



TONBRIDGE & MALLING BOROUGH COUNCIL

EXECUTIVE SERVICES

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

Contact: Democratic Services
committee.services@tmbc.gov.uk

2 February 2026

To: MEMBERS OF THE CABINET
(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Cabinet to be held in the Council Chamber, Gibson Drive, Kings Hill on Tuesday, 10th February, 2026 commencing at 7.30 pm.

Members of the Cabinet 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.

(NB: Background papers to items referred from Scrutiny Select Committees and Committees have been omitted from printed agenda packs.)

Yours faithfully

DAMIAN ROBERTS

Chief Executive

A G E N D A

1. Guidance for the Conduct of Meetings

7 - 10

PART 1 - PUBLIC

2. Apologies for absence 11 - 12
3. Declarations of interest 13 - 14

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 for members – Tonbridge and Malling Borough Council \(tmbc.gov.uk\)](https://www.tmbc.gov.uk/code-of-conduct-for-members).

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

4. Minutes 15 - 26

To confirm as a correct record the Minutes of the meeting of the Cabinet held on 6 January 2026

Matters for Recommendation to the Council

5. Setting the Budget 2026/27 27 - 112

Further to the meeting of the Overview and Scrutiny Committee earlier in the cycle, this report updates Cabinet on issues relating to the Medium-Term Financial Strategy. It also takes Members through the necessary procedures in order to set the Budget for 2026/27.

Members are asked to note that at the time of writing this report, the final settlement has not been received. All figures contained in the report are based on the provisional settlement.

6. Setting the Council Tax 2026/27 113 - 122

This report takes Cabinet through the process of setting the level of Council Tax for the financial year 2026/27 and seeks Cabinet's recommendations.

7. Local Council Tax Reduction Scheme 2026/27 123 - 256

A report providing the proposed Tonbridge & Malling Borough Council Working Age Local Council Tax Reduction Scheme 2026/27, requesting Cabinet Members to approve and recommend the updated Scheme to Full Council.

8. Revenue Estimates 2026/27 257 - 278

Consideration of recommendations of the Overview and Scrutiny Committee in respect of the draft Estimates for 2026/27.

All budgetary matters will be considered in the substantive item on Setting the Budget 2026/27

9. Capital Plan Review 2025/26 279 - 368

Consideration of recommendations of the Overview and Scrutiny Committee in respect of the Capital Plan.

All budgetary matters will be considered in the substantive item on Setting the Budget 2026/27

10. Treasury Management Update and Treasury Management and Annual Investment Strategy 2026/27 369 - 424

Consideration of recommendations of the Audit Committee in respect of the 2026/27 Treasury Management and Annual Investment Strategy.

Recommendations are 'to follow' and will be circulated in advance of the meeting.

Matters in accordance with Part 3 of the Constitution

Executive Non-Key Decisions

11. Annual Service Delivery Plan 2026/27 425 - 460

Consideration of recommendations of the Overview and Scrutiny Committee in respect of a draft Annual Service Delivery Plan for 2026/27.

A revised Draft Annual Service Delivery Plan reflecting comments of the Overview and Scrutiny Committee is attached at Annex 1.

12. Procurement Partnership - Formal Review 461 - 468

Consideration of recommendations of the Overview and Scrutiny Committee in respect of the Mid Kent Procurement Partnership.

13. Risk Management 469 - 486

Consideration of recommendations of the Audit Committee in respect of the risk management process and the Strategic Risk Register.

Recommendations are 'to follow' and will be circulated in advance of the meeting.

14. National Planning Policy Framework: Proposed Reforms and other Changes to the Planning System 487 - 560

Consideration of the recommendations of the extraordinary meeting of Housing and Planning Scrutiny Select Committee in respect of the Borough Council's response to the Government's National Planning Policy Framework: proposed reforms and other changes to the planning system.

Recommendations are 'to follow' and will be circulated in advance of the meeting.

Matters submitted for Information

15. Decisions taken by Cabinet Members 561 - 562
- A record of the decisions taken by portfolio holders since the last meeting of Cabinet are attached.
16. Notice of Forthcoming Key Decisions (if available) 563 - 564
- The Notice setting out the Key Decisions anticipated to be considered during the period March to April 2026 will be circulated in advance of the meeting.
17. Urgent Items 565 - 566
- 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

18. Exclusion of Press and Public 567 - 568
- 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 in accordance with Part 3 of the Constitution

Executive Non-Key Decisions

19. Tonbridge Town Centre Programme Board - Notes of 16 January 2026 569 - 588
- (Reasons: Part 2 - Private: LGA 1972 - Sch 12A Paragraph 3 - Financial or business affairs of any particular person)
- This report presents the notes from the Tonbridge Town Centre Programme Board (TTCPB) of 16 January (Annex 1).
20. Urgent Items 589 - 590
- 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

Councillor M D Boughton, (Leader)
Councillor R P Betts, (Housing, Environment and Economy)
Councillor M A Coffin, (Finance, Waste and Technical Services)
Councillor D Keers, (Community Services)
Councillor A Mehmet, (Infrastructure and Tonbridge Regeneration)
Councillor M Taylor, (Planning)

Members of the Council who are not members of the executive may attend meetings of the Cabinet. With the agreement of the Leader, any such Member may address the Cabinet on any item on the agenda but may not vote.

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GUIDANCE ON HOW MEETINGS WILL BE CONDUCTED

- (1) Most of the Borough Council meetings are livestreamed, unless there is exempt or confidential business being discussed, giving residents the opportunity to see decision making in action. These can be watched via our YouTube channel. When it is not possible to livestream meetings they are recorded and uploaded as soon as possible:

<https://www.youtube.com/channel/UCPp-IJISNgoF-ugSzxiAPfw/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@tmhc.gov.uk in the first instance.

Attendance:

- Members of the Committee 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 Chair, 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 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 should attend in person. However, arrangements to participate online can be considered in certain circumstances. Please contact committee.services@tmhc.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.

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Apologies for absence

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Declarations of interest

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TONBRIDGE AND MALLING BOROUGH COUNCIL

CABINET

MINUTES

Tuesday, 6th January, 2026

Present: Cllr M D Boughton (Chair), Cllr D Keers, Cllr A Mehmet and Cllr M Taylor

In attendance: Cllrs Mrs S Bell*, S Crisp*, M A J Hood*, D W King, Mrs A S Oakley*, M R Rhodes* and K B Tanner* were also present pursuant to Access to Information Rule No 23.

(participated via MS Teams)

Apologies for absence were received from Councillors R P Betts and M A Coffin

PART 1 - PUBLIC

CB 26/1 DECLARATIONS OF INTEREST

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

CB 26/2 MINUTES

RESOLVED: That the Minutes of the meeting of the Cabinet held on 18 November 2025 be approved as a correct record and signed by the Chairman.

MATTERS IN ACCORDANCE WITH PART 3 OF THE CONSTITUTION

EXECUTIVE KEY DECISIONS

CB 26/3 FEES AND CHARGES 2026/27 - LEGAL FEES, PHOTOCOPYING, LAND CHARGES, STREET NAME AND NUMBERING, TONBRIDGE CASTLE, EVENTS, BILLBOARDS AND BANNERS AND COURT FEES FOR COUNCIL TAX AND BUSINESS RATES

(Decision Notice D260002CAB)

The joint report of the Director of Central Services and the Head of Finance set out proposed fees and charges for 2026/27 for the provision of services in respect of legal costs, photocopying charges, street name and numbering, land charges, Tonbridge Castle, events on open spaces, billboards and banners and Council Tax and Business Rate court costs with effect from 1 April 2026.

In bringing forward the charging proposals consideration had been given to a range of factors, including the Borough Council's overall financial and market positions, trading patterns, the current rate of inflation and customer feedback. A set of guiding principles for the setting of fees and charges had also been taken into account and were summarised in 4.3 of the report.

In recognition of the Borough Council's overall financial position, the increasing challenges in achieving further expenditure savings and the importance of maximising income where possible, Cllr Boughton proposed, Cllr Taylor seconded and Cabinet

RESOLVED: That

- (1) the proposed charges for legal costs, as set out in 5.1 of the report, be approved with effect from 1 April 2026;
- (2) the current photocopying charges of £0.10 (inclusive of VAT) for each page of the same document or additional copies of the same page plus postage as appropriate, as set out in 5.2 of the report, be retained;
- (3) the Fee Schedule for Street Naming and Numbering, as set out in 5.3 of the report, be adopted with effect from 1 April 2026;
- (4) the proposed scale of fees for local land charges searches and enquiries, as set out in 5.4 of the report, be adopted with effect from 1 April 2026;
- (5) the proposed fees and charges for 2026/27 related to Tonbridge Castle, as set out in 5.5 of the report, be approved with effect from 1 April 2026;
- (6) the proposed fees and charges for 2026/27 related to Open Spaces and for charity and community events, as set out in 5.6.2 of the report, be approved;
- (7) authority be delegated to the Director of Central Services and Deputy Chief Executive to negotiate fees for individual commercial events on Council-owned land;
- (8) the proposed fees and charges for 2026/27 related to Billboards and Banners, as set out in 5.7.1 of the report, be approved; and
- (9) the amount of costs charged in 2026/27 to recover unpaid council tax and business rates debts remain at the 2024/25 levels, as set out in 5.8. of the report.

**CB 26/4 REVIEW OF FEES AND CHARGES FOR DISCRETIONARY
PLANNING SERVICES 2026/27**

(Decision Notice D260003CAB)

Consideration was given to the recommendations of the Housing and Planning Scrutiny Select Committee in respect of the proposed fees and charges for discretionary planning services 2026/27. The charging proposals reflected a range of factors including the Borough Councils overall financial position, market position, trading patterns, the current rate of inflation and customer feedback.

Due regard was given to the views of the Committee, the financial and value for money considerations, the assessment of risk and the legal implications.

In recognition of the Borough Councils overall financial position, the increasing challenges in achieving further expenditure savings and the importance of maximising income Cllr Boughton proposed, Cllr Taylor seconded and Cabinet

RESOLVED: That

- (1) the updated Pre-application Charging Fee Schedule 2026/27 for Development Management (Annex 1) be adopted;
- (2) the updated Building Control Fee Schedule 2026/27 (Annex 2) be adopted;
- (3) the updated charging fees for enforcement, as set out in 5.4 of the report, be adopted;
- (4) the updated High Hedge fee, as set out in 5.13 of the report, be adopted;
- (5) the updated charging fees for s106 monitoring and compliance, as set out in 5.18 and 5.20 of the report, be adopted;
- (6) the new fee for registration of a s106 agreement, as set out in 5.21 of the report, be adopted;
- (7) the updated Planning Performance Agreement charging schedule (Annex 3) be adopted; and
- (8) the proposed fees be implemented from 1 April 2026.

CB 26/5 HMO AND CARAVAN SITE LICENSING FEE CHARGES 2026/27

(Decision Notice D260004CAB)

Consideration was given to the recommendations of the Housing and Planning Scrutiny Select Committee in respect of proposed fees for licensing houses in multiple occupation (HMOs) and caravan sites for permanent residential use with effect from 1 April 2026. The charging proposals reflected a range of factors including the Borough Councils overall financial position, market position, trading patterns, the current rate of inflation and customer feedback.

Due regard was given to the views of the Committee, the financial and value for money considerations, the assessment of risk and the legal implications.

In recognition of the Borough Councils overall financial position, the increasing challenges in achieving further expenditure savings and the importance of maximising income Cllr Boughton proposed, Cllr Mehmet seconded and Cabinet

RESOLVED: That

- (1) the proposed fee for licensing HMOs (representing an increase of 4%) as detailed in 5.1 of the report, be approved;
- (2) the proposed fee for caravan sites for permanent residential use (representing an increase of 4%), as detailed in the 5.2 of the report, be approved; and
- (3) the proposed fees be implemented from 1 April 2026.

CB 26/6 ADOPTION OF A CALCULATOR FOR INDOOR SPORTS, OUTDOOR SPORTS AND PLAYING PITCH DEVELOPER CONTRIBUTIONS

(Decision Notice D260005CAB)

Consideration of recommendations of the Housing and Planning Scrutiny Select Committee in respect of proposals to adopt the Sports England model calculator approach to securing developer contributions towards indoor and outdoor sports facilities in the Borough. An updated Guidance Note (attached at Annex 2) on operational use of the calculator was also presented for consideration.

Due regard was given to the views of the Committee, the financial and value for money considerations, the legal implications and the assessment of risk. Cabinet welcomed the introduction of a formal methodology to calculate the needs for on and off-site provision and in

recognition of ensuring that where development was approved it provided appropriate funding for sports facilities and that these facilities were delivered against a strategic plan and mitigated the impact of development on local communities, Cllr Boughton proposed, Cllr Mehmet seconded and Cabinet

RESOLVED: That

- (1) to secure appropriate contributions towards indoor and outdoor sports facilities in the Borough, the Sports England calculator and associated metrics for Development Management purposes be adopted;
- (2) the updated Guidance Note (attached at Annex 2) on operational use of the calculator be noted and finalised by the Director of Planning, Housing and Environmental Health, in consultation with the Cabinet Members for Planning and Infrastructure and Tonbridge Regeneration; and
- (3) the Guidance Note when finalised be adopted.

EXECUTIVE NON-KEY DECISIONS

CB 26/7 RESERVES REVIEW

(Decision Notice D260006CAB)

Following a review of the earmarked reserves, as identified as an action in the Annual Service Delivery Plan 2025/26, the report of the Head of Finance and Section 151 Officer recommended a number of transfers to assist with the delivery of priority capital projects.

Careful consideration was given to the proposal to transfer £2.1m to the General Revenue Reserve (GRR) and a further £100,000 between already established reserves. The recommended changes to the reserves had been assessed in consultation with Services and the main changes were detailed in 5.4 of the report. Following these transfers the GRR would hold a balance of £11.25m.

Whilst the transfer to the General Revenue Reserve was welcomed, the pressures related to building repairs, the Local Plan, planning appeals and the transition for Local Government Reorganisation were recognised. It was, therefore, recommended that transfers be made to the Angel Centre Build Costs, Building Repairs, Local Plan, Transformation – Local Government Reorganisation reserves from the General Revenue Reserve.

If these recommendations were supported there would be an estimated balance of £9.25m in the General Revenue Reserve on 31 March 2028 based on the current Medium Term Financial Strategy projects.

Cabinet noted that an estimated £3.5m was expected to be withdrawn from the General Revenue Reserve in 2028/29 to cover various revenue expenditure.

Due regard was given to the financial and value for money considerations, the assessment of risk and the legal implications. In recognition that the reallocation of resources would assist with the achievement of corporate priorities, Cllr Boughton proposed, Cllr Taylor seconded and Cabinet

RESOLVED: That

- (1) the transfer of reserves detailed in Annex 1 and in 5.3 of the be approved; and
- (2) the transfer of reserves detailed in 7.2 of the report be approved.

CB 26/8 PLANNING ADVISORY SERVICE - REVIEW OF THE COUNCIL'S PLANNING SERVICE

(Decision Notice D260007CAB)

Consideration was given to the recommendations of the Housing and Planning Scrutiny Select Committee in respect of the Borough Council's planning service following a review by the Planning Advisory Service.

Due regard was given to the views of the Committee, the financial and value for money considerations, the legal implications and the assessment of risk. Cabinet welcomed the views of the Planning Advisory Service and wider Members. In recognition of rebuilding member-officer relationships and improving engagement and communication Cabinet supported the Scrutiny Select Committee recommendation to amend R3 and R5 of the Action Plan (attached at Annex 3) to include:

- (i) Area Planning Chairs and Vice-Chairs; and
- (ii) The Cabinet Member for Planning and the Chair of the Housing and Planning Scrutiny Select Committee respectively.

Following in-depth discussion on how the actions recommended by the Planning Advisory Service were to be progressed and how communication with Members would be managed, Cabinet proposed some further amendments to the recommendations of the Scrutiny Select Committee that were unanimously supported:

- (iii) R3 and DM11 of the Action Plan to be amended to include a design workshop session;
- (iv) In order to monitor progress being made on delivering priorities, Recommendation (4) be amended to report progress on the

- Action Plan to all meetings of the Housing and Planning Scrutiny Select Committee; and
- (v) To improve efficiency in determining planning applications a review of the current process around adjournments at Area Planning Committees be undertaken.

Cllr Boughton proposed, Cllr Mehmet seconded and Cabinet

RESOLVED: That

- (1) the contents of the Planning Advisory Service Review report, including the recommendations for action, be noted;
- (2) subject to the amendments set out at (i) (ii) and (iii) above, the proposed Action Plan (Annex 3) for delivering on the Planning Advisory Service Review recommendations be endorsed and adopted;
- (3) the proposed timescales in the Action Plan be noted and approved;
- (4) an update on progress on the Action Plan be reported as a standing item on future Housing and Planning Scrutiny Select Committee agendas; and
- (5) a review into the adjournment of applications at Area Planning Committees, in accordance with Committee Procedure Rule 15.24, be undertaken to explore if the current process could be streamlined.

[Subsequent to the meeting, the Action Plan was updated to reflect amendments (i), (ii), (iii) and (v)]

MATTERS SUBMITTED FOR INFORMATION

CB 26/9 MINUTES OF PANELS, BOARDS AND OTHER GROUPS

The Minutes of the meetings of the following Advisory Panels and other Groups were received, any recommendations contained therein being incorporated within the decisions of the Cabinet reproduced at the annex to these Minutes:

- Parish Partnership Panel of 20 November 2025;
- Tonbridge Community Forum of 24 November 2025; and
- Joint Transportation Board of 1 December 2025

CB 26/10 DECISIONS TAKEN BY CABINET MEMBERS

Details of the Decisions taken in accordance with the rules for the making of decisions by executive members, as set out in Part 4 of the Constitution, were presented for information.

CB 26/11 NOTICE OF FORTHCOMING KEY DECISIONS (IF AVAILABLE)

The Notice setting out Key Decisions anticipated to be taken during the period January to March 2026 was noted.

CB 26/12 EXCLUSION OF PRESS AND PUBLIC

The Chairman moved, Cllr Keers seconded and it was

RESOLVED: That as public discussion would disclose exempt information, the following matters be considered in private.

PART 2 - PRIVATE**MATTERS IN ACCORDANCE WITH PART 3 OF THE CONSTITUTION****EXECUTIVE KEY DECISIONS****CB 26/13 PROPOSED LEASE OF RESIDENTIAL APARTMENTS IN TONBRIDGE FOR USE AS TEMPORARY ACCOMMODATION**

(Decision Notice D260008CAB)

(Reasons: Part 2 Private: LGA 1972, Sch 12A Paragraph 3 – Financial or business affairs or any particular person)

Careful consideration was given to a proposal to lease a total of 20 residential apartments in Tonbridge to serve as temporary accommodation.

As a result of the property requiring conversion work, it was recommended that the Borough Council entered into an agreement for lease, so that when the flats were ready the Borough Council could occupy them under a lease. A long leasehold option was not considered a viable option as the authority did not have sufficient funds or access to the level of capital required.

Due regard was given to the financial and value for money considerations, the assessment of risk and the legal implication. In recognition of the Borough Council's adopted Housing Strategy and to support improving housing options for local people, Cllr Boughton proposed, Cllr Keers seconded and Cabinet

RESOLVED: That

- (1) the terms of the lease, including entering into an agreement for lease of the properties (as detailed in the report), be approved;
- (2) the one-off set up costs and tax liability be noted.

CB 26/14 LEASE ARRANGEMENTS - 8 - 10 MARTIN SQUARE, LARKFIELD

(Decision Notice D260009CAB)

(Reasons: Part 2 – Private: LGA 1972 Sch 12A Paragraph 3 – Financial or business affairs of any particular person)

Careful consideration was given to a proposed lease arrangement for 8-10 Martin Square, Larkfield where a new lease would be granted for the ground floor retail unit and the above maisonette surrendered to the Borough Council for use by Housing Services. Cabinet noted that terms had been agreed with the existing tenant for a lease renewal of the retail unit.

Whilst there was a requirement for the tenant to return the maisonette in a repaired and decorated condition, it was recommended that additional works be undertaken to enable the Borough Council to use the property for its own housing purposes.

Due regard was given to the financial and value for money considerations, the assessment of risk and the legal implication. Cabinet recognised that the current arrangement was out of step with modern retail operations and in recognition of improving housing options for local people and offering greater flexibility in meeting resident's needs, Cllr Boughton proposed, Cllr Taylor seconded and Cabinet

RESOLVED: That

- (1) the terms for granting a lease of 8 Martin Square (retail unit) be approved; and
- (2) the maisonette at 10 Martin Square be surrendered to Tonbridge and Malling Borough Council and used for its own purposes, as detailed in the report.

CB 26/15 BLUEBELL HILL TEMPORARY ACCOMMODATION PROJECT - UPDATE REPORT

(Decision Notice D260010CAB)

(Reasons: Part 2 – Private: LGA 1972 Sch 12A Paragraph 3 – Financial or business affairs of any particular person)

Members received an update on the progress being made to deliver modular housing units for use as temporary accommodation at the former commuter car park at Bluebell Hill. Approval was also sought to amend previous decision-making delegations to avoid the risk of not being able to make a decision to proceed with the build phase of the project and risk the LAHF funding.

Due regard was given to the financial and value for money considerations, the assessment of risk and the legal implications. Particular reference was made to the issues surrounding the restrictive covenant affecting the site. Cabinet was pleased to note that satisfactory heads of terms had been received from KCC on this matter (as set out in Decision Number [D260001MEM](#)).

In recognition that delivering a temporary accommodation scheme on previously utilised land allowed the Borough Council to mitigate the cost of providing temporary accommodation, have management control of temporary accommodation within the borough and didn't require the development of a greenfield site, Cllr Boughton proposed, Cllr Mehmet seconded and Cabinet

RESOLVED: That delegated authority be granted to the Director of Planning, Housing and Environmental Health and the Director of Central Services and Deputy Chief Executive, in consultation with the Cabinet Member for Housing, Environment and Economy, to agree the gateway approval to move to the build stage of the contract.

CB 26/16 TONBRIDGE TOWN CENTRE PROGRAMME BOARD - MEETING NOTES

(Decision Notice D260011CAB)

(Reasons: Part 2 – Private: LGA 1972 Sch 12A Paragraph 3 – Financial or business affairs of any particular person)

Members reviewed the Notes of the Tonbridge Town Centre Programme Board for the meetings of 29 August and 28 November 2025, attached at Annexes 1 and 2 respectively.

Cabinet had due regard to the recommendations of the Programme Board, the financial and value for money considerations and the legal implications and recognised the good progress being made.

RESOLVED: That

- (1) the Notes of the Tonbridge Town Centre Programme Board of 29 August 2025 (attached at Annex 1) be noted; and

- (2) the Notes of the Tonbridge Town Centre Programme Board (attached at Annex 2) and the accompanying Angel Centre report (attached at Annex 3) of 28 November 2025 be noted.

The meeting ended at 20.40pm

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Cabinet

10 February 2026

Part 1 - Public

Recommendation to Council



Cabinet Member

Cllr Matt Boughton – Leader of the Council
Cllr Martin Coffin – Cabinet Member for Finance,
Waste and Technical Services

Responsible Officer

Damian Roberts – Chief Executive
Paul Worden – Head of Finance (Section 151 Officer)

Report Author

Paul Worden – Head of Finance (Section 151 Officer)
Donna Riley – Financial Services Manager

Setting the Budget 2026/27

1 Summary and Purpose of Report

- 1.1 Further to the meeting of the Overview and Scrutiny Committee earlier in the cycle, this report updates Cabinet on issues relating to the Medium Term Financial Strategy. It also takes Members through the necessary procedures in order to set the Budget for 2026/27.
- 1.2 Members are asked to note that at the time of writing this report, ***the final settlement has not been received***. All figures contained in the report are based on the provisional settlement.
- 1.3 The headline issues from this report are as follows:
 - As a result of the fair funding review, the provisional local government finance settlement 2026/27 better than expected within the MTFS but was an overall DECREASE on the notional equivalent funding for 2025/26 of £182,000 (2.0%).
 - This decrease continues with further reductions of £335,000 (3.7%) and £378,000 (4.4%) in the 2027/28 and 2028/29 financial years respectively. This means that in 2028/29 the Council will received reduced grant of £895,000 (9.8%) compared to the notional amount for 2025/26.
 - The Business Rates Reset has resulted in previous gains being eliminated from the baseline settlement, but there are a number of properties awaiting

valuation by the Valuation Office that could give additional growth above the current baseline level.

- The provisional settlement was better than the prudent approach taken in the MTFS allowing additional funds to be targeted to key priorities.
- Referendum principles mean that council tax can only rise by greater of 3% or £5. Recommended 3% increase in TMBC element of council tax bill giving a council tax at Band D for 2026/27 of £252.65; a cash increase of £7.35 per annum.
- Allowing for the issues raised above the Funding Gap has reduced to zero over the medium term but is dependent on committed savings of £200,000 being release of office accommodation, £200,000 being costs within temporary accommodation and £400,000 service fee income from the Leisure Trust.
- Six capital schemes to be added to Capital Plan in 2026/27.
- In order to support the replacement of the Angel Centre, officers in conjunction with Cabinet continue to identify and earmark funds to assist with the overall financing of the scheme.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 Setting of the budget is required under statute

3 Recommendations

- 3.1 Recommendations are made, where appropriate, within each section of the report and **highlighted in blue**. For completeness, they are summarised below in the order they appear within the report:
- 3.2 *Section 6 (Local Government Finance Settlement)*: It is **RECOMMENDED** that the details of the final grant settlement, are verbally reported to Cabinet at the meeting and any adjustments needed are made to the final Budget.
- 3.3 *Section 9 (Revenue Estimates 2026/27)*: It is **RECOMMENDED** that as part of the 2026/27 Estimates, sums are contributed to the following earmarked reserves:
 - £3.5m is transferred to the Tonbridge Town Centre reserve, and specifically set aside for the funding of the redevelopment of the Angel Leisure Centre:
 - £700,000 is transferred to the Transformation Reserve, specifically for preparation for Local Government Reorganisation, and;
 - £225,000 be transferred to the reserve for the completion of the Local Development Plan.

3.4 *Section 11 (Capital Plan)*: It is **RECOMMENDED** that:

- 1) Cabinet endorse the existing Capital Plan (List A) position at Annex 1 (O&S agenda) and summarised at **[Annex 3]**.
- 2) Cabinet approves that the schemes listed in **[Annex 4]** are added to List C or deleted from List C as detailed.
- 3) Cabinet approves the selection of those schemes listed in **[Annex 5]** for evaluation over the coming year. On this occasion, four schemes have been recommended for Fast-Track evaluation.
- 4) Cabinet approves the transfer of schemes detailed in **[Annex 6]** to List A.
- 5) Cabinet approves the updated Capital Plan (List A) as summarised in **[Annex 7]**.
- 6) Cabinet endorse the Capital Strategy as presented to the Overview and Scrutiny Committee on 22 January.

3.5 *Section 12 (Treasury Management and Annual Investment Strategy)*: It is **RECOMMENDED** that:

- for the financial year 2026/27 the prudential indicators listed in paragraph 12.7 including the liability benchmark indicator and 12.11 be recommended to Council for adoption
- Members NOTE that for the financial year 2026/27 our annual minimum revenue provision is nil subject to the comment at paragraph 12.8.

3.6 *Section 13 (Medium Financial Strategy)*: Members are requested to **NOTE** and endorse the updated MTFS **[Annex 10a]**.

3.7 *Section 16 (Special Expenses)*: Cabinet is requested to **ENDORSE** the special expenses calculated in accordance with the Special Expenses Scheme and set out at **[Annex 13b]**.

3.8 *Section 17 (Robustness of Estimates and Adequacy of Reserves)*: Members are **RECOMMENDED** to note and endorse the Statement **[Annex 16a]** provided by the Head of Finance.

3.9 *Section 18 (Calculation of Borough Council's Tax Requirement)*: **Note** the Calculation of the Borough Council's council tax requirement at **[Annex 17]**.

4 Introduction and Background

4.1 At the Full Council meeting on 24 February, Members will determine both the Budget and the level of council tax for 2026/27. The detailed Estimates for

2026/27 prepared by officers in liaison with the Cabinet have been carefully considered by the Overview and Scrutiny Committee earlier in the cycle. Details are set out at paragraph 9 below.

- 4.2 Whilst the primary purpose of this report is for Cabinet to recommend the Budget and resultant level of council tax for 2026/27; as ever, **this one year cannot be viewed in isolation**. This budget sits within the context of our Medium Term Financial Strategy (MTFS) covering a ten-year period. Whilst the decisions being made by Central Government on the future of Local Government in Kent will have a significant impact on this Council, financial decisions made in respect of the year 2026/27 will have an impact across the MTFS, and as such the MTFS has been prepared on the basis on no changes the Council.
- 4.3 This time last year the projected funding gap was put at £2,800,000 with an initial tranche of savings in the sum of £600,000 to be delivered by April 2026, as will be noted from paragraph 14.3 later in this report, that target was achieved.
- 4.4 The impact of Local Authority Funding Reform, Fair Funding 2.0, has now been published covering the Government Support expected up to 2028/29. Whilst this has significantly reduced the level of uncertainty for this period, some uncertainty on the later years may remain depending on the accuracy of the assumptions made on what happens following the 2028/29 financial year.
- 4.5 This leaves some degree of uncertainty around the Council's Waste, Recycling and Street Cleansing Contract. Tenders received in December are now being evaluated with a report to the Communities and Environment Scrutiny Select Committee being presented to Members in March. Until the contract is awarded, the previously assessed budget provision will remain within the MTFS.
- 4.6 The Localism Act requires a local authority to seek the approval of their electorate via a local referendum if it proposes to raise council tax above the threshold set by the Secretary of State. For the year 2026/27 a referendum will be triggered where council tax is increased by **more than 3% or £5, whichever is higher**.
- 4.7 This time last year the MTFS assumed a council tax increase of 3%. For the purposes of preparing the budget papers and updating the MTFS an **increase of 3% in 2026/27** has been assumed followed by the greater of £5 or 3% each year thereafter in line with the Government Provisional Settlement increases.
- 4.8 Attached at **[Annex 1]** for Members' information is a copy of the Referendums Principles setting out the level of council tax increase for 2026/27 above which the local authority would be required to seek approval of their electorate via a local referendum.
- 4.9 This report necessarily touches on a number of related areas (some of which are complex) that the Head of Finance (Section 151 Officer) is required to draw to Members' attention in order to provide assurance and advice to aid decision

making. The report is, therefore, broken down into sections dealing with the following areas:

- Section 5: Corporate Strategy
- Section 6: Local Government Finance Settlement
- Section 7: Business Rates
- Section 8: Usable Reserves
- Section 9: Revenue Estimates 2026/27
- Section 10: Fees and Charges
- Section 11: Capital Plan
- Section 12: Treasury Management and Annual Investment Strategy
- Section 13: Medium Term Financial Strategy Update
- Section 14: Savings and Transformation Strategy
- Section 15: Collection Fund Adjustments
- Section 16: Special Expenses and Parish Council Precepts
- Section 17: Section 25 Statement - Robustness of the Estimates / Adequacy of the Reserves
- Section 18: Calculation of Borough Council's Tax Requirement

5 Corporate Strategy

5.1 The Council adopted a new Corporate Strategy in 2023 setting out the values key to achieving the strategy of **innovation, transformation, and delivery**.

5.2 The Strategy sets out the four key priorities for the borough:

- 1) Efficient services for all our residents, maintaining an effective council;
- 2) Sustaining a borough which cares for the environment;
- 3) Improving housing options for local people whilst protecting our outdoor areas of importance;
- 4) Investing in our local economy.

5.3 In preparation of these Estimates, regard has been taken to the above priorities and the actions set out in the draft Annual Service Delivery Plan for 2026/27 and in particular the Cabinet highlighted the need to address the following key issues which contribute to the above:

- Provision of cost-effective Temporary Accommodation;
- Regeneration of Tonbridge, including replacement of the Angel Centre;

- Climate Change, including carbon neutral leisure centres;
- Transformation to improve efficiency and effectiveness; and
- Delivery of the Local Plan.

6 Local Government Finance Settlement

- 6.1 The provisional settlement covering the three year period for 2026/27 to 2028/29 was published on the 17th December 2025 and incorporated changes to the Local Government Finances under what has been titled Fair Funding Review 2.0 and the Business Rates Reset.
- 6.2 The information received on the 17th confirms that a large number of the previous grants issued under Section 31 for Business Rates (Small Business, Retail Relief and Under indexing), part of Homelessness Prevention Grant, National Insurance compensation and New Homes Bonus are now 'rolled up' into the settlement under Revenue Support Grant. This itself creates a risk to the Council as it is difficult to assess the impact on Business Rate Reliefs paid under the Section 31 Grants which up to now have been based upon the levels of relief granted rather than the fixed grant award. However, further information received now indicates that the variations to these reliefs will be contained and accounted for within the Collection Fund and distributed via surplus or deficit payments in the following year.
- 6.3 However, it is positive to note, in addition to the grants mentioned in paragraph 6.2, the Funding Guarantee, received over the last few years has also been 'rolled into' the new Revenue Support Grant.
- 6.4 The Government published headline figures of the Authorities Core Spending Power, which is made up of Government Grants, Retained Business Rates and Council Tax Income. The published papers show that Tonbridge and Malling has suffered the second largest reduction in Core Spending Power in England between 2024/25 and 2028/29. The reduction amounts to a reduction of 15% or £4.1m between these years, ultimately showing reduced Grant and Retained Business Rates being offset by assumed increases in Council Tax.
- 6.5 As the changes to Fair Funding merges several grants into the new settlement totals the government provides a 'notional settlement' for 2025/26 financial year to allow a comparison. The calculated figure for Government Support in 2025/26 is £9.163m.
- 6.6 Using the provisional published information for the period 2026-2029, the breakdown of the result of fair funding is given below.

	2025/26	2026/27	2027/28	2028/29
		£000's	£000's	£000's
Total Core Spending	22,372	22,747	22,992	23,219
Council Tax (Notional)	13,209	13,766	14,346	14,951
Total Government Support	9,163	8,981	8,646	8,268
Made up of				
Business Rates	5,325	3,363	3,440	3,509
Revenue Support Grant	3,082	4,777	4,327	3,848
Sub Total General Grant	8,407	8,140	7,767	7,357
Homelessness Grant (specific)	756	841	879	911
Total Support	9,163	8,981	8,646	8,268

Members should note that the Homelessness Grant will be shown within the service budget pages whereas Business Rates and Revenue Support Grants will be shown as part of the Councils General Grant funding.

- 6.7 Although the table above shows an increase in the Core Spending power of the authority of 3.8% from 2025/26 to 2028/29, as previously mentioned this includes the Governments projected increases in Council Tax, removing these values shows a 9.8% reduction in Government funding for the same period. To put this 9.8% reduction in Government funding into monetary terms the reduced support is a reduction of £895,000 in 2028/29 compared to 2025/26 and over the settlement period amounts accumulate to £1.594m.
- 6.8 The table below shows the impact of changes to government support to the Kent District authorities.

	2025/26			2028/29			Reduction from 2025/26 to 2028/29	
	Population	Govt Support £	Support per head £	Population	Govt Support £	Support per head £		
Ashford	139,267	15,184,886	109.03	142,650	12,651,867	88.69	- 2,533,019	-16.7%
Canterbury	170,151	12,438,574	73.10	173,191	13,889,282	80.20	1,450,708	11.7%
Dartford	122,610	19,721,952	160.85	126,688	17,477,468	137.96	- 2,244,483	-11.4%
Dover	125,714	12,777,698	101.64	128,861	11,487,904	89.15	- 1,289,794	-10.1%
Gravesham	107,564	8,943,986	83.15	108,004	11,084,942	102.63	2,140,956	23.9%
Maidstone	182,795	16,902,306	92.47	187,018	15,113,136	80.81	- 1,789,170	-10.6%
Sevenoaks	123,996	7,747,459	62.48	125,154	6,170,432	49.30	- 1,577,027	-20.4%
Folkestone and Hythe	118,191	12,172,966	102.99	120,349	9,639,906	80.10	- 2,533,060	-20.8%
Swale	159,308	18,392,457	115.45	162,882	16,987,047	104.29	- 1,405,410	-7.6%
Thanet	147,083	14,983,288	101.87	149,028	15,060,386	101.06	77,098	0.5%
Tonbridge And Malling	139,457	9,163,001	65.70	142,527	8,267,745	58.01	- 895,256	-9.8%
Tunbridge Wells	120,879	6,771,633	56.02	121,741	6,491,876	53.33	- 279,757	-4.1%

- 6.9 The next stage of the process will be to review the MTFs allowing for these funding changes and some changes in other assumptions within the plan, this should then identify any funding gap that may remain.

- 6.10 Finally, it should be noted that these figures are provisional and will not be fully confirmed until early February 2026, although in recent years these have not materially changed, given the significant changes to Government support this year, some further amendments may occur this year, or in each of the following two years of the Government's three year settlement.
- 6.11 It is **RECOMMENDED** that the details of the final grant settlement are verbally reported to Cabinet at the meeting and any adjustments needed are made to the final Budget.

7 National Non Domestic Rates

- 7.1 As a result of the Business Rates Reset the vast majority of growth received in business rates in recent years has now been rolled into the new baseline given in paragraph 6.6. In addition, the new retention scheme places higher risks on authorities falling below their baselines, as a result the decision was taken to disband the current Business Rate Pool in Kent at the end of the 2025/26 financial year. However, it has been agreed that assessments will be made annually to see if the request to reestablish a pooling arrangement should be made.
- 7.2 The submission for the Council's estimated Business Rates has been returned to Central Government showing the expected income to be at the baseline set.
- 7.3 The submission does not include any potential growth from the small number of large business properties that remained unvalued at the time of the return. This is important as these are likely to generate additional income to the Council, as a rough estimate each £1m gained above our overall baseline collectable rates, being Gross Rates less discounts and exemptions, will generate around £280k after levy payments have been made.
- 7.4 Furthermore, the amounts for 2027/28 and 2028/29 may be subject to change depending on the final Rateable Value of Businesses in the Borough on 31st March 2026.

8 Council's Usable Reserves

- 8.1 The Council holds a number of 'usable' reserves on its balance sheet which could be **repurposed** to support both day to day services or assist in one off larger schemes either of a revenue or capital nature.
- 8.2 Members approved, in principle, the replacement of the Angel Centre in Tonbridge in the context of the Town Centre Regeneration Programme. Cabinet January 2024 CB24/17 refers:

"In principle, the Angel Centre be demolished and replacement leisure and community facilities be provided in Tonbridge and, in principle, all options be kept on the table for the future location and nature of such replacement leisure and community facilities within Tonbridge"

- 8.3 This project is now part of list A and as such is the largest capital project undertaken by the Council in over 25 years. The Council's Capital Strategy includes an objective to identify opportunities for funding the replacement of the leisure centre in Tonbridge.
- 8.4 Due to this and the Council's debt free status, officers are currently exploring ways of financing the replacement centre with minimal resort to external borrowing. To assist with this the Head of Finance (Section 151 Officer) conducted a further review of the reserves.
- 8.5 The result of this review was reported to Cabinet in January 2026, the report included recommendations on the transfer of reserves (Decision Notice D260006CAB). Head of Finance and his team have conducted an **initial** review of the Council's reserve balances in line with objective 13.8 of the Annual Service Delivery Plan (see elsewhere on this agenda).

9 Revenue Estimates 2026/27

- 9.1 As mentioned in the Introduction, the draft Revenue Estimates for 2026/27 were presented and endorsed by the Overview and Scrutiny Committee on 22 January. The role of the Committee is to assist both the Cabinet and the Council in the development of its budget within the context of the Medium Term Financial Strategy and the Council's priorities.
- 9.2 The estimates presented to O&S have been updated to take account of changes to staffing estimates following the General Purposes Committee on the 21 January.
- 9.3 The proposed Council Tax for 2026/27 is considered elsewhere on this agenda and if approved will generate a Council Tax yield of £13,812,921.
- 9.4 This means that the Council has £5,370,000 available to transfer to reserves for strategic objectives.
- 9.5 Following discussions with Cabinet Members, officers have been requested to make the following reserve movements as part of this Budget:
- £3.5m is transferred to the Tonbridge Town Centre reserve, and specifically set aside for the funding of the redevelopment of the Angel Leisure Centre;
 - £700,000 is transferred to the Transformation Reserve, specifically for preparation for Local Government Reorganisation, and;
 - £225,000 be transferred to the reserve for the completion of the Local Plan.
- 9.6 It is **RECOMMENDED** that the sums of £3.5m, £700,000 and £225,000 are transferred to the reserves as explained in paragraph 9.5 above.
- 9.7 These changes have been summarised on the table below:

	Revised Estimate 2025/26 £	Original Estimate 2026/27 £
Summary Total reported to Overview and Scrutiny Committee on 22 January 2026 prior to contributions to or from General Revenue Reserve	12,699,754	8,448,244
Staffing Establishment Changes following General Purposes Committee 21 January 2026 along with the associated reserve movements		166,400
Drainage Board Levies		(4,900)
Transfer to Tonbridge Town Centre Reserve (as per paragraph 9.5 above)		3,500,000
Transfer to the Transformation Reserve for Local Government Reorganisation (as per paragraph 9.5 above)		700,000
Transfer to the Planning for the Local Development Plan		225,000
Collection Fund Deficit adjustments		2,159
Current Summary Total	12,699,754	13,036,903

- 9.8 With these changes the net contribution to / from the General Revenue Reserve in 2026/27 becomes £776,018 as set out on the Revenue Estimates Summary in [ANNEX 11].

10 Fees and Charges

- 10.1 Proposals in respect of fees and charges for the year 2026/27 considered and approved by the Scrutiny Select Committees and the Licensing and Appeals Committee over recent months have been reflected in the Budget.

11 Capital Plan

- 11.1 The outcome of the Capital Plan Review process was considered by the Overview and Scrutiny Committee on 22 January.
- 11.2 Members are aware of the difficult financial landscape in previous years and therefore the ability of the Council to invest in capital schemes. It is, however, acknowledged that some capital projects can have a beneficial impact on the revenue position by either generating additional or new income, or alternatively producing cost savings in due course.
- 11.3 Members are reminded of 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). The broad criteria are:
- to meet legislative requirements including health and safety and climate change obligations;

- funded from external resources; and
 - reduce revenue expenditure and or generate income.
- 11.4 The subsequent recommendations where appropriate have regard to these criteria.
- 11.5 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. In addition, other earmarked reserves can be used to fund in full or in part appropriate capital plan schemes.
- 11.6 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 2026/27 is £1,135,000.
- 11.7 There remains 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 was increased to £500,000 for the 2026/27 and 2027/28 financial years in the run up to Local Government Reorganisation in Kent.
- 11.8 It should be noted, that given the level of the Capital Plan some borrowing could be required for projects in the forthcoming years. At the present time no allowance has been made for any debt charges that may be incurred.
- 11.9 The Overview and Scrutiny Committee endorsed the recommendations as detailed in the papers. The recommendations were:
- 1) Cabinet be asked to endorse the Capital Plan (List A) position at Annex 1 (O&S agenda) and summarised at **[Annex 3]**.
 - 2) The schemes listed in **[Annex 4]** are added to List C or deleted from List C as detailed.
 - 3) Cabinet be asked to endorse the Capital Strategy at **[Annex 5]** (O&S agenda) for adoption by Council and publication on the Council's website.
 - 4) The evaluated List C schemes are progressed in accordance with the recommendation shown in **[Annex 6]**.
 - 5) Cabinet be asked to endorse the Capital Strategy at **[Annex 5]** (O&S agenda) for adoption by Council and publication on the Council's website.
- 11.10 Details of the evaluated schemes are summarised below.

Capital / revenue consequences of evaluated schemes		
	Capital Cost £'000	Annex 4 (O&S Agenda) Page
Street Scene, Leisure and Technical Services		
Taddington Valley Public Open Space - Site Improvements fast-track	108	CP 44
Tonbridge Swimming Pool Boiler Replacement – for inclusion to the boiler scheme already approved on list A). fast-track	300	CP 47
Laybourne Lakes Country Park – Resurfacing Access Roads and Paths. fast-track	200	CP51
Tonbridge Farm Sportsground – Provision of Full Size All Weather Pitch. fast-track	1,000	CP 54
Angel Centre – Innerva Suite. fast-track	101	CP 58
Leisure Centres – Water Safety Systems Installation to Swimming Pools. fast-track	160	CP 62
Total	1,869	

11.11 An updated summary of the **Capital** Plan incorporating the schemes listed in paragraph 11.10 is attached at **[Annex 7]**.

11.12 A funding statement based on **[Annex 7]** is attached at **[Annex 8]**. The main source of funding is the Revenue Reserve for Capital Schemes supplemented by external Grants, S106 Agreements and the use of some internal Reserves. The impact on the Revenue Reserve for Capital Schemes is illustrated in **[Annex 9]**.

11.13 Accordingly, it is **RECOMMENDED** that:

- 1) Cabinet endorse the existing Capital Plan (List A) position at Annex 1 (O&S agenda) and summarised at **[Annex 3]**.
- 2) Cabinet approves that the schemes listed in **[Annex 4]** are added to List C or deleted from List C as detailed.
- 3) Cabinet approves the selection of those schemes listed in **[Annex 5]** for evaluation over the coming year. On this occasion, five schemes have been recommended for Fast-Track evaluation.
- 4) Cabinet approves the transfer of schemes detailed in **[Annex 6]**, which includes the Tonbridge Swimming Pool Boiler Replacement, to List A.

- 5) Cabinet approves the updated Capital Plan (List A) as summarised in [Annex 7].
- 6) Cabinet endorse the Capital Strategy as presented to the Overview and Scrutiny Committee on 22 January.

12 Treasury Management and Annual Investment Strategy

- 12.1 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).
- 12.2 The Prudential Code requires that the CIPFA Treasury Management Code of Practice is adopted and that a number of prudential indicators are set.
- 12.3 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.
- 12.4 The requirements of both the Prudential Code and Treasury Management Code published by CIPFA have been taken into account and reflected as appropriate in the annual review and update of the Capital Strategy and the Treasury Management and Annual Investment Strategy 2026/27.
- 12.5 The approval of the Treasury Management and Annual Investment Strategy and determination of the prudential indicators has to be made by Full Council, as do amendments to either the Strategy or indicators during the year.
- 12.6 The Prudential Code under the auspices of the Local Government Act 2003 and subsidiary regulations requires that a number of treasury management prudential indicators are set.
 - 1) The capital financing requirement - the extent to which the authority needs to undertake external borrowing to support its capital programme.
 - 2) The operational boundary for external debt.
 - 3) The authorised limit for external debt.
 - 4) The actual external debt.
 - 5) The upper limit for fixed interest rate exposure.
 - 6) The upper limit for variable rate exposure.
 - 7) The upper limit for total principal sums invested for over 365 days.
 - 8) The maturity structure for new fixed rate borrowing during 2026/27.

12.7 A summary of the indicators appears in the table below.

TREASURY MANAGEMENT INDICATORS	2024/25	2025/26	2026/27	2027/28	2028/29
	Actual	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Authorised Limit for external debt :					
borrowing	nil	7,000	13,000	13,000	13,000
other long term liabilities	nil	nil	nil	nil	nil
TOTAL	nil	7,000	13,000	13,000	13,000
Operational Boundary for external debt:-					
borrowing	nil	4,000	4,000	4,000	4,000
other long term liabilities	nil	nil	nil	nil	nil
TOTAL	nil	4,000	4,000	4,000	4,000
Actual external debt	nil	nil	nil	nil	nil
Upper limit for fixed interest rate exposure < 1 year at year end	30,000 (56.4%)	It is anticipated that exposure will range between 0% to 60%			
Upper limit for variable rate exposure < 1 year at year end	15,851 (29.0%)	It is anticipated that exposure will range between 40% to 100%			
Upper limit for total principal sums invested for over 365 days at year end	7,973 (14.6%)	60% of funds			

Maturity structure of fixed rate borrowing during 2026/27 – 2028/29	upper limit	lower limit
under 12 months	100 %	0 %
Over 12 months	0 %	0 %

Consideration has been given to the Liability Benchmark Indicator, however, as this Council is debt free there is no debt maturity profile to report. The forecast net investment requirement for the next three years (excluding the liquidity allowance) is: 2026/27 £28.9m, 2027/28 £15.2m and 2028/29 £10.9m.

12.8 The capital financing requirement (CFR) measures the amount of external borrowing that the Council expects to have to undertake in support of its capital programme. The Council is debt free and has no borrowing requirement to support the current approved capital programme. However, the Angel Centre

redevelopment has now been approved and appears on List A. The scheme is broken down into stages with Council approval required to move onto each stage. The Council is currently stage 3, design, and is expected to move to stage 4 upon planning approval. **If approved, it is expected that external borrowing may be required to support the progression of the scheme. This may prompt a change in CFR which, if required, will be reported to Members through an update to the Treasury Strategy.**

- 12.9 The operational boundary is designed to cover all day to day borrowing requirements. As this Council is debt free, borrowing is only undertaken on a short-term basis to cover cash flow management.
- 12.10 The authorised limit is intended to provide a degree of headroom above the operational boundary to cover unexpected and unusual borrowing requirements.
- 12.11 The other prudential indicators we are required to set are shown in the table below.

Prudential Indicators

1.	Ratio of actual and estimated financing costs to the net revenue stream			(Interest payable with respect to borrowing less interest and investment income) ÷ (government grants plus call on local taxpayers) x 100%.				
	2024/25 actual -24.82%	2025/26 estimated -15.76%	2026/27 estimated -9.44%	2027/28 estimated -5.5%	2028/29 estimated -3.80%	2029/30 estimated -3.99%	2030/31 estimated -2.92%	2031/32 estimated -2.79%
2.	Actual and estimated capital expenditure			This indicator is based on the updated capital plan position. The figures are based on those shown in [Annex 8] .				
	2024/25 actual £'000 2,886	2025/26 estimated £'000 10,972	2026/27 estimated £'000 25,143	2027/28 estimated £'000 5,264	2028/29 estimated £'000 2,089	2029/30 estimated £'000 2,981	2030/31 estimated £'000 2,164	2031/32 estimated £'000 1,742

- 12.12 We, therefore, **RECOMMEND** that for the financial year 2026/27 the prudential indicators listed in paragraph 12.7 including the liability benchmark indicator and 12.11 be recommended to Council for adoption.
- 12.13 A local authority has a statutory duty to “*determine for the current financial year an amount of minimum revenue provision that it considers to be prudent*” in relation to its capital expenditure. It would be impractical to charge the entirety of such expenditure to revenue in the year in which it was incurred and so such expenditure is spread over several years to try and match the years over which such assets benefit the local community through their useful life.
- 12.14 The spreading of these costs is through what is termed an *annual minimum revenue provision*. As the Council is debt free and, at least in the short term, does not expect to borrow to support its capital programme the minimum revenue

provision is nil. Guidance issued by the Government also recommends that a Minimum Revenue Provision Policy Statement be prepared. **We propose to prepare such a Statement at a time when our capital expenditure plans cannot be met without recourse to borrowing.**

12.15 Members are asked to **NOTE** that for the financial year 2026/27 our *annual minimum revenue provision* is nil subject to the comment at paragraph 12.8.

13 Medium Term Financial Strategy Update

- 13.1 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 for the forthcoming year and over the strategy period. The aim of the MTFS is to give us a realistic and sustainable plan that reflects the Council's priorities.
- 13.2 The Strategy also sets out, based on current financial information, 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.
- 13.3 The MTFS sets out the high level objectives the Council wishes to fulfil over the agreed time span. These are:
- 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 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.
- 13.4 Members working with senior officers have a duty to ensure the Council's long term financial position is sustainable, and that 'short term' decisions do not jeopardise that longer term sustainability. The announcement of the devolution/reorganisation white paper and subsequent [English Devolution and Community Empowerment Bill](#) has naturally given greater attention to the next two

years of the Government's stated timetable which would see existing first and second tier Councils in Kent being replaced by new Unitary Councils in April 2028. However, as noted at the O&S Committee there is still a possibility that this timetable may be delayed and it is therefore important that, for now, there remains a focus on "business as usual" to ensure the long term stability of the Council.

- 13.5 The budget for 2026/27 is naturally the starting point for updating the MTFS. The Summary Total for the 2026/27 Estimates prior to the settlement funding and collection fund adjustments is £21,127,500 (see **Annex 11**) and is used as the basis for the budget projections in the Medium Term Financial Strategy at **[Annex 10a]**.

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

Government Grant Funding

- 13.7 The provisional settlement for 2026/27 covered a period of three financial years to 2028/29. The published information has been explained in depth at section 6 above, and whilst showing a decrease in funds over the forthcoming years, the level due is above the prudent estimate included in previous iterations within the MTFS.

- 13.8 The latest iteration of the MTFS includes the details provided in the provisional settlement, meaning that Government Support from Revenue Support Grant will be £4.777m, falling to £3.848 in 2028/29. It has then been assumed that this amount will then remain at this level for the remainder of the MTFS. This is seen as a risk as it is unknown on the funding levels for the authority beyond the 2028/29 financial year.

Business Rates Retention Scheme

- 13.9 As part of the Fair Funding Review the Government also performed a Business Rates Reset on the Council's Baseline. This has again dropped, mainly as a result of the decision in Kent to cease the pooling arrangements, but the current level of Rateable Values and multipliers currently place the authority on the Baseline level provided by Central Government. As mentioned above in paragraph 7.3, no increases for unvalued properties have been included in either the base estimate, with only inflationary levels being included in the Business Rates Baseline beyond 2026/27.

Council Tax Referendum Principles

- 13.10 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.

- 13.11 For the year 2026/27, 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 3.0%.
- 13.12 For the purposes of preparing the budget papers and updating the MTFS an **increase of 3% 2026/27** has been assumed followed by the greater of £5 or 3% each year thereafter, this is in line with the Governments assessment within the three year settlement.

Pension Fund Deficit

- 13.13 The pension fund deficit is forecast to be recovered within the 10-year period of this MTFS and has been reduced significantly from the 2025/26 rate following discussions with the Pension Fund Actuaries. It should be noted that this does not mean a pension fund deficit will not reappear - as it could. This will be dependent on the future performance of the pension fund but is considered a lower risk given the current annual deficit recovery amount.

Waste Services and Anti-Social Behaviour Team Contracts

- 13.14 The recommissioning of the Waste Services Contract from April 2027 is now reaching its conclusion, but prior to this work a financial assessment was undertaken on the potential cost increase given recent changes in the market. This estimated increase was reflected in the updated MTFS presented to Cabinet in November 2024 and agreed by Full Council in February 2025.
- 13.15 Final tenders have now been received and are being evaluated. Once the contract award has taken place with reports to Members in March and April 2026, further updates to the MTFS will take place to assess the financial position in line with the MTFS targets.
- 13.16 Following the use of the Antisocial Behaviour Team during the summer of 2025, consideration is being made to repeat the service in the forthcoming years. The tender arrangements are still being concluded and if approved any costs arising will be funded from reserves.

Climate Change Agenda

- 13.17 Detailed Climate Change agenda related costs are not reflected in the MTFS. However, there is an earmarked reserve to fund until expended, both a revenue budget and specific projects / initiatives in support of the Climate Change Strategy.

Inflation Assumptions

- 13.18 For the purposes of the MTFS, the inflation levels from 2027/28 onwards have been set at 2% for pay, prices and income and 4% for the Waste Contract

inflation. The Office of Budget Responsibility (OBR) inflationary forecast for November 2025 gives inflation for 2026 to be 2.5% falling to 2% in 2027.

- 13.19 A 0.5% increase in the inflation factors above will still result in a balanced budget in year 10 of the MTFS, albeit reduced to £170,000 and a GRR balance of £3.7m meeting both requirements of the MTFS.

Funding Gap

- 13.20 As we know, the funding gap is not static and constantly changes in response to both internal and external factors.
- 13.21 The Fair Funding Review and Business Rates Rest has been concluded, and whilst the Councils funding has been reduced, due to the prudent approach in previous versions of the MTFS, as explained in paragraph 13.7, it does eliminate one of the two major risks causing the funding gap, the other being the Waste Services contract explained in paragraph 13.14.
- 13.22 The MTFS continues to have some in built savings from known adjustments to service delivery that will generate savings in the longer term. Firstly, the potential savings arising from the disposal of the Gibson West building following the refurbishment and reoccupation of the Gibson East building, this has been prudently estimated as £200k occurring from 2029/30 onwards. The second come from the increased use of Council owned or leased Temporary Accommodation, once fully utilised this is expected to reduce costs in the region of £200k. Finally with the proposed transfers to reserves suggested in paragraph 9.5 which can be replicated in the 2027/28 financial year, this would potentially eliminate the need for borrowing to finance the Angel Centre Project. This would mean that any additional service fee income from the Leisure Trust, estimated at £400k would directly contribute to Council Service funding.
- 13.23 Allowing for these changes to the MTFS the remaining funding gap reduces to zero over the medium term.
- 13.24 **[Annex 10a]** sets out the picture for the MTFS.
- 13.25 Cabinet is **RECOMMENDED** to note and endorse the updated MTFS **[Annex 10a]**.

14 Savings and Transformation Strategy

- 14.1 Alongside the MTFS the Council has a Savings and Transformation Strategy (STS) 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 differing ways to deliver the required savings and transformation contributions within an agreed timescale.

- 14.2 Several 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.

Savings and Transformation Contributions

- 14.3 The Council set a savings target of £600,000 to be delivered by April 2026. This target was exceeded and the reductions in expenditure and increased income has been reflected in the 2026/27 estimates as detailed in the table below.

Savings Achieved	Amount £'s
Service Budget Reductions	182,500
Waste Contract Inflation	120,000
Car Parking Income Generation	300,000
TOTAL	602,500

- 14.4 Given the updated position that after allowing for the above reductions and the changes explained in section 13 there is no need for a savings and transformation strategy to be required for the 2026/27 financial year, this does not mean that there will no longer be any need for such a strategy in future years and it will be reviewed and resurrected if needed.

15 Collection Fund Adjustments

- 15.1 As the billing authority for the area, this Council has responsibility for maintaining the 'collection fund' accounts into which council tax and business rates are paid.
- 15.2 Before we can finalise our calculations in respect of the tax requirements, we have to estimate the surplus / deficit on the collection fund for 2025/26 in respect of council tax and business rates and then share this between the major precepting authorities (including ourselves) in line with the respective legislative proportions.
- 15.3 These are known as collection fund adjustments, The collection fund for 2025/26 as shown in the table below along with the council's share.

	Total (Surplus) / Deficit £	TMBC's Share £	Details in Annex
Council Tax	(1,992,326)	(266,903)	[Annex 12a]
Business Rates	789,910	315,964	[Annex 12b]

16 Special Expenses and Parish Council Precepts

- 16.1 A Special Expenses Scheme **[Annex 13a]** was introduced on the 1 April 2017 and following consultation public conveniences were added to the Scheme with effect from 1 April 2022.

- 16.2 Details of the Special Expenses for 2026/27 are set out at **[Annex 13b]**. The basic amount of council tax of £230.47 plus the special expenses Band D charge, where applicable, gives the total Borough Council Band D charge for that area.
- 16.3 When publishing the Borough Council's level of council tax at Band D for "official" purposes in accordance with the prescribed methodology from the Department for Levelling Up, Housing and Communities (DLUHC), we are required to aggregate all expenditure (as if special expenses did not exist) and calculate a **notional** Band D figure. (This is so that the DLUHC can see that the referendum principles have been adhered to).
- 16.4 The resultant published (notional) council tax at Band D **for 2026/27 is £252.65**, being 3.0% higher than the published Band D council tax for 2025/26. As Members will note, no resident will actually pay this exact amount as the Borough Council's Band D – unless it is by coincidence.
- 16.5 Cabinet is requested to **ENDORSE** the special expenses calculated in accordance with the Special Expenses Scheme and set out at **[Annex 13b]**.
- 16.6 Details of Parish Council precepts notified to the Borough Council are given at **[Annex 14]** for information.
- 17 The Robustness of the Estimates and the Adequacy of the Reserves (Section 25 Statement)**
- 17.1 The Council is required to have regard to the level of its balances and reserves before determining its council tax requirement. **[Annex 15]** sets out the projected general fund working balance and general revenue reserve balances based on an increase of 3% to the notional council tax level.
- 17.2 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (in our case the Head of Finance (Section 151 Officer)) when making the statutory calculations required to determine its council tax to report to an authority, on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides.
- 17.3 What is required is the professional advice of the Head of Finance on these two questions. This responsibility is discharged by way of a certified Statement.
- 17.4 The Head of Finance advises that he is satisfied as to the robustness of the estimates and the adequacy of reserves on the understanding that the **initiatives already built into the MTFs (i.e. the scaling back of office accommodation in the sum of £200,000, increased use of Council owned or leased Temporary Accommodation of £200,000 and increased service fee from the Leisure Trust of £400,000) are delivered in the timeframe assumed in the Medium Term Financial Strategy.**

- 17.5 The Statement referred to above is appended at **[Annex 16a]** which Members are recommended to read thoroughly in order to understand the assumptions and risks that are set out. Members will note that, overall, the Head of Finance signifies that, in his professional opinion, **the estimates are robust and the level of reserves adequate**.
- 17.6 A schedule of the reserves held by the Council at 1 April 2025 and proposed utilisation of those reserves to 31 March 2027 is provided at **[Annex 16b]**.
- 17.7 As this Council's Chief Finance Officer, the Head of Finance has undertaken a review of the earmarked reserves held and is satisfied as to the position depicted and will revisit the position as part of the closedown process for 2025/26.
- 17.8 Members are **RECOMMENDED** to note and endorse the Statement **[Annex 16a]** provided by the Head of Finance.

18 Calculation of Borough Council's Tax Requirement

- 18.1 The Council is required to calculate:
- Its aggregate expenditure which, for this purpose, includes our share of any Collection Fund deficit and the Parish Council precepts.
 - Its aggregate income which, for this purpose, includes our share of any Collection Fund surplus and the Local Government Finance Settlement (see paragraph 1.3).
 - The amount by which the aggregate expenditure exceeds the aggregate income is to be its council tax requirement for the year.
- 18.2 Assuming Cabinet's concurrence with the recommendations concerning the Medium Term Financial Strategy and Savings and Transformation Strategy set out in paragraphs 13 and 14, the calculation is set out at **[Annex 17]**. It should be noted that, for this purpose, the Borough Council's council tax requirement includes the Parish Council precepts.
- 18.3 Cabinet is therefore **RECOMMENDED** to note the Calculation of the Borough Council's council tax requirement at **[Annex 17]**.

19 Financial and Value for Money Considerations

- 19.1 With the announcement of the Fair Funding Review and Business Rates reset the uncertainty surrounding local government finances has reduced, but the issues around longer term funding, post the initial announcement may give rise to further funding gaps in later years.
- 19.2 Alongside this come the projected market increase cost in respect of the Waste contract due to be recommissioned in 2027. The results of the recommissioning and contract award are due to be reported to members in the in the forthcoming

months, once fully known the MTFS will be reviewed and any funding gap arising will be shared with members.

- 19.3 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.

20 Risk Assessment

- 20.1 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.
- 20.2 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.
- 20.3 As mentioned in the Financial and Value for Money Considerations section above the announcement of the Fair Funding Review and Business Rates Reset have reduced the uncertainty effect in the immediate term, but beyond the current settlement period the assumptions included in the MTFS would require at least annual review.
- 20.4 The recommissioning of Waste Services Contract is currently reaching its conclusion, to allow for this the MTFS currently has a projected increase in the contract value that cannot be confirmed until the award has been made.
- 20.5 It is expected that the pension fund deficit will be recovered within the 10-year period of this MTFS. However, depending upon the performance of the fund, a deficit could 'reappear' at any time. To mitigate the risk of this and the impact it would have on the MTFS, we are working towards a position where the pension fund is overfunded so that there is an element of headroom.
- 20.6 Members are reminded that there are factors not reflected in the MTFS, e.g. the cost of borrowing for new capital plan schemes when and if required.
- 20.7 Any increase in council tax above the relevant threshold, even by a fraction of a percentage point, would require a referendum to be held. Similarly, any increase below the maximum allowed within the MTFS would have the effect of reducing council tax income in a cumulative effect over the medium term and without

compensatory adjustments, potentially reduce the General Revenue Reserve Balance below the objective levels set.

- 20.8 Whilst, at the present time, the Council does not need to borrow to finance the current approved capital programme, it is likely that the replacement to the Angel Centre may facilitate this need in the near future, officers will provide details of the scheme in the forthcoming months along with the revenue implications of financing for this project.

21 Legal Implications

- 21.1 There are a number of legislative requirements to consider in setting the Budget which will be addressed as we move through the budget cycle.
- 21.2 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.
- 21.3 The Local Government Finance Act 2012 and regulations that followed introduced the current Business Rates Retention Scheme.
- 21.4 The results of Local Government Reorganisation in Kent are yet to be fully released, with an expected announcement in the summer of 2026. Depending on the outcome and the date of final reorganisation it also may well be that the Council's ability to take decisions, acquire or dispose of assets, to let contracts or to deliver projects or services may be constrained by the terms of the Structural Change Order or any Direction issued under Section 24 of the Local Government and Public Involvement in Health Act 2007 or by the lack of capacity associated with the work involved in delivering any structural changes.
- 21.5 Whilst no councils can foresee the effect that devolution may bring, the Council must proceed on its current course at the moment to ensure that there is no interruption to services.

22 Consultation and Communications

- 22.1 As part of the budget process the council are required to consult representatives of the Council's Non-Domestic Ratepayers. The consultees who include 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. The deadline given for responses was 29 January 2025. ***Cabinet is advised that no adverse comments have been received.***

23 Cross Cutting Issues

- 23.1 Equalities and Diversity

23.1.1 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.

Background Papers	None
Annexes	Annex 1 – Referendum Principals for Council Tax Annex 2 – Provisional Settlement Grant Allocations Annex 3 – Capital Plan List A (O&S 23 Jan 2025) Annex 4 – Capital Plan List C Additions and Deletions Annex 5 - Capital Plan List C selected for evaluations Annex 6 – Capital Plan Summary of Evaluated Schemes Annex 7 – Capital Plan List A updated to include recommended schemes. Annex 8 – Capital Plan Funding Annex 9 – Revenue Reserve for Capital Schemes Annex 10a – Medium Term Financial Strategy Annex 11 – Revenue Estimates Summary Annex 12a – Collection Fund Surplus / Deficit Council Tax Annex 12b - Collection Fund Surplus / Deficit Business Rates Annex 13a – Special Expenses Policy Annex 13b – Special Expenses 2025/26 Annex 14 – Parish Council Precepts Annex 15 – General Fund and General Revenue Reserve Balances Annex 16a – Robustness of Estimates and Adequacy of Reserves Statement Annex 16b – Reserves Estimate Annex 17 - TMBC Draft Council Tax Resolution

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The Referendums Relating to Council Tax Increases (Principles) (England) Report 2026/27

Legislative background

General

1. Under section 52ZB of the Local Government Finance Act 1992^(a) (“the 1992 Act”) each billing authority and precepting authority must determine whether its relevant basic amount of council tax^(b) for a financial year (“the year under consideration”) is excessive. In essence, the relevant basic amount of council tax for an authority is that authority’s average band D council tax but, in the case of a billing authority, excluding local precepts^(c). If an authority’s relevant basic amount of council tax is excessive a referendum must be held in relation to that amount.
2. Under section 52ZC^(d) of the 1992 Act the question of whether an authority’s relevant basic amount of council tax is excessive must be decided in accordance with a set of principles determined by the Secretary of State. A set of principles —
 - may contain one principle or two or more principles, and
 - must constitute or include a comparison between the authority’s relevant basic amount of council tax for the year under consideration and its relevant basic amount of council tax for the financial year immediately preceding the year under consideration^(e).
3. In setting principles for the year under consideration the Secretary of State may determine categories of authority. If the Secretary of State does so the same principles must be determined for all authorities falling within the same category and if an authority does not fall within any of the categories its relevant basic amount of council tax is not capable of being excessive for the year under consideration^(f).
4. If the Secretary of State does not determine categories of authority for the year under consideration, any principles determined for the year must be such that the same set is determined for all authorities^(g).

^(a) 1992 c.14. Section 52ZB was inserted into the 1992 Act by Schedule 5 to the Localism Act 2011 (c.20).

^(b) The term “relevant basic amount of council tax” is defined in section 52ZX of the 1992 Act (inserted as above and amended by section 41(1) and (9) to (13) of the Local Audit and Accountability Act 2014 (c.2) and modified by S.I. 2017/611).

^(c) A local precept may be issued to a billing authority by a local precepting authority (as defined in section 39(2) of the 1992 Act) or anticipated by a billing authority pursuant to the Billing Authorities (Anticipation of Precepts) Regulations 1992 (S.I. 1992/3239, as amended by S.I. 1995/235, S.I. 2006/3395 and S.I. 2014/35).

^(d) Section 52ZC was inserted into the 1992 Act by Schedule 5 to the Localism Act 2011 and is modified by S.I. 2017/611.

^(e) Section 52ZC(2) and (3) of the 1992 Act.

^(f) Section 52ZC(4) of the 1992 Act.

^(g) Section 52ZC(5) of the 1992 Act.

5. The principles for a financial year must be set out in a report which must be laid before and approved by the House of Commons. If the report for a financial year is not approved on or before the date on which the local government finance report for the same year is approved by the House of Commons, no principles have effect for that year and accordingly no authority's relevant basic amount of council tax is capable of being excessive for that year^(a).

The Greater London Authority

6. The Greater London Authority ("the GLA") calculates two different basic amounts of council tax for a financial year —
 - (a) an amount which applies to the City of London and which does not include any amount in respect of the Mayor's Office for Policing and Crime, and
 - (b) an amount which applies to all parts of Greater London other than the City of London and which includes an amount in respect of the Mayor's Office for Policing and Crime^(b).
7. The GLA's relevant basic amount of council tax is defined by reference to these two amounts. In particular —
 - the relevant basic amount derived from the amount mentioned in paragraph 6(a) above is referred to in the 1992 Act as the GLA's unadjusted relevant basic amount of council tax, and
 - the relevant basic amount derived from the amount mentioned in paragraph 6(b) above is referred to in the 1992 Act as the GLA's adjusted relevant basic amount of council tax^(c).
8. A principle that applies to the GLA, and that constitutes or includes a comparison between the GLA's relevant basic amount of council tax for the year under consideration and the financial year immediately preceding that year, may only provide for —
 - a comparison between unadjusted relevant basic amounts of council tax,
 - a comparison between adjusted relevant basic amounts of council tax, or
 - both^(d).

^(a) See generally section 52ZD of the 1992 Act, inserted as above.

^(b) Sections 88(2) and 89(3) of the Greater London Authority Act 1999. Section 88(2) was substituted by section 77(1) and (3) of the Localism Act 2011 and section 89(4) (which is mentioned in section 89(3)) was substituted by section 77(1) and (7) of that Act. The Mayor's Office for Policing and Crime was established by section 3 of the Police Reform and Social Responsibility Act 2011.

^(c) Section 52ZX(4) of the 1992 Act.

^(d) Section 52ZC(6) of the 1992 Act.

The Report

9. This Report is made by the Secretary of State for Housing, Communities and Local Government and laid before the House of Commons under section 52ZD(1) of the 1992 Act.
10. The Report applies to all billing authorities, major precepting authorities falling within section 39(1)(a), (aa) and (b) to (db) of the 1992 Act, the Greater Manchester Combined Authority(a), the York and North Yorkshire Combined Authority(b), the South Yorkshire Mayoral Combined Authority(c) and the West Yorkshire Combined Authority(d). No principles are specified for local precepting authorities, other mayoral combined authorities or for mayoral county combined authorities.

Principles for the financial year beginning on 1st April 2026

11. Whilst the 2026-27 local government finance settlement covers the period 2026-27 to 2028-29, this report relates to 2026-27 only. The principles which apply for 2026-27 are set out in Annex A to this Report. If this Report is approved by resolution of the House of Commons the principles will have effect for that financial year.

Signed by authority of the Secretary of State for Housing, Communities and Local Government

[Date] 2026

Ministry of Housing, Communities and Local Government

Name
Minister of State

-
- (a) The Greater Manchester Combined Authority was created by the Greater Manchester Combined Authority Order 2011 (S.I. 2011/908).
 - (b) The York and North Yorkshire Combined Authority was created by the York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432).
 - (c) The South Yorkshire Mayoral Combined Authority was created by the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority Order 2014 (S.I. 2014/863, which was amended by S.I. 2020/806). Since 17th September 2021 the Combined Authority has been known as the South Yorkshire Mayoral Combined Authority, in accordance with a resolution notified to the Secretary of State under section 97 of the Local Transport Act 2008 (c. 26), as applied to a combined authority by section 104(4) of the Local Democracy, Economic Development and Construction Act 2009 (c. 20).
 - (d) The West Yorkshire Combined Authority was created by the West Yorkshire Combined Authority Order 2014 (S.I. 2014/864, which was amended by S.I. 2021/112).

Annex A

Principles for the financial year beginning on 1st April 2026

The set of principles determined by the Secretary of State under section 52ZC(1) of the Local Government Finance Act 1992 for the financial year beginning on 1st April 2026 is as follows:

Interpretation

1.—(1) In this set of principles—

“2025-26” means the financial year beginning on 1st April 2025;

“2026-27” means the financial year beginning on 1st April 2026;

“the 1992 Act” means the Local Government Finance Act 1992(a);

“a fire and rescue authority” means an authority within the meaning of section 39(1)(d), (da) or (db) of the 1992 Act(b);

“the GLA” means the Greater London Authority;

“a relevant local authority” means—

(a) an authority falling within section 1(4) of the Care Act 2014(c); and

(b) the Council of the Isles of Scilly;

“a shire district council” means a district council for an area for which there is a county council;

(2) In this set of principles any reference to an authority is a reference to a billing authority, a major precepting authority falling within section 39(1)(a), (aa) and (b) to (db) of the 1992 Act, the Greater Manchester Combined Authority, the York and North Yorkshire Combined Authority, the South Yorkshire Mayoral Combined Authority and the West Yorkshire Combined Authority.

(3) Terms used in this set of principles which are also used in the 1992 Act have the same meanings as in that Act.

Categories of authority for 2026-27

2. For 2026-27, the Secretary of State determines that the following are categories of authority for the purposes of section 52ZC of the 1992 Act—

(a) any relevant local authority(d),

(a) 1992 c.14.

(b) Section 39(1) was amended by the Local Government (Wales) Act 1994 (c. 19), section 35(6); the Greater London Authority Act 1999 (c. 29), sections 82 and 423 and Part 1 of Schedule 34; the Local Government Act 2003 (c. 26), section 83(1); the Fire and Rescue Services Act 2004 (c. 21), section 53(1) and paragraph 81 of Schedule 1; the Civil Contingencies Act 2004 (c. 36), section 32(1) and paragraph 10(1) and (2) of Schedule 2; the Police Reform and Social Responsibility Act 2011 (c. 13), section 26(1) and (2); the Cities and Local Government Devolution Act 2016 (c. 1), section 5(1); the Policing and Crime Act 2017 (c. 3), section 6 and paragraph 71(1) and (2) of Schedule 1; the Levelling-up and Regeneration Act 2023 (c. 55), section 56 and paragraph 111 of Schedule 4.

(c) 2014 c.23. The definition in section 1(4) of the Act covers (a) county councils in England; (b) district councils for an area in England for which there is no county council; (c) London borough councils, and (d) the Common Council of the City of London.

(d) The local authorities that are within this category are set out, for information, in Annex B to this Report.

- (b) any police and crime commissioner,
- (c) the Greater Manchester Combined Authority, the York and North Yorkshire Combined Authority, the South Yorkshire Mayoral Combined Authority and the West Yorkshire Combined Authority(a),
- (d) any shire district council,
- (e) the GLA, and
- (f) any fire and rescue authority.

Principles for 2026-27 for authorities belonging to the category mentioned in paragraph 2(a)

3. For 2026-27, the relevant basic amount of council tax of an authority which belongs to the category mentioned in paragraph 2(a) is excessive if the authority's relevant basic amount of council tax for 2026-27 is 5% (comprising 2% for expenditure on adult social care, and 3% for other expenditure), or more than 5%, greater than its relevant basic amount of council tax for 2025-26.

Principles for 2026-27 for authorities belonging to the category mentioned in paragraph 2(b)

4. For 2026-27, the relevant basic amount of council tax of an authority which belongs to the category mentioned in paragraph 2(b) is excessive if the authority's relevant basic amount of council tax for 2026-27 is more than £15 greater than its relevant basic amount of council tax for 2025-26.

Principles for 2026-27 for authorities belonging to the category mentioned in paragraph 2(c)

5. For 2026-27, the PCC component relevant basic amount of council tax of the Greater Manchester Combined Authority(b), of the York and North Yorkshire Combined Authority(c), of the South Yorkshire Mayoral Combined Authority(d) or of the West Yorkshire Combined Authority(e) is excessive if the authority's PCC component relevant basic amount of council tax for 2026-27 is more than £15 greater than its PCC component relevant basic amount of council tax for 2025-26.

-
- (a) Where the mayor of a combined authority exercises PCC functions Chapter 4ZA of Part 1 of the Local Government Finance Act 1992 is modified by paragraphs 7 to 10 of the Schedule to the Combined Authorities (Finance) Order 2017 (S.I. 2017/611). For the definition of "PCC functions" see section 107F(3) of the Local Democracy, Economic Development and Construction Act 2009 (c. 20).
 - (b) For the definition of "the PCC Component" in relation to the Greater Manchester Combined Authority, see article 2 of the Greater Manchester Combined Authority (Transfer of Police and Crime Commissioner Functions to the Mayor) Order 2017 (S.I. 2017/470).
 - (c) For the definition of "the PCC Component" in relation to the York and North Yorkshire Combined Authority, see article 2 of the York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432).
 - (d) For the definition of "the PCC Component" in relation to the South Yorkshire Mayoral Combined Authority, see article 2 of the South Yorkshire Mayoral Combined Authority (Election of Mayor and Transfer of Police and Crime Commissioner Functions) Order 2024 (S.I. 2024/414).
 - (e) For the definition of "the PCC Component" in relation to the West Yorkshire Combined Authority, see article 2 of the West Yorkshire Combined Authority (Election of Mayor and Functions) Order 2021 (S.I. 2021/112).

Principles for 2026-27 for authorities belonging to the category mentioned in paragraph 2(d)

6. For 2026-27, the relevant basic amount of council tax of an authority which belongs to the category mentioned in paragraph 2(d) is excessive if the authority's relevant basic amount of council tax for 2026-27 is—

- (a) 3%, or more than 3%, greater than its relevant basic amount of council tax for 2025-26, and
- (b) more than £5 greater than its relevant basic amount of council tax for 2025-26.

Principles for 2026-27 for the GLA

7. For 2026-27, the GLA's relevant basic amount of council tax is excessive if—

- (a) the GLA's unadjusted relevant basic amount of council tax for 2026-27 is more than £5.13 greater than its unadjusted relevant basic amount of council tax for 2025-26, or
- (b) the GLA's adjusted relevant basic amount of council tax for 2026-27 is more than £20.13 greater than its adjusted relevant basic amount of council tax for 2025-26.

