 1.4 of the report and totalled (to date) £164,300. In addition, Cabinet had recommended increases in Fees and Charges which would generate £50,000 to contribute to Tranche 1. However, this still left in excess of £100,000 to be achieved before the start of 2023/24.

Members welcomed the opportunity to comment on potential areas of cost saving and/or income generation. A number of issues were discussed in depth, including the potential to increase council tax if central Government changed the referendum principles, a further review

of garden waste charges, the introduction of charges in car parks in the north of the Borough, potential development of Borough Council owned land, the Business Rates Retention Scheme, the use and review of the Borough Council's earmarked reserves and whether there was benefit in using the Community Infrastructure Levy (CIL) rather than s106 developer contributions. There was also general discussion on the Leisure Trust utility cost sharing agreement and the management agreement.

It was recognised that the discussion on council tax referendum principles was speculative, that any proposals might not benefit borough or district councils and any decision regarding council tax increases would be for Members to consider as part of the budget setting process.

In conclusion, Members recognised that the Borough Council faced a challenging and complex financial future which needed to be balanced with protecting services for everyone.

FRP 22/20 WORK PROGRAMME 2022/23

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

MATTERS FOR CONSIDERATION IN PRIVATE

FRP 22/21 EXCLUSION OF PRESS AND PUBLIC

There were no items considered in private.

The meeting ended at 9.05 pm