Principles for 2026-27 for authorities belonging to the category mentioned in paragraph 2(f)

8. For 2026-27, the relevant basic amount of council tax of an authority which belongs to the category mentioned in paragraph 2(f) is excessive if the authority's relevant basic amount of council tax for 2026-27 is more than £5 greater than its relevant basic amount of council tax for 2025-26.

Annex B

Local authorities for the following areas fall within the definition of “relevant local authority” as in the *Principles for the financial year beginning on 1st April 2026* (see paragraph 2(a) of Annex A)

(INNER LONDON)

City of London

Camden

Greenwich

Hackney

Hammersmith & Fulham

Islington

Kensington & Chelsea

Lambeth

Lewisham

Southwark

Tower Hamlets

Wandsworth

Westminster

(OUTER LONDON)

Barking & Dagenham

Barnet

Bexley

Brent

Bromley

Croydon

Ealing

Enfield

Haringey

Harrow

Havering

Hillingdon

Hounslow

Kingston-upon-Thames

Merton

Newham

Redbridge

Richmond-upon-Thames

Sutton

Waltham Forest

(GREATER MANCHESTER)

Bolton

Bury

Manchester

Oldham

Rochdale

Salford

Stockport

Tameside

Trafford

Wigan

(MERSEYSIDE)

Knowsley

Liverpool

St Helens

Sefton

Wirral

(SOUTH YORKSHIRE)

Barnsley

Doncaster

Rotherham

Sheffield

(TYNE AND WEAR)

Gateshead

Newcastle-upon-Tyne

North Tyneside

South Tyneside

Sunderland

(WEST MIDLANDS)

Birmingham

Coventry

Dudley

Sandwell

Solihull

Walsall

Wolverhampton

(WEST YORKSHIRE)

Bradford

Calderdale

Kirklees

Leeds

Wakefield

(COUNTY COUNCILS)

Cambridgeshire

Derbyshire

Devon

East Sussex

Essex

Gloucestershire

Hampshire

Hertfordshire

Kent

Lancashire

Leicestershire

Lincolnshire

Norfolk

Nottinghamshire

Oxfordshire

Staffordshire

Suffolk

Surrey

Warwickshire

West Sussex

Worcestershire

(UNITARY AUTHORITIES)

Bath & North East Somerset

Bedford

Blackburn with Darwen

Blackpool

Bournemouth, Christchurch and Poole

Bracknell Forest

Brighton & Hove

Bristol

Buckinghamshire

Central Bedfordshire

Cheshire East

Cheshire West and Chester

Cornwall

Cumberland

Darlington

Derby

Dorset
Durham
East Riding of Yorkshire
Halton
Hartlepool

Herefordshire
Isle of Wight
Isles of Scilly
Kingston-upon-Hull

Leicester

Luton
Medway
Middlesbrough
Milton Keynes
North East Lincolnshire

North Northamptonshire
North Lincolnshire
North Somerset
Northumberland
North Yorkshire
Nottingham

Peterborough
Plymouth
Portsmouth
Reading
Redcar & Cleveland

Rutland
Shropshire
Slough
Somerset
South Gloucestershire
Southampton
Southend-on-Sea

Stockton-on-Tees
Stoke-on-Trent
Swindon
Telford & Wrekin
Thurrock

Torbay
Warrington
West Berkshire
West Northamptonshire

Westmorland and Furness
Wiltshire
Windsor & Maidenhead

Wokingham
York

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Local Government Finance Settlement 2026/27

	2026/27					
	Revenue Support Grant £	Business Rates Baseline £	Other Financial Support £	Government Financial Support £	Projected Population 2026	Per Head £
Ashford	8,293,691	4,401,653	227,995	12,923,339	140,448	92.01
Canterbury	5,400,041	5,466,345	195,072	11,061,458	171,184	64.62
Dartford	11,178,042	5,216,171	714,351	17,108,563	124,053	137.91
Dover	6,460,373	4,588,506	451,063	11,499,942	126,792	90.70
Gravesham	4,031,334	4,277,551	397,704	8,706,589	107,698	80.84
Maidstone	8,690,229	6,186,628	62,800	14,939,657	184,263	81.08
Sevenoaks	4,040,407	2,425,134	0	6,465,541	124,395	51.98
Folkestone and Hythe	6,667,363	3,375,634	478,524	10,521,521	118,927	88.47
Swale	9,284,624	6,808,428	538,662	16,631,714	160,551	103.59
Thanet	6,777,415	5,674,269	608,002	13,059,686	147,747	88.39
Tonbridge And Malling	4,776,751	3,362,707	0	8,139,458	140,529	57.92
Tunbridge Wells	3,402,686	2,587,348	0	5,990,035	121,173	49.43

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Capital Plan: List A
Service Summary as per O&S 22 January 2026

	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Plan Schemes									
Planning, Housing & Environmental Health	61	1,228	3,486	15	15	15	15	15	4,850
Street Scene, Leisure & Technical Services	1,057	2,695	15,159	3,159	174	159	159	159	22,721
Corporate	1,222	1,992	1,750	0	0	0	0	0	4,964
Sub-total	2,340	5,915	20,395	3,174	189	174	174	174	32,535
Capital Renewals									
Planning, Housing & Environmental Health	n/a	1	14	0	21	21	33	0	90
Street Scene, Leisure & Technical Services	n/a	719	1,826	629	430	1,123	434	314	5,475
Corporate	n/a	770	279	131	119	333	443	174	2,249
Sub-total	n/a	1,490	2,119	760	570	1,477	910	488	7,814
Total	2,340	7,405	22,514	3,934	759	1,651	1,084	662	40,349

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Capital Plan Review 2025/26

Recommendations in respect of List C

	Annex 3 Page
Schemes to be added to List C	
Street Scene, Leisure and Technical Services	
Car Parks - LED Lights	CP 36
Leybourne Lakes Country Park – Resurfacing Access Roads & Paths	CP 37
Taddington Valley – Site Improvement Works	CP 38
Tonbridge Racecourse Sportsground – Site Improvement Works, Phase Four	CP 39
Improved Health and Fitness Provision at Larkfield Leisure Centre	CP 40
Leisure Pool Features at Larkfield Leisure Centre	CP 41
Water Safety Systems Installation for Swimming Pools	CP 42
Innerva Suite – Angel Leisure Centre	CP 43
Schemes to be deleted from List C	
Street Scene, Leisure and Technical Services	
Tonbridge Castle – Site Improvements	

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Capital Plan Review 2025/2026

Schemes selected for evaluation from List C

	Annex 3 Page
Street Scene, Leisure and Technical Services	
Tonbridge Racecourse Sportsground – Improvement Works, Phase Three	CP33
Tonbridge Racecourse to Lower Castle Fields - Car Park Bridge Replacement	CP34
Tonbridge Farm Sportsground Improvements All Weather Pitch (fast-track)	CP 35
Car Parks LED Lights	CP36
Leybourne Lakes Country Park – Resurfacing Access Roads & Paths (fast-track)	CP 37
Taddington Valley – Site Improvement Works (fast-track)	CP 38
Tonbridge Racecourse Sportsground - Site Improvement Works, Phase Four	CP39
Water Safety Systems Installation for Swimming Pools (fast-track)	CP 42
Innerva Suite – Angel Leisure Centre (fast-track)	CP 43

NOTE: Tonbridge Swimming Pool Boiler Replacement is an amendment to the current Boiler Scheme, currently on the capital plan and therefore was not a new scheme to be selected from List C. However, due to the value of the scheme, it was deemed appropriate for an evaluation to be submitted for consideration and therefore is captured in Annex 4 and on paragraph 11.2 of the O&S report.

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Capital Plan Review 2025/26

Recommendations in respect of evaluated schemes from List B

	Capital Cost	Estimated Annual Revenue/ Renewals Cost		Annex 4 Page
	£'000	£'000		
Street Scene, Leisure and Technical Services				
Taddington Valley – Site Improvement Works. fast-track	108	n/a	Transfer from List B to List A	CP 44
Tonbridge Swimming Pool Boiler Replacement. fast-track	300	n/a	Transfer from List B to List A	CP 47
Leybourne Lakes Country Park – Resurfacing Access Roads & Paths. fast-track	200	n/a	Transfer from List B to List A	CP 51
Tonbridge Farm Sportsground Improvements All Weather Pitch. fast-track	1,000	n/a	Transfer from List B to List A	CP 54
Innerva Suite – Angel Leisure Centre. fast-track	101	n/a	Transfer from List B to List A	CP 58
Water Safety Systems Installation for Swimming Pools. fast-track	160	n/a	Transfer from List B to List A	CP 62
Total	1,869			

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Capital Plan: List A
Service Summary (incorporating O&S recommendations)

	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Plan Schemes									
Planning, Housing & Environmental Health	61	1,228	3,486	15	15	15	15	15	4,850
Street Scene, Leisure & Technical Services	1,057	2,745	15,653	3,159	174	159	159	159	23,265
Corporate	1,222	1,992	1,750	0	0	0	0	0	4,964
Sub-total	2,340	5,965	20,889	3,174	189	174	174	174	33,079
Capital Renewals									
Planning, Housing & Environmental Health	n/a	1	14	0	21	21	33	0	90
Street Scene, Leisure & Technical Services	n/a	719	1,826	629	430	1,123	434	314	5,475
Corporate	n/a	770	279	131	119	333	443	174	2,249
Sub-total	n/a	1,490	2,119	760	570	1,477	910	488	7,814
Total	2,340	7,455	23,008	3,934	759	1,651	1,084	662	40,893

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Capital Plan Review 2025/26: Funding the Draft Capital Plan

	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000	2029/30 Estimate £'000	2030/31 Estimate £'000	2031/32 Estimate £'000
Capital Plan Schemes							
Capital Renewals	1,490	2,119	760	570	1,477	910	488
Other Recurring Expenditure (net of grants)	198	174	174	174	174	174	174
One-Off Schemes (net of grants & contributions)	5,767	20,715	3,000	15	0	0	0
Capital Plan Totals	7,455	23,008	3,934	759	1,651	1,084	662
Add back grants / contributions	3,517	2,135	1,330	1,330	1,330	1,080	1,080
Total to be funded	10,972	25,143	5,264	2,089	2,981	2,164	1,742
Funded from:							
Grants							
BCF (Disabled Facilities Grant)	1,698	1,465	1,290	1,290	1,290	1,040	1,040
DEFRA Anti-idling Project	11						
UK Shared Prosperity Fund	60						
Rural England Prosperity Fund	134						
PSDS Decarbonising Scheme	1,185						
DEFRA Food Waste Containers	60						
Football Foundation (All Weather Pitch)		670					
Developer Contributions Attributed to							
Tonbridge Racecourse, Rugby Pitch Drainage S106	8						
Tonbridge Racecourse, Tennis Courts S106	65						
Haysden Country Park Site Improvements S106	50						
Tonbridge Farm Sportsground All Weather Pitch S106		130					
Temporary Accommodation, Bluebell Hill S106		250					
Riverside Route Lighting S106	94						
Shallows Bridge S106	112						
Leybourne Lakes Path & Access Roads S106		200					
Capital and Other Receipts							
DFG Grant Repayments	10	10	10	10	10	10	10
Housing Assistance Grant Repayments	30	30	30	30	30	30	30
Homelessness Reserve	1,450						
LAHF Round 3 funding for Temporary Accommodation	1,684						
TMLT - Wetside Changing Room	110						
TMLT - Innerva Suite		101					
TMLT - Water Safety System		160					
Partnership Funding - Taddington Valley		54					
Club Contribution - Tonbridge Farm All Weather Pitch		10					
Angel Centre Reserve Funding	1,400	15,000	3,000				
Capital Receipts							
Balance 1 April 2025	Nil						
Gibson West				658	1,365	977	
Balance met from Revenue Reserve for Capital Schemes	2,811	7,063	934	101	286	107	662
Total funding	10,972	25,143	5,264	2,089	2,981	2,164	1,742

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Capital Plan Review 2025/26: Revenue Reserve for Capital Schemes								Annex 9
	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000	2029/30 Estimate £'000	2030/31 Estimate £'000	2031/32 Estimate £'000	
Balance at 1st April	8,118	7,178	2,245	1,211	2,126	2,873	3,816	
Contribution from Revenue to meet Capital Renewals and other Annually Recurring Expenditure	974	1,135	1,000	1,016	1,033	1,050	1067	
Revenue contribution for new Capital Plan Schemes	250	500	500	250				
Less assumed spend		(500)	(500)	(250)				
Other Revenue & Earmarked Reserve Contributions								
Transformation Reserve - Integra Centros	43							
Climate Change Reserve - Carbon Descent Initiatives x 3	175							
Regeneration of Tonbridge Reserve - Angel Centre	400							
Homelessness Reserve - Bluebell Hill	29	995						
Available for application	9,989	9,308	3,245	2,227	3,159	3,923	4,883	
Amount applied to fund capital	(2,811)	(7,063)	(2,034)	(101)	(286)	(107)	(662)	
Balance at 31st March	7,178	2,245	1,211	2,126	2,873	3,816	4,221	

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Medium Term Financial Strategy

	Estimate	Projection								
	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	2030/31 £000	2031/32 £000	2032/33 £000	2033/34 £000	2034/35 £000	2035/36 £000
EXPENDITURE										
Employees	15,963	16,194	16,396	16,675	17,000	17,332	17,670	18,015	17,942	18,301
Transfer Payments	19,065	17,748	18,103	18,465	18,834	19,210	19,595	19,987	20,387	20,794
Other Expenditure	22,304	25,584	21,554	22,037	22,748	23,485	24,251	25,045	25,869	26,725
Capital Charges	2,952	3,011	3,071	3,132	3,195	3,259	3,324	3,390	3,458	3,527
Total Expenditure	60,284	62,537	59,124	60,309	61,777	63,286	64,840	66,437	67,656	69,347
INCOME										
Fees & Charges	(12,597)	(12,099)	(12,407)	(12,721)	(13,042)	(13,371)	(13,704)	(14,044)	(14,391)	(14,745)
Other Specific Grants & Miscellaneous	(21,878)	(20,637)	(21,066)	(21,470)	(21,881)	(22,300)	(22,728)	(23,163)	(23,609)	(24,062)
Investment Income	(2,071)	(1,273)	(851)	(922)	(700)	(692)	(682)	(681)	(589)	(686)
Total Income	(36,546)	(34,009)	(34,324)	(35,113)	(35,623)	(36,363)	(37,114)	(37,888)	(38,589)	(39,493)
Appropriations										
Capital Renewals	2,115	1,000	1,016	1,033	1,050	1,067	1,085	1,103	1,103	1,103
Provision for new Capital Schemes	500	500	250	0	0	0	0	0	0	0
Other Appropriations	(5,225)	(2,821)	(2,881)	(2,942)	(3,005)	(3,069)	(3,134)	(3,200)	(3,268)	(3,497)
SAVINGS & TRANSFORMATION TARGET	0	0	0	0	0	0	0	0	0	0
NET BUDGETED SPEND	21,128	27,207	23,185	23,287	24,199	24,921	25,677	26,452	26,902	27,460
FUNDING										
Revenue Reserves	(805)	5,057	853	270	458	429	408	377	(10)	(318)
Government Grant	8,140	7,767	7,357	7,427	7,499	7,572	7,646	7,722	7,800	7,879
Council Tax	13,813	14,383	14,975	15,590	16,242	16,920	17,623	18,353	19,112	19,899
Collection Fund Adjustment	(20)	0	0	0	0	0	0	0	0	0
Total Funding	21,128	27,207	23,185	23,287	24,199	24,921	25,677	26,452	26,902	27,460
Council Tax Level at Band D Increase on Previous Year	£252.65 3.0%	£260.22 3.0%	£268.02 3.0%	£276.06 3.0%	£284.34 3.0%	£292.87 3.0%	£301.65 3.0%	£310.69 3.0%	£320.01 3.0%	£329.61 3.0%
RESERVES BALANCE CARRIED FORWARD	12,338	7,281	6,428	6,158	5,700	5,271	4,863	4,486	4,496	4,814

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Cabinet 10 February 2026
General Fund Revenue Estimates 2026/27
SUMMARY

	2025/26 ESTIMATE		2026/27
	ORIGINAL £	REVISED £	ESTIMATE £
Chief Executive	1,129,900	2,168,100	1,987,900
Director of Central Services	783,900	1,102,550	904,000
Director of Planning, Housing & Environmental Health	6,426,950	7,557,200	6,705,150
Director of Street Scene, Leisure & Technical Services	7,320,400	6,540,550	6,311,900
Staffing, Overheads and Democratic Costs	4,573,050	4,258,500	3,404,600
Sub Total	20,234,200	21,626,900	19,313,550
Capital Accounting Reversals			
Non-Current Asset Depreciation	(2,874,800)	(2,952,250)	(2,952,250)
Contributions to / (from) Reserves			
Building Repairs Reserve			
Withdrawals to fund expenditure	(1,388,650)	(1,613,550)	(1,125,350)
Contribution to Reserve	750,000	1,057,500	820,000
Earmarked Reserves (see page S 2)			
Contributions from Reserves	(6,167,350)	(10,413,650)	(2,197,250)
Contributions to Reserves	8,364,750	10,646,550	4,653,800
Revenue Reserve for Capital Schemes			
Withdrawals to fund expenditure			
Non-Current Assets	(6,529,000)	(6,828,000)	(19,523,000)
Revenue Expenditure Funded from Capital	(146,000)	(146,000)	(15,000)
Other contributions to / (from) Reserve (net)	1,399,000	1,871,000	2,630,000
Capital Expenditure Charged to General Fund	6,529,000	6,828,000	19,523,000
Sub Total	20,171,150	20,076,500	21,127,500
Government Grants			
New Homes Bonus	(517,000)	(517,000)	0
Under-indexing Business Rates Multiplier	(482,700)	(770,700)	0
Employer National Insurance Contributions Grant	(157,550)	(157,550)	0
Funding Guarantee/Funding Floor	(1,785,450)	(1,785,450)	0
Revenue Support Grant	(167,350)	(167,350)	(4,776,751)
National Non-Domestic Rates			
Share of National Non-Domestic Rates	(29,851,032)	(29,730,959)	(35,083,998)
Tariff	27,544,937	27,544,937	31,721,291
Business Rates Pool	428,688	325,804	0
Small Business Rate Relief Grant	(998,220)	(1,031,872)	0
Supporting Small Business Rate Relief Grant	(190,323)	(174,578)	0
Business Rates Relief Measures	(1,137,067)	(1,243,083)	0
Public Toilets Relief Grant	(6,752)	(6,182)	0
Collection Fund Adjustments			
Council Tax (Surplus) / Deficit	55,677	55,677	(267,102)
National Non-Domestic Rates (Surplus) / Deficit	281,560	281,560	315,963
Sub Total	13,188,568	12,699,754	13,036,903
Contribution to / (from) General Revenue Reserve	20,792	509,606	776,018
Balance to be met from Council Tax Payers	13,209,360	13,209,360	13,812,921

Cabinet 10 February 2026
General Fund Revenue Estimates 2026/27
EARMARKED RESERVES

	2025/26 ESTIMATE		2026/27
	ORIGINAL £	REVISED £	ESTIMATE £
Contributions from Earmarked Reserves			
General Fund Working Balance	(1,250,000)	(1,250,000)	0
Asset Review Reserve	0	(27,550)	0
Budget Stabilisation Reserve	(2,456,150)	(2,720,700)	0
Business Rates Retention Scheme Reserve	(124,700)	(729,150)	(375,100)
Climate Change Reserve	(241,000)	(36,200)	(30,000)
Democratic Representation Reserve	0	(6,600)	0
Domestic Abuse Act Reserve	(49,200)	(81,850)	(43,100)
Election Reserve	0	(50,000)	0
Homelessness Reserve	(834,200)	(1,314,050)	(995,000)
Housing Assistance Reserve	(44,350)	(45,100)	(46,500)
Invest to Save Reserve	0	(73,550)	0
Peer Review Reserve	(21,800)	(22,500)	(15,350)
Planning Services Reserve	(853,550)	(837,550)	(461,600)
Regeneration of Tonbridge	(78,300)	(513,350)	(79,550)
Tonbridge & Malling Leisure Trust Reserve	(86,200)	(286,200)	0
Training Reserve	0	(40,000)	(40,000)
Transformation Reserve	(127,900)	(379,300)	(111,050)
Property & Multi Asset Fund Reserve	0	(2,000,000)	0
	(6,167,350)	(10,413,650)	(2,197,250)
Contributions to Earmarked Reserves			
Business Rates Retention Scheme Reserve	321,500	321,500	
Regeneration of Tonbridge	6,700,000	7,700,000	3,500,000
Climate Change Reserve		32,000	
Domestic Abuse Act Reserve		112,450	38,800
Election Expenses Reserve	35,000	30,000	30,000
Homelessness Reserve	984,200	1,294,000	
Planning Services Reserve	166,500	525,500	385,000
Transformation Reserve	157,550	631,100	700,000
	8,364,750	10,646,550	4,653,800

<u>Tonbridge and Malling Borough Council</u> <u>Estimate of Collection Fund Surplus / (Deficit) 2025/26 - Council Tax</u>			
	Estimate		
	£	£	
<u>Income</u>			
Surplus / (Deficit) Brought Forward		747,215	
Income from Council Tax Payers (Net of Discounts, CTR and Exemptions)		130,256,188	
Total Income for the Year		131,003,403	
<u>Expenditure</u>			
Precepts and Demands for 2025/26			
Kent County Council	91,070,277		
Police & Crime Commissioner for Kent	14,547,529		
Kent & Medway Fire & Rescue Authority	5,108,194		
Parishes	3,945,607		
Tonbridge & Malling Borough Council	13,209,360	127,880,967	
Provision for Council Tax Non-Collection		1,540,000	
Payment of Estimated Surplus for 2024/25			
Kent County Council	(289,928)		
Police & Crime Commissioner for Kent	(46,092)		
Kent & Medway Fire & Rescue Authority	(16,193)		
Tonbridge & Malling Borough Council	(55,677)	(407,890)	
Total Expenditure for the Year		129,013,077	
Estimated Surplus / (Deficit) for 2024/25		1,990,326	
<u>Allocation of Estimated Surplus / (Deficit) for 2025/26</u>			
	Precepts 2025/26		Surplus / (Deficit) 2025/26
	£		£
Kent County Council	91,070,277		1,417,311
Police & Crime Commissioner for Kent	14,547,529		226,499
Kent & Medway Fire & Rescue Authority	5,108,194		79,414
Tonbridge & Malling Borough Council	17,154,967		267,102
Total	127,880,967	0.00	1,990,326

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<u>Tonbridge and Malling Borough Council</u> <u>Estimate of Collection Fund Surplus / (Deficit) 2025/26 - Business Rates</u>		
	Estimate	
	£	£
<u>Income</u>		
Surplus / (Deficit) Brought Forward		(336,905)
Income from Business Rate Payers		74,681,172
Transitional Protection		(98,832)
Total Income for the Year		74,245,435
<u>Expenditure</u>		
Demands for 2024/25 based upon NNDR 1 2025/26		
Kent County Council	6,689,466	
Kent & Medway Fire & Rescue Authority	743,274	
Tonbridge & Malling Borough Council	29,730,959	
Central Government	37,163,698	74,327,397
Payment of Estimated Surplus for 2024/25		
Kent County Council	(63,351)	
Kent & Medway Fire & Rescue Authority	(7,039)	
Tonbridge & Malling Borough Council	(281,560)	
Central Government	(351,949)	(703,899)
Allowance for Losses - Bad Debts		700,000
Allowance for Losses - Appeals		547,843
Cost of Collection Allowance		164,004
Total Expenditure for the Year		75,035,345
Estimated Surplus / (Deficit) for 2025/26		(789,910)
<u>Allocation of Estimated Surplus / (Deficit) for 2025/26</u>		
	Allocation	Surplus / (Deficit) 2024/25
	%	£
Kent County Council	9	(71,092)
Kent & Medway Fire & Rescue Authority	1	(7,899)
Tonbridge & Malling Borough Council	40	(315,964)
Central Government	50	(394,955)
Total	100	(789,910)

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TONBRIDGE & MALLING BOROUGH COUNCIL
SPECIAL EXPENSES ('LOCAL CHARGE') SCHEME

1. Introduction

- 1.1 The Provisions relating to “special expenses” are contained in the Local Government Finance Act 1992 at sections 34 and 35. These sections allow different amounts of council tax to be calculated for different parts of the district, depending on what if any “special items” relate to those parts. The legal background is set out in the Appendix.
- 1.2 In resolving to implement a Special Expenses Scheme, the Council revokes the Financial Arrangements with Parish Councils Scheme which was effective from 1 April 1992 made under s136 Local Government Act 1972 with effect from the same date (1 April 2017).

2. Objectives of the Scheme

- 2.1 The borough consists of 27 parished areas, and one unparished area. Parish councils exercise certain functions in their respective areas, which the Borough Council must exercise directly in the unparished area. These are known as concurrent functions.
- 2.2 The Council has historically awarded grants under s136 Local Government Act 1972 to parish councils in order to contribute towards the cost of concurrent functions. Due to significant financial pressures, the Council finds that it is unable to continue providing this level of financial support and must make savings.
- 2.3 The Council has resolved to adopt a Scheme of Special Expenses in order to provide a fairer system in terms of financial equity for taxpayers across the borough.

3. Function to be included in Scheme

- 3.1 Cabinet, at its meeting on 28 July 2016, recommended that the following concurrent functions are included in the Scheme:
- Closed churchyards
 - Open spaces, parks and play areas maintained by TMBC in parished areas; excluding Leybourne Lakes Country Park (strategic site)
 - Open spaces, play areas, parks and sportsgrounds in Tonbridge; excluding Castle Grounds and Haysden Country Park (strategic sites)
 - Support given to ‘Local’ Events
 - Allotments

3.2 In addition, at its meeting on 12 October 2021, Cabinet recommended that the following concurrent function is included in the Scheme:

- Public conveniences in Tonbridge in non-strategic sites (i.e. those located on Castle Street, Priory Road and those sited within Racecourse Sportsground)

3.3 Full Council endorsed the update to the Scheme at its meeting on 26 October 2021.

4. Calculation of Special Expenses

4.1 TMBC will calculate an average council tax across the whole of its area under section 31B of the Local Government Finance Act 1992. Included in that will be the amounts payable to parish councils under their precepts, plus the amounts TMBC will spend on performing functions which are performed in parts of its area by parish councils.

4.2 Under section 34 of the Local Government Finance Act 1992, TMBC must then deduct the total of any special items. For each part of its area, TMBC must then add back amounts for any relevant special items for that part of its area. The amount added back is calculated by dividing the special item (i.e. the authority's estimated cost of performing the function in that part of its area) by the tax base for the part of the area in which the authority performs the function.

4.3 Treating expenses as special expenses does not affect the overall amount that TMBC needs to raise through council tax, and does not, therefore, affect the average amount of council tax across the whole of the borough. It simply means that, compared with what would happen if the expenses were not treated by TMBC as special expenses, the council tax is:

- relatively lower for areas where the parish council performs the concurrent function, as it includes the parish's costs but not TMBC's costs of performing the function elsewhere; and
- relatively higher for areas where TMBC performs the concurrent function, as all TMBC's costs of performing the concurrent function must be met by taxpayers in the area where TMBC performs it.

5. Implementation

5.1 This (original) Scheme became effective from 1 April 2017, following resolution of Full Council on 1 November 2016. The update to the Scheme, adding the function at paragraph 3.2, as approved by Full Council on 26 October 2021 became effective on 1 April 2022.

5.2 The list of concurrent functions included within the Scheme will be reviewed from time to time and the Scheme updated as necessary.

February 2025 (no
changes from last
version)

TONBRIDGE & MALLING BOROUGH COUNCIL
SPECIAL EXPENSES ('LOCAL CHARGE') SCHEME
LEGAL BACKGROUND

Section 34 of the Local Government Finance Act 1992, as amended by the Localism Act 2011, requires that certain items, which are referred to as 'special items', and which relate to a part only of a billing authority's area, be removed from the calculation of the overall basic amount of tax and added to that for the area concerned.

Section 35(1) defines these items as:

- Any precept issued to or anticipated by the authority which is, or is believed to be, applicable to a part of its area and was taken into account by it in making the calculation (or last calculation) in relation to the year under Section 31A(2) above (i.e. the parish precepts, as included in the calculation of the budget requirement).
- Any expenses which are its (the Council's) special expenses and were taken into account by it in making that calculation.

Section 35(2)(d) defines further 'Special Expenses' as:

“any expenses incurred by a billing authority in performing in a part of its area a function performed elsewhere in its area by the sub-treasurer of the Inner Temple, the under-treasurer of the Middle Temple, a parish or community council or the chairman of a parish meeting are the authority's special expenses unless a resolution of the authority to the contrary effect is in force”

In order for expenses incurred in performing any function of a district council to be special expenses the function must be carried out by the district in only part of its area, and the same function must be carried out in another part of the district by one or more parish councils. The detailed identification of concurrent functions is therefore essential for using this special expenses provision.

One of the reasons behind the special expenses regime is to allow a more equitable division of council expenses for council taxpayer funded services so that those receiving the benefit of certain services in a particular area are those who pay for them through their precept and do not pay twice for similar services carried out in any areas where there is not a parish or town council so as to avoid “double taxation” for the relevant services.

The power to charge special expenses is discretionary and in order for it to apply there must be a resolution of the billing authority in force. As the resolution has to refer to the matters which will be special expenses for these purposes the resolution will need to identify which function related activities will be included within the calculation.

Special Expenses must be applied consistently throughout a billing authority's area. There is no discretion to make selective application to some parts of the borough only.

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Special Expenses 2026/27

Special Expenses for 2025/26 £	Local Area	Public Conveniences £	Closed Church-yards £	Open Spaces, Parks & Play Areas £	Sports Grounds £	Local Events £	Allotments £	Special Expenses for 2026/27 £	Tax Base	Amount Per Band D Property £	Per Band D Variation %
1,088,576	Tonbridge	107,200	18,800	216,072	575,850	128,576	7,500	1,053,998	14,148.15	74.50	(4.1)
1,122	Addington			1,191				1,191	441.18	2.70	5.9
30,420	Aylesford			32,067				32,067	4,801.97	6.68	0.9
0	Birling							0	203.63	0.00	0.0
19,119	Borough Green			19,931				19,931	1,743.89	11.43	3.8
0	Burham							0	476.98	0.00	0.0
950	Ditton			1,009				1,009	1,904.65	0.53	1.9
28,204	E. Malling & Larkfield			30,061				30,061	5,381.75	5.59	4.1
665	East Peckham			706				706	1,352.25	0.52	6.1
0	Hadlow							0	1,590.30	0.00	0.0
0	Hildenborough							0	2,341.77	0.00	0.0
0	Ightham							0	1,137.22	0.00	0.0
0	Kings Hill							0	4,897.61	0.00	0.0
31,422	Leybourne			33,355				33,355	1,932.53	17.26	5.4
1,631	Mereworth			1,731				1,731	467.08	3.71	6.0
0	Offham							0	428.08	0.00	0.0
1,283	Platt			1,362				1,362	920.53	1.48	5.7
0	Plaxtol							0	618.72	0.00	0.0
0	Ryarsh							0	380.68	0.00	0.0
0	Shipbourne							0	289.21	0.00	0.0
18,020	Snodland			19,129				19,129	3,954.80	4.84	5.9
0	Stansted							0	295.33	0.00	0.0
0	Trottiscliffe							0	280.79	0.00	0.0
1,065	Wateringbury			1,131				1,131	951.49	1.19	7.2
6,852	West Malling			2,089		5,820		7,909	1,333.33	5.93	12.7
0	West Peckham							0	186.11	0.00	0.0
7,966	Wouldham			8,922				8,922	1,355.83	6.58	7.5
0	Wrotham							0	856.30	0.00	0.0
1,237,295	Total	107,200	18,800	368,756	575,850	134,396	7,500	1,212,502	54,672.16		

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Parish Council Precepts 2026/27

Precept for 2025/26 £	Parish Council	Precept for 2026/27 £	Tax Base	Amount Per Band D Property £	Per Band D Variation %
35,000.00	Addington	37,000.00	441.18	83.87	5.6
318,394.89	Aylesford	340,888.23	4,801.97	70.99	2.4
13,270.00	Birling	16,570.00	203.63	81.37	23.7
259,850.00	Borough Green	272,843.00	1,743.89	156.46	4.6
30,779.02	Burham	32,317.98	476.98	67.76	5.0
296,465.00	Ditton	315,733.00	1,904.65	165.77	2.0
511,625.00	E. Malling & Larkfield	545,390.00	5,381.75	101.34	4.0
174,154.00	East Peckham	182,861.70	1,352.25	135.23	4.8
181,415.00	Hadlow	190,486.00	1,590.30	119.78	4.8
138,990.00	Hildenborough	152,889.00	2,341.77	65.29	10.1
132,151.00	Ightham	133,000.00	1,137.22	116.95	2.2
500,000.00	Kings Hill	500,000.00	4,897.61	102.09	(3.0)
163,342.00	Leybourne	164,491.00	1,932.53	85.12	0.0
46,070.00	Mereworth	50,677.00	467.08	108.50	9.6
27,729.00	Offham	37,518.00	428.08	87.64	30.4
82,000.00	Platt	82,000.00	920.53	89.08	(0.4)
60,088.00	Plaxtol	63,092.00	618.72	101.97	4.1
29,232.00	Ryarsh	30,360.00	380.68	79.75	2.5
17,515.00	Shipbourne	18,500.00	289.21	63.97	8.7
349,077.00	Snodland	356,083.00	3,954.80	90.04	1.8
17,780.00	Stansted	17,780.00	295.33	60.20	0.4
35,000.00	Trottiscliffe	35,000.00	280.79	124.65	1.4
150,000.00	Wateringbury	150,500.00	951.49	158.17	1.4
159,578.82	West Malling	175,432.77	1,333.33	131.57	7.4
7,330.00	West Peckham	7,700.00	186.11	41.37	3.4
70,433.82	Wouldham	71,906.88	1,355.83	53.04	(2.0)
138,337.00	Wrotham	153,535.00	856.30	179.30	9.5
3,945,606.55	Total	4,134,554.56	40,524.01		

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GENERAL FUND WORKING BALANCE

	£
Balance at 1.4.2025	1,250,000
less transfer due 2025/26	(1,250,000)
Balance at 31.3.2026	0

GENERAL REVENUE RESERVE

	£	£
Balance 1.4.2025		11,023,958
Budgeted to be transferred to the Reserve	20,792	
Decrease on Original Estimate	(488,814)	
		509,606
Estimated Balance at 1.4.2026		11,533,564
Contribution to the Reserve 2026/27		776,018
Estimated Balance at 31.3.2027		12,309,582

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'SECTION 25' STATEMENT
ON THE ROBUSTNESS OF THE ESTIMATES
AND THE ADEQUACY OF THE RESERVES

Introduction

This statement is given in respect of the 2026/27 Budget Setting Process for Tonbridge and Malling Borough Council. I acknowledge my responsibility for ensuring the robustness of the estimates and the adequacy of the reserves as part of this process. The budget has been prepared within the context of a Medium Term Financial Strategy (MTFS) spanning a ten-year period.

The draft Budget for 2026/27 shows a balanced position with a contribution to General Revenue Reserve being made. Details of how this has been achieved are set out in the detailed Budget report.

The MTFS sets out the high level financial objectives the Council wishes to fulfil over the agreed time span. This includes achieving a balanced revenue budget by the end of the strategy period and 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. The MTFS also sets out, based on current financial information, 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.

Following the announcement of the Fair Funding Settlement the core funding from central government, made up of Revenue Support Grant and Retained Business Rates, is expected to fall by £895,000 by the 2028/29 financial year. This reduction was foreseen within the previous iterations of the MTFS and as a result this reduction can be contained in the overall projections.

As a result, the current predicted funding gap now reduces to a **nil position**, a number of factors assumed in future years could be different and therefore the funding gap may reappear.

This nil position assumes that some long term reductions in cost or increased income will occur in the MTFS, namely the scaling back on office accommodation in the sum of £200,000, the increased usage of Council owned or leased temporary accommodation for Homelessness clients of £200,000 and a net income from the service fee from the Leisure Trust of £400,000.

Robustness of Estimates

The aim of the Medium Term Financial Strategy is to give us a realistic and sustainable plan that reflects the Council's priorities and takes us into the future. It is a Strategy that is adopted by Members of the Council alongside the Budget to provide a forward looking context for the consideration of the budget year ahead. It also provides the Council's Corporate Management Team with a tool for strategic financial planning and decision making.

Underpinning the Strategy sits detailed estimates formulated in conjunction with Service Managers who carry responsibility of delivering their area of service within budget provision. The estimates take into account past outturn, current spending plans and likely future demand levels / pressures.

Factors considered for the 2026/27 Budget Setting Process and in developing the Strategy are:

Corporate Strategy	The Council's financial plans should be in support of its strategic priorities and objectives set out in overview in the Corporate Strategy. Additional earmarked reserve contributions totalling £4.4m to support the Council's key priorities within the Corporate Strategy has been made via the 2026/27 Budget.
Consultation with Non-Domestic Ratepayers	The Council consults representatives of its non-domestic ratepayers about its expenditure proposals who may make written representations if they deem it appropriate. No such representations have been received.
The level of funding from Central Government towards the costs of local services	Our Settlement for 2026/27 is £8,891,144. This is made up of Retained Business Rates of £3,362,707, Revenue Support Grant of £4,776,751 and Homelessness Prevention Grant of £841,686. Revenue Support Grant from 2026/27 has several previous grants rolled up previously classified as Section 31 Grants.
New Homes Bonus	This grant ceases from 2026/27 being rolled into Revenue Support Grant.
Business Rates	The Government's Business Rates Reset implemented with their Fair Funding Review has resulted in any previous growth achieved being rolled into the new baseline issued as part of the settlement announcement. As a result, the Council has budgeted both for 2026/27 and beyond to only allow for the baseline amounts issued as part of the three year settlement. The Kent Pooling arrangements for Business Rates will cease from the end of 2025/26, meaning that any growth achieved will be subject to the national guidance on levy charges.

Overall Grant Funding	Following the announcement of the Fair Funding Review and Business Rates Reset the Council is only entitled to two major non-specific grant streams, being Revenue Support Grant and Retained Business Rates. The Government has provided a three year settlement showing increases in Business Rates to £3,509,236 in 2028/29 and a reduction in Revenue Support Grant to £3,847,809 in 2028/29. For future planning in the MTFS is has been assumed that Business Rates will increase by the Bank of England inflation rate (2%) and Revenue Support Grant will remain at the 2028/29 levels.
Council Tax Base	The Council Tax Base for 2026/27 is 54,672.16 Band D equivalents with an expectation that this will increase by an additional 5,700 over the strategy period, or around 633 on average per year (over the remaining 9 years).
Local Referendums to Veto Excessive Council Tax Increases	The Secretary of State will determine a limit for council tax increases which for 2026/27 has been set at 3% or £5, whichever is higher. 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. Due regard has been taken of the guidelines issued by the Secretary of State. The MTFS reflects an annual increase in council tax of 3% in the remaining years of the plan. If the Council was minded reducing any increase from this proposed level, the resulting loss would be equal to £134,000 for each 1% reduction. This would then be compounded in the remaining years of the MTFS and place a high risk on the achievement of its financial objectives.
The Prudential Code and its impact on Capital Planning	Tonbridge and Malling is a debt-free authority and projections based on the current capital plan suggest that recourse to borrowing to fund the currently approved capital expenditure is unlikely before 2029/30. This does not however, preclude a decision to borrow 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. A key objective of the Prudential Code is to ensure, within a clear framework, the capital investment plans of local authorities are affordable, prudent and sustainable. The Government may also decide, as it has done in other parts of the country, to direct the Council to borrow to meet its share of the one-off implementation costs associated with Local Government Reorganisation.
The Council's Capital Strategy and Capital Plan	Other than funding for the replacement of our assets which deliver services as well as recurring capital expenditure, there is now an annual capital allowance for all other capital expenditure. The annual capital allowance is currently set at £500,000 until 2027/28. Whilst the replacement to the Angel Centre in Tonbridge has been agreed in principle, officers are yet to finalise the business case and funding arrangements for the final project approval by Members. Therefore, the Capital Strategy includes intentions to earmark funds to support the cost of development.
Treasury Management	A Treasury Management and Annual Investment Strategy is adopted by the Council each year as required by the Local Government Act 2003 as part of the budget setting process. The Strategy sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. 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. The requirements of the updated Codes of Practice have been taken into account and reflected as appropriate in the annual review and update of the Capital Strategy and in preparing the Treasury Management and Annual Investment Strategy for 2026/27.
Interest Rates	Interest returns on the Council's 'core funds' have been set at 3.625% in 2026/27 and fluctuating between 3.375% and 3.0% thereafter. In setting these rates due regard has been taken of the interest rate forecasts of the Council's independent Treasury Adviser, MUFG. To put this into context, based upon the 24/25 closing balance a 0.25 of a percentage point variation to this

	assumed level would have an £86,750 effect on the Council's investment income. The Council has chosen to retain a minimum of £3m in its General Revenue Reserve to deal with, amongst other things, interest rate volatility.
Property Investment Funds and Multi Asset Diversified Income Funds	The Council took the decision some years ago to invest in one or more property investment funds and multi asset diversified income funds. To guard against downward fluctuations in asset values a Property Investment / Multi Asset Diversified Income Fund Reserve was established and the balance maintained will be in line with the potential losses in capital value.
Adequacy of Reserves	At the beginning of 2026/27, we anticipate that the General Revenue Reserve balance will be £11.533m. The Adequacy of Reserves is discussed in more detail below.
Pay and Price Inflation	The estimates provide allowance for general pay inflation amounting to circa 4.0% in 2026/27 followed by 2% each year thereafter reflecting future projections. Where possible in 2026/27 general price inflation has been kept to a minimum or in line with the prevailing rate of inflation (CPI) followed by 2% each year thereafter. This is in line with the Bank of England inflation target. Exceptions include energy and the waste services contract where different indices have been applied. The Office of Budget Responsibility (OBR) inflationary forecast for November 2025 gives inflation for 2026 to be 2.5% falling to 2% in 2027. In order to provide context a 0.5% increase in the inflation factors above will still result in a balanced budget in year 10 of the MTFS, albeit reduced to £170,000 and a GRR balance of £3.7m meeting both requirements of the MTFS.
Fees and Charges	As has been the practice for a number of years now the objective has been to maximise income, subject to market conditions, opportunities and comparable charges elsewhere.
Emerging Growth Pressures and Priorities	The projections within the MTFS include all known and quantified priorities and growth pressures that we are aware of at the time of preparing this statement. New priorities and growth pressures will undoubtedly emerge

	over the period and in consequence, the Strategy will be updated at least annually.
Financial Management	The Council's financial information and reporting arrangements are sound and its end of year procedures in relation to budget under / overspends clear. Collection rates for council tax and NNDR remain good in comparison to other councils. Our external auditor (Grant Thornton UK LLP) following the 2024/25 audit concluded the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.
Insurance Arrangements and Business Continuity	Risks identified via the preparation of Service / Section Risk Registers have, wherever possible, been reduced to an acceptable level. Any remaining risk has been transferred to an external insurance provider. In addition, specific arrangements are in place to ensure the continuity of business in the event of both major and minor disruptions to services. As insurance premiums are reactive to the external perception of the risks faced by local authorities and to market pressures, both risks and excess levels are kept under constant review. The Council recognises that not all risks are financial; and considers risks when making decisions.
Corporate Governance and Risk Management	The Council has adopted a Local Code of Corporate Governance based upon the requirements of the CIPFA/SOLACE Corporate Governance framework. This incorporates risk management and the Council is committed to a Risk Management Strategy involving the preparation of Risk Registers at both strategic and operational levels.
Equality Impact Assessments	Where there are deemed to be equality issues as a result of adjustments to revenue budgets a separate equality impact assessment has or will be undertaken at the appropriate time. In addition, an equality impact assessment is undertaken and reported to Members prior to commencement of a new capital plan scheme.
Partnership Working	The Council is working in partnership with other councils with the aim of not only delivering savings through joint working, but also to improve resilience and performance.

Government Led Issues including reforms to National Planning Policy Framework (NPPF)	Whilst the outcome of the local authority funding reform is now known, welfare reform initiatives are still in progress, and the administration of housing benefits for working age claimants is expected to cease from the end of 2026/27 and the MTFS has reflected this. The Council has proceeded with the publication of Regulation 18 of the Local Plan and associated consultation. The responses to this consultation are being examined at the present time, but due to the timeframes being proposed for the remainder of the process to deliver the Local Plan some additional costs have been recognised in the immediate term. Therefore, it is expected that a number of these issues could give rise to variances compared to projections. As a result, we will need to closely monitor the impact of these issues on the Council's finances.
Savings and Transformation Contributions	Given the previous prudential approach taken to the potential results of the Fair Funding Review, the results while showing a reduction in Government funding of around £895,000 at the end of the third year announced in the settlement, means that Council has a zero funding gap required to meet the long term objectives of the MTFS. It should be noted however, that the MTFS does contain reductions in cost for the scaling back of office accommodation in the sum of £200,000, reductions in the costs from the use of Council owned or leased Temporary Accommodation of £100,000 in 2027/28 increasing to £200,000 from 2028/29 and a projected income from the renegotiated service fee from the Leisure Trust amounting to £400,000. There are further risks arising from the recommissioning of the refuse, recycling and street cleansing contract, the results of which are expected after this budget will be set, meaning that the funding gap may require reassessment early in the new financial year, with a further report being presented to Cabinet.
Reorganisation of Local Government in Kent	The assumption taken within the budget preparations and projections has been one of 'business as usual'. Once further announcements are made and a future Bill is ratified into legislation, further reviews will take place and updates will be shared with Members.

These assumptions and changing circumstances will require the Strategy to be reviewed and updated at least annually.

Particular reference has been made to the current cost and client numbers within temporary accommodation for homelessness purposes. In terms of homelessness, the MTFS assumes that the recent significant increases in costs will be brought under control over the medium term through the provision of council owned and managed accommodation, the achievement of which could require some reserve funding depending on the time taken to achieve these goals.

Adequacy of Reserves

The minimum prudent level of reserves that the Council should maintain is a matter of judgement. It is the Council's safety net for unseen or other circumstances. The minimum level cannot be judged merely against the current risks facing the Council as these can and will change over time. The objective is 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; and given below are areas of operational and financial risk (not exhaustive) considered in determining the appropriate minimum level:-

- Interest Rate volatility
- Income volatility
- Change to Government Grant including New Homes Bonus
- Identified savings not being delivered in the required timescales
- Localisation of council tax support
- Business rates retention scheme and associated volatility of income
- Local Plan / Planning Inquiries particularly as a result of the latest NPPF
- Partnership Working
- Climate Change
- Emergencies
- Economic and world recession
- Poor performance on Superannuation Fund
- Bankruptcy / liquidation of a major service partner
- Closure of a major trading area, e.g. leisure centre for uninsured works
- Cyber/data loss
- Problems with computer systems causing shortfall or halt in collection performance
- Government Legislation
- Ability to take advantage of opportunities

- Uninsured risks
- Recruitment and retention of staff and associated capacity issues

Clearly, the minimum General Revenue Reserve balance needs to, and will, be kept under regular review. The General Revenue Reserve balance at 31 March 2036, the end of the 10-year MTFS, is estimated to be £4.814m based on an increase in council tax of 3% for 2025/26 with the Council working to a balanced budget.

The Revenue Reserve for Capital Schemes is established to finance future capital expenditure. A funding statement illustrates that recourse to borrowing to fund capital expenditure is unlikely before 2029/30 other than by exception on a case by case basis. The Revenue Reserve for Capital Schemes balance at 31 March 2029 is estimated to be £2.126m.

A schedule of the reserves held as at 1 April 2025 and proposed utilisation of those reserves to 31 March 2027 is provided in Annex 16b.

Balances held generate interest receipts which support, underpin and contribute towards meeting the objectives of the Strategy.

Opinion

I am of the opinion that the approach taken in developing the 2026/27 budget meets the requirements contained in the Local Government Act 2003 to ensure the robustness of the estimates and the adequacy of the reserves.

Signed:

A black rectangular box redacting the signature of the Head of Finance & Section 151 officer.

Date: 29 January 2026

Head of Finance & Section 151 officer CPFA, DMS

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RESERVES ESTIMATE 2026/27

Description	Balance as at 1 April 2025 £	Estimated Contribution		Estimated Balance as at 31 March 2026 £	Estimated Contribution		Estimated Balance as at 31 March 2027 £
		From £	To £		From £	To £	
General Revenue Reserve	11,023,958		509,606	11,533,564		776,018	12,309,582
General Fund	1,250,000	(1,250,000)		0			0
Revenue Reserve for Capital Schemes	8,117,880			8,117,880			8,117,880
Building Repairs Reserve	1,111,636			1,111,636			1,111,636
Property & Multi Asset Fund Reserve	3,250,000	(2,000,000)		1,250,000			1,250,000
Earmarked Reserves							
Democratic Representation	6,596	(6,596)		0			0
Special Projects	163,660	(104,350)	112,450	171,760	(58,450)	38,800	152,110
Planning Services	1,198,568	(837,550)	525,500	886,518	(461,600)	385,000	809,918
Homelessness Reduction	1,543,650	(1,314,050)	1,294,000	1,523,600	(995,000)		528,600
Election	201,991	(50,000)	30,000	181,991		30,000	211,991
Asset Review	48,586	(27,550)		21,036			21,036
Training	122,270	(40,000)		82,270	(40,000)		42,270
Invest to Save	73,533	(73,533)		0			0
Housing & Welfare Reform	109,109			109,109			109,109
Tonbridge and Malling Leisure Trust	286,200	(286,200)		0			0
Housing Assistance	358,350	(45,100)		313,250	(46,500)		266,750
Business Rates Retention Scheme	1,471,384	(729,150)	321,500	1,063,734	(375,100)		688,634
Public Health	17,283			17,283			17,283
Regeneration of Tonbridge (incl Angel)	4,315,761	(513,350)	7,700,000	11,502,411	(79,550)	3,500,000	14,922,861
Transformation	1,168,798	(379,300)	631,100	1,420,598	(111,050)	700,000	2,009,548
Climate Change	640,951	(36,200)	32,000	636,751	(30,000)		606,751
Budget Stabilisation	2,868,693	(2,720,700)		147,993			147,993
Tree Reserve	25,000			25,000			25,000
	14,620,383	(7,163,629)	10,646,550	18,103,304	(2,197,250)	4,653,800	20,559,854
Total	39,373,857	(10,413,629)	11,156,156	40,116,384	(2,197,250)	5,429,818	43,348,952

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Tonbridge & Malling Borough Council**Calculation of Council Tax Requirement for the year 2026/27 including sums required to meet Special Expenses and Parish Council Precepts**

That the following amounts be now calculated by the Council for the year 2025/26 in accordance with Section 31A of the Local Government Finance Act 1992:-

£

(a)	Aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) N.B. Includes Special Expenses and Parish Council Precepts	118,999,427
(b)	Aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) N.B. Includes Local Government Finance Settlement	101,051,951
(c)	Calculation under Section 31A (4), being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above	----- 17,947,476 -----

Memorandum:-

	£
Borough Council	12,600,419
Special Expenses	1,212,502
Parish Council Precepts	4,134,555

Total	17,947,476

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Cabinet

10 February 2026

Part 1 - Public

Recommendation to Council



Cabinet Member

Cllr Matt Boughton – Leader of the Council
Cllr Martin Coffin – Cabinet Member for Finance,
Waste and Technical Services

Responsible Officer

Damian Roberts – Chief Executive
Paul Worden – Head of Finance (Section 151 Officer)

Report Author

Paul Worden – Head of Finance (Section 151 Officer)
Donna Riley – Financial Services Manager

Setting the Council Tax 2026/27

1 Summary and Purpose of Report

- 1.1 This report takes Cabinet through the process of setting the level of Council Tax for the financial year 2026/27 and seeks Cabinet's recommendations.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 Council Tax provides the major proportion of the Borough Council's Revenue Funding.

3 Recommendations

- 3.1 Cabinet is asked to:
- 1) NOTE the draft resolution which will be completed and presented to Full Council at its meeting on 24 February 2026; and
 - 2) RECOMMEND that Full Council approve a 3% or £7.35 per annum increase in the Borough Council's element of the council tax for 2026/27, representing a notional 'average' charge at Band D of £252.65.

4 Introduction and Background

- 4.1 The legislative framework for the setting of Council Tax is Chapter III of the Local Government Finance Act 1992. Section 30 requires that for each financial year

and for each category of dwelling in its area, a billing authority shall set an amount of Council Tax. The amount set will be the aggregate of the amount set by the billing authority under Sections 31A and 36 of the Act and the amounts set by major precepting authorities under Sections 42A, 42B and 45 to 47 of the Act.

5 Council Tax Base for 2026/27

- 5.1 The Council is required to set its tax base for the forthcoming financial year, and notify it to the major precepting authorities, during the period 1 December to 31 January.
- 5.2 Attached at **[Annex 1]** is the council tax base for the financial year 2026/27 which has been determined by the Head of Finance (Section 151 Officer) in accordance with their delegated authority (published under decision notice D250036OFF, 10/12/2025). This shows that there are 54,672.16 Band D equivalent properties within the Borough compared to 53,849.82 in the year 2025/26 (an increase of 1.5%).
- 5.3 All precepting authorities have been notified of the tax base for 2026/27.

6 Amounts of Council Tax to be set by the Billing Authority

- 6.1 The process is that, having determined the billing authority's tax requirement, this sum is initially divided by the tax base to determine the overall level of tax, inclusive of special expenses and parish precepts.
- 6.2 The resultant figure represents an average charge within the Borough for both Borough and Parish Council requirements. As part of the statutory process, this average is recorded on the Council's council tax resolution, which we refer to later. As Cabinet is aware, however, the average charge does not apply to any of the areas within the Borough other than by coincidence. In order to calculate the levels of tax for each of the areas within the Borough, it is necessary to determine the basic level of Council Tax that will apply to the whole of the Borough and then calculate the additional charges relating to particular areas. This process determines the tax for Band D properties in each of those areas.
- 6.3 The tax for the full range of Band A to H properties is then established by using the ratios for each of the Bands as they relate to Band D. The relevant statutory ratios are as follows:

Table 1 - Band Ratio Relative to Band D

Band	Ratio to Band D
A	6/9
B	7/9
C	8/9
D	9/9
E	11/9
F	13/9
G	15/9
H	18/9

- 6.4 Cabinet is advised that, subject to the Draft Budget being recommended as per the earlier agenda item, TMBC's published share of the 2026/27 council tax at Band D will be £252.65. This represents a cash increase of £7.35 per annum compared to 2025/26, or 3%.
- 6.5 The level of tax set by the major precepting authorities, Kent County Council, The Police & Crime Commissioner for Kent and the Kent & Medway Fire & Rescue Authority, is then added to establish the overall tax for each band in each part of the area.
- 7 Kent County Council / The Police & Crime Commissioner for Kent / Kent & Medway Fire & Rescue Authority Precepts**
- 7.1 Kent County Council's Cabinet met on 29 January, at which a recommendation concerning its precept was made. The County Council's full Council meeting to confirm the precept is to be held on 12 February.
- 7.2 The Police & Crime Commissioner for Kent's precept and level of Council Tax is due to be considered at a meeting on 5 February and we await confirmation of the outcome.
- 7.3 The Kent & Medway Fire & Rescue Authority's precept and level of Council Tax is due to be agreed on the morning of 18 February.
- 8 Draft Resolution**
- 8.1 Attached at **[Annex 2]** is a draft resolution which seeks to identify for Cabinet the processes which have to be undertaken to arrive at the levels of Council Tax applicable to each part of the Borough. The parts in bold type seek to explain each calculation.
- 8.2 The resolution itself, incorporating the Borough Council's budget and Parish Council precept information and council tax levels for all major precepting authorities, **will be presented to the meeting of the Council on 24 February 2026.**

9 Financial and Value for Money Considerations

9.1 As set out above.

10 Risk Assessment

10.1 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 guidance on assumptions obtained where appropriate.

10.2 Under the provisions of the Localism Act, any increase in the relevant basic amount of council tax above the principles, however small, will require a referendum to be held which is a risk in itself.

11 Legal Implications

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

11.2 The Localism Act introduced a requirement for council tax referendums to be held if an authority increases its relevant basic amount of council tax in excess of principles determined by the Secretary of State and approved by the House of Commons.

12 Equalities and Diversity

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

Background Papers	None
Annexes	Annex 1 – Council Tax Base 2026/27 Annex 2 – Draft Council Tax Resolution 2026/27

COUNCIL TAX - TAX BASE FOR 2026/27

Parish	Tax Base
	Band D Equivalents
ADDINGTON	441.18
AYLESFORD	4,801.97
BIRLING	203.63
BOROUGH GREEN	1,743.89
BURHAM	476.98
DITTON	1,904.65
EAST MALLING & LARKFIELD	5,381.75
EAST PECKHAM	1,352.25
HADLOW	1,590.30
HILDENBOROUGH	2,341.77
IGHTHAM	1,137.22
KINGS HILL	4,897.61
LEYBOURNE	1,932.53
MEREWORTH	467.08
OFFHAM	428.08
PLATT	920.53
PLAXTOL	618.72
RYARSH	380.68
SHIPBOURNE	289.21
SNODLAND	3,954.80
STANSTED	295.33
TROTTISCLIFFE	280.79
WATERINGBURY	951.49
WEST MALLING	1,333.33
WEST PECKHAM	186.11
WOULDHAM	1,355.83
WROTHAM	856.30
TONBRIDGE	14,148.15
TOTAL	54,672.16

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COUNCIL TAX**DRAFT RESOLUTION**

1. It be noted that on 24th February 2026 the Council calculated:

- (a) the Council Tax Base 2026/27 for the whole Council area as 54,672.16 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")] and,
- (b) for dwellings in those parts of its area to which one or more special items (Special expenses and or a Parish precept) relates as follows:

Tonbridge	14,148.15
Addington	441.18
Aylesford	4,801.97
Birling	203.63
Borough Green	1,743.89
Burham	476.98
Ditton	1,904.65
East Malling & Larkfield	5,381.75
East Peckham	1,352.25
Hadlow	1,590.30
Hildenborough	2,341.77
Ightham	1,137.22
Kings Hill	4,897.61
Leybourne	1,932.53
Mereworth	467.08
Offham	428.08
Platt	920.53
Plaxtol	618.72
Ryarsh	380.68
Shipbourne	289.21
Snodland	3,954.80
Stansted	295.33
Trottscliffe	280.79
Wateringbury	951.49
West Malling	1,333.33
West Peckham	186.11
Wouldham	1,355.83
Wrotham	856.30

2. £ X,XXX,XXX being the Council Tax requirement for the Council's own purposes for 2026/27 (excluding Parish Precepts).

3. That the following amounts be calculated for the year 2026/27 in accordance with Sections 31 to 36 of the Act:

- (a) £ XX,XXX,XXX being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
- (b) £ XX,XXX,XXX being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £ XX,XXX,XXX being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
- (d) £ XXX.XX being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year including Parish precepts.
- (e) £ X,XXX,XXX being the aggregate amount of all special items (Special expenses and Parish precepts) referred to in Section 34(1) of the Act.
- (f) £ XXX.XX being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items relate (this is the Council Tax for General Expenses to which Special expenses and Parish precepts are added as applicable).
- (g) **Part of the Council's area** £
- | | |
|--------------------------|--------|
| Tonbridge | XXX.XX |
| Addington | XXX.XX |
| Aylesford | XXX.XX |
| Birling | XXX.XX |
| Borough Green | XXX.XX |
| Burham | XXX.XX |
| Ditton | XXX.XX |
| East Malling & Larkfield | XXX.XX |
| East Peckham | XXX.XX |
| Hadlow | XXX.XX |
| Hildenborough | XXX.XX |
| Ightham | XXX.XX |
| Kings Hill | XXX.XX |
| Leybourne | XXX.XX |
| Mereworth | XXX.XX |
| Offham | XXX.XX |
| Platt | XXX.XX |
| Plaxtol | XXX.XX |
| Ryarsh | XXX.XX |
| Shipbourne | XXX.XX |
| Snodland | XXX.XX |
| Stansted | XXX.XX |
| Trottiscliffe | XXX.XX |
| Wateringbury | XXX.XX |
| West Malling | XXX.XX |
| West Peckham | XXX.XX |
| Wouldham | XXX.XX |
| Wrotham | XXX.XX |
- being the amounts given by adding to the amount at 3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items (Special expenses and Parish precepts) relate.

Explanatory Notes

- 3(a) The Council's gross expenditure including special expenses, parish precepts and any deficit on the Collection Funds brought forward.**
- 3(b) The Council's gross income including the amount of NNDR and Revenue Support Grant the Council will receive, plus any surplus on the Collection Funds brought forward.**
- 3(c) The council tax requirement including special expenses and parish precepts.**
- 3(d) The council tax requirement including special expenses and parish precepts divided by the tax base from 1(a) to give the basic amount of Council Tax. (N.B. This is an average inclusive of special expenses and parish precepts for each part of the borough).**
- 3(e) The total amount of all parish precepts and special expenses.**
- 3(f) The amount of Council Tax excluding parish precepts and special expenses that applies to each part of the borough.**
- 3(g) The amounts of Council Tax which are set for each part of the borough to meet both borough and parish requirements including special expenses.**

(h)

Valuation Bands

<u>Part of the</u> <u>Council's area</u>	A £	B £	C £	D £	E £	F £	G £	H £
Tonbridge	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Addington	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Aylesford	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Birling	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Borough Green	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Burham	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Ditton	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
East Malling & Larkfield	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
East Peckham	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Hadlow	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Hildenborough	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Ightham	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Kings Hill	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Leybourne	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Mereworth	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Offham	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Platt	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Plaxtol	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Ryarsh	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Shipbourne	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Snodland	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Stansted	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Trottscliffe	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Wateringbury	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
West Malling	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
West Peckham	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Wouldham	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Wrotham	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX

being the amounts given by multiplying the amounts at 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Explanatory Notes

3(h) The amounts of Council Tax set for each part of the borough, to meet both borough and parish requirements including special expenses.

4. That it be noted that for the year 2026/27 The Police & Crime Commissioner for Kent, the Kent & Medway Fire & Rescue Authority and the Kent County Council have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

<u>Precepting Authority</u>	<u>Valuation Bands</u>							
	A £	B £	C £	D £	E £	F £	G £	H £
The Police & Crime Commissioner for Kent	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Kent & Medway Fire & Rescue Authority	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX
Kent County Council	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX	XXX.XX

5. That, having calculated the aggregate in each case of the amounts at 3(h) and 4. above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of council tax for the year 2026/27, for each of the categories of dwellings shown below:

<u>Part of the Council's area</u>	<u>Valuation Bands</u>							
	A £	B £	C £	D £	E £	F £	G £	H £
Tonbridge	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Addington	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Aylesford	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Birling	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Borough Green	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Burham	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Ditton	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
East Malling & Larkfield	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
East Peckham	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Hadlow	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Hildenborough	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Ightham	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Kings Hill	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Leybourne	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Mereworth	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Offham	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Platt	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Plaxtol	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Ryarsh	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Shipbourne	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Snodland	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Stansted	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Trottiscliffe	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Watlingbury	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
West Malling	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
West Peckham	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Wouldham	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX
Wrotham	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX	X,XXX.XX

Cabinet

10 February 2026

Part 1 - Public

Recommendation to Council



Cabinet Member

Cllr. Matt Boughton, Leader

Responsible Officer

Paul Worden, Head of Finance/Section 151 Officer

Report Author

William Waight, Revenue & Benefits Manager

Local Council Tax Reduction Scheme 2026/27

1 Summary and Purpose of Report

- 1.1 A report providing the proposed Tonbridge & Malling Working-Age Local Council Tax Reduction Scheme for 2026/27, requesting Cabinet Members to approve and recommend the updated Scheme to Full Council.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 The Council's Local Council Tax Reduction scheme provides essential support to residents who are on a low income and, where applicable, provides a reduction based on the personal circumstances of each applicant.

3 Recommendations

- 3.1 Cabinet is requested to **RECOMMEND** the draft Local Council Tax Reduction Scheme for 2026/27 to Full Council.

4 Introduction and Background

- 4.1 Each year, Members should approve a Local Council Tax Reduction Scheme at Full Council prior to the beginning of the financial year for which the Scheme is to be effective. Schemes are in two parts: for working-age and pension-age households.
- 4.2 Government sets a prescribed Scheme for pension-age households, which, by default, becomes the annual scheme. Government prescribes a maximum level of support for pension-age households up to 100% of the Council Tax liability.

5 Proposal

- 5.1 For the 2026/27 working-age scheme, changes have been made to bring it in line with statutory prescribed requirements from Government national benefit rates. The scheme has also been uplifted in line with new rates of National Living Wage (NLW) where NLW is used as a factor in calculating income discount bands. The draft scheme is attached at **Annex 1** and the income band table can be found at p104 of the Scheme.
- 5.2 From April 2026, the National Living Wage will increase from £12.21 per hour to £12.71. This increase is around 4.1%. Were the Council to increase the Local Council Tax Reduction income bands by a lower amount or not at all, it would effectively penalise those households earning NLW rates of pay. It would be a counter-intuitive approach, when Government has introduced measures aimed at easing the impact of rising costs and living for households with low incomes.

6 Financial and Value for Money Considerations

- 6.1 Financial effectiveness and cost of the Scheme will be monitored during the coming year.

7 Risk Assessment

- 7.1 The draft 2026/27 Scheme sets out how the Council will operate its discretionary powers to reduce the risk of legal challenge and provide greater equality in the application of the scheme.

8 Legal Implications

- 8.1 A scheme must be considered and agreed by 11th March prior to the financial year of operation.

9 Consultation and Communications

- 9.1 A formal public consultation is not required in order to adopt this scheme as there are no underlying changes to its operation. It has simply been updated to reflect the increase in NLW and other national benefit rates.
- 9.2 Once adopted the Scheme will be publicised on the Council's website, where it will be available for residents to view.

10 Cross Cutting Issues

10.1 Equalities and Diversity

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

Background Papers	None
Annexes	Annex 1 – Local CTR Scheme for 26/27

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Tonbridge & Malling Borough Council
Council Tax Reduction Scheme for Working Age Applicants
S13A and Schedule 1a of the Local Government Finance Act 1992

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1.0 Introduction to the Council Tax Reduction Scheme

1.1 The following has been adopted by the Council and details the Council Tax Reduction scheme for the period from 1st April 2026.

1.2 This document details how the scheme will operate for **working age applicants** and in accordance with Section 13A of the Local Government Finance Act 1992 specifies the classes of person who are to be entitled to a reduction under the scheme and is effective from 1st April 2026 for a period of one financial year.

1.3 The scheme in respect of pension age applicants is defined by Central Government within the following:

- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
- Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
- Council Tax Reduction Schemes (Transitional Provision) (England) Regulations 2013;
- Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013;
- Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015:
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016;
- The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017;
- The Council Tax Reduction Schemes (Amendment) (England) Regulations 2018;
- The Council Tax Reduction Schemes (Amendment) (England) Regulations 2020:
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021:
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2022;
- The Council Tax (Demand Notices and Reduction Schemes) (England) (amendment) Regulations 2023;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2023;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2024;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2025;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2026: and
- Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012).

The scheme for pension age applicants is defined by Central Government's scheme as defined under the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 as amended.

1.4 There are three main classes under the prescribed pension credit age scheme, for each of which there are a number of qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction, such as a person subject to immigration control with limited leave to remain.

(1) In this scheme—

(a) a person is a “pensioner” if—

(i) he has attained the qualifying age for state pension credit; and

(ii), he is not and, if he has a partner, his partner is not—

- (aa) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or
- (bb) a person with an award of universal credit; and
- (b) a person is a "person who is not a pensioner" if—
 - (i) he has not attained the qualifying age for state pension credit; or
 - (ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is—
 - (aa) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or
 - (bb) a person with an award of universal credit.
- (2) For the purposes of sub-paragraphs (a)(ii)(bb) and (b)(ii)(bb) in paragraph (1) an award of universal credit is to be disregarded during:
 - (a) during the relevant period; or
 - (b) where regulation 60A of the Universal Credit (Transitional Provisions) Regulations 2014 applies in respect of the award the relevant period.
- (3) In this scheme—
 - "assessment period" has the same meaning as in the Universal Credit Regulations 2013;
 - "relevant period" means the period beginning with the day on which P and each partner of P has attained the qualifying age for state pension credit and ending with the day on which the last assessment period for universal credit ends.

The three prescribed classes are as follows;

Class A: pensioners whose income is less than the applicable amount.

On any day Class A consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. who does not fall within a class of persons prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- d. whose income (if any) for the relevant week does not exceed his applicable amount calculated in accordance with paragraph 9 and Schedule 2 of the Local Government Finance Act 1992;
- e. not have capital savings above £16,000; and
- f. who has made an application for a reduction under the authority's scheme.

Class B: pensioners whose income is greater than the applicable amount.

On any day class B consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- c. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- d. whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 9 and Schedule 2 to the Local Government Finance Act 1992;
- e. in respect of whom amount A exceeds amount B where:
 - (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
 - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount;

- g. not have capital savings above £16,000; and
- h. who has made an application for a reduction under the authority's scheme.

Class C: alternative maximum Council Tax Reduction

On any day class C consists of any person who is a pensioner:

- a. who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- b. who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day;
- c. in respect of whom a maximum Council Tax Reduction amount can be calculated;
- d. who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act and excluded from the authority's scheme;
- e. who has made an application for a reduction under the authority's scheme; and
- f. in relation to whom the condition below is met.

The condition referred to in sub-paragraph f. is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum Council Tax Reduction in respect of the day in the case of that person which is derived from the income, or aggregate income, of one or more residents to whom this sub-paragraph applies.

The above applies to any other resident of the dwelling who:

- a. is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;
- b. is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
- c. is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and—
 - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
 - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
- d. is not a person who, jointly with the applicant, falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
- e. is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

Disregard of certain incomes

1.5 For those who have reached the qualifying age for state pension credit, the Council has resolved to enhance the government scheme (as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 to disregard in full the following:

- a. a war disablement pension;
- b. a war widow's pension or war widower's pension;
- c. a pension payable to a person as a widow, widower or surviving civil partner under any power of His Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- d. a guaranteed income payment;
- e. a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
- f. a pension paid by the government of a country outside Great Britain which is analogous to

- any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
- g. pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

The provisions outlined above, enhance the Central Government's scheme.

THE SCHEME FOR WORKING AGE APPLICANTS – THE COUNCIL'S LOCAL SCHEME

- 1.6 The adopted scheme for working age applicants is an income banded / grid scheme means test, which compares income against a range of discounts available. Full details of the working age scheme of the authority are contained within this document from section 2 onwards. The authority is required to specify a scheme for working age and therefore this scheme only applies to a person who;
- a. has not attained the qualifying age for state pension credit; or
 - b. has attained the qualifying age for state pension credit if he, and his partner, is a person on income support, on an income-based Jobseeker's Allowance, on an income-related Employment and Support allowance or on Universal Credit.
- 1.7 The Council has resolved that there will be **one** class of persons who will receive a reduction in line with adopted scheme. The scheme has qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction as specified within section 7 of this scheme.

Class D

To obtain reduction the individual (or partner) must:

- a. have not attained the qualifying age for state pension credit; or
- b. he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- c. be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;
- d. is not deemed to be absent from the dwelling;
- e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- f. be somebody in respect of whom a maximum Council Tax Reduction amount can be calculated;
- g. not have capital savings above £16,000;
- h. not have income above the levels specified within the scheme;
- i. be a person in respect of whom a day in which s/he is liable to pay council tax in respect of which the person's *income* is within a range of incomes specified within Schedule 1; and
- j. has made a valid application for reduction.

Council Tax Reduction Scheme

This scheme relates to the financial year beginning with 1 April 2026 and should be cited as Tonbridge & Malling Borough Council – Council Tax Reduction Scheme.

Sections 2- 8
Definitions and interpretation

2.0 Interpretation – an explanation of the terms used within this scheme

2.1 In this scheme–

- ‘the Act’** means the Social Security Contributions and Benefits Act 1992;
- ‘the Administration Act’** means the Social Security Administration Act 1992;
- ‘the 1973 Act’** means the Employment and Training Act 1973;
- ‘the 1992 Act’** means the Local Government Finance Act 1992;
- ‘the 2000 Act’** means the Electronic Communications Act 2000;
- ‘Abbeyfield Home’** means an establishment run by the Abbeyfield Society including all bodies corporate or incorporate which are affiliated to that Society;
- ‘adoption leave’** means a period of absence from work on ordinary or additional adoption leave by virtue of section 75A or 75B of the Employment Rights Act 1996;
- ‘an AFIP’** means an armed forces independence payment payable in accordance with an armed and reserve forces compensation scheme established under section 1(2) of the Armed Forces (Pensions and Compensation) Act 2004
- ‘applicant’** means a person who the authority designates as able to claim Council Tax Reduction – for the purposes of this scheme all references are in the masculine gender but apply equally to male and female;
- ‘application’** means an application for a reduction under this scheme:
- ‘appropriate DWP office’** means an office of the Department for Work and Pensions dealing with state pension credit or office which is normally open to the public for the receipt of claims for income support, a jobseeker’s allowance or an employment and support allowance;
- ‘assessment period’** means such period as is prescribed in sections 19 to 21 over which income falls to be calculated;
- ‘attendance allowance’** means–
- (a) an attendance allowance under Part 3 of the Act;
 - (b) an increase of disablement pension under section 104 or 105 of the Act;
 - (c) a payment under regulations made in exercise of the power conferred by paragraph 7(2)(b) of Part 2 of Schedule 8 to the Act;
 - (d) an increase of an allowance which is payable in respect of constant attendance under paragraph 4 of Part 1 of Schedule 8 to the Act;
 - (e) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983 or any analogous payment; or
 - (f) any payment based on need for attendance which is paid as part of a war disablement pension;
- ‘the authority’** means a billing authority in relation to whose area this scheme has effect by virtue of paragraph 4(6) of Schedule 1A to the 1992 Act;
- ‘Back to Work scheme(s)’** means any scheme defined within the Jobseekers (Back to Work Schemes) Act 2013 or Jobseeker’s Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;
- ‘basic rate’**, where it relates to the rate of tax, has the same meaning as in the Income Tax Act 2007 (see section 989 of that Act).
- ‘the benefit Acts’** means the Act (SSBA) and the Jobseekers Act 1995 and the Welfare Reform Act 2007;
- ‘board and lodging accommodation’** means accommodation provided to a family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises;
- ‘care home’** has the meaning given by section 3 of the Care Standards Act 2000 and in Scotland means a care home service within the meaning given by section 2(3) of the Regulation of Care (Scotland) Act 2001 and in Northern Ireland means a nursing home within the meaning of Article 11 of the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 or a residential care home within the meaning of Article 10 of that Order;
- ‘the Caxton Foundation’** means the charitable trust of that name established on 28th March 2011 out of funds provided by the Secretary of State for the benefit of certain persons suffering

from hepatitis C and other persons eligible for payment in accordance with its provisions;

‘child’ means a person under the age of 16;

‘child benefit’ has the meaning given by section 141 of the SSCBA as amended by The Child Benefit (General), Child Tax Credit (Amendment) Regulations 2014 and The Child Benefit (General) (Amendment) Regulations 2015;

‘the Children Order’ means the Children (Northern Ireland) Order 1995;

‘child tax credit’ means a child tax credit under section 8 of the Tax Credits Act 2002;

‘claim’ means a claim for Council Tax Reduction;

‘close relative’ means a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister, or if any of the preceding persons is one member of a couple, the other member of that couple;

‘concessionary payment’ means a payment made under arrangements made by the Secretary of State with the consent of the Treasury which is charged either to the National Insurance Fund or to a Departmental Expenditure Vote to which payments of benefit or tax credits under the benefit Acts or the Tax Credits Act are charged;

‘the Consequential Provisions Regulations’ means the Housing Benefit (Consequential Provisions) Regulations 2006;

‘contributory employment and support allowance’ means an allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 that remove references to an income-related allowance and a contributory allowance under Part 1 of the Welfare Reform Act 2007 as that Part has effect apart from those provisions;

‘council tax benefit’ means council tax benefit under Part 7 of the SSCBA;

‘council tax reduction scheme’ has the same meaning as **‘Council Tax Reduction or reduction’**

‘Council Tax Reduction’ means council tax reduction as defined by S13a Local Government Finance Act 1992 (as amended);

‘couple’ means;

- (a) a man and a woman who are married to each other and are members of the same household;
- (b) a man and a woman who are not married to each other but are living together as husband and wife;
- (c) two people of the same sex who are civil partners of each other and are members of the same household; or
- (d) two people of the same sex who are not civil partners of each other but are living together as if they were civil partners,

Two people of the same sex are to be treated as living together as if they were civil partners if, and only if, they would be treated as living together as husband and wife were they of opposite sexes. The above includes the Marriage (Same Sex Couples) Act 2013 and The Marriage (Same Sex Couples) Act 2013 (Commencement No. 3) Order 2014;

‘date of claim’ means the date on which the application or claim is made, or treated as made, for the purposes of this scheme

‘designated authority’ means any of the following;

the local authority; or a person providing services to, or authorised to exercise any function of, any such authority;

‘designated office’ means the office designated by the authority for the receipt of claims for Council Tax Reduction;

- (a) by notice upon or with a form approved by it for the purpose of claiming Council Tax Reduction; or
- (b) by reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application; or
- (c) by any combination of the provisions set out in sub-paragraphs (a) and (b) above;

‘disability living allowance’ means a disability living allowance under section 71 of the Act;

‘dwelling’ has the same meaning in section 3 or 72 of the 1992 Act;

‘earnings’ has the meaning prescribed in section 22 or, as the case may be, 24;

‘the Eileen Trust’ means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

‘electronic communication’ has the same meaning as in section 15(1) of the Electronic Communications Act 2000;

‘employed earner’ is to be construed in accordance with section 2(1)(a) of the Act and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;

‘Employment and Support Allowance Regulations’ means the Employment and Support Allowance Regulations 2008 and the Employment and Support Regulations 2013 as appropriate;

‘Employment and Support Allowance (Existing Awards) Regulations’ means the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) Regulations 2010;

‘the Employment, Skills and Enterprise Scheme’ means a scheme under section 17A (schemes for assisting persons to obtain employment; ‘work for your benefit’ schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist applicants to obtain employment, including self-employment, and which may include for any individual work-related activity (including work experience or job search). This also includes schemes covered by The Jobseekers Allowance (Employment, Skills and Enterprise Scheme) Regulations 2011 as amended by the Jobseekers (Back to Work Schemes) Act 2013 – see **‘Back to Work Schemes’**;

‘enactment’ includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament;

‘extended reduction’ means a payment of Council Tax Reduction payable pursuant to section 59;

‘family’ has the meaning assigned to it by section 137(1) of the Act and Section 9 of this scheme;

‘the Fund’ means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;

‘a guaranteed income payment’ means a payment made under article 15(1)(c) (injury benefits) or 29(1)(a) (death benefits) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011;

‘he, him, his’ also refers to the feminine within this scheme

‘housing benefit’ means housing benefit under Part 7 of the Act; ‘the Housing Benefit Regulations’ means the Housing Benefit Regulations 2006;

‘Immigration and Asylum Act’ means the Immigration and Asylum Act 1999;

‘an income-based jobseeker’s allowance’ and **‘a joint-claim jobseeker’s allowance’** have the meanings given by section 1(4) of the Jobseekers Act 1995;

‘income-related employment and support allowance’ means an income-related allowance under Part 1 of the Welfare Reform Act 2007;

‘Income Support Regulations’ means the Income Support (General) Regulations 1987(a);

‘independent hospital’–

(a) in England, means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;

(b) in Wales, has the meaning assigned to it by section 2 of the Care Standards Act 2000; and

(c) in Scotland means an independent health care service as defined by section 10F of the National Health Service (Scotland) Act 1978;

‘the Independent Living Fund (2006)’ means the Trust of that name established by a deed dated 10th April 2006 and made between the Secretary of State for Work and Pensions of the one part and Margaret Rosemary Cooper, Michael Beresford Boyall and Marie Theresa Martin of the other part;

‘invalid carriage or other vehicle’ means a vehicle propelled by a petrol engine or by electric power supplied for use on the road and to be controlled by the occupant;

‘Jobseekers Act’ means the Jobseekers Act 1995; ‘Jobseeker’s Allowance Regulations’ means the Jobseeker’s Allowance Regulations 1996 and Jobseeker’s Allowance Regulations 2013 as appropriate;

‘limited capability for work’ has the meaning given in section 1(4) of the Welfare Reform Act;

‘limited capability for work-related activity’ has the meaning given in section 2(5) of the

Welfare Reform Act 2007;

‘the London Bombing Relief Charitable Fund’ means the company limited by guarantee (number 5505072), and registered charity of that name established on 11th July 2005 for the purpose of (amongst other things) relieving sickness, disability or financial need of victims (including families or dependants of victims) of the terrorist attacks carried out in London on 7th July 2005;

‘lone parent’ means a person who has no partner and who is responsible for and a member of the same household as a child or young person;

‘the Macfarlane (Special Payments) Trust’ means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;

‘the Macfarlane (Special Payments) (No.2) Trust’ means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;

‘the Macfarlane Trust’ means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;

‘main phase employment and support allowance’ means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007 except in Part 1 of Schedule 1;

‘the Mandatory Work Activity Scheme’ means a scheme within section 17A (schemes for assisting persons to obtain employment; ‘work for your benefit’ schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to provide work or work related activity for up to 30 hours per week over a period of four consecutive weeks with a view to assisting applicants to improve their prospect of obtaining employment;

‘maternity leave’ means a period during which a woman is absent from work because she is pregnant or has given birth to a child, and at the end of which she has a right to return to work either under the terms of her contract of employment or under Part 8 of the Employment Rights Act 1996;

‘member of a couple’ means a member of a married or unmarried couple;

‘MFET Limited’ means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products;

‘mover’ means an applicant who changes the dwelling in which the applicant is resident and in respect of which the applicant liable to pay council tax from a dwelling in the area of the appropriate authority to a dwelling in the area of the second authority;

‘net earnings’ means such earnings as are calculated in accordance with section 23;

‘net profit’ means such profit as is calculated in accordance with section 25;

‘the New Deal options’ means the employment programmes specified in regulation 75(1)(a)(ii) of the Jobseeker’s Allowance Regulations 1996 and the training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

‘non-dependant’ has the meaning prescribed in section 3;

‘occasional assistance’ means any payment or provision made by a local authority, the Welsh Ministers or the Scottish Ministers for the purposes of:

- (a) meeting, or helping to meet an immediate short-term need;
 - (i) arising out of an exceptional event or exceptional circumstances, or
 - (ii) that needs to be met to avoid a risk to the well-being of an individual, and
- (b) enabling qualifying individuals to establish or maintain a settled home, and—
 - (i) ‘local authority’ has the meaning given by section 270(1) of the Local Government Act 1972; and
 - (ii) ‘qualifying individuals’ means individuals who have been, or without the assistance might otherwise be:
 - (aa) in prison, hospital, an establishment providing residential care or other institution, or

(bb) homeless or otherwise living an unsettled way of life; and 'local authority' means a local authority in England within the meaning of the Local Government Act 1972;

'occupational pension' means any pension or other periodical payment under an occupational pension scheme but does not include any discretionary payment out of a fund established for relieving hardship in particular cases;

'occupational pension scheme' has the same meaning as in section 1 of the Pension Schemes Act 1993

'ordinary clothing or footwear' means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;

'partner' in relation to a person, means

- (a) where that person is a member of a couple, the other member of that couple;
- (b) subject to paragraph (c), where that person is polygamously married to two or more members of his household, any such member to whom he is married; or
- (c) where that person is polygamously married and has an award of universal credit with the other party to the earliest marriage that still subsists, that other party to the earliest marriage;

'paternity leave' means a period of absence from work on leave by virtue of section 80A or 80B of the Employment Rights Act 1996;

'payment' includes part of a payment;

'pensionable age' has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995 as amended by the Public Services Pension Act 2013 and Pensions Act 2014;

'pension fund holder' means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;

'pensioner' a person who has attained the age at which pension credit can be claimed;

'person affected' shall be construed as a person to whom the authority decides is affected by any decision made by the council;

"person from abroad" means, subject to the following provisions of this regulation, a person who is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland

'person on income support' means a person in receipt of income support;

'personal independence payment' has the meaning given by Part 4 of the Welfare Reform Act 2012 and the Social Security (Personal Independence Payments) 2013;

'person treated as not being in Great Britain' has the meaning given by section 7;

'personal pension scheme' means—

- (a) a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;
- (b) an annuity contractor trust scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) or that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 of the Finance Act 2004;
- (c) a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;

'policy of life insurance' means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life;

'polygamous marriage' means a marriage to which section 133(1) of the Act refers namely;

- (a) a person is a husband or wife by virtue of a marriage entered into under a law which permits polygamy; and
- (b) either party to the marriage has for the time being any spouse additional to the other party.

'public authority' includes any person certain of whose functions are functions of a public nature;

'qualifying age for state pension credit' means (in accordance with section 1(2)(b) and (6) of

the State Pension Credit Act 2002)–

- (a) in the case of a woman, pensionable age; or
- (b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;

‘qualifying contributory benefit’ means;

- (a) severe disablement allowance;
- (b) incapacity benefit;
- (c) contributory employment and support allowance;

‘qualifying course’ means a qualifying course as defined for the purposes of Parts 2 and 4 of the Job Seeker’s Allowance Regulations 1996

‘qualifying income-related benefit’ means

- (a) income support;
- (b) income-based jobseeker’s allowance;
- (c) income-related employment and support allowance;

‘qualifying person’ means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;

‘reduction week’ means a period of seven consecutive days beginning with a Monday and ending with a Sunday;

‘relative’ means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;

‘relevant authority’ means an authority administering Council Tax Reduction;

‘relevant week’ In relation to any particular day, means the week within which the day in question falls;

‘remunerative work’ has the meaning prescribed in section 6;

‘rent’ means ‘eligible rent’ to which regulation 12 of the Housing Benefit Regulations refers less any deductions in respect of non-dependants which fall to be made under regulation 74 (non-dependant deductions) of those Regulations;

‘resident’ has the meaning it has in Part 1 or 2 of the 1992 Act;

‘Scottish basic rate’ means the rate of income tax of that name calculated in accordance with section 6A of the Income Tax Act 2007;

‘Scottish taxpayer’ has the same meaning as in Chapter 2 of Part 4A of the Scotland Act 1998

‘second authority’ means the authority to which a mover is liable to make payments for the new dwelling;

‘self-employed earner’ is to be construed in accordance with section 2(1)(b) of the Act;

‘self-employment route’ means assistance in pursuing self-employed earner’s employment whilst participating in–

- (a) an employment zone programme;
- (b) a programme provided or other arrangements made pursuant to section 2 of the 1973 Act (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990 (functions in relation to training for employment, etc.);
- (c) the Employment, Skills and Enterprise Scheme;
- (d) a scheme prescribed in regulation 3 of the Jobseeker’s Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;
- (e) Back to Work scheme.

‘Service User’ references in this scheme to an applicant participating as a service user are to

- (a) a person who is being consulted by or on behalf of—
 - (i) the Secretary of State in relation to any of the Secretary of State’s functions in the field of social security or child support or under section 2 of the Employment and Training Act 1973; or
 - (ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such functions in their capacity as a person affected or potentially affected by the exercise of those functions or the carer of such a person; or
- (b) the carer of a person consulted as described in sub-paragraph (a) where the carer is not being consulted as described in that sub-paragraph.”.

‘service user group’ means a group of individuals that is consulted by or on behalf of;

- (a) a Health Board, Special Health Board or the Agency in consequence of a function under

section 2B of the National Health Service (Scotland) Act 1978,

- (b) a landlord authority in consequence of a function under section 105 of the Housing Act 1985,
- (c) a public authority in Northern Ireland in consequence of a function under section 49A of the Disability Discrimination Act 1995,
- (d) a public authority in consequence of a function relating to disability under section 149 of the Equality Act 2010;
- (e) a best value authority in consequence of a function under section 3 of the Local Government Act 1999,
- (f) a local authority landlord or registered social landlord in consequence of a function under section 53 of the Housing (Scotland) Act 2001,
- (g) a relevant English body or a relevant Welsh body in consequence of a function under section 242 of the National Health Service Act 2006,
- (h) a Local Health Board in consequence of a function under section 183 of the National Health Service (Wales) Act 2006,
- (i) the Care Quality Commission in consequence of a function under section 4 or 5 of the Health and Social Care Act 2008,
- (j) the regulator or a private registered provider of social housing in consequence of a function under section 98, 193 or 196 of the Housing and Regeneration Act 2008, or
- (k) a public or local authority in Great Britain in consequence of a function conferred under any other enactment,

for the purposes of monitoring and advising on a policy of that body or authority which affects or may affect persons in the group, or of monitoring or advising on services provided by that body or authority which are used (or may potentially be used) by those persons;

Severely disabled person is a person which meets the condition in s70(2) Social Security Contributions & Benefits Act 1992

single applicant means an applicant who neither has a partner nor is a lone parent;

the Skipton Fund means the ex-gratia payment scheme administered by the Skipton Fund Limited, incorporated on 25th March 2004, for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with the scheme's provisions.

special account means an account as defined for the purposes of Chapter 4A of Part 8 of the Jobseeker's Allowance Regulations or Chapter 5 of Part 10 of the Employment and Support Allowance Regulations;

sports award means an award made by one of the Sports Councils named in section 23(2) of the National Lottery Act 1993 out of sums allocated to it for distribution under that section;

the SSCBA means the Social Security Contributions and Benefits Act 1992

State Pension Credit Act means the State Pension Credit Act 2002;

student has the meaning prescribed in section 43;

subsistence allowance means an allowance which an employment zone contractor has agreed to pay to a person who is participating in an employment zone programme;

the Tax Credits Act means the Tax Credits Act 2002;

tax year means a period beginning with 6th April in one year and ending with 5th April in the next;

training allowance means an allowance (whether by way of periodical grants or otherwise) payable—

- (a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Young People's Learning Agency for England, the Chief Executive of Skills Funding or Welsh Ministers;
- (b) to a person for his maintenance or in respect of a member of his family; and
- (c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, the department or approved by the department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers.

It does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the 1973 Act or is training as a teacher;

‘the Trusts’ means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No. 2) Trust;

‘Universal Credit’ means any payment of Universal Credit payable under the Welfare Reform Act 2012, the Universal Credit Regulations 2013, The Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013, Universal Credit (Miscellaneous Amendments) Regulations 2013 and the Universal Credit (Transitional Provisions) Regulations 2014;

‘Up-rating Act’ means the Welfare Benefit Up-rating Act 2013, the Welfare Benefits Up-rating Order 2014 and the Welfare Benefits Up-rating Order 2015;

‘voluntary organisation’ means a body, other than a public or local authority, the activities of which are carried on otherwise than for profit;

‘war disablement pension’ means any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003;

‘war pension’ means a war disablement pension, a war widow’s pension or a war widower’s pension;

‘war widow’s pension’ means any pension or allowance payable to a woman as a widow under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

‘war widower’s pension’ means any pension or allowance payable to a man as a widower or to a surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

‘water charges’ means;

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002, in so far as such charges are in respect of the dwelling which a person occupies as his home;

‘week’ means a period of seven days beginning with a Monday;

‘Working Tax Credit Regulations’ means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 as amended¹; and

‘young person’ has the meaning prescribed in section 9(1) and in section 142 of the SSCBA.

- 2.2 In this scheme, references to an applicant occupying a dwelling or premises as his home shall be construed in accordance with regulation 7 of the Housing Benefit Regulations 2006.
- 2.3 In this scheme, where an amount is to be rounded to the nearest penny, a fraction of a penny shall be disregarded if it is less than half a penny and shall otherwise be treated as a whole penny.
- 2.4 For the purpose of this scheme, a person is on an income-based jobseeker’s allowance on any day in respect of which an income-based jobseeker’s allowance is payable to him and on any day;
- (a) in respect of which he satisfies the conditions for entitlement to an income- based jobseeker’s allowance but where the allowance is not paid in accordance with regulation 27A of the Jobseeker’s Allowance Regulations or section 19 or 20A or regulations made under section 17A of the Jobseekers Act (circumstances in which a jobseeker’s allowance is not payable); or
 - (b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income- based jobseeker’s allowance is payable to him or would be payable to him but for regulation 27A of the

¹ The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2013; The Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2015

- Jobseeker's Allowance Regulations or section 19 or 20A or regulations made under section 17A of that Act;
- (c) in respect of which he is a member of a joint-claim couple for the purposes of the Jobseekers Act and no joint-claim jobseeker's allowance is payable in respect of that couple as a consequence of either member of that couple being subject to sanctions for the purposes of section 20A of that Act;
 - (d) in respect of which an income-based jobseeker's allowance or a joint-claim jobseeker's allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).
- 2.5 For the purposes of this scheme, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day;
- (a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act disqualification; or
 - (b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act and which falls immediately before a day in respect of which an income-related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.
- 2.6 For the purposes of this scheme, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.
- 2.7 In this scheme, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).
- 3.0 Definition of non-dependant**
- 3.1 In this scheme, 'non-dependant' means any person, except someone to whom paragraph 3.2 applies, who normally resides with an applicant or with whom an applicant normally resides.
- 3.2 This paragraph applies to;
- (a) any member of the applicant's family;
 - (b) if the applicant is polygamously married, any partner of his and any child or young person who is a member of his household and for whom he or one of his partners is responsible;
 - (c) a child or young person who is living with the applicant but who is not a member of his household by virtue of section 11(membership of the same household);
 - (d) subject to paragraph 3.3, any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under sections 6, 7 or 75 of the 1992 Act (persons liable to pay council tax);
 - (e) subject to paragraph 3.3, any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;
 - (f) a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.
- 3.3 Excepting persons to whom paragraph 3.2 a) to c) and f) refer, a person to whom any of the following sub-paragraphs applies shall be a non-dependant–
- (a) a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either;
 - i. that person is a close relative of his or her partner; or
 - ii. the tenancy or other agreement between them is other than on a commercial basis;
 - (b) a person whose liability to make payments in respect of the dwelling appears to the

authority to have been created to take advantage of the Council Tax Reduction scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same dwelling;

- (c) a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the authority is satisfied that the change giving rise to the new liability was not made to take advantage of the support scheme.

4.0 Requirement to provide a National Insurance Number²

4.1 No person shall be entitled to support unless the criteria below in 4.2 is satisfied in relation both to the person making the claim and to any other person in respect of whom he is claiming support.

4.2 This subsection is satisfied in relation to a person if–

- (a) the claim for support is accompanied by;
 - i. a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
 - ii. information or evidence enabling the national insurance number that has been allocated to the person to be ascertained; or
- (b) the person makes an application for a national insurance number to be allocated to him which is accompanied by information or evidence enabling such a number to be so allocated and the application for reduction is accompanied by evidence of the application and information to enable it to be allocated.

4.3 Paragraph 4.2 shall not apply–

- (a) in the case of a child or young person in respect of whom Council Tax Reduction is claimed;
- (b) to a person who;
 - i. is a person in respect of whom a claim for Council Tax Reduction is made;
 - ii. is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act; and
 - iii. has not previously been allocated a national insurance number.

5.0 Persons who have attained the qualifying age for state pension credit

5.1 This scheme applies to a person if:

- (i) he has not attained the qualifying age for state pension credit; or
- (ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is;
 - (a) a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or
 - (b) a person with an award of universal credit.

5.2 For the purpose of this scheme an award of universal credit shall be disregarded where regulation 60A of the Universal Credit (Transitional Provisions) Regulations 2014 applies in respect of the award

6.0 Remunerative work

6.1 Subject to the following provisions of this section, a person shall be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which

² Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

payment is made or which is done in expectation of payment.

- 6.2 Subject to paragraph 6.3, in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard shall be had to the average of hours worked over;
- (a) if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);
 - (b) in any other case, the period of 5 weeks immediately prior to that date of claim, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately,
- 6.3 Where, for the purposes of paragraph 6.2 a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work shall be disregarded in establishing the average hours for which he is engaged in work.
- 6.4 Where no recognisable cycle has been established in respect of a person's work, regard shall be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.
- 6.5 A person shall be treated as engaged in remunerative work during any period for which he is absent from work referred to in paragraph 6.1 if the absence is either without good cause or by reason of a recognised customary or other holiday.
- 6.6 A person on Income Support, an income-based Jobseeker's Allowance or an income-related Employment and Support Allowance for more than 3 days shall be treated as not being in remunerative work in that week.
- 6.7 A person shall not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill.
- 6.8 A person shall not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which;
- (a) a sports award has been made, or is to be made, to him; and
 - (b) no other payment is made or is expected to be made to him.

7.0 Persons treated as not being in Great Britain and Persons Subject to Immigration Control

Persons treated as not being in Great Britain

- 7.1 Persons treated as not being in Great Britain are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.
- 7.2 Except where a person falls within paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.
- 7.3 A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.
- 7.4 For the purposes of paragraph (3), a right to reside does not include a right, which exists by virtue of, or in accordance with—

- (a) regulation 13 of the EEA Regulations;
 - (aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is—
 - (i) a jobseeker for the purpose of the definition of “qualified person” in regulation 6(1) of those Regulations, or
 - (ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
 - (b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (5) of that regulation of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen).
- 7.4A For the purposes of paragraph (3), a right to reside does not include a right which exists by virtue of a person having been granted limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 by virtue of—
- (a) (Removed by the Council Tax Reductions Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021
 - (b) Appendix EU to the immigration rules made under section 3(2) of that Act;
 - (c) being a person with a Zambrano right to reside as defined in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of that Act; or
 - (d) having arrived in the United Kingdom with an entry clearance that was granted under Appendix EU (Family Permit) to the immigration rules made under section 3(2) of that Act.
- 7.5 A person falls within this paragraph if the person is—
- (za) a person granted leave in accordance with the immigration rules made under section 3(2) of the Immigration Act 1971, where such leave is granted by virtue of—
 - (i) the Afghan Relocations and Assistance Policy; or
 - (ii) the previous scheme for locally employed staff in Afghanistan (sometimes referred to as the ex-gratia scheme);
 - (zb) a person in Great Britain not coming within sub-paragraph (za) or (e) who left Afghanistan in connection with the collapse of the Afghan government that took place on 15th August 2021;
 - (zc) a person in Great Britain who was residing in Ukraine immediately before 1st January 2022, left Ukraine in connection with the Russian invasion which took place on 24th February 2022 and—
 - (i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971;
 - (ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act; or
 - (iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;
 - (zd) a person who was residing in Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights or Lebanon immediately before 7th October 2023, left Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights or Lebanon in connection with the Hamas terrorist attack in Israel on 7th October 2023 or the violence which rapidly escalated in the region following the attack and—
 - (i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971,
 - (ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act, or
 - (iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;
 - (ze) a person who was residing in Sudan before 15th April 2023, left Sudan in connection with the violence which rapidly escalated on 15th April 2023 in Khartoum and across Sudan and—

(i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971;

(ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act; or

(iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act

- (a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;
- (b) a family member of a person referred to in sub-paragraph (a);
- (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
- (ca) a family member of a relevant person of Northern Ireland, with a right to reside which falls within paragraph (4A)(b), provided that the relevant person of Northern Ireland falls within paragraph (5)(a), or would do so but for the fact that they are not an EEA national;
- (cb) a frontier worker within the meaning of regulation 3 of the Citizens' Rights (Frontier Workers) (EU Exit) Regulations 2020;
- (cc) a family member of a person referred to in sub-paragraph (cb), who has been granted limited leave to enter, or remain in, the United Kingdom by virtue of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971
- (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
- (e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971
- (f) a person who has humanitarian protection granted under those rules;
- (g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion or other removal by compulsion of law from another country to the United Kingdom;
- (h) in receipt of income support or on an income-related employment and support allowance; or
- (ha) in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (4);

7.6 A person falls within this paragraph if the person is a Crown servant or member of His Majesty's forces posted overseas.

7.7 A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of His Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.

7.8 In this regulation—
 "claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;
 "Crown servant" means a person holding an office or employment under the Crown;
 "EEA Regulations" means the Immigration (European Economic Area) Regulations 2006; The Immigration (European Economic Area) (Amendment) (No. 2) Regulations 2014; and
 "His Majesty's forces" has the same meaning as in the Armed Forces Act 2006.

Persons subject to immigration control

7.9 Persons subject to immigration control are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.

7.10 A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance (done in Paris on 11th December 1953) or a state which has ratified the Council of Europe Social Charter (signed in Turin on 18th October 1961) and who is lawfully present in the United Kingdom is not a person subject to immigration control for the purpose of paragraph 7.9

7.11 “Person subject to immigration control” has the same meaning as in section 115(9) of the Immigration and Asylum Act 1999.

7A.0 Transitional provision

7A.1 The above does not apply to a person who, on 31st March 2015

- (a) is liable to pay council tax at a reduced rate by virtue of a Council Tax Reduction under an authority’s scheme established under section 13A (2) of the Act; and
- (b) is entitled to an income-based jobseeker’s allowance, until the first of the events in paragraph 7A.2 occurs.

7A.2 The events are—

- (a) the person makes a new application for a reduction under an authority’s scheme established under section 13A (2) of the Act; or
- (b) the person ceases to be entitled to an income-based jobseeker’s allowance.

7A.3 In this section “the Act” means the Local Government Finance Act 1992.

8.0 Temporary Absence (period of absence)

8.1 Where a person is absent from the dwelling throughout any day then no support shall be payable

8.2 A person shall not, in relation to any day, which falls within a period of temporary absence from that dwelling, be a prescribed person under paragraph 8.1.

8.3 In paragraph 8.2, a ‘period of temporary absence’ means—

- (a) a period of absence within Great Britain not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation in Great Britain where and for so long as;
 - i. the person resides in that accommodation;
 - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
 - iii. that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,

where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;

- (b) a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as;

- i. the person intends to return to the dwelling;
- ii. the part of the dwelling in which he usually resided is not let or sub-let; and
- iii. that period is unlikely to exceed 13 weeks; and

- (c) a period of absence within Great Britain not exceeding 52 weeks, beginning with the first whole day of absence, where and for so long as

- i. the person intends to return to the dwelling;
- ii. the part of the dwelling in which he usually resided is not let or sub-let;
- iii. the person is a person to whom paragraph 8.4 applies; and
- iv. the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.

- 8.3A A person who is temporarily absent from a dwelling he occupies as his home and is absent outside Great Britain shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain, provided that—
- (a) the person intends to return to occupy the dwelling as his home;
 - (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and
 - (c) the period of absence is unlikely to exceed 4 weeks.
- 8.3B A person who is temporarily absent from a dwelling he occupies as his home and is absent outside of Great Britain as a member of the armed forces away on operations, a mariner or a continental shelf worker shall be treated as occupying that dwelling as his home whilst he is temporarily absent, for a period not exceeding 26 weeks beginning with the first day of that absence from Great Britain, provided that—
- (a) the person intends to return to occupy the dwelling as his home;
 - (b) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let; and
 - (c) the period of absence is unlikely to exceed 26 weeks.
- 8.3C This paragraph applies where—
- (a) a person is temporarily absent from Great Britain;
 - (b) the temporary absence from Great Britain is in connection with the death of the—
 - (i) person's partner or a child or young person for whom he or his partner is responsible;
 - (ii) person's close relative;
 - (iii) close relative of the person's partner; or
 - (iv) close relative of a child or young person for whom the person or their partner is responsible;
 - (c) the person intends to return to occupy the dwelling as his home; and
 - (d) the part of the dwelling normally occupied by the person has not been let or, as the case may be, sub-let.
- 8.3D person to whom paragraph (8.3C) applies shall be treated as occupying a dwelling he is absent from as his home whilst he is temporarily absent for a period not exceeding 4 weeks beginning with the first day of that absence from Great Britain.
- 8.3E The period of absence in paragraph (8.3D) may be extended by up to 4 further weeks if the relevant authority considers it unreasonable to expect the person to return to Great Britain within the first 4 weeks
- 8.4 This paragraph applies to a person who is;
- (a) detained in custody on remand pending trial or required, as a condition of bail, to reside;
 - i. in a dwelling, other than the dwelling referred to in paragraph 8.1, or
 - ii. in premises approved under section 13 of the Offender Management Act 2007, or, detained in custody pending sentence upon conviction;
 - (b) resident in a hospital or similar institution as a patient;
 - (c) undergoing, or his partner or his dependent child is undergoing, in Great Britain or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
 - (d) following, in Great Britain or elsewhere, a training course;

- (e) undertaking medically approved care of a person residing in Great Britain or elsewhere;
- (f) undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care of medical treatment;
- (g) in Great Britain, receiving medically approved care provided in accommodation other than residential accommodation;
- (h) a student;
- (i) receiving care provided in residential accommodation other than a person to whom paragraph 8.3a) applies; or
- (j) has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

8.5 This paragraph applies to a person who is:

- (a) detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983 (as amended by the Mental Health (Discrimination) Act 2013), or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995) or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986; and
- (b) on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989

8.6 Where paragraph 8.5 applies to a person, then, for any day when he is on temporary release—

- (a) if such temporary release was immediately preceded by a period of temporary absence under paragraph 8.3 b) or c), he shall be treated, for the purposes of paragraph 8.1, as if he continues to be absent from the dwelling, despite any return to the dwelling;
- (b) for the purposes of paragraph 8.4 a), he shall be treated as if he remains in detention;
- (c) If he does not fall within sub-paragraph a), he is not considered to be a person who is liable to pay Council Tax in respect of a dwelling of which he is resident.

8.7 In this section;

- ‘medically approved’ means certified by a medical practitioner;
- ‘continental shelf worker’ means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any activity mentioned in section 11(2) of the Petroleum Act 1998
- ‘designated area’ means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964 as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

“mariner” means a person who is employed under a contract of service either as a master or member of the crew of any ship or vessel, or in any other capacity on board any ship or vessel, where:

- a) the employment in that capacity is for the purposes of that ship or vessel or its crew or any passengers or cargo or mails carried by the ship or vessel; and
- b) the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the ship or vessel is on its voyage
- ‘patient’ means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution; ‘residential accommodation’ means accommodation which is provided;
 - (a) in a care home;
 - (b) in an independent hospital;
 - (c) in an Abbeyfield Home; or
 - (d) in an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services

authority;

- “prescribed area” means any area over which Norway or any member State (other than the United Kingdom) exercises sovereign rights for the purpose of exploring the seabed and subsoil and exploiting their natural resources, being an area outside the territorial seas of Norway or such member State or any other area which is from time to time specified under section 10(8) of the Petroleum Act 1998
- ‘training course’ means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

Sections 9 - 11
The family for Council Tax Reduction purposes

9.0 Membership of a family

9.1 Within the support scheme adopted by the Council 'family' means;

- (a) a married or unmarried couple;
- (b) married or unmarried couple and a member of the same household for whom one of them is or both are responsible and who is a child or a young person;
- (c) two people of the same sex who are civil partners of each other and are members of the same household (with or without children);
- (d) two people of the same sex who are not civil partners of each other but are living together as if they were civil partners (with or without children),
- (e) and for the purposes of sub-paragraph (d) two people of the same sex are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex;
- (f) except in prescribed circumstances, a person who is not a member of a married or unmarried couple and a member of the same household for whom that person is responsible and who is a child or a young person;

For the purposes of the scheme a child is further defined as a 'child or young person'

A 'child' means a person under the age of 16 and a 'Young Person' is someone aged 16 or over but under 20 and who satisfies other conditions. These conditions are:

- they are aged 16, have left 'relevant education' or training, and 31 August following the sixteenth birthday has not yet been passed;
- they are aged 16 or 17, have left education or training, are registered for work, education or training, are not in remunerative work and are still within their 'extension period';
- they are on a course of full-time non-advanced education, or are doing 'approved training', and they began that education or training before reaching the age of 19;
- they have finished a course of full-time non-advanced education, but are enrolled on another such course (other than one provided as a result of their employment);
- they have left 'relevant education' or 'approved training' but have not yet passed their 'terminal date'.

9.2 Paragraph 9.1 the definition of child or young person shall not apply to a person who is;

- (a) on income support;
- (b) an income-based Jobseeker's Allowance or an income-related Employment and Support allowance; or has an award of Universal Credit; or
- (c) a person to whom section 6 of the Children (Leaving Care) Act 2000 (exclusion from benefits) applies.

9.3 The definition also includes a child or young person in respect of whom there is an entitlement to child benefit but only for the period that Child Benefit is payable

10.0 Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person.

10.1 Subject to the following paragraphs a person shall be treated as responsible for a child or young person who is normally living with him and this includes a child or young person to whom paragraph 9.3 applies

10.2 Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person shall be treated for the purposes of paragraph 9.1 as normally living with;

- (a) the person who is receiving child benefit in respect of him; or
- (b) if there is no such person;
 - i. where only one claim for child benefit has been made in respect of him, the person who made that claim; or

ii. in any other case the person who has the primary responsibility for him.

10.3 For the purposes of this scheme a child or young person shall be the responsibility of only one person and any person other than the one treated as responsible for the child or young person under this section shall be treated as not so responsible.

10.4 In accordance with Schedule 1 of this scheme, the number of dependants determined to be within the household shall be limited to two.

11.0 Circumstances in which a child or young person is to be treated as being or not being a member of the household

11.1 Subject to paragraphs 11.2 and 11.3, the applicant and any partner and, where the applicant or his partner is treated as responsible by virtue of section 10 (circumstances in which a person is to be treated as responsible or not responsible for a child or young person) for a child or young person, that child or young person and any child of that child or young person, shall be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.

11.2 A child or young person shall not be treated as a member of the applicant's household where he is;

- (a) placed with the applicant or his partner by a local authority under section 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or
- (b) placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
- (c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009.

11.3 Subject to paragraph 11.4, paragraph 11.1 shall not apply to a child or young person who is not living with the applicant and he—

- (a) is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or
- (b) has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or
- (c) has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009; or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes).

11.4 The authority shall treat a child or young person to whom paragraph 11.3 a) applies as being a member of the applicant's household where;

- a. that child or young person lives with the applicant for part or all of that reduction week; and
- b. the authority considers that it is responsible to do so taking into account the nature and frequency of that child's or young person's visits.

11.5 In this paragraph 'relevant enactment' means the Army Act 1955, the Air Force Act 1955, the Naval Discipline Act 1957, the Matrimonial Proceedings (Children) Act 1958, the Social Work (Scotland) Act 1968, the Family Law Reform Act 1969, the Children and Young Persons Act 1969, the Matrimonial Causes Act 1973, the Children Act 1975, the Domestic Proceedings and Magistrates' Courts Act 1978, the Adoption and Children (Scotland) Act 1978, the Family Law Act 1986, the Children Act 1989, the Children (Scotland) Act 1995 and the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

Sections 12 – 30 & Schedules 2 & 3
Definition and the treatment of income for Council Tax Reduction purposes

12.0 Calculation of income and capital of members of applicant's family and of a polygamous marriage

- 12.1 The income and capital of:
- (a) an applicant; and
 - (b) any partner of that applicant,

is to be calculated in accordance with the provisions of this Part.

- 12.2 The income and capital of any partner of the applicant is to be treated as income and capital of the applicant, and in this Part any reference to the applicant applies equally to any partner of that applicant.

- 12.3 Where an applicant or the partner of an applicant is married polygamously to two or more members of his household:
- (a) the applicant must be treated as possessing capital and income belonging to each such member; and
 - (b) the income and capital of that member is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

13.0 Calculation of income and capital: persons who have an award of universal credit

- 13.1 In determining the income of an applicant
- (a) who has, or
 - (b) who (jointly with his partner) has,
- an award of universal credit the authority may subject to the following provisions of this paragraph use the calculation or estimate of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.
- 13.2 The authority may adjust the amount referred to in sub-paragraph (1) to take account of
- (a) income consisting of the award of universal credit, determined in accordance with subparagraph (3) and a sum determined as an amount for housing costs;
 - (b) any sum to be disregarded under paragraphs of Schedule 2 to this scheme (sums to be disregarded in the calculation of earnings);
 - (c) any sum to be disregarded under Schedule 3 to this scheme (sums to be disregarded in the calculation of income other than earnings);
 - (d) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable)
- 13.3 The amount for the award of universal credit is to be determined by multiplying the amount of the award by 12 and dividing the product by 52.
- 13.4 Sections 14 (income and capital of non-dependant to be treated as applicant's) apply (so far as relevant) for the purpose of determining any adjustments, which fall to be made to the figure for income under sub-paragraph (2)
- 13.5 In determining the capital of an applicant;
- (a) who has, or
 - (b) who (jointly with his partner) has,
- an award of universal credit, the authority must use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining that award

14.0 Circumstances in which capital and income of non-dependant is to be treated as applicant's

- 14.1 Where it appears to the authority that a non-dependant and the applicant have entered into arrangements in order to take advantage of the Council Tax Reduction scheme and the non-dependant has more capital and income than the applicant, that authority shall, except where the applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, treat the applicant as possessing capital and income belonging to that non-dependant, and, in such a case, shall disregard any capital and income which the applicant does possess.
- 14.2 Where an applicant is treated as possessing capital and income belonging to a non-dependant under paragraph 14.1 the capital and income of that non-dependant shall be calculated in accordance with the following provisions in like manner as for the applicant and any reference to the 'applicant' shall, except where the context otherwise requires, be construed for the purposes of this scheme as if it were a reference to that non-dependant.

15.0 Calculation of income on a weekly basis

- 15.1 For the purposes of this scheme and in line with regulation 34 of the Housing Benefit Regulations 2006 (disregard to changes in tax, contributions etc.), the income of an applicant shall be calculated on a weekly basis by estimating the amount which is likely to be his average weekly income in accordance with this Section and in line with Sections 2, 3, 4 and 5 of Part 6 of the Housing Benefit Regulations 2006.
- 15.2 The conditions of this paragraph are that;
- a. the applicant's earnings which form part of his average weekly income are less than the lower of either his relevant childcare charges or whichever of the deductions specified in paragraph (3) otherwise applies in his case;
 - b. that applicant or, if he is a member of a couple either the applicant or his partner, is in receipt of either working tax credit or child tax credit; and
 - c. by then deducting any relevant child care charges to which section 18 (treatment of child care charges) applies from any earnings which form part of the average weekly income or, in a case where the conditions in paragraph 18.2 are met, from those earnings plus whichever credit specified in sub-paragraph (b) of that paragraph is appropriate, up to a maximum deduction in respect of the applicant's family of whichever of the sums specified in paragraph (3) applies in his case.
- 15.3 The maximum deduction to which paragraph 15.1 c) above refers shall be;
- a. where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week.
 - b. where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300.00 per week.

The amounts stated in this paragraph shall be amended in accordance with the Housing Benefit Regulations 2006 (as amended).

16.0 Average weekly earnings of employed earners

- 16.1 Where an applicant's income consists of earnings from employment as an employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment—
- (a) over a period immediately preceding the reduction week in which the claim is made or treated as made and being a period of
 - i. 5 weeks, if he is paid weekly; or
 - ii. 2 months, if he is paid monthly; or
 - (b) whether or not sub-paragraph 16.1a i) or ii) applies, where an applicant's earnings fluctuate, over such other period preceding the reduction week in which the claim is made or treated

as made as may, in any particular case, enable his average weekly earnings to be estimated more accurately.

- 16.2 Where the applicant has been in his employment for less than the period specified in paragraph 16.1 a)(i) or (ii)
- (a) if he has received any earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings shall be estimated by reference to those earnings;
 - (b) in any other case, the authority shall require the applicant's employer to furnish an estimate of the applicant's likely weekly earnings over such period as the authority may require and the applicant's average weekly earnings shall be estimated by reference to that estimate.
- 16.3 Where the amount of an applicant's earnings changes during an award the authority shall estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed 52 weeks.
- 16.4 For the purposes of this section the applicant's earnings shall be calculated in accordance with sections 22 and 23

17.0 Average weekly earnings of self-employed earners

- 17.1 Where an applicant's income consists of earnings from employment as a self-employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period shall not in any case exceed a year.

17A.0 Average weekly income other than earnings

- 17A.1 An applicant's income which does not consist of earnings shall be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period shall not in any case exceed 52 weeks.

18.0 Treatment of child care charges

- 18.1 This section applies where an applicant is incurring relevant child-care charges and;
- a. is a lone parent and is engaged in remunerative work;
 - b. is a member of a couple both of whom are engaged in remunerative work; or
 - c. is a member of a couple where one member is engaged in remunerative work and the other;
 - i. is incapacitated;
 - ii. is an in-patient in hospital; or
 - iii. is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).
- 18.2 For the purposes of paragraph 18.1 and subject to paragraph 18.4, a person to whom paragraph 18.3 applies shall be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—
- a. is paid statutory sick pay;
 - b. is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the Act;
 - c. is paid an employment and support allowance;
 - d. is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support Regulations 1987; or
 - e. is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

- 18.3 This paragraph applies to a person who was engaged in remunerative work immediately before
- a. the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
 - b. the first day of the period in respect of which earnings are credited, as the case may be.
- 18.4 In a case to which paragraph 18.2 d) or e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.
- 18.5 Relevant child care charges are those charges for care to which paragraphs 18.6 and 18.7 apply, and shall be calculated on a weekly basis in accordance with paragraph 18.10.
- 18.6 The charges are paid by the applicant for care, which is provided
- a. in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
 - b. in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.
- 18.7 The charges are paid for care, which is provided by one, or more of the care providers listed in paragraph 18.8 and are not paid—
- a. in respect of the child's compulsory education;
 - b. by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with section 10 (circumstances in which a person is treated as responsible or not responsible for another); or
 - c. in respect of care provided by a relative of the child wholly or mainly in the child's home.
- 18.8 The care to which paragraph 18.7 refers may be provided;
- a. out of school hours, by a school on school premises or by a local authority;
 - i. for children who are not disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
 - ii. for children who are disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or
 - b. by a child care provider approved in accordance with by the Tax Credit (New Category of Child Care Provider) Regulations 1999;
 - c. by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or
 - d. by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) order 2010; or
 - e. by;
 - i. persons registered under section 59(1) of the Public Services Reform Scotland Act 2010; or
 - ii. local authorities registered under section 8(1) of that Act, where the care provided is child minding or daycare within the meaning of that Act; or
 - f. by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002 or
 - g. by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
 - h. by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in

- circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
- i. by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
- j. by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of 'childcare' for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
- k. by a foster parent or kinship carer under the Fostering Services Regulations 2002, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or
- l. by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or
- m. by a person who is not a relative of the child wholly or mainly in the child's home.

18.9 In paragraphs 18.6 and 18.8 a), 'the first Monday in September' means the Monday which first occurs in the month of September in any year.

18.10 Relevant child care charges shall be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.

18.11 For the purposes of paragraph 18.1 c) the other member of a couple is incapacitated where

- a. the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the work-related activity component on account of his having limited capability for work
- b. the applicant's applicable amount would include a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulation made under section 171E of the Act;
- c. the applicant's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or Employment and Support Regulations 2013;
- d. the applicant (within the meaning of this scheme) is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
- e. the applicant (within the meaning of this scheme) has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 or Employment and Support Regulations 2013 for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;
- f. there is payable in respect of him one or more of the following pensions or allowances—
 - i. long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the Act;
 - ii. attendance allowance under section 64 of the Act;
 - iii. severe disablement allowance under section 68 of the Act;
 - iv. disability living allowance under section 71 of the Act;

- v. personal independence payment under the Welfare Reform Act 2012;
 - vi. an AFIP;
 - vii. increase of disablement pension under section 104 of the Act;
 - viii. a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under head (ii), (iv) or (vii) above;
 - ix. main phase employment and support allowance;
- g. a pension or allowance to which head (ii), (iv), (vi) or (viii) of sub-paragraph (f) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this section shall mean a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of social security (Hospital In-Patients) Regulations 2005.
- h. an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
- i. paragraphs (f) or (g) would apply to him if the legislative provisions referred to in those sub-paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or
- j. he has an invalid carriage or other vehicle provided to him by the Secretary of State under section 5(2)(a) of and Schedule 2 to the National Health Service Act 1977 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.
- 18.12 For the purposes of paragraph 18.11 once paragraph 18.11d) applies to the applicant, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.
- 18.12 AFor the purposes of paragraph 18.11, once paragraph 18.11e) applies to the applicant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.
- 18.13 For the purposes of paragraphs 18.6 and 18.8 a), a person is disabled if he is a person—
- a. in respect of whom disability living allowance or personal independence payment is payable, or has ceased to be payable solely because he is a patient;
 - b. who is registered as blind in a register compiled under section 29 of the National Assistance Act 1948 welfare services) or, in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or
 - c. who ceased to be registered as blind in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.
- 18.14 For the purposes of paragraph 18.1 a person on maternity leave, paternity leave or adoption leave shall be treated as if she is engaged in remunerative work for the period specified in paragraph 18.15 ('the relevant period') provided that—
- a. in the week before the period of maternity leave, paternity leave, shared parental leave or adoption leave began the person was in remunerative work or adoption leave began they were in remunerative work;
 - b. the applicant is incurring relevant child care charges within the meaning of paragraph 18.5; and

- c. They are entitled to either statutory maternity pay under section 164 of the Act, statutory paternity pay by virtue of section 171ZA or 171ZB of the Act statutory adoption pay by of section 171ZL of the Act, maternity allowance under section 35 of the Act or qualifying support.

18.15 For the purposes of paragraph 18.14 the relevant period shall begin on the day on which the person's maternity, paternity leave or adoption leave commences and shall end on—

- a. the date that leave ends;
- b. if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
- c. if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credits ends.

whichever shall occur first.

18.16 In paragraphs 18.14 and 18.15

- a. **'qualifying support'** means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support Regulations 1987; and
- b. **'child care element'** of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act (child care element) 2002.

18.17 In this section 'applicant' does not include an applicant;

- a. who has, or
- b. who (jointly with his partner) has,
an award of universal credit

19.0 Calculation of average weekly income from tax credits

19.1 This section applies where an applicant receives a tax credit.

19.2 Where this section applies, the period over which a tax credit is to be taken into account shall be the period set out in paragraph 19.3

19.3 Where the instalment in respect of which payment of a tax credit is made is;

- (a) a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;
- (b) a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
- (c) a two-weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
- (d) a four-weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.

19.4 For the purposes of this section 'tax credit' means child tax credit or working tax credit.

20.0 Calculation of weekly income

20.1 For the purposes of the average weekly earnings of employed earners and average weekly income other than earnings and calculation of average weekly income from tax credits, where the period in respect of which a payment is made;

- (a) does not exceed a week, the weekly amount shall be the amount of that payment;
- (b) exceeds a week, the weekly amount shall be determined—
 - i. in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
 - ii. in any other case, by dividing the amount of the payment by the number equal to

the number of days in the period to which it relates and multiplying the product by 7.

- 20.2 For the purpose of the average weekly earnings of self-employed earners and the weekly amount of earnings of an applicant shall be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the product by 7.

21.0 Disregard of changes in tax, contributions etc.

- 21.1 In calculating the applicant's income the appropriate authority may disregard any legislative change

- (a) in the basic or other rates of income tax;
- (b) in the amount of any personal tax relief;
- (c) in the rates of national insurance contributions payable under the Act or in the lower earnings limit or upper earnings limit for Class 1 contributions under the Act, the lower or upper limits applicable to Class 4 contributions under the Act or the amount specified in section 11(4) of the Act (small profits threshold in relation to Class 2 contributions);
- (d) in the amount of tax payable as a result of an increase in the weekly rate of Category A, B, C or D retirement pension or any addition thereto or any graduated pension payable under the Act
- (e) in the maximum rate of child tax credit or working tax credit,

for a period not exceeding 30 reduction weeks beginning with the reduction week immediately following the date from which the change is effective.

22.0 Earnings of employed earners

- 22.1 Subject to paragraph 22.2, 'earnings' means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes—

- (a) any bonus or commission;
- (b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
- (c) any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
- (d) any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
- (e) any payment by way of a retainer;
- (f) any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—
 - (i) travelling expenses incurred by the applicant between his home and his place of employment;
 - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;
- (g) any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);
- (h) any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);
- (i) any such sum as is referred to in section 112 of the Act (certain sums to be earnings for social security purposes);
- (j) any statutory sick pay, statutory maternity pay, statutory paternity pay, shared parental pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;
- (k) any remuneration paid by or on behalf of an employer to the applicant who for the time

- being is on maternity leave, paternity leave, shared parental pay or adoption leave or is absent from work because he is ill;
- (l) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001 as amended ³.

22.2 Earnings shall not include–

- (a) subject to paragraph 22.3, any payment in kind;
- (b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of employment;
- (c) any occupational pension
- (d) any payment in respect of expenses arising out of the applicant's participation in a service user group or an applicant participating as a service user

22.3 Paragraph 22.2 (a) shall not apply in respect of any non-cash voucher referred to in paragraph 22.1 (l)

23.0 Calculation of net earnings of employed earners

23.1 For the purposes of section 16 (average weekly earnings of employed earners), the earnings of an applicant derived or likely to be derived from employment as an employed earner to be taken into account shall, subject to paragraph 23.2, be his net earnings.

23.2 There shall be disregarded from an applicant's net earnings, any sum, where applicable, specified in Schedule 2.

23.3 For the purposes of paragraph 23.1 net earnings shall, except where paragraph 23.6 applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less;

- (a) any amount deducted from those earnings by way of
 - i) income tax;
 - ii) primary Class 1 contributions under the Act;
- (b) any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
- (c) the amount calculated in accordance with paragraph 23.5 in respect of any qualifying contribution payable by the applicant; and
- (d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted for those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the Act.

23.4 In this section 'qualifying contribution' means any sum which is payable periodically as a contribution towards a personal pension scheme.

23.5 The amount in respect of any qualifying contribution shall be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying contribution shall be determined–

- a. where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
- b. in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

³ Social Security (Contributions)(Amendment) Regulations 2013, Social Security (Contributions)(Amendment No.2) Regulations 2013 and Social Security (Contributions)(Amendment No.2) Regulations 2013

23.6 Where the earnings of an applicant are estimated under sub-paragraph (b) of paragraph 2) of the section 16 (average weekly earnings of employment earners), his net earnings shall be calculated by taking into account those earnings over the assessment period, less–

- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988(personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rata basis;
- (b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
- (c) any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.

24.0 Earnings of self-employed earners

24.1 Subject to paragraph 24.2, 'earnings', in the case of employment as a self- employed earner, means the gross income of the employment plus any allowance paid under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 to the applicant for the purpose of assisting him in carrying on his business unless at the date of claim the allowance has been terminated.

24.2 'Earnings' shall not include any payment to which Schedule 3 refers (payments in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care) nor shall it include any sports award.

24.3 This paragraph applies to–

- (a) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trademark; or
- (b) any payment in respect of any–
 - (i) book registered under the Public Lending Right Scheme 1982; or
 - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trademark, or an original contributor to the book of work concerned.

24.4 Where the applicant's earnings consist of any items to which paragraph 24.3 applies, those earnings shall be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by

- (a) the amount of the reduction under this scheme which would be payable had the payment not been made, plus
- (b) an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 2 (sums to be disregarded in the calculation of earnings) as appropriate in the applicant's case.

25.0 Calculation of net profit of self-employed earners

25.1 For the purposes of section 17 (average weekly earnings of self- employed earners) the earnings of an applicant to be taken into account shall be

- (a) in the case of a self-employed earner who is engaged in employment on his own account,

- the net profit derived from that employment;
- (b) in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less—
- i. an amount in respect of income tax and of national insurance contributions payable under the Act calculated in accordance with section 26 (deduction of tax and contributions for self-employed earners); and
 - ii. the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.
- 25.2 There shall be disregarded from an applicant's net profit, any sum, where applicable, specified in Schedule 2.
- 25.3 For the purposes of paragraph 25.1 a) the net profit of the employment must, except where paragraph 25.9 applies, be calculated by taking into account the earnings for the employment over the assessment period less
- (a) subject to paragraphs 25.5 to 25.7, any expenses wholly and exclusively incurred in that period for the purposes of that employment;
 - (b) an amount in respect of;
 - (i) income tax, and
 - (ii) national insurance contributions payable under the Act, calculated in accordance with section 26 (deduction of tax and contributions for self-employed earners); and
 - (c) the amount calculated in accordance with paragraph (25.11) in respect of any qualifying premium.
- 25.4 For the purposes of paragraph 25.1b) the net profit of the employment shall be calculated by taking into account the earnings of the employment over the assessment period less, subject to paragraphs 25.5 to 25.8, any expenses wholly and exclusively incurred in that period for the purposes of the employment.
- 25.5 Subject to paragraph 25.6 no deduction shall be made under paragraph 25.3 a) or 25.4, in respect of—
- (a) any capital expenditure;
 - (b) the depreciation of any capital asset;
 - (c) any sum employed or intended to be employed in the setting up or expansion of the employment;
 - (d) any loss incurred before the beginning of the assessment period;
 - (e) the repayment of capital on any loan taken out for the purposes of the employment;
 - (f) any expenses incurred in providing business entertainment, and
 - (g) any debts, except bad debts proved to be such, but this sub-paragraph shall not apply to any expenses incurred in the recovery of a debt.
- 25.6 A deduction shall be made under paragraph 25.3 a) or 25.4 in respect of the repayment of capital on any loan used for—
- (a) the replacement in the course of business of equipment or machinery; and
 - (b) the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- 25.7 The authority shall refuse to make deductions in respect of any expenses under paragraph 25.3 a. or 25.4 where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- 25.8 For the avoidance of doubt—
- (a) deductions shall not be made under paragraph 25.4 in respect of any sum unless it has been expended for the purposes of the business;
 - (b) a deduction shall be made thereunder in respect of—
 - i. the excess of any value added tax paid over value added tax received in the

- assessment period;
- ii. any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
- iii. any payment of interest on a loan taken out for the purposes of the employment

- 25.9 Where an applicant is engaged in employment, as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less an amount in respect of
- (a) income tax; and
 - (b) national insurance contributions payable under the Act, calculated in accordance with section 26 (deduction of tax and contributions for self-employed earners); and
 - (c) the amount calculated in accordance with paragraph 25.1 in respect of any qualifying contribution.
- 25.10 For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.
- 25.11 The amount in respect of any qualifying premium shall be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying premium shall be determined
- (a) where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;
 - (b) in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.
- 25.12 In this section, 'qualifying premium' means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.

26.0 Deduction of tax and contributions of self-employed earners

- 26.1 The amount to be deducted in respect of income tax under section 25.1b) i), 25.3 b) i) or 25.9 a) i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988(personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax is to be applied and the amount of the personal reliefs deductible under this paragraph shall be calculated on a pro rata basis.
- 26.2 The amount to be deducted in respect of national insurance contributions shall be the total of–
- (a) the amount of Class 2 contributions payable under section 11(1) or, as the case may be, 11(3) of the Act at the rate applicable to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of the Act (small profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and
 - (b) the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits shall be reduced pro rata.

- 26.3 In this section 'chargeable income' means—
- (a) except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph 25.3(a) or, as the case may be, 25.4 of section 25;
 - (b) in the case of employment as a child minder, one-third of the earnings of that employment.

27.0 Minimum Income Floor

- 27.1 Where no start up period (as defined within 27.2) applies to the applicant or partner, the income used by the Council in the calculation of their award will be the gross amount declared by the applicant or a substituted amount whichever is the higher. This substituted amount shall not be less than 35 hours multiplied by the national living wage (or national minimum wage as appropriate) From that, the Council will deduct only an estimate for tax, national insurance and any amount of a pension contribution (where a pension contribution is being made).
- 27.2 The Council shall determine an appropriate start up period for the employment activity being conducted by the applicant or partner. This will normally be one year from the date of commencement of the employment activity. During this period, no Minimum Income Floor shall be applied. The start-up period ends where the person is no longer in gainful self-employment.
- 27.3 Where an applicant or partner holds a position in a company that is analogous to that of a sole owner or partner in the business of that company, he shall be treated as if he were such sole owner or partner and in such a case be subject to the substituted amount where appropriate.
- 27.4 No start-up period may be applied in relation to an applicant where a start-up period has previously been applied, whether in relation to a current or previous award of a Council Tax Reduction.
- 27.5 In order to establish whether to award a start up period, the applicant must satisfy the Council that the employment is
- Genuine and effective. The Council must be satisfied that the employment activity is being conducted; and
 - Being conducted with the intention of increasing the income received to the level that would be conducive with that form of employment.
- 27.6 For the purposes of determining whether an applicant is in gainful self-employment or meets the conditions for a start up-period, the Council will require the applicant to provide such evidence or information that it reasonably requires to make that decision, the Council may also require the self employed person to attend an interview for the purpose of establishing whether the employment is gainful or whether the conditions for a start up period are met.

28.0 Calculation of income other than earnings

- 28.1 For the purposes of calculating the average weekly income other than earnings, the income of an applicant which does not consist of earnings to be taken into account shall be his gross income and any capital treated as income.
- 28.2 There is to be disregarded from the calculation of an applicant's gross income under paragraph 28.1, any sum, where applicable, specified in Schedule 3.
- 28.3 Where the payment of any benefit under the benefit Acts is subject to any deduction by way

- of recovery the amount to be taken into account under paragraph 28.1 shall be the gross amount payable.
- 28.4 Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations 2008 or 2013 as appropriate, the amount of that benefit to be taken into account is the amount as if it had not been reduced.
- 28.5 Where an award of any working tax credit or child tax credit under the Tax Credits Act 2002 is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under paragraph 19.1 shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.
- 28.6 In paragraph 28.5 'tax year' means a period beginning with 6th April in one year and ending with 5th April in the next.
- 28.7 Paragraph 28.8 and 28.9 apply where a relevant payment has been made to a person in an academic year; and that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.
- 28.8 Where a relevant payment is made quarterly, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 28.1 in respect of a person to whom paragraph 28.7 applies, shall be calculated by applying the formula—

$$\frac{A - (B \times C)}{D}$$

 Where
 A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course.
 B = the number of reduction weeks from the reduction week immediately following that which includes the first day of that academic year to the reduction week which includes the day on which the person abandoned, or was dismissed from, his course;
 C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to Council Tax Reduction immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;
 D = the number of reduction weeks in the assessment period.
- 28.9 Where a relevant payment is made by two or more instalments in a quarter, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph 28.1 in respect of a person to whom paragraph (30.8) applies, shall be calculated by applying the formula in paragraph 28.8 but as if—
 A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it.
- 28.10 In this section— 'academic year' and 'student loan' shall have the same meanings as for the purposes of sections 41 to 43, 'assessment period' means—
 (a) in a case where a relevant payment is made quarterly, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;
 (b) in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes—

- i. the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or
- ii. the last day of the last quarter for which an instalment of the relevant payment was payable to that person.

whichever of these dates is earlier

‘quarter’ in relation to an assessment period means a period in that year beginning on;

- (a) 1st January and ending on 31st March;
- (b) 1st April and ending on 30th June;
- (c) 1st July and ending on 31st August; or
- (d) 1st September and ending on 31st December;

‘relevant payment’ means either a student loan or an amount intended for the maintenance of dependants referred to in paragraph 44.7 or both.

28.11 For the avoidance of doubt there shall be included as income to be taken into account under paragraph 28.1

- a. any payment to which payments not earnings applies; or
- b. in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act 1999 including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act 1999.

29.0 Capital treated as income

29.1 Any capital payable by instalments which are outstanding at the date on which the claim is made or treated as made, or, at the date of any subsequent revision or supersession, shall, if the aggregate of the instalments outstanding and the amount of the applicant’s capital otherwise calculated in accordance with sections 31 to 40 of this scheme exceeds £16,000, be treated as income.

29.2 Any payment received under an annuity shall be treated as income.

29.3 Any earnings to the extent that they are not a payment of income shall be treated as income.

29.4 Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 Act shall be treated as income

29.5 Where an agreement or court order provides that payments shall be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital), shall be treated as income.

30.0 Notional income

30.1 An applicant shall be treated as possessing income of which he has deprived himself for the purpose of securing entitlement of support or increasing the amount of that support.

30.2 Except in the case of—

- (a) a discretionary trust;
- (b) a trust derived from a payment made in consequence of a personal injury;
- (c) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
- (d) any sum to which paragraph 47(2)(a) of Schedule 4 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a);
- (e) any sum to which paragraph 48(a) of Schedule 4 refers;

- (f) rehabilitation allowance made under section 2 of the 1973 Act;
- (g) child tax credit; or
- (h) working tax credit,
- (i) any income which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.

30.3 Any payment of income, made—

- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under or by a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

30.4 Paragraph 30.3 shall not apply in respect of a payment of income made—

- (a) under the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);
- (b) pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
- (c) pursuant to section 2 of the 1973 Act in respect of a person's participation—
 - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
 - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
 - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
 - (iv) in a qualifying course within the meaning specified in regulation 17A (7) of those Regulations or;
 - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- (d) in respect of a person's participation in the Work for Your Benefit Pilot Scheme
- (e) in respect of a previous participation in the Mandatory Work Activity Scheme;
- (f) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
- (g) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
 - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

30.5 Where an applicant is in receipt of any benefit (other than Council Tax Reduction) under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April

in any year but not more than 14 days thereafter, the authority shall treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority shall select to apply in its area, to the date on which the altered rate is to take effect.

30.6 Subject to paragraph 30.7, where—

- (a) applicant performs a service for another person; and
- (b) that person makes no payment of earnings or pays less than that paid for a comparable employment in the area, the authority shall treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

30.7 Paragraph 30.6 shall not apply—

- (a) to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or
- (b) in a case where the service is performed in connection with—
 - (i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or
 - (ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme ; or
- (c) to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.

30.8 In paragraph 30.7 (c) 'work placement' means practical work experience which is not undertaken in expectation of payment.

30.9 Where an applicant is treated as possessing any income, the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of that income as if a payment has actually been made and as if it were actual income which he does possess.

30.10 Where an applicant is treated as possessing any earnings, the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess and his net earnings shall be calculated by taking into account those earnings which he is treated as possessing, less;

- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the starting rate or, as the case may be, the starting rate and the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the starting rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rate basis;
- (b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Act in respect of those earnings if such contributions were payable; and
- (c) any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.

30.11 the foregoing paragraphs shall not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant's participation in a

service user group or an applicant participating as a service user

Sections 31 – 40 & Schedule 4
Definition and the treatment of capital for Council Tax Reduction purposes

31.0 Capital limit

- 31.1 For the purposes of this scheme, the prescribed amount is £16,000 and no reduction shall be granted when the applicant has an amount greater than this level.

32.0 Calculation of capital

- 32.1 For the purposes of this scheme, the capital of an applicant to be taken into account shall, subject to paragraph (32.2), be the whole of his capital calculated in accordance with this scheme and any income treated as capital under section 34 (income treated as capital).
- 32.2 There shall be disregarded from the calculation of an applicant's capital under paragraph (32.1), any capital, where applicable, specified in Schedule 4.

33.0 Disregard of capital of child and young person

- 33.1 The capital of a child or young person who is a member of the applicant's family shall not be treated as capital of the applicant.

34.0 Income treated as capital

- 34.1 Any bounty derived from employment and paid at intervals of at least one year shall be treated as capital.
- 34.2 Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E shall be treated as capital.
- 34.3 Any holiday pay which is not earnings shall be treated as capital.
- 34.4 Except any income derived from capital disregarded under paragraphs 1, 2, 4, 8, 14 or 25 to 28, 47 or 48 of Schedule 4, any income derived from capital shall be treated as capital but only from the date it is normally due to be credited to the applicant's account.
- 34.5 In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer shall be treated as capital.
- 34.6 Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, shall be treated as capital.
- 34.7 There shall be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.
- 34.8 Any arrears of subsistence allowance which are paid to an applicant as a lump sum shall be treated as capital.
- 34.9 Any arrears of working tax credit or child tax credit shall be treated as capital.

35.0 Calculation of capital in the United Kingdom

- 35.1 Capital which an applicant possesses in the United Kingdom shall be calculated at its current market or surrender value less—
- (a) where there would be expenses attributable to the sale, 10 per cent.; and
 - (b) the amount of any encumbrance secured on it;

36.0 Calculation of capital outside the United Kingdom

36.1 Capital which an applicant possesses in a country outside the United Kingdom shall be calculated

- (a) in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value.
 - (b) in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,
- less, where there would be expenses attributable to sale, 10 per cent. and the amount of any encumbrances secured on it.

37.0 Notional capital

37.1 An applicant shall be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to Council Tax Reduction or increasing the amount of that support except to the extent that that capital is reduced in accordance with section 38 (diminishing notional capital rule).

37.2 Except in the case of

- (a) a discretionary trust; or
 - (b) a trust derived from a payment made in consequence of a personal injury; or
 - (c) any loan which would be obtained only if secured against capital disregarded under Schedule 4; or
 - (d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or
 - (e) any sum to which paragraph 47(2)(a) of Schedule 4 (capital to be disregarded) applies which is administered in the way referred to in paragraph 47(1)(a); or
 - (f) any sum to which paragraph 48(a) of Schedule 4 refers; or
 - (g) child tax credit; or
 - (h) working tax credit,
- any capital which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

37.3 Any payment of capital, other than a payment of capital specified in paragraph (37.4), made

- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

37.4 Paragraph 37.3 shall not apply in respect of a payment of capital made

- (a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
- (b) pursuant to section 2 of the 1973 Act in respect of a person's participation

- (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
- (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
- (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
- (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or
- (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- (bb) in respect of a person's participation in the Mandatory Work Activity Scheme; Enterprise Scheme;
- (bc) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
- (c) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
 - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - (iii) the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

37.5 Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case

- (a) the value of his holding in that company shall, notwithstanding section 32 (calculation of capital) be disregarded; and
- (b) he shall, subject to paragraph 37.6, be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Section shall apply for the purposes of calculating that amount as if it were actual capital which he does possess.

37.6 For so long as the applicant undertakes activities in the course of the business of the company, the amount which, he is treated as possessing under paragraph 37.5 shall be disregarded.

37.7 Where an applicant is treated as possessing capital under any of paragraphs 37.1 to 37.2 the foregoing provisions of this Section shall apply for the purposes of calculating its amount as if it were actual capital, which he does possess.

38.0 Diminishing notional capital rule

38.1 Where an applicant is treated as possessing capital under section 37.1 (notional capital), the amount which he is treated as possessing;

- (a) in the case of a week that is subsequent to
 - (i) the relevant week in respect of which the conditions set out in paragraph 38.2 are satisfied; or
 - (ii) a week which follows that relevant week and which satisfies those conditions, shall be reduced by an amount determined under paragraph 38.3;
- (b) in the case of a week in respect of which paragraph 38.1(a) does not apply but where
 - (i) that week is a week subsequent to the relevant week; and
 - (ii) that relevant week is a week in which the condition in paragraph 38.4 is satisfied, shall be reduced by the amount determined under paragraph 38.4.

38.2 This paragraph applies to a reduction week or part-week where the applicant satisfies the conditions that

- (a) he is in receipt of Council Tax Reduction; and
- (b) but for paragraph 37.1, he would have received an additional amount of Council Tax Reduction in that week.

38.3 In a case to which paragraph 38.2 applies, the amount of the reduction for the purposes of paragraph 38.1(a) shall be equal to the aggregate of

- (a) the additional amount to which sub-paragraph 38.2 (b) refers;
- (b) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 38.2 refers but for the application of regulation 49(1) of the Housing Benefit Regulations 2006 (notional capital);
- (c) where the applicant has also claimed income support, the amount of income support to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 38.2 refers but for the application of regulation 51(1) of the Income Support Regulations (notional capital);
- (d) where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the whole or part of the reduction week to which paragraph 40.2 refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations 1996 (notional capital) and
- (e) where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the whole or part of reduction week to which paragraph 38.2 refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).

38.4 Subject to paragraph 38.5, for the purposes of paragraph 38.1(b) the condition is that the applicant would have been entitled to Council Tax Reduction in the relevant week but for paragraph 37.1, and in such a case the amount of the reduction shall be equal to the aggregate of

- (a) the amount of Council Tax Reduction to which the applicant would have been entitled in the relevant week but for paragraph 37.1; and for the purposes of this sub-paragraph is the amount is in respect of a part-week, that amount shall be determined by dividing the amount of Council Tax Reduction to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7;
- (b) if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the reduction week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled,
 and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of housing benefit to which he would have been so entitled by the number equal to that number of days in the part-week and multiplying the quotient so obtained by 7;
- (c) if the applicant would, but for regulation 51(1) of the Income Support Regulations, have been entitled to income support in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income support to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7
- (d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the reduction week, within the meaning of this scheme, which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph,

if the amount is in respect of a part-week, that amount shall be determined by dividing the amount of the income-based jobseeker's allowance to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient so obtained by 7; and

- (e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the reduction week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled and, for the purposes of this sub-paragraph, if the amount is in respect of a part-week, that amount must be determined by dividing the amount of the income-related employment and support allowance to which he would have been so entitled by the number equal to the number of days in that part-week and multiplying the quotient so obtained by 7.

38.5 The amount determined under paragraph 38.4 shall be re-determined under that paragraph if the applicant makes a further claim for Council Tax Reduction and the conditions in paragraph 38.6 are satisfied, and in such a case—

- a. sub-paragraphs (a) to (d) of paragraph 38.4 shall apply as if for the words 'relevant week' there were substituted the words 'relevant subsequent week'; and
- b. subject to paragraph 38.7, the amount as re-determined shall have effect from the first week following the relevant subsequent week in question.

38.6 The conditions are that

- (a) a further claim is made 26 or more weeks after
 - (i) the date on which the applicant made a claim for Council Tax Reduction in respect of which he was first treated as possessing the capital in question under paragraph 39.1;
 - (ii) in a case where there has been at least one re-determination in accordance with paragraph 38.5, the date on which he last made a claim for Council Tax Reduction which resulted in the weekly amount being re-determined, or
 - (iii) the date on which he last ceased to be entitled to Council Tax Reduction, whichever last occurred; and
- (b) the applicant would have been entitled to Council Tax Reduction but for paragraph 37.1.

38.7 The amount as re-determined pursuant to paragraph 38.5 shall not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount shall continue to have effect.

38.8 For the purposes of this section

- (a) 'part-week'
 - (i) in paragraph 38.4(a) means a period of less than a week for which Council Tax Reduction is allowed;
 - (ii) in paragraph 38.4(b) means a period of less than a week for which housing benefit is payable;
 - (iii) in paragraph 38.4 (c) (d) and (e) means—
 - aa. a period of less than a week which is the whole period for which income support an income-related employment and support allowance or, as the case may be, an income-based jobseeker's allowance is payable; and
 - bb. any other period of less than a week for which it is payable;
- (b) 'relevant week' means the reduction week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of section 37.1
 - (i) was first taken into account for the purpose of determining his entitlement to Council Tax Reduction; or
 - (ii) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to Council Tax Reduction on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, Council Tax Reduction;
 and where more than one reduction week is identified by reference to heads (i) and (ii)

of this sub-paragraph the later or latest such reduction week or, as the case may be, the later or latest such part-week;

- (c) 'relevant subsequent week' means the reduction week or part-week which includes the day on which the further claim or, if more than one further claim has been made, the last such claim was made.

39.0 Capital jointly held

- 39.1 Except where an applicant possesses capital which is disregarded under paragraph 37(5) (notional capital) where an applicant and one or more persons are beneficially entitled in possession to any capital asset they shall be treated, in the absence of evidence to the contrary, as if each of them were entitled in possession to the whole beneficial interest therein in an equal share.

40.0 Tariff Income from Capital

- 40.1 Where the applicant's capital calculated in accordance with this scheme exceeds £6,000 it shall be treated as equivalent to a weekly income of £1 for each complete £250 of in excess of £6,000 but not exceeding £16,000
- 40.2 Notwithstanding paragraph 40.1 where any part of the excess is not a complete £250 that part shall be treated as equivalent to a weekly tariff income of £1.
- 40.3 For the purposes of paragraph 40.1, capital includes any income treated as capital.

Sections 41 - 56
Definition and the treatment of students for Council Tax Reduction purposes

41.0 Student related definitions

41.1 In this scheme the following definitions apply;

‘academic year’ means the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course shall be considered to begin in the autumn rather than the summer;

‘access funds’ means;

- (a) grants made under section 68 of the Further and Higher Education Act 1992 for the purpose of providing funds on a discretionary basis to be paid to students;
- (b) grants made under section 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;
- (c) grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993 or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997 in each case being grants, or grants, loans or other payments as the case may be, for the purpose of assisting students in financial difficulties;
- (d) discretionary payments, known as “learner support funds”, which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or
- e Financial Contingency Funds made available by the Welsh Ministers;

‘college of further education’ means a college of further education within the meaning of Part 1 of the Further and Higher Education (Scotland) Act 1992;

‘contribution’ means;

- (a) any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student’s grant or student loan; or
- (b) any sums, which in determining the amount of a student’s allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority consider that it is reasonable for the following person to contribute towards the holder’s expenses;
 - (i) the holder of the allowance or bursary;
 - (ii) the holder’s parents;
 - (iii) the holder’s parent’s spouse, civil partner or a person ordinarily living with the holder’s parent as if he or she were the spouse or civil partner of that parent; or
 - (iv) the holder’s spouse or civil partner;

‘course of study’ means any course of study, whether or not it is a sandwich course and whether or not a grant is made for attending or undertaking it;

‘covenant income’ means the gross income payable to a full-time student under a Deed of Covenant by his parent;

‘education authority’ means a government department, a local authority as defined in section 579 of the Education Act 1996 (interpretation), a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973, an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body, of the Channel Islands, Isle of Man or any other country outside Great Britain;

‘full-time course of study’ means a full time course of study which;

- (a) is not funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers;;

- (b) is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out—
 - (i) in the case of a course funded by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding, in the student's learning agreement signed on behalf of the establishment which is funded by either of those persons for the delivery of that course; or
 - (ii) in the case of a course funded by the Welsh Ministers, in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or
- (c) is not higher education and is funded in whole or in part by the Scottish Ministers at a college of further education and involves—
 - (i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or
 - (ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

'full-time student' means a person attending or undertaking a full-time course of study and includes a student on a sandwich course;

'grant' (except in the definition of 'access funds') means any kind of educational grant or award and includes any scholarship, studentship, exhibition allowance or bursary but does not include a payment from access funds or any payment to which Schedule 3 or Schedule 4 applies;

'grant income' means

- (a) any income by way of a grant;
- (b) any contribution whether or not it is paid;

'higher education' means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992;

'last day of the course' means;

- (a) in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;
- (b) in any other case, the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;

'period of study' means—

- (a) in the case of a course of study for one year or less, the period beginning with the start of the course and ending with the last day of the course;
- (b) in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, other than the final year of the course, the period beginning with the start of the course or, as the case may be, the year's start and ending with either—
 - (i) the day before the start of the next year of the course in a case where the student's grant or loan is assessed at a rate appropriate to his studying throughout the year, or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or
 - (ii) in any other case, the day before the start of the normal summer vacation appropriate to his course;
- (c) in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;

'periods of experience' means periods of work experience which form part of a sandwich course;

'qualifying course' means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations;

‘modular course’ means a course of study which consists of two or more modules, the successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.

‘sandwich course’ has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans), (Scotland), Regulations 2007 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

‘standard maintenance grant’ means—

- (a) except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (‘the 2003 Regulations’) for such a student;
- (b) except where paragraph (c) applies, in the case of a student residing at his parent’s home, the amount specified in paragraph 3 thereof;
- (c) in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as ‘standard maintenance allowance’ for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;
- (d) in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

‘student’ means a person, other than a person in receipt of a training allowance, who is attending or undertaking—

- (a) a course of study at an educational establishment; or
- (b) a qualifying course;

‘student’ loan’ means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and shall include, in Scotland, a young student’s bursary paid under regulation 4(1)(c) of the Student’s Allowances (Scotland) Regulations 2007

- 41.2 For the purposes of the definition of ‘full-time student’, a person shall be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course
- (a) in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending;
 - (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
 - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
 - (b) in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.
- 41.3 For the purposes of sub-paragraph (a) of paragraph 41.2, the period referred to in that sub-paragraph shall include;
- (a) where a person has failed examinations or has failed to successfully complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
 - (b) any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.

42.0 Treatment of students

42.1 The following sections relate to students who claim Council Tax Reduction

43.0 Students who are excluded from entitlement to Council Tax Reduction

43.1 Students (except those specified in paragraph 43.3) are not able to claim Council Tax Reduction under Classes D of the Council's reduction scheme.

43.2 To be eligible for support, the student must be liable for Council Tax under Section 6 of the Local Government Finance Act 1992 and they must not be deemed to be a full time student or a persons from abroad within the meaning of section 7 of this scheme (persons from aboard).

43.3 Paragraph 43.2 shall not apply to a student

(a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;

(b) who is a lone parent;

(c) **but for the implementation of this scheme**, whose applicable amount would, but for this section, include the disability premium or severe disability premium;

(d) **but for the implementation of this scheme**, whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the Act;

(e) who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;

(f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period.

(g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;

(h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989, or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;

(i) who is;

i) aged under 21 and whose course of study is not a course of higher education

ii) aged 21 and attained that age during a course of study which is not a course of higher education – this condition needs adding

iii) a qualifying young person or child within the meaning of section 142 of the Act (child and qualifying young person)

(j) in respect of whom

i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;

(ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) or regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;

(iii) a payment has been made under section 2 of the Education Act 1962 or under or by virtue of regulations made under the Teaching and Higher Education Act 1998;

(iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or

(v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

Paragraph 43.3(i)(ii) only applies to a claimant until the end of the course during which the claimant attained the age of 21

43.4 For the purposes of paragraph 43.3, once paragraph 43.3(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.

43.5 In paragraph 43.3(h) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988.

43.6 A full-time student to whom sub-paragraph (i) of paragraph 43.3 applies, shall be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

43.7 Paragraph 43.2 shall not apply to a full-time student for the period specified in paragraph 43.8 if;

- (a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is;
 - (i) engaged in caring for another person; or
 - (ii) ill;
- (b) he has subsequently ceased to be engaged in engaging in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
- (c) he is not eligible for a grant or a student loan in respect of the period specified in paragraph 43.8.

43.8 The period specified for the purposes of paragraph 43.7 is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before;

- (a) the day on which he resumes attending or undertaking the course; or
 - (b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,
- which shall first occur.

44.0 Calculation of grant income

44.1 The amount of a student's grant income to be taken into account shall, subject to paragraphs 44.2 and 44.3, be the whole of his grant income.

44.2 There shall be excluded from a student's grant income any payment;

- (a) intended to meet tuition fees or examination fees;
- (b) in respect of the student's disability;
- (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
- (d) on account of the student maintaining a home at a place other than that at which he resides during his course;
- (e) on account of any other person but only if that person is residing outside of the United

Kingdom and , **but for the implementation of this scheme**, there is no applicable amount in respect of him;

- (f) intended to meet the cost of books and equipment;
- (g) intended to meet travel expenses incurred as a result of his attendance on the course;
- (h) intended for the childcare costs of a child dependant.
- (i) of higher education bursary for care leavers made under Part III of the Children Act 1989.

44.3 Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student's grant income;

- (a) the sum of £303 per academic year in respect of travel costs; and
- (b) the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.

The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

44.4 There shall also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.

44.5 Subject to paragraphs 44.6 and 44.7, a student's grant income shall be apportioned;

- (a) subject to paragraph 44.8, in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;
- (b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.

44.6 Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2004 shall be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.

44.7 In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither paragraph 44.6 nor section 48 (other amounts to be disregarded) apply, shall be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.

44.8 In the case if a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.

45.0 Calculation of covenant income where a contribution is assessed

- 45.1 Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that period and any summer vacation immediately following shall be the whole amount of the covenant income less, subject to paragraph 45.3, the amount of the contribution.
- 45.2 The weekly amount of the student's covenant shall be determined—
- (a) by dividing the amount of income which falls to be taken into account under paragraph 45.1 by 52 or 53, whichever is reasonable in the circumstances; and
 - (b) by disregarding from the resulting amount, £5.
- 45.3 For the purposes of paragraph 45.1, the contribution shall be treated as increased by the amount (if any) by which the amount excluded under paragraph 44.2(g) (calculation of grant income) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

46.0 Covenant income where no grant income or no contribution is assessed

- 46.1 Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows;
- (a) any sums intended for any expenditure specified in paragraph 44.2 (a) to (e) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded;
 - (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study;
 - (c) there shall be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 44.2(f) and 44.3 (calculation of grant income) had the student been in receipt of the standard maintenance grant; and
 - (d) the balance, if any, shall be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 shall be disregarded.
- 46.2 Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income shall be calculated in accordance with sub-paragraphs (a) to (d) of paragraph 46.1, except that;
- (a) the value of the standard maintenance grant shall be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 44.2 (a) to (e); and
 - (b) the amount to be disregarded under paragraph 46.1(c) shall be abated by an amount equal to the amount of any sums disregarded under paragraph 44.2(f) and (g) and 44.3.

47.0 Student Covenant Income and Grant income – non disregard

- 47.1 No part of a student's covenant income or grant income shall be disregarded Schedule 3 to this scheme

48.0 Other amounts to be disregarded

- 48.1 For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with section 49, any amounts intended for any expenditure specified in paragraph 44.2 (calculation of grant income), necessary as a result of his attendance on the course shall be disregarded but only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraphs 44.2 or 44.3, 45.3, 46.1(a) or (c) or calculation of grant income, covenant income and treatment of student loans on like expenditure.

49.0 Treatment of student loans

49.1 A student loan shall be treated as income.

50.0 Calculating loan Income weekly

50.1 In calculating the weekly amount of the loan to be taken into account as income

- (a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with;
 - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
 - (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the reduction week, the last day of which coincides with, or immediately precedes with last day of the course,
- (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, 'quarter' shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2005;
- (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year shall be apportioned equally between the weeks in the period beginning with;
 - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year;
 - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincide with, or immediately follows, the earlier of 1st September or the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
- (d) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of;
 - (i) the first day of the first reduction week in September; or
 - (ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of June,

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

50.2 A student shall be treated as possessing a student loan in respect of an academic year where;

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

50.3 Where a student is treated as possessing a student loan, the amount of the student loan to be taken into account as income shall be, subject to paragraph 50.4

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to
 - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
 - (ii) any contribution whether or not it has been paid to him;
- (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if;
 - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.

- 50.4 There shall be deducted from the amount of income taken into account
- (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.
- The above figures will be increased annually in line with the Housing Benefit Regulations 2006 (as amended).

51.0 Treatment of fee loans

- 51.1 loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.

52.0 Treatment of payments from access funds

- 52.1 This paragraph applies to payments from access funds that are not payments to which paragraph 55.2 or 55.3 (income treated as capital) applies.
- 52.2 A payment from access funds, other than a payment to which paragraph 52.3 applies, shall be disregarded as income.
- 52.3 Subject to paragraph 52.4 of this section and paragraph 35 of Schedule 4,
- a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family and
 - b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable, shall be disregarded as income to the extent of £20 per week.
- 52.4 Where a payment from access funds is made—
- (a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or
 - (b) before the first day of the course to a person in anticipation of that person becoming a student,
- that payment shall be disregarded as income.

53.0 Disregard of contribution

- 53.1 Where the applicant or his partner is a student and for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.

54.0 Further disregard of student's income

- 54.1 Where any part of a student's income has already been taken into account for the purpose of assessing his entitlement to a grant or student loan, the amount taken into account shall be disregarded in assessing that student's income.

55.0 Income treated as capital

- 55.1 Any amount by way of a refund of tax deducted from a student's covenant income shall be treated as capital.
- 55.2 Any amount paid from access funds as a single lump sum shall be treated as capital.
- 55.3 An amount paid from access fund as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

56.0 Disregard of changes occurring during summer vacation

- 56.1 In calculating a student's income the authority shall disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

Sections 57 – 59
The calculation and amount of Council Tax Reduction

57.0 Maximum Council Tax Reduction

57.1 Subject to paragraphs 57.2 to 57.4, the amount of a person's maximum Council Tax Reduction in respect of a day for which he is liable to pay council tax, shall be 100 per cent, of the amount A divided by B where;

- (a) A is the amount set by the appropriate authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act;
- (b) B is the number of days in that financial year,

In this paragraph "relevant financial year" means, in relation to any particular day, financial year within which the day in question falls.

57.2 In calculating a person's maximum Council Tax Reduction any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.

57.3 Subject to paragraph 57.4, where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the applicant who is a student to whom paragraph 43.2 (students who are excluded from entitlement to Council Tax Reduction) applies, in determining the maximum Council Tax Reduction in his case in accordance with paragraph 57.1, the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.

57.4 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph 57.3 shall not apply in his case.

58.0 Non-dependant deductions

58.1 A standard deduction of £10 x 1/7 shall be applied for non dependant for each day that the non dependant resides in the premises.

58.2 Where the non dependant is a member of a couple, only one deduction shall be made.

58.3 Where in respect of a day—

- a. a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;
- b. other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 or 77 or 77A of the 1992 Act (liability of spouses and civil partners); and
- c. the person to whom sub-paragraph (a) refers is a non-dependant of two or more of the liable persons, the deduction in respect of that non-dependant shall be apportioned equally between those liable persons.

58.4 No deduction shall be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is—

- a. blind or treated as blind by virtue of paragraph 9 of Schedule 1 (additional condition for the disability premium); or
- b. receiving in respect of himself:
 - attendance allowance, or would be receiving that allowance but for:
 - i. a suspension of benefit in accordance with regulations under section 113(2) of The Act; or
 - ii. an abatement as a result of hospitalisation; or
 - the care component of the disability living allowance, or would be receiving that component but for:
 - i. a suspension of benefit in accordance with regulations under section 113(2) of The Act; or

- ii. an abatement as a result of hospitalisation; or
- c. the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
- d. an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution;

58.5 No deduction shall be made in respect of a non-dependant if:

- a. although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or
- b. he is in receipt of a training allowance paid in connection with a youth training established under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or
- c. he is a full time student within the meaning of section 41.0 (Students); or
- d. he is not residing with the applicant because he has been a patient for a period of excess of 52 weeks, and for these purposes;
- e. 'patient' has the meaning given within this scheme, and
- f. where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he shall be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods;
- g. he is not residing with the claimant because he is a member of the armed forces away on operations

58.6 No deduction shall be made in respect of a non-dependant;

- (a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;
- (b) to whom Schedule 1 of the 1992 Act applies (persons disregarded for purposes of discount) but this sub-paragraph shall not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers;
- (c) who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income.";
- a. For the purposes of sub-paragraph (c), "earned income" has the meaning given in regulation 52 of the Universal Credit Regulations 2013.

59.0 Extended reductions: movers into the authority's area

59.1 Where;

- (a) an application is made to the authority for a reduction under its scheme, and
- (b) the applicant or the partner of the applicant, is in receipt of an extended reduction from;
 - (i) another billing authority in England; or
 - (ii) a billing authority in Wales,
 the current authority must reduce any reduction to which the applicant is entitled under its Council Tax Reduction scheme by the amount of that extended reduction.

60.0 Extended reductions

60.1 An applicant who is entitled to council tax reduction (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction where;

- (a) the applicant or the applicant's partner was entitled to a qualifying income- related benefit;
- (b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner—
 - (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or

- (iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more; and
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.

60.2 For the purpose of paragraph 60.1(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.

60.3 For the purpose of this section, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they shall be treated as being entitled to and in receipt of jobseeker's allowance.

60.4 An applicant must be treated as entitled to council tax reduction by virtue of the general conditions of entitlement where—

- (a) the applicant ceased to be entitled to council tax reduction because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in paragraph 60.1(b).

60.5 This section shall not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support Regulations (remunerative work: housing costs) applied to that applicant.

60A.0 Duration of extended reduction period

60A.1 Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.

60A.2 For the purpose of paragraph (60A.1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.

60A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax, if that occurs first.

60B.0 Amount of extended reduction

60B.1 For any week during the extended reduction period the amount of the extended reduction payable to an applicant shall be the higher of—

- (a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying income-related benefit;

- (b) the amount of council tax reduction to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 60 (extended reductions) did not apply to the applicant; or
- (c) the amount of council tax reduction to which the applicant's partner would be entitled under the general conditions of entitlement, if section 60 did not apply to the applicant.

60B.2 Paragraph 60B1 does not apply in the case of a mover.

60B.3 Where an applicant is in receipt of an extended reduction under this section and the applicant's partner makes a claim for council tax reduction, no amount of council tax reduction shall be payable by the appropriate authority during the extended reduction period.

60C Extended reductions – movers

60C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

60C.2 The amount of the extended reduction payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax reduction which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit.

60C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction may take the form of a payment from the appropriate authority to;

- (a) the second authority; or
- (b) the mover directly.

60C.4 Where—

- (a) a mover, or the mover's partner, makes a claim for council tax reduction to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit; and
- (b) the mover, or the mover's partner, is in receipt of an extended reduction from the appropriate authority, the second authority shall reduce the weekly amount of council tax reduction that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction until the end of the extended reduction period.

60D.0 Relationship between extended reduction and entitlement to council tax reduction under the general conditions of entitlement

60D.1 Where an applicant's council tax reduction award would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 60.1(b), that award will not cease until the end of the extended reduction period.

60D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction payable in accordance with paragraph 60B.1(a) or 60C.2 (amount of extended reduction – movers).

61.0 Extended reductions (qualifying contributory benefits)

61.1 An applicant who is entitled to council tax reduction (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction (qualifying contributory benefits) where;

- (a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;
- (b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner;
 - (i) commenced employment as an employed or self-employed earner;

- (ii) increased their earnings from such employment; or
- (iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are expected to last five weeks or more;
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
- (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

61.2 An applicant must be treated as entitled to council tax reduction by virtue of the general conditions of entitlement where;

- (a) the applicant ceased to be entitled to council tax reduction because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in paragraph 61.1(b).

61A.0 Duration of extended reduction period (qualifying contributory benefits)

61A.1 Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.

61A.2 For the purpose of paragraph 61A.1, an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

61A.3 The extended reduction period ends;

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction (qualifying contributory benefits) is payable has no liability for council tax, if that occurs first.

61B.0 Amount of extended reduction (qualifying contributory benefits)

61B.1 For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to an applicant shall be the higher of;

- (a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of council tax reduction to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if section 61 (extended reductions (qualifying contributory benefits)) did not apply to the applicant; or
- (c) the amount of council tax reduction to which the applicant's partner would be entitled under the general conditions of entitlement, if section 61 did not apply to the applicant.

61B.2 Paragraph 61B.1 does not apply in the case of a mover.

61B.3 Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this section and the applicant's partner makes a claim for council tax reduction, no amount of council tax reduction shall be payable by the appropriate authority during the extended reduction period.

61C.0 Extended reductions (qualifying contributory benefits) – movers

61C.1 This section applies;

- (a) to a mover; and
- (b) from the Monday following the day of the move.

61C.2 The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this section applies until the end of the extended reduction period shall be the amount of council tax reduction which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

61C.3 Where a mover's liability to pay council tax in respect of the new dwelling is to the second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from the appropriate authority to–

- (a) the second authority; or
- (b) the mover directly.

61C.4 Where

- (a) a mover, or the mover's partner, makes a claim for council tax reduction to the second authority after the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit; and
- (b) the mover, or the mover's partner, is in receipt of an extended reduction (qualifying contributory benefits) from the appropriate authority, the second authority shall reduce the weekly amount of council tax reduction that the mover, or the mover's partner, is entitled to by a sum equal to the amount of the extended reduction (qualifying contributory benefits) until the end of the extended reduction period.

61D.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax reduction under the general conditions of entitlement

61D.1 Where an applicant's council tax reduction award would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 61.1 (b), that award will not cease until the end of the extended reduction period.

61D.2 Changes of circumstances and increases for exceptional circumstances shall not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 61B.1(a) or 61C.2 (amount of extended reduction– movers).

Sections 62 – 63
Dates on which entitlement and changes of circumstances are to take effect

62.0 Date on which entitlement is to begin

- 62.1 Subject to paragraph 62.2, any person to whom or in respect of whom a claim for Council Tax Reduction is made and who is otherwise entitled to that support shall be so entitled from the day the application is made or deemed to have been made.
- 62.2 Where a person is otherwise entitled to Council Tax Reduction and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his claim is made or is treated as made, he shall be so entitled from that day.

63.0 Date on which change of circumstances is to take effect

- 63.1 A change of circumstances which affects entitlement to, or the amount of, a reduction under the authority's scheme ("change of circumstances"), takes effect from the day on which the change actually occurs, and where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs shall be the day immediately following the last day of entitlement to that benefit.
- 63.2 Subject to paragraph (3), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.
- 63.3 Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under sections 11 or 12 of that Act, it shall take effect from the day on which the change in amount has effect.
- 63.4 Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.
- 63.5 Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.
- 63.6 If two or more changes of circumstances occurring in the same reduction week would, but for this paragraph, take effect in different reduction weeks in accordance with paragraphs (1) to (5) they take effect from the day to which the appropriate paragraph from (2) to (5) above refers, or, where more than one day is concerned, from the earlier day.
- 63.7 Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the Act, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances shall take effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.
- 63.8 Without prejudice to paragraph (7), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

Sections 64– 72
Claiming and the treatment of claims for Council Tax Reduction purposes

64.0 Making an application⁴

- 64.1 In the case of a couple or members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines.
- 64.2 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and;
- (a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
 - (b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or
 - (c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,
- that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.
- 64.3 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under the authority's scheme and to receive and deal on his behalf with any sums payable to him.
- 64.4 Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).
- 64.5 Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4);
- (a) it may at any time revoke the appointment;
 - (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
 - (c) any such appointment terminates when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).
- 64.6 Anything required by the authority's scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.
- 64.7 The authority must;
- (a) inform any person making an application of the duty imposed by paragraph 9(1)(a) of the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012;
 - (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
 - (c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

⁴ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

65.0 Procedure by which a person may apply for a reduction under the authority's scheme⁵

65.1. Paragraphs 2 to 7 apply to an application made under the authority's scheme.

65.2. An application may be made;

- (a) in writing,
- (b) by means of an electronic communication in accordance with sections 88 -96 of this scheme, or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone or
- (d) By means of an electronic notification to the Local Authority from the Department for Work and Pensions, generated when a claim to Universal Credit is made.

65.3 (1) An application which is made in writing must be made to the designated office on a properly completed form.
 (2) The form must be provided free of charge by the authority for the purpose.

65.4 (1) Where an application made in writing is defective because—
 (a) it was made on the form supplied for the purpose but that form is not accepted by the authority as being properly completed; or
 (b) it was made in writing but not on the form approved for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence,
 the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

(2) An application made on a form provided by the authority is properly completed if it is completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

65.5. (1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

65.6. In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

65.7 (1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.
 (2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

65.8 Notwithstanding other paragraphs within this section, the authority will determine the method by which claims are to be made as well as where claims should be sent or delivered.

⁵ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

66.0 Backdating

66.1 Where an applicant requests a reduction for a period prior to the effective date of claim, the authority may, consider the claim to be made from an earlier period subject to an overall limit of 1 month. The applicant must prove that there was continuous good cause for failing to make an application

66.2 Where good cause is proven, the date of the application shall be the latest of;

- (a) the first day from which the applicant had continuous good cause;
- (b) the day 1 months before the date the application was made;
- (c) the day 1 months before the date when the applicant requested that the application should include a past period

67.0 Date on which an application is made

67.1 Subject to sub-paragraph (7), the date on which an application is made is;

(a) in a case where;

- (i) an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and
- (ii) the application is made within one calendar month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,

the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;

(b) in a case where;

- (i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,
- (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
- (iii) the application is received at the designated office within one calendar month of the date of the change,

the date on which the change takes place;

(c) in a case where;

- (i) an applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under the authority's scheme, and
 - (ii) the applicant makes an application for a reduction under that scheme within one calendar month of the date of the death or the separation,
- the date of the death or separation;

(d) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed application is received within one calendar month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to an applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;

(e) in any other case, the date on which an application is received at the designated office.

67.2 For the purposes only of sub-paragraph (1)(a) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under;

(a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or

(b) in the case of income-related employment and support allowance, paragraph 2 of

Schedule 2 to the Welfare Reform Act 2007 (waiting days), have been entitled to that allowance.

- 67.3 Where there is a defect in an application by telephone;
- (a) is corrected within one calendar month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;
 - (b) is not corrected within one calendar month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide the application.
- 67.4 The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.
- 67.5 The conditions are that—
- (a) where the authority receives the properly completed application or the information requested to complete it or the evidence within one calendar month of the request, or such longer period as the authority may consider reasonable; or
 - (b) where an application is not on approved form or further information requested by authority applies;
 - (i) the approved form sent to the applicant is received at the offices of the authority properly completed within one calendar month of it having been sent to him; or, as the case may be;
 - (ii) the applicant supplies whatever information or evidence was requested within one calendar month of the request; or,
 in either case, within such longer period as the authority may consider reasonable; or
 - (c) where the authority has requested further information, the authority receives at its offices the properly completed application or the information requested to complete it within one calendar month of the request or within such longer period as the authority considers reasonable.
- 67.6 Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under that authority's scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority must treat the application as having been made on the day on which the liability for the tax arises.
- 67.7 Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under the authority's scheme in the reduction week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to a reduction under its scheme for a period beginning not later than;
- (a) in the case of an application made by;
 - (i) a pensioner, or
 - (ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit, the seventeenth reduction week following the date on which the application is made, or
 - (b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made, the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.

68.0 Submission of evidence electronically

- 68.1 The authority may accept such evidence, documents and certificates to support the claim electronically where it feels that this would be acceptable given the nature of the claim

69.0 Use of telephone provided evidence

- 69.1 The authority may accept such evidence to support the claim by telephone where it feels that this would be acceptable given the nature of the claim

70.0 Information and evidence⁶

- 70.1 Subject to sub-paragraph (3), a person who makes an application for a reduction under an authority's scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.

- 70.2 This sub-paragraph is satisfied in relation to a person if—
- (a) the application is accompanied by;
 - (i) a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
 - (ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or
 - (b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by;
 - (i) evidence of the application for a national insurance number to be so allocated; and
 - (ii) the information or evidence enabling it to be so allocated.

- 70.3 Sub-paragraph (2) does not apply;
- (a) in the case of a child or young person in respect of whom an application for a reduction is made;
 - (b) to a person who;
 - (i) is a person treated as not being in Great Britain for the purposes of this scheme;
 - (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 - (iii) has not previously been allocated a national insurance number.

- 70.4 Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under the authority's scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by that authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under its scheme and must do so within one calendar month of the authority requiring him to do so or such longer period as the authority may consider reasonable.

- 70.5 Nothing in this paragraph requires a person who is a pensioner to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.

- 70.6 Where the authority makes a request under sub-paragraph (4), it must;
- (a) inform the applicant or the person to whom a reduction under its scheme has been awarded of his duty under paragraph 9 of Schedule 8 the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 (duty to notify change of circumstances) to

⁶ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

notify the authority of any change of circumstances; and
 (b) without prejudice to the extent of the duty owed under paragraph 9, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which must be notified.

70.7 This sub-paragraph applies to any of the following payments;
 (a) a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the London Emergencies Trust, the We Love Manchester Emergency Fund, or the London Bombings Relief Charitable Fund;
 (b) a payment which is disregarded under Schedule 4, other than a payment under the Independent Living Fund (2006).

70.8 Where an applicant or a person to whom a reduction under the authority's scheme has been awarded or any partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information;
 (a) the name and address of the pension fund holder;
 (b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

71.0 Amendment and withdrawal of application⁷

71.1 A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.

71.2 Where the application was made by telephone the amendment may also be made by telephone.

71.3 Any application amended is to be treated as if it had been amended in the first instance.

71.4 A person who has made an application may withdraw it by notice to the designated office at any time before a decision has been made on it.

71.5 Where the application was made by telephone, the withdrawal may also be made by telephone.

71.6 Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.

71.7 Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.

72.0 Duty to notify changes of circumstances⁸

72.1 Subject to sub-paragraphs (3), (6) and (7), an applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time;
 (a) between the making of an application and a decision being made on it, or
 (b) after the decision is made (where the decision is that the applicant is entitled to a reduction under the authority's scheme) including at any time while the applicant is in receipt of such a reduction.

72.2 The applicant (or any person acting on his behalf) must notify any change of circumstances

⁷ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

⁸ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under the authority's scheme (a "relevant change of circumstances") by giving notice to the authority;

(a) in writing; or

(b) by telephone—

(i) where the authority has published a telephone number for that purpose unless the authority determines that in any particular case or class of case notification may not be given by telephone; or

(ii) in any case or class of case where the authority determines that notice may be given by telephone; or

(c) by any other means which the authority agrees to accept in any particular case, within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.

- 72.3 The duty imposed on a person by sub-paragraph (1) does not extend to notifying
- (a) changes in the amount of council tax payable to the authority;
 - (b) changes in the age of the applicant or that of any member of his family;
 - (c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under the authority's scheme to which he is entitled, other than the cessation of that entitlement to the benefit.
- 72.4 For the purposes of sub-paragraph (3)(c) "relevant benefit" means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.
- 72.5 Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.

Sections 73- 80
Decisions, decision notices and awards of Council Tax Reduction

73.0 Decisions by the authority⁹

73.1 An authority must make a decision on an application under its scheme within 14 days of paragraphs 4 and 7 and Part 1 of Schedule 7 of the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 being satisfied, or as soon as reasonably practicable thereafter.

74.0 Notification of decision¹⁰

74.1 The authority must notify in writing any person affected by a decision made by it under its scheme;

(a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;

(b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.

74.2 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement;

(a) informing the person affected of the duty imposed by paragraph 9 of Schedule 8 the Council Tax Reduction Scheme (Prescribed Requirements) Regulations 2012 (duty to notify change of circumstances) to notify the authority of any change of circumstances;

(b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and

(c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.

74.3 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.

74.4 In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in the authority's scheme relating to the procedure for making an appeal.

74.5 A person affected to whom the authority sends or delivers a notification of decision may, within one calendar month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.

74.6 The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.

74.7 For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under its scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).

74.8 This sub-paragraph applies to—

(a) the applicant;

(b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act;

(i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or

(ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on the person's behalf; or

⁹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁰ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

(iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

(c) a person appointed by the authority to act for a person unable to act.

75.0 Time and manner of granting Council Tax Reduction¹¹

75.1 Where a person is entitled to a reduction under this authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year ("the chargeable year"), the authority must discharge his entitlement;

- (a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or
- (b) where;
 - (i) such a reduction is not possible; or
 - (ii) such a reduction would be insufficient to discharge the entitlement to a reduction under the authority's scheme; or
 - (iii) the person entitled to the reduction is jointly and severally liable for the council tax and the authority determines that such a reduction would be inappropriate, by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.

75.2 The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of paragraph (1).

75.3 In a case to which paragraph (1)(b) refers;

- (a) if the amount of the council tax for which he remains liable in respect of the chargeable year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under the authority's scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction;
 - (i) must be paid to that person if he so requires; or
 - (ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;
- (b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under the authority's scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter
- (c) in any other case, the reduction under the authority's scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.

75.4 For the purposes of this paragraph "instalment" means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

76.0 Persons to whom reduction is to be paid¹²

76.1 Subject to payment on death and paragraph (2), any payment of the amount of a reduction must be made to that person.

¹¹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹² Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

76.2 Where a person other than a person who is entitled to a reduction under this authority's scheme made the application for the reduction and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

77.0 Shortfall in reduction¹³

77.1 Where, on the revision of a decision allowing a reduction under the authority's scheme to a person, it is determined that the amount allowed was less than the amount to which that person was entitled, the authority must either;

- (a) make good any shortfall in reduction which is due to that person, by reducing so far as possible the next and any subsequent payments he is liable to make in respect of the council tax of the authority as it has effect for the chargeable financial year until that shortfall is made good; or
- (b) where this is not possible or the person concerned so requests, pay the amount of any shortfall in reduction due to that person within 14 days of the revision of the decision being made or if that is not reasonably practicable, as soon as possible afterwards.

78.0 Payment on the death of the person entitled¹⁴

78.1 Where the person entitled to any reduction under this scheme has died and it is not possible to award the reduction which is due in the form of a reduction of the council tax for which he was liable, the authority must make payment of the amount of the reduction to his executor or administrator in accordance with regulation 58(4) of the Council Tax (Administration and Enforcement) Regulations 1992.

79.0 Offsetting

79.1 Where a person has been allowed or paid a sum of Council Tax Reduction under a decision which is subsequently revised or further revised, any sum allowed or paid in respect of a period covered by the subsequent decision shall be offset against arrears of entitlement under the subsequent decision except to the extent that the sum exceeds the arrears and shall be treated as properly awarded or paid on account of them.

80.0 Payment where there is joint and several liability¹⁵

80.1 Where;

- (a) a person is entitled to a reduction under the authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;
 - (b) the person entitled to the reduction is jointly and severally liable for the council tax; and
 - (c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992(7) refers would be inappropriate,
- it may make a payment to him of the amount of the reduction to which he is entitled, rounded where necessary to the nearest penny.

80.2 Subject to sub-paragraph (3) any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.

80.3 Where a person other than a person who is entitled to a reduction under the authority's scheme made the application and that first person is a person acting pursuant to an

¹³ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁴ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁵ Inserted by Schedule 8 of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012

appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

Sections 81 – 84
Collection, holding and forwarding of information for Council Tax Reduction purposes

81.0 Use of information from and to the Department of Work and Pensions (DWP) and His Majesty's Revenues and Customs (HMRC)

- 81.1 The authority will use information provided by the DWP and HMRC for the purposes of Council Tax Reduction, council tax liability, billing, administration and enforcement as outlined within Schedule 2 of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012 and the Social Security (Information-sharing in relation to Welfare Services etc.) (Amendment) Regulations 2013
- 81.2 Where required by the relevant department and where required by law, the authority will share information obtained for Council Tax Reduction with the DWP or HMRC as appropriate and in accordance with Data Protections requirements¹⁶.

82.0 Collection of information

- 82.1 The authority may receive and obtain information and evidence relating to claims for Council Tax Reduction, the council may receive or obtain the information or evidence from–
- (a) persons making claims for Council Tax Reduction;
 - (b) other persons in connection with such claims;
 - (c) other local authorities; or
 - (d) central government departments including the DWP and HMRC

- 82.2 The authority may verify relevant information supplied to, or obtained.

83.0 Recording and holding information

- 83.1 The authority may
- (a) may make a record of such information; and
 - (b) may hold that information, whether as supplied or obtained or recorded, for the purpose of forwarding it to the person or authority for the time being administering Council Tax Reduction.

84.0 Forwarding of information

- 84.1 The authority may forward it to the person or authority for the time being administering claims to or awards of Council Tax Reduction to which the relevant information relates, being
- (i) a local authority;
 - (ii) a person providing services to a local authority; or
 - (iii) a person authorised to exercise any function of a local authority relating to Council Tax Reduction.

¹⁶ Data Retention and Investigatory Powers Act 2014, Data Retention Regulations 2014 and The Regulation of Investigatory Powers (Acquisition and Disclosure of Communications Data: Code of Practice) Order 2015

Sections 85 – 87
Revisions, Written Statements, Termination of Council Tax Reduction

85.0 Persons affected by Decisions

85.1 A person is to be treated as a person affected by a relevant decision of the authority where that person is;

- (a) an applicant;
- (b) in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act
 - (i) a Deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit or support on his behalf,
 - (ii) in Scotland, a tutor, curator, judicial factor or other guardian acting or appointed in terms of law administering that person's estate, or
 - (iii) an attorney with a general power or a power to receive benefit or support appointed by the person liable to make those payments under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise;
- (c) a person appointed by the authority under this scheme;

86.0 Revisions of Decisions

86.1 Subject to the provisions in this scheme, a relevant decision ('the original decision') may be revised or further revised by the authority, which made the decision where the person affected makes an application for a revision within;

- (i) one calendar month of the date of notification of the original decision; or
- (ii) such extended time as the authority may allow.

86.2 The authority may revise or further revise that original decision at any time. Where further information is required from the person affected, the authority shall request such information and evidence as it feels is reasonable. Such information must be supplied within;

- i) one calendar month of the date of notification of the additional information; or
- (ii) such extended time as the authority may allow

87.0 Terminations

87.1 The authority may terminate support in whole or in part the Council Tax Reduction where it appears to the authority that an issue arises whether;

- (a) the conditions for entitlement to Council Tax Reduction are or were fulfilled; or
- (b) a decision as to an award of such a support should be revised or superseded.

87.2 The authority may terminate, in whole or in part the Council Tax Reduction where it appears to the authority that an issue arises whether;

- (a) the conditions for entitlement to Council Tax Reduction are or were fulfilled; or
- (b) a decision as to an award of such a support should be revised or superseded.

Where the person fails to provide information to the authority as requested in relation to any matter relating to their liability for Council Tax

Section 88
Appeals against the authority's decisions

88.0 Procedure by which a person may make an appeal against certain decisions of the authority¹⁷

- 88.1 A person who is aggrieved by a decision of the authority, which affects;
- (a) the person's entitlement to a reduction under its scheme, or
 - (b) the amount of any reduction to which that person is entitled,
- may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.
- 88.2 The authority must
- (a) consider the matter to which the notice relates;
 - (b) notify the aggrieved person in writing;
 - (i) that the grievance is not well founded, giving reasons for that belief; or
 - (ii) that steps have been taken to deal with the grievance, stating the steps taken.
- 88.3 Where, following notification under sub-paragraph (2)(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (2)(b) within two months of the service of his notice, he may appeal to the valuation tribunal under section 16 of the 1992 Act¹⁸.

¹⁷ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

¹⁸ As amended by the Tribunal Procedure (Amendment No 3) Rules 2014, The First-tier Tribunal and Upper Tribunal (Chambers) (Amendment) Order 2015 and The Tribunal Procedure (Amendment) Rules 2015

Section 89
Procedure for applying for a discretionary reduction

89.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act¹⁹ and Discretionary Relief Scheme.

- 89.1 Where an application to the authority is made under the Discretionary Relief Scheme, it shall be determined in accordance with the policy of the authority for that year and may be made;
- (a) in writing,
 - (b) by means of an electronic communication in accordance this scheme or
 - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 89.2 Where;
- (a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and
 - (b) a person in that class would otherwise be entitled to a reduction under its scheme, that person's application for a reduction under the authority's scheme may also be treated as an application for a reduction under section 13A(1)(c).
- 89.3 An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act may be made;
- (a) in writing,
 - (b) by means of an electronic communication in accordance with this scheme or
 - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 89.4 Where the authority has determined any additional entitlement under the Discretionary Relief Scheme it shall be treated as an amount under section 13A(1)(a) of the 1992 Act.

¹⁹ Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Section 90 – 98²⁰
Electronic Communication

²⁰ Inserted by Council Tax Reductions Schemes (Prescribed Requirements) (England) Regulations 2012

90.0 Interpretation

- 90.1 In this Part;
“information” includes an application, a certificate, notice or other evidence; and
“official computer system” means a computer system maintained by or on behalf of an authority for sending, receiving, processing or storing of any information.

91.0 Conditions for the use of electronic communication

- 91.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme including any or all information received via DWP or HMRC.
- 91.2 A person other than the authority may use an electronic communication in connection with the matters referred to in paragraph (1) if the conditions specified in paragraphs (3) to (6) are satisfied.
- 91.3 The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.
- 91.4 The second condition is that the person uses an approved method of;
- (a) authenticating the identity of the sender of the communication;
 - (b) electronic communication;
 - (c) authenticating any application or notice delivered by means of an electronic communication; and
 - (d) subject to sub-paragraph (7), submitting to the authority any information.
- 91.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.
- 91.6 The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.
- 91.7 Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.

92.0 Approval

- 92.1 In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this section.

93.0 Use of intermediaries

- 93.1 The authority may use intermediaries in connection with;
- (a) the delivery of any information by means of an electronic communication; and
 - (b) the authentication or security of anything transmitted by such means,
- and may require other persons to use intermediaries in connection with those matters.

94.0 Effect of delivering information by means of electronic communication

- 94.1 Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of an authority’s scheme on the day the conditions imposed;
- (a) by this section; and
 - (b) by or under an enactment,
- are satisfied.

94.2 The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).

94.3 Information may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

95.0 Proof of identity of sender or recipient of information

95.1 If it is necessary to prove, for the purpose of any legal proceedings, the identity of—
 (a) the sender of any information delivered by means of an electronic communication to an official computer system; or
 (b) the recipient of any such information delivered by means of an electronic communication from an official computer system,
 the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

96.0 Proof of delivery of information

96.1 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this is presumed to have been the case where;

- (a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or
- (b) any such information has been delivered by the relevant authority, if the delivery of that information has been recorded on an official computer system.

96.2 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this is presumed not to be the case, if that information delivered to the relevant authority has not been recorded on an official computer system.

96.3 If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt is presumed to be that recorded on an official computer system.

97.0 Proof of content of information

97.1 If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.

98.0 Data Protection and consent

98.1 Any application for reduction and associated evidence shall be subject to existing Data Protection rules and requirements.

**Section 99
Counter Fraud and Compliance**

99.0 Counter Fraud and compliance

- 99.1 In order to protect the finances of the authority and also in the interests of all council taxpayers, the authority will undertake such actions as allowed by law to;
- (a) Prevent and detect fraudulent claims and actions in respect of Council Tax Reduction;
 - (b) Carry out investigations fairly, professionally and in accordance with the law; and
 - (c) Ensure that sanctions are applied in appropriate cases
- 99.2 The authority believes that it is important to minimise the opportunity for fraud and;
- (a) will implement rigorous procedures for the verification of claims for Council Tax Reduction;
 - (b) will employ sufficient Officers to fulfil the authority's commitment to combat fraud;
 - (c) will actively tackle fraud where it occurs in accordance with this scheme;
 - (d) will co-operate with the Department for Work and Pensions (DWP), His Majesty's Revenues and Customs and take part in joint working including prosecutions; and
 - (e) will in all cases seek to recover all outstanding council tax.
- 99.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph 97.1 and 97.2 can be carried out successfully. In particular the authority shall undertake actions provided by the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

Schedule 1
Calculation of the amount of Council Tax Reduction in accordance with the Discount Scheme

- 1 The authority's Council Tax Reduction scheme from 2026/27 shall be calculated on the basis of the following Banded Discount Scheme:

Discount Levels						
Band		1	2	3	4	5
		80%	65%	50%	35%	20%
	Weekly Income levels					
Single	lower	0.00	127.11	190.66	254.21	317.76
	upper	127.10	190.65	254.20	317.75	381.30
Couple	lower	0.00	167.11	230.66	294.21	357.76
	upper	167.10	230.65	294.20	357.75	421.30
Lone Parent with 1 Child	lower	0.00	182.11	245.66	309.21	372.76
	upper	182.10	245.65	309.20	372.75	436.30
Couple with 1 Child	lower	0.00	222.11	285.66	349.21	412.76
	upper	222.10	285.65	349.20	412.75	476.30
Lone Parent with 2 or more Children	lower	0.00	237.11	300.66	364.21	427.76
	upper	237.10	300.65	364.20	427.75	491.30
Couple with 2 or more Children	lower	0.00	277.11	340.66	404.21	467.76
	upper	277.10	340.65	404.20	467.75	531.30

- 2 The amount of discount to be granted is to be based on the following factors:
- The maximum Council Tax Reduction as defined within this scheme;
 - The Council Tax family as defined within this scheme
 - The income of the applicant as defined within this scheme;
 - The capital of the applicant as defined within this scheme.
- 3 For the sake of clarity all incomes shown within the table above are weekly in accordance with the scheme requirements and definitions.
- 4 Discount bands vary depending on both weekly income and the household (family as defined within this scheme). For the sake of clarity, it should be noted that in any application for reduction is limited to a maximum of two dependant children or young persons.
- 5 Any applicant whose capital is greater than £16,000 shall not be entitled to any Council Tax Reductions whatsoever.
- 6 The authority **may** increase the level of incomes within the grid specified in paragraph 1 on an annual basis by the appropriate level of inflation measured by the Consumer Price Index (CPI) at September preceding the effective financial year **or** by a percentage representing the increase in personal allowance within the applicable amounts for Housing Benefit for the relevant financial year, **whichever is the lowest**. Where the levels of income are amended,

they shall be rounded up to the nearest whole pound (£).

- 7 Where an applicant or partner is in receipt of a 'passporting benefit' namely Income Support, Income Related Employment and Support Allowance or Income Based Jobseeker's Allowance, discount will be awarded at Band 1 level.

Schedule 2
Sums to be disregarded in the calculation of earnings

1. There shall be £25 per week disregarded from an applicant's net earnings as follows:
2. Only one disregard shall be applied to each claim.

Schedule 3
Sums to be disregarded in the calculation of income other than earnings

1. Any amount paid by way of tax on income, which is to be taken into account under section 28 (calculation of income other than earnings).
2. Any payment made to the applicant and in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
3. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme, but only for 52 weeks beginning with the date of receipt of the payment.
4. Any payment in respect of any expenses incurred or to be incurred by an applicant who is—
 - (a) engaged by a charitable or voluntary organisation, or
 - (b) volunteer,
 if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under section 30.0 (notional income).
5. Any payment in respect of expenses arising out of the applicant's participation in a service user group or where the applicant is participating as a service user.
6. In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
7. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance the whole of his income.
8. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.
9. Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.
10. Any disability living allowance, personal independence payment or AFIP.
11. Carers Allowance
12. Any Windrush compensation payment
13. Any concessionary payment made to compensate for the non-payment of;
 - (a) any payment specified in paragraph 7 or 10;
 - (b) income support;
 - (c) an income-based jobseeker's allowance.
 - (d) an income-related employment and support allowance.
14. Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.
15. Any attendance allowance.
16. Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any

analogous payment.

- 17.** (1) Any payment—
- (a) by way of an education maintenance allowance made pursuant to;
 - (i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc);
 - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
 - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992
 - (b) corresponding to such an education maintenance allowance, made pursuant to;
 - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - (ii) regulations made under section 181 of that Act; or
 - (iii) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
 - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
 - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,
- in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).
- 18.** Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.
- 19** (1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment;
- (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
 - (b) of an allowance referred to in section 2(3) of the 1973 Act or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
 - (c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.
- (2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
- 20** (1) Subject to sub-paragraph (2), any of the following payments;
- (a) a charitable payment;
 - (b) a voluntary payment;
 - (c) a payment (not falling within sub-paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
 - (d) a payment under an annuity purchased;
 - (i) pursuant to any agreement or court order to make payments to the

- applicant; or
- (ii) from funds derived from a payment made, in consequence of any personal injury to the applicant; or
- (e) a payment (not falling within sub-paragraphs (a) to (d) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.
- (2) Sub-paragraph (1) shall not apply to a payment, which is made or due to be made by–
- (a) a former partner of the applicant, or a former partner of any member of the applicant's family; or
- (b) the parent of a child or young person where that child or young person is a member of the applicant's family.
- 21.** 100% of any of the following, namely
- (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 9 or 10);
- (b) a war widow's pension or war widower's pension;
- (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of His Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- (d) a guaranteed income payment;
- (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
- (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
- (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.
- 22.** Subject to paragraph 35, £15 of any;
- (a) widowed mother's allowance paid pursuant to section 37 of the Act;
- (b) widowed parent's allowance paid pursuant to section 39A of the Act.
- 23.** (1) Any income derived from capital to which the applicant is or is treated under section 39 (capital jointly held) as beneficially entitled but, subject to sub- paragraph (2), not income derived from capital disregarded under Schedule 4.
- (2) Income derived from capital disregarded under Schedule 4 but only to the extent of–
- (a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
- (b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.
- (3) The definition of 'water charges' in paragraph 2(1) shall apply to sub-paragraph (2) of this paragraph with the omission of the words 'in so far as such charges are in respect of the dwelling which a person occupies as his home'.
- 24.** Where the applicant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating–
- (a) under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998, that student's award;
- (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or

- (c) the student's student loan,
an amount equal to the weekly amount of that parental contribution, but only in respect of the period for which that contribution is assessed as being payable.
- 25.** (1) Where the applicant is the parent of a student aged under 25 in advanced education who either;
- (a) is not in receipt of any award, grant or student loan in respect of that education; or
 - (b) is in receipt of an award under section 2 of the Education Act 1962 (discretionary awards) or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,
- and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution, an amount specified in sub-paragraph (2) in respect of each week during the student's term.
- (2) For the purposes of sub-paragraph (1), the amount shall be equal to—
- (a) the weekly amount of the payments; or
 - (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),
- whichever is less.
- 26.** Any payment made to the applicant by a child or young person or a non- dependant.
- 27.** Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family—
- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
 - (b) where the aggregate of any such payments is £20 or more per week, £20.
- 28.** (1) Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to—
- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20.00, 100 per cent. of such payments;
 - (b) where the aggregate of any such payments exceeds £20.00, £20.00 and 50 per cent. of the excess over £20.00.
- (2) In this paragraph, 'board and lodging accommodation' means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises.
- 29.** (1) Any income in kind, except where regulation 30(11)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act in the calculation of income other than earnings) applies.
- (2) The reference in sub-paragraph (1) to 'income in kind' does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.
- 30.** Any income which is payable in a country outside the United Kingdom for such period during

which there is a prohibition against the transfer to the United Kingdom of that income.

31. (1) Any payment made to the applicant in respect of a person who is a member of his family—
 - (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978(b) (schemes for payments of allowances to adopters); or in accordance with an Adoption Allowance Scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (Adoption Allowances Schemes) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
 - (b) which is a payment made by an authority, as defined in Article 2 of the Children Order, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child's maintenance);
 - (c) in accordance with regulations made pursuant to section 14F of the Children Act 1989(c) (special guardianship support services);
 - (2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
32. Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made
- (a) by a local authority under—
 - (i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
 - (ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
 - (iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or
 - (b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).
33. Any payment made to the applicant or his partner for a person ('the person concerned'), who is not normally a member of the applicant's household but is temporarily in his care, by—
- (a) a health authority;
 - (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
 - (c) a voluntary organisation;
 - (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
 - (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
 - (f) a Local Health Board established under section 16BA of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006
34. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
35. (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989(e) or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant

financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.

- (2) Sub-paragraph (1) applies only where A;
- (a) was formerly in the applicant's care, and
 - (b) is aged 18 or over, and
 - (c) continues to live with the applicant.

- 36.** (1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments;
- (a) on a loan which is secured on the dwelling which the applicant occupies as his home; or
 - (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.
- (2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—
- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and
 - (b) meet any amount due by way of premiums on—
 - (i) that policy; or
 - (ii) in a case to which sub-paragraph(1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).
- 37.** Any payment of income which, by virtue of section 34 (income treated as capital) is to be treated as capital.
- 38.** Any social fund payment made pursuant to Part 8 of the Act (the Social Fund) or any local welfare fund provision
- 39.** Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 40.** The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 15.2 (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 45.2(b) and paragraph 46.1(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 49(2) (treatment of student loans), paragraph 49(3) (treatment of payments from access funds) and paragraphs 17 shall in no case exceed £20 per week.
- 41.** (1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
 (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
 - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
 - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of;

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either;
 - (i) to that person's parent or step-parent, or
 - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;

- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and
- (b) the payment is made either
 - (i) to that person's parent or step-parent, or
 - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

- 42.** Any housing benefit or council tax benefit.
- 43.** Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
- 44.** Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.
- 45.** Any payment in consequence of a reduction of council tax under section 13 or section 80 of the

1992 Act (reduction of liability for council tax).

46. (1) Any payment or repayment made—
 (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
 (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
 (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).
 (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment or repayment, mentioned in sub-paragraph (1).
47. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).
48. Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.
49. (1) Where, **but for the implementation of this scheme**, an applicant's applicable amount includes an amount by way of a family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.
 (2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments such be aggregated and treated as if they were a single payment.
 (3) A payment made by the Secretary of State in lieu of maintenance shall, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).
50. (1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.
 (2) In paragraph (1)
 'child maintenance' means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under;
 (a) the Child Support Act 1991;
 (b) the Child Support (Northern Ireland) Order 1991;
 (c) a court order;
 (d) a consent order;
 (e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;
 'liable relative' means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.
51. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
52. Any guardian's allowance.

- 53.** (1) If the applicant is in receipt of any benefit under Parts 2, 3 or 5 of the Act, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of the Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
- (2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
- 54.** Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.
- 55.** In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983(a) (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.
- 56** (1) Any payment which is
- (a) made under any of the Dispensing Instruments to a widow, widower or
 - (b) surviving civil partner of a person;
 - (i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
 - (ii) whose service in such capacity terminated before 31st March 1973; and equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.
- (2) In this paragraph 'the Dispensing Instruments' means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).
- 57.** Any Council Tax Reduction or council tax benefit to which the applicant is entitled.
- 58.** Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).
- 59.** (1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—
- (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
 - (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity, in respect of which such assistance is or was received.
- (2) Sub-paragraph (1) shall apply only in respect of payments, which are paid to that person from the special account
- 60.** (1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).
- (2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
- (3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

61. Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.
62. In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise.
63. Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001 as amended by the Welfare Reform Act 2012 (Consequential Amendments) Regulations 2013.
64. (1) Any payment made by a local authority or by the Welsh Ministers to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.
(2) For the purposes of sub-paragraph (1) 'local authority' includes, in England, a county council.
65. Any bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017
66. Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
67. Any payments made by the London Emergencies Trust" means the company of that name (number 09928465) incorporated on 23rd December 2015 and the registered charity of that name (number 1172307) established on 28th March 2017 or the We Love Manchester Emergency Fund" means the registered charity of that name (number 1173260) established on 30th May 2017
68. Any payment of child benefit.
69. Any payments disregarded for Housing Benefits under the Social Security (*Emergency Funds*) Amendment) *Regulations 2017*
70. where the applicant (or any partner or dependant) is in receipt of carer's allowance, personal independence payment, or disability living allowance, an amount of £40 per week
71. Any amount of Carer's Allowance.
72. Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:
(a) an applicant's entitlement to a reduction under the scheme; or
(b) the amount of any reduction to which the applicant is entitled.
"The Energy Rebate Scheme 2022" means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022
73. **Provision for all applicants: Homes for Ukraine scheme**
(1) Any payment made in connection with the Homes for Ukraine scheme is to be disregarded in determining—
 (a) an applicant's entitlement to a reduction under the scheme; or
 (b) the amount of any reduction to which the applicant is entitled.
(2) In this regulation—
 "the Homes for Ukraine scheme" means the Homes for Ukraine sponsorship scheme which was announced in Parliament by the Secretary of State for Levelling Up, Housing and Communities on 14th March 2022

Schedule 4
Capital to be disregarded

1. The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of polygamous marriage), only one dwelling shall be disregarded under this paragraph.
2. Any premises acquired for occupation by the applicant, which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.
3. Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.
4. Any premises occupied in whole or in part—
 - (a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;
 - (b) by the former partner of the applicant as his home; but this provision shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.
5. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.
6. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.
7. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.
8. (1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.
 (2) The assets of any business owned in whole or in part by the applicant where—
 - (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
 - (b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business;

for a period of 26 weeks from the date on which the claim for Council Tax Reduction is made, or is treated as made, or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.
- (3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.
- (4) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

9. (1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of;
- (a) any payment specified in Schedule 4;
 - (b) an income-related benefit under Part 7 of the Act;
 - (c) an income-based jobseeker's allowance;
 - (d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
 - (e) working tax credit and child tax credit
 - (f) an income-related employment and support allowance

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as 'the relevant sum') and is

- (a) paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Decisions and Appeals Regulations; and
- (b) received by the applicant in full on or after 14th October 2001,

sub-paragraph (1) shall have effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the award of Council Tax Reduction, for the remainder of that award if that is a longer period.

(3) For the purposes of sub-paragraph (2), 'the award of Council Tax Reduction' means—

- (a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
- (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant;
 - (i) is the person who received the relevant sum; or
 - (ii) is the partner of the person who received the relevant sum or was that person's partner at the date of his death.

10. Any sum

- (a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
- (b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home, which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

11. Any sum—

- (a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 or section 338(1) of the Housing (Scotland) Act 1987 as a condition of occupying the home;
- (b) which was so deposited and which is to be used for the purchase of another home, for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.

12. Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to Council Tax Reduction or to increase the amount of that support.

- 13.** The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.
- 14.** Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.
- 14A.** (1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.
- (2) But sub-paragraph (1)
- (a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;
 - (b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);
 - (c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;
 - (d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.
- (3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.
- (4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).
- 15.** The value of the right to receive any income under a life interest or from a life rent.
- 16.** The value of the right to receive any income, which is disregarded under Schedule 4.
- 17.** The surrender value of any policy of life insurance.
- 18.** Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.
- 19.** Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
- 19A.** (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.
- (2) Sub-paragraph (1) applies only where A;
- (a) was formerly in the applicant's care, and
 - (b) is aged 18 or over, and
 - (c) continues to live with the applicant.
- 20.** Any social fund payment made pursuant to Part 8 of the Act.
- 21.** Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.

22. Any capital which, by virtue of sections 34 or 49 (capital treated as income, treatment of student loans) is to be treated as income.
23. Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
24. (1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the Charitable Fund.
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
 - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
 - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
- (3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) the person who is suffering from haemophilia or who is a qualifying person;
 - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
 - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
- (4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—
- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
 - (b) the payment is made either;
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian, but only for a period from the date of the payment until the end of two years from that person's death.
- (5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or any of the Trusts to which sub-paragraph (1) refers, where
- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was

or had been a member of his family; and
 (b) the payment is made either;
 (i) to that person's parent or step-parent; or
 (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,
 but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.

25. (1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

 (2) In this paragraph 'dwelling' includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.
26. Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.
27. Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.
28. Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.
29. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
30. Any Windrush Compensation Payment
31. The value of the right to receive an occupational or personal pension.
32. The value of any funds held under a personal pension scheme
33. The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.
34. Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

35. Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.
36. Any payment made to the applicant in respect of any travel or other expenses incurred or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme but only for 52 weeks beginning with the date of receipt of the payment but only for 52 weeks beginning with the date of receipt of payment.
37. Any payment in consequence of a reduction of council tax under section 13 or, as the case may be, section 80 of the Local Government Finance Act 1992 (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.
38. Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used—
 - (a) to purchase premises intended for occupation as his home; or
 - (b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,
 for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.
39. Any arrears of supplementary pension which is disregarded under Schedule 3 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 54 or 55 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.
40. (1) Any payment or repayment made—
 - (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
 - (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
 - (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),
 but only for a period of 52 weeks from the date of receipt of the payment or repayment.
 (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment, or repayment mentioned in subparagraph (1), but only for a period of 52 weeks from the date of the receipt of the payment or repayment.
41. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.
42. Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).
43. Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.

- 44.** Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
- 45.** Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.
- 46.** (1) Subject to sub-paragraph (2), where an applicant satisfies the conditions in section 131(3) and (6) of the Act (entitlement to alternative maximum Council Tax Reduction), the whole of his capital.
(2) Where in addition to satisfying the conditions in section 131(3) and (6) of the Act the applicant also satisfies the conditions in section 131(4) and (5) of the Act (entitlement to the maximum Council Tax Reduction), sub-paragraph (1) shall not have effect.
- 47.** (1) Any sum of capital to which sub-paragraph (2) applies and
(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 (as amended by the Civil Procedure (Amendment No. 7) Rule 2013) or by the Court of Protection;
(b) which can only be disposed of by order or direction of any such court; or
(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.
(2) This sub-paragraph applies to a sum of capital which is derived from;
(a) an award of damages for a personal injury to that person; or
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 48.** Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from
(a) award of damages for a personal injury to that person; or
(b) compensation for the death of one or both parents where the person concerned is under the age of 18.
- 49.** Any payment to the applicant as holder of the Victoria Cross or George Cross.
- 50.** Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.
- 51.** In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.
- 52.** (1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).
(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

- 53.** (1) Any payment;
- (a) by way of an education maintenance allowance made pursuant to—
 - (i) regulations made under section 518 of the Education Act 1996;
 - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
 - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
 - (b) corresponding to such an education maintenance allowance, made pursuant to;
 - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - (ii) regulations made under section 181 of that Act ;
- or in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
 - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
 - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992, in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).
- 54.** In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.
- 55.** Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.
- 56.** Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or interment of—
- (a) the applicant;
 - (b) the applicant's partner;
 - (c) the applicant's deceased spouse or deceased civil partner; or
 - (d) the applicant's partner's deceased spouse or deceased civil partner,
- by the Japanese during the Second World War, £10,000.
- 57.** (1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is
- (a) a diagnosed person;
 - (b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
 - (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
 - (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.
- (2) Where a trust payment is made to;
- (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
 - (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and

- ending two years after that date;
- (c) a person referred to in sub-paragraph (1)(d), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending—
- (i) two years after that date; or
- (ii) on the day before the day on which that person—
- (aa) ceases receiving full-time education; or
- (bb) attains the age of 20,
- whichever is the latest.
- (3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is—
- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death, but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.
- (4) Where a payment as referred to in sub-paragraph (3) is made to—
- (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending on the date on which that person dies;
- (b) a person referred to in sub-paragraph (3)(b), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending two years after that date; or
- (c) person referred to in sub-paragraph (3)(c), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending—
- (i) two years after that date; or
- (ii) on the day before the day on which that person
- (aa) ceases receiving full-time education; or
- (bb) attains the age of 20,
- whichever is the latest.
- (5) In this paragraph, a reference to a person—
- (a) being the diagnosed person's partner;
- (b) being a member of a diagnosed person's family;
- (c) acting in place of the diagnosed person's parents,
- at the date of the diagnosed person's death shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.
- (6) In this paragraph— 'diagnosed person' means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld- Jakob disease;
- 'relevant trust' means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;
- 'trust payment' means a payment under a relevant trust.
- 58.** The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant's partner, the applicant's deceased spouse or deceased civil partner or the applicant's partner's deceased spouse or deceased civil partner

- (a) was a slave labourer or a forced labourer;
 - (b) had suffered property loss or had suffered personal injury; or
 - (c) was a parent of a child who had died,
- during the Second World War.

- 58 (1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service, which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.
- (2) For the purposes of sub-paragraph (1) 'local authority' includes in England a county council.
59. Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under section 12A to 12D of the National Health Service Act 2006 (direct payments for health care).
60. Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
61. Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).
62. Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
63. Any payments made by the London Emergencies Trust" means the company of that name (number 09928465) incorporated on 23rd December 2015 and the registered charity of that name (number 1172307) established on 28th March 2017 or the We Love Manchester Emergency Fund" means the registered charity of that name (number 1173260) established on 30th May 2017
64. Any bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017.
65. Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:
- (a) an applicant's entitlement to a reduction under the scheme; or
 - (b) the amount of any reduction to which the applicant is entitled.
- "The Energy Rebate Scheme 2022" means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022
66. **Provision for all applicants: Homes for Ukraine scheme**
- (1) Any payment made in connection with the Homes for Ukraine scheme is to be disregarded in determining—
- (c) an applicant's entitlement to a reduction under the scheme; or
 - (d) the amount of any reduction to which the applicant is entitled.
- (2) In this regulation—
- "the Homes for Ukraine scheme" means the Homes for Ukraine sponsorship scheme which was announced in Parliament by the Secretary of State for Levelling Up, Housing and Communities on 14th March 2022

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REVENUE ESTIMATES 2026/27

Item OS 26/4 referred from Overview and Scrutiny Committee of 22 January 2026

The report of the Head of Finance and the Cabinet Member for Finance, Waste and Technical Services referred to the responsibility of the Cabinet under the Constitution for formulating initial draft proposals in respect of the Budget and explained that, under the Budget and Policy Framework, one of the responsibilities for the Overview and Scrutiny Committee was to scrutinise the draft Estimates and, where appropriate, make recommendations to Cabinet.

In preparing the Estimates, due regard had been given to the Corporate Strategy and particular consideration given to the need to address a number of key issues including the provision of cost-effective temporary accommodation, the regeneration of Tonbridge, climate change initiatives, transformation to improve efficiency and effectiveness and delivery of the Local Plan.

Particular reference was made to the provisional local government finance settlement covering the 2026/28 to 2028/29 financial years. This was published on 17 December 2025 and incorporated changes to the Local Government Finances under the Fair Funding 2.0 and Business Rates Reset. A large number of previous grants issued under Section 31 of the Business Rates (Small Business, Retail Relief and Under Indexing) part of Homelessness Prevention Grant, National Insurance compensation and New Homes Bonus were now included in the settlement under Revenue Support Grant. However, the Funding Guarantee received over the last few years had also been included into the new Revenue Support Grant and the financial settlement covered the financial years April 2026 to March 2029 which was welcomed as it allowed greater financial planning in forthcoming years.

As part of the settlement the Government prepared a Core Spending Assessment to detail the resources available to the Borough Council as a whole. It was noted that Tonbridge and Malling saw the second highest reduction in its Core Spending Assessment for authorities in England. In addition, it was noted that this assessment included a notional amount for Council Tax Revenue to be raised by the authority. This was based upon the Council Tax and Taxbase for 2025/26 and allowed for the assumption that the Band D amount would increase in line with the referendum principles and taxbase increased based on a national average. This element, Council Tax, were removed for the purposes of comparisons between years.

Overall, this represented a decrease in funding to the Borough Council of 9.8% which amounted to circa £1.549m over the settlement period.

Attention was also drawn to the ability for district councils to increase council tax up to 3%, or £5 whichever was greater.

Further work had been undertaken to assess the recent changes associated with Business Rates revaluation and the calculation of the Income Base from the Retained Rates for the 2026/27 estimates. The Head of Finance confirmed that

estimated returns to Central Government had been made placing the Council at the provisional baseline income of £3.362m.

Members were advised that, in accordance with the MTFS objectives, the annual contribution to the Revenue Reserve for Capital Schemes, excluding capital renewals, had previously been set at £250,000. However, given pending reorganisation it was felt that an increase to £500,000 per annum until 2028/29 was appropriate. In addition, the annual contribution to the Building Repairs Reserve to meet ongoing maintenance and repair obligations was set at £820,000 from 2026/27 onwards. This reflected an additional allowance for the Homelessness Properties operated by the Council. Further reviews might be required to keep a balance reserve position.

However, the future financial position remained uncertain and difficult to determine due to the current economic conditions, assumptions in respect of inflation and interest rates. The uncertainty and volatility surrounding local government finances and the potential effects of Local Government Reorganisation had not aided financial planning with an increased risk of significant variations compared to projections.

Careful consideration was given to the Revised Estimates for 2025/26 and the draft Revenue Estimates for 2026/27 (attached at Annex 1) within the context of the Medium-Term Financial Strategy (MTFS) and the Council's priorities. Variations were detailed in Annex 1 and at 9.2 and 10.2 of the report.

Members sought clarification and reassurance on a number of areas including the capacity of the Valuation Office and the progress of regeneration projects within Tonbridge. There were no further recommendations in respect of the Revenue Estimates identified.

Finally, to support scrutiny of the Revenue Estimates information had been provided as to whether a service was mandatory or discretionary (attached at Annex 2) and this was welcomed by Members.

In closing, the Committee recorded appreciation to the Accountancy Team for their significant contribution in preparing the estimates for consideration.

Cllr Oakley proposed, Cllr Brown seconded and the Committee

***RECOMMENDED:** That the Revenue Estimates as drafted (attached at Annex 1) be endorsed for consideration by Cabinet at its special meeting on 10 February 2026.

***Recommended to Cabinet**

Overview and Scrutiny Committee

22 January 2026

Part 1 - Public

Recommendation to Cabinet



Cabinet Member	Martin Coffin - Deputy Leader; and Cabinet Member for Finance, Waste and Technical Services
Responsible Officer	Paul Worden – Head of Finance (Section 151 Officer)
Report Author	Donna Riley – Financial Services Manager Amanda Riley – Principal Accountant

Revenue Estimates 2026/27

1 Summary and Purpose of Report

- 1.1 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 2026/27 within the context of the Medium-Term Financial Strategy and the Council's priorities.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 The preparation of the annual budget, which feeds into the Council's Medium Term Financial Strategy, allows for the annual review of expected spending and income.

3 Recommendations

- 3.1 Consider the draft Revenue Estimates attached at **[Annex 1]** and make such recommendations, as it considers appropriate, to Cabinet for its special budget meeting on 10 February.

4 Introduction and Background

- 4.1 The Cabinet is responsible for formulating initial draft proposals in respect of the Budget for 2026/27.

- 4.2 Cabinet now works alongside officers to prepare the draft Estimates. Accordingly, this report presenting the draft Estimates is now a joint report of the Head of Finance and the Cabinet Member for Finance, Waste and Technical Services.
- 4.3 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.
- 4.4 This report is, therefore, intended as the basis for recommendations from this Committee to the Cabinet.
- 4.5 A special meeting of the Cabinet is scheduled for 10 February to consider the recommendations of this Committee and, in addition, take into account the Council's final grant settlement.
- 4.6 At that special meeting on 10 February, the Cabinet will need to formulate its final proposals in respect of the Budget for 2026/27 and the council tax to be levied in respect of the Borough Council. The Full Council will meet on the 24 February to approve the Budget and set the Council Tax. The Full Council may adopt or amend the Cabinet's proposals.
- 4.7 The role of this Committee is to consider both the Revised Estimates for 2025/26 and the draft Estimates for 2026/27 within the context of the Medium-Term Financial Strategy and the Council's priorities. These estimates are attached at **[Annex 1]** for Members' consideration.

5 Proposal

- 5.1 The Corporate Strategy sets out four key priorities for the borough;
- 1) Efficient services for all our residents, maintaining an effective council;
 - 2) Sustaining a borough which cares for the environment;
 - 3) Improving housing options for local people whilst protecting our outdoor areas of importance;
 - 4) Investing in our local economy.
- 5.2 In preparation of these Estimates, regard has been taken to the above priorities and in particular the Cabinet has highlighted the need to address the following key issues which contribute to the above:
- Provision of cost-effective Temporary Accommodation;
 - Regeneration of Tonbridge (including replacement of Angel Centre);
 - Climate Change, including carbon neutral leisure centres;

- Transformation to improve efficiency and effectiveness; and
- Delivery of the Local Plan

6 Medium Term Financial Strategy

- 6.1 Whilst this report is predominantly about the Budget for 2025/26, Members and senior officers have a duty to provide for the **long-term financial sustainability** of the Council. It is, therefore, imperative that we prepare plans to deliver any scenario that the Council might face.
- 6.2 The Council has, for many years, adopted a 10-year Medium Term Financial Strategy (MTFS) which covers both revenue and capital budgets. The aim of the Strategy is to give us a realistic and sustainable plan that reflects the Council's priorities.
- 6.3 It is important to recognise that financial 'fortunes' can change, moving up and down, over a medium-term period – and one of the main reasons for having a plan of this longevity is to smooth out the 'peaks and troughs' of those financial fortunes in order to create more stability for our budgets and services.
- 6.4 The provisional settlement was published on the 17th December 2025 work is ongoing to incorporate these figures into the MTFS for reporting to Cabinet in February 2026.
- 6.5 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. An update of the STS will be presented to the budget meeting of Cabinet in February alongside the MTFS.

7 Provisional Local Government Finance Settlement

- 7.1 The provisional settlement was published on the 17th December 2025 and incorporated changes to the Local Government Finances under what has been titled Fair Funding 2.0 and the Business Rates Reset.
- 7.2 The information received on the 17th confirms that a large number of the previous grants issued under Section 31 for Business Rates (Small Business, Retail Relief and Under indexing), part of Homelessness Prevention Grant, National Insurance compensation, New Homes Bonus are now 'rolled up' into the settlement under Revenue Support Grant. This itself creates a risk to the Council as it is difficult to assess the impact on Business Rate Reliefs paid under the Section 31 Grants which up to now have been based upon the levels of relief granted rather than the fixed grant award. However, further information received now indicated that these

variations to these reliefs will be contained and accounted for within the Collection fund and distributed via surplus or deficit payments in the following year.

- 7.3 However, it is positive to note, in addition to the grants mentioned in paragraph 7.2, the Funding Guarantee, received over the last few years has also been 'rolled into' the new Revenue Support Grant.
- 7.4 In addition to this the settlement covers financial years from April 2026 to March 2029, this is considered a welcomed addition as it allows greater financial planning in forthcoming years.
- 7.5 As part of the settlement the Government prepares a Core Spending Assessment to detail the resources available to the Council as a whole. It should be noted that Tonbridge and Malling see the second highest reduction in its Core Spending Assessment for authorities in England. But it should be noted that this assessment included a notional amount for Council Tax Revenue to be raised by the authority. This is based upon the Council Tax and Taxbase for 2025/26 but then allows for the assumption that the Band D amount will increase in line with the referendum principals and taxbase increases based on a national average, and therefore this element, the Council Tax, are removed for the purposes of comparisons between years.
- 7.6 To demonstrate consistency, the Government has provided a 'notional settlement' for 2025/26 financial years to allow comparison to the new settlement calculations. The calculated figure for Government Support in 2025/26 is £9.163m, staff within financial services have broadly reconciled this figure using the actual final settlement details for 2025/26.
- 7.7 Using the published information for the period 2026-2029, the breakdown of the result of fair funding is given below.

	2025/26	2026/27	2027/28	2028/29
		£000's	£000's	£000's
Total Core Spending	22,372	22,747	22,992	23,219
Council Tax (Notional)	13,209	13,766	14,346	14,951
Total Government Support	9,163	8,981	8,646	8,268
Made up of				
Business Rates	5,325	3,363	3,440	3,509
Revenue Support Grant	3,082	4,777	4,327	3,848
Sub Total General Grant	8,407	8,140	7,767	7,357
Homelessness Grant (specific)	756	841	879	911
Total Support	9,163	8,981	8,646	8,268

- 7.8 Homelessness Grant will be shown within the service budget pages whereas Business Rates and Revenue Support Grants will be shown as part of the Councils General Grant funding.
- 7.9 Although the table shown above shows an increase in the Core Spending power of the authority of 3.8% from 2025/26 to 2028/29, this includes the increases in Council Tax, resulting in a 9.8% reduction in Government funding for the same period. This means that Council Tax expected to fund of the Core Spending Assessment rises from 59.0% in 2025/26 to 64.4% in 2028/29.
- 7.10 To put this 9.8% reduction in Government funding into monetary terms the reduced amounts accumulate to £1.594m over the settlement period.
- 7.11 The table below shows the impact of changes to government support to the Kent District authorities.

	2025/26			2028/29			Reduction from 2025/26 to 2028/29	
	Population	Govt Support £	Support per head £	Population	Govt Support £	Support per head £		
Ashford	139,267	15,184,886	109.03	142,650	12,651,867	88.69	- 2,533,019	-16.7%
Canterbury	170,151	12,438,574	73.10	173,191	13,889,282	80.20	1,450,708	11.7%
Dartford	122,610	19,721,952	160.85	126,688	17,477,468	137.96	- 2,244,483	-11.4%
Dover	125,714	12,777,698	101.64	128,861	11,487,904	89.15	- 1,289,794	-10.1%
Gravesham	107,564	8,943,986	83.15	108,004	11,084,942	102.63	2,140,956	23.9%
Maidstone	182,795	16,902,306	92.47	187,018	15,113,136	80.81	- 1,789,170	-10.6%
Sevenoaks	123,996	7,747,459	62.48	125,154	6,170,432	49.30	- 1,577,027	-20.4%
Folkestone and Hythe	118,191	12,172,966	102.99	120,349	9,639,906	80.10	- 2,533,060	-20.8%
Swale	159,308	18,392,457	115.45	162,882	16,987,047	104.29	- 1,405,410	-7.6%
Thanet	147,083	14,983,288	101.87	149,028	15,060,386	101.06	77,098	0.5%
Tonbridge And Malling	139,457	9,163,001	65.70	142,527	8,267,745	58.01	- 895,256	-9.8%
Tunbridge Wells	120,879	6,771,633	56.02	121,741	6,491,876	53.33	- 279,757	-4.1%

As can be seen we have not incurred the largest reduction in support with those areas with larger decreases having to rely in increased Council Tax yields.

- 7.12 Since the settlement announcement the Council has received a further breakdown of the Homelessness Grant award down into the component elements, these are shown below.

	2026/27 £000's	2027/28 £000's	2028/29 £000's
Staffing	458	279	497
Rough Sleeping	347	363	377
Domestic Abuse new burdens	37	39	39
	842	681	913

The remaining element of the grant previously awarded for Temporary Accommodation costs has now been rolled into the Revenue Support Grant under the relative needs formula.

- 7.13 The next stage of the process will be to review the MTFS allowing for these funding changes and some changes in other assumptions within the plan, this should then identify any funding gap that may remain.
- 7.14 Finally, it should be noted that these figures are provisional and will not be fully confirmed until early February 2026, although historically these have not changed to a significant degree, given the significant changes to Government support some lobbying from some sectors of Local Government may affect later year allocations.

- **National Non Domestic Rates**

- 7.15 Whilst the settlement gives details of the Council's Baseline funding, as detailed in the table at paragraph 7.7, further work is being undertaken to assess the recent changes associated with Business Rates revaluation and the changes to the Multipliers used for different property types in order to calculate the Councils Income base for the 2026/27 estimates.
- 7.16 The final NNDR return is due to be returned to the Government at the end of January, and I will look to update members verbally at the meeting on the levels being assessed and calculated.

- **Local Referendums to Veto Excessive Council Tax Increases**

- 7.17 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 need to hold a referendum seeking views from local residents.
- 7.18 For the year 2026/27, a referendum will be triggered where council tax is increased by **more than 3% or £5, whichever is higher**.
- 7.19 Referendum principles currently do not apply to town and parish councils.

8 Specific Issues for this Budget Setting process

- 8.1 This year's budget setting process has had to incorporate the current economic impacts of inflation for both next year and over the medium term. An overall inflation provision is made, broken down into three parts – pay inflation, contract inflation and supplies and services inflation.
- 8.2 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.

- 8.3 Recommendations regarding fees and charges are made during this cycle of meetings and reflected in the revenue estimates.
- 8.4 Any decisions made by the General Purposes Committee at its meeting on 20 January 2026 have not been reflected in these draft papers due to timing. Any financial implications arising from decisions made at the meeting of the General Purposes Committee will need to be incorporated into the draft Estimates prior to presentation to Cabinet on 10 February 2026.
- 8.5 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 10 February, the Cabinet will need to consider both the Revenue and Capital Estimates in the context of the MTFS and, where appropriate, recommend additions to the Capital Plan.
- 8.6 In accordance with the MTFS objectives, the annual contribution to the Revenue Reserve for Capital Schemes excluding capital renewals has previously been set at £250,000 but given pending reorganisation if it felt that an increase to £500,000 per annum until 2028/29 would be appropriate.
- 8.7 The annual contribution to the Building Repairs Reserve to meet ongoing maintenance and repair obligations has been set at £820,000 from 2026/27 onwards, this accounts for the previous base of £750,000 and an additional allowance for the Homelessness Properties operated by the Council. Further reviews may be required to keep a balanced reserve position.
- 8.8 More detailed explanatory notes in respect of the revenue estimates can be found in the attached Revenue Estimates Booklet **[Annex 1]**.
- 8.9 To support scrutiny of the Revenue Estimates, and further to previous requests from Members, **[Annex 2]** sets out for each of the services contained in **[Annex 1]** a description as to whether it is a mandatory or a discretionary service.
- 8.10 It is important that Members appreciate however, that there are often discretionary 'add-ons' to a mandatory service and therefore mandatory services should not be excluded from scrutiny. It is also worth noting that discretionary services are often the ones which are most desired and appreciated by residents and taxpayers, contributing to wider objectives such as health and wellbeing.

9 Revised Revenue Estimates 2025/26

- 9.1 Overall, the draft 2025/26 Revised Estimate show a decrease on the original estimate of £488,814 prior to making a contribution to the General Revenue Reserve. Details of the variations are contained in Annex 1 to this report and the table below gives the principal reasons for the variation.

	£	Reserve Funding
Salary Estimates	599,850	Part
Investment Fund Losses	750,000	Yes
Investment Income	- 280,900	
Economic Development Initiatives	200,000	Yes
Planning Appeals	112,500	
Polluter Pays Grant Award	- 352,850	
Garden Waste Income	- 95,800	
Car Parking Income	- 197,850	
IT Software & Consultancy	259,000	Part
Building Repairs Expenditure	224,910	
Contributions to reserves	2,589,300	
Contributions from reserves	- 4,471,200	
Capital Expenditure	472,000	Yes
Government Funding	- 288,000	
Business Rates Income	- 106,164	
Other impacts	96,390	
Total Movement	- 488,814	

- 9.2 Other changes identified not contained within Annex 1 are as follows.

- An increase in the contributions from the Council's earmarked reserves primarily to fund the increased service expenditure, alongside movements to other earmarked reserves following a review by the S151 Officer approved at Cabinet in January 2026.
- An increase in the contributions to the Council's earmarked reserves as a result of additional specific grant awards, alongside movements to other earmarked reserves following a review by the S151 Officer approved at Cabinet in January 2026.
- Increased expenditure on capital projects after allowing for the movement of schemes moved between financial years.

10 Revenue Estimates 2026/27

- 10.1 Overall the draft 2026/27 Estimate shows a decrease compared to the 2025/26 Original Estimate of £4,740,324 prior to making a contribution to the General

Revenue Reserve. Details of the variations are contained in Annex 1 to this report but the table below gives the principal reasons for the variation.

	£	Reserve Funding
Salary Pay Inflation	562,150	Part
Superannuation Backfunding	- 1,109,000	
Planning Policy (Local Plan)	- 270,400	Yes
Economic Development Initiatives	250,000	Yes
Investment Income	331,000	
Car Parking Income	- 258,550	
Garden Waste Income	- 183,900	
Polluter pays grant award	- 383,700	
Homelessness Grant	302,000	
Building Repairs Expenditure	- 263,000	
Contributions to reserves	- 8,065,950	
Contributions from reserves	4,241,750	
Capital Expenditure	1,362,000	
Government Funding	- 1,666,701	
Business Rates Income	847,062	
Collection Fund Movements	- 290,535	
Other Movements	- 144,550	
Total Movement	- 4,740,324	

10.2 Other changes identified not contained within Annex 1 are as follows;

- Following the revaluation of the Councils Pension Fund arrangements the actuaries have reviewed both the standard and deficit pension fund contributions. The standard rate has fallen for 20.7% to 17.6% and the deficit is now being recovered over a longer period. The resulting reductions have been included into the Salary Pay Inflation and Superannuation Backfunding variations above.
- Changes to Government Grant income following the fair funding review, as explained in section 7 above.
- Reduced contributions to the Council's earmarked reserves primarily due to a reduction in one off funding arrangements to fund future specific corporate projects.
- Reduced contributions from the Council's earmarked reserves due to less additional reserve funding requirements.
- Changes to the Council's Business Rates Baseline.

- Movements on the Collection fund surplus/deficits, the movement between years is as a result of slightly decreased collection rates and increased levels of empty business properties.

11 Other specific matters affecting the estimates

- 11.1 Internal Drainage Board (IDB) Levies – Members will be aware that some councils (including TMBC) are charged levies to fund IDBs in their area. This Council receives levies from two separate IDBs: the Upper Medway Drainage Board and the Lower Medway Drainage Board. Levies are payable on demand, and the Council has little influence over the rate being set. Some councils, those that are significantly impacted by levies, receive additional funding to support these costs, but TMBC does not fall into this group. The Council has recently joined a special interest group (SIG) to request additional and potentially fairer funding for authorities who are paying these levies. The 2026/27 estimate includes provision for levies totalling circa £536k, an increase of 3.5% on the 2025/26 levies.
- 11.2 Inflation – a general level of inflation has been provided on contracts and certain supplies and services within these estimates. Once the actual inflation levels are known it could be that there is an element of overprovision. If this is the case, the 'excess' provision could be used to cover shortfalls identified elsewhere in the budget or contribute to the ongoing funding gap once identified.

12 Reserves

- 12.1 The Estimates as presented, considering the grant settlement, should allow the Council to contribute to the corporate priorities identified in paragraph 5.2 through contributions to reserves.
- 12.2 This is predicated on the council tax for 2026/27 being in line with the maximum that could be set, as detailed in 7.17 to 7.19 above. It should be noted that the government assumes that councils will set council tax to the referendum limit when making their core spending power calculations.
- 12.3 The contribution to reserves will be discussed and recommended by Cabinet at the special budget meeting in February, specifically focussing on the Corporate priorities set out in paragraph 5 above.

13 Capital Plan

- 13.1 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.
- 13.2 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 10 February for endorsement by Council.
- 13.3 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. In some instances, earmarked reserves may also provide funding in full or part for specific schemes.
- 13.4 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 2026/27 is **£1,135,000**.
- 13.5 There remains an annual capital allowance for all other capital expenditure not least considering 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 has been increased to £500,000.
- 13.6 It should be noted that given the level of the Capital Plan some borrowing could be required for projects in the forthcoming year, at the present time, no allowance has been made for any debt charges that may be incurred.

14 Financial and Value for Money Considerations

- 14.1 Members and senior officers have a duty to provide for the **long-term financial sustainability** of the Council. It is, therefore, imperative that we prepare plans to deliver any scenario that the Council might face.
- 14.2 The uncertainty surrounding local government finances with regard to:
- the awaited outcome of the reform of local government funding, including business rates reforms, and
 - impact of the devolution and reorganisation plans announced by the Government in December 2024.
- 14.3 The provisional local government finance settlement covering the 2026/27 to 2028/29 financial years represents a decrease in funding to the Council of 9.6% whilst anticipating an increase in the proportion of Core Spending raised through Council Tax from 60.5% to 64.4%.

- 14.4 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.

15 Risk Assessment

- 15.1 The Local Government Act 2003 requires the Chief Financial Officer (s151), 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.
- 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.
- 15.3 The uncertainty and volatility surrounding local government finances has not aided financial planning with the increased risk of significant variations compared to projections; and the consequent implications on the level of reserves held. That being said, the commitment for future multi year settlements should allow the Council to have some improved certainty that can be included in future iterations of the MTFS.
- 15.4 The Waste Services Contract after 2027/28 is expected to increase the Council's costs due to a hardening in the market position. Once the final results of the retendering are known this will allow for better planning.
- 15.5 **Members are reminded that the cost of borrowing for new capital plan schemes when and if required are not factored into the MTFS.**
- 15.6 Any increase in council tax above the relevant threshold, even by a fraction of a percentage point, would require a referendum to be held.
- 15.7 The potential financial effects of Local Government Reorganisation, that is expected to occur in 2028/29 have yet to be fully assessed. Once a decision on the future for the Council has been announced further changes to Council Finances may be required.

16 Legal Implications

- 16.1 There are a number of legislative requirements to consider in setting the Budget which will be addressed as we move through the budget cycle.
- 16.2 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.
- 16.3 The Local Government Finance Act 2012 and regulations that followed introduced the current Business Rates Retention Scheme.

17 Consultation and Communications

- 17.1 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 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.
- 17.2 Any comments or representations received from the consultees will be reported to Members during the budget process as appropriate.

18 Cross Cutting Issues

18.1 Climate Change and Biodiversity

- 18.1.1 Climate change advice has not been sought in the preparation of the options and recommendations in this report.

18.2 Equalities and Diversity

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

Background Papers	None
Annexes	(1) Draft Revenue Estimates Booklet (2) Mandatory/Discretionary Services

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

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Directorate	Cost Centre Description	Mandatory/Discretionary	Legislation
Central Services	Tonbridge Castle Gatehouse	Discretionary	Section 17 of the Crime and Disorder Act 1998
Central Services	Community Safety	Mandatory	
Central Services	Media and Communications	Discretionary	
Central Services	Local Land Charges	Mandatory	
Central Services	Industrial Estate	Discretionary	
Central Services	Commercial Property	Discretionary	
Central Services	Vale Rise Depot	Discretionary	
Central Services	Licences - Fee paying	Mandatory	
Central Services	Licences - Non Fee paying	Mandatory	Licensing Act 2003. Various legislation based on type of licence. Licensing Act 2003. Various legislation based on type of licence.
Chief Executive	Community Development	Discretionary	S11 and Care Act 2014
Chief Executive	Safeguarding	Mandatory	
Chief Executive	Elections - Electoral Registration	Mandatory	
Chief Executive	Elections - Conduct of Elections	Mandatory	
Chief Executive	Grants & Payments - Charitable & Voluntary Organisations	Discretionary	
Chief Executive	Grants & Payments - Citizens Advice Bureaux	Discretionary	
Chief Executive	Climate Change	Discretionary	
Chief Executive	Economic Development & Regeneration	Discretionary	
Chief Executive	UK Shared Prosperity Fund	Discretionary	
Chief Executive	Refugee Assistance	Mandatory/Discretionary	
Finance & Transformation	Housing Benefits	Mandatory	
Finance & Transformation	Local Revenue & NNDR Collection	Mandatory	
Finance & Transformation	Council Tax Support	Mandatory	
Finance & Transformation	Treasury Management & Banking - Treasury Management	Discretionary	
Finance & Transformation	Treasury Management & Banking - Banking Arrangements	Discretionary	
Finance & Transformation	Drainage Board Special Levies	Mandatory	
Finance & Transformation	Liaison, Support & Advice	Mandatory/Discretionary	
Finance & Transformation	Street Naming and Numbering	Mandatory	
Planning Housing & Environmental Health	Development Management - Fee Earning	Mandatory	Town & Country Planning Act 1990 (as amended), Planning and Compulsory Act 2004 (as amended).
Planning Housing & Environmental Health	Development Management - Other	Mandatory	Town & Country Planning Act 1990 (as amended), Planning and Compulsory Act 2004 (as amended).
Planning Housing & Environmental Health	Development Management - Pre Applications & Planning advice - Fee Earning	Discretionary	National Planning Practise Guidance and TCPA guidance on Pre-application advice and PPAs
Planning Housing & Environmental Health	Development Management - Enforcement	Mandatory/Discretionary	Town & Country Planning Act 1990 (as amended), Planning and Compulsory Act 2004 (as amended).
Planning Housing & Environmental Health	Conservation	Mandatory	Planning (Listed Buildings and Conservation Areas) Act 1990
Planning Housing & Environmental Health	Building Control	Mandatory	The Building Regulations 2010 (as amended), and the Building Safety Act 2022
Planning Housing & Environmental Health	Development of Local Plan	Mandatory	The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended), Planning and Compulsory Act 2004 (as amended) , Levelling up and Regeneration Act 2023.

Directorate	Cost Centre Description	Mandatory/Discretionary	Legislation
Planning Housing & Environmental Health	Planning Policy	Mandatory	The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended), Planning and Compulsory Act 2004 (as amended) , Levelling up and Regeneration Act 2023.
Planning Housing & Environmental Health	Housing Strategy & Enabling Role - Housing Strategy	Mandatory	Housing Act 1996, Housing Grants, Construction and Regeneration Act 1996, Housing Act 2004
Planning Housing & Environmental Health	Housing Strategy & Enabling Role - Housing Register	Mandatory	Housing Register and Housing Advice and Prevention is Housing Act 2006.
Planning Housing & Environmental Health	Homelessness	Mandatory	Housing Act 1996
Planning Housing & Environmental Health	Housing Advice and Prevention	Mandatory	
Planning Housing & Environmental Health	Home Safety	Discretionary	
Planning Housing & Environmental Health	Private Sector Housing Renewal - DFG's	Mandatory	Housing Grants, Construction and Regeneration Act 1996.
Planning Housing & Environmental Health	Private Sector Housing Renewal	Discretionary	Housing Grants, Construction and Regeneration Act 1996
			Housing Act 2004 - Housing standards and HMO licensing; Public Health Act 1936 filthy and verminous premises; Caravan Sites and Control of Development Act 1960 (as amended) for caravan site licensing; and Protection from Eviction Act 1977 for illegal eviction and harassment.
Planning Housing & Environmental Health	Private Sector Housing Standards	Mandatory	
Planning Housing & Environmental Health	Pest Control	Discretionary	
Planning Housing & Environmental Health	Public Health Act 1984	Mandatory	Public Health (Control of Disease) Act 1984
Planning Housing & Environmental Health	Environmental Protection Act - Part 1	Mandatory	Environment Protection Act 1990
Planning Housing & Environmental Health	Environmental Protection	Mandatory	Environment Protection Act 1990
			Health and Safety at Work Act 1974
Planning Housing & Environmental Health	Food & Safety - General	Mandatory	Public Health (Control of Diseases) Act 1984
Planning Housing & Environmental Health	Food & Safety - Food Safety	Mandatory	
Planning Housing & Environmental Health	Public Health - Healthy Living	Discretionary	Food Safety Act 1990
Planning Housing & Environmental Health	Public Health - General	Discretionary	
Street Scene, Leisure and Technical Services	Angel Centre	Discretionary	
Street Scene, Leisure and Technical Services	Tonbridge Swimming Pool	Discretionary	
Street Scene, Leisure and Technical Services	Tonbridge & Malling Leisure Trust	Discretionary	
Street Scene, Leisure and Technical Services	Sports Grounds	Discretionary	
Street Scene, Leisure and Technical Services	Larkfield Leisure Centre	Discretionary	
Street Scene, Leisure and Technical Services	Poult Wood Golf Centre	Discretionary	
Street Scene, Leisure and Technical Services	Pleasure Grounds & Open Spaces - Tonbridge Castle Grounds	Discretionary	
Street Scene, Leisure and Technical Services	Pleasure Grounds & Open Spaces - Haysden Country Park	Discretionary	
Street Scene, Leisure and Technical Services	Pleasure Grounds & Open Spaces - Open Spaces & Amenity Areas		
Street Scene, Leisure and Technical Services	Borough Wide	Discretionary	
Street Scene, Leisure and Technical Services	Pleasure Grounds & Open Spaces - Patrolling	Discretionary	
Street Scene, Leisure and Technical Services	Pleasure Grounds & Open Spaces - Countryside/Woodland		
Street Scene, Leisure and Technical Services	Management	Discretionary	
Street Scene, Leisure and Technical Services	Pleasure Grounds & Open Spaces - Leybourne Lakes Country Park	Discretionary	
Street Scene, Leisure and Technical Services	Allotments	Mandatory	Small Holdings and Allotments Act 1908 (Legal to confirm)
Street Scene, Leisure and Technical Services	Tonbridge Cemetery	Discretionary	
Street Scene, Leisure and Technical Services	Churchyards	Mandatory	Local Government Act 1972 (legal to confirm)
Street Scene, Leisure and Technical Services	Leisure Planning & Policy	Discretionary	

Directorate	Cost Centre Description	Mandatory/Discretionary	Legislation
Street Scene, Leisure and Technical Services	Leisure Strategy - Market Research	Discretionary	
Street Scene, Leisure and Technical Services	Leisure Strategy - Liaison with Outside Bodies	Discretionary	
Street Scene, Leisure and Technical Services	Events Development	Discretionary	
Street Scene, Leisure and Technical Services	Civil Contingencies	Mandatory	Civil Contingencies Act, mutual aid
Street Scene, Leisure and Technical Services	Christmas Lighting	Discretionary	
Street Scene, Leisure and Technical Services	Transportation - Street Name Plates	Mandatory	Section 19 of The Public Health Act 1925
Street Scene, Leisure and Technical Services	Transportation - Other	Discretionary	
Street Scene, Leisure and Technical Services	Security Services Management (CCTV)	Discretionary	
Street Scene, Leisure and Technical Services	Parking Services - Off-Street	Discretionary	
Street Scene, Leisure and Technical Services	Parking Services - On-Street	Discretionary	
Street Scene, Leisure and Technical Services	Borough Drainage & Land Drainage Related Works	Discretionary	
Street Scene, Leisure and Technical Services	Refuse Collections	Mandatory	Environmental Protection Act 1990
Street Scene, Leisure and Technical Services	Public Conveniences	Discretionary	
Street Scene, Leisure and Technical Services	Street Scene - Street Cleansing Contract	Mandatory	Environmental Protection Act 1990
Street Scene, Leisure and Technical Services	Street Scene - Dog Warden	Mandatory	Environmental Protection Act 1990
Street Scene, Leisure and Technical Services	Street Scene - Other	Discretionary	
Street Scene, Leisure and Technical Services	Recycling - Dry Recycling (provision of kerbside collections)	Mandatory	Environmental Protection Act 1990
Street Scene, Leisure and Technical Services	Recycling - Dry Recycling (provision of Bring Sites)	Discretionary	
Street Scene, Leisure and Technical Services	Recycling - Food Recycling	Mandatory	Environment Act 2021
Street Scene, Leisure and Technical Services	Recycling - Garden Waste Recycling	Mandatory	Environmental Protection Act 1990

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CAPITAL PLAN REVIEW 2025/26

Item OS 26/5 referred from Overview and Scrutiny Committee of 22 January 2026

The report of the Head of Finance and Cabinet Member for Finance, Waste and Technical Services detailed proposals for the Capital Plan for the remainder of 2025/26 and 2026/27 and sought endorsement of recommendations to the Cabinet.

Members were reminded that the capital plan process provided a means of maintaining a pool (List C) from which schemes could be selected for evaluation and possible implementation. It also provided an opportunity to review the provisions for schemes which were already in the Capital Plan (List A).

It was explained that capital expenditure was 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. In some circumstances other earmarked reserves were used to fund in full or in part appropriate capital plan schemes. However, it was also noted that based on current approvals that from 2029/30 the Borough Council might need to borrow to fund such expenditure.

Proposals for List C which included the addition of 'fast track' schemes in respect of Tonbridge Farm Sportsground Improvements All Weather Pitch, Leybourne Lakes Country Park – Resurfacing Access Roads and Paths, Taddington Valley – Site Improvement Works, Water Safety Systems Installation for Swimming Pools and Innerva Suite – Angel Leisure Centre were outlined in 9.4 of the report. Funding arrangements and evaluated details for these schemes were set out in Annex 4 and 10.1 to 10.6 of the report.

In addition, to the five schemes identified for 'fast track', a further scheme concerning the boilers at Tonbridge Swimming Pool required consideration to enable a potential amendment to the current Boiler Scheme on List A to include this additional site. This scheme could be funded from the annual capital allowance of £500,000. There was no objection raised to amending the current List A scheme.

Careful consideration was given to the existing Capital Plan (List A) and List C (as detailed in Annexes 1 – 3) and officers responded to questions raised by Members related to the reduced budget provision of housing assistance, capital receipts of the old Angel Leisure Centre and the scheme at Tonbridge Farm Sportsground.

In response the Committee was assured that housing assistance support was not being reduced but funded by Better Care Funding and every effort would be made to put capital receipts towards the replacement Angel Centre in due course. An offer to hold a Member briefing on the Tonbridge Farm Sportsground to better understand the project was welcomed. Other queries raised would be addressed out of meeting and if appropriate necessary adjustments to the schemes would be made.

Members recognised the significant financial implications in respect of a number of schemes and were reassured that the costs, risks, works and valuations associated

with the projects would be carefully monitored. It was also commented that projects set out should be implemented as soon as possible in advance of local government organisation so that these could be started/completed if the Borough Council no longer existed.

Finally, the Committee recorded appreciation to Officers in Finance Services for their contribution in preparing both the Revenue Estimates and the Capital Plan.

***RECOMMENDED:** That

- (1) the current Capital Plan (List A) position (attached at Annex 1) be noted;
- (2) List C (attached at Annex 3) be amended by Cabinet as detailed in 8.3 of the report;
- (3) the transfer of the five fast-track evaluated schemes (shown in 9.4 and Annex 4) from List C to List B be commended to Cabinet for endorsement;
- (4) the remaining four List C schemes listed in 9.4 be selected for evaluation;
- (5) Cabinet endorse Capital Plan (List B) totalling £1.869m (detailed in Annex 2 and 11.3) transferring to List A, subject to the remaining finance being identified;
- (6) Cabinet be asked to update the Capital Plan (List A) position as recommended above; and
- (7) the Cabinet be invited to endorse the Capital Strategy (attached at Annex 5) for adoption by the Council and publication on the Council's website.

***Recommended to Cabinet**

Overview and Scrutiny Committee

22 January 2026

Part 1 - Public

Recommendation to Cabinet



Cabinet Member

Martin Coffin - Deputy Leader; and Cabinet Member for Finance, Waste and Technical Services

Responsible Officer

Paul Worden – Head of Finance (Section 151 Officer)

Report Author

Donna Riley – Financial Services Manager

Capital Plan Review 2025/26

1 Summary and Purpose of Report

- 1.1 This report gives details of the proposed Capital Plan for the remainder of 2025/26 and 2026/27.

- **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 approval of 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, Earmarked Reserves; external grants or received s106 funds where the scheme meets the requirements of the funding agreement**
- **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**

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.

- 2.2 The Capital Plan shows investment into council assets and infrastructure in order to maintain effective council services.

3 Recommendations

- 3.1 Members of this Committee NOTE the current Capital Plan (List A) position as shown in **[Annex 1]**.
- 3.2 It is **RECOMMENDED** that Cabinet be asked to amend List C **[Annex 3]** as detailed in paragraph 8.3.
- 3.3 It is **RECOMMENDED** that Cabinet be asked to endorse the transfer of the five fast-track evaluated schemes **[Annex 3]**, shown in paragraph 9.4 from List C to List B.
- 3.4 It is **RECOMMENDED** that Cabinet be asked to select the remaining four List C schemes in paragraph 9.4 for evaluating.
- 3.5 It is **RECOMMENDED** that Cabinet be asked to endorse Capital Plan (List B) totalling £1.869m as shown in **[Annex 2]**, and paragraph 11.3, to List A, subject to the remaining finance being identified.
- 3.6 It is **RECOMMENDED** that Cabinet be asked to update the Capital Plan (List A) position as recommended above.
- 3.7 It is **RECOMMENDED** that Cabinet be invited to endorse the Capital Strategy as attached at **[Annex 5]** for adoption by Council and publication on the Council's website.

4 Introduction and Background

- 4.1 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).
- 4.2 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, and climate change obligations;
 - funded from external resources; and
 - reduce revenue expenditure and or generate income.
- 4.3 The subsequent recommendations where appropriate have regard to these criteria.

- 4.4 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.
- 4.5 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 Head of Finance and the Cabinet Member for Finance, Waste and Technical Services.

5 Capital Plan Funding

- 5.1 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. In addition, in some circumstances, other earmarked reserves are used to fund in full or in part appropriate capital plan schemes.
- 5.2 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 2026/27 is £1,135,000.
- 5.3 There remains 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. Considering pending Local Government Reorganisation the annual capital allowance has been uplifted from £250,000 to £500,000 through to the end of 2027/28. A further review will be undertaken in 2027/28 to assess the future requirement.
- 5.4 It should be noted at present the Council is giving consideration to future borrowing requirements. Each such opportunity to be considered on a case by case basis as appropriate.

6 Capital Plan Review Process

- 6.1 The Capital Plan consists of three main elements in a 'ladder' style:
- 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 and approval, 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.

6.2 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 and transferred to List B.

6.3 Cabinet on 10 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 24 February will consider recommendations from Cabinet.

6.4 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 4.2.

7 Review of the Existing Capital Plan (List A)

7.1 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 2025/26 Budget Book have been made:

- the outturn for 2024/25 has been taken into account and any slippage still required has been included in 2025/26;
- schemes included in the existing Budget Book which were completed in 2024/25 have been removed;
- in accordance with the policy of having a rolling six year Capital Plan (current year plus six) an additional year, 2031/32, 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.

7.2 Paragraph 7.3 details specific amendments to the Capital Plan (List A) since it was approved by Council in February 2025.

7.3 Details of Schemes added in 2025/26

- D250036CAB (1 April 2025) Angel Centre Replacement
- D250098CAB (2 September 2025) Riverside Route Lighting
- Full Council (28 October 2025) Shallows Bridge

7.4 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 2025/26, 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 £1.116m per annum (2025/26 – 2031/32).

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

Capital Plan (List A) recurring expenditure		
	2031/32 £'000	Annex 1 Page
Planning, Housing and Environmental Health		
Housing assistance (net)	15	CP 4
Street Scene, Leisure and Technical Services		
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 18
Total	174	

8 List C Update

- 8.1 As a result of the difficult and challenging financial outlook beyond 2025/26 the focus has to be on what are seen as priority capital plan schemes or where there is potential for external funding.
- 8.2 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 a substantial contribution received by developer contributions, government grant or other external funding opportunities. An updated schedule of List C schemes is attached at **[Annex 3]**. The update includes schemes which are recommended to be added to List C and schemes to be deleted from List C.

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

List C additions and deletions	
	Annex 3 Page
Schemes to be added to List C	
Street Scene, Leisure and Technical Services	
Car Parks - LED Lights	CP 36
Leybourne Lakes Country Park – Resurfacing Access Roads & Paths	CP 37
Taddington Valley – Site Improvement Works	CP 38
Tonbridge Racecourse Sportsground – Site Improvement Works, Phase Four	CP 39
Improved Health and Fitness Provision at Larkfield Leisure Centre	CP 40
Leisure Pool Features at Larkfield Leisure Centre	CP 41
Water Safety Systems Installation for Swimming Pools	CP 42
Innerva Suite – Angel Leisure Centre	CP 43
Schemes to be deleted from List C	
Street Scene, Leisure and Technical Services	
Tonbridge Castle – Site Improvements	

9 Selection of List C Schemes for Evaluation

- 9.1 At this meeting, Members have the opportunity to recommend schemes for evaluation.
- 9.2 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.
- 9.3 The schedule of List C schemes in **[Annex 3]** 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, five schemes have been recommended for Fast-Track evaluation.
- 9.4 In addition, there is one scheme selected for evaluation in a previous Review that is yet to be evaluated / subject to further evaluation as follows: River Medway Riverside Environmental Improvements, Tonbridge – Sections 2 & 3. The evaluation has been deferred to 2026/27 to maintain focus on the delivery of Section 1.

Schemes selected for evaluation from List C	
	Annex 3 Page
Street Scene, Leisure and Technical Services	
Tonbridge Racecourse Sportsground – Improvement Works, Phase Three	CP33
Tonbridge Racecourse to Lower Castle Fields - Car Park Bridge Replacement	CP34
Tonbridge Farm Sportsground Improvements All Weather Pitch (fast-track)	CP 35
Car Parks LED Lights	CP36
Leybourne Lakes Country Park – Resurfacing Access Roads & Paths (fast-track)	CP 37
Taddington Valley – Site Improvement Works (fast-track)	CP 38
Tonbridge Racecourse Sportsground - Site Improvement Works, Phase Four	CP39
Water Safety Systems Installation for Swimming Pools (fast-track)	CP 42
Innerva Suite – Angel Leisure Centre (fast-track)	CP 43

10 Evaluation of List C Schemes

- 10.1 As part of the 2025/26 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 4]** including those schemes recommended for Fast-Track evaluation.
- 10.2 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, and climate change impact.
- 10.3 The estimated capital cost of the schemes outlined below is to be funded as explained in paragraphs 11.3 and 11.4.
- 10.4 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.
- 10.5 List B schemes will be considered by Cabinet on 10 February alongside the revenue estimates. Schemes may be selected for transfer from List B to the Capital Plan (List A) considering the overall budget position.

- 10.6 In addition to the five schemes identified for fast-track, a sixth scheme concerning the boilers at Tonbridge Swimming Pool requires consideration. Further details are given in paragraph 11.2 below.
- 10.7 Details of the evaluated schemes are summarised below.

Capital / Revenue Financial Impact of Evaluated Schemes		
	Capital Cost £'000	Annex 4 Page
Street Scene, Leisure and Technical Services		
Taddington Valley – Site Improvement Works (fast-track)	108	CP 44
Tonbridge Swimming Pool Boiler Replacement (fast-track)	300	CP 47
Leybourne Lakes Country Park – Resurfacing Access Roads & Paths (fast-track)	200	CP 51
Tonbridge Farm Sportsground Improvements All Weather Pitch (fast-track)	1,000	CP 54
Innerva Suite – Angel Leisure Centre (fast-track)	101	CP 58
Water Safety Systems Installation for Swimming Pools (fast-track)	160	CP 62
Total	1,869	

11 List B Proposals

- 11.1 As described in the process above, List B contains Schemes that have been subject to evaluation and are awaiting the identification of funding to move onto the full list A for capital works to commence.
- 11.2 The Tonbridge Swimming Pool Boiler Replacement Scheme has been included on List B for consideration, to enable a potential amendment to the current Boiler Scheme on List A to include this additional site.

- 11.3 A schedule of List B Schemes are attached at **[Annex 2]**. To assist Members, a summary of the proposals is detailed in the table below.

	Proposed Budget £'000
Street Scene, Leisure and Technical Services	
1. Taddington Valley – Site Improvement Works.	108
2. Tonbridge Swimming Pool Boiler Replacement.	300
3. Leybourne Lakes Country Park – Resurfacing Access Roads & Paths.	200
4. Tonbridge Farm Sportsground Improvements All Weather Pitch.	1,000
5. Innerva Suite – Angel Leisure Centre.	101
6. Water Safety Systems Installation for Swimming Pools.	160
Total	1,869

- 11.4 The majority of funding for these schemes will be taken from grants (subject to confirmation) and section 106 agreements. Notably:
- Scheme 1 can be funded 50:50 from partnership funding.
 - Scheme 3 can be funded from s106 developer contributions.
 - Scheme 5 can be funded from Tonbridge & Malling Leisure Trust.
 - Scheme 6 can be funded from Tonbridge & Malling Leisure Trust.
 - In respect of scheme 4, a grant application for the majority of the funding will be submitted to the Football Foundation, with a requirement for some match funding.

- 11.5 The remaining scheme numbered 2 highlighted in **red** on the table above will require financing from the Revenue Reserve for Capital Schemes costing **£300,000 if it were to proceed**. As set out in paragraph 5.3 this is within the annual capital allowance of £500,000 and therefore this scheme could proceed if Members decide accordingly. The remaining balance could be used to support the partnership funding outlined in scheme 1, and the match funding outlined in scheme 4 above.

12 Other impacts of Accounting Regulations and Standards

- 12.1 There are no additional matters to report in this section.

13 Capital Strategy

- 13.1 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.
- 13.2 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 5]**. 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.
- 13.3 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.”

14 Financial and Value for Money Considerations

- 14.1 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 10 February in the context of the Medium Term Financial Strategy and the overall budget position.
- 14.2 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.

15 Risk Assessment

- 15.1 Financial implications of new schemes to be considered by Cabinet at the February budget meeting.
- 15.2 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.

16 Legal Implications

- 16.1 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).

17 Cross Cutting Issues

17.1 Climate Change and Biodiversity

- 17.1.1 Where there is a perceived impact on end users a climate change or biodiversity impact assessment has or will be carried out as schemes progress as appropriate.

17.2 Equalities and Diversity

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

Background Papers	None
Annexes 1-4 5	Capital Plan Review Capital Strategy

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Overview & Scrutiny Committee

22 January 2026

Capital Plan Review 2025/26 & 2026/27

Annexes 1 - 4

Annex	Contents	Page
1	Capital Plan List A	
	Summary	CP 1
	Planning, Housing & Environmental Health	CP 3
	Street Scene, Leisure & Technical Services	CP 9
	Corporate	CP 23
2	List B Schemes for Consideration	CP 30
3	List C Schemes	CP 31
4	List C Evaluations	CP 44

Capital Plan: List A Service Summary									
	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Plan Schemes									
Planning, Housing & Environmental Health	61	1,228	3,486	15	15	15	15	15	4,850
Street Scene, Leisure & Technical Services	1,057	2,695	15,159	3,159	174	159	159	159	22,721
Corporate	1,222	1,992	1,750	0	0	0	0	0	4,964
Sub-total	2,340	5,915	20,395	3,174	189	174	174	174	32,535
Capital Renewals									
Planning, Housing & Environmental Health	n/a	1	14	0	21	21	33	0	90
Street Scene, Leisure & Technical Services	n/a	719	1,826	629	430	1,123	434	314	5,475
Corporate	n/a	770	279	131	119	333	443	174	2,249
Sub-total	n/a	1,490	2,119	760	570	1,477	910	488	7,814
Total	2,340	7,405	22,514	3,934	759	1,651	1,084	662	40,349

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Capital Plan: List A
Planning, Housing and Environmental Health

	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Plan Schemes									
Housing	59	30	15	15	15	15	15	15	179
Temporary Accommodation & Resettlement Scheme	0	1,200	3,471	0	0	0	0	0	4,671
Home Upgrade Grant Scheme (HUG2)	0	0	0	0	0	0	0	0	0
Environmental Health	2	(2)	0	0	0	0	0	0	0
Sub-total	61	1,228	3,486	15	15	15	15	15	4,850
Capital Renewals	n/a	1	14	0	21	21	33	0	90
Total Planning, Housing and Environmental Health	61	1,229	3,500	15	36	36	48	15	4,940

Capital Plan: List A Planning, Housing and Environmental Health										
	Code	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Housing		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(a) Better Care Fund (DFGs)										
(i) Mandatory Grants Less repayments	P03AC	n/a	1,317 (10)	1,300 (10)	1,300 (10)	1,300 (10)	1,300 (10)	1,050 (10)	1,050 (10)	8,617 (70)
(ii) Discretionary Grants	P03AT	59	391	175						625
(iii) Government Grant		n/a	(1,698)	(1,465)	(1,290)	(1,290)	(1,290)	(1,040)	(1,040)	(9,113)
Sub-total		59	0	0	0	0	0	0	0	59
(b) Housing Assistance Less repayments	P03AD	n/a	60	45	45	45	45	45	45	330
		n/a	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(210)
Sub-total		n/a	30	15	15	15	15	15	15	120
Total Housing to Summary		59	30	15	15	15	15	15	15	179
(c) Temporary Accommodation & Resettlement Scheme	P03AW	0	1,200	3,471						4,671
Sub-total		n/a	1,200	3,471	0	0	0	0	0	4,671
Total Temporary Accommodation to Summary		0	1,200	3,471	0	0	0	0	0	4,671

Capital Plan: List A
Planning, Housing and Environmental Health

	Code	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(d) Home Upgrade Grant Scheme (HUG2) Government Grant	P03AF	75 (75)								75 (75)
Sub-total		0	0	0	0	0	0	0	0	0
Total Home Upgrade Grant Scheme to Summary		0	0	0	0	0	0	0	0	0

Capital Plan: List A Planning, Housing and Environmental Health		
	Justification	Scheme notes
Housing (a) Better Care Fund (DFGs) (b) Housing Assistance Temporary Accommodation and Resettlement Scheme (d) Home Upgrade Grant Scheme (HUG2)	<i>Former Corp't Aims & Priorities</i> <i>Former Corp't Aims & Priorities</i> <i>Former Corp't Aims & Priorities</i> <i>External Funding</i>	Given the level of carry forward this year which includes prior year slippage the budget has been reprofiled across the years until 2028/29. Funding continues to be made available from the Better Care Fund to enable qualifying residents to apply for grants to help with adaptation costs. Budget reviewed by Communities & Housing Advisory Board, July 2016. Gross budget provision reduced from £90,000 to £60,000 per annum, with an additional reduction from 2026/27. An earmarked reserve has been established to meet any shortfall in assumed grant repayments. The delivery of the resettlement properties and temporary accommodation through use of the Local Authority Housing Fund, S106 and TA Earmarked Reserves continues to be delivered with the project completion now due for March 2027. Delivery will be achieved through the repurposing of existing Council accommodation, open market, or housing provider property purchases, as well as the Blue Bell Hill modular housing scheme. The Home Upgrade Grant Phase 2 (HUG 2) aimed to deliver retrofit energy efficiency measure to 30 private sectors homes in TMBC over a two-year period. However, due to significant challenges during the initial scheme setup, delivery was delayed, with the first batch of homes commencing in September 2024. The delay impacted the ability to meet the original delivery target by the scheme deadline of 31 March 2025. HUG 2 proved to be a complex programme, targeting a small number of 'off-gas' properties with low energy efficiency ratings, occupied by low income households. Following discussions with the managing agent and DESNZ, the delivery plan was revised, reducing the target number of completed homes from 30 to 14, and subsequently to 8. The scheme was originally allocated £540,000 in grant funding based on an indicative spend set by DESNZ of £18,000 per home. The actual average spend per property was 50% of the indicative spend, circa, £9,300. The scheme closed on 31 March 2025, with the Council successfully delivering retrofit measures to 8 homes.

Capital Plan: List A Planning, Housing and Environmental Health										
	Code	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Environmental Health		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(a) Anti-idling Campaign Project Government Grant	P02EM	22 (20)	9 (11)							31 (31)
Sub-total		2	(2)							0
Total Environmental Health to Summary		2	(2)	0	0	0	0	0	0	0
Capital Renewals										
(b) Environmental Protection Provision for Inflation	P02EBCR01 P02EZ	n/a n/a	1	14		20 1	20 1	30 3		85 5
Total Capital Renewals to Summary		n/a	1	14	0	21	21	33	0	90

Capital Plan: List A Planning, Housing and Environmental Health		
	Justification	Scheme notes
Environmental Health (a) Anti-idling Campaign Project Capital Renewals (b) Environmental Protection	<i>Statutory requirement, Health & Safety</i> <i>Former Corp't Aims & Priorities</i>	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). Provisions relate to the replacement of noise and gas pollution monitoring equipment.

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

	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Plan Schemes									
Street Scene	21	108	129	129	129	129	129	129	903
Leisure									
Larkfield Leisure Centre	130	160	0	0	0	0	0	0	290
Angel Centre	0	1,400	15,000	3,000	0	0	0	0	19,400
Leisure Centres	13	222	0	0	0	0	0	0	235
Sports Grounds	234	25	0	0	0	0	0	0	259
Other Leisure Schemes	139	200	0	0	15	0	0	0	354
Technical Services									
Car Parking	100	460	30	30	30	30	30	30	740
Electrical Vehicle Charging Points	11	4	0	0	0	0	0	0	15
Land Drainage / Flood Defence	409	116	0	0	0	0	0	0	525
Sub-total	1,057	2,695	15,159	3,159	174	159	159	159	22,721
Capital Renewals	n/a	719	1,826	629	430	1,123	434	314	5,475
Total Street Scene, Leisure & Technical Services	1,057	3,414	16,985	3,788	604	1,282	593	473	28,196

Capital Plan: List A Street Scene, Leisure & Technical Services										
	Code	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Street Scene		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(a) Green Waste Bins Growth / Replacement	P02BC	n/a	31	31	31	31	31	31	31	217
(b) Refuse Bins Growth / Replacement	P02DA	n/a	61	61	61	61	61	61	61	427
(c) Garden Waste Bin Replacement	P02CF	n/a	37	37	37	37	37	37	37	259
(d) Food Waste - Communal Properties Less Grants	P02EP	21	39 (60)							60 (60)
Total Street Scene to Summary		21	108	129	129	129	129	129	129	903
Larkfield Leisure Centre										
(e) PV System	P05LR	130	10							140
(f) Wetside Changing Room Refurbishment Less Grants & Contributions (TBC)	P05LS	n/a	270 (120)							270 (120)
Total Larkfield Leisure Centre to Summary		130	160	0	0	0	0	0	0	290

Capital Plan: List A Street Scene, Leisure & Technical Services										
	Code	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
SSLTS Schemes con't/...		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Angel Centre										
(g) Angel Centre Replacement Less Grants & Contributions (TBC)	P05BG	n/a	1,400	15,000	3,000					19,400
Total Angel Centre to Summary		0	1,400	15,000	3,000	0	0	0	0	19,400
Leisure Centres										
(h) Boiler Replacements	P05BF	13	137							150
(i) Installation of Digital CCTV Systems	P05KP		85							85
Total Leisure Centres to Summary		13	222	0	0	0	0	0	0	235

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

	Justification	Scheme notes
Street Scene (a) Green Waste Bins Growth / Replacement (b) Refuse Bins Growth / Replacement (c) Garden Waste Bin Replacement (d) Food Waste - Communal Properties	<i>Former Corp't Aims & Priorities</i> <i>Reduce Expenditure & Income</i> <i>Reduce Expenditure & Income</i>	Recycling and refuse provisions cater for growth in the number of properties served and the replacement of existing collection bins and boxes. Provision for replacement of garden waste containers. Provision to separate food waste collections for all communal properties. This will divert food waste from residual waste to maximise recycling of this waste stream. Full cost to be met from external DEFRA Funding.
Larkfield Leisure Centre (e) PV System (f) Wetside Changing Room Refurbishment	<i>Climate Change & Cost Savings</i> <i>Reduce Expenditure & Income Generation</i>	Installation of PV system (solar panels) to the sports hall roof at Larkfield Leisure Centre. This will allow the site to produce some of its electricity demand from an on-site renewable source, resulting in annual savings to energy costs. Scheme completed and working well. The changing village cubicles have come to the end of their economic life and are in need of replacement. The project will see the replacement of the cubicles and a refurbishment of the wet change area providing increased customer satisfaction and reducing ongoing repair costs. This is a partnership scheme with the Leisure Trust. Reported to Sept 2025 (02/09/2025) meeting of Cabinet. Tenders have been returned, contractor appointed, and works commenced on site.

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

	Code	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Sports Grounds										
(a) Racecourse Sportsground Riverside Revetment Less Grants	P05DD	240 (19)								240 (19)
Sub-total		221	0	0	0	0	0	0	0	221
(b) Racecourse Sportsground Rugby Pitch Drainage Less Developer Contributions	P05DE	23 (10)	8 (8)							31 (18)
Sub-total		13	0	0	0	0	0	0	0	13
(c) Racecourse Sportsground Tennis Court Improvements Less Developer Contributions	P05DU	n/a	65 (65)							65 (65)
Sub-total		0	0	0	0	0	0	0	0	0
(d) Swanmead Sportsground Flood Alleviation Works	P05DB	n/a	25							25
Sub-total		0	25	0	0	0	0	0	0	25
Total Sports Grounds to Summary		234	25	0	0	0	0	0	0	259

Capital Plan: List A Street Scene, Leisure & Technical Services		
	Justification	Scheme notes
Sports Grounds (a) Racecourse Sportsground Riverside Revetment (b) Racecourse Sportsground Rugby Pitch Drainage (c) Racecourse Sportsground Tennis Court Improvements (d) Swanmead Sportsground Flood Alleviation Works	<i>Health & Safety</i> <i>External Funding</i> <i>Caring for the Environment</i> <i>Caring for the Environment</i>	Project has been successfully completed but due to weather conditions, and delay, the scheme has overspent by £14,300. The scheme will 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. Budget approved in February 2020, and increased by £10,000 to £26,000 which is offset in full by grant from Sport England. Underspend relates to modifications to scheme in liaison with Rugby Club and cabinet member. To complete by end of financial year. The new Management Plan for Tonbridge Racecourse Sportsground identified the need for resurfacing works to the Tennis Courts. Additional security measures will include the installation of a smart access point for users. The project will be funded, in full, from Section 106 monies. Scheme completed. Increased flooding and a high water table has limited the availability of one of the football pitches at Swanmead Sportsground, potentially impacting on future income generation from this site. Works carried out to improve the drainage to the pitches will improve site resilience against flooding and improve accessibility of football pitches during the winter period. Scheme completed.

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

	Code	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Other Leisure Schemes		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(a) Tonbridge Cemetery / Closed Churchyards Memorial Safety Less Developer Contributions	P05KV	142 (3)	4			15				161 (3)
Sub-total		139	4	0	0	15	0	0	0	158
(b) Tonbridge Cemetery Vaults	P05KQ		43							43
Sub-total		0	43	0	0	0	0	0	0	43
(c) Haysden Country Park Site Improvement Works Less Developer Contributions	P05FD		50 (50)							50 (50)
Sub-total		0	0	0	0	0	0	0	0	0
(d) Riverside Route Lighting Less Developer Contributions	P05JB		94 (94)							94 (94)
Sub-total		0	0	0	0	0	0	0	0	0
(e) Shallows Bridge Less Developer Contributions	P05JC		265 (112)							265 (112)
Sub-total		0	153	0	0	0	0	0	0	153
Total Other Leisure Schemes to Summary		139	200	0	0	15	0	0	0	354

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

	Justification	Scheme notes
Other Leisure Schemes (a) Tonbridge Cemetery / Closed Churchyards Memorial Safety (b) Tonbridge Cemetery Vaults (c) Haysden Country Park Site Improvement Works (d) Riverside Route Lighting (e) Shallows Bridge	<i>Former Corp't Aims & Priorities</i> <i>Reduce Expenditure & Income Generation</i> <i>Reduce Expenditure & Income Generation/Health & Safety</i> <i>Health & Safety</i> <i>Health & Safety</i>	Provision based on Local Government Ombudsman's recommendation to inspect every five years. The Council provides a number of options for burial services at Tonbridge Cemetery including interments and the scattering and interment of cremated remains. This scheme will provide 32 new above ground vaults and 32 Sanctum Panorama vaults. Scheme completed. The scheme will improve the path surface around the main lake known as Barden Lake, allowing improved accessibility for all, including less able bodied and wheelchair users. The project will be funded in full by existing S106 Developer Contribution Funds. Scheme completed. A scheme has been approved to install high-quality lighting along the riverside route between Town Lock and Vale Road, aimed at addressing public safety concerns in the area. The project received Cabinet approval on 2 September 2025 and is scheduled for completion by March 2026. The full cost of the scheme will be met through existing Section 106 Developer Contribution Funds, ensuring no additional financial burden on the Council. The existing bridge located within Haysden Country Park has reached the end of its operational life and requires replacement. The initial phase of the project involves the removal of the current structure; however, progress has been delayed due to the need for consent from Network Rail to carry out a crane lift operation for its removal. This consent is essential to proceed safely and in accordance with regulatory requirements, and the delay has impacted the overall timeline of the scheme.

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

	Code	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Car Parking		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(a) Existing Car Parks Improvement Programme	P01AB	n/a	30	30	30	30	30	30	30	210
(b) Bailey Bridge East Car Park Improvements	P01AE	n/a	300							300
(c) Introduction of Automatic Number Plate Recognition	P01AF	n/a	70							70
(d) Amendments to Car Parks and On-Street Parking	P01AG	100	60							160
Total Car Parking to Summary		100	460	30	30	30	30	30	30	740
Transportation										
(e) Electrical Vehicle Charging Points Less grant and contributions	P01EA	195 (184)	4							199 (184)
Total Transportation to Summary		11	4	0	0	0	0	0	0	15
Land Drainage / Flood Defence										
(f) Wouldham River Wall	P01HS	25	0							25
(g) Leigh Flood Storage Area	P01HV	384	116							500
Total Land Drainage/Flood Defence to Summary		409	116	0	0	0	0	0	0	525

Capital Plan: List A Street Scene, Leisure & Technical Services		
	Justification	Scheme notes
Car Parking (a) Existing Car Parks Improvement Programme (b) Bailey Bridge East Car Park Improvements (c) Introduction of Automatic Number Plate Recognition (d) Amendments to Car Parks and On-Street Parking Transportation (e) Electrical Vehicle Charging Points	<i>Former Corp't Aims & Priorities</i> <i>Income Generation</i> <i>Management Improvements</i> <i>Income Generation</i> <i>Former Corp't Aims & Priorities</i>	An annual provision for capital investment in the Council's off-street car parks to ensure that their condition is adequate for health & 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. The formalisation of the existing grass overflow area in Bailey Bridge East car park with new appropriate surfacing and marked parking bays. The scheme is to include additional car park lighting, together with the extension of the existing CCTV system, new pay and display machines, and associated signage. The scheme will be subject to planning approval. Scheme delayed due to works required on site by Southern Water. The scheme will see the introduction of a trial period for an ANPR system within two Council car parks. This will include the installation of a new entry/exit point camera, barrier, payment point and signage, as well as the management of the system and the collection of revenue for both car parks. The project outcome will provide the basis of further assessment to the wider use of ANPR within the Borough. The scheme will make modifications to existing car parks and on-street parking in order to make them suitable for the introduction of Pay and Display charging. The modifications across multiple sites will include Pay and Display machines and associated signage, drainage improvement works (Bailey Bridge West), and the installation of a new passive CCTV system (Martin Square). 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 and phase 2 due before the end of the financial year.

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

	Justification	Scheme notes
Land Drainage / Flood Defence (f) Wouldham River Wall (g) Leigh Flood Storage Area	<i>Former Corp't Aims & Priorities</i> <i>Former Corp't Aims & Priorities</i>	The costs for the scheme to rebuild and address any movement indentified in the retaining wall between the public open space and the River Medway were originally agreed prior to 2015/16. These figures may no longer be considered accurate in today's market and as a result, the project has been placed on hold with a view to carrying out a full reassessment of the requirements and providing the necessary resources when needed. 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 Cabinet September 2016. Works commenced and the project has entered it's final stages, due for completion in 25/26.

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

	Code	Expenditure To 31/03/24	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Capital Renewals		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Sports Grounds & Open Spaces Less grant and contributions	P05KGBC05	n/a n/a	228	1,172	108	175	276	170	66	2,195
			228	1,172	108	175	276	170	66	2,195
Technical Services:										
(a) CCTV	P01BA	n/a	40	40	47	40	40	40	44	291
(b) Car Parking	P01JF	n/a	0	26	217	0	6	0	0	249
			268	1,238	372	215	322	210	110	2,735
Provision for Inflation		n/a	0	12	11	11	23	20	13	90
Sub-total			268	1,250	383	226	345	230	123	2,825
Leisure Centres:										
(c) Angel Centre	P05KGBC01	n/a	51	360	28	27	321	29	25	841
(d) Larkfield Leisure Centre	P05KGBC02	n/a	272	143	120	73	353	137	101	1,199
(e) Tonbridge Swimming Pool	P05KGBC04	n/a	164	206	92	75	256	57	39	889
(f) Poult Wood Golf Clubhouse	P05KGBC03	n/a	87	55	14	17	18	26	6	223
Course	P05KGBC07	n/a	26	11	0	67	23	11	0	138
Grounds Maintenance	P05KGBC06	n/a	45	40	87	19	66	6	74	337
			645	815	341	278	1,037	266	245	3,627
Provision for Inflation	P05KZ	n/a	0	8	10	14	74	25	28	159
Savings Target (assumes 25%)		n/a	(194)	(247)	(105)	(88)	(333)	(87)	(82)	(1,136)
Sub-total			451	576	246	204	778	204	191	2,650
Total Capital Renewals to Summary		n/a	719	1,826	629	430	1,123	434	314	5,475

Capital Plan: List A

Street Scene, Leisure & Technical Services

	Justification	Scheme notes
Capital Renewals		
Street Scene - Recycling Initiatives	<i>Former Corp't Aims & Priorities</i>	}
		}
Sports Grounds & Open Spaces		}
		}
		}
Technical Services:		}
(a) CCTV		}
		}
(b) Car Parking		}
		}
		}
Leisure Centres:		}
(c) Angel Centre		}
(d) Larkfield Leisure Centre		}
(e) Tonbridge Swimming Pool		}
(f) Poult Wood Golf Course	}	
Savings target	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.	

Capital Plan: List A Corporate									
	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Capital Plan Schemes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Land and Property	1,006	1,949	1,750	0	0	0	0	0	4,705
Information Technology Initiatives	96	43	0	0	0	0	0	0	139
Other Schemes	120	0	0	0	0	0	0	0	120
Sub-total	1,222	1,992	1,750	0	0	0	0	0	4,964
Capital Renewals	n/a	770	279	131	119	333	443	174	2,249
Total Corporate	1,222	2,762	2,029	131	119	333	443	174	7,213

Capital Plan: List A Corporate										
	Code	Expenditure To 31/03/25	2025/26 Estimate Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Land and Property		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(a) Tonbridge Castle Offices: Re-tile Roof	P06AA	10		250						260
(b) Gibson East Refurbishment	P06AL	97	1,403	1,500						3,000
(c) De-carbonising the Council's Estate	P06AM									0
Solar PV at Tonbridge Pool	AM10	103								103
LED at Tonbridge Pool	AM20	21								21
LED at Larkfield Leisure Centre	AM30	53	7							60
Solar PV at Larkfield Leisure Centre	AM40	329	64							393
Re-felt and roof insulation upgrade at Larkfield Leisure Centre	AM50	330	245							575
Air Source Heat Pumps at Larkfield Leisure	AM60	523	1,165							1,688
Sub-metering at Larkfield Leisure Centre and Tonbridge Pool	AM70									
Boiler Replacement at Poult Wood Golf Club	AM80		250							250
Less Grants		(460)	(1,185)							(1,645)
Total Land and Property to Summary		1,006	1,949	1,750	0	0	0	0	0	4,705
Information Technology Initiatives										
(d) General Data Protection Regs	P06DR	58								58
(e) Integra Centros Financial Management System	P06CS	38	43							81
Total Information Technology Initiatives to Summary		96	43	0	0	0	0	0	0	139

Capital Plan: List A Corporate										
	Code	Expenditure To 31/03/25	2025/26 Estimate Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Other Schemes		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(f) UK Shared Prosperity Fund Projects/Initiatives	P06FN									
Mobile CCTV	FN10	29								29
Tonbridge Wayfinding	FN20	10								10
Digital Information Boards	FN30	53								53
Shopfront and Vacant Unit Improvements	FN40	94								94
Bus Shelter Green Roofs Pilot	FN50	31								31
West Kent Green Business Grants	FN60	85	20							105
Carbon Descent Plans	FN70	123	40							163
Safer Sustainable Car Parks	FN80	111								111
Less Grants	FN90	(505)	(60)							(565)
Sub-total		31	0	0	0	0	0	0	0	31
(g) Rural England Prosperity Fund	P06F0		134							134
Investment in Micro & Small Enterprises	F010	175								175
Develop and Promote Visitor Economy	F020	133								133
Create/Improvements to Local Green Spaces	F030	25								25
Existing Cultural, Historic & Heritage Institutions	F040	61								61
Active Travel Enhancements in the Local Area	F050									
Rural Circular Economy Projects	F060	42								42
Less Grants	F090	(347)	(134)							(481)
Total Other Schemes to Summary		120	0	0	0	0	0	0	0	120

Capital Plan: List A Corporate		
	Justification	Scheme notes
Land and Property (a) Tonbridge Castle Offices : Re-tile roof (b) Gibson East Refurbishment (c) De-carbonising the Council's Estate	<i>Former Corp't Aims & Priorities</i>	Retiling of roof to protect asset. Condition of roof has started to deteriorate and the scheme now needs to be planned in, based on contractor estimates. The current £60k budget has been uplifted by £190k due to the affect of 16 years of inflation and the bulk of the budget has been deferred to 2026/27. 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.
	Cost Saving	To allow the consolidation of the Council's Kings Hill office accommodation, Gibson East will need to undergo a refurbishment of both internal and external spaces, in order to allow relocation of facilities and uses which are currently provided at Gibson Building West. This will include the installation of renewable and low carbon technologies in line with the Council's Climate Change Strategy. A £200,000 annual saving associated with the disposal of Gibson Building West has already been incorporated into the Council's Medium Term Financial Strategy from 2026/27.
	Caring for the Environment	The de-carbonisation of the Council's Estate will be supported by the investment in renewable technologies. The project will deliver LED lighting at Tonbridge Swimming Pool and Larkfield Leisure Centre, the installation of Solar PV panels at both sites, including the upgrading of roofing insulation and re-felting at Larkfield Leisure Centre. The building management systems (BMS) will be upgraded, and the installation of sub-metering at both sites will enable the monitoring of energy and water usage. Installation of Air Source Heat Pumps to replace the current end of life gas boilers serving the fitness pool at Larkfield Leisure Centre and the end of life oil fired boilers at Poult Wood Golf Centre along with associated infrastructure upgrade works (for example electrical sub-station upgrades) will support the Council's plan to become carbon neutral by 2030. This will provide an anticipated annual CO2 saving of 185 tonnes, in addition to this there will be a reduction in maintenance costs from the existing gas fired boilers. External grant funding has been obtained for the installation of additional solar PV and air source heat pumps at Larkfield Leisure Centre. This will result in a TMBC contribution of £930,000 and an external grant contribution of £1,644,799. PWGC Boiler Replacement has been added to the De-carbonising scheme subject to a successful application for funding from PSDS Phase 4. The boiler replacement is expected to be in the region of £250,000, with a contribution from TMBC of £30,000. Following recent electrical tripping issues being experienced at the site, the PWGC scheme may be expanded to include the installation of a new electrical sub-station to ensure there is sufficient electrical capacity for the existing demand as well as the heat pumps.

Capital Plan: List A Corporate		
	Justification	Scheme notes
Information Technology Initiatives (d) General Data Protection Regs (e) Integra Centros Financial Management System Other Schemes (f) UK Shared Prosperity Fund Projects/Initiatives (g) Rural England Prosperity Fund Projects/Initiatives	<i>Cost Saving</i> <i>Maintenance</i> <i>External Funding</i> <i>External Funding</i>	To provide an upgrade to the current cash receipting system to ensure data protection is maintained. The upgrade to Integra Centros has been required due to the existing version of the software, Integra 2, having its software support ceased from 31st March 2025, meaning any security vulnerabilities and/or bugs will no longer be addressed. The upgrade to Centros will involve the base software, upgrades to the current reporting software and additional modules requested by services. The budget required of £80,500 will include additional support if required and the project management on the upgrade will be run in-house with support from the Council's software supplier. Upgrade is to be funded from the earmarked Transformation Reserve. Details of the 2022-2025 UKSPF Programme can be found in the report to Cabinet on 05 July 2022 with further details on the 2025/26 extension can be found in the report to Cabinet on 03 March 2025. Within the UKSPF Programme, Government does allow considerable flexibility in spend between intervention areas, with up to 30% of the total programme budget being able to be moved from one intervention to another. The capital funding for 2025/26 is much reduced on previous years with the circa £60,000 allocation split across two projects. Lower than expected demand for the Green Business Grant Scheme has meant that the split between the two projects will be weighted more to the Carbon Descent Plans project (Larkfield Leisure Centre). Just over £134,000 has been awarded by DEFRA to run further rounds of the West Kent Rural Grant Scheme. As of August 2025, about 85% of this funding has been allocated to projects with the majority allocated to the 'investment in micro and small enterprises' category and the remainder allocated to projects in the 'develop and promote visitor economy' category. It is expected that all funding will be allocated to projects by mid-September 2025, with projects then having until early 2026 to complete their projects and claim their funding allocation.

Capital Plan: List A										
Corporate										
	Code	Expenditure To 31/03/25	2025/26 Estimate inc Prior Year Slippage	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate	2031/32 Estimate	Scheme Total
Capital Renewals	P06FA	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(a) General										
Departmental Administration	GR01	n/a	9	1						10
Council Offices	GR02	n/a	20					8		28
Print Unit	GR03	n/a	124		19			93	18	254
Telephones	GR05	n/a				10				10
Tonbridge Christmas Lighting	GR09	n/a	45							45
Elections	GR10	n/a	0	13						13
Sub-total		n/a	198	14	19	10	0	101	18	360
Information Technology	P06FB	n/a	572	262	108	103	311	304	138	1,798
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	572	262	108	103	311	304	138	1,798
Provision for Inflation	P06FZ	n/a	0	3	4	6	22	38	18	91
Total Capital Renewals to Summary		n/a	770	279	131	119	333	443	174	2,249

Capital Plan: List A Corporate		
	Justification	Scheme notes
Capital Renewals (a) General Departmental Admin Council Offices Print Unit Tonbridge Christmas Lighting Elections (b) Information Technology	<i>Former Corp't Aims & Priorities</i>	} } } } } } } Provision for the renewal of life-expired or obsolete equipment. Subject to annual review. } } } } 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.

Schedule of List B Schemes

Service	Scheme Title	External Funding £'000	RRCS £'000	Total £'000	Recommended Action
Street Scene, Leisure & Technical Services	Taddington Valley – Site Improvements.	54	54	108	Inclusion to: List A
	Tonbridge Swimming Pool – Replacement of Boilers.	Nil	300	300	List A
	Leybourne Lakes Country Park – Resurfacing Access Roads and Paths.	200	Nil	200	List A
	Tonbridge Farm Sportsground – Provision of Full Size All Weather Pitch.	810	190	1,000	List A
	Angel Centre - Innerva Suite.	101	Nil	101	List A
	Leisure Centres – Water Safety Systems Installation.	160	Nil	160	List A
	Council's financial resources impact £544k (External funding includes £330k of s106 allocated to Capital Plan)	1,325	544	1,869	

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 ✓ = Yes X = No A/S = Already Selected	Cost Band and Justification
New / Existing Scheme	Details of Scheme / Comments			
Planning, Housing & Environmental Health	Environmental Improvements: River Medway Riverside Environmental Improvements, Tonbridge – Sections 2 & 3		A/S	Band D External funding
Existing Scheme	Proposal for phases of riverside environmental improvements along sections of the River Medway in Tonbridge includes section 2, from the Big Bridge to Tonbridge Swimming Pool and Section 3 along River Walk and through River Lawn.			
	Section 1 involving new lighting between Town Lock to Cannon Lane is currently being progressed from List A, funded fully by developer contributions. Phase 1 was brought forward following residents and Member requests to improve the security of pedestrian access to the town centre.			
	Further opportunities for developer contributions may be forthcoming for sections 2 and 3. An external consultant was previously appointed to ensure a co-ordinated approach across the 3 sections. The consultant’s report will be used to inform any future evaluations.			
	Evaluation to be deferred to 26/27 due to focus on actioning section 1.			
	Revenue budget needed for evaluation:	No additional revenue will be sought. The scheme cost, including the evaluation, will form part of the overall cost, and will be contained within the funding set out above.		

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 ✓ = Yes X = No A/S = Already Selected	Cost Band and Justification
New / Existing Scheme	Details of Scheme / Comments			
Street Scene, Leisure & Technical Services	Open Spaces: Holly Hill Path Improvements		X	Band A
Existing Scheme	Improvements to path network at Holly Hill Public Open Space. Scheme subject to funding from developer contributions.			External funding
	Retain on List C for evaluation at some time in the future if external funding becomes available.			Health & Safety
	Revenue budget needed for evaluation:	Nil		

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 X = No A/S = Already Selected	and Justification
Street Scene, Leisure & Technical Services Existing Scheme	Sports Grounds: Tonbridge Racecourse Sportsground – Improvement Works Phase Three Phase three improvements aim to enhance existing provisions and bring forward new facilities for the public. Proposals included issues identified in the management plan, including the potential extension of the Skate Park and Outdoor Gym, improvements to drainage, tennis courts, refurbishment of paths, and alternative use of outdoor bowls facilities. Scheme(s) recommended for evaluation as part of the 2024/25 Capital Plan Review included the Tennis Courts, and the Outdoor Gym, the latter being funded via capital renewals. Both have been successfully delivered. Due to the potential availability of further developer contributions and other external funding opportunities, it is proposed to retain the remaining proposals as a scheme on List C. Retain on List C for evaluation at some time in the future.		Band D External Funding Health & Safety

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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 X = No A/S = Already Selected	and Justification
Street Scene, Leisure & Technical Services New Scheme 	Open Spaces: Leybourne Lakes Country Park - Resurfacing Access Roads and Paths Resurfacing access roads and paths at the Country Park which have numerous extensive pot holes that are beyond repair and top filling. The access roads have become increasingly difficult to navigate safely by vehicle and there have also been incidents of slips, trips and falls. The recent Health and Safety Assurance inspection report of the site undertaken in September 2023 by the Council's Health and Safety Officer recorded the road surfaces around the park as having many potholes within the risk assessment noting there appeared too many to back fill. Resurfacing the access roads and paths will mitigate the risks identified. Recommended for "fast-track" evaluation 2025/26.		✓	Band E Health & Safety
	Revenue budget needed for evaluation:	Nil		

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 X = No A/S = Already Selected	and Justification
Street Scene, Leisure & Technical Services New Scheme	Open Spaces: Taddington Valley Public Open Space - Site Improvement Works The surface of the central path at Taddington Valley POS is currently constructed of loose fill material and its condition has deteriorated significantly in recent years, presenting potential health and safety, and accessibility issues. A recent external access audit has recommended that this path is resurfaced to provide greater access for all. This project would cost c.£100,000 in total and through initial discussions, KCC Public Rights of Way (PRoW) have indicated that they would be open to providing partnership funding (50:50) to deliver this project in the 26/27 financial year. Medway Council could also be approached for a contribution toward the RC12 PRoW section of the path. This work would also contribute toward the adopted woodland management plan for the site. Recommended for “fast-track” evaluation in 2025/26.		✓	Band C Health & Safety Potential Partnership funding
	Revenue budget needed for evaluation:	Nil		



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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 X = No A/S = Already Selected	and Justification
Street Scene, Leisure & Technical Services New Scheme	Leisure Services: Improved health and fitness provision at Larkfield Leisure Centre Reorganisation and expansion of existing fitness suite including reception space in order to maximise the provision of the activity area and income generating opportunities. This will include changes to existing walls and columns. Health suite refurbishment to include improved air tightness of the space, preventing associated issues for the area and changing spaces. Introduction of new active wellbeing area to include an Innova type facility. Improved facilities will secure the provision for benefits of resident's wellbeing and offer increased income potential from the facilities. Potential partnership funding may be possible from health partners, developer contributions, and the Leisure Trust. Retain on List C for evaluation at some future time if external funding becomes available.		X	Band E Income generating Potential Partnership funding
	Revenue budget needed for evaluation:	Nil		



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 X = No A/S = Already Selected	and Justification
Street Scene, Leisure & Technical Services New Scheme 	Leisure Services: Leisure Pool features at Larkfield Leisure Centre Replacement of the existing ageing space-bowl and flume rides, together with the other water features around the leisure pool. The current features are reaching the end of their serviceable life and will require removal and replacement. Recent inspection and monitoring work has identified more frequent relining of rides and works to tackle leaks and surface rusting of bolts etc. New features for the leisure pool will secure the provision for the benefit of resident's wellbeing and offer increased income potential from the new facilities. Retain on List C for evaluation at some time in the future if external funding becomes available.		X	Band E Health & Safety Income generating
	Revenue budget needed for evaluation:	Nil		

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 X = No A/S = Already Selected	and Justification
Street Scene, Leisure & Technical Services New Scheme 	Leisure Services: Water Safety Systems Installation - Swimming Pools The scheme will provide a further level of safety to the Council's swimming pools at both Larkfield Leisure Centre and Tonbridge Swimming Pool, through installation of new drowning detection systems. Scheme to be funded in full by the Leisure Trust due to significant operational and health and safety benefits. Recommended for "fast-track" evaluation 2025/26.		✓	Band D Health & Safety Partnership funding
	Revenue budget needed for evaluation:	Nil		

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 X = No A/S = Already Selected	and Justification
Street Scene, Leisure & Technical Services New Scheme 	Leisure Services: Innerva Suite at Angel Leisure Centre Purchase Innerva power assisted exercise technology which is designed to provide a 'helping hand' in a low impact, full-body workout circuit for exercisers. The equipment attracts older adults, those living with long term conditions and also people who can be intimidated by a traditional gym environment to leisure and rehabilitation centres. Power assisted exercise is safe for all age groups and abilities, as users do not need to provide the motive force to overcome inertia. There are no weight stacks to control, just safe and effective power assisted technology, providing active assisted range of motion for end users. The Innerva equipment will be located in the area of the Jubilee suite following refurbishment undertaken through the Leisure Trust in agreement with the Council. Improved facilities will secure the provision for benefits of resident's wellbeing and offer increased income potential from the facilities. Partnership funding to cover the initial costs in full to be provided by the Leisure Trust. Recommended for "fast-track" evaluation in 2025/26.		✓	Band D Health & Safety Income Generating Partnership Funding
	Revenue budget needed for evaluation:	Nil		

CAPITAL PLAN LIST C – EVALUATIONS

Project:		Street Scene, Leisure & Technical Services: <i>Taddington Valley Public Open Space – Site Improvements</i>	
1	Specification:		
	(i)	Purpose of the scheme	To resurface the central path at Taddington Valley Public Open Space
	(ii)	Relevance to National / Council's Objectives	(a) National: Equality Act 2010. (b) Council: Corporate Strategy, Sustaining a borough which cares for the environment; Continue our successful management of parks, open spaces and leisure centres so the best recreational facilities are available to everyone.
	(iii)	Targets for judging success	(a) Improved accessibility for all (b) Improved health and safety
2	Description of Project / Design Issues: The surface of the central path at Taddington Valley POS is currently constructed of loose fill material and its condition has deteriorated significantly in recent years, presenting potential health and safety and accessibility issues. A recent external access audit has recommended that this path, which measures approximately 1km, is resurfaced to provide greater access for all. It is anticipated that this project would cost £108,000 in total and through initial discussions, Kent County Council and Medway Council Public Rights of Way teams have indicated that they would be open to providing partnership funding to deliver this project in the 26/27 financial year. This project would contribute toward the adopted woodland management plan for the site.		
3	Milestones / Risks: The delivery of this project over the Winter period could be subject to adverse weather conditions such as torrential rains and/or flooding which may lead to a temporary pause in the delivery of the scheme, potentially increasing the financial obligation to deliver the project. Delivery of the scheme is expected to be over the Spring/Summer months which should help to mitigate these risks. The project is expected to be completed by the end of Summer 2026.		
4	Consultation: Average market prices and cost of recent similar projects considered. Final costs will be subject to a procurement process.		

CAPITAL PLAN LIST C – EVALUATIONS

5	Capital Cost: Total cost based on current market price of £90 per square metre. Full construction at 1.2m width for DDA compliance (subbase and tarmac finish surfacing) equates to £90.00 per sq.m = £108,000. Expected total contribution required - £54,000. Costs are dependent upon final design and would be subject to a procurement process.				
6	Profiling of Expenditure: The figure below reflects the funding, profiled as required for the successful delivery of the scheme.				
	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)
		108			
7	Capital Renewals Impact: This project would not be added to the Councils Capital Renewals programme.				
8	Revenue Impact: Loss of investment income on the total capital cost £2,160.				
9	Partnership Funding: Kent County Council and Medway Council Public Rights of Way teams have indicated that they would be open to providing partnership funding to deliver this project in the 26/27 financial year, reducing the Council's contribution to £54,000.				
10	Project Monitoring / Post Implementation Review: Director responsible: Robert Styles Progress reported to: Communities & Environment Scrutiny Select Committee Post Implementation Review: To be carried out twelve months after completion.				
11a	Screening for equality impacts:				
	Question	Answer	Explanation of impacts		
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	yes	This project would improve access for people of all abilities.		
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	no	As above.		

CAPITAL PLAN LIST C – EVALUATIONS

		c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?	n/a	
	11b	Climate change impacts:		
		Question	Answer	Explanation of impacts
		a. Does the decision being made or recommended through this paper have a positive impact on reducing carbon emissions or enhancing the natural environment?	no	Formalising this path will reduce surface erosion and allow for the re-establishment of marginal vegetation.
		b. What steps are you taking to mitigate, reduce, avoid or minimise any negative or neutral impacts identified above?	no	Local contractors and suppliers will be approached during the procurement exercise for this project.
	12	Recommendation: Transfer from List C to List B.		

CAPITAL PLAN LIST C – EVALUATIONS

Project: Central Services: Replacement of Tonbridge Swimming Pool Boilers																											
1	Specification:																										
	(i)	Purpose of the scheme	To replace end of life gas boilers at Tonbridge Swimming Pool																								
	(ii)	Relevance to National / Council's Objectives	(a) National: n/a (b) Council: Corporate Strategy, Effective services for all residents, maintaining an effective Council; Contractual obligation to provide an adequate, operational heating system.																								
	(iii)	Targets for judging success	(a) Ensuring the continuation of service provision at the facility (b) Improved energy efficiency via reducing the amount of gas used																								
2	Description of Project / Design Issues: Whilst the Tonbridge & Malling Leisure Trust manages Tonbridge Swimming Pool on behalf of the Council, the Council is obliged under the Management Agreement to maintain the facilities, including plant and equipment and the building structure. The two gas fired boilers at Tonbridge Pool are original to the building, which was constructed in 1994, meaning they are now over 30 years old and have come to the end of their serviceable life, with spare parts becoming increasingly difficult to source. They provide both space and pool water heating. Separate, smaller gas boilers provide hot water to taps and other outlets throughout the facility and were replaced in 2018. As part of the Council's climate change commitments, options have been assessed to install non-fossil fuel alternatives. A detailed feasibility survey was undertaken which assessed seven options and their estimated cost. Due to the lack of space at the facility, which is surrounded by water on three sides, plus the high flooding risk, facilitating costs of any heat pump-based technology are very high. A summary of the costs can be seen below:																										
<table><tr><th>Option</th><th>Capital Cost</th><th>Revenue Saving/Cost</th></tr><tr><td>Air source heat pump (low temperature)</td><td>£2,812,500</td><td>(£14,720)</td></tr><tr><td>Air source heat pump (high temperature)</td><td>£2,251,500</td><td>(£66,513)</td></tr><tr><td>Air source heat pump (low and high temp)</td><td>£2,404,500</td><td>(£33,476)</td></tr><tr><td>Hybrid heat pump / gas boiler</td><td>£1,734,000</td><td>(£66,668)</td></tr><tr><td>Ground source heat pump</td><td>£4,594,500</td><td>£2,864</td></tr><tr><td>Ground and air source heat pump</td><td>£3,754,500</td><td>(£18,940)</td></tr><tr><td>Air source heat pump / gas boiler</td><td>£2,215,500</td><td>(£27,003)</td></tr></table>				Option	Capital Cost	Revenue Saving/Cost	Air source heat pump (low temperature)	£2,812,500	(£14,720)	Air source heat pump (high temperature)	£2,251,500	(£66,513)	Air source heat pump (low and high temp)	£2,404,500	(£33,476)	Hybrid heat pump / gas boiler	£1,734,000	(£66,668)	Ground source heat pump	£4,594,500	£2,864	Ground and air source heat pump	£3,754,500	(£18,940)	Air source heat pump / gas boiler	£2,215,500	(£27,003)
Option	Capital Cost	Revenue Saving/Cost																									
Air source heat pump (low temperature)	£2,812,500	(£14,720)																									
Air source heat pump (high temperature)	£2,251,500	(£66,513)																									
Air source heat pump (low and high temp)	£2,404,500	(£33,476)																									
Hybrid heat pump / gas boiler	£1,734,000	(£66,668)																									
Ground source heat pump	£4,594,500	£2,864																									
Ground and air source heat pump	£3,754,500	(£18,940)																									
Air source heat pump / gas boiler	£2,215,500	(£27,003)																									

CAPITAL PLAN LIST C – EVALUATIONS

2/...	Cost estimates for pure heat pump schemes (ground or source) range from £2.25m to £4.59m, at today's prices. Hybrid options involving both heat pump and an element of gas fired heating were also explored with cost estimates ranging from £1.73m to £2.22m. In terms of running costs, only the full ground source heat pump option (£4.59m capital cost) delivered an estimated small revenue saving (£2,864 per annum), with the cheapest option of the hybrid heat pump and gas boilers having a revenue growth impact on the budget in the region of £66,668 per annum. A significant element of the capital cost is associated with the need for a new, large electricity transformer to support the substantial increase in electricity usage to supply heat pump technology. This cost has been estimated at £600,000. Members may be aware the government recently announced the withdrawal of the Public Sector Decarbonisation Scheme (PSDS) fund, which was the primary source of external funding to assist the public sector decarbonise their estates. The Council has been successful in obtaining PSDS funding in the previous two rounds for schemes at Larkfield Leisure Centre and Poult Wood Golf Centre. Although there was no certainty in obtaining funding via PSDS applications, the withdrawal of this fund means the Council would need to fund the entirety of this scheme from its own resources. Due to the need to secure as much capital funding for the replacement Angel Centre project as possible, and reduce the level of external borrowing required, it is recommended the existing boilers are replaced on a like for like basis with more efficient, gas fired boilers, with an estimated budget of £300,000.
3	Milestones / Risks: If the boilers were to suddenly fail and the Council were not in a position to be able to install replacements it would cause disruption to the facility, likely resulting in the closure of the pools. In that instance a temporary heating supply would need to be arranged as quickly as possible to minimise disruption. If no heating or hot water was available for a prolonged period there may be an associated loss of income claim from the Leisure Trust if the disruption were to impact on their business. This may also generate complaints from customers. The lack of space in the plant areas of the facility will be a key challenge in terms of removing the existing gas boilers and installing the replacement boilers due to the location of the first floor boiler room, accessible via a narrow staircase. The installation work will likely result in some closures to the facility while heating is not available. Options for minimizing any disruption will be explored during the design stage. Any disruption may lead to a loss of income claim from the Leisure Trust. Milestones include completion of detailed designs and preparation of tender documentation; Obtaining tenders; Awarding the contract; Completion of the work on site.

CAPITAL PLAN LIST C – EVALUATIONS

4	Consultation: Consultation has taken place with the relevant Cabinet Member, internal officers and the Tonbridge & Malling Leisure Trust. A building service engineering company produced a feasibility assessment.					
5	Capital Cost: £300,000 + VAT built up of: - Design fees: £33,750 - Supply and installation: £175,725 - Inflationary uplift: £15,525 - Contingency: £75,000 No allowance has been made for a loss of income claim from the Leisure Trust.					
6	Profiling of Expenditure:					
	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)
		£50	£250			
7	Capital Renewals Impact: There will be no impact on capital renewals.					
8	Revenue Impact: Modern gas fired boilers would operate at a higher efficiency than the 30 year old current boilers, leading to a reduction in gas consumption at the site. The extent of that reduction would be estimated once the design work has been completed. Opportunity cost associated with not receiving interest payments on £300,000 would be £12,000 per annum based on a 4% rate of return.					
9	Partnership Funding: On the basis gas boilers would be installed, no partnership funding is available.					
10	Project Monitoring / Post Implementation Review: Director responsible: Robert Styles Progress reported to: Finance, Regeneration & Property Scrutiny Select Committee / Cabinet as required Post Implementation review to be carried out twelve months after completion.					

CAPITAL PLAN LIST C – EVALUATIONS

11a	Screening for equality impacts:		
	Question	Answer	Explanation of impacts
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	no	
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	n/a	
11b	c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?	n/a	
	Climate change impacts:		
	Question	Answer	Explanation of impacts
	a. Does the decision being made or recommended through this paper have a positive impact on reducing carbon emissions or enhancing the natural environment?	no	Installation of heat pump technology is not affordable as set out in section 2.
12	b. What steps are you taking to mitigate, reduce, avoid or minimise any negative or neutral impacts identified above?	yes	The Council has recently invested in a large solar PV installation and LED lighting throughout the facility as part of its work to reduce the carbon footprint of the building. New gas boilers will operate more efficiently than the existing 30 year old boilers, thereby reducing the amount of gas used. The Council is committed to exploring further measures which could support the Council's climate change targets.
	Recommendation: Amend the 'Boiler Replacement' scheme, currently on the Capital Plan List A , to include the replacement of the boiler at Tonbridge Swimming Pool.		

CAPITAL PLAN LIST C – EVALUATIONS

Project:		Street Scene, Leisure & Technical Services: <i>Leybourne Lakes Country Park – Resurfacing Access Roads and Paths</i>	
1	Specification:		
	(i)	Purpose of the scheme	Resurfacing access roads and paths at the Country Park which have numerous extensive potholes that are beyond repairs and top filling.
	(ii)	Relevance to National / Council's Objectives	(a) National: National code of practice, Well-managed highway infrastructure (b) Council: Corporate Strategy, Sustaining a borough which cares for the environment; Continue our successful management of parks, open spaces and leisure centres so the best recreational facilities are available to everyone
	(iii)	Targets for judging success	(a) Reduction in number of identified potholes and defects in monitoring reports. (b) Reduction in complaints regarding condition of roads and paths and access issues.
2	Description of Project / Design Issues: Resurface the access roads and internal paths in and around Leybourne Lakes Country Park with a durable surface suitable for intended use i.e vehicle access to fishing areas, pushchairs, wheelchair users, and pedestrians around the main lakes and key features such as dipping platforms. It is proposed to use both tarmac and granite sand surfaces in keeping with existing paths and roads.		
3	Milestones / Risks: Evaluate and award tender. Successful delivery of scheme and any remedial actions completed. Risks include paths and roads not meeting specifications. Mitigation: detailed specifications provided, prestart meeting and monitoring to ensure standard has been met. Risk of disruption to users accessing paths and park areas. Mitigation: alternative routes and signage to aid users while work is being undertaken. Risk of increased cost to materials and labour resulting in insufficient funds to complete the project.		
4	Consultation: The operator, The Tonbridge and Malling Leisure Trust, have been involved in consulting the park users through feedback panels, providing valuable insight, including the impact on the future maintenance of the road and paths, to help the Council shape this scheme.		

CAPITAL PLAN LIST C – EVALUATIONS

5	Capital Cost: The estimated capital cost of the project is £200k. Developer contribution funding of £200k identified.					
6	Profiling of Expenditure:					
	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)
		200				
7	Capital Renewals Impact: None.					
8	Revenue Impact: None, developer contribution funding identified.					
9	Partnership Funding: The project will be funded in full using existing S106 Developer Contribution funds.					
10	Project Monitoring / Post Implementation Review: Director responsible: Robert Styles. Progress reported to: Communities and Environment Scrutiny Select Committee. Post Implementation Review: To be carried out twelve months after completion.					
11a	Screening for equality impacts:					
	Question			Answer	Explanation of impacts	
	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?			no	Improvements will enable greater and easier access to the park.	
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?			yes	Improvements will enable greater and easier access to the park.	
	c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?			n/a		

CAPITAL PLAN LIST C – EVALUATIONS

	11b	Climate change impacts:		
		Question	Answer	Explanation of impacts
		a. Does the decision being made or recommended through this paper have a positive impact on reducing carbon emissions or enhancing the natural environment?	yes	Improvements to the paths and roads enable greater accessibility of the natural environment and limit erosion of areas adjacent to paths.
		b. What steps are you taking to mitigate, reduce, avoid or minimise any negative or neutral impacts identified above??	n/a	
	12	Recommendation: Transfer from List C to List B		

CAPITAL PLAN LIST C – EVALUATIONS

Project: Street Scene, Leisure & Technical Services: <i>Tonbridge Farm Sportsground - Provision of Full Size All Weather Pitch</i>			
1	Specification:		
	(i)	Purpose of the scheme	Meeting identified need for additional Full Size All Weather facility on site and create improved income generation.
	(ii)	Relevance to National / Council's Objectives	(a) National: Football Foundation Facility Plan and the Council's own Playing Pitch Strategy indicate that there is a shortfall of four full size 3G pitches. The Kent Fa identify Tonbridge Farm Sports ground as the number one priority site in the Borough. (b) Council: Corporate Strategy, Sustaining a Borough which cares for the environment; Continue our successful management of parks, open spaces and leisure centres so the best recreational facilities are available to everyone. Investing in our local economy to help support residents and businesses and foster sustainable growth; identifying ways we could use our land and other assets better. Income generation, reduce costs, funded from external resources.
	(iii)	Targets for judging success	(a) An increase in income to the Council. (b) Increase in number of people accessing sport at the site annually. (c) Achievement of external funding.
2	Description of Project / Design Issues: Following consideration of a Masterplan for Tonbridge Farm by the Tonbridge Town Centre Program Board it was recommended and agreed by Cabinet on 2nd September to progress with the evaluation of a full-size all-weather pitch 97m x 61m and associated flood lighting to provide year-round access. The facility will provide users and sports clubs' access for both training and matches. Tonbridge Junior Football Club have already expressed an interest in using the facility extensively. The surface of the new pitch could be licensed to enable use for football and rugby as well as general pitch use and fitness activities. The existing onsite changing rooms will service the pitch use.		

CAPITAL PLAN LIST C – EVALUATIONS

3	Milestones / Risks: The main risk for the project proceeding is if the Council is unsuccessful in obtaining external funding. In that scenario options for the All-Weather Pitch will need to be reviewed, including an assessment of funding options. Currently the Council has secured funding from capital renewals and developer contributions towards the project. The football foundation has confirmed that the scheme would meet the criteria for a grant application. Subject to inclusion of the scheme in the Capital Plan a formal submission to the Football Foundation would be made and planning approval would be sought. A full evaluation of the site would be undertaken to ensure that the space identified would be of a sufficient size and suitability to accommodate the pitch. There is currently vegetation to the edges which is felt can be cleared and there are not likely to be issues found with the base. This would form part of the work that the technical project manager linked to the football foundation funding would undertake at a cost of £35k to prepare the project for planning.					
	4 Consultation: Consultation has taken place with Tonbridge and Malling Leisure Trust as the future operator; Tonbridge Junior Football Club 'resident club'; Football Association linked to Football foundation for information and advice, and Tonbridge Angels Football Club. All consultees have been supportive of the project. The project is part of an approved Masterplan for the site.					
	5 Capital Cost: Estimated cost provided by the Football Foundation is £1m. The Council currently holds £378,000 towards the project from capital renewals and developer contribution. The Football foundation grant support does not have a maximum level of funding, but previous schemes have been supported in the region of 67%. Further developer contributions are continuing to be pursued.					
	6 Profiling of Expenditure:					
	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)
		1,000				

CAPITAL PLAN LIST C – EVALUATIONS

	7	Capital Renewals Impact: Associated equipment for the all weather pitch would be provided by the operator and resident club at no cost to the Council. A sinking fund forms part of the conditions to any successful application awarded, as stipulated by the Football Foundation, and would cover all future renewal costs.																				
	8	Revenue Impact: A revenue budget of £35k will be required for consultancy report which would need to be reflected in the Councils revenue budgets in the current financial year. Additional maintenance costs associated with the floodlights and fencing is likely to be required, other maintenance costs would be covered by the operator and resident club.																				
	9	Partnership Funding: The Football Foundation have indicated that funding in the region of 67% is likely to be achievable. Tonbridge Junior Football Club and Tonbridge and Malling Leisure Trust have also indicated a willingness to contribute funding upon the success of the Football Foundation grant being awarded.																				
	10	Project Monitoring / Post Implementation Review: Director responsible: Robert Styles Progress reported to: Communities and Environment Scrutiny Select Committee. Post Implementation Review: To be carried out twelve months after completion.																				
	11a	<table><tr><td colspan="2">Screening for equality impacts:</td></tr><tr><td>Question</td><td>Answer</td><td colspan="2">Explanation of impacts</td></tr><tr><td>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?</td><td>no</td><td colspan="2">Facilities would be more accessible as they are not weather-dependent and can be used under lighting.</td></tr><tr><td>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?</td><td>yes</td><td colspan="2">Facilities would offer more equality of opportunity as not weather dependent and available with lighting.</td></tr><tr><td>c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?</td><td>n/a</td><td colspan="2">No mitigation required.</td></tr></table>			Screening for equality impacts:		Question	Answer	Explanation of impacts		a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	no	Facilities would be more accessible as they are not weather-dependent and can be used under lighting.		b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	yes	Facilities would offer more equality of opportunity as not weather dependent and available with lighting.		c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?	n/a	No mitigation required.	
Screening for equality impacts:																						
Question	Answer	Explanation of impacts																				
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	no	Facilities would be more accessible as they are not weather-dependent and can be used under lighting.																				
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	yes	Facilities would offer more equality of opportunity as not weather dependent and available with lighting.																				
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?	n/a	No mitigation required.																				

CAPITAL PLAN LIST C – EVALUATIONS

	11b	Climate change impacts:		
		Question	Answer	Explanation of impacts
		a. Does the decision being made or recommended through this paper have a positive impact on reducing carbon emissions or enhancing the natural environment?	no	Minor negative impact through inclusion of floodlighting and removal of grassed area.
		b. What steps are you taking to mitigate, reduce, avoid or minimise any negative or neutral impacts identified above?	yes	Floodlighting will be energy efficient and monitored to ensure it is only used when required.
	12	Recommendation: Transfer from List C to List B.		

CAPITAL PLAN LIST C – EVALUATIONS

Project: Street Scene, Leisure & Technical Services: Angel Centre – Innerva Suite				
1	Specification:			
	(i)	Purpose of the scheme	To provide an Innerva Suite at Angel Leisure Centre.	
	(ii)	Relevance to National / Council's Objectives	(a) National: Equality Act 2010. (b) Council: Corporate Strategy, Sustaining a Borough which cares for the environment; Continue our successful management of parks, open spaces and leisure centres so the best recreational facilities are available to everyone.	
	(iii)	Targets for judging success	(a) Improved accessibility for all. (b) Improved health and wellbeing.	
2	Description of Project / Design Issues: Purchase innerva power-assisted exercise technology which is designed to provide a 'helping hand' in a low impact, full-body workout circuit for exercisers. The equipment attracts older adults, those living with long term conditions and also people who can be intimidated by a traditional gym environment to leisure and rehabilitation centres. Power assisted exercise is safe for all age groups and abilities, as users do not need to provide the motive force to overcome inertia. There are no weight stacks to control, just safe and effective power assisted technology, providing active assisted range of motion for end users. The innerva equipment will be located in the area of the Jubilee suite following refurbishment undertaken through the Leisure Trust in agreement with the Council. Innerva equipment was originally planned for and costed into the new Angel Centre provision and therefore by bringing the items forward will reduce the costs for the new Angel Centre equipment.			

CAPITAL PLAN LIST C – EVALUATIONS

3	Milestones / Risks: Innerva equipment requirements specified through the Leisure Trust following assessment of need and the space available. Separate meeting room space to be adapted to accommodate displaced users of the existing Jubilee suite by the Leisure Trust in agreement with the Council. Jubilee suite area to be refurbished by the Leisure Trust in agreement with the Council in advance of the equipment being delivered and installed. Innerva suite to be opened for use following staff training and safety document updates including associated risk assessments. Delay in refurbishment of meeting room space and existing Jubilee suite, resulting in delays to preparation of Jubilee suite, equipment delivery and installation. Sufficient time to be given to refurbishment prior to arranging delivery and installation of equipment accounting for possible delays.					
4	Consultation: Innerva suite benefits and requirements, identified through the work on the new Angel Centre facilities by Leisure Consultants - Alliance Leisure. Final costs will be subject to a procurement process.					
5	Capital Cost: Total cost of Innerva equipment is expected to be in the region of £101k. The Leisure Trust have confirmed that they will cover the initial total costs associated with the purchase of the Innerva equipment.					
6	Profiling of Expenditure:					
	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)
		101				
7	Capital Renewals Impact: This project would be added to the Councils Capital Renewals programme with renewal expected in 8 years' time, at that time, the replacement equipment will be fully funded by the Council.					

CAPITAL PLAN LIST C – EVALUATIONS

Page 353	8	Revenue Impact: Loss of investment income on the total capital cost amounts to zero as the Leisure Trust has agreed to fund this project in full ahead of the new leisure centre construction. All revenue costs associated with the maintenance of the equipment will be funded by the Leisure Trust. Additional income associated with the new Innerva Suite is within the business plan for the new Angel Centre and forms part of the negotiations for the revised Service Fee with the Leisure Trust.		
	9	Partnership Funding: The Tonbridge and Malling Leisure Trust have confirmed that they will cover the initial total costs associated with the purchase of the Innerva equipment, reducing the Council's initial contribution to £0.		
	10	Project Monitoring / Post Implementation Review: Director responsible: Robert Styles Progress reported to: Communities and Environment Scrutiny Select Committee. Post Implementation Review: To be carried out twelve months after completion.		
	11a	Screening for equality impacts:		
		Question	Answer	Explanation of impacts
		a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	yes	This project would improve access for people of all abilities.
		b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	yes	As above
		c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?	n/a	
	11b	Climate change impacts:		
		Question	Answer	Explanation of impacts
		a. Does the decision being made or recommended through this paper have a positive impact on reducing carbon emissions or enhancing the natural environment?	yes	Improving the health and wellbeing of people should result in more active travel and less reliance on motorised transport.

CAPITAL PLAN LIST C – EVALUATIONS

		b. What steps are you taking to mitigate, reduce, avoid or minimise any negative or neutral impacts identified above?	yes	Local contractors and suppliers will be approached during the procurement exercise for this project.
	12	Recommendation: Transfer from List C to List B.		

CAPITAL PLAN LIST C – EVALUATIONS

Project:		Street Scene, Leisure & Technical Services: Leisure Services – Water Safety Systems Installation – Swimming Pools	
1	Specification:		
	(i)	Purpose of the scheme	To install water safety systems at Larkfield Leisure Centre and Tonbridge Swimming pool.
	(ii)	Relevance to National / Council's Objectives	(c) National: Health and Safety at Work etc Act 1974. (d) Council: Corporate Strategy, Continue our successful management of parks, open spaces and leisure centres so the best recreational facilities are available to everyone.
	(iii)	Targets for judging success	(c) Installation of water safety systems at Larkfield Leisure Centre and Tonbridge Swimming Pool (d) Increased drowning detection awareness
2	Description of Project / Design Issues: Purchase and installation of drowning detection systems to assist in the monitoring of the swimming pool water, detection and identification of people at risk of drowning and alerting qualified lifeguard responders. Drowning detection systems are able to monitor the swimming pool water through systems including cameras mounted above and below the water and artificial intelligence to assess signs of concern including a person's position in the water and movement or lack of and that requires additional support.		
3	Milestones / Risks: Drowning detection equipment requirements specified through the Leisure Trust following assessment of need and the services available and details of the system provided to the Council for consideration and agreement. Installation requirements and detailed programme agreed in partnership with the Leisure Trust to reduce disruption to operation and swimming pool users. New system's training and monitoring to be undertaken through the Leisure Trust and incorporated into the safe systems of work for the swimming pools. Water safety and drowning detection could become reliant upon the technology and if it failed for any reason could increase the risk, which is mitigated by continuing to lifeguard the swimming pools and use the technology as additional support incorporated into the safe systems of work. System to be regularly tested and checked to ensure operating effectively.		
4	Consultation: The Leisure Trust have consulted with the Council regarding the drowning detection systems and the benefits that it offers.		

CAPITAL PLAN LIST C – EVALUATIONS

5	Capital Cost: Total cost of drowning detection equipment is approximately £80k per pool. The Leisure Trust have confirmed that they will cover the initial total costs associated with the purchase of the drowning detection equipment.					
6	Profiling of Expenditure: The figure below reflects the funding, profiled as required for the successful delivery of the scheme.					
	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)
		160				
7	Capital Renewals Impact: This project would be added to the Councils Capital Renewals programme with renewal expected in 10 years' time, at that time, the replacement equipment such as cameras etc will be fully funded by the Council.					
8	Revenue Impact: Loss of investment income on the total capital cost amounts to zero as the Leisure Trust has agreed to fund this project in full. In addition, the minimal operating costs associated with the systems and consumable items such as alert watches will be covered by the Leisure Trust.					
9	Partnership Funding: The Tonbridge and Malling Leisure Trust have confirmed that they will cover the initial total costs associated with the purchase of the drowning detection equipment, reducing the Council's initial contribution to £0.					
10	Project Monitoring / Post Implementation Review: Director responsible: Robert Styles Progress reported to: Communities & Environment Scrutiny Select Committee. Post Implementation Review: To be carried out twelve months after completion.					

CAPITAL PLAN LIST C – EVALUATIONS

11a	Screening for equality impacts:		
	Question	Answer	Explanation of impacts
	d. 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	This project would improve safety for people of all abilities.
	e. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	yes	As above.
11b	f. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?	n/a	
	Climate change impacts:		
	Question	Answer	Explanation of impacts
12	c. Does the decision being made or recommended through this paper have a positive impact on reducing carbon emissions or enhancing the natural environment?	n/a	
	d. What steps are you taking to mitigate, reduce, avoid or minimise any negative or neutral impacts identified above?	n/a	
12	Recommendation: 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 2025/26	<i>£17.59 million</i>
Government Grant / Business rates excluding New Homes Bonus 2025/26	<i>£4.5 million</i>
Borough Council Band D Charge 2025/26	<i>£245.30</i>
Capital Plan 2025/26 to 2030/31 (Gross expenditure)	<i>£23.55 million</i>
Fixed Assets at 31 March 2025	<i>£102.01 million</i>
Debt Outstanding at 31 March 2025	<i>Nil</i>
Revenue Reserve for Capital Schemes at 31 March 2025	<i>£8.12 million</i>

- 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 **2025/26** 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. During 2023/24 Lothbury Property Trust, gave notice of termination and redemption is in progress. Initial distribution payments from the sale of assets have been received, with additional distributions expected upon completion of the remaining asset sales, anticipated by February 2026, with the wind up of the fund by May 2026. Hermes Property Fund completed a merger in August 2025, at which point we exited the fund and realise the initial investment.
- 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 2026/27 is £2.1m.**
- 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. Considering pending Local Government Reorganisation the annual capital allowance has been uplifted from £250,000 to £500,000 through to the end of 2027/28. A further review will be undertaken in 2027/28 to assess the future requirement. Based on the agreed capital plan and future projections the Council may need to borrow to fund such expenditure beyond 2027/28. 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*. As mentioned at paragraph 4.5 below, subject to the approval of the Angel Centre replacement (a future strategic scheme) it is likely that borrowing will be necessary in order to provide some of the financing for the project.

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](#) 2023-2027. The Strategy sets out Our Vision to be "an innovative and forward-thinking council, that leads the people and businesses of the borough towards a vibrant, prosperous and sustainable future".

This vision is underpinned by Our Values of Innovation, Transformation and Delivery and our 4 Priorities:

- Efficient services for all residents, maintaining an effective council.
- Sustaining a borough which cares for the environment.
- Improving housing options for local people whilst protecting our outdoor areas of importance.
- Investing in our local economy to help support residents and businesses and foster sustainable growth.

4.2 In setting the Budget for 25/26, the Cabinet highlighted the need to address the following key issues which contribute to the priorities above:

- Provision of cost-effective Temporary Accommodation;
- Regeneration of Tonbridge (including replacement of Angel Centre);
- Climate Change, including carbon neutral leisure centres;
- Transformation to improve efficiency and effectiveness; and
- Delivery of the Local Plan.

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.

4.5 At Full Council on 8 April 2025, and following a recommendation from Cabinet on 1 April 2025, Council approved the Angel Centre Replacement scheme. The project has a capital cost of £19.4 million, and the identification of financing opportunities remains a priority to reduce the requirement for borrowing.

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. The new version of the Procurement Strategy was approved by Cabinet on 10 December 2024.
- 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, and preventing homelessness.
- 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 where it can be demonstrated that the scheme meets the requirement of the relevant funding agreement.
- 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 it is 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 has completed consultation on the draft 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. Further updates on this plan are expected in 2026/27.
- 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 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:
- Making best use of existing homes, improving housing quality and sustainability.
 - Improving housing options and opportunities to prevent homelessness.
 - Delivering the homes our residents need where they need them.
 - 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.
- 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.** To strengthen the Council's security posture in response to the escalating landscape of cyber threats—while simultaneously enhancing efficiency, cost-effectiveness, and meeting the growing demand for customer self-service, particularly via the website—the council is embracing more flexible and innovative ways of working. These changes are essential to support and enable the delivery of the Savings and Transformation Strategy. The Digital & IT Strategy (2023–2027), has established a clear direction of travel for this transformation journey.

6 Partnerships

- 6.1 **West Kent Partnership.** The Council is a founding member of the West Kent Partnership, (<https://investwestkent.com>) 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 communities and businesses with a focus on economic development and infrastructure issues. In recent years, a number of strategic priorities have benefited from the Local Growth Fund and the UK Shared Prosperity Fund (including the Rural England Prosperity 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 **Kent and Medway Enterprise Partnership (KMEP).** The Kent and Medway Economic Partnership (KMEP) is a sub-regional body which seeks to promote economic growth across the county. A key role for KMEP is to co-ordinate implementation of the Kent and Medway Economic Framework. TMBC has a key role in promoting local priorities for economic regeneration.
- 6.5 **Other Partnerships.** Over the past 10 years, the Council has been part of a partnership that has brought forward much-needed improvements to our flood mitigation infrastructure, including the Leigh Expansion and Hildenborough Embankment Scheme (LEHES), this scheme is now approaching completion. A number of capital schemes at our leisure centres are funded in partnership with the Leisure Trust enabling new and improved facilities to be of the highest quality for customers.

- 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. In partnership with Clarion Housing Group and other voluntary sector partners, the Council provides funding to support two Community Development Workers to focus activity in areas of greatest need.
- 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.
 - A climate change 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.

Agenda Item 10

- Recommendations are 'to follow' and will be circulated in advance of the meeting.

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- 4.2 The Act also requires the Council to set out its Treasury Management Strategy for borrowing and to prepare an Annual Investment Strategy. The latter sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

5 Interest Rate Forecast

- 5.1 The Bank Rate is gradually reducing with the Bank of England cutting the rate in August, and again in December 2025 when Bank Governor, Andrew Bailey, used his deciding vote to force a rate cut through by the slimmest of margins, 5-4, bring the bank rate down to 3.75%.
- 5.2 Given the wafer-thin majority for a rate cut it was not unexpected to hear that although rates would continue on a "gradual downward path", suggesting a further rate cut or cuts in the offing, MPC members want to assess incoming evidence on labour market activity and wage growth.
- 5.3 Annual wage growth is still over 4.5%, the MPC reiterated that the case for further rate cuts would be "a closer call", and Governor Bailey observed there is "limited space" as Bank Rate approaches a neutral level.
- 5.4 From a GDP perspective, the financial year got off to a bumpy start with the 0.3% m/m fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3% q/q. Nonetheless, the 0.0% m/m change in real GDP in July, followed by a 0.1% m/m increase in August and a 0.1% decrease in September will have caused some concern. GDP growth for 2025 and 2026 is currently forecast by the Bank of England to be in the region of 1.4% before picking up in 2027.
- 5.5 Staying with future economic sentiment, the composite Purchasing Manager Index (PMI) for the UK increased to 52.2 in October. The manufacturing PMI output balance improved to just below 50 but it is the services sector (52.2) that continues to drive the economy forward. Nonetheless, the PMIs suggest tepid growth is the best that can be expected in the second half of 2025 and the start of 2026 and in November figures showed that GDP for July to September was 0.1% q/q.
- 5.6 Turning to retail sales volumes, and the 1.5% year-on-year rise in September, accelerating from a 0.7% increase in August, marked the highest gain since April. On a monthly basis, retail sales volumes rose 0.5%, defying forecasts of a 0.2% fall, following an upwardly revised 0.6% gain in August. Household spending remains surprisingly resilient, but the headwinds are gathering.

- 5.7 The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. More recently, however, the monthly change was revised higher in seven of the previous nine months by a total of 22,000. So instead of falling by 165,000 in total since October, payroll employment is now thought to have declined by a smaller 153,000. Even so, payroll employment has still fallen in nine of the ten months since the Chancellor announced the rises in National Insurance Contributions (NICs) for employers and the minimum wage in the October 2024 Budget. The number of job vacancies in the three months to October 2025 stood at 723,000 (the peak was 1.3 million in spring 2022). All this suggests the labour market continues to loosen, albeit at a slow pace.
- 5.8 MUFG's latest Bank Rate forecast, updated in December 2025, shows the near term rates moving steadily downward, is included in **[Annex 5]** and anticipates the Bank Rate will level out at 3.25% around December 2026.

6 Investment Performance

- 6.1 The Council's investments are derived from cash flow surpluses, core cash balances and other long term cash balances.
- 6.2 Cash flow surpluses are available on a temporary basis, and the amount is mainly dependent on the timing of council tax and business rates collected and their payment to precept authorities and government. Less significant cash flows relate to receipt of grants, payments to housing benefit recipients, suppliers and staff. Cash flow surpluses build up during the course of a financial year and are spent by financial year end. Thus far in 2025/26 cash flow surpluses have averaged £30.65m.
- 6.3 The Authority also has £33m of core cash balances. These funds are for the most part available to invest for more than one year, albeit a proportion is usually transferred to cash flow towards the end of the financial year to top-up daily cash balances. Core cash includes the Council's capital and revenue reserves which are being consumed over time to meet capital expenditure and 'buy time' to enable the authority to deliver its revenue savings targets.
- 6.4 Cash flow and core cash balances also include sums to meet business rate appeals which are expected to be resolved in 2025/26 and future years.
- 6.5 Long term investment at the end of November 2025 comprises of £2.60m in property fund investments.
- 6.6 Medium term investment comprises £4.25m in diversified income fund investments.

- 6.7 A full list of investments held at 28 November 2025 is provided at **[Annex 1]** and a copy of our lending list of 30 November 2025 is provided at **[Annex 2]**. The table below provides a summary of funds invested and income earned at the end of November.

	Funds invested on 30 November 2025	Average duration to maturity	Weighted average rate of return 1 April to 30 November 2025	SONIA benchmark November 2025	Interest / dividends earned 1 April to 30 November 2025	Gross annualised return
	£m	Days	%	%	£	%
Cash flow	30.65	4	4.03	3.94	791,670	4.18
Core cash	33.00	110	4.04	3.84	1,003,720	4.41
Long term	2.00				70,790	3.54
Long term (LPT)	0.60				3,685	--
Medium term	4.25				123,660	4.35
Total	70.50				1,993,525	--

Table 1

Property funds pay dividends quarterly. The return quoted above is based on dividends received for the period April to September 2025.

- 6.8 **Cash flow and core cash investments.** The SONIA (Sterling Overnight Index Average) benchmark has continued to follow the trend of reducing in line with the cuts in the Bank of England's interest rate over the past few months.
- 6.9 Looking ahead, market sentiment suggests that any future interest rate cuts will be slow and gradual throughout 2026 settling at 3.25% by December. This may present further opportunity to secure longer-duration investments (up to 12 months), allowing the Council to lock in favourable rates ahead of any future rate cuts.
- 6.10 Continuing this strategy could be advantageous if rates remain relatively stable or decline gradually in the coming months, enabling the Council to stay ahead of the curve for longer.
- 6.11 As of the end of November, investment interest earned was £1,993,525, which is £392,690 above the original budget estimate for the same period. The positive variance is primarily attributed to the bank rate remaining higher for longer than initially anticipated.
- 6.12 The revised budget has been updated to incorporate the sustained higher bank rate, ensuring that future investment interest income projections are aligned with the current market expectations.

- 6.13 The Council takes advantage of MUFG's benchmarking service which enables performance to be gauged against their other local authority clients. An extract from the latest benchmarking data is provided in the form of a scatter graph at **[Annex 3]**. The graph shows the return (vertical scale) vs. the credit / duration risk (horizontal scale) associated with an authority's investments. As at 30 September 2025 the Council's return was 4.17% (purple diamond) this was in line with the local benchmarking group average of 4.11%. MUFG's predicted return is between the upper and lower boundary indicated by the diagonal lines. The Council's risk exposure was consistent with the local authority average.
- 6.14 Only cash flow and core cash returns form part of the benchmarking data. The additional return the Council makes from its property fund, and diversified income fund investments are not included. The data also excludes any short-term borrowing costs authorities may have incurred to meet payment obligations; however, no such costs have been incurred to date, and none are anticipated during the remainder of 2025/26.
- 6.15 **Long term investment.** £5m was originally invested in property investment funds, spread across three funds to ensure, as far as is possible, stability of annual income and capital growth over time.
- 6.16 During the period 1 April 2025 to 30 September 2025, as property funds are reported quarterly, the £2m attributable to LAPF, and the more recently dis-investment of Hermes Property Fund (£1m), generated dividends of £70,790 which represents an annualised return of 3.54% (4.09% in 2024/25).
- 6.17 The initial £2m invested in Lothbury Property Fund, sales of assets and the return of capital monies, leaves an outstanding balance of £599,070. While unbudgeted dividends are being received (£3,685 to date), it is on an ad-hoc basis. Further information is set out in paragraphs 6.25 to 6.28. The dividend income from the remaining property fund is expected to be in line with the revised budget for the financial year 2025/26.
- 6.18 The long-term investment figure set out in table 2 concentrates on the LAPF, while table 3 provides details of the repayment of capital investment from the sale of assets for Lothbury Property Fund (terminated on 30 May 2024).
- 6.19 Information pertaining to the losses from the dis-investment of Hermes Property Fund has been set out in paragraphs 6.29 to 6.30.

6.20 Sale values at the end of November 2025 vs initial purchase prices are as follows:

Property fund (Primary = units in the fund purchased from the fund manager. Secondary = units purchased from another investor at a discount. Date = first month the investment attracted dividends)	Purchase price	Sale value at date of purchase	Sale value 30 November 2025	30 November sale value above (below) purchase
	a	b	c	price (c-a)
	£	£	£	£
LAPF (Primary, July 2017)	1,000,000	922,200	897,390	(102,610)
LAPF (Primary, June 2018)	1,000,000	922,200	860,410	(139,590)
Total change in principal	2,000,000	1,844,400	1,757,800	(242,200)
Total dividends received to September 2025				636,940
Net benefit since inception				394,740

Table 2

- 6.21 Since inception, the Council have received dividends from the Local Authority Property Fund investments totalling £636,940, contributing positively to the revenue position and supporting the treasury management strategy objectives.
- 6.22 Capital values over the period April 2025 to November 2025 continue to reflect a depreciation level of around £242,200, with minimal fluctuation observed, potentially indicating a stabilisation in asset valuations.
- 6.23 The investment continues to perform in-line with revised expectations, with income returns partially mitigating the impact of the capital depreciation. No further material deterioration in capital values has been identified during this period.
- 6.24 The proposed acquisition of CCLA, and by extension, the LAPF, by Jupiter Investment Management Group, subject to Financial Conduct Authority (FCA) approval, is expected to enhance the combined entity's market position and operational capacity, while strengthening CCLA's long-term strategic resilience, governance framework, and access to broader investment resources, thereby supporting future investment activity and service delivery.
- 6.25 Following the withdrawal of several investors, Lothbury Property Trust were unable to secure a way forward, and the fund was terminated on 30 May 2024.
- 6.26 As set out in table 3 below, eight distributions totalling £1,400,930 have been received to date in respect of the Council's initial investment.
- 6.27 A further dividend distribution is expected to be declared in January 2026, and the anticipated completion of the final asset sales imminent, however, the winding-up of the fund has been extended to May 2026.

- 6.28 Taking into account the dividends received from the inception of the fund, the breakeven point would be the recovery of £216,350 against the outstanding assets:

Property fund (Primary = units in the fund purchased from the fund manager. Secondary = units purchased from another investor at a discount. Date = first month the investment attracted dividends)	Purchase price	Sale value at date of purchase	Principal Investment Returned	Principal Investment Balance Outstanding
	a	b	c	
	£	£	£	£
Lothbury Property Trust	2,000,000	1,900,700	1,400,930	(599,070)
Total dividends received to November 2025				382,720
Net balance to breakeven point				(216,350)

Table 3

- 6.29 At the merger between the Hermes Property Fund and L&G Pension on 15 August 2025 it prompted the dis-investment of the Council's holdings in the fund. The capital realisation amounted to £908,350 against the initial investment of £1m, resulting in a capital loss of £91,650.
- 6.30 Dividend income received over the life of the investment totalled £272,470. While this income does not offset the capital loss for accounting purposes, it is prudent to note that the cumulative income generated exceeds the capital loss incurred, resulting in a positive net financial return over the investment period.
- 6.31 To safeguard the Council's position, an earmarked reserve was established at the outset of entering into medium and long term investments to mitigate potential capital losses. The revised revenue estimates have drawn down against this reserve to ensure the overall revenue budget is protected and that financial impact of the investment losses is appropriately contained.
- 6.32 Members are reminded that higher yielding investments (e.g. property, equities) have the potential to fluctuate in value, both up and down. It is this feature which makes them unsuitable for short term investment where certainty over value at maturity is a key criteria. The Council's property fund investments are not required to meet day to day spending commitments and will only be realised should a higher yielding opportunity be identified.
- 6.33 **Medium term investment.** In recent years multi asset (diversified income) funds have grown in popularity. The rationale for adopting such a fund was explored in the Audit Committee report of January 2018 and their use for medium-term investment reaffirmed in the January 2021 Audit Committee report which introduced the multi asset (diversified income) funds into the Annual Investment Strategy.
- 6.34 Like property funds, multi asset (diversified income) funds aim to generate returns over and above inflation and thus preserve spending power.

- 6.35 A total of £4.25m was invested in 2021/22 between three funds chosen from the rigorous selection process, Fidelity Multi Asset Income Fund, Ninety-One Diversified Income Fund and Aegon Diversified Monthly Income Fund. It is expected that each fund will deliver a return in excess of 3% per annum and preserve capital over the five-year duration of the investment. Additional multi asset fund investments could be made in the future as resources become available from asset disposals and other windfalls.
- 6.36 During the period April 2024 to November 2025 the £4.25m investment in multi asset funds generated dividends of £123,660 which represents an annualised return of 4.35%.
- 6.37 **Treasury management function.** An extract from the draft income and expenditure estimates (*due to be presented to the Overview and Scrutiny Committee on 22 January 2026*) attributed to the Treasury Management function are provided at **[Annex 4]**. This shows the aggregate staff resource applied to treasury management is less than one full time equivalent and that income exceeds costs by a significant margin. Income in future years forms part of the Council's medium term financial strategy and is expected to decrease in the short term as Bank Rate pulls back. Expenditure is expected to rise in-line with inflation.

7 Annual Investment Strategy for 2026/27

- 7.1 The Treasury Management Strategy Statement has undergone a comprehensive review to ensure it remains robust and fit for purpose.
- 7.2 As part of the review, it has been updated to include detailed policies and strategic considerations relating to any future borrowing requirements, should these arise, thereby providing a clear framework to support informed and prudent decision-making.
- 7.3 The Council's treasury advisors anticipate the bank rate reduction will continue for the near term before settling at 3.25% by December 2026 and will remain there for the foreseeable future.
- 7.4 CPI inflation remained at 3.8% in September, whilst core inflation fell to 3.5%. Services inflation stayed at 4.7%. A further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.
- 7.5 The further easing in wage growth will be welcomed by the Bank of England as a as unemployment stands at 4.6% (September) and the loosening of the labour market is driving softer wage pressures. The three month average earnings growth, excluding bonuses, fell from 5.5% in April to 4.6% in September (year on year). The Bank would ideally like to see further wage moderation to support a continued, gradual easing of monetary policy. Markets are currently pricing in rate

cuts in February and June to 3.25%, although heightened volatility could prompt a repricing given the data dependent nature of the outlook.

8 Risk Parameters

8.1 The Strategy sets out the parameters that limit the Council's exposure to investment risks by requiring overnight and term deposits to be placed with highly credit rated institutions and that those investments are diversified across a range of counterparties. Except where indicated by bold italic text, the 2026/27 Annual Investment Strategy [**Annex 5**] adopts the same risk parameters as currently approved. In summary these are:

- 100% of funds can be invested in the UK. Exposure to non-UK institutions is restricted to no more than 20% of funds per sovereign.
- Non-UK counterparties must be regulated by a sovereign rated AA- or higher as recognised by each of the three main rating agencies (Fitch, Moody's or Standard & Poor's).
- Investment in UK institutions is subject to the UK sovereign being rated A- or higher by each of the three main rating agencies. The UK currently receives a rating of AA- from Fitch and Moody's and AA from Standard and Poor's.
- Exposure to individual counterparties / groups of related counterparties must not exceed 20% of funds or **10% of funds if a housing association**.
- In selecting suitable counterparties for overnight deposits and deposits up to 2 years in duration (3 years with a local authority), the Council has adopted MUFG's credit worthiness methodology. The methodology combines the output from all three credit rating agencies including credit watches / outlooks and credit default swap data to assign a durational band to a financial institution (100 days, 6 months, 1 year, 5 years, etc.). At the time of placing an investment the financial institution must be assigned a durational band of at least 100 days (based on credit ratings alone). Other than for UK nationalised institutions this broadly equates to a minimum long term credit rating of Fitch A- (high) and a short-term credit rating of Fitch F1 (highest).
- Investment in UK nationalised banks is subject to the bank having a minimum long term credit rating of Fitch BBB (good) and a short-term credit rating of Fitch F2 (good). The Royal Bank of Scotland and National Westminster Bank are currently rated Fitch A+, F1.
- The duration of an investment in a foreign bank must not exceed MUFG's post CDS recommendation. For UK financial institutions MUFG's duration recommendation can be enhanced by up to 6 months subject to the combined duration (MUFG recommendation plus the enhancement) not exceeding 12 months. The Council's Treasury Management Practices

have been modified to ensure that where duration is being enhanced by more than 3 months the bank's CDS must be below the average for all other banks at the time the investment is placed.

- Money Market funds will be AAA rated, and exposure limited to no more than 20% per fund. LVNAV (low volatility) or VNAV (variable net asset value) funds may be used as an alternative to CNAV (constant net asset value) funds.
- Enhanced cash and Government liquidity funds will be AAA rated, and **ultra-short duration bond funds rated AA or higher**. Exposure is limited to no more than 10% of investment balances per fund and 20% to all such funds.
- Exposure to non-credit rated property funds is limited to no more than 20% (£3m) of expected long term cash balances. No limit applies where invested funds are derived from or in anticipation of new resources e.g. proceeds from selling existing property.
- Exposure to non-credit rated diversified income (multi-asset) funds **and or short dated bond funds** is limited to no more than 20% (£3m) of expected long term cash balances per fund and across all such funds.
- The strategy also limits the type of instrument (e.g. fixed term deposits, certificates of deposit, commercial paper, floating rate notes, treasury bills, etc.) that can be used and establishes a maximum investment duration for Gilts of 5 years, 3 years for deposits with local authorities and 2 years for all other types of investment other than investment in property funds, diversified income funds and **short dated bond funds**.

8.2 The strategy includes prudential indicators for borrowing. Whilst there is no expectation, **based on the current capital plan**, that the Council will need to borrow in the near term, borrowing on a temporary basis may be required to meet payment obligations. Borrowing limits are expressed as the operational limit (£4m) and authorised limit (£7m). Our largest monthly outflows relate to business rates (£5.7m) and precept payments (£9.2m). Whilst those payments tend to fall on different days of the month that is not always the case. The limits are a precautionary measure to allow borrowing on a short-term basis should the need arise. In recent years, the Council's cash flows have been managed in such a way that no overdraft fees or temporary borrowing costs have arisen.

8.3 The returns on our **property fund investment**, though representing only 3.69% at the time of writing (5.81% in 2024/25) of the investment portfolio, it is likely to generate investment income of circa 3.6% next year. This is expected to adjust in future years and will represent a high percentage of future income. The property fund investments are long term (10 year) investments. As a consequence of the high entry / exit costs (circa 8%) and potential for significant volatility in capital

values, our strategy limits exposure to property funds from existing resources to 20% of expected long term balances, circa £3m per fund.

- 8.4 The returns on our **diversified income fund investments**, though representing only 6.03% (6.11% in 2024/25) of the investment portfolio, are likely to generate investment income of circa 4.1% next year. This is expected to adjust in future years and will represent a high percentage of future income. The diversified income fund investments are medium term (5 year) investments. As a consequence of the potential for significant volatility in capital values, our strategy limits exposure to diversified income funds from existing resources to 20% of expected long term balances, circa £3m per fund.
- 8.5 Diversified income fund investment typically implies a 5-year commitment to negate volatility in capital values over the life of the investment.

9 Non-Treasury Management Practices

- 9.1 The authority is currently debt-free, and no borrowing is forecast to support the Council's ongoing capital expenditure proposals under the current capital plan. This position does not, however, preclude borrowing to fund in whole or in part, investment opportunities that align with the Council's strategic priorities and objectives and delivers value for money. Any such opportunity to be considered on a case by case basis, as appropriate.
- 9.2 At present the Council has no material non-treasury investments, e.g. expenditure on loans or the acquisition of non-financial assets (property) intended solely to generate a profit. **[Annex 6]** is reviewed and updated accordingly in order to ensure compliance with the Chartered Institute of Public Finance & Accountancy's Treasury Management and Prudential Codes, and Statutory Guidance on Local Government Investments relating to non-treasury investments.

10 Financial and Value for Money Considerations

- 10.1 The Bank Rate is currently 3.75%. MUFG's current forecast (December 2025) anticipates Bank Rate will fall back to 3.25% by December 2026 and remain there for the foreseeable future.
- 10.2 Whilst the Council has benefited from the interest rates being held higher for longer, the Bank of England, having initiated the rate cut cycle in August 2024, has reduced the bank rate from 5.25% to 3.75%. The benefit of the former has produced interest earned over the past several months to the end of November 2025 from cash flow surpluses and core cash investments. This has exceeded the original budget for the same period. Investment income for the year as a whole is expected to exceed the original budget which is reflected in the revised estimates for 2026/27.
- 10.3 Performance is monitored against a benchmark return and against other local authorities in Kent and the broader local authority pool via MUFG's benchmarking service.

- 10.4 Whilst the annual income stream from a property fund exhibits stability (circa 4% per annum net of management fees) capital values rise and fall with the cyclical nature of economic activity. During a downturn in the economy capital values may fall significantly. The duration of a property fund investment may need to be extended to avoid crystallising a loss and as a consequence the investment's duration cannot be determined with certainty.
- 10.5 Buying and selling property involves significant costs making property unsuitable for short term investment. Buying and selling costs are reflected in the entry fees (circa 6%) and exit fees (circa 2%) a property fund will charge unit holders. These fees are expected to be recouped overtime through capital appreciation.
- 10.6 The money held in the remaining property fund is expected to be available in perpetuity. Nevertheless, the Council's cash balances will continue to be monitored, and due regard had to the potential for a fund to delay payment of redemption requests by up to 12 months. Funds will seek to minimise their own cash balances in favour of holding property and therefore manage redemption requests for the benefit of all fund participants. The Council is only likely to seek redemption to pursue a higher yielding income opportunity should one be identified.
- 10.7 Diversified income funds aim to limit risk by spreading investment across a broad range of asset classes (equities, bonds, property and cash). Nevertheless, the principal sum invested may fall as a consequence of adverse economic or market events.
- 10.8 Short term bond values are linked to interest rate expectations and long-term bond values are linked to inflation expectations. Funds aim to minimise the risk of issuer default by investing in a broad spread of issuers and across different sectors and geographic regions. Nevertheless, the principal sum invested may fall as a consequence of adverse economic or market events.

11 Risk Assessment

- 11.1 MUFG are employed to provide advice on the content of the Treasury Management and Annual Investment Strategy and this, coupled with a regular audit of treasury activities ensures that the requirements of the Strategy and the Treasury Policy Statement adopted by this Council are complied with.
- 11.2 Credit ratings remain a key tool in assessing risk. It is recognised that their use should be supplemented with sovereign ratings and market intelligence. Appropriate sovereign, group and counterparty limits are established to ensure an appropriate level of diversification.
- 11.3 In the light of these safeguards and stringent Treasury Management Procedures it is considered that any risks to the authority implicit in the 2026/27 Strategy have been minimised.

12 Legal Implications

- 12.1 Under Section 151 of the Local Government Act 1972, the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management.
- 12.2 This report fulfils the requirements of the Chartered Institute of Public Finance & Accountancy's Treasury Management and Prudential Codes of Practice 2017 and the 2018 Statutory Guidance on Local Government Investments. Please note, both Codes have been updated in December 2021 and have been taken into account in the 2026/27 Treasury Management and Annual Investment Strategy.

13 Cross Cutting Issues

13.1 Climate Change and Biodiversity

- 13.1.1 While the Treasury Management Code establishes security, liquidity and yield as the core investment principles, it also recognises the growing importance of environmental, social and governance (ESG) considerations for investors. Accordingly, ESG considerations have now been formally incorporated into the Treasury Management Strategy Statement (TMSS).

13.2 Equalities and Diversity

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

Background Papers	MUFG:Interest rate forecast (December 2025) Economic commentary Benchmarking data.
Annexes	(1) TMBC Investment Summary 28 November 2025 (2) TMBC Lending List November 2025 (3) TMBC Benchmarking September 2025 (4) TMBC Treasury Management Estimates 205/26 and 2026/27 (5) TMBC Treasury Management and Annual Investment Strategy 2026/27 (6) TMBC Non-Treasury Management Practices

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Tonbridge and Malling Borough Council - Investment summary 28 November 2025

Counterparty / type of investment	Sovereign	Fitch long term	Fitch short term	Link suggested post CDS duration limit	Investment						Cash Flow surpluses £	Core Cash balances £	Medium term investment balances £	Long term investment balances £
					Start date	End date	Duration at start	Amount invested £	Return %	Proportion of total %				
Banks, Building Societies & Other Financials														
Barclays Bank : 95 day notice account	UK	A+	F1	6 months	23/07/2019	TBD	95 Days	3,000,000 3,000,000	4.05	4.26%		3,000,000		
Goldman Sachs : Fixed Term Deposit Fixed Term Deposit	UK	A+	F1	6 months	06/08/2025 17/11/2025	06/05/2026 17/08/2026	9 Months 9 Months	6,000,000 3,000,000 3,000,000	4.13 4.01	8.51%		3,000,000 3,000,000		
Handelbanken : Fixed term deposit 35 day notice account	UK	AA	F1+	1 year	17/10/2025 18/07/2025	19/01/2026 TBD	3 months 35 Days	6,000,000 3,000,000 3,000,000	4.03 4.20	8.51%		3,000,000 3,000,000		
HSBC Bank : 31 day notice account	UK	AA-	F1+	1 year	02/12/2019	TBD	31 Days	3,000,000	4.00	4.26%	3,000,000			
National Westminster Bank : Deposit account Certificate of Deposit	UK	AA-	F1+	1 year	28/11/2025 05/08/2025	01/12/2025 05/08/2026	Overnight 12 months	3,050,000 50,000 3,000,000	2.25 4.06	4.33%	50,000	3,000,000		
Rabobank : Certificate of Deposit Certificate of Deposit	Netherlands	A+	F1	1 year	22/07/2025 05/11/2025	22/07/2026 04/11/2026	12 months 12 months	6,000,000 3,000,000 3,000,000	4.09 3.96	8.51%		3,000,000 3,000,000		
Standard Chartered : Sustainable Fixed Term Deposit Sustainable Fixed Term Deposit	UK	A+	F1	6 months	20/06/2025 13/11/2025	19/06/2026 13/11/2026	12 months 12 months	6,000,000 3,000,000 3,000,000	4.14 3.94	8.51%		3,000,000 3,000,000		
Toronto Dominion Bank : Certificate of Deposit	Canada	AA-	F1+	1 year	03/10/2025	02/10/2026	12 months	3,000,000 3,000,000	4.18	4.26%		3,000,000		
Money Market Funds														
Blackrock MMF - shares/units held	N/A	AAA	mmf (Eq)	5 years	28/11/2025	01/12/2025	Overnight	7,781,000	4.02	11.04%	7,781,000			
BNP Paribas MMF - shares/units held	N/A	AAA	mmf (Eq)	5 years	28/11/2025	01/12/2025	Overnight	3,903,000	4.02	5.54%	3,903,000			
CCLA PSDF MMF - shares/units held	N/A	AAA	mmf	5 years	28/11/2025	01/12/2025	Overnight	0	3.97		-			
DWS Deutsche MMF - shares/units held	N/A	AAA	mmf	5 years	28/11/2025	01/12/2025	Overnight	7,917,000	4.05	11.23%	7,917,000			
Federated MMF - shares/units held	N/A	AAA	mmf	5 years	28/11/2025	01/12/2025	Overnight	8,000,000	4.05	11.35%	8,000,000			
Morgan Stanley MMF - shares/units held	N/A	AAA	mmf	5 years	28/11/2025	01/12/2025	Overnight	0	3.98		-			
Property Funds														
Local Authorities' Property Fund : Property fund units Property fund units	N/A	N/A	N/A	N/A	29/06/2017 30/05/2018	N/A N/A	N/A N/A	2,000,000 1,000,000 1,000,000	4.34 5.83	2.84%				1,000,000 1,000,000
Lothbury Property Trust : Property fund units Property fund units	N/A	N/A	N/A	N/A	06/07/2017 02/07/2018	N/A N/A	N/A N/A	599,068 0 599,068		0.85%				- 599,068
Multi Asset Funds														
Aegon Multi Asset fund units	N/A	N/A	N/A	N/A	29/07/2021	N/A	N/A	1,750,000 1,750,000		2.48%			1,750,000	
Fidelity Multi Asset fund units	N/A	N/A	N/A	N/A	12/08/2021	N/A	N/A	1,000,000 1,000,000		1.42%			1,000,000	
Ninety One Multi Asset fund units	N/A	N/A	N/A	N/A	12/08/2021	N/A	N/A	1,500,000 1,500,000		2.13%			1,500,000	
Total invested								70,500,068		100.00%	30,651,000	33,000,000	4,250,000	2,599,068

Number of investments	26	Average investment value £		2,712,000
Number of counter parties	19	Average counter party investment £		3,711,000
Group exposures:		Core £	Cash £	Combined £
Royal Bank of Scotland + National Westminster (UK Nationalised MAX 20%)		3,000,000	50,000	3,050,000
Bank of Scotland + Lloyds (MAX 20%)		-	-	-
Property Funds Total				£
Multi Asset Funds Total				%

Total non-specified investments should be less than 60% of investment balances 9.71%

Notes:
Property fund returns are based on dividends distributed from the start of each investment. Capital appreciation / depreciation is recorded elsewhere.

End date for notice accounts to be determined (TBD)

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Tonbridge and Malling Borough Council Lending List

Checked against MUFG's "Suggested Credit List" dated 28/11/25
Minimum investment criteria is MUFG's green duration band (100 days). Entry point broadly equates to Fitch A-, F1 unless UK nationalised.

Counterparty	Sovereign	Sovereign rating [1]	Fitch long term	Fitch short term	UK classification	Exposure limit	Link duration based on [2]	
							Credit ratings	Post CDS
UK Banks, Building Societies and other Financial Institutions :								
Bank of Scotland (Group limit BOS & Lloyds £7m)	UK	AA-	AA-	F1+	Ring-fenced	£7m	1 year	1 year
Barclays Bank (Group Limit Barclays and Barclays UK £7m)	UK	AA-	A+	F1	Non-RF	£7m	6 months	6 months
Barclays Bank UK (Group Limit Barclays and Barclays UK £7m)	UK	AA-	A+	F1	Ring-fenced	£7m	6 months	6 months
Goldman Sachs International Bank	UK	AA-	A+	F1	Exempt	£7m	6 months	6 months
Handelsbanken Plc (Group Limit with Svenska Handelsbanken AB £7m)	UK	AA-	AA	F1+	Exempt	£7m	1 year	1 year
HSBC UK Bank	UK	AA-	AA-	F1+	Ring-fenced	£7m	1 year	1 year
Lloyds Bank (Group limit BOS & Lloyds £7m)	UK	AA-	AA-	F1+	Ring-fenced	£7m	1 year	1 year
National Westminster Bank (Group limit Nat West and RBS £7m).	UK	AA-	AA-	F1+	Ring-fenced	£7m	1 year	1 year
Santander UK	UK	AA-	A+	F1	Ring-fenced	£7m	R - 6 mths	R - 6 mths
Standard Chartered Bank	UK	AA-	A+	F1	Exempt	£7m	R - 6 mths	R - 6 mths
The Royal Bank of Scotland (Group limit Nat West and RBS £7m).	UK	AA-	AA-	F1+	Ring-fenced	£7m	1 year	1 year
Coventry Building Society	UK	AA-	A-	F1	Exempt	£7m	100 days	100 days
Nationwide Building Society	UK	AA-	A	F1	Exempt	£7m	6 months	6 months
Skipton Building Society	UK	AA-	A-	F1	Exempt	£7m	6 months	6 months
UK Debt Management Office including Treasury Bills	UK	AA-	n/a	n/a	n/a	No limit	5 years	5 years
UK Treasury Sovereign Bonds (Gilts)	UK	AA-	n/a	n/a	n/a	£16m/£8m	5 years	5 years
UK Local Authority (per authority)	UK	AA-	n/a	n/a	n/a	£7m	5 years	5 years

Non-UK Banks :

Australia & New Zealand Banking Group	Australia	AAA	AA-	F1+	n/a	£7m	1 year	1 year
Bank of Montreal	Canada	AA+	AA-	F1+	n/a	£7m	1 year	1 year
Toronto Dominion Bank	Canada	AA+	AA-	F1+	n/a	£7m	1 year	1 year
Royal Bank of Canada	Canada	AA+	AA-	F1+	n/a	£7m	1 year	1 year
Nordea Bank Abp	Finland	AA	AA-	F1+	n/a	£7m	1 year	1 year
Rabobank (Cooperatieve Rabobank U.A.)	Netherlands	AAA	A+	F1	n/a	£7m	1 year	1 year
ING Bank	Netherlands	AAA	AA-	F1+	n/a	£7m	1 year	1 year
Development Bank of Singapore	Singapore	AAA	AA-	F1+	n/a	£7m	1 year	1 year
Svenska Handelsbanken AB (Group Limit with Handelsbanken Plc £7m)	Sweden	AAA	AA	F1+	n/a	£7m	1 year	1 year

[1] Reflects the lowest of the three rating agencies views (Fitch, Moody's and Standard and Poor's). Strategy requires non-UK sovereigns to be rated at least AA- and the UK rated at least A-. Non-UK sovereign limit of 20% or £7m per sovereign.

[2] All deposits overnight unless otherwise approved in advance by the Director of Finance and Transformation AND Chief Financial Services Officer. If other than overnight duration for non-UK entities must not exceed MUFG's post CDS duration suggestion. For UK entities duration may be extended by up to three months based on credit ratings alone or six months if CDS is below average, subject to a maximum combined duration of 12 months.

Money Market Funds (Minimum investment criteria AAA) :

Fund Name	Moody	Fitch	S&P	Exposure Limit	Link credit worthiness
Blackrock Institutional Cash Series - Sterling Liquidity	AAA	-	AAA	£8m	5 years
BNP Paribas InstiCash - GBP	-	-	AAA	£8m	5 years
CCLA Public Sector Deposit Fund	-	AAA	-	£8m	5 years
DWS Deutsche Global Liquidity - Deutsche Managed Sterling	AAA	AAA	AAA	£8m	5 years
Federated Cash Management - Short Term Sterling Prime	-	AAA	AAA	£8m	5 years
Insight - Sterling Liquidity (Group limit IL & ILP of £7m)	-	AAA	AAA	£8m	5 years
Morgan Stanley Liquidity - Sterling	AAA	AAA	AAA	£8m	5 years

Enhanced Cash Funds (Minimum investment criteria AAA) :

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

Approved by Head of Finance

01 December 2025

MUFG have updated Standard Chartered's suggested duration from 1 year (orange) to 6 months (red), this is due to Moody's changing their methodology when rating banks globally.

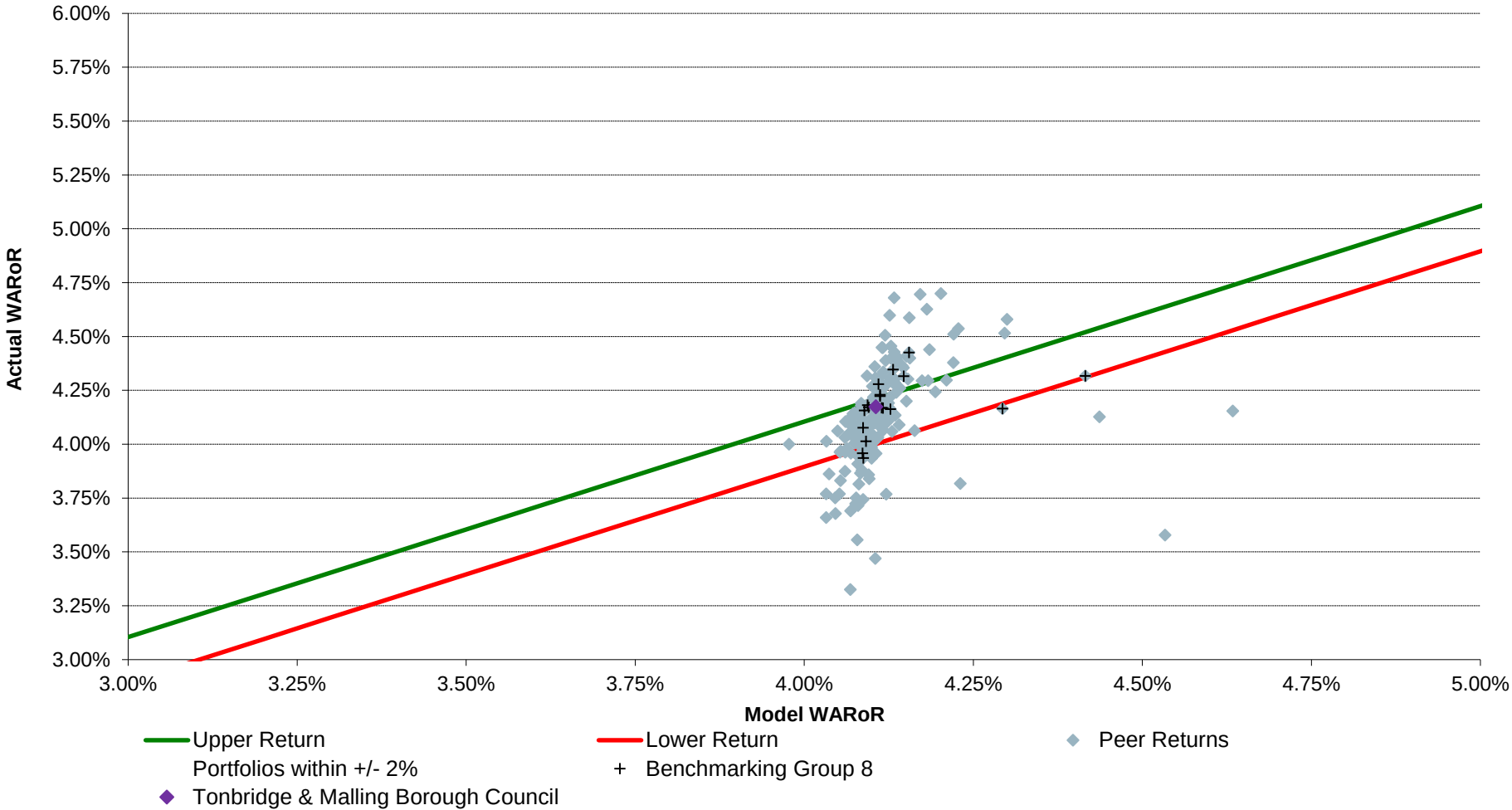
Note: Close Brothers removed from Link's Suggested Credit List 12/02/2024. Although removed, Link have stated that the Fitch long term rating change from A- to BBB+ would have no impact on the suggested duration and would remain at 6 months.

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Tonbridge & Malling Borough Council

Population Returns against Model Returns

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Tonbridge & Malling Borough Council	Actual WARoR	Model WARoR	Difference	Lower Bound	Upper Bound	Performance
	4.17%	4.11%	0.07%	4.00%	4.21%	Inline

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Extract from O&S estimates presentation - January 2026. Costs attributed to banking arrangements and transfers in lieu of interest are excluded.

DIRECTOR OF FINANCE & TRANSFORMATION

	2025/26		2026/27
	ORIGINAL ESTIMATE £	REVISED ESTIMATE £	ESTIMATE £
4 <u>TREASURY MANAGEMENT</u>			
Employees			
Salaries	40,900	41,700	45,550
Supplies & Services			
Treasury Advisor & Dealing Fees	18,000	18,000	18,000
	58,900	59,700	63,550
Less Income			
Interest on:			
Cash Flow Investments	(686,000)	(991,000) a)	(819,000) a)
Core Cash Investments	(1,486,000)	(1,442,000) a)	(1,005,000) a)
Medium Term Investments	(157,250)	(165,750)	(174,250)
Long Term Investments	(72,000)	(82,000) b)	(72,000)
	(2,401,250)	(2,680,750)	(2,070,250)
<u>Sub-total</u>	(2,342,350)	(2,621,050)	(2,006,700)
Central, Departmental & Technical Support Services			
Central Salaries & Administration	14,250	14,900	15,000
Information Technology Expenses	1,250	1,550	1,500
Departmental Administrative Expenses	20,350	22,800	21,800
<u>TO SUMMARY</u>	(2,306,500)	(2,581,800)	(1,968,400)
Full Time Equivalent Number of Staff (Including Support Service Staff)	1.04	1.05	1.07

- a) More favourable Money Market Fund rates are being paid that are currently offsetting the rates offered on longer term investments. Forward estimate anticipates continued reduction in the Bank base rate.
- b) Previously unbudgeted dividend of circa £10,000 received from Lothbury Property Trust.

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TREASURY MANAGEMENT STRATEGY

Tonbridge and Malling Borough Council

2026 - 2027

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1. INTRODUCTION

1.1 The Treasury Management Strategy Statement (TMSS) for 2026/27 covers two main areas:

- Capital Issues
 - a. The capital expenditure plans and the associated prudential indicators
 - b. The minimum revenue provision (MRP) strategy
- Treasury Management Issues
 - a. The current portfolio position
 - b. Treasury Indicators which limit the treasury risk and activities of the council
 - c. The prospects for interest rates
 - d. The borrowing strategy
 - e. Policy on borrowing in advance of need
 - f. The annual investment strategy 2026/27
 - g. Credit worthiness policy
 - h. Policy on use of external service providers

1.2 These elements cover the requirements of the Local Government Act 2003, DLUHC Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code, and the CIPFA Treasury Management Code.

2. TRAINING

- 2.1 The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.
- 2.2 Furthermore, the Code states that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decisions making
- 2.3 As a minimum, authorities should carry out the following to monitor and review knowledge and skills:
- Record attendance at training and ensure action is taken where poor attendance is identified.
 - Prepare tailored learning plans for treasury management officers and council members.
 - Require treasury management officers and council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).

- Have regular communications with officers and council members encouraging them to highlight training needs on an ongoing basis.
- 2.4 The following Member training has been provided by the Council's treasury management consultant, MUFG and further training will be arranged as required:
- Understanding Local Authority Financial Reporting
 - Introduction to Treasury Management
 - Risk Management Training
- 2.5 The training needs of treasury management officers are periodically reviewed.
- 2.6 A formal record of the training received by officers, central to the Treasury function, will be maintained by the Accountancy Department. The department will also maintain a formal record of the treasury management/capital finance training received by members.

3. TREASURY MANAGEMENT CONSULTANTS

- 3.1 The Council currently uses MUFG Corporate Markets Treasury Limited (formerly Link Group, Link Treasury Services Limited) as its external treasury management advisors.
- 3.2 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external services providers. All decisions will be undertaken with regard to all available information, including, but not solely, our treasury advisers.
- 3.3 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.
- 3.4 MUFG have provided a summary on the economic background. This can be found in Appendix A.

4. THE CAPITAL PRUDENTIAL INDICATORS 2026/27 TO 2028/29

- 4.1 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans are prudent, affordable and sustainable.
- 4.2 **Capital Expenditure.** This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle.
- 4.3 The prudential indicators relating to capital expenditure cannot be set until the capital programme is finally determined and will as a consequence be reported as part of the Setting the Budget for 2026/27 report that is to be submitted to Cabinet on 10 February 2026.

- 4.4 **The Council's Borrowing Need (the Capital Financing Requirement).** The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is the total historic outstanding capital expenditure that has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure which has not immediately been paid for through revenue or capital resources will increase the CFR.
- 4.5 The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each asset's life, and so charges the economic consumption of capital assets as they are used.
- 4.6 The Council remains debt-free, and borrowing will not be necessary (based on the current capital plan). All capital expenditure prior to 2029/30 is expected to be funded from the Revenue Reserve for Capital Schemes, Grants, Developer Contributions and any Capital Receipts arising from the sale of assets. ***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 and achieves value for money. Each such opportunity to be considered on a case-by-case basis as appropriate.***
- 4.7 **Liability Benchmark** – The Council is required to estimate and measure the Liability Benchmark for the forthcoming financial year and the following two financial years, as a minimum.
- 4.8 There are four components to the Liability Benchmark:-
- Existing loan debt outstanding: the Council's existing loans that are still outstanding in future years.
 - Loans CFR: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
 - Net loans requirement: this will show the Council's gross loan debt less treasury management investments at the last financial year end, projected into the future and based on its approved prudential borrowing, planned MRP and other major cash flows forecast.
 - Liability benchmark: this equals net loans requirement plus short-term liquidity allowance.

The Council is debt free and therefore there is no debt maturity profile to report. The forecast net investment requirement for the next three years (excluding the liquidity allowance) is: 2026/27 £28.9m, 2027/28 £15.2m and 2028/29 £10.9m.

5. MINIMUM REVENUE PROVISION POLICY FOR 2026/27

- 5.1 Authorities are required by statute to comply with the Regulations for MRP set out in the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 no. 3146 (as amended). The new Statutory Instrument 2024 no 478 published in April 2024 amends the 2003 regulations and will take effect from 1 April 2025. At the same time detailed revised MRP Guidance was issued which authorities are required under statute to have regard to:

- 5.2 Supported borrowing - For capital expenditure incurred before 1 April 2008 and capital expenditure incurred on or after that date which the Council is satisfied forms part of its Supported Capital Expenditure, the Council will apply the Asset Life Method using an annuity calculation and will apply Adjustment A (as calculated under the original regulation 28), which was a means of maintaining broad neutrality between the old and new MRP systems that took effect prior to April 2004. This methodology writes down the debt liability over a much shorter period than the previous regulatory method and is therefore deemed more prudent.
- 5.3 Unsupported borrowing will be subject to MRP using the Asset Life method, which will be charged over a period which is reasonably commensurate with the estimated useful life of the assets. An annuity method will be applied for the MRP calculation.
- 5.4 The interest rate applied to the annuity calculations will reflect the market conditions at the time and will for the current financial year be based on PWLB annuity rates.
- 5.5 MRP on all capital expenditure will commence in the year following the year in which capital expenditure financed from borrowing is incurred, except for assets under construction where the MRP will be deferred until the year after the asset becomes operational.
- 5.6 The Guidance requires that MRP in relation to the acquisition of share capital should be provided over a maximum of 20 years. MRP will commence in the year following the capital expenditure in accordance with the regulations.
- 5.7 MRP Overpayments – Under the MRP Guidance, MRP made in excess of the statutory prudent amount can be made, known as voluntary revenue provision (VRP). VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

6. BORROWING AND TREASURY INDICATORS LIMITS TO BORROWING ACTIVITY

- 6.1 The capital expenditure plans provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators.
- 6.2 **Prudential Indicators** - Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2026/27 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue purposes.
- 6.3 The Head of Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties in the future. This view takes account of current commitments, existing plans and the proposals in the Budget Setting Reports for 2026/27.
- 6.4 **The Operational Boundary** - This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR but may be lower or higher depending on the levels of actual debt and the

ability to fund under-borrowing by other cash resources.

Operational Boundary	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000
Total	4,000	4,000	4,000	4,000

- 6.5 **The Authorised Limit for external debt** – This is a key prudential indicator representing a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this needs to be set or revised by Full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.
- 6.6 Members are asked to note that the Authorised Limit has been set prudently, reflecting the fact that there is currently no requirement for external borrowing. Should such a requirement arise in the future, it is expected that the Authorised Limit could be increased without difficulty.
- This is the statutory limit, determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
 - The Audit Committee is asked to recommend to Council the following Authorised Limit:

Authorised limit	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000
Total	7,000	13,000	13,000	13,000

7. THE BORROWING STRATEGY

- 7.1 To date the Council has remained debt free and has been able to fund the capital programme through reserves. This means that there is no capital borrowing need (the Capital Financing Requirement) at this time. However, if borrowing is required, careful consideration will be given to secure the most appropriate source of borrowing.
- 7.2 The Head of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
- if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.
 - if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.
- 7.3 Any decisions will be reported to the Audit Committee as part of the next Treasury update.

8. POLICY ON BORROWING IN ADVANCE OF NEED

- 8.1 The Council will not borrow more than, or in advance of its need, purely in order to profit from the investments of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.
- 8.2 The borrowing of monies purely to invest or on-lend and make a return is unlawful and this Council will not engage in such activity.

9. EXTERNAL BORROWING SOURCES

- 9.1 To date the Council has remained debt free and has been able to fund the capital programme through reserves. However, if borrowing is required, careful consideration will be given to secure the most appropriate source of borrowing. The Council will consider (but not limited to) the following sources for external borrowing.
- PWLB
 - Municipal Bonds Agency
 - Local authorities
 - Banks
 - Pension Funds
 - Insurance Companies
 - UK Infrastructure Bank
 - Market (long-term, short-term, LOBO)

10. AFFORDABILITY PRUDENTIAL INDICATORS

- 10.1 The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. Audit Committee are asked to recommend the following indicators to Full Council for approval:
- 10.2 **Ratio of financing costs to net revenue stream** - This indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream (including Council Tax, NNDR and rental income and fees and charges).

%	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000
Upper limit for fixed interest rate exposure < 1 year at year end	33,141 61.5%	It is anticipated that exposure will range between 0% to 60%			
Upper limit for variable rate exposure < 1 year at year end	12,851 23.8%	It is anticipated that exposure will range between 40% to 100%			
Upper limit for total principal invested (365 days) at year end	7,973 14.7%	60% of funds			

11. PROSPECTS FOR INTEREST RATES

- 11.1 MUFG are the Council's current treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. MUFG provided the following forecasts on 22 December 2025.

MUFG Corporate Markets Interest Rate View 22.12.25													
	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28	Mar-29
BANK RATE	3.75	3.50	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	3.80	3.50	3.50	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	3.80	3.50	3.50	3.40	3.30	3.30	3.30	3.40	3.40	3.40	3.40	3.40	3.40
12 month ave earnings	3.90	3.60	3.60	3.50	3.40	3.50	3.50	3.50	3.50	3.50	3.60	3.60	3.60
5 yr PWLB	4.60	4.50	4.30	4.20	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
10 yr PWLB	5.20	5.00	4.90	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60	4.60	4.70
25 yr PWLB	5.80	5.70	5.60	5.50	5.50	5.40	5.30	5.30	5.30	5.20	5.20	5.20	5.20
50 yr PWLB	5.60	5.50	5.40	5.30	5.30	5.20	5.10	5.10	5.10	5.00	5.10	5.00	5.00

- 11.2 MUFG updated their forecast for interest rates on 22 December which took into account the 25bps Bank Rate cut undertaken by the Monetary Policy Committee (MPC) in December. This resulted in a near term adjustment with the longer term view remaining unchanged.

12. ANNUAL INVESTMENT STRATEGY

- 12.1 Investment Policy – Management of Risk - The Ministry of Housing, Communities and Local Government (MHCLG) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments are covered in the Capital Strategy.
- 12.2 The Council's investment policy has regard to the following:-
- 12.3 MHCLG's Guidance on Local Government Investments ("the Guidance")
- 12.4 CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- 12.5 CIPFA Treasury Management Guidance Notes 2021
- 12.6 The Council's investment priorities will be security first, portfolio liquidity second and then yield (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite.
- 12.7 In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.
- 12.8 The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:-
1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
 2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial

sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings.

3. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. The Council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in Appendix B under the categories of ‘specified’ and ‘non-specified’ investments.
 - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than one year left to run to maturity, if they were classified as being non-specified solely due to the maturing period exceeding one year.
 - **Non-specified investments** are those with less high credit quality, maybe for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
5. **Non-specified investments limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments as being 60% of the total investment portfolio. (see Appendix B).
6. **Lending limits**, (amounts and maturity), for each counterparty is set at £7m.
7. **Transaction limits** for groups, counterparties and money market funds are set at £8m.
8. This authority will set a limit for the duration of investments which are invested for **longer than 365 days**, (see paragraph 14.1).
9. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 14.1).
10. This authority has engaged **external consultants**, (see paragraph 3.1), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
11. All investments will be denominated in **sterling**.
12. As a result of the change in accounting standards for 2022/23, under International Financial Reporting Standards (IFRS) 9, the Council will consider the implications of investment instruments which could result in adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In January 2023,

DLUHC confirmed that the temporary statutory override allowing English local authorities time to adjust their portfolio prior to implementing IFRS 9 had been extended for a further two years to 31 March 2025. Following further consultation, the statutory override for existing pooled fund investments held as of 1 April 2024, has been extended to 1 April 2029.

- 12.9 However, this authority will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks.
- 12.10 Regular monitoring of investment performance will be carried out during the year.
- 12.11 Whilst the Treasury Management Code outlines the principles for investments as Security Liquidity and Yield as core, it acknowledges that environmental, social and governance (ESG) issues are increasingly significant for investors. The Council's Treasury Management activities will continue to be guided by these primary principles and in addition, consideration will be given to the incorporation of ethical investment criteria within the investment decision-making process

13. CREDITWORTHINESS POLICY

- 13.1 This Council applies the creditworthiness service provided by the MUFG Group. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moodys and Standard and Poors. The credit ratings of counterparties are supplemented with the following overlays:

- Credit watches and credit outlooks from credit rating agencies
- Credit Default Swaps (CDS) spreads to give early warning of likely changes in credit ratings
- Sovereign ratings to select counterparties from only the most creditworthy countries

- 13.2 This modelling approach combines credit ratings and any assigned Watches and Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads. The end product of this is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the duration for investments. The Council will therefore use counterparties within the following durational bands.

Colour/ long term rating	Maximum Period of investment
Yellow	5 Years
Purple	2 Years
Orange	1 Year
Blue	1 Year (nationalised or semi nationalised UK Banks)
Red	6 Months
Green	100 days
No Colour	Not to be used

- 13.3 The MUFG creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.
- 13.4 Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will

be given to the whole range of ratings available, or other topical market information, to support their use.

- 13.5 All credit ratings will be monitored on a daily basis by officers within the Finance Department. The Council is alerted to changes to ratings of all three agencies through its use of the MUFG creditworthiness service.
- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
 - in addition to the use of credit ratings the Council will be advised of information in movements in the Credit Default Swap market against the iTraxx European Senior Financials benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
- 13.6 Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on any external support for banks to support its decision making process.
- 13.7 Creditworthiness – Significant levels of downgrades to Short and Long-Term ratings have not materialised since the crisis in March 2020. In the main where they did change, any alterations were limited to Outlooks. When setting minimum sovereign debt ratings, this Council has set a minimum sovereign rating for the **UK** of **AA-**.
- 13.8 CDS prices – Although bank CDS prices, spiked upwards in autumn 2022, they have returned to more average levels since then. However, sentiment can easily shift so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. MUFG monitor CDS prices as part of the creditworthiness service to local authorities and the Authority has access to this information via its MUFG-provided Passport portal.

14. OTHER LIMITS

- 14.1 Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, group and sectors.
- **Non-Specified Investment Limit** – The Council has determined that it will limit the maximum total exposure to non-specified investments as being 60% of the total investment portfolio.
 - **Country Limits** – As in previous years the Council has determined that it will only use approved counterparties from countries with a minimum sovereign rating of AAA, as determined by at least two of the three rating agencies (Fitch, Moody's or Standard and Poor's). The list of countries that currently qualify using the credit criteria as at the date of this report are shown in Appendix C. Officers will amend this list during the year should ratings change in accordance with this policy.
 - **Other Limits** - In addition:
 - a. no more than £16m will be placed with any one sovereign, at any time (excluding UK);
 - b. limits in place above will apply to a group of companies;
 - c. sector limits will be monitored regularly for appropriateness.

15. INVESTMENT STRATEGY

- 15.1 In-house Funds - Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that rates can be expected to fall throughout 2026, but only if the CPI measure of inflation maintains a downwards trend towards the Bank of England's 2% target. Rates may be cut quicker than expected if the economy stagnates. The economy only grew 0.1% in Q3 2025, but the CPI measure of inflation, 3.2% in November 2025, remains markedly above the 2% target rate set by the Bank of England's Monetary Policy Committee two to three years forward.
- 15.2 Accordingly, while most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.
- 15.3 Investment returns expectations – The current forecast showing in paragraph 11.1, includes a forecast for Bank Rate to fall to a low of 3.25%.
- 15.4 For its cash flow generated balances, the Council will seek to utilise its instant access and notice accounts, money market funds and short dated deposits (overnight to 100 days) in order to benefit from the compounding of interest.
- 15.5 Investment treasury indicator and limit – total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, as are based on the availability of funds after each year end.

Maximum principal sums invested > 365 days			
	2026/27	2027/28	2028/29
	£000	£000	£000
Principal sums invested > 365 days	7,000	7,000	7,000

- 15.6 Whilst the Council holds investments with three Multi Asset Funds, and one active Property Funds with a view to holding the funds for a longer term, due to the funds liquidity they are not taken into account for the purposes of the above indicator. The indicator applies to funds invested for a fixed period only.
- 15.7 Investment Risk Benchmark - The Council will use an investment benchmark to assess the investment portfolio of 30 day backward SONIA (Sterling Overnight Index Average).

16. END OF YEAR INVESTMENT REPORT

- 16.1 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

17. SCHEME OF DELEGATION

- 17.1 The Treasury Management Scheme for Delegation is outlined in Appendix D.

18. ROLE OF THE SECTION 151 OFFICER

- 18.1 The council's Section 151 Head of Finance and their role is outlined in Appendix E.

APPENDIX A**Summary of MUFG Economic Background as at 13 November 2025**

- A 0.3% pick up in GDP for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth, but picked up to 0.1% m/m in August before falling back by 0.1% m/m in September. CPI inflation has ebbed and flowed but finished September at 3.8%, whilst core inflation eased to 3.5%.
- CPI inflation remained at 3.8% in September, whilst core inflation fell to 3.5%, and services inflation stayed at 4.7%. A further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.
- Bank of England forecasts have shown CPI inflation remaining elevated above its 2% target for much of the near term, reflecting persistent price pressures in services. While inflation is expected to gradually fall back toward target over the course of the year, this moderation is contingent on sustained disinflationary trends, including easing cost pressure in consumer-facing sectors. Should global energy and goods prices rebound, the downward path of inflation could stall, delaying future rate cuts.
- Unemployment stands at 4.6% (September), and the loosening of the labour market is driving softer wage pressures. The three month average earnings growth, excluding bonuses, fell from 5.5% in April to 4.6% in September (year on year). The Bank would ideally like to see further wage moderation to support a continued, gradual easing of monetary policy. Markets are currently pricing in rate cuts in February and June to 3.25%, although heightened volatility could prompt a repricing given the data dependent nature of the outlook.

Appendix B

Specified and Non Specified Investments

Investments that councils can make are of two types and these are identified in the subsequent paragraphs and table.

Specified Investments offer high security and high liquidity, must be in sterling and have a maturity of no more than a year. Such investments made with the UK government, UK local authorities and town/parish councils automatically count as specified investments.

Non Specified Investments are those investments not meeting the definition of specified investments, which are therefore of greater potential risk. Any investments with a maturity exceeding one year are automatically classed as non specified investments. The criteria for selecting counterparties for longer term investments is the same as that for short term investments i.e. MUFG Durational Colour bands.

All specified and non-specified Investments will be:

- Subject to the sovereign, group and counterparty exposure limits identified in the Annual Investment Strategy
- Subject to the duration limit recommended by MUFG Solutions at the time each investment is placed
- Subject to a maximum of 60% of funds being held in non- specified investments at any one time.
- Sterling denominated.

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with maturities up to maximum of 365 days

Investment	Minimum Credit Criteria	Maximum maturity period
UK Debt Management Agency Deposit Facility	UK Sovereign A-	As per MUFG's rating
Term deposits - UK local authorities	UK Sovereign A-	As per MUFG's rating
Term deposits - UK nationalised banks	UK Sovereign A- Counterparty BBB, F2 or Green excluding CDS	As per MUFG's rating
Term deposits – all other banks and building societies	UK Sovereign A- / Non-UK Sovereign AA- Counterparty A-, F1 or Green excluding CDS	As per MUFG's rating
Certificates of deposit - UK nationalised banks	UK Sovereign A- Counterparty BBB, F2 or Green excluding	As per MUFG's rating

	CDS	
Certificates of deposit – all other banks and building societies	UK Sovereign A- / Non-UK Sovereign AA- Counterparty A-, F1, or Green excluding CDS	As per MUFG's rating
UK Treasury Bills	UK Sovereign A-	As per MUFG's rating
UK Government Gilts	UK Sovereign A-	As per MUFG's rating
Bonds issued by multi-lateral development banks	AAA	As per MUFG's rating
Sovereign bond issues (other than the UK Gov't)	AAA	As per MUFG's rating
Money market funds (CNAV, LVNAV or VNAV)	AAA	As per MUFG's rating
Enhanced cash / Government liquidity / Ultra-short dated bond funds	AA	As per MUFG's rating

NON-SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with maturities in excess of 1 year and not included above:

Investment	Minimum Credit Criteria	Maximum maturity period
Fixed term deposits with variable rate and variable maturities (structured deposits) - UK nationalised banks	UK Sovereign A- Counterparty BBB,F2 (Green)	2 years
Fixed term deposits with variable rate and variable maturities (structured deposits) - banks and building societies	UK sovereign A- / Non-UK Sovereign AA- Counterparty A-, F1 (Green)	2 years
Term deposits - local authorities	UK Sovereign A-	3 years
Term deposits - UK nationalised banks	UK Sovereign A- Counterparty BBB,F2 (Green)	2 years
Term deposits - banks, building societies	UK Sovereign A- / Non-UK Sovereign AA- Counterparty A-, F1 (Green)	2 years
Term deposits – housing associations	UK Sovereign A- Counterparty A-	

		2 years
Certificates of deposit - UK nationalised banks	UK Sovereign A- Counterparty BBB,F2 (Green)	2 years
Certificates of deposit - banks and building societies	UK Sovereign A- / Non-UK Sovereign AA- Counterparty A-, F1 (Green)	2 years
Commercial paper - UK nationalised banks	UK Sovereign A- Counterparty BBB,F2 (Green)	2 years
Commercial paper - banks and building societies	UK Sovereign A- / Non-UK Sovereign AA- Counterparty A-, F1 (Green)	2 years
Floating rate notes issued by multilateral development banks	AAA	2 years
Bonds issued by multilateral development banks	AAA	2 years
Sovereign bonds (other than the UK Government)	AAA	2 years
UK Government Gilts	UK Sovereign A-	UK Sovereign A-
Property funds	N/A	N/A
Diversified income <i>and or short dated bond</i> funds	N/A	N/A

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

APPENDIX C**Approved countries for investments (Position as at 31/12/25)**

Each financial institution must meet the minimum credit criteria specified in the Annual Investment Strategy. For non-UK regulated institutions the institutions sovereign must be rated AA- or higher by each of the three rating agencies - Fitch, Moody's and Standard and Poor's.

The list will be reviewed and amended on a weekly basis by the Head of Finance.

As of 31 December 2025 sovereigns meeting the above requirement were:

- **AAA**
Australia
Denmark
Germany
Netherlands
Norway
Singapore
Sweden
Switzerland
- **AA+**
Canada
Finland
USA
- **AA**
Abu Dhabi (UAE)
Qatar
- **AA-**
Belgium
France
UK

APPENDIX D**Treasury Management Scheme for Treasury Delegation****(i) Full Council**

- budget approval
- approval of treasury management policy
- approval of the annual treasury management and investment strategy
- approval of amendments to the Council's adopted clauses, treasury management policy and annual treasury management and investment strategy
- approval of the treasury management outturn and mid-year reports

(ii) Cabinet

- budget consideration
- approval of the division of responsibilities
- approval of the selection of external service providers and agreeing terms of appointment
- acting on recommendations in connection with monitoring reports

(iii) Audit Committee

- review the annual treasury management and investment strategy and making recommendations to Cabinet and Council
- receive reports on treasury activity at regular intervals during the year and making recommendations to Cabinet
- review treasury management policy, practices and procedures and making recommendations to Cabinet and Council

APPENDIX E**The treasury management role of the Section 151 officer****The S151 (responsible) officer**

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- submitting regular treasury management policy reports
- submitting budgets and budget variations
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above

APPENDIX F**GLOSSARY**

Authorised Limit	This represents a level of borrowing which, though not desired, could be afforded but may not be sustainable.
Asset Life (Equal Instalment Method)	Where MRP is an equal annual charge every year and is calculated by dividing the original amount of borrowing by the useful life of that asset.
Capital Financing Requirement	A measurement of the council's underlying need to borrow for a capital purpose.
Certificate of Deposit	An investment product offered by banks and other financial institutions which is issued for a specific period of time and at a certain interest rate, but which can be traded on the secondary market, providing a greater level of flexibility.
CIPFA Treasury Management Code Of Practice	The professional code governing treasury management, which the council has formally adopted.
Debt Management Agency Deposit Facility	This deposit facility allows short-term or long term deposits to be lodged with the government. This offers the highest security for a Principal sum on short-term placements.
Money Market Funds	A money market fund is a "pool" of different types of investments, managed by a fund manager. The pool of investments will typically include bank deposits, certificates of deposit (CDs) amongst other investments. A number of organisations will invest in a particular fund. The interest rate yield on an MMF deposit is not known at the time of the deal. In return for this uncertainty, money can be accessed whenever necessary.
Minimum Revenue Provision (MRP)	The minimum amount which a council must charge to its revenue budget each year.
Multi-Asset Fund	An investment product with a higher level of diversification (in areas such as equities, bonds, property, etc) and which therefore offers a certain level of protection in times when markets are volatile.

Municipal Bond Agency	An agency established by the Local Government Association intended to offer councils an alternative and less costly option for borrowing of long-term funds than the PWLB through the introduction of competition and diversity to the marketplace.
Net Revenue Stream (NRS)	The NRS for the general fund is the “amount to be met from government grant and local taxpayers”, as shown in the consolidated revenue account. This represents the budget requirement for the council.
Operational Boundary	This indicator is based on the probable external debt during the course of the year; it is not a limit. Actual external debt could vary around this boundary for short times during the year. It should act as a monitoring indicator to ensure that authorised limit is not breached.
Prudential Indicators	These demonstrate a council's ability to meet the key principles of the Prudential Code by reflecting the level to which its capital programme is affordable, prudent and sustainable and they help to explain this effectively to those charged with governance.
Public Works Loan Board (PWLB)	Part of the government's debt management office, making long-term funds available to local authorities on prescribed terms and conditions. The PWLB is normally the cheapest source of long-term borrowing for a local authority.

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Non-treasury Management Practices

1 Introduction

- 1.1 The Council recognises that investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activity includes loans supporting service outcomes, investments in subsidiaries, and investment property portfolios.
- 1.2 The Council will ensure that all its investments are covered in a capital strategy, investment strategy or equivalent, and will set out, where relevant, the Council's risk appetite and specific policies and arrangements for non-treasury investments. It is recognised that the risk appetite for these activities may differ from that for treasury management.
- 1.3 The Council will maintain a schedule setting out a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and the organisation's risk exposure.
- 1.4 The Council recognises that many of the principles underlying treasury management practices will apply to non-treasury investments as they do to treasury investments. However, some aspects are likely to differ significantly.
- 1.5 It is recognised that the Council may make investments for policy reasons outside of normal treasury activity, and these may include:
 - Service investments – these are held clearly and explicitly in the course of the provision, and for the purposes of, operational services, including regeneration
 - Commercial investments – these are undertaken for mainly financial reasons. They may include:
 - Investments as part of business structures, such as loans to and shares in subsidiaries.
 - Investments explicitly taken out with the aim of making a financial surplus for the council and include commercial properties
- 1.6 The investment practices for non-treasury investments detailed below will be complied with by all officers and agencies responsible for such investments. These practices will evolve over time and will be subject to annual review.

2 Risk management (NTMP 1)

- 2.1 Investment of the Council's cash surpluses and reserves is governed by the CIPFA Treasury Management Code of practice and MHCLG (previously DLUHC) Statutory Guidance. These require authorities to prioritise security and liquidity over yield. Compliance aims to protect the value of sums invested and ensure funds are available to spend as spending commitments arise. Investment in equity, bonds or property are likely to fail the security and liquidity tests and are therefore considered inappropriate for short term cash surplus and reserve fund management purposes.
- 2.2 Commercial property covers a broad range of property uses and types including, retail outlets, office accommodation, warehouses, industrial units, and residential accommodation.
- 2.3 Risks associated with commercial property ownership include:
- Close correlation between value and changes in **GDP**. Values fall significantly in a downturn. Values rise when the economy is growing.
 - Property is **illiquid** both in terms of transaction times and price transparency.
 - **Tenant covenant strength** will impact on ability to meet rental payments, lease renewal, exercise break clauses and CVA.
 - **Valuations** are not a guarantee of sale price and may be subject to investor confidence / sentiment.
 - **Stock, sector, and geographic** risk will all impact on the value of a particular property.
 - Subject to **environmental risk** such as flooding and land contamination.
 - **Interest rate** changes not only affect the cost of borrowing but also bond / equity prices which may impact on the relative attractiveness of property.
 - Changes in **legislation and regulation** e.g. energy efficiency may involve additional cost to the investor.
 - Changes in **taxation** (stamp duty / SDLT) may affect value.
- 2.4 Risks will be explored in the property acquisition business case and through regular monitoring of the property market post acquisition. Nevertheless, risk will persist.
- 2.5 A risk assessment is provided at **[Appendix 1]**.

3 Decision making, governance and organisation (NTMP 2)

- 3.1 Any new commercial property investment will be subject to a business case review. The report seeking Capital Plan budget provision will follow the normal budget approval process (O&S, Cabinet and Council).
- 3.2 Day to day management of commercial property investments is delegated to the Head of Finance (HoF). The HoF will undertake that management using in-house resources or appoint specialist external agents where appropriate. Functions include:
- Collection of rent & service charges
 - Establishing lease terms
 - Advertising vacant units
 - Negotiating tenant lease agreements
 - Monitoring the commercial property market
 - Undertaking annual property revaluations
- 3.3 New lease agreements will be certified, without delegation, by the HoF. Any rent free periods and other tenant inducements will be reported under the reporting arrangements detailed in NTMP 4.
- 3.4 The Head of Finance will undertake a periodic reconciliation of income and expenditure. Internal audit, subject to a risk assessment, will review commercial property activity.

4 Performance management (NTMP 3)

- 4.1 Baseline performance requirements for commercial properties will be drawn from the business case submitted as part of property purchase approval. Gross income, service costs and tenant arrears will be monitored against baseline on a quarterly basis. Variation from a pre-determined tolerance level will trigger a report to the Council's Management Team and, if appropriate, will be escalated in accordance with NTMP 4.
- 4.2 Performance of the Council's commercial property function and that of any associated external support will be monitored and reviewed annually to ensure best practice and value for money are being achieved.

5 Reporting and management information (NTMP 4)

- 5.1 An information report setting out the performance of the Council's commercial property investments will be prepared by the Director of

Central Services and submitted to Members. Reports will be subject to prior consideration by the Council's Management Team.

- 5.2 Reports will include:
- A commentary on commercial property market conditions
 - Gross income against budget
 - Income performance against benchmark
 - Operating costs
 - Changes in occupancy
 - Changes to existing lease agreements / new lease agreements
 - Tenant arrears
 - Market value (to be reported annually).
- 5.3 Commercial property investment performance against budget will also be incorporated in the financial planning & control reports submitted to members.
- 5.3 Any extraordinary issues that are likely to generate a change in budget requirement will be subject to endorsement by Cabinet and approval by Council.

6 Training and qualifications (NTMP 5)

- 6.1 Members and officers involved in the property investments decision making process need to have appropriate capacity, skills, and information to enable them to take informed decisions as to whether to enter into a specific property investment.
- 6.2 The Councils employs suitably qualified property, legal and finance officers to manage activity and provide advice within their respective disciplines. Specialist external advisors will be engaged where appropriate. Member training will be provided in-house or by external agents as required.

Property Investment – Risk Register

Risk	Risk Areas	Likelihood 1(low) 6(High)	Impact 1(low) 4(High)	Total Score	Controls
Downturn in property market	Capital value and income potential reduce for purchased assets.	4	4	16	Continued monitoring of markets. Sale of Assets at a benchmarked threshold. Annual Valuation.
Upturn in property market	Purchase cost of potential assets increases.	4	3	12	Continued monitoring of markets. Adjusting purchase criteria to reflect market movement. Consider sales of assets for capital gain. Annual Valuation.
Increase in interest rates (borrowing)	Cost of borrowing where adopted increases with detrimental impact on income.	4	3	12	Ensure most competitive rate achieved if borrowing, fixed term if possible. Consider increased use of reserves to ensure loan to value ratios are acceptable.
Increase in interest rates (investment)	Lower rate of return when compared to other potential investments	4	3	12	Consider revising income return criteria upwards. Consider disposal of assets for re-investment.
Available opportunities	Market opportunities meeting investment criteria not available.	4	3	12	Identify opportunities early and move swiftly to acquire.
Changes in Tenant demand	Certain types of property may become less favorable with tenants.	3	3	9	Consider alternative use at acquisition. Construct a varied portfolio by use.

Risk	Risk Areas	Likelihood 1(low) 6(High)	Impact 1(low) 4(High)	Total Score	Controls
Obsolescence of Asset	Physical obsolesce in terms of building fabric and fit out.	3	3	9	Ensure full repairing and insuring leases are in place via pre-purchase due diligence. Have building surveys undertaken to establish condition of building.
Tenant default	Loss of rental income, increased costs incurred.	3	3	9	Undertake financial due diligence of tenants pre-purchase, obtain the best possible tenant covenants. Look for guarantors or cash deposits where covenants are considered weak. Consider multi-tenanted properties in order to diversify risk. Ensure robust credit control procedures in place. Monitor tenant company performance.
Void periods	Loss of rental income, holding costs incurred – rates, utilities etc. Costs of re-letting.	3	3	9	Monitoring tenancies as described above. Move quickly to appoint letting agents should a “void” period appear likely. Act expediently in concluding legal process of letting.
Government Legislation - Energy Performance (Minimum Energy Efficiency Standards, MEES)	From 1 April 2018 it is illegal for a landlord to grant a new letting of a commercial property that has an EPC of below E.	4	3	12	Undertake appropriate pre purchase due diligence to establish what the EPC rating of a property is and purchase accordingly. Identify if opportunities exist to increase the EPC rating appropriately.
Illiquidity of Property Assets	Asset identified for disposal to raise capital receipt or for reinvestment.	3	3	9	Ensure that assets are kept “sale ready” in terms of documentation and information.

Risk	Risk Areas	Likelihood 1(low) 6(High)	Impact 1(low) 4(High)	Total Score	Controls
Staff Resources	Lack of suitably professionally qualified staff.	3	3	9	Ensure that appropriately professionally qualified staff, with experience in Property Investment, are available to act on the Council's behalf.
Residential Properties – generally all of the above plus greater landlord input, more management intensive	Residential Properties generally require a more active landlord involvement, maintaining the structure and services of a property – maintenance costs and management costs are therefore higher.	4	3	12	Ensure that increased holding costs are factored into purchase valuations. Appoint external professionals to manage landlord and tenant processes. Ensure that tenant deposits are taken.

Assessing risks

Identified risks need to be assessed so that they may be evaluated to determine their severity and to present an overall picture of the extent of the combined risks on the achievement of the objectives. The Council recognises 3 levels of risk:

LOW	MEDIUM	HIGH
1 – 4	5 – 12	15 – 24

The scoring of risks will be carried out using a Likelihood & Impact matrix, see table below with accompanying definitions.

Likelihood	Almost inevitable	6	6 Medium	12 Medium	18 High	24 High
	Very likely	5	5 Medium	10 medium	15 High	20 High
	Likely	4	4 Low	8 Medium	12 Medium	16 High
	Unlikely	3	3 Low	6 Medium	9 Medium	12 Medium
	Very Unlikely	2	2 Low	4 Low	6 Medium	8 Medium
	Almost impossible	1	1 Low	2 Low	3 Low	4 Low
			1	2	3	4
Impact □			Negligible	Marginal	Significant	Critical

ANNUAL SERVICE DELIVERY PLAN 2026/27

Item OS 26/7 referred from Overview and Scrutiny Committee of 22 January 2026

The report of the Chief Executive and Leader of the Borough Council presented a Annual Service Delivery Plan for 2026/27. This was a performance management tool that set out the Borough Council's priority actions for the year, along with key milestones and targets that could be used to monitor when the organisation was on target with delivery.

Members reviewed the draft Annual Service Delivery Plan 2026/27 (attached at Annex 1) and a number of amendments, corrections and points of clarification were suggested. These would be reviewed by the Corporate Policy and Communities Manager in liaison with Services.

Particular reference was made to the replacement of the Penny Shelter in River Walk, Tonbridge following its accidental demolition by a street cleaning vehicle. As this was still to be resolved by the insurance company it was difficult to predict what funding would be required and whether there would be a requirement to replace 'like for like' if the Shelter was considered a heritage asset.

There was also detailed discussion in respect of Fixed Penalty Notices for fly tipping and the role of the contractor. There was general support for this to be discussed at a future meeting of the Communities and Environment Scrutiny Select Committee.

In recognition that without an effective performance management framework in place, the authority would not be able to identify any required improvements or achieve value for money, Cllr Bell proposed, Cllr McDermott seconded and the Committee

***RECOMMENDED:** That

- (1) the report be noted;
- (2) subject to a number of amendments, corrections and points of clarification, the draft Annual Service Delivery Plan 2026/27 (attached at Annex 1) be recommended to Cabinet for approval; and
- (3) any updated information addressing current gaps in information be considered during Quarter 1 reporting of the Annual Service Delivery Plan 2026/27.

***Recommended to Cabinet**

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Overview and Scrutiny Committee

22 January 2026

Part 1 - Public

Recommendation to Cabinet



Cabinet Member	Cllr Boughton, Leader of the Council
Responsible Officer	Damian Roberts, Chief Executive
Report Author	Gill Fox, Corporate Policy and Communities Manager Jeremy Whittaker, Economic Development and Special Projects Manager.

Annual Service Delivery Plan 2026/27

1 Summary and Purpose of Report

- 1.1 In recent years, cross-departmental work has been undertaken to further embed the links between the Corporate Strategy 2023-2027, the Annual Budget Setting Process and the planned activities of the Council. One key aspect of this work is the production of an Annual Service Delivery Plan, which was first introduced in 2025/26.
- 1.2 The Annual Service Delivery Plan is a performance management tool that sets out the Council's priority actions for the year, along with key milestones and targets that can be used to monitor whether the council is on track with delivery.
- 1.3 This report seeks the endorsement of the Overview and Scrutiny Committee ahead of going to Cabinet for approval. A draft Annual Service Delivery Plan for 2026/27, setting out a wide range of activities, milestones and targets is provided in Annex 1.

2 Corporate Strategy Priority Area

- 2.1 As the Annual Service Delivery Plan is the key action plan for the Corporate Strategy 2023/2027, it has direct relevance to each of the priority areas:
 - Efficient services for all our residents, maintaining an effective council.
 - Sustaining a borough which cares for the environment.
 - Improving housing options for local people whilst protecting our outdoor areas of importance.

- Investing in our local economy to help support residents and businesses and foster sustainable growth.

2.2 As shown in Annex 1, each of the priority areas has its own actions and performance targets in the Plan.

3 Recommendations

3.1 That the report **BE NOTED**.

3.2 That the draft Annual Service Delivery Plan 2026/27, as set out in Annex 1, **BE RECOMMENDED** to Cabinet for approval.

3.3 That any updated information addressing current gaps in information **BE CONSIDERED** during the Quarter 1 reporting of the Annual Service Delivery Plan 2026/27.

4 Introduction and Background

4.1 The Annual Service Delivery Plan 2026/27 sets out 63 actions that are key to addressing the 4 priority areas set out in the Corporate Strategy 2023-2027. Each of these actions has milestones and clear accountability that can be monitored to demonstrate progress. In addition, for each priority area, there are a suite of performance targets that aim to provide a clear indication as to whether the Council is achieving in delivering the Plan. There are 64 performance targets in total.

4.2 As has been the case for the Annual Service Delivery Plan 2025/26, to ensure full Member oversight and engagement, this Plan will be reported to Overview and Scrutiny Committee, and then Cabinet, on a quarterly basis.

5 Proposal

5.1 The structure of the Plan is aligned to the Corporate Strategy 2023-2027 priority areas, and links actions with both milestones and KPIs that are SMART (Specific, Measurable, Achievable, Relevant and Time-Bound). As such, Members will be able to use this one document to get an indication as to whether the Council is meeting its key delivery targets.

5.2 The draft Annual Service Delivery Plan, as provided in Annex 1 does currently have a few remaining gaps in information. These are predominantly caused by external factors, such as awaiting legislation or funding from Central Government. As all of these should be addressed well within Q1 of 2026/27, it is proposed that updates of these gaps are reported when the Q1 update is reported in Summer 2026.

5.3 It should be noted that not everything the Council will do in 2026/27 is contained within the Plan. Indeed, there will be plenty of essential 'business as usual' work

undertaken (that provides the bedrock for delivering services to residents) that is not included. This is not because greater importance is given to actions in the Plan, but solely because it is focussed specifically on new strategic actions that will reach specific milestones during 2026/27.

- 5.4 It should also be noted that there is a target which is lower than was previously set. This is “Public engagement with news from TMBC” where the previous performance was exceptionally high due to the nature of summer advertising which performed particularly well and significantly higher than seen in previous years.
- 5.5 It is vital that Members have regular oversight of the Annual Service Delivery Plan, so as stated in paragraph 4.2, progress on the Plan will be reported to Overview and Scrutiny Committee and Cabinet on a quarterly basis. Each activity set out in the Plan will include a description of progress during that quarter and be given a RAG (Red, Amber, Green) rating whereby the following definitions will be accorded to each colour:

- Red – serious issues with dates being or likely to be missed.
- Amber – some issues that are being managed with a need for close monitoring.
- Green – project is on track or completed.

This rating will enable Members to identify, immediately, where the Council is on track and where additional focus is required.

- 5.6 The performance targets set out in the Plan will also be assessed and presented in terms of trend (better or worse) and overall status (if on track to meet the target or not). The RAG rating for the performance targets will be defined as follows:
- Red – greater than 10% off the target.
 - Amber – between 0.1-10% off the target.
 - Green – on or exceeding the target.

6 Financial and Value for Money Considerations

- 6.1 Any financial implications associated with the activities in the Service Delivery Plan have been highlighted in the Annex and considered as part of the preparation of the draft budget and capital plan for 2026/27.

7 Risk Assessment

- 7.1 Performance Management is identified in the Strategic Risk Register. The register highlights that without an effective performance management framework in place,

the authority will not be able to understand any required improvements or achieve value for money.

8 Legal Implications

- 8.1 The matters raised in this report are considered to be routine, uncontroversial or not legally complex and a legal opinion has not been sought on these proposals.

9 Consultation and Communications

- 9.1 The Annual Service Delivery Plan will be used by the Council to communicate, both internally and to our communities, about our achievements as well as any areas of focus that the Council is working to improve.

10 Implementation

- 10.1 The Annual Service Delivery Plan 2026/27 will be considered by Cabinet in February 2026. Progress on the Plan will then be reported to Overview and Scrutiny Committee and Cabinet on a quarterly basis during 2026/27.

11 Cross Cutting Issues

11.1 Climate Change and Biodiversity

- 11.1.1 Some impact on reducing emissions in support of carbon neutral by 2030 or enhancing the natural environment.
- 11.1.2 Climate change advice has not directly been sought in the preparation of the options and recommendations in this report. However, the Climate Change Officer has contributed towards the content of the Annual Service Delivery Plan 2026/27.
- 11.2 The reporting on activities and performance targets has some positive impact on climate change and biodiversity in the sense that a few of them specifically relate to reducing carbon emissions, and as such contribute towards highlighting the Council's performance in this area.

11.3 Equalities and Diversity

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

Background Papers	None
Annexes	Annex 1 – Draft Annual Service Delivery Plan 2026/27.

Annual Service Delivery Plan 2026/27

Delivering and Embedding the Corporate Strategy:

Priority	Priority Actions
Caring for the Environment	Recycling more than anywhere else in Kent. Delivering Climate Change Plans focusing on cutting emissions and increasing biodiversity. Tackling sources of pollution. Successful management of parks, open spaces and leisure centres.
Improving Housing and Protecting Areas	Developing a Local Plan and delivering a range of housing for the whole community. Ensuring a supply of affordable housing. Supporting those most in need of housing support. Improving standards in rented accommodation.
Investing in the borough and the Local Economy	Using our land and assets better, especially in Tonbridge Town Centre. Helping our local economy bounce back. Raising the profile of Council assets, including Tonbridge Castle. Strengthen our links with strategic partners and funding bodies.
Efficient & Effective Council	Delivering services innovatively and in the most cost-effective and efficient way. Making our services and advice available 24 hours a day. Promoting well-being & helping people live healthy lives. Supporting residents and ensuring safeguarding is an integral part of Council activity.

CARING FOR THE ENVIRONMENT – ACTIVITY

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
1.1	Drive up greater recycling rates within our communities and help reduce waste through increased promotion and awareness-raising.	Recycling	Develop a Year 2 Waste Marketing Action Plan for consideration at Communities and Environment Scrutiny Select Committee by 20 May 2026. Implementation of Year 2 Waste Marketing Action Plan by March 2027.	Street Scene Manager/ Head of Comms	Finance, Waste and Technical Services	Existing Staffing Resource/ Budget
1.2	Finalise a new waste contract that supports our residents to drive up recycling rates through an effective and efficient service.	Recycling	Work with the successful contractor to finalise the contract and mobilise the arrangements to achieve a smooth transition to the start date of 01 April 2027.	Head of Street Scene and Leisure	Finance, Waste and Technical Services	Existing Staffing Resource/ Budget
1.3	Ensure housing developers meet the cost of new bin provision associated with their developments.	Recycling	Report on charging developers for new bin provision to go to Communities and Environment Scrutiny Select Committee by 20 May 2026.	Street Scene Manager	Finance, Waste and Technical Services	Existing Staffing Resource/ Budget
2.1	Review energy use and reporting across council-owned leisure centres, including the generation and return on installed solar photovoltaic (PV) panels, to identify consumption trends and opportunities for improved monitoring, increased	Climate Change	Report findings to Communities Environment Scrutiny Select Committee on 17 September 2026.	Climate Change Officer	Housing, Environment and Economy	Existing Staffing Resource

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
	efficiency and carbon/cost savings.					
2.2	Decarbonise Poult Wood Golf Centre to remove oil fired boilers and install air source heat pumps.	Climate Change	Report tender outcome to Cabinet by April 2026. Completion of work by December 2026.	Head of Administrative and Property Services	Housing, Environment and Economy	Existing Budget and External Funding
3.1	Update Contaminated Land Inspection Strategy, including work with the Environment Agency to identify areas of contamination in the borough that need to be formally designated.	Tackling Pollution	Identify potential areas of contamination by July 2026 and report any areas to be formally designated to Communities and Environment Scrutiny Select Committee by 17 September 2026.	Interim Regulatory Services Manager	Housing, Environment and Economy	Existing Staffing Resource
4.1	Identify opportunities to Invest in Tonbridge Racecourse Sportsground for residents and visitors.	Parks and Leisure	Report to Communities and Environment Scrutiny Select Committee on 15 July 2026 setting out investment proposals that can be considered in 2026/27 as well as the budget setting process for 2027/28. Refurbish mini-golf course by October 2026.	Leisure Services Manager (Outdoors)	Community Services	Existing Staffing Resource Capital Renewals Budget
4.2	Implement lighting improvements between Town Lock and Vale Road to provide safer access for the public.	Parks and Leisure	Lighting improvements completed by Autumn 2026 subject to action by UK Power Networks.	Director of Street Scene, Leisure and Technical Services/Tonbridge Town Centre Programme Manager	Infrastructure and Tonbridge Regeneration/Community Services	s.106 Contributions

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
4.3	Upgrade paths at: - Leybourne Lakes Country Park. - Taddington Valley Public Open Space.	Parks and Leisure	Complete works by March 2027, subject to Capital Plan Review. Complete works by March 2027, subject to Capital Plan Review.	Leisure Services Manager Leisure Services Manager (Outdoors)	Community Services	s.106 Contributions KCC & Capital Plan
4.4	Evaluate Racecourse Sportsground bridge for potential replacement.	Parks and Leisure	Review structure and evaluate options by April 2026. Report to Cabinet on options on 02 June 2026.	Head of Technical Services	Community Services	Existing Staffing Resources / Revenue Funds
4.5	Increase the number of Roadside Nature Reserves within the Borough to encourage greater biodiversity.	Parks and Leisure	Review existing Roadside Nature Reserve Sites and investigate potential additional Roadside Nature Reserve sites by May 2026.	Leisure Services Manager (Outdoors)	Community Services / Housing, Environment and Economy	Existing Staffing Resource/ Budget
4.6	Invest in our indoor leisure facilities for the use of local residents and visitors.	Parks and Leisure	Implement new underwater safety system for Larkfield Leisure Centre and Tonbridge Swimming Pool by January 2027.	Leisure Services Manager	Community Services	Capital Cost – Leisure Trust
4.7	Replacement Penny Shelter at River Walk in Tonbridge.	Parks and Leisure	Report to Cabinet on proposals for replacement. (timescale to be confirmed once the Insurer confirms process).	Director of Street Scene, Leisure and Technical Services/Property Project Officer	Infrastructure and Tonbridge Regeneration	Insurance

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
4.8	Explore the opportunities to make greater use of the operational expertise, capacity and track record of the TM Leisure Trust aligned to the delivery of Council Leisure facilities.	Parks and Leisure	Report to Communities and Environment Scrutiny Select Committee on 15 July 2026 setting out improvement opportunities.	Director of Street Scene, Leisure and Technical Services	Community Services	Existing staffing resources

CARING FOR THE ENVIRONMENT – PERFORMANCE TARGETS

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
TMBC Annual Carbon Audit Emissions Data (tCO2e)	Amount of CO2e emitted through council assets and activities.	3,479 (lower is better)	3,300	Climate Change Officer	Housing, Environment and Economy
Total Attendance at TMLT Leisure Facilities	Total number of visitors to Larkfield Leisure Centre, Angel Centre, Tonbridge Swimming Pool, and Poult Wood Golf Course.	1.5m (higher is better)	1.55m	Leisure Services Manager	Community Services
Leisure Centre Income	Overall income generated by our Leisure Facilities as a % to profile.	c.103% (higher is better)	Over 100%	Leisure Services Manager	Community Services
Leisure Centre Expenditure	Overall expenditure incurred by our Leisure Facilities as a % to profile.	c.100% (lower is better)	Under 100%	Leisure Services Manager	Community Services
% household waste recycled and composted	Calculated comparing the amount of waste sent for recycling, reuse and composting against total waste collected.	50% (higher is better)	52%	Street Scene Manager	Finance, Waste and Technical Services
% of individual collections missed (waste)	Percentage of 'missed' residential kerbside collections.	0.1% (lower is better)	0.1%	Street Scene Manager	Finance, Waste and Technical Services
Waste Collection Completions	% completion of scheduled collections.	99% (higher is better)	99%	Street Scene Manager	Finance, Waste and Technical Services
Waste Collection Complaints	Number of formal complaints received about the waste collection service.	200 (lower is better)	160	Street Scene Manager	Finance, Waste and Technical Services
Street Cleansing Complaints	Number of formal complaints received about street cleansing.	c.20 (lower is better)	20	Street Scene Manager	Finance, Waste and Technical Services

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
Air Quality Management Areas (AQMAs)	Number of AQMAs where NO2 results exceed the National Air Quality objective for which they are declared.	0 (lower is better)	0	Interim Regulatory Services Manager	Housing, Environment and Economy
Green Flag Status	Number of our parks with a Green Flag Status.	3 (higher is better)	3	Leisure Services Manager (Outdoors)	Community Services
Fly-Tipping - Environmental Fixed Penalty Notices (FPNs)	% of environmental FPNs served that are paid.	TBC (higher is better)	65+%	Street Scene Manager	Finance, Waste and Technical Services

IMPROVING HOUSING & PROTECTING AREAS – ACTIVITY

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
5.1	Bring forward a new Local Plan that uses the feedback from residents and stakeholders and further evidence to help inform the Regulation 19 / Submission Local Plan.	Local Plan and Housing	Publication and consultation on the Draft Local Plan (Regulation 19 and 20) by September 2026. Submission of Draft Local Plan to the Secretary of State by December 2026.	Planning Policy Manager	Planning	Existing Local Plan budget
5.2	Following recommendations from the Planning Advisory Service (PAS) Review, enhance our heritage through the preparation of a Local List and Conservation Area documentation in consultation with Parish Councils and local communities.	Local Plan and Housing	Produce an Engagement Strategy by April 26. Have a Local List by March 2027. Consult on 4 drafted Conservation Area appraisals and adopt them by March 2027 Prepare Conservation Area Statements for identified priority Conservation Area within existing budget allocation for 26/27	Head of Planning/Planning Policy Manager	Planning	Funded through Existing Local Plan Budget.
5.3	Prepare all system and staffing changes for the implementation of the Building Safety Levy as a key Government action arising out of the Grenfell Inquiry.	Local Plan and Housing	Report to Cabinet on changes arising from the new Building safety Levy by 07 July 2026 (subject to Government legislation coming forward). All changes completed by March 2027 (subject to Government requirements).	Head of Planning	Infrastructure and Tonbridge Regeneration	Existing Staffing Resource

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
5.4	Following recommendations from the Planning Advisory Service (PAS) Review, adoption of updated Planning Enforcement Plan that demonstrates a commitment to fair, transparent and effective planning enforcement.	Local Plan and Housing	Report to Cabinet regarding adoption of the Plan by May 2026.	Head of Planning	Planning	Existing Staffing Resource
6.1	Introduce a new forum with registered providers (who own and manage social housing) to promote strong working relationships and secure positive outcomes for local residents.	Affordable Housing/Housing Support	Report to Housing and Planning Scrutiny Select Committee on proposals by 29 September 2026. New forum established and operational by December 2026.	Housing Solutions Manager	Housing, Environment and Economy	Existing Staffing Resource
7.1	Increase the supply of Temporary Accommodation in the face of a significant growth in housing demand.	Housing Support	On site module delivery/installation commencing at Bluebell Hill by 17 August 2026. 30 additional units of Temporary Accommodation owned or managed by the Council by March 2027 (comprising of Bluebell Hill and additional long-term lease).	Director of Planning, Housing and Environmental Health /Head of Administrative and Property Services	Housing, Environment and Economy	External Funding
7.2	Implement a Homelessness Strategy to support our most vulnerable residents.	Housing Support	Approval of Homelessness Strategy by Cabinet on 1 September 2026. Implementation of the Homelessness Strategy Year 1 Action Plan by end of March 2027.	Housing Solutions Manager	Housing, Environment and Economy	External Funding

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
7.3	Work with partner Councils to review the continued provision of a Home Improvement Agency service for residents.	Housing Support	Procurement exercise (if required) completed in Spring 2026. Cabinet approval (if required) on 02 June 2026. New Home Improvement Agency provision (if required) commences in September 2026.	Head of Housing and Health	Housing, Environment and Economy	Better Care Fund
7.4	Carry out a House Condition Survey to update knowledge on housing stock	Housing Support/Rented Accommodation	Procurement exercise (if required) completed in Spring 2026. Complete survey by December 2026. Outcomes reported to Housing and Planning Scrutiny Select Committee on 16 March 2027.	Housing Improvement Manager	Housing, Environment and Economy	Housing Assistance Reserves
8.1	Give greater protection to people living in rented accommodation.	Rented Accommodation	Implement relevant parts of the Renters Rights Act and report to the Housing and Planning Scrutiny Select Committee on progress by 16 March 2027.	Head of Housing and Health	Housing, Environment and Economy	Existing Staffing Resource/ New Burdens Funding

IMPROVING HOUSING & PROTECTING AREAS – PERFORMANCE TARGETS

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
5-year Housing Land Supply (years)	A calculation of whether there is a deliverable supply of homes to meet the planned housing requirement.	2.89 (higher is better)	5	Head of Planning	Planning
Processing of 'Minor' Planning Applications (% rate without Extensions of Time)	Percentage calculated as the number of minor applications processed within the statutory 8-week timescale without an Extension of Time (EoT).	24% (higher is better)	30%	Head of Planning	Planning
Processing of 'Other' Planning Applications (% rate without Extensions of Time)	Percentage calculated as the number of 'other' applications processed within the statutory 8-week timescale without an Extension of Time.	42% (higher is better)	60%	Head of Planning	Planning
Decisions overturned at Planning Appeals	Percentage of decisions overturned through appeals.	17% (lower is better)	Under 10%	Development Manager	Planning
Planning Enforcement – Site Inspections for Top Priority Cases	Number of working days to undertake initial site inspection on top priority cases (work to listed buildings, work to protected trees and development likely to have a serious impact on health and public safety).	N/A (lower is better)	1 day	Head of Planning	Planning
Planning Enforcement – Acknowledgement to the Complainant on All Cases	Number of working days to send acknowledgement to the complainant on All Cases.	N/A (lower is better)	2 days	Head of Planning	Planning
Planning Enforcement – All Cases	Number of Planning Enforcement Cases left open more than 4 months.	77% (lower is better)	68%	Head of Planning	Planning

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
Housing Register	Number of weeks to process all completed assessment forms.	N/A (new indicator)	8 weeks	Head of Housing and Health	Housing, Environment and Economy
Affordable Housing	Number of Affordable Homes built out per annum.	TBC (higher is better)	170	Head of Housing and Health	Housing, Environment and Economy
Private Rented Sector	Number of households made a successful Private Rented Sector Offer or assisted via Landlord Offer.	0 (higher is better) (altered Indicator)	12	Head of Housing and Health	Housing, Environment and Economy
Temporary Accommodation	Average number of all households in temporary accommodation as at end of the quarter.	110 (lower is better)	110	Head of Housing and Health	Housing, Environment and Economy
Empty Properties	Number of properties in the borough that have been unfurnished and unlive in for longer than 6 months.	476 (lower is better)	450	Revenues and Benefits Manager	Housing, Environment and Economy
Empty Properties	Number of properties in the borough that have been brought back into use as a direct result of Council intervention.	N/A (new indicator)	18	Housing Improvement Manager	Housing, Environment and Economy
Improving Housing Conditions	Number of properties where conditions have been improved as a direct result of Council intervention.	80 (higher is better)	80	Head of Housing and Health	Housing, Environment and Economy
Housing Enforcement Notices	Number of Housing Enforcement Notices Served.	2	3	Head of Housing and Health	Housing, Environment and Economy

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
Disabled Facilities Grants	Number of homes adapted or improved for older and vulnerable residents to promote their independence and keep them safe in the community.	80 (higher is better)	80	Head of Housing and Health	Housing, Environment and Economy

INVESTING IN OUR BOROUGH & LOCAL ECONOMY – ACTIVITY

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
9.1	Drive forward Tonbridge Town Centre Regeneration Plans that improve quality of life for local residents.	Using Land and Assets Better	Design Strategy for the Riverside Park approved by Cabinet by 02 March 2027.	Head of Administrative and Property Services	Infrastructure and Tonbridge Regeneration	Within existing identified staffing allocations, plus Town Centre Reserve funding.
9.2	Progress plans for the replacement of the Angel Leisure Centre.	Using Land and Assets Better	Complete RIBA Stage 4 and report to Council by October 2026.	Head of Street Scene and Leisure	Community Services / Infrastructure and Tonbridge Regeneration	Within existing identified staffing and financial allocations
9.3	Implement early phases of Tonbridge Farm Sportsground masterplan to provide improved, accessible leisure facilities for the whole community.	Using Land and Assets Better	Design produced for replacement pavilion roof by March 2027. Progress investigations for the provision of a new 3G Pitch including site survey and Planning Application ahead of March 2027.	Head of Administrative and Property Services Leisure Services Manager	Infrastructure and Tonbridge Regeneration Community Services	Within existing identified staffing resource plus funding from building repairs budget Capital Renewals/FF and FA Funding/s.106 Contribution

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
9.4	Expand and upgrade Bailey Bridge East Car Park.	Using Land and Assets Better	Gain planning permission for the car park extension by July 2026. Implement completed works by October 2026.	Head of Technical Services	Infrastructure and Tonbridge Regeneration / Finance, Waste and Technical Services	Existing Staffing Resource and Budgets
9.5	Identify proposals for the replacement of the Tonbridge Castle Gateway within the ground floor reception space.	Using Land and Assets Better	Present the financial feasibility report to Finance, Regeneration and Property Scrutiny Select Committee on 26 May 2026 with decision by Cabinet on 02 June 2026.	Tonbridge Castle, Events and Customer Services Manager	Community Services	Existing Staffing Resource
10.1	Reporting and completion of the T&M UK Shared Prosperity Fund (including the Rural England Prosperity Fund).	Economy Bouncing Back	Submission of Return to the MHCLG by end of May 2026, with report to Overview & Scrutiny Committee on 25 June 2026, setting out the economic and community benefits of the programme.	Economic Development and Special Projects Manager	Housing, Environment and Economy	Existing Staffing Resource
10.2	Implementation of the Business Rates Pool (Shared Growth Fund) Programme to support sustainable economic growth in the borough.	Economy Bouncing Back	Progress report to Finance, Regeneration and Property by 15 September 2026. Completion of Green Business Grant Scheme Round 6 projects by March 2027.	Economic Development and Special Projects Manager	Housing, Environment and Economy	Business Rates Pool (Shared Growth Fund)
10.3	Ensure investment in infrastructure is aligned to population and housing growth.	Economy Bouncing Back	Produce a fully costed and dated Infrastructure Delivery Plan and Funding Statement to support Local Plan submission by September 2026.	Planning Policy Manager	Planning	Existing Budgets
11.1	Install Digital Information Boards at identified sites across the Borough to improve	Profile of Assets	Report to Finance, Regeneration and Property Scrutiny Select Committee	Director of Central Services/	Community Services	Existing Staffing Resource

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member	Allocated Resource
	communication with local residents.		setting out proposed sites by 21 July 2026. Procure delivery partner by September 2026. New Digital Information Boards installed at identified locations by December 2026.	Property Project Officer		(capital cost met by provider)
12.1	Following recommendations from the Planning Advisory Service (PAS) Review, engage with developers and local agents in a more structured way so that the development community has a channel for finding out about key initiatives, such as key stages in the Local Plan process and provide feedback to help improve the Planning Service provided by TMBC.	Strategic Partners	Establish Agents meeting with Development Management, meeting with local agents by spring/summer2026. First Annual Strategic Meeting to take place by July 26.	Head of Planning	Planning/ Infrastructure and Tonbridge Regeneration	Existing Staffing Resource
12.2	Produce and implement a West Kent Local Growth Plan that supports strategic growth in the local economy.	Strategic Partners	West Kent Economic Development Officers produce final draft by April 2026. Adoption of the West Kent Local Growth Plan by Cabinet on 02 June 2026. Implement plan from June 2026 onwards.	Economic Development and Special Projects Manager	Housing, Environment and Economy	Existing Staffing Resource and Budgets

INVESTING IN OUR LOCAL ECONOMY – PERFORMANCE TARGETS

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
Town Centre Vacancy Levels (%)	The number of commercial retail units in our town and village centres that are vacant as a % of the total number.	5.3% (lower is better)	5.2%	Economic Development and Special Projects Manager	Housing, Environment and Economy
Business Births and Deaths	The ratio of business births to business deaths.	0.95 (higher is better)	1.01	Economic Development and Special Projects Manager	Housing, Environment and Economy
Unemployment Rate (%)	The % of the local working age population that are claiming unemployment benefits.	2.4% (lower is better)	2.3%	Economic Development and Special Projects Manager	Housing, Environment and Economy
Occupation of Rental Properties	The % of council-owned commercial properties that are in occupation.	100% (higher is better)	100%	Head of Administrative and Property Services	Housing, Environment and Economy
Council Events – Income	Total income generated from council run/supported events.	£42,000 (higher is better)	£42,000	Tonbridge Castle, Events and Customer Services Manager	Community Services
Property Rentals – Income	Total Income generated from commercial property rentals.	£420,000 (higher is better)	£420,000	Head of Administrative and Property Services	Housing, Environment and Economy

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
Tonbridge Castle - Income	Total income generated by activities at Tonbridge Castle (Figure includes: Chamber Hire; Tea/coffee sales; Weddings; Castle Attraction and Artisan Market).	£76,000 (higher is better)	£80,000	Tonbridge Castle, Events and Customer Services Manager	Community Services
Tonbridge Castle – Tour Visitor Numbers	Total number of visitors to Tonbridge Castle that take the tour.	2,000 (higher is better)	2,500	Tonbridge Castle, Events and Customer Services Manager	Community Services
Employment Land	% net change (gain/loss) in employment land.	TBC (closer to 0 is better)	0	Planning Policy Manager	Planning
People and Skills Fund	Number of local residents benefitting from projects completed through the People and Skills Fund.	100 (higher is better)	100	Economic Development and Special Projects Manager	Housing, Environment and Economy

EFFICIENT & EFFECTIVE COUNCIL – ACTIVITY

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member (Name)	Allocated Resource
13.1	Ensure that the Council maximises the opportunities to influence the implementation of the Government's Devolution/Local Government Reorganisation (LGR) agenda within Tonbridge and Malling in the interests of local residents and takes action to minimise the inherent risks associated with this type of process.	Innovative and Cost-Effective Services	Fully participate and actively encourage participation to ensure a positive local response rate to the Government consultation on LGR in April 2026. Actively support the development and coordination of proposals for Local Government Reorganisation across Kent, and in the geography for the new Unitary in West Kent once known in Summer 2026.	Chief Executive	Executive Leader	Existing Staffing Resource and Budgets.
13.2	Ensure the Council implements the Government's Devolution/LGR agenda in an efficient and effective manner.	Innovative and Cost-Effective Services	Report to Cabinet on the Government decision regarding the final structure for Kent by 01 September 2026, setting out the establishment of a joint committee with neighbouring councils to oversee workstreams ahead of a Shadow Unitary Authority being set up.	Chief Executive	Executive Leader	Existing Staffing Resource and Budgets
13.3	Ensure balanced representation is maintained for residents during the LGR process.	Innovative and Cost-Effective Services	Report to Council on the creation of new boundaries for the Shadow Unitary Authority ahead of the May 2027 elections by December 2026.	Chief Executive	Executive Leader	Existing Staffing Resource and Budgets

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member (Name)	Allocated Resource
13.4	Undertake measures to set up a Tonbridge Town Council following completion of the Community Governance Review (subject to Full Council decision in February 2026).	Innovative and Cost-Effective Services	Laying of the Order by October 2026. Election timetable established by March 2027.	Head of Electoral Services	Executive Leader	Existing Staffing Resource
13.5	Consolidate Council's accommodation at Kings Hill.	Innovative and Cost-Effective Services	Completion of Gibson East refurbishment by October 2026. Staff relocate to Gibson East by December 2026. Reduction of at least £200,000 in annual operating costs by end of March 2027.	Head of Administrative and Property Services	Housing, Environment and Economy	Capital Plan – List A
13.6	As per External Audit Recommendations, embed a robust Council-wide Project Management Approach that drives forward successful delivery.	Innovative and Cost-Effective Services	Complete a review of Project Management templates by April 2026. Establish a new Project Management Library resource for staff by May 2026. Identify any further training resources for more specialist aspects of project and programme management, such as benefits realisation, by January 2027.	Economic Development and Special Projects Manager/ Tonbridge Town Centre Programme Manager	Executive Leader	Existing Staffing Resource and Budget
13.7	Review and update Medium Term Financial Strategy (MTFS) in light of further changes in Government requirements on local government, the direction for local government funding	Innovative and Cost-Effective Services	Report to be presented to Cabinet as part of outturn and first budgetary control report on 07 July 2026.	Head of Finance	Finance, Waste and Technical Services	Existing Staffing Resource

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member (Name)	Allocated Resource
	following the Fair Funding Review and the impact of the award of the Refuse, recycling and street cleansing contract in April 2026.					
13.8	As per External Audit recommendations, strengthen Annual Governance Statement (AGS).	Innovative and Cost-Effective Services	Updated version of AGS and supporting evidence to be provided for the 2026/27 AGS due to be signed at the end of May 2026 and considered alongside the annual Audit of Accounts.	Head of Finance/ Donna Riley	Finance, Waste and Technical Services	Existing Staffing Resource
13.9	Undertake an efficient payment review for the garden waste service to improve customer experience and ensure financial accuracy.	Innovative and Cost-Effective Services	Implementation of rolling contract including recurring card payments for Garden Waste collection by July 2026. Consider expansion of recurring card payments for other activities with report to Finance, Regeneration and Property Scrutiny Select Committee on 17 November 2026.	Director of Street Scene, Leisure and Technical Services Head of Finance	Finance, Waste and Technical Services	Existing Staffing Resource
13.10	Utilise the new tools and powers available to the Borough Council through The Crime and Policing Act 2025 (when enforced)	Innovative and Cost-Effective Services	Report to be taken to Communities and Environment Scrutiny Select Committee to set out the new powers available on 03 February 2027. Once the Act is enacted, training to be undertaken on the new tools and powers that will be available (such as the Respect Orders) by March 2027. Issue Respect Orders (and other tools and powers) to tackle ASB from March 2027.	Safer and Stronger Communities Manager	Community Services	Existing Staffing Resource

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member (Name)	Allocated Resource
			Review implications for the operation of the Safer Neighbourhoods Contract by March 2027.			
13.11	Review and update Workforce Development Strategy.	Innovative and Cost-Effective Services	Report on progress against targets for Year 1 of the Workforce Development Strategy at General Purposes Committee on 10 June 2026.	Head of HR and Development	Finance, Waste and Technical Services	Existing Staffing Resource
13.12	Review and update Member Development Strategy.	Innovative and Cost-Effective Services	Report on progress against targets for Year 1 of the Member Development Strategy at General Purposes Committee on 20 January 2027.	Head of HR and Development	Executive Leader	Existing Staffing Resource
13.13	Implement a programme of digital planning changes to make the service more efficient for all stakeholders.	Innovative and Cost-Effective Services	Digitisation of planning 'roadmap' presented to Finance, Regeneration and Property Scrutiny Select Committee by 26 May 2026. Procurement completed by July 2026. Implementation by March 2027.	Head of Planning/ Development Manager	Planning	Existing Staffing Resource/ potential external resource
13.14	Implement a new planning fee structure aligned to expected secondary legislation.	Innovative and Cost-Effective Services	Respond to Planning Fees consultation by May 2026 (subject to the Government's timetable). Carry out required evidence gathering to inform new fees by September 2026. Propose new fee structures to Cabinet for approval by 10 November 2026.	Head of Planning	Planning	Existing Staffing Resource
13.15	Update the Street Trading Policy to make the borough a more attractive place to trade whilst	Innovative and Cost-Effective Services	Following public consultation, present Street Trading Policy to Cabinet for approval on 07 April 2026.	Interim Regulatory	Chair of Licensing Committee	Existing Staffing Resource

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member (Name)	Allocated Resource
	ensuring street traders complement existing retail businesses.		New policy to come into force from June 2026.	Services Manager		
13.16	Automatic onboarding of TMBC devices to keep security standards high	Innovative and Cost-Effective Services	Test rollout of laptops by December 2026. Automatic onboarding by March 2027.	Head of IT	Finance, Waste and Technical Services	Existing Staffing Resource
13.17	Protect data through a comprehensive data governance process using Microsoft product suite. Enabling the corporate compliance across the council.	Innovative and Cost-Effective Services	Pilot deployment by June 2026. Full rollout by November 2026.	Head of IT	Finance, Waste and Technical Services	Existing Staffing Resource
13.18	Establish new dynamic dashboards of Key Performance Indicator analysis and reporting to help enable efficient performance monitoring and continuous service improvement.	Innovative and Cost-Effective Services	Requirements gathering and stakeholder engagement by August 2026. Data mapping by October 2026. Dashboard design and prototyping by December 2026. Deployment by March 2027.	Head of IT	Finance, Waste and Technical Services	Existing Staffing Resource
13.19	Consider, consult and implement a review of the Council Tax Reduction Scheme to simplify the award process	Innovative and Cost-Effective Services	Report to Finance, Regeneration and Property Scrutiny Select Committee on 17 November 2026 with consideration by Cabinet on 08 December 2026.	Head of Finance/ Revenues and Benefits Manager	Finance, Waste and Technical Services	Staffing and External Resource
14.1	Invest in a Safer Neighbourhoods Team to help reduce anti-social behaviour.	Available Services and Advice	New 2-year contract for the Safer Neighbourhoods Team launched in April 2026,	Corporate Policy and	Community Services	TBC

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member (Name)	Allocated Resource
			supported by a communications strategy to ensure effective stakeholder engagement.	Communities Manager		
15.1	Distribute 2026/27 Household Support Fund to support our most vulnerable residents. (TBC)	Promoting Well-Being	100% of funding support provided in accordance with the funding criteria by March 2027.	Revenues and Benefits Manager	Finance, Waste and Technical Services	External Funding
15.2	Develop staff wellbeing initiatives to help create an even more positive, supportive and productive work environment.	Promoting Well-Being	Provide a staff wellbeing team channel with regular content by end September 2026. Hold a staff wellness day involving local green spaces/projects by end March 2027.	One You Team Leader	Housing, Environment and Economy	External Funding
16.1	Achieve the bronze award for the DAHA accreditation (Domestic Abuse Housing Alliance) to enhance partnership working and better protect our residents.	Safeguarding and Supporting Residents	Complete all the standards required by April 2026. Report to Communities and Environment Scrutiny Select Committee by 20 May 2026. Submit to DAHA for accreditation by June 2026.	Safer and Stronger Communities Manager	Community Services	Existing Staffing Resource
16.2	Develop the White Ribbon Accreditation to demonstrate the Council's commitment to preventing violence against women and girls.	Safeguarding and Supporting Residents	Update report to Communities and Environment Scrutiny Select Committee, setting out progress on the White Ribbon Action Plan, including encouraging more men to become Ambassadors, by 03 February 2027.	Safer and Stronger Communities Manager	Community Services	Existing Staffing Resource
16.3	Improve external safeguarding webpage and signposting to help residents easily access support and referral information.	Safeguarding and Supporting residents	Re-launch safeguarding webpages in line with external audit recommendations completed by May 2026.	Safeguarding Officer	Community Services	Existing Staffing Resource

Ref	Description of activity	Priority Action(s)	Milestones	Lead Officer (Name)	Cabinet Member (Name)	Allocated Resource
16.4	Complete roll out of safeguarding database to all council staff to improve compliance and ensure better outcomes for residents.	Safeguarding and Supporting residents	Training / guidance provided to all staff by January 2027.	Safeguarding Officer	Community Services	Existing Staffing Resource
16.5	Work towards securing a Gold Award in the Armed Forces Employer Recognition Scheme to raise awareness of the needs of the Armed Forces Community.	Safeguarding and Supporting residents	Application submitted to Government by April 2026	Corporate Policy and Communities Manager	Community Services	Existing Staffing Resource
16.6	Following the successful pilot, establish an annual Community Awards Scheme to celebrate individuals and groups making a positive impact and recognising outstanding dedication and service in the borough.	Safeguarding and Supporting residents	Scheme launched for nominations in July 2026. Presentation ceremony by the Mayor to present awards by October 2026.	Corporate Policy and Communities Manager	Community Services	Existing Staffing Resource/ Budget
16.7	Implement a 'Tell Us Once' approach to information to improve customer experience and increase efficiency.	Safeguarding and Supporting residents	Project scope, including legal advice relating to GDPR, presented to Cabinet by 01 September 2026. Technical implementation and testing in January 2027, with roll out by March 2027.	Head of IT	Finance, Waste and Technical Services	Existing Staffing Resource

EFFICIENT & EFFECTIVE COUNCIL – PERFORMANCE TARGETS

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
Food Safety Inspections	% of due food safety inspections undertaken (Risk Category A-E).	93% (higher is better)	95%	Food and Safety Manager	Housing, Environment and Economy
One You Service	The number of residents benefiting from support of the 'One You' Service.	725 (higher is better)	750	One-You Team Leader/Head of Housing and Health	Housing, Environment and Economy
Safeguarding	The number of priority actions arising from the independent safeguarding audit remaining unresolved for more than 6 months.	0 (lower is better)	0	Corporate Policy and Communities Manager	Community Services
Anti-Social Behaviour (ASB)	Total number of ASB cases in the borough that are reported to the Council and the number of active cases being investigated.	510 total per year (lower is better) 300 Active cases per year (lower is better)	500 total per year 250 active per year	Safer and Stronger Communities Manager	Community Services
Victim-Based Crime	Total number of reported Victim-based crimes in the borough.	7,200 (lower is better)	7,000	Safer and Stronger Communities Manager	Community Services
My Account registrations	The total number of registrations with My Account.	55,000 (higher is better)	60,000	Head of Communications	Community Services

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
My TMBC app downloads	The number of app downloads over the course of a year.	1,500 (higher is better)	1,500	Head of Communications	Community Services
Public engagement with news from TMBC	The number of clicks on social media content over the course of a year.	30,000 (higher is better)	25,000	Head of Communications	Community Services
Staff engagement	The proportion of staff who feel positive about working at the Council particularly in the context of the uncertainties from Local Government Reorganisation	85% (higher is better)	85%	Head of Communications	-
Vacant Posts (FTE)	Number of positions within the council that are currently vacant.	12 (lower is better)	9	Head of HR and Development	-
Sickness Absence – short term	Average number of working days per employee across the organisation lost to short term sickness absence.	3 (lower is better)	2.7	Head of HR and Development	-
Gender Pay Gap - Mean	The difference between the mean pay of men and women within the council.	22.3% (lower is better)	20%	Head of HR and Development	-
Contact Centre – Handled Rate	% of calls answered in the Contact Centre against those presented.	80% (higher is better)	85%	Tonbridge Castle, Events and Customer Services Manager	Community Services
Contact Centre - Emails	% of emails responded to within 24 hours.	100% (higher is better)	100%	Tonbridge Castle, Events and Customer Services Manager	Community Services

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
Contact Centre - Webchat	% of webchats handled by the Contact Centre.	75% (higher is better)	80%	Tonbridge Castle, Events and Customer Services Manager	Community Services
Licensing	Fees generated from the processing of premises licenses under the Licensing Act 2003.	£85,000 (higher is better)	£85,000	Principal Licensing Officer	Executive
Council Tax	Percentage calculated as a cumulative year-to-date figure, from the total council tax payments received compared to the total amounts payable in that year.	98.1% (higher is better)	98.1%	Revenues and Benefits Manager	Finance, Waste and Technical Services
Non-Domestic (Business) Rates	Percentage calculated as a cumulative year-to-date figure, from the total business rates payments received compared to the total amounts payable in that year.	99.4% (higher is better)	99.4%	Revenues and Benefits Manager	Finance, Waste and Technical Services
Determination of Housing Benefit claims	Number of days to accurately determine new Housing Benefit claims.	28 (lower is better)	26	Revenues and Benefits Manager	Finance, Waste and Technical Services
Changes to existing Housing Benefit claims	Number of days to change existing Housing Benefit claims.	6 (lower is better)	5	Revenues and Benefits Manager	Finance, Waste and Technical Services
Determination of Council Tax Reduction Scheme claims	Number of days to accurately determine new Council Tax Reduction Scheme claims (median) and changes to existing claims.	30 (lower is better)	30	Revenues and Benefits Manager	Finance, Waste and Technical Services
Changes to existing Council Tax Reduction Scheme claims	Number of days to change existing Council Tax Reduction Scheme claims.	2 (lower is better)	2	Revenues and Benefits Manager	Finance, Waste and Technical Services

Indicator	Description	Est Performance 2025/26	Target 2026/27	Lead Officer	Cabinet Member
Revenues online interactions	Number of Transactions for Revenues and Benefits through Citizens Access.	15,500 (higher is better)	16,000	Revenues and Benefits Manager	Finance, Waste and Technical Services
Revenues E-billing	Annual Growth in the number of Council Tax and Business Rate customers signed up for bills to be issued by email.	+1,600 (higher is better)	+1,700	Revenues and Benefits Manager	Finance, Waste and Technical Services
Recurring Card payments	Percentage of recurring card payment customers.	0% (higher is better)	20%	Head of Finance/ Exchequer Services and Systems Manager	Finance, Waste and Technical Services
Prompt payment of invoices	The percentage of invoices paid with the 30 -day deadline.	99.6% (higher is better)	99.7%	Exchequer Services and Systems Manager	Finance, Waste and Technical Services

PROCUREMENT PARTNERSHIP – FORMAL REVIEW

Item OS 26/6 referred from Overview and Scrutiny Committee of 22 January 2026

The report of the Director of Street Scene, Leisure and Technical Services reviewed the performance of the Mid-Kent Procurement Partnership since the Borough Council joined in May 2024 and sought comments in respect of the way forward.

Members were pleased to note that the Procurement Partnership had been very well received; an improvement in high quality procurement and contracting activity and the key actions for the Partnership in the next 12-18 months as detailed in the report.

Consideration was given to a number of options regarding the Procurement Partnership, as detailed in paragraph 8 of the report. Due regard was also given to the financial and value for money considerations, the assessment of risk and legal implications.

In recognition that membership of the Mid-Kent Procurement Partnership supported full compliance with relevant legislation and maintained an effective council, Cllr Oakley proposed, Cllr Cannon seconded and the Committee

***RECOMMENDED:** That

- (1) Option 3 to continue with the Procurement Partnership with a further review in 4 years' time and ensuring that budget was made available to do so be commended to Cabinet for adoption.

***Recommended to Cabinet**

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22 January 2026

Recommendation to Cabinet



Report Author Robert Styles, Director of Street Scene, Leisure & Technical Services

1 Summary and Purpose of Report

2 Corporate Strategy Priority Area

2.1 Efficient services for all our residents, maintaining an effective council.

2.2 The Council works in accordance with its with its Procurement Strategy in order to achieve best value for the authority.

3 Recommendations

3.1 The Officer recommendation to Cabinet would be to adopt Option 3 with a further review in 4 years. This would ensure that TMBC are able to continue with the excellent progress it has made in the last 18 months, whilst ensuring that it has the support and guidance necessary to ensure procurement risks are mitigated. It also ensures service continuity up to the point of, and beyond, any reorganisation that comes from the Local Government Review process which is currently under consideration across Kent.

3.2 This Committee are invited to consider the proposed way forward and make any comments to Cabinet.

4 Introduction and Background

- 4.1 This Council joined the existing Mid Kent Procurement Partnership between Tunbridge Wells Borough Council (TWBC) and Maidstone Borough Council (MBC) on 1st May 2024. The partnership between TWBC & MBC had been in place since August 2020 and had a well-established team who had taken leadership of a number of procurements over the years.
- 4.2 In 2022/23, an audit recommendation from external auditors, Grant Thornton, outlined concerns over this Councils procurement processes at that time, and ability to evidence value for money. Officers considered the option of taking on a standalone procurement resource for TMBC. Initial contact was made with TWBC to ask if they would be willing to share the job description and person specification, as well as an idea of the cost, of a Procurement Officer. During these discussions, it became clear that TMBC would need procurement resource at a more senior level - owing to the nature and size of its contracts as well as the tasks which needed to be addressed (Procurement Strategy production being an initial example), and the proposal that TMBC join the existing Partnership was raised as a potential solution to this problem.
- 4.3 Following the development of a business case, and obtaining approvals from the relevant Local Authority partners, Cabinet approved that a formal agreement was put in place for TMBC to join the partnership for an initial period of 2 years – with the option of extending this further if all parties are happy to continue. TWBC take the role of lead authority, and are the employer of the procurement staff, with the cost of the Partnership split equally across the three partner authorities. This allows TMBC access to a team of 5 procurement professionals - providing greater resilience at a cost relatively similar to that of directly employing a single procurement professional. Historically there had not been a Senior Officer lead for procurement within TMBC. This has been addressed by the Director of Street Scene Leisure and Technical Services agreeing to include this responsibility as part of his role. Member responsibility is through the Cabinet Member of Finance Waste and Technical Services.

5 Partnership Performance

- 5.1 The Partnership has been very well received by officers at TMBC and has seen an upturn in high quality procurement and contracting activity. An internal officer group with representation from relevant services actively involved in procurement is being utilised to share and embed developing best practice and learning, and to help identify opportunities for further improvement. Feedback from these officers has been extremely positive and it is felt the use of the Partnership has been highly beneficial.
- 5.2 The Procurement team have successfully navigated all three of the partner authorities through the most significant change to public sector procurement in a generation, ensuring that we are compliant with all requirements of the

Procurement Act 2023 and delivering a programme of training to ensure that officers are well informed and understand the practical support that is available to them. Additional training has also been provided to officers on general procurement processes and requirements, and specific evaluator training is being delivered to those responsible for the evaluation of tender responses.

- 5.3 Since joining the partnership, the procurement team have been engaged in 35 projects – ranging from initial supplier engagement processes to the largest outsourced contract that the Council has – Waste and Street Cleansing. To assist officers in their understanding of roles and responsibilities in procurement projects, an operational flowchart has been produced. This clarifies who is responsible for tasks at each stage of the process and has been a valuable addition.
- 5.4 The immediate priority of having a Procurement Strategy in place for TMBC was addressed very quickly, and following Cabinet approval we have successfully put a strategy in place to cover us until 2026. . In addition, the procurement team have provided the Council with access to their library of more specialist practice documents as well as providing advice and guidance on potential approvals processes. One such process, the ‘Tender Report and Recommendation’, has already been implemented to ensure that there is sufficient oversight at the back end of procurement processes before any contract award is made.
- 5.5 One of the key recommendations from a recent internal audit was to implement a standard process for the request, review and decision on all waivers. A new template has been developed for this and is now in operation.

6 Audits

- 6.1 Grant Thornton has recently reviewed its previous audit recommendations relating to procurement and has confirmed that the appropriate action has been taken by the Council and this area should no longer be considered as a weakness. No further recommendations have been made for the forthcoming year. When setting out their key findings on the Council’s arrangements in respect to value for money, Grant Thornton stated that

“The Council has implemented strong arrangements for contract management and procurement which are considered sufficient to close the key recommendation raised in 2022/23. Improvements include the maintenance of a contract register, implementation of a best practice procurement strategy and the embedding of procurement related responsibilities in departmental processes.”

- 6.2 An internal audit has also been undertaken with the report delivering a rating of Substantial with prospects for improvement being very good.

- 6.3 The above clearly reflects a major change in opinion relating to the Council's approach to procurement and puts the Council in a good position to continue to build for the future.
- 6.4 The audit opinion of substantial defines that internal control, government and management of risk are sound overall.

7 Next Steps

- 7.1 The following are considered to be the key actions for the Partnership moving into the next 12-18 months:
- Further improve processes at the earlier stages in the procurement process when the overall direction of the procurement is first determined.
 - Complete the review of the constitutional Council/Committee Procedure Rules in order to ensure that they are fully aligned to the latest legislation, and to ensure consistency in approach across the partnership.
 - Provide training to Council Members on procurement
 - Explore how the Council can also strengthen its approach to on-going Contract Management alongside the improvements that have already been made to procurement.

8 Other Options

- 8.1 Having considered the review of performance and the next steps required, a number of options exist moving forward:
- 8.1.1 **Option 1:** Give notice to leave the Procurement Partnership and recruit a standalone resource for TMBC- this is not considered to be favourable for a number of reasons: The time and expense of recruitment, with no guarantee of finding a suitable candidate and the cost of a single officer at the required level is almost as much as the cost for remaining in the Partnership. There would also be a lack of resilience that would come from having a single officer in post as opposed to a team of 5 with the current Procurement Partnership (The resource would also potentially need to TUPE to a wider unitary procurement team if and when LGR takes effect). Further change management would be required as the Council would no longer have access to the procurement templates and processes and would need to create our own.
- 8.1.2 **Option 2:** Continue with the Procurement Partnership for a further 2 years, ensuring that budget is made available to do so, and then review our options. Continuing with the Partnership is the preferred option to maintain progress. This option, however, restricts this to only a temporary period

- 8.1.3 **Option 3:** Continue with the Procurement Partnership with a further review in 4 year's time, ensuring that budget is made available to do so. This is the preferred option providing both certainty and continuity for the future.

9 Financial and Value for Money Considerations

The 2026/27 revenue estimates include a provision of £95,150 for the cost of the Procurement Partnership. The Head of Finance has confirmed that ongoing provision has been made within the MTFS.

10 Risk Assessment

- 10.1 Membership of the Procurement Partnership has addressed previous concerns raised in both external and internal audits and has transformed this Council's approach to procurement. It is felt essential to both maintain and develop further improvements and other options would represent a significant risk to achieving this.

11 Legal Implications

- 11.1 Membership of the Procurement Partnership helps ensure full compliance with relevant legislation and the Partnership Manager works in liaison with Officers from the Council's legal services.

12 Consultation and Communications

- 12.1 Consultation has been undertaken with Officers using the services of the Procurement Partnership across the organisation.

13 Implementation

- 13.1 The preferred option can be implemented with immediate effect.

14 Cross Cutting Issues

- 14.1 Climate Change and Biodiversity

- 14.1.1 Limited or low impact on emissions and environment.

- 14.1.2 Climate change advice has been sought in the preparation of the options and the proposed way forward outlined in this report.

- 14.2 Other If Relevant

- Human Resources
- Procurement
- Business Continuity / Resilience

Background Papers	None
Annexes	None

Agenda Item 13

- Recommendations are 'to follow' and will be circulated in advance of the meeting.

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Audit Committee

26 January 2026

Part 1 - Public

Recommendation to Cabinet



Cabinet Member

Cllr Matt Boughton – Leader
Cllr Martin Coffin – Cabinet Member for Finance,
Waste and Technical Services

Responsible Officer

Management Team

Report Author

Paul Worden – Head of Finance (Section 151 Officer)

Risk Management

1 Summary and Purpose of Report

- 1.1 The report of the Management Team provides an update on the risk management process and the Strategic Risk Register.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 The identification, evaluation, and cost-effective control of risks is essential in safeguarding the Council's assets, employees and customers and the delivery of services to the local community.
- 2.3 The Council endeavours to pursue a forward-looking and dynamic approach to delivering services to the local community and will not be averse to taking a degree of commercial risk. However, it will always exercise a prudent approach to risk taking and decisions will be made within the parameters of the Council's internal control arrangements

3 Recommendations

- 3.1 Members are asked to:
- 1) **NOTE** the updates to the Strategic Risk Register since the last iteration with particular emphasis on those risks categorised as RED as shown in Annexes 1 and 1a; and
 - 2) **NOTE** the service risks identified in Annex 2.

4 Introduction and Background

- 4.1 The Risk Management Strategy sets out the Council's risk management objectives and details the roles and responsibilities of officers, Members and the Council's partners in the identification, evaluation and cost-effective control of risks.
- 4.2 The Council's risk management arrangements are designed to ensure that risks are reduced to an acceptable level or, where reasonable, eliminated thereby safeguarding the Council's assets, employees and customers and the delivery of services to the local community. Examples of risk include budget deficit, cyber/data loss, environmental and reputational.
- 4.3 The Council endeavours to pursue a forward-looking and dynamic approach to delivering services to the local community and will not be averse to taking a degree of commercial risk. However, it will always exercise a prudent approach to risk taking and decisions will be made within the parameters of the Council's internal control arrangements, i.e. Constitution, Procedural Rules, etc. These arrangements will serve to ensure that the Council does not expose itself to risks above an acceptable level.
- 4.4 The current Risk Management Strategy was endorsed by this Committee in September 2025 and subsequently adopted by Full Council on 28 October 2025.

5 Risk Management Escalation Process

- 5.1 Effectively risks are assessed/scored in terms of their likelihood/impact.
- 5.2 Following the change to the Strategy in October 2025, the Council has now adopted the nation 5 x 5 risk matrix. This results in the following potential scoring of risks as detailed in the table below;

Score	Likelihood	1	2	3	4	5
Impact	Description	Rare	Unlikely	Reasonably Possible	Likely	Almost Certain
1	Low	1	2	3	4	5
2	Moderate	2	4	6	8	10
3	Significant	3	6	9	12	15
4	Severe	4	8	12	16	20
5	Catastrophic	5	10	15	20	25

- 5.3 Amber risks, those scoring between 8 and 12, should be raised at Service Management Team, added to the Service Risks identified list.
- 5.4 Red risks, those scoring 15 to 25, should be considered by Service Management Teams for potential escalation to Corporate Management Team for inclusion onto the Strategic Risk Register (SRR), see the section on escalation later in this

guidance note. If agreed the Chief Officer raising the concern should add the details required to the SRR.

6 Strategic Risk Register

- 6.1 The Strategic Risk Register (SRR) is considered to be a 'live' document and is updated, as often as is required, by the Management Team.
- 6.2 Following the changes approved by the Council in October 2025 the format to the registers has now changed. The initial scoring gives the details of unmitigated risk to the Council, these would be expected to be of high risk, scoring 12 and above. The second score gives the risk after mitigation has been applied, this should have the result of reducing the score.
- 6.3 An executive summary of the RED mitigated risks has been provided at **[Annex 1]** and a full version of the Strategic Risk Register can be found at **[Annex 1a]**. Due to the migration to the new register format, no direction of travel has been given.
- 6.4 For completeness the risks that were categorised as **RED** at the time of the **September** meeting of this Committee is given below:
- Achievement of Savings and Transformation Strategy
 - Failure to agree a Local Plan
 - Managed exit from the Agile System
- 6.5 A review has been undertaken by Management Team and it is felt that the following risks could be removed from the Strategic Risk Register at the next presentation;
- Performance Management – this was removed as a risk by the Council's external auditors following review in 2024/25 and the Officer and Council have a now well established review and reporting mechanism.
 - Contract/Contract Procurement – this was also removed as a risk by the Council's external auditors following review in 2024/25, the new protocols in place through the joint working with the Procurement Team are now well established and operating smoothly.
- 6.6 Following the review of the items on the register, Management Team have considered that despite mitigations in place the following areas remain at high or **RED** risk;
- Failure to adopt a Local Plan
 - Recruitment and Retention of Staff
 - Local Government Reorganisation in Kent

7 Ongoing Service Risks

- 7.1 To give Members some reassurance as to the effectiveness of risk management outcomes from the risk management escalation process are reported to the meetings of this Committee unless there is something that needs to be brought to Members' attention in the interim.
- 7.2 A schedule of ongoing risks and risks identified by Service Management Teams and Management Team since the last report to this Committee in September 2025 is appended at **[Annex 2]**.

8 Financial and Value for Money Considerations

- 8.1 Financial issues may arise in mitigating risk which will be managed within existing budget resources or reported to Members if this is not possible.
- 8.2 Effective risk management arrangements make a positive contribution to ensuring value for money is provided in the delivery of services.

9 Risk Assessment

- 9.1 Sound risk management arrangements aid the Council in effective strategic decision-making. The Council's approach to risk should be reviewed on a regular basis to ensure it is up to date and operating effectively.
- 9.2 A specific item for 'Risk Management' appears on all Management Team and Service Management Team agendas.

10 Legal Implications

- 10.1 There is a Health and Safety requirement for effective risk management to be in place and the Strategy supports this requirement.
- 10.2 There is also a requirement in the Accounts and Audit Regulations that accounting control systems must include measures to ensure that risk is appropriately managed.

11 Cross Cutting Issues

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

Background Papers	None
Annexes	Annex 1 - Executive Summary – Strategic Risk Register Annex 1a - Strategic Risk Register Annex 2 - Service Risks

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Number	Risk Title & Description	Effect of non compliance	Classification	Risk Owner from Management Team	Date identified	Last date of review	Unmitigated risk Score			Movement to previous review	Current mitigation in place	Mitigated risk Score			Movement to previous review	Actions required to reduce score further	Link to Annual Service Development Plan	Links to Strategies
							Likelihood Score (1-5)	Impact score (1-5)	Overall risk score			Likelihood Score (1-5)	Impact score (1-5)	Overall risk score				
5	Failure to adopt a Local Plan	Reputational risks around not being able to agree a Local Plan. Impacts around not meeting the timeframe for submission of the Local Plan. Impacts on development management processes through protracted period with no up-to-date plan, likely speculative development. Infrastructure not being delivered. Potential for central Government intervention.	F, R	Director of Planning, Housing and Environmental Health	Apr-17	Dec-25	4	5	20		The Council has decided to continue progressing the Local Plan under the current legislative and National Planning Policy Framework (NPPF). It will be critical that the new plan is prepared in compliance with the regulatory framework and relies on a robust evidence base that meets the requirements of the NPPF so that the plan can be found to be sound at the examination stage.	4	4	16		Regular review of NPPF guidance to ensure continued compliance. Continued engagement with both Members and Public. Sufficient Resources, both Staffing and Financial to ensure completion within allotted time.		Improving housing options for local people, whilst protecting our outdoor areas - develop a Local Plan which will ensure the provision of new homes in appropriate locations, focusing on tackling the need to deliver a range of housing for the whole community.
6	Recruitment and retention. Impact of loss of capacity to deliver services and Council priorities caused by numbers of staff retiring given age profile of the workforce, staff leaving due higher pay elsewhere, recruitment difficulties and skill shortages across key professional roles and uncertainty caused by LGR. Greater competition from the private sector and London Boroughs. Increase in rate of inflation and consequent pressure on level of pay award.	Lack of resources or the right skills to deliver required outcomes, loss of key professionals/senior officers due to pay constraints and pressures, reduced staff morale and quality of work, leading to financial loss, reputational damage and detrimental impact on staff wellbeing.	F, R, S	Director of Central Service and Deputy Chief Executive on behalf of Management Team	Apr-17	Dec-25	5	4	20		Review of staff resources and skills through service reviews and appraisal processes. Market Supplement Policy in assist with recruitment of difficult to resource staff. Workforce Strategy regularly reviewed, most recently March 2025.	5	3	15		Meaningful annual pay awards to ensure the Council is competitive as an employer. Continued use of flexible retirement arrangements. Continued use of Market Supplement Policy. Succession planning identified for key staff. Structural reviews approved by Members on an ongoing basis. Increased review of training needs in run up to proposed Local Government Reorganisation.		HR Strategy (Inc. Workforce Development Strategy) & Savings and Transformation Strategy
15	Local Government Reorganisation in Kent leading to the end of TMBC in March 2028.	Uncertainty on the future of the Borough Council could lead to operational shortfall due to diversion or departure of staff. New Unitary Council being burdened with historic County Debt Maintaining core Current Council services during the transition and delivery of Council Priorities and Annual Service Plan Current Council priorities & projects undermined by future spending constraints	F, R	Chief Executive	Feb-25	Dec-25	4	5	20		Close working at Leader and Chief Executive level. Increased close working at Director level Shared Strategic Partner to date to support a more joined up and collaborative approach Regular briefings for Members and Staff	4	4	16		Procure a new strategic partner for all Councils in Kent for the work up until Vesting Day in April 2028 Ensure that there are effective project and programme management arrangements in place Continue to ensure Members and Staff are fully engaged Set aside sufficient funding to support the implementation process		All Strategies

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							Likelihood Score (1-5)	Impact score (1-5)	Overall risk score			Likelihood Score (1-5)	Impact score (1-5)	Overall risk score				
1	Safeguarding and PREVENT	Significant impact should a child, young person or adults at risk come to harm, including radicalisation and child sex exploitation, and TMBC are unable to demonstrate appropriate processes are in place with adequate staff resource to ensure safeguarding procedures are consistently being followed.	S, R	Chief Executive	Apr-17	Dec-25	4	5	20		Safeguarding Officer is employed by the Council. This officer is part of an Officer Group, represented by all services, provide advice and support regarding safeguarding matters.	2	5	10		Continue to ensure the safeguarding issues are considered within Council policies. Regular training to staff. Referral of concerns to partner agencies.		Safeguarding Policy
2	Financial position/budget deficit	Financially unstable organisation. Failure to deliver a balanced budget, detrimental impact on quality of service, increased intervention and/or s114 notice.	F, R	Head of Finance (Section 151 Officer)	Apr-17	Dec-25	3	4	12		Budgetary control operated by Services in conjunction with Financial Services to identify areas of budget pressures due to service or population changes. Monitoring of income from Business Rates and Council Tax in order to ensure financial underpinning of MTFs. Regular review of MTFs using identified factors affecting TMBC.	3	3	9		Maintaining budgetary control procedures, adequate resourcing of Financial Services Staff. Maximisation of increases within fees charges, Council Tax and Business Rates in line with market need or legislation. Clear understanding of Government changes to Local Government Funding announced December 2025.		Priority in the Corporate Strategy of "Efficient services for all our residents, maintaining an effective council"
3	Performance Management	Without an effective performance management framework in place, the authority will not be able to monitor delivery, understand any required improvements or achieve value for money for our residents.	F, R, S	Chief Executive on behalf of Management Team	Aug-23	Dec-25	4	3	12		Quarterly reporting to Members via Overview and Scrutiny and Cabinet - performance is linked to the Annual Service Delivery Plan which includes key activities and performance indicators.	2	3	6		Having established the 24/25 Annual Service Delivery Plan, now a regular review of performance in place to ensure appropriate action is taken and that regular monitoring remains key to the delivery of the Council's Corporate Priorities.		Priority in the Corporate Strategy of "Efficient services for all our residents, maintaining an effective council"
4	Achievement of Savings and Transformation Strategy - Failure to meet objectives or savings targets	Resultant overspend would have significant on council reserves resulting in potential Section 114 notice declaring authority is no longer a Going Concern	F, R	Head of Finance (Section 151 Officer) on behalf of Management Team	Apr-17	Dec-25	4	5	20		Savings and Transformation Strategy is reviewed, by Members and Officers, along side Councils Medium Term Financial Strategy.	3	3	9		Taking opportunity to maximise income receipts were appropriate. Exercise to commence to identify and assess savings opportunities for review by Members in September 2025. Acceptance of changes to budget following review by Members and Officers	Objective 3.15	Priority in the Corporate Strategy of "Efficient services for all our residents, maintaining an effective council"
5	Failure to adopt a Local Plan	Reputational risks around not being able to agree a Local Plan. Impacts around not meeting the timeframe for submission of the Local Plan. Impacts on development management processes through protracted period with no up-to-date plan, likely speculative development. Infrastructure not being delivered. Potential for central Government intervention.	F, R	Director of Planning, Housing and Environmental Health	Apr-17	Dec-25	4	5	20		The Council has decided to continue progressing the Local Plan under the current legislative and National Planning Policy Framework (NPPF). It will be critical that the new plan is prepared in compliance with the regulatory framework and relies on a robust evidence base that meets the requirements of the NPPF so that the plan can be found to be sound at the examination stage.	4	4	16		Regular review of NPPF guidance to ensure continued compliance. Continued engagement with both Members and Public. Sufficient Resources, both Staffing and Financial to ensure completion within allotted time.		Improving housing options for local people, whilst protecting our outdoor areas - develop a Local Plan which will ensure the provision of new homes in appropriate locations, focusing on tackling the need to deliver a range of housing for the whole community.
6	Recruitment and retention. Impact of loss of capacity to deliver services and Council priorities caused by numbers of staff retiring given age profile of the workforce, staff leaving due higher pay elsewhere, recruitment difficulties and skill shortages across key professional roles and uncertainty caused by LGR. Greater competition from the private sector and London Boroughs. Increase in rate of inflation and consequent pressure on level of pay award.	Lack of resources or the right skills to deliver required outcomes, loss of key professionals/senior officers due to pay constraints and pressures, reduced staff morale and quality of work, leading to financial loss, reputational damage and detrimental impact on staff wellbeing.	F, R, S	Director of Central Service and Deputy Chief Executive on behalf of Management Team	Apr-17	Dec-25	5	4	20		Review of staff resources and skills through service reviews and appraisal processes. Market Supplement Policy in assist with recruitment of difficult to resource staff. Workforce Strategy regularly reviewed, most recently March 2025.	5	3	15		Meaningful annual pay awards to ensure the Council is competitive as an employer. Continued use of flexible retirement arrangements. Continued use of Market Supplement Policy. Succession planning identified for key staff. Structural reviews approved by Members on an ongoing basis. Increased review of training needs in run up to proposed Local Government Reorganisation.		HR Strategy (Inc. Workforce Development Strategy) & Savings and Transformation Strategy
7	Health and Safety	Significant reputational impact should a service user, officer, member or contractor come to harm and TMBC are unable to demonstrate appropriate processes were in place.	F, R, S	Director of Planning, Housing and Environmental Health	Apr-17	Dec-25	3	5	15		Health and Safety consider as standing item on both Corporate and Service Management Teams.	2	4	8				Staff wellbeing and customer care underpin the Council's fundamental service and corporate objectives

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8	Cyber Security	Loss of data and legislative breach, leading to financial penalties and reputational impact.	F, R	Director of Central Service and Deputy Chief Executive	Apr-17	Dec-25	4	5	20		Information Security Policy deployed to all staff and Councillors Security measures including access controls. Established an Information Governance Group. Appointed a Member Cyber Champion. Issued Mandatory Cyber Awareness Training to staff and Councillors. Deployed various security measures to ensure security of Council Network. Provide Security trained staff Achieved Cyber Essential Plus Accreditation Appointment of Senior Information Risk Owner (SIRO) within establishment. Implementation of external monitoring to identify cyber breaches, giving 24/7 coverage.	4	3	12		Ensure sufficient resources provide to mitigate risk in a timely manner. Action regular IT health checks, both internally and externally Issue regular messages to network users on cyber security vigilance Continue with regular mandatory cyber training updates. Continue with updates to maintain accreditation Receive Regular reports including option to maintain and improve Cyber Security from SIRO, last reported in July 2025.		IT Strategy
9	Business Continuity and Emergency Planning (incl. Civil Contingencies)	Failure to provide statutory service or meet residents' needs resulting in additional costs, risk of harm and reputational impact. Impact/pressures on services and resources. Failure to ensure proper safeguards to prevent or to respond adequately to a significant disaster/event e.g. terrorist attack at a large scale public event, fire or flood	F, R, S	Director of Street Scene, Leisure & Technical Services on behalf of Management Team	Apr-17	Dec-25	4	4	16		The Council has in Place; Business Continuity Plan Emergency Plans IT Disaster Recovery Plans Inter-Authority and Mutual Aid Agreement Duty Officer and Duty Emergency Co-ordinator rota and is part of the Kent and Medway Resilience Forum.	4	3	12		Maintain all plans to ensure they are up-to-date and fit for purpose. Increase the % of trained staff in roles identified in the Emergency Plan. Out of Hours Manual reviewed and regularly updated. Exercising of plans must be undertaken regularly to ensure they are fit for purpose and to validate them. Recruitment into roles in the Emergency Plan is on-going. Constant review and enhancement to plans as required.		Business continuity underpins the delivery of the Council's essential services and is a core of the authorities risk management
10	Sustained or increasing levels of Housing need.	Significant increase of costs associated with Temporary Accommodations leading to implications for higher costs not be negated by Housing Benefits	F, R, S	Director of Planning, Housing and Environmental Health/ Head of Finance (Section 151 Officer)	Apr-17	Dec-25	3	4	12		Provision of additional resources to focus on prevention activities. Increasing supply of internally managed temporary accommodation. Regular review of empty properties, to work with Owners to bring properties back into use and increasing housing supply in area. Agreed downsizing policy to release supply of larger properties	3	3	9		Improved working with main housing provider to identify trends/specific cases across borough to jointly agree approach to preventing homelessness using housing provider mechanisms, DHP payments and homeless prevention funding where needed. Development of council owned/leased temporary accommodation portfolio - including delivery of the Local Authority Housing Fund £1.6m funding received.		Improving housing options for local people, whilst protecting our outdoor areas of importance - use every power we can to support those who are most in need of housing support and at risk of becoming homeless
11	Political factors - National, Kent-wide (including KCC) and Local, including relative levels of stability of political leadership and potential impact on decision making including Local Government Reorganisation	Decisions required to achieve objectives including corporate strategy, Local Government Reorganisation, and Major initiatives set out in the Annual Service Delivery Plan, many of which require collaboration and support from other Councils	F, R	Chief Executive	May-23	Dec-25	4	3	12		Close working at Leader and Chief Executive level across Kent and across West Kent. Seek to build constructive relationships with new administration in Kent and new Leaders in other boroughs and districts Continue to promote cross-party working arrangements including Group Leaders and Member working Groups and positive arrangements between Cabinet and Scrutiny Committees.	3	3	9		Member briefings and briefings at relevant Scrutiny Committees on major issues Seek a strategic partner across the whole of Kent to underpin a collaborative approach		Underpins delivery of corporate strategy, Annual Service Delivery Plan, and Medium Term Financial Strategy.
12	Failure to deliver a managed exit from Agile and transition back to Uniform System	Service implications from staffing and data transfer	F, R	Director of Planning, Housing and Environmental Health	Mar-25	Dec-25	4	4	16		Post-implementation review being carried out by internal Audit - live lessons learned being implemented PID signed with IDOX, which includes establishing technical requirements for return of data from Agile system	2	3	6		Continued monitoring by implementation staff. Clear project plan with achievable milestones		Digital Strategy

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13	Carbon Neutral 2030 Aspiration	Significant reputational risk, particularly if other similar councils have achieved similar goals or targets. Financial implications of 'Green' solutions to achieve climate change goals.	F, R, S	Chief Executive	Sep-23	Dec-25	4	4	16		Development of climate evidence, partnerships and pathway analysis to support move towards transformative and larger-scale emissions reductions Increased contributions to projects that enable carbon reductions Grant Awards for major carbon reduction projects. Climate Change Officer post now permanent to maintain continuity and momentum on climate change initiatives.	4	3	12		Continued oversight and commitment by Officer and Members to allow ambitious plans to go beyond business as usual. Climate Change Action Plan monitored and endorsed by Members annually. Securing additional external funding for major schemes to reduce carbon emissions.		Climate Change Strategy 2020 - 2030, Corporate Strategy 2023 - 2025
14	Contract/Contractor Procurement	Failure adhere to procurement regulations leading to appoint inexperienced contractors leading to poor quality of service, reputational damage and increased costs to the Council.	F, R	Director of Street Scene, Leisure & Technical Services on behalf of Management Team	Feb-24	Dec-25	2	3	6		Use of TMT Procurement Partnership Procurement OSG with Service Representatives ensure full coverage Contracts awarded on an evaluation of 'most economically advantageous' and 'best value' and not solely on financial benefit. Use of specialist advisors on major contracts. Use of contract frameworks where appropriate. Risk assessment approach to appointment of contractors.	1	3	3		Corporate Procurement Strategy adopted and updated Corporate Training progressing for staff and Members		Procurement Strategy
15	Local Government Reorganisation in Kent leading to the end of TMBC in March 2028.	Uncertainty on the future of the Borough Council could lead to operational shortfall due to diversion or departure of staff. New Unitary Council being burdened with historic County Debt Maintaining core Current Council services during the transition and delivery of Council Priorities and Annual Service Plan Current Council priorities & projects undermined by future spending constraints	F, R	Chief Executive	Feb-25	Dec-25	4	5	20		Close working at Leader and Chief Executive level. Increased close working at Director level Shared Strategic Partner to date to support a more joined up and collaborative approach Regular briefings for Members and Staff	4	4	16		Procure a new strategic partner for all Councils in Kent for the work up until Vesting Day in April 2028 Ensure that there are effective project and programme management arrangements in place Continue to ensure Members and Staff are fully engaged Set aside sufficient funding to support the implementation process		All Strategies
16	Government Intervention within Planning Service due to performance	Due to missing 10% target for Major applications being overturned on appeal.	F, R	Director of Planning, Housing and Environmental Health	Oct-25	Dec-25	3	4	12		Keeping an up-to-date track on Appeals using the Government approved tracking sheet. Regular review of Appeal Performance. Ensuring quality control on data which is supported by Agile/Uniform and Updating Members on Appeal performance.	2	4	8		Raise awareness to Members through regular reporting/training on potential impacts from overturns and the wider picture Raising officer awareness of impacts on non-determined application on performance		Priority in the Corporate Strategy of "Efficient services for all our residents, maintaining an effective council"

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Ongoing Risks and Risks Identified by Service Management Teams and Management Team

		Risk Identified	Background	New or ongoing	Reason for removal / ongoing
Executive Services	Page 483	Homes For Ukraine Scheme	Ongoing home assessments and support for Ukrainians hosted under the Homes for Ukraine Scheme. There is a risk of homelessness and duty to place in TA, therefore work needs to be undertaken by the Resettlement Worker to support with sustainable living arrangements.	Ongoing.	Conflict in Ukraine continues and new arrivals into the borough are ongoing. HFU visas are for 3 years and there is now an option to apply for an 18 month Ukraine Permission Extension once the HFU visa expires. All new hosts/houses must be checked and welfare visits undertaken. Rematches via the HFU scheme are unsustainable in the longer term and work needs to be undertaken to support families into PRS or rent a room agreements.
		Successful delivery of the UK Shared Prosperity Fund Programme (inc. Rural England Prosperity Fund)	Having had our initial three-year T&M Investment Plan approved by MHCLG in 2022, implementation of projects required for period up to March 2025). A one-year extension (to March 2026) was awarded in late 2024.	Ongoing.	The 2022-25 UKSPF Programme was ultimately 100% by the end of the financial year and approval for the 2025-26 programme was secured in March 2025. As we get close to the end of Q1, the 2025-26 programme is currently around 15% spent, with all projects progressing as expected.
		Corporate Insurance	Increases and changes to premiums for 2024/25 and 2025/26 insured year	Ongoing	The Councils Insurers have made changes to the charges included within the premiums. Therefore changes will be required to capital and revenue project evaluations to include insurance assessment.
		Payroll	Key information being supplied to Payroll in a timely manner, causing risk of staff and members not being paid.	Ongoing.	Information to be included in the pay run must be received no later than three working days into the month. Delays in these submissions jeopardised the payment to all staff requiring addition unsocial hours to be worked by the payroll team.
		Loss of Key Personnel	With the loss of the Director Finance and Transformation, irrespective of the appointment of the Head of Finance (Section 151 Officer) there will be a need for interim resources at Section 151 and Deputy Section 151 levels	Remove Jan 2026	Report to go onto Council 8th July 2025.
		Fair Funding	Proposals to Central Government funding to Local Authorities underway - expectation that funds could be diverted to deprived areas	Remove Jan 2026	Consultation response to be shared with members.
		Council Tax Administration	Proposals from Government on changes to collection methods and exemptions to be granted. Likely impact on the cashflow for the council.	Ongoing.	Consultation response to be shared with members.
		Supported Accommodation	The Supported Housing (Regulatory Oversight) Act 2023 came in to force August 2023. Assessment of the act has been ongoing and a consultation on how the act will regulated in practice. The practice is likely to involve a Licensing duty for the responsibility of the Council. Further implications could effect Housing Benefit payments to Landlord where care levels are considered to be unsuitable for the tenant.	Ongoing	Consultation released by central government now being considered.

Ongoing Risks and Risks Identified by Service Management Teams and Management Team

		Risk Identified	Background	New or ongoing	Reason for removal / ongoing
Central Services		Gibson Building - unable to deliver financial saving which has been assumed within MTFS	Cabinet agreed in Sept 2022 that the main offices of the Council should remain located at Kings Hill. On 3 June 2025 Cabinet resolved that the freehold option to dispose of Gibson West be progressed.	Updated	Need to keep under review to ensure that changes in office accommodation deliver value for money and deliver identified savings. Deal agreed with KCC in respect of covenants. Risk of capital cost for works to Gibson East exceeding previously agreed budget.
		Freedom of Information/ EIR/ Subject Access Requests	No dedicated resource to oversee management of FOI, EIR & SAR request compliance. Response rates within statutory deadlines for FOI & EIR are typically between 75-80%, which fall below the ICO's recommended performance target (min of 90% responded to within statutory deadlines).	Ongoing	Number of requests continue to rise, particularly the number of requests made under the Data Protection Act 2018. This creates additional capacity issues for services across the Council, particularly those who receive a large number of requests. Requests for advice from services also continue to rise, as requests for information become more complex. Report on FOI/ EIR/ SAR performance submitted to O&S Committee on 11 Sept 2025 - Committee supported a review of resources for delivery of information requests.
		IT Security (formerly COCO Compliance)	Review of IT Infrastructure identified several areas of weakness for IT standards compliance	Ongoing	Number of risks removed, expected that remaining risks, once removed, will allow full compliance.
		Cyber Security	Request for 24hr monitoring now being considered as part of SIRO annual report	Ongoing	
		IT Resources	Resource capacity for both Development and Technical Staff	Ongoing	The current demands on IT Staff are placing increased pressures on the resource capacity given competing demands of corporate systems being reviewed and implemented, namely the move from Agile to IDOX.
		Street Naming and Numbering	Resourcing within Team	Ongoing	This remains a risk due to the reversion from Agile to IDOX
		GDPR Compliance findings	Redacted information being stored with unredacted information	Ongoing	Requires testing once new IDOX system is available.
		Back Scanning	Scanning now complete, hand over to Information at Work systems and service recognition.	Ongoing	Services all have access to digitised documents held in NEC's interim cloud storage. Pending transfer to TMBC corporate document management system. Will be removed a risk once migration complete.

Ongoing Risks and Risks Identified by Service Management Teams and Management Team

Planning, Housing and Environmental Health	Risk Identified	Background	New or ongoing	Reason for removal / ongoing
	Temporary Accommodation (TA)	TA consultancy review undertaken Dec 2021, actions implemented in 2022. Cost of living crisis and DA legislation implementation are impacting on maintaining TA levels within the agreed range.	Ongoing	TA costs remain high, as does level of need. Project underway to look at sustainable TA portfolio approach to help manage unit costs for TA. This is alongside ongoing work/training in service to support demand.
	Temporary Accommodation (TA)	Personal injury claims	Ongoing	Updated inspection regime being developed by officers.
	Food & Safety	Increased risk of food complaints/poisoning. Additional resources to manage backlog of inspections.	Ongoing	During the Covid-19 crisis the ceasing/reduction in the food hygiene inspection regime may result in food safety issues. There will also be a backlog of food safety inspections due to restrictions on visiting/businesses closed. Agreed catch up programme in place utilising COMF funding.
	Increased number of planning appeals/inquiries	Application determination timescales not being met, more speculative development, creates reputational risks and increases likelihood of appeals.	Ongoing	Volume and complexity of applications coming forward in parallel with local plan progression and given current uncertainties in timescales for adoption. MT agreed agency planning funding for short term. Head of Planning conducting service review summer 2022
	Staffing challenges in Planning services	Ongoing recruitment and retention difficulties in the sector and in T&M specifically. Several recruitment campaigns carried out.	Ongoing.	MT agreed that development of a Workforce Strategy will include recruitment and retention. Part 2 report to GP in July 2023 to look at immediate pressures. This will likely be followed by a new recruitment campaign and therefore this risk remains.
	Windmill Lane Gypsy Site	KCC have requested return of management of this site (which is already owned by TMBC) to TMBC on 31 March 2024. This is part of a programme of returns to districts of their owned G&T sites. Initial discussions about management issues and costs have been undertaken.	Ongoing	The return requires Member approval, proposing that this happens via Cabinet in Jan 2024. There are a mixture of Property and Housing risks relating to this potential transfer. Officers are awaiting detailed information from KCC on maintenance costs, the detailed works schedule for grant funded improvements that are scheduled to complete before end of financial year and rent roll. TMBC will require a management arrangement for the site, which is being explored with neighbouring authorities as well as external providers. There will also be a requirement for the Council to have a G&T Allocation Scheme. Risk that the approach to management of this site is not fully in place before the proposed transfer, which could cause liability issues. Also need to consider specific equalities considerations for this group of residents.
	Local Plan	Reg 18 carried out in Autumn 2022. Changes to NPPF and proposed changes to system via LURB published December 2022. Assessing options for delivery of a Local Plan.	Ongoing	Members to make a decision on a revised Local Development Scheme in Summer 2023. This is subject to a number of challenges including ongoing delays in Govt announcements on national planning policy. The Council has decided to continue progressing the Local Plan under the current legislative and National Planning Policy Framework. It will be critical that the new plan is prepared in compliance with the regulatory framework and relies on a robust evidence base that meets the requirement of the NPPF so that the plan can be found to be sound at the examination stage. Timing is of the essence as the Local Plan will need to be submitted to the Planning Inspectorate by 30th June 2025. The Council has recently engaged Trowers and Hamlins Law Firm to advise and support the Planning Policy Team up until adoption stage.

Ongoing Risks and Risks Identified by Service Management Teams and Management Team

Street Scene, Leisure and Technical Services	Risk Identified	Background	New or ongoing	Reason for removal / ongoing
	Phone Signal	CEOs having difficulty enforcing parking in Tonbridge and customers having issues accessing Ringo due to deterioration in mobile phone signal.	Ongoing	Multi-network sim cards issues to CEO's and liaison taking place with service providers. Contactless card payments currently being reviewed.
	Garden Waste invoices	Delay in invoices being issued to subscribers wanting to renew due to IT issues.	Ongoing	Financial Services reviewing use of recurring payments.
	Utilities costs	Significant energy price increases at leisure centres is resulting in financial cost to the Council under the risk sharing agreement in the Management Agreement with the Trust.	Ongoing	Trust providing regular updates via Strategic/Service Fee meetings - cost of swim charges increased to help contribute to additional cost, energy saving initiatives being investigated and implemented and central government being lobbied. Government grants applied for successfully to reduce utility costs e.g. solar panels and air source heat pumps.
	CEO Recruitment	Difficulties in recruiting into CEO posts resulting in reduced patrolling and income generation.	Ongoing.	Vacancies needing to be advertised on an ongoing basis. Four posts are currently not filled.
	KRF Review	The KRF have undertaken a review and plan to make adjustments to how the forum operates.	Ongoing.	Risks associated with increased responsibility being undertaken by LA's . Many Kent Chief Executives are recruiting dedicated full-time resource to enable work to be developed and maintained. This appears to be requiring LA's to delivery work areas that were historically delivered through the KRF and KRT.
	Business Continuity & Emergency Planning	The current structure of the LRF and legislation has been added to. The Kent Resilience Forum has undergone review with significant changes to how the Kent Resilience Team will provide support and guidance to Local Authorities. The UK Government has also recently published a new 'UK Government Resilience Framework'. Further guidance is expected but the theme is around increasing locally led resilience and planning at the LA level. Additional recommendations have now been published in relation to the Grenfell Tower Enquiry. These are likely to be included with the review of the CCA.	Ongoing	Need to track new guidance and review how we contribute and participate in the Kent Resilience Forum. We also need to be able to ensure that we maintain a fit-for-purpose organisation to enable suitable response.

Agenda Item 14

- Recommendations are 'to follow' and will be circulated in advance of the meeting.

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Housing and Planning Scrutiny Select Committee

03 February 2026

Part 1 - Public

Matters for Cabinet - Non-key Decision



Cabinet Member	Cllr Mike Taylor – Cabinet Member for Planning
Responsible Officer	Eleanor Hoyle - Director of Planning, Housing and Regulatory Services
Report Author	Kelly Sharp – Planning Policy Manager

National Planning Policy Framework: proposed reforms and other changes to the planning system

1 Summary and Purpose of Report

- 1.1 Members will be aware that the Government has committed to the fundamental reform of the plan-making system with the legislative framework introduced through the Levelling Up and Regeneration Act (LURA) 2023. As part of these reforms the Government has published a consultation that is seeking views on a revised version of the National Planning Policy Framework (NPPF) and a set of related planning system reforms. The Government is also seeking views on data centres and on-site energy generation, standardised inputs in viability assessments and reforming site thresholds.
- 1.2 The consultation comprises 225 questions and the consultation runs from 16th December 2025 to 11.45pm on 10th March 2026. The Government have confirmed that they will respond to the consultation once the consultation has concluded and will publish an update once the analysis of responses is completed, which is anticipated to be Summer 2026.
- 1.3 Officers from both the Planning Policy and Development Management teams have drafted a response to the consultation, which is presented in **Annex 1**.

2 Corporate Strategy Priority Area

- 2.1 The report will contribute to the following corporate priorities:
 - Efficient services for all our residents, maintaining an effective council.
 - Sustaining a borough which cares for the environment.

- Improving housing options for local people whilst protecting our outdoor areas of importance.
- Investing in our local economy.

2.2 The NPPF sets out the Government's planning policies for England and how these should be applied. The NPPF must be taken into account in preparing the development plan and is a material consideration in planning decisions. Once a new NPPF is published, it will be relevant to Local Plans submitted after 31st December 2026. However, for decision-making purposes, a new NPPF will take effect as soon as it is published.

3 Recommendations

3.1 Housing and Planning Scrutiny Select Committee is asked to:

- NOTE the contents of this report;
- APPROVE the Tonbridge and Malling response to the Government's National Planning Policy Framework: proposed reforms and other changes to the planning system.
- APPROVE delegated authority for the Director of Planning, Housing and Regulatory Services to make any necessary minor changes to the Tonbridge and Malling response to the National Planning Policy Framework: proposed reforms and other changes to the planning system consultation prior to submitting the response in consultation with the Leader of the Council and the Cabinet Member for Planning.

4 Consultation overview

4.1 The Government published its consultation on National Planning Policy Framework: proposed reforms and other changes to the planning system on 16th December 2025. The Government is also seeking views on data centres and on-site energy generation, standardised inputs in viability assessments and reforming site thresholds. The consultation closes at 11.45pm on 10th March 2026. The consultation consists of a consultation document and draft NPPF text for consultation.

4.2 Following the publication of a new NPPF in December 2024, the revisions proposed as part of this consultation seek to progress significant structural improvements to the Framework, introducing a clear set of separate policies for both plan-making and decision-making. The aim is to achieve three objectives

- To ensure that national policy is accessible and understandable for everyone who uses it;

- Establish a comprehensive suite of national policies on general planning matters which will apply across the country; and
- Make the policy which it contains more 'rules-based' and certain.

4.3 In addition to the NPPF structural changes, the Government are proposing several substantive reforms 'to unlock more homes in the right places, and further support commercial development needed to drive growth'. The government are also proposing some important changes to policies on planning procedures to support the introduction of the new plan-making system provided for in the Levelling Up and Regeneration Act 2023 as well as revisions to policies for decision-making to reinforce the importance of taking a positive, proportionate and timely approach to dealing with applications.

4.4 The consultation document is 123 pages long. The document is split into chapters that generally align to the chapters provided in the draft NPPF, setting out the scope of each chapter and the changes proposed. Questions are asked throughout the consultation document on the changes set out in the Draft NPPF. The format of the questions is generally set with an option to either '*strongly agree, partly agree, neither agree or disagree, partly disagree, strongly disagree*'. In more cases than not there is then a question to provide your reasons, particularly if you disagree. The link to the consultation including the Consultation document, the Draft NPPF and questions is provided under background papers but can also be accessed here: <https://www.gov.uk/government/consultations/national-planning-policy-framework-proposed-reforms-and-other-changes-to-the-planning-system>. Members are requested to note these documents and read them. However, a brief summary of the main headlines of what is being proposed is provided below.

National Development Management Policies

4.5 The Government have considered the powers provided by the Levelling Up and Regeneration Act 2023 to provide powers for the Secretary of State to introduce 'National Development Management Policies' on a statutory basis. The Government have concluded that the core aims of statutory National Development Management Policies (NDMPs) can be secured within the current legal framework by separating plan-making and decision-making policies, making it explicit that decision-making policies should not be repeated in development plans and providing that where there is inconsistency between the NPPF and local policies, that local policies are immediately given very limited weight. Whilst the decision to introduce statutory national policies will be kept under review, the Government is not currently looking to progress NDMPs, therefore national policy changes are proposed to be taken forward through the NPPF.

A restructured NPPF

- 4.6 The Draft NPPF provides a revised structure with numbered policies for plan-making and decision-making and separating out the policies relating to each, with the latter forming a set of national decision-making policies. The purpose is to improve clarity, usability and consistency as well as to ensure that every part of each policy can be referred to clearly. Additional Annexes are also proposed relating to: information requirements; housing calculations and supply; Green Belt assessments and managing flood risk and coastal change including additional flood zone and flood risk vulnerability tables. Views are being sought on the new structure and the inclusion of the Annexes.

Plan-making Policies

- 4.7 On the back of the Planning and Infrastructure Act (December 2025), the Draft NPPF in chapter 2 gives effect to Strategic Planning Authorities, which are required to prepare a Spatial Development Strategy (SDS). Policy PM1 sets out the role and purpose of SDSs and PM14 sets out four tests for SDSs, which must be positive, appropriate, effective, and consistent with national policy. Policy PM2 sets out the role and purpose of Local Plans. Other policies set out the role and purpose of Minerals Plans, Supplementary Plans and Neighbourhood Plans. Chapter 2 also provides Policies for Plan-preparation which will be relevant to the new plan-making system. This includes the use of more standardised evidence. *It is worth noting that the Local Plan currently being prepared would continue to align with the current December 2024 NPPF.* This chapter will therefore apply to Plans being prepared that will be submitted after 31st December 2026.
- 4.8 In summary, chapter 2 by way of its structure and content emphasises the firm line between plan-making and decision-making. The main implications are that Local Plans being prepared under the new planning system must be distinctly prepared under the new policy format and separate to development management considerations. The other main implication is that SDSs may override or reshape traditional local plan geographies with the sub-regional strategic tier influencing housing distribution, employment land and infrastructure planning.

Implementation and transition

- 4.9 For decision-making, it is proposed for the NPPF to be a material consideration from the day it is published. For plan-making, the new NPPF will apply to new style local plans that will be produced through the 'new system' under the Planning and Infrastructure Act, that is being progressed currently.
- 4.10 The consultation notes that inconsistencies with development plans will fall away over time as new development plans are adopted that do not duplicate, replicate or modify NPPF policies.

- 4.11 For decision-making, due weight should be given to development plan policies in relation to their consistency with the Framework. Where these are inconsistent little weight should be afforded, except where a Plan has been examined against the new Framework.

Expanded presumption in favour of sustainable development

- 4.12 On page 15 – 17 of the consultation document the twelve key policy changes / reforms are summarised. Of note is the ‘expanded’ presumption in favour of sustainable development where through National Development Management Policies S4 and S5 the presumption becomes a more proactive mechanism for accelerating housing delivery in sustainable locations and locations with a transport link and in under performing authorities.
- 4.13 In summary Policy S4 applies the ‘presumption’ to all proposals within settlements, unless harms substantially outweigh the benefits and Policy S5 applies the presumption in new situations including areas lacking a five-year housing land supply, areas failing Housing Delivery Test thresholds and a new category, sites within a reasonable walking distance of train stations, even in the Green Belt, if ‘Golden Rules’ are met. Developments not falling within S5 categories should be refused by default, unless exceptional circumstances apply. The approach is therefore a major structural shift creating a two tier decision making system, which no longer targets just ‘out of date’ plans but should it be an adopted approach, it will apply to more situations, which will make an up-to-date Local Plan and a five year housing land supply important elements to avoid being overridden by national policy.

Green Belt

- 4.14 The proposed changes in the NPPF have a number of planning implications for the Green Belt. Whilst the Draft NPPF does not remove Green Belt protections it does introduce greater flexibility and therefore a requirement for pragmatic and strategic decision in relation to ‘Grey Belt’. This Draft NPPF includes:
- The selective expansion of development opportunities within the Green Belt (as mentioned under the ‘presumption’ section above, where Grey Belt sites will play a greater role in supporting growth, with a focus on sustainable locations and transport connected sites;
 - The introduction and reinforcement of the ‘Grey Belt’ concept where the differentiation between high-performing Green Belt, which should continue to be protected and lower performing areas, where development may be appropriate;
 - The removal of footnote 7 to reduce legal ambiguity. Footnote 7 previously required decision makers to consider whether certain NPPF policies protecting areas or assets of particular importance provided a ‘strong

reason' for refusing or restricting development. The impetus will now be on a more evidence based approach;

- Under the Golden rules there is now scope for site specific viability assessments in limited circumstances.
- A stronger role for evidence-based Green Belt reviews making them a mainstream evidence expectation for Local Plans and a push for Green Belt policy to be integrated more clearly into spatial strategies;
- The potential for Green Belt decisions may shift to a wider-than-local level with the introduction of SDSs.

Other changes proposed

4.15 It is not possible in this report to detail each change proposed in the Draft NPPF, however other key areas of the consultation include:

- The provision of 'substantial weight' throughout the NPPF to tell decision-makers how to weigh matters;
- There is a push on plan-makers to find locations for 'large scale development', such as new settlements, new urban quarters or significant extensions to existing settlements';
- Measures to support SME developers, where a new medium development category is introduced for 10-49 homes on sites up to 2.5 hectares;
- A push to increase the density of developments with minimum densities set of at least 40 dwellings per hectare within walking distance of a train station / 50 dph if the station is defined to be well-connected;
- Changes to protected sites and landscapes, where the impact of Part 3 of the Planning and Infrastructure Act 2025 is reflected in Policy N6, where Environmental Delivery Plans and payments into the nature restoration levy are addressed as alternatives to appropriate assessment in relation to the protection of Habitats sites;
- The NPPF also removes the term / concept of 'valued landscapes';
- There is a change to the approach to heritage assets where the question of harm is proposed to be split into three categories (harm, substantial harm and total loss), alongside a new definition of 'substantial harm', which is 'where the development proposal would seriously affect a key element of the asset's significance';

- Draft Policy DM5 on development viability, seeks to reduce cases of site-specific viability assessments and an Annex is proposed to be added into the NPPF that will set standardised viability assessment inputs;
- Policy DM7 clarifies how other regulatory regimes, such as Building Regulations and those relating to water quality should interact where it should be assumed that Regulatory systems operate effectively;
- Policy PM13 clarifies that quantitative standards should be limited to certain areas and should not cover matters already addressed by Building Regulations.

Tonbridge and Malling Consultation response and next steps

- 4.16 Officers from the Planning Policy and Development Management teams have drafted a response to the Government's consultation. The Draft response is provided at **Annex 1**. Once approved the response will be submitted via the Government's online consultation platform by the closing date.

5 Other Options

- 5.1 The Council is currently progressing a Local Plan, which if approved by Members and submitted by 31st December 2026 will be examined under the December 2024 NPPF. An alternative option does exist, in that the Council could progress a Local Plan under a new Planning system and in accordance with a new NPPF once this is published later this year. However, the risk here is intervention, which will seek to progress plan-making in any case. If the Council progresses a plan, rather than intervention, then the Council will have full control of the plan-making process meeting current national policy requirements and delivering a local plan that meets the Council's Corporate Objectives and aspirations for the future of the borough.
- 5.2 The Government have provided guidance in relation to progressing a plan under the current 'legacy' plan-making system and the 'new plan-making system'. It is clear in this guidance that you are not able to carry out a Regulation 18 statutory consultation under the existing system and move directly to publishing a Gateway 1 self-assessment under the new system. The process must be followed for whichever system you are progressing a Local Plan under. Further details of this can be found here: <https://www.gov.uk/government/collections/create-or-update-a-local-plan-using-the-new-system>

6 Financial and Value for Money Considerations

- 6.1 There are financial and value for money considerations associated with the new NPPF in that, whilst the current NPPF will apply to progressing a Local Plan for submission in December 2026, it will be important to ensure that as far as possible that the Plan is future proofed so that its policies carry weight against the backdrop of a new NPPF. Whilst we have not yet had the space to understand

this in full, it may mean that we need to consider certain planning elements slightly differently to that which we have already. Some aspects may require changes to the work programme of the planning policy team and the preparation of the Local Plan. Therefore, financial implications are associated with staffing resources and ensuring that our evidence will be robust in relation to the current NPPF and will remain robust with the introduction of a new NPPF, alongside our emerging Local Plan policies. The Local Plan budget was agreed by Cabinet in March 2025. We will be considering the Local Plan budget shortly in relation to spend on the Local Plan against the previous estimated budget and to consider the budget in relation to moving towards Regulation 19, submission and examination.

- 6.2 The Government has announced funding to support ‘legacy plans and ‘new plans’ to help Council’s meet the Governments December 2026 deadline for submission. The funding is to support plan production where certain criteria is met. The Council has applied for this funding which is estimated to be in the region of £35k. Successful Local Authorities will hear as to whether this has been awarded by 6th March 2026 with payments made by 28th March 2026.

7 Risk Assessment

- 7.1 The preparation of the new local plan will provide the council with an up-to-date Local Plan on adoption. This will alleviate the current risks associated with not having an up-to-date development plan in place. There is a requirement to meet current National Planning Policy in delivering a new Local Plan and this will be tested at examination. The Government have been clear that it is unacceptable for LPAs to not make a local plan and the intervention criteria has been updated. The Government are also clear that plans should continue to be progressed under the existing planning system without delay and have provided transitional arrangements to achieve this where all plans will need to be submitted no later than 31st December 2026.
- 7.2 The main risk of progressing a Local Plan under the current NPPF is that once adopted certain policies in the Plan may have limited to no weight, where these are superseded by a new NPPF. This could affect appeals where developers may argue that the plan is out of date or conflicts with a new NPPF. To reduce the risk, whilst noting the current Local Plan timetable versus the likely publication of a new NPPF it will be important as far as possible to align the emerging Local Plan with an emerging new NPPF. The areas of plan-making that this will likely be most relevant to is Green Belt, transport, densities, the presumption in favour of sustainable development and National Development Management Policies.
- 7.3 The Risk assessment has been updated and is provided at **Annex 2**.

8 Legal Implications

- 8.1 Local Planning Authorities are required to prepare and keep an up-to-date development plan for their area. The Planning and Compulsory Purchase 2004

(as amended) and the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) set out the requirements and the statutory process for the preparation of a Local Plan.

9 Consultation and Communications

- 9.1 Local Plan consultation will be delivered in accordance with the Council's adopted Statement of Community Involvement (SCI) and also the Local Plan Engagement Strategy.

10 Implementation

- 10.1 The Local Plan is on-going work and will be implemented in accordance with the Council's Local Development Scheme once adopted.

11 Cross Cutting Issues

11.1 Climate Change and Biodiversity

- 11.1.1 Limited or low impact on emissions and environment.

- 11.1.2 Climate change advice has not been sought in the preparation of the options and recommendations in this report.

- 11.1.3 This report considers the Government's consultation and whilst the NPPF addresses climate change matters, this report itself will not impact climate change matters. The Local Plan will embed climate change into its policies which will be considered at a later stage.

11.2 Equalities and Diversity

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

11.3 Other If Relevant

- None

Background Papers	NPPF Consultation papers National Planning Policy Framework: proposed reforms and other changes to the planning system - GOV.UK Create or update a local plan using the new system Guidance https://www.gov.uk/government/collections/create-or-update-a-local-plan-using-the-new-system

Annexes	Annex 1: TMBC Consultation response Annex 2: Risk assessment

Tonbridge and Malling Borough Council response to the 'Proposed reforms and other changes to the planning system' Published December 2025

Chapter 2 Consultation Introduction

1) Do you have any views on how statutory National Development Management Policies could be introduced in the most effective manner, should a future decision be made to progress these?

On page 9 of the NPPF consultation document, it is explained that MHCLG has decided to not commence powers at this stage to progress National Development Management Policies (NDMPs), as per reasons set out on page 11.

In relation to, how NDMPs could be rolled out in the future, then an approach could be to roll out NDMPs for less contentious policy areas, such as heritage or where it would be helpful to have a clear national policy approach, such as addressing climate change and design, before considering other more contentious matters such as housing. A phased approach, testing, piloting and learning is suggested should the Government progress forward with National Development Management Policies. A full consultation on any NDMPs must take place before they are statutorily made, alongside technical workshops with relevant stakeholders as relevant.

2) Do you agree with the new format and structure of the draft Framework which comprises separate plan-making policies and national decision-making policies?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

The 'using the Framework' section of the draft NPPF sets out clearly how the proposed format and structure should work and having reviewed the draft NPPF it is considered that separating plan-making policies from national decision-making policies will improve usability and transparency, making it easier to navigate the Framework and identify which aspects apply to which planning function. This separation will also ensure greater consistency in decision-making, particularly where local plans are out of date, and may also reduce duplication across policy layers. However, without getting into too much detail, there are areas that overlap, for example, NDMP Policy CC2 (1a) talks to 'development proposals being located where a genuine choice of sustainable transport modes exist'. This would also be relevant to development plans, yet this is not explicitly set out under the 'Plan Making Policies' section. Therefore, further thought and clarity is needed to ensure that overlapping policies are clear and also how these can be managed in practice including ensuring that expectations and associated outputs are managed between plan-making and decision making. Both plan-making and decision making needs to work together to a degree. An option could be to identify some 'cross cutting policies' although it is noted that this may move away from the premise of National Decision Making Policies. Overall, the role of plan-making provides communities and stakeholders certainty, therefore the role of local plans to shape development and ensure that local and strategic priorities can be met should remain clear rather than be diluted through splitting matters between plan-making policies and national decision-making policies.

3) Do you agree with the proposed set of annexes to be incorporated into the draft Framework?

Partly agree

a) Please provide your reasons, particularly if you disagree.

The draft NPPF provides Annexes including Annexe A Implementation, Annexe B a Glossary, Annex C: Information requirements, Annex D Housing calculations and supply, Annex E Green belt assessments and Annex F Managing Flood Risk and Coastal Change. We agree that Annexe A, B and F should remain, as this is within the current NPPF and works well. In relation to Annex C, D and E if this information is within the PPG does it need to be repeated in the NPPF? This is especially the case given that the PPG can be updated more frequently as required.

4) Do you agree with incorporating Planning Policy for Traveller Sites within the draft Framework?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We agree that it is helpful to incorporate planning policy for traveller sites within the Framework as this will aid decision making, provide clarity and consistency.

Chapter 1 - Introduction

5) Do you agree with the proposed approach to simplifying the terminology in the Framework where weight is intended to be applied?

Strongly agree

a) Please provide your reasons, particularly if you disagree

Identifying where substantial weight should be applied is useful as this tells users where those elements that are of most importance in plan making / decision making.

Chapter 2 – Plan-making policies

6) Do you agree with the role, purpose and content of spatial development strategies set out in policy PM1?

Partly agree

a) Please provide your reasons, particularly if you disagree.

The strategic role of spatial strategies is welcomed, especially where unmet need and other strategic cross boundary matters such as infrastructure provision can be strategically planned. It would be helpful to define the level of growth that would be considered as a 'broad location' and 'major urban extensions' and 'major cross boundary development' and the difference between these and any 'large site allocation'. Further clarification is required in relation to how spatial strategies and Local Plans will work together.

7) Do you agree that alterations should be made to spatial development strategies at least every 5 years to reflect any changes to housing requirements for the local planning authorities in the strategy area?

Partly agree

- a) If not, do you think there should be a different approach, for example, that alterations should only be made to spatial development strategies every five years where there are significant changes to housing need in the strategy area?**

While a five-year cycle provides helpful regularity, it is important that alterations are driven by clear, nationally-defined thresholds to determine when updates are genuinely necessary. These thresholds could include changes in Housing Delivery Test performance, five-year supply calculations, significant shifts in standard method outputs, or cross-boundary factors such as migration trends or strategic infrastructure investment.

In addition, updates should also be triggered where there are material changes in environmental evidence, including climate-related risks and Local Nature Recovery Strategy priorities. A proportionate, criteria-based approach would avoid unnecessary full alterations while ensuring spatial strategies remain responsive to meaningful changes in need and context.

8) If spatial development strategies are not altered every five years, should related policy on the requirements used in five year housing land supply and housing delivery test policies, set out in Annex D of the draft Framework, be updated to allow housing requirement figures from spatial development strategies to continue to be applied after 5 years, so long as there has not been a significant change in that area's local housing need?

Strongly agree.

- a) Please provide your reasons, particularly if you disagree.**

Allowing SDS housing requirement figures to continue to be applied beyond five years, where there has not been a significant change in local housing need, will limit speculative appeals while plans are being updated. This will provide stability and ensure that both strategic and local plans continue to carry meaningful weight, offering greater certainty for communities and reducing the risk of speculative development.

Maintaining the applicability of SDS requirements beyond five years also supports consistent plan-making across the wider geography, aligns with long-term strategic infrastructure planning, and avoids unnecessary volatility in land supply calculations. This approach also reflects the need for proportionality in updating evidence and helps to manage resource pressures for authorities preparing SDSs across multiple local planning areas.

9) Do you agree with the role, purpose and content of local plans set out in policy PM2?

Partly agree

- a) Please provide your reasons, particularly if you disagree.**

Overall, while the intent behind PM2 is positive to create clearer, faster, and more accessible local plans, there are also a number of concerns and further considerations and therefore refinement required to enable this to be deliverable in practice.

We support the policy in the sense that there is a strengthened emphasis on a positive vision, spatial strategy and clear outcomes and a more consistent plan-making system that is genuinely plan-led. Streamlining plan-making is also welcomed, with a focus on digital tools and engagement, which will provide consistency between different plan-making

authorities / areas. Digital planning will allow Plans to be better navigated with opportunities to improve engagement.

However, whilst a desirable suggestion, the proposed timeline of 30 months for plan making is unrealistic in terms of the complexity of plan-making even in a simplified form with a two-tier system. This includes embedding huge reforms in the planning system, how a new NPPF may work in practice, local government reorganisation, evolving evidence requirements and the time it takes to procure and progress work as well as embed data standardisation. In addition to this, as experienced across the country currently, local plan teams lack the resources needed to meet current timescales, let alone a 30-month timeframe. There are both recruitment and retention issues, which provide risks in meeting already challenging timescales. This therefore could affect the deliverability of PM2, particularly in relation to evidence gathering, community engagement, design policy integration and infrastructure planning. It is worth noting that local policies will also require proportionate evidence and to run to meaningful engagement, otherwise this could result in a risk where local policies and under evidenced or could be considered at examination overly generic.

In relation to setting out other policies, further consideration and potentially national guidance is needed to provide greater clarity on national vs local policies. This would reduce uncertainty over which matters must remain localised, will reduce duplication and / or gaps in policy. Until national policy has stabilised, it will not be possible to understand plan content or whether timeframes for plan-making can be met.

There may also be a risk that aspirations may not align with local realities

While PM2 requires a “positive vision” and “measurable outcomes”, aspirations must be credible and grounded in what LPAs can genuinely influence. Given ongoing changes in NPPF content, local housing need methodologies, and the increasing complexity of evidence requirements, there is a risk that PM2 creates expectations that exceed what can be realistically delivered within each plan cycle and that aspirations may not align with local realities.

10) Do you think that local plans should cover a period of at least 15 years from the point of adoption of the plan? Yes/No

Yes

a) If not, do you think they should cover a period of at least 10 years, or a different period of time. Please explain why.

The principle of a minimum 15-year plan period is supported on the grounds that it allows Council's to plan proactively for housing, infrastructure and economic needs over an appropriate timeframe, which will align with spatial strategies as well as provide stability and certainty. However, it is important to recognise that in certain circumstances a shorter plan period may be appropriate, provided that robust review mechanisms are in place. And this has been accepted by Planning Inspectors. In addition, it is often difficult to forecast over a 15 year period. Therefore, there may be circumstances for a shorter time period with a commitment for an early review.

11) Do you agree with the principles set out in policy PM6 (1c), including its provisions for preventing duplication of national decision-making policies?

Partly agree

a) Please provide your reasons, particularly if you disagree.

It is positive that Plans may still provide local policy which extends beyond site or location-specific requirements where necessary. It is important for Plans to still be able to provide local detail, spatial specificity and contextual interpretation, which cannot always be achieved through national policy. It will be important to ensure that local policies are provided sufficient weight in this regard in order to meet a plans vision and measurable outcomes which are likely to be locally specific. Making sense of national policy on a local level and to address local issues, where supported by evidence will be required and this may be an area where accompanying guidance is provided to ensure that plans remain streamlined, yet effective, at the local level.

12) Do you agree with the approach to initiating plan-making in PM7?

Partly agree

a) Please provide your reasons, particularly if you disagree

A more structured and predictable approach to plan-making is welcomed. However, local authorities should not be constrained to tailor made processes and should be able to adapt to account for local circumstance. Even with tailor made processes local authorities can face complex constraints and pressures and whilst good project planning is key, overly prescriptive initiation requirements may risk increasing the workload of already overstretched planning teams, reducing the ability to meet 30-month timeframes, as well as respond to local challenges that are required to be addressed in local plans. Policy PM 7 should therefore allow flexibility to ensure practical deliverability.

13) Do you agree with the approach to the preparation of plan evidence set out in policy PM8?

Partly agree

a) Please provide your reasons, particularly if you disagree.

Policy PM8's intention to make plan evidence more focused and proportionate etc is welcomed. However, this should not restrict local authorities from preparing locally responsive evidence or where it is justified seeking to meet local ambitions. Whilst the policy seeks to simplify evidence gathering, proportionate evidence still requires skilled staff to (1) identify what is proportionate, (2) to progress the evidence including consultancies and (3) skilled staff to direct, interpret and analyse the evidence. Therefore, it is questionable what will change from now in practical terms. There will also likely be some uncertainty in relation to evidence requirements in the transitional period and guidance would therefore be welcomed. Point 2b of PM8 talks to using relevant evidence produced by other plan-makers. Depending on the evidence base, this will likely be produced using data and information relevant to that area, therefore the useability of evidence may be limited, albeit there may be merit in certain topic areas. However, there is then the question as to sharing costs and potentially PM8 2b will be helpful to address more cross boundary working. Notwithstanding this, once Government reorganisation is in place, planning will likely be across a much wider area and therefore sharing may be less relevant due to locational differences.

14) Do you agree with the approach to identifying land for development in PM9?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

N/A

15) Do you agree with the policies on maintaining and demonstrating cross-boundary cooperation set out in policy PM10 and policy PM11?

Partly agree

a) Please provide your reasons, particularly if you disagree.

PM10 and PM11 seem to strengthen the duty to cooperate. It is noted that discussions are essential to cover matters such as housing, unmet need and infrastructure etc, however, it should also be recognised that LPA's struggle to meet their own needs for housing. It is noted that there is some cross over with spatial development strategies and it will need to be made clear how duty to cooperate and responsibilities will align with the new structures to avoid duplication and / or gaps. This also needs to be considered within the 30-month timeframe. It should be noted that progressing the duty to cooperate will draw on resources and may be challenging to progress alongside other plan-making requirements within this time period.

16) Do you agree that policy PM12 increases certainty at plan-making stage regarding the contributions expected from development proposals?

Partly agree

a) Please provide your reasons, particularly if you disagree.

The emphasis on PM12 is to provide increased clarity on contributions. This will help developers and also local authorities to plan more effectively. It will also aim to reduce developer negotiations which will be welcomed. However, the rigidity could risk constraining development from coming forward where viability is hindered for reasons not known at the plan-making stage or if viability conditions change. Some flexibility may therefore still be required, depending on local circumstances. There is also the matter as to whether skilled resources to progress viability matters on a site-by-site basis are available at the plan-making stage, especially where historically such detailed work has been progressed later in the process. With added complexity it may be difficult to meet these requirements within the 30 month compressed timeframe, especially as this crosses over many different specialisms, such as housing, infrastructure, environmental assessments and other detailed site work that will be required in order to be able to test viability effectively.

17) Do you agree that plans should set out the circumstances in which review mechanisms will be used, or should national policy set clearer expectations?

Partly agree

a) Please provide your reasons, particularly if you disagree.

Agree that plans should set out the detail and locally specific circumstances when viability review mechanisms apply. However national policy should provide clearer minimum expectations to improve consistency and transparency.

18) Do you agree with policy PM13 on setting local standards, including the proposal to commence s.43 of the Deregulation Act 2015?

Partially agree

a) Please provide your reasons, particularly if you disagree.

Whilst certain standards can be set nationally, PM13, combined with s.43, in relation to energy efficiency, imposes a ceiling that prevents any local uplift, regardless of local evidence, ambition or climate risk.

Given that local areas differ in air quality, flood risk, energy infrastructure, and housing conditions, preventing councils from adopting context-specific environmental standards is counterproductive and inconsistent with sustainable development principles. Whilst not all local authorities may wish to progress policies beyond the requirements of the building regulations, there does need to be some flexibility for those that wish to or indeed those that need to in order to meet their climate change actions and achieve net zero.

In addition, PM13 could be counterproductive as it could suppress innovation in the building industry and slow down technology improvements in building performance overall.

19) Do you agree that the tests of soundness set out in policies PM14 and PM15 will allow for a proportionate assessment of spatial development strategies, local plans and minerals and waste plans at examination?

Partly agree

a) If not, please explain how this could be improved to ensure a proportionate assessment, making it clear which type of plan you are commenting on?

PM14 and PM15 provide a clearer and more structured approach to soundness testing. However, proportionality is not yet fully secured across all plan types. Without clearer national guidance, there is a risk of SDSs being examined against an over-detailed evidence benchmark and Local Plans struggling to meet soundness tests within accelerated timeframes.

A more plan-type-specific approach, supported by national guidance and standardised inputs, would ensure examinations remain effective, fair and genuinely proportionate. Providing plan specific evidence expectations at the strategic and local plan level would be helpful.

20) Do you have any specific comments on the content of the plan-making chapter which are not already captured by the other questions in this section?

No.

Chapter 3 – Decision-making policies

21) Do you agree with the principles set out in policy DM1?

Strongly Agree

a) Please provide your reasons, particularly if you disagree.

Early pre-application engagement and iterative discussions and use of other pre-application tools such as Design Review Panels results in better place making and development and helps reduce public anxiety and controversy.

22) Do you agree with the policy DM2 on information requirements for planning applications?

Partly Disagree

a) Please provide your reasons, particularly if you disagree.

Local Authorities with an out-of-date Local Plan, or without policies specific to the type of development proposed will be restricted to requesting additional information which may be material to the consideration of the application.

23) Do you have any views on whether such a policy could be better implemented through regulations?

An update to national validation requirements via the Development Management Procedure Order for specific types of development on a regular basis could be another way to deal with this issue. E.g. National Validation requirements for data centres.

24) Do you agree with the principles set out in DM3?

Partly Disagree

a) Please provide your reasons, particularly if you disagree.

Local Planning Authorities will not have in house expertise to make decisions on technical issues such as Flood Risk, Protection Ground Waters, Highways, Heritage etc. This can lead to approvals which should be refused on technical issues or approvals without necessary conditions to prevent adverse harm. This can also increase the likelihood of challenges to the decision. Sometimes it is necessary to wait for a statutory consultee's comments.

25) Do you agree that policy DM5 would prevent unnecessary negotiation of developer contributions, whilst also providing sufficient flexibility for development to proceed?

Partly Agree

a) Please provide your reasons, particularly if you disagree.

Some plans periods can be long, and this will make the viability assessment used at the plan making stage out of date due to inflation for development proposals later in the plan period. Some form of indexing should be provided to provide the flexibility required.

26) Do you have any further comments on the likely impact of policy DM5: Development viability?

Without index linking the use of plan making viability may impact development's ability to come forward in a timely manner. In addition to this it would not provide site specific issues such a remediating contaminated land etc on the viability of a development and therefore such sites if not brought forward at the beginning of the plan period may not come forward due to viability issues.

27) Do you have any views on how the process of modifying planning obligations under S106A, where needed once a section 106 agreement has been entered into, could be improved?

There are instances where planning permission is granted on the basis of a policy compliant level of affordable housing, and then developers are using S106A to reduce the amount of

affordable housing. However, this process does provide flexibility. We believe that where the variations to the S106 that are significant and material to the application granted, that this should be done via a planning application rather than via S106A.

a) If so, please provide views on specific changes that may improve the efficacy of S106A and the main obstacles that result in delay when seeking modification of planning obligations.

There is no requirement to change the efficacy of A106A. Developers need to be more realistic in their application proposals from the start and not use this process to water down planning benefits and obligations.

28) Do you have any views on how the process of modifying planning obligations could be improved in advance of any legislative change, noting the government's commitment to boosting the supply of affordable housing.

Provide model S106 clauses for securing affordable housing.

a) If so, please provide views on the current use of s73 and, if any, the impact on affordable housing obligations

Due to the Finney decision Local Authorities now are not specific in terms of amount and tenure of affordable housing in descriptions and therefore the use of S73 does not impact obligations.

29) Do you agree with the approach for planning conditions and obligations set out in policy DM6, especially the use of model conditions and obligations?

Strongly agree

30) Do you agree that policy DM7 clarifies the relationship between planning decisions and other regulatory regimes?

Strongly agree

31) Do you agree with the new intentional unauthorised development policy in policy DM8?

Partly Disagree

a) Please provide your reasons, particularly if you disagree.

Part 2 is not clear. Most development will be intentional whether unauthorised or not. This would capture honest mistakes by residents or others. What is the bar to prove intentional unauthorised development? It seems draconian and unreasonable to have the intention of a developer count against them in what is an assessment of public benefit/harm.

32) Are there any specific types of harm arising from intentional unauthorised development, and any specific impacts from the proposed policy, which we should consider?

This will capture honest mistakes by people who may build development just over permitted development thresholds. They will have intentionally carried out the development, and this would count against them. Specific harm to be considered would be harm to the Green Belt, National Landscapes and heritage and ecological harm should be included in the policy.

a) If so, are there any particular additions or mitigations which we should consider?

Punitive planning application fees for retrospective development applications rather than the intent counting against the developer.

33) Do you agree with the new Article 4 direction policy in policy DM10?

Strongly Agree

a) Please provide your reasons, particularly if you disagree.

Chapter 4 – Achieving sustainable development

34) Do you agree with the proposed approach to setting a spatial strategy in development plans?

Partly agree

a) Please provide your reasons, particularly if you disagree.

Yes, we broadly agree with the proposed approach to setting a spatial strategy with development plans. Policy SP2 provides clarity around what a spatial strategy should include. However, additional guidance on criteria for identifying settlement boundaries would be helpful in order to ensure consistency across local authorities. To date, local authorities have developed local methodologies for identifying which land should be included/excluded from settlement confines. In light of Local Government Reorganisation, and the potential merging of local authorities, a standardised methodology/criteria for identifying settlement boundaries would be helpful and ensure a consistent approach is adopted.

35) Do you agree with the proposed definition of settlements in the glossary?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

Yes, we broadly agree with the definition of settlements in the glossary. However, due to the rural and dispersed nature of some small settlements within Tonbridge and Malling, we believe it would be helpful to include a definition of 'hamlets' within the glossary too. This would ensure a consistent approach is taken to smaller settlements across all local authorities, rather than relying on local interpretations of this term.

36) Do you agree with the revised approach to the presumption in favour of sustainable development?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

Policy S3 provides clarity as to how the presumption is to be applied.

37) Do you agree to the proposed approach to development within settlements?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

Policy S4 provides clarity of how development proposals within settlements should be considered. However, no mention is made of designated heritage assets in clause 2a(ii), although designated wildlife habitats are referenced. In addition, clause 2b makes reference to land which is used for water storage and/or flood risk management. In order to have regard to these land uses, a data set comprehensively identifying the location of such uses would be required. Is such data available at a local authority level and in a geographical information system (GIS) format? It would be helpful, if the source of this data was included in a footnote for clarity.

38) Do you agree to the proposed approach to development outside settlements?

Partly disagree.

a) Please provide your reasons, particularly if you disagree.

We welcome the clarity that S5 seeks to provide regarding development outside of settlements. However, we have a number of concerns which are set out below and in our response to Question 39.

Policy S5 is not clear as currently worded how we ensure that development within settlements comes forward before development outside of settlements. There is a potential risk that land outside of settlements will be preferentially developed prior to land within settlements. Without a clear cascade approach to the location of new development, there is a potential risk that speculative planning applications outside of settlements, could undermine a spatial strategy underpinning a Local Plan and the accompanying infrastructure.

39) Do you have any views on the specific categories of development which the policy would allow to take place outside settlements, and the associated criteria?

Partly disagree

a) Please provide your reasons.

It is not clear what evidence is required in order to demonstrate that development is necessary for rural businesses and services, including tourism as set out in clause 1b? Clarity around expectations would ensure a consistent approach is adopted.

Footnote 26 refers to top 60 Travel to Work Areas in relation to clause 1h. It would be helpful to include a hyperlink to this dataset within the footnote.

Clause 1j makes reference to unmet need, however it is not clear if this is unmet need just of that local authority, or unmet need across a wider area. Clarity is required around this point, as there may be potential for developers to try and justify development outside of settlements if there is a wider unmet need, even if the specific local authority themselves are meeting their need.

40) Do you agree with the proposed approach to development around stations, including that it applies only to housing and mixed-use development capable of meeting the density requirements in chapter 12?

Partly agree.

a) Please provide your reasons, including any evidence that this policy would lead to adverse impacts on Gypsies and Travellers and other groups with protected characteristics.

It is not clear why employment development has been excluded from clause 2h. Employment development in close proximity to train stations could provide a sustainable mode of transport for employees accessing their place of work. Such development does not need to form part of a mixed use scheme.

41) Do you agree that neighbourhood plans should contain allocations to meet their identified housing requirement in order to qualify for this policy?

Strongly disagree.

a) If not, please provide your reasons

We are concerned that as currently worded, Policy S6 is unclear how it is to be applied. It is not clear how a proposal for housing would be outweighed by adverse effects, simply by virtue of there being a Neighbourhood Plan in place. Some Neighbourhood Plans do not allocate land for housing but adopt an approach to try and ensure high quality development takes place, or that local infrastructure requirements are provided for. Where a piece of land is identified in a Neighbourhood Plan for a specific land use e.g. non-residential, and a proposal for a residential development come forward, then that proposal would be in conflict with the Neighbourhood Plan, and clauses 1a and 1b would apply. Provided a Neighbourhood Plan allocates land for any type of development, not specifically residential, then this policy should apply.

Chapter 5 – Meeting the challenge of climate change

42) Do you agree with the approach to planning for climate change in policy CC1?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports the retention of requirements within policy CC1: Planning for climate change for development plans to take a proactive approach to climate change mitigation and adaptation. TMBC agrees that the policy should highlight that different development patterns can help contribute to radical reductions in greenhouse gas emissions and that spatial strategies and site allocations should consider the potential effects of development options, which can be measured using approaches such as assessments of baseline carbon emissions. These assessments can also inform options for mitigation. TMBC agrees that spatial strategies and site allocations should be supported by the provision of necessary infrastructure improvements to avoid increased vulnerability and improved resilience to the effects of climate change. TMBC also agrees that proposed development plan allocations should address specific risks and necessary adaptations for the anticipated lifetime of the development, instead of the current 'long-term' requirement. TMBC suggests that 'anticipated lifetimes' for different forms of new development should be set out, for example would these correspond with those used in relation for flooding including 100 years for residential, 75 years for non-residential and longer periods significant changes to land use such as urban extensions and major infrastructure?

TMBC agrees that the policy should require plans to mitigate the risk of wildfires as a long-term climate trend and enable plans to seek to address water stress by setting local water efficiency standards, where relevant and justified, and to identify nature-based solution mitigation opportunities e.g. for carbon capture.

43) Do you agree with the approach to mitigating climate change through planning decisions in policy CC2?

Strongly agree.

a) If not, what additional measures could be taken to ensure climate change mitigation is given appropriate consideration?

TMBC supports the consolidation of current requirements and agrees that planning decisions should be based on a comprehensive assessment to ensure that climate change mitigation measures and the transition to net zero are given appropriate consideration at the application stage. TMBC agrees with the mitigation measures set out in the policy requiring development proposals to, where relevant, are appropriate measures to be considered at the planning application, reducing the possible need for measures to be retrofitted in the future:

- a. be located where there is a genuine choice of sustainable transport modes
- b. support good access to facilities to limit the need to travel
- c. be designed to conserve energy and other resources
- d. take advantage of opportunities to re-use existing structures and materials
- e. draw low carbon energy from decentralised networks and co-locate energy/heat generators and users
- f. create or restore habitats which can act as important carbon stores and
- g. not increase fossil fuel extraction unless in accordance with policy M5 (see separate response).

TMBC agrees that the policy should give substantial weight to the benefits of improving the energy efficiency of existing buildings or drawing energy from district heat networks and renewable and low-carbon sources, to support development that incorporates these climate mitigation measures.

44) Do you agree with the approach to climate change adaptation through planning decisions in policy CC3?

Strongly agree.

a) What additional measures could be taken to ensure climate change adaptation is given appropriate consideration?

No suggestions for additional measures. TMBC supports the consolidation of current policy and supports a more comprehensive approach to assessing climate adaptation in planning decisions. TMBC agrees that appropriate adaptation measures in the policy should comprise:

- a. locating development where the risk of flooding is minimised, or can be made safe without increasing risk elsewhere
- b. incorporating sustainable drainage systems to manage surface water flow rates and runoff and ensuring that no surface water is diverted to the foul drain system.
- c. using design approaches to minimise overheating and including green infrastructure and tree planting and
- d. reducing fuel loads and creating defensible spaces where there is a heightened risk from wildfires.

TMBC supports the additional requirement for development proposals to take account of current and potential impacts of climate change over the lifetime of the scheme, to ensure that appropriate adaptations are considered at the planning application stage, reducing the possible need for measures to be retrofitted in the future.

45) Does the policy on wildfire adaptation clearly explain when such risks should be considered and how these risks should be mitigated?

Partly agree.

a) Please provide your reasons

TMBC considers that the policy provides some useful examples of locations at heightened risk from wildfires and of suitable mitigation measures, but that the short paragraph does not provide a clear explanation. The list of the types of locations at heightened risk should be more extensive, given that the policy implies there are other types, and additional examples provided for suitable mitigation measures, contributors to the fuel load and for defensible spaces. This would enable applicants and LPAs to better understand the scope of relevant factors and solutions.

46) How should wildfire adaptation measures be integrated with wider principles for good design, and what additional guidance would be helpful?

TMBC considers that wildfire adaption measures should be integrated into the consideration of factors that contribute to good design. The provision of design guidance related to development and preventing the spread of wildfires would be beneficial within national design and placemaking planning practice guidance.

47) Do you have any other comments on actions that could be taken through national planning policy to address climate change?

No

Chapter 6 - Delivering a sufficient supply of homes

48) Do you agree the requirements for spatial development strategies and local plans in policy HO1 and policy HO2 are appropriate?

Disagree

a) Please provide your reasons, particularly if you disagree.

These 2 policies are not written coherently and therefore leaves ambiguity which will affect its application/implementation. This will only lead to more space for legal challenge which LPAs are not able to afford.

In policy HO1 when groups are referred to it says 'Travellers' but previously this group was referred to as Gypsy and Travellers and Travelling Showpeople. Why is only 'Traveller' mentioned here?

In Policy HO2 – criteria 3, the requirement for housing requirement figures to be higher than the overall figure identified in the local housing needs assessment because this defeats the principle of having a local housing needs assessment.

In Policy HO2 – criteria 5, Housing requirement figures for neighbourhood plan areas are not binding as neighbourhood planning groups are not required to plan for housing and this is clear in the PPG so why have a requirement on local plans to set a figure? How is that figure delivered if the NDP does not deliver it?

49) Is further guidance required on assessing the needs of different groups, including older people, disabled people, and those who require social and affordable housing?

Agree

a) If so, what elements should this guidance cover?

The Building Regulations cover the specifics of what M4(2) and M4(3) covers so what is missing is the mix that is required.

In Policy HO5 – criteria b, this outlines a requirement of *at least 40% of new housing delivered over the course of the plan is delivered to M4(2) or M4(3) standards*. This requirement should be set out as a requirement on all new development so that all new development has a percentage of M4(2) (Accessible & Adaptable) and M4(3) (Wheelchair User) and not just a global figure over the plan period which would be more difficult to implement or monitor.

50) Do you agree with the approach to incorporating relevant policies of Planning Policy for Traveller Sites within this chapter?

Strongly agree

51) Is further guidance needed on how authorities should assess the need for traveller sites and set requirement figures?

Agree

a) If so, what are the key principles this guidance should establish?

Policy HO12: Traveller Sites – This seems to echo much of the PPTS para 13, so it should include designing out noise and improving/maintaining air quality, avoid placing undue pressure on local infrastructure and services and do not locate sites in areas at high risk of flooding, including functional floodplains, given the particular vulnerability of caravans.

52) Do you agree the new Annex D to the draft Framework is sufficiently clear on how local planning authorities should set the appropriate buffer for their local plan 5-year housing land supply?

Disagree

a) Please provide your reasons, particularly if you disagree.

Step 1 – why is the baseline 0.8% of the existing housing stock?

It is not clear that the mean average affordability over the five most recent years is the ratio.

Step 2

For each 1% the ratio is above 5, the housing stock baseline should be increased by 0.95%. Why 0.95% ?

53) Do you agree the new Annex D to the draft Framework is sufficiently clear on the wider procedural elements of 5-year housing land supply, the Housing Delivery Test and how they relate to decision-making?

Strongly disagree

a) Please provide your reasons, particularly if you disagree

It is not clear how the 5 year housing supply feeds into decision making either in the annex or the body of the NPPF text.

54) Do you agree the requirements to establish a 5 year supply of deliverable traveller sites and monitor delivery are sufficiently clear?

Agree

55) Do you agree the plan-making requirements, for both local plans and spatial development strategies, in relation to large scale residential and mixed-use development are sufficiently clear?

Disagree

a) Please provide your reasons, particularly if you disagree.

The Policy is not written coherently and is very general so therefore leaves ambiguity which will affect its application. This will only lead to more space for legal challenge which LPAs are not able to afford.

What quantum is large scale residential? as this will vary depending on the size of the settlement.

In Policy HO4, the following types of 'large scale development' needs to be defined - *new settlements, new urban quarters or significant extensions to existing settlements*

In criteria 1a. what are *appropriate points*?

Criteria 2a – what are *New Town principles*?

2b – what does a '*realistic assessment*' include?

Criteria c – Is this a requirement or a nice to have? The language used is just not defined enough.

56) Do you agree our proposed changes to the definition of designated rural areas will better support rural social and affordable housing?

Strongly agree

57) Do you agree with our proposals to ask authorities to set out the proportion of new housing that should be delivered to M4(2) and M4(3) standards?

Strongly agree

58) Do you agree 40% of new housing delivered to M4(2) standards over the plan period is the right minimum proportion?

Neither agree nor disagree

a) Please provide your reasons, and would you support an alternative minimum percentage requirement?

This should be evidenced bases. 40% appears to be high, but it may be the case that this can be supported. There is concern that this could impact small and medium sized developers.

59) Do you agree the proposals to support the needs of different groups, through requiring authorities to identify sites or set requirements for parts of allocated sites are proportionate?

Partly disagree

a) Please provide your reasons, particularly if you disagree.

It would appear to make plan making less flexible and may prevent development from adapting to changing markets or needs for particular areas.

60) Do you agree with our proposals to ask authorities to set out requirements for a broader mix of tenures to be provided on sites of 150 homes or more?

Partly agree

a) Please provide your reasons and indicate if an alternative site size threshold would be preferable?

This should be evidence based. Providing a national threshold does not take into account the local needs or market forces. Whilst the principle of the policy is supported the threshold should be left to local authorities to decide at the plan making stage.

61) Do you agree with proposals for authorities to allocate land to accommodate 10% of the housing requirement on sites of between 1 and 2.5 hectares?

Neither agree nor disagree

a) Please provide your reasons

Whilst the principle again is supported, these thresholds should be set locally due the differing local issues and market forces.

62) Are any changes to policy HO7 needed in order to ensure that substantial weight is given to meeting relevant needs?

No.

63) Do you agree that proposals to add military affordable housing to the definition of affordable housing, and allow military housing to be delivered 46 as part of affordable housing requirements, will successfully enable the provision of military homes?

Strongly agree

64) Do you agree flexibility relating to the size of market homes provided will better enable developments providing affordable housing?

Partly disagree

a) Please provide your reasons, particularly if you disagree.

This could impact future provision of smaller house types which would in turn have a skewing effect on the housing market and could impact first time buyers' ability to get on the housing ladder.

65) Would requiring a minimum proportion of social rent, unless otherwise specified in development plans, support the delivery of greater number of social rent homes?

Strongly agree

a) If so, what would be an appropriate minimum proportion and development size threshold taking into account development viability?

10% of total development proposal.

66) Are changes to planning policy needed to ensure that affordable temporary accommodation, such as stepping stone housing, is appropriately supported, including flexibilities around space standards?

Yes, changes are required to policy, but space standards of such dwellings should not be compromised.

a) If so, what changes would be beneficial?

Requirement to provide such housing and accommodation.

67) Do you agree that applicants should have discretion to deliver social and affordable housing requirements via cash payments in lieu of on-site delivery on medium sites?

Strongly disagree.

Not all Councils have HRAs/Housing Companies and therefore use of cash payments can be more challenging in those areas. In addition, this discretion should remain with the Local Planning Authority, not the applicant, albeit there should be an open process of discussion and agreement. If applicants are given this option, they will more than likely chose to not deliver social housing on site, leaving Councils with an increased challenge in finding sites to accommodate units. The unintended consequences could be a lack of mixed communities in the future.

a) If so, would it be desirable to limit the circumstances in which cash contributions in lieu of on-site delivery can be provided – for example, should it not be permitted on land released from the Green Belt where the Golden Rules apply? Please explain your answer.

Should discretion be afforded, this should certainly not be permitted on Green Belt release where the Golden Rules apply.

b) If you do not believe applicants should have blanket discretion to discharge social and affordable housing requirements through commuted sums, do you think cash contributions in lieu of on-site delivery should be permitted in certain circumstances – for example where it could be evidenced that onsite delivery would prevent a scheme from being delivered? Please explain your answer.

Yes – there should be clear evidence led process, with applicants required to provide evidence to the LPA of the reasons why onsite delivery is unachievable. Many Councils already allow for this cascade approach in their housing policies; what is important is that any such deviation from onsite delivery is fully explained and, where necessary, subjected to independent viability testing.

68) What risks and benefits would you expect this policy to have? Please explain your answer. The government is particularly interested in views on the potential impact on SME housing delivery, overall housing delivery, land values, build out rates, overall social and affordable housing delivery, and Registered Providers (including SME providers).

Overall social and affordable housing delivery – Councils would have more flexibility to utilize commuted sums.

69) What guidance or wider changes would be needed to enable Local Planning Authorities to spend commuted sums more effectively and more quickly? Please explain your answer.

The ability to financially support sites where s106 affordable housing delivery is showing as unviable but could be delivered on site through 'gap funding'.

Guidance on wording for s106 clauses to give Local Authorities maximum flexibility in utilizing commuted sums.

70) Would further guidance be helpful in supporting authorities to calculate the appropriate value of cash contributions in lieu?

RICS valuation guidance, by region, on the values of various types of social and affordable housing. This data would need to be renewed annually given how quickly housing markets can change. This would provide an invaluable benchmarking service against which commuted sums could be calculated.

a) If so, what elements and principles should this guidance set out? Please explain your answer.

For example, guidance could make clear that contributions in lieu should be an amount which is the equivalent value of providing affordable housing on site, based on a comparison of the Gross Development Value of the proposed scheme with the Gross Development Value of the scheme assuming affordable housing was provided onsite.

71) Do you support proposals to enable off site delivery where affordable housing delivery can be optimised to produce better outcomes in terms of quality or quantity?

Partly agree.

If an alternative site can be identified during the planning process for the main site, to give some certainty of delivery, potentially including the ability to link sites through planning conditions and s106 agreements, offsite delivery could be considered as an opportunity to optimise delivery.

72) Do you agree the with the criteria set out regarding the locations of specialist housing for older people?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

The Strategic Housing Market Assessment is a requirement of the NPPF and this evidence base provides a basis for applying the need for specialist housing for older people, however it is down to individual plans to specify where this specialist housing should be located. By specifying where these should be located which means meeting sustainability criteria, this creates consistency across England Wales in terms of location and management, reducing the need for Local Plan to cover this issue.

73) Do you agree with the criteria set out regarding the locations of community-based specialist accommodation, including changes to the glossary?

Partly agree

a) Please provide your reasons, particularly if you disagree.

The changes to the glossary provide clarity to the definition of Community-based specialist accommodation however the policy only requires how the development will provide a safe and secure environment for residents but does not address any perceived safety concerns for existing residents. The Management plan should address how concerns of surrounding residents

74) Do you agree with the criteria set out regarding the locations of purpose-built student accommodation and large-scale shared living accommodation, including changes to the glossary

Partly agree

a) Please provide your reasons, particularly if you disagree.

The changes to the glossary clarify the definition, however there is a lack of clarity over the amount of living and storage space required “providing adequate” space does not set a standard across England and Wales and will result in inconsistency and may require those Boroughs who have the greatest need for this accommodation to specify required standards.

75) Do you agree the proposals provide adequate additional support for rural exception sites?

Partly disagree

a) Please provide your reasons, including what other changes may be needed to increase their uptake?

Whilst the revised policy is similar to the one it replaces, the protection afforded by the current footnote 7 has been removed with the proposed policy allowing for greater scope to develop in areas of particular importance. Whilst this may provide for greater scope and uptake of the policy, it is likely to impact considerably more on such areas where other policy areas apply. Whilst greater uptake and use of this policy is to be encouraged, this should not be at the expense of protection given to areas or assets of particular importance as set out by footnote 7.

76) Do you agree with proposals to remove First Homes exception sites as a discrete form of exception site?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

There has been no uptake of First Homes as a discrete form of exception site in Tonbridge and Malling since this type of housing was introduced which demonstrates there is a lack of demand/need for this type of accommodation. It should therefore be removed as a discrete form of exception site.

77) Do you agree proposals for a benchmark land value for rural exception sites will help to bring forward more rural affordable homes?

Strongly agree

a) If so, which approach and value as set out in the narrative for policy HO10 of the consultation document is the most beneficial for government to set out?

Whilst this is likely to make rural exception sites more likely to come forward, the effect of artificially inflating the land value is likely to impact the overall viability of a scheme and either require more market housing to offset affordable housing or else require a greater quantum of housing (which may fall outside the level of identified need) to offset the higher land value.

78) Do you agree the proposals to set out requirements for traveller sites at policy HO12 adequately capture relevant aspects from Planning Policy for Traveller Sites, whilst ensuring fair treatment for traveller sites in the planning system?

Strongly disagree.

79) Please provide your reasons, particularly if you disagree.

The PPTS provides a more thorough set of criteria through which applications for traveller sites are assessed. The current policy under HO12 does not address a number of matters which the PPTS addresses. For instance, there is no reference to potential sites in flood risk areas, sites in the Green Belt, domination of the nearest settled community and other areas currently captured by the PPTS.

80) Do you agree the proposals in policy HO13 will help to ensure development proposals are built out in a reasonable period?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

Whilst aspects of the policy are agreed in that delivery of schemes at an earlier stage is beneficial, the degree of flexibility offered by the policy should not be used by the development industry to water down key aspects of the scheme relating to design quality, infrastructure, viability and affordable housing. All too often, these aspects are sacrificed in multi-phase developments to the detriment of place making and affordable housing need. Super Strategic sites as set out in the consultation document do have a place in plan making but they can be rarely delivered in the plan period and whilst it is recognised that over this time period, market factors can change significantly, it is essential that any flexibility in the consenting framework does not come at a cost to the design quality and place making of the scheme or to a worsening position in the market in relation to affordable housing.

81) Do you agree the requirements to take a flexible approach to the consenting framework for large scale residential and mixed-use development is sufficient to ensure the opportunities of large scale development are supported?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

See question 80 a) above on the concerns raised over increased flexibility. The policy should ensure that flexibility does not comprise design quality/place making and the delivery of essential affordable housing.

82) Are any more specific approaches or definitions needed to support the delivery of very large (super strategic) sites, including new towns? Yes

a) Please provide your reasons.

See reasons set out in 80 and 81.

83) Do you agree with the proposed changes to the Housing Delivery Test rule book?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

It is agreed that authorities should be assessed against their adopted housing requirement where there is an up-to-date local plan in place and against local housing need where there is no relevant up-to-date plan.

Chapter 7: Building a strong, effective economy

84) Do you agree that more emphasis should be placed on relevant national strategies and the need for flexibility in planning for economic growth, as drafted in policy E1?

Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

Partly agree

a) Please provide your reasons, particularly if you disagree.

As drafted the policy references at 1a, the need to have regard to the Industrial Strategy and relevant strategic and local strategies for economic development and regeneration. This is considered to be appropriate, as is current practice, and should continue to help local planning authorities to consider both local business needs and wider opportunities for economic growth in preparing Local Plans.

It is right that Local Plans should not be overly prescriptive about the types of uses that would be acceptable on employment sites, given the often uncertain and changing commercial property market. However, local planning authorities need to have sufficient control over allocated land uses given their understanding of their local areas, as they need to ensure that new commercial developments complement and enhance existing settlements and employment areas, and do not result in unacceptable harm e.g. excessive HGV traffic routing through residential areas.

Where planning authorities allocate sites for employment development within their Local Plans, e.g. use classes B2, B8 and E(g), we consider that there is sufficient flexibility within the current use class order to allow for a range of potential uses and occupiers.

85) Do you agree with the approach to meeting the need for business land and premises in policy E2? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

Partly agree

a) Please provide your reasons, particularly if you disagree.

It is important to support the economy and to meet related needs that are identified through the preparation of economy evidence that is prepared to inform Local Plans. However, the economic benefits of proposals for commercial development must be balanced against the impacts and potential harm that these proposals create.

We support the criteria in part 2 of this policy as it is important to identify whether there is unmet need for individual commercial developments, and that promoted or expanded sites can be adequately served by required infrastructure including utilities and highways.

86) Do you agree with the proposed new decision-making policy supporting freight and logistics development in policy E3?

Partly agree

a) Please provide your reasons, particularly if you disagree.

We consider that the criteria in this policy are appropriate. Good access to transport networks is key for the location of freight and logistics uses. Such proposals should be sited and designed to limit environmental impacts and ensure that the amenity of neighbouring uses in particular upon residential areas is acceptable. Matters such as related hours of operation and parking can be controlled through planning conditions and use of appropriate highway restrictions.

The criteria in the policy should be strengthened to require proposals to demonstrate that there is a need for the facility proposed, given alternative existing facilities and sites that are available locally and sub-regionally. Freight and logistics facilities are often controversial given their, location, scale, visual impact, hours of operation and traffic impacts. Such proposals need to be well justified to avoid inappropriate development especially when proposed on greenfield sites outside of existing settlement confines.

87) Do you agree with the approach to rural business development in policy E4?

Partly agree

a) Please provide your reasons, particularly if you disagree.

We consider that the policy as drafted is appropriate. Where developments are proposed outside of settlements these should take opportunities, where they exist, to use previously developed land, and sites that are physically well-related to existing development. This is important to help avoid inappropriate development in the countryside.

We consider that section 2 of the policy should be strengthened to include a requirement to consider landscape impact, and to identify appropriate mitigation where this is required.

Chapter 8: Ensuring the vitality of town centres**88) Do you agree with the proposed changes to policy for planning for town centres?**

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We support the criteria of this policy as drafted, including updated emphasis for Local Plans to set out a strategy for town centres to include opportunities to diversify existing land uses including the delivery of additional residential development, as well as the delivery of infrastructure and public realm improvements. Town centres are essential to the successful operation of local economies, the delivery of local services and to the cultural vitality of communities, it is right that Local Plans provide sufficient focus and ambition for these areas. We recognise the delivery of additional development within defined town centre boundaries (excluding primary shopping areas) can help to support footfall, local retail spending and therefore viability.

We support the retention of locally defined floorspace thresholds for development proposals outside of town centres, above which impact assessments are required. TMBC has set a locally defined floorspace threshold in our draft Local Plan, as supported by our published Retail and Town Centres Study.

The introduction of new provisions to support good design including design codes, masterplans and use of Article 4 directions reflects established practice. The Council is taking forward a masterplan for the regeneration of East of High Street Tonbridge, support for this will be outlined in our regulation 19 Local Plan.

89) Do you agree with the approach to development in town centres in policy TC2?

Strongly agree

a) If not, please explain how you would achieve this aim differently?

We support the criteria in this policy, which gives substantial weight to development proposals that strengthen the long-term vitality and viability of town centres, as well as protect and enhance community access to local shops and other facilities including services. This is important given the ongoing commercial pressures that have and continue to lead to the loss of essential local services e.g. banking facilities.

90) What impacts, if any, have you observed on the operation of planning policy for town centres since the introduction of Use class E?

Use class E introduced new permitted development flexibilities affecting commercial, business and service uses that were previously controlled by use classes A, B and D. Impacts have included a reduction in related change of use applications, due to the allowed permitted development change to a mixed use for any purpose within class E.

Additionally, the full conversion of former commercial premises in particular offices, and in many cases upper floors only for residential use by prior approval. These flexibilities have reutilised vacant and long-term vacant premises and floorspace, the consequence being that there are now fewer premises remaining that could be viability converted, either partially or fully to residential use without requiring planning consent.

91) Do you believe the sequential test in policy TC3 should be retained?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We consider that the sequential test should be retained. Whilst restrictive, this helps to support the vitality of existing centres, ensuring that town centre uses are not lost to unsustainable locations outside of existing centres, which would further undermine the overall viability of defined centres.

92) Do you agree with the approach to town centre impact assessments in policy TC4?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We support the continued requirement for impact assessments to accompany proposals for retail and leisure uses (subject to default or locally applied threshold). We note that the text of this policy is similar to the current Framework, with a revised approach regarding the application of the impact test, due to the removal of paragraph 95. This being that a failure against the test no longer be regarded as an automatic basis for refusing planning permission. This instead becomes a matter to be weighed in the overall planning balance, which we support.

Chapter 9: Supporting high quality communications

93) Do you agree that the updated policies provide clearer and stronger support for the rollout of 5G and gigabit broadband?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

The policy criteria are clear in terms of what development proposals for the expansion or upgrade of electronic telecommunications should achieve, as well as expectations as to how planning authorities should assess these proposals. This should ensure consistency in determination of telecommunications infrastructure applications between planning authorities.

94) Do you agree the requirements for minimising visual impact and reusing existing structures are practical for applicants and local planning authorities?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

Applications for new telecommunications infrastructure in particular masts can be controversial for reasons including visual impact. We support the requirements for minimising visual impact and reusing existing structures for the siting of related infrastructure as set out at paragraph 1 of policy CO1. Justification for which can be set out in documents supporting applications including design and access statements, planning or alternative sites assessments.

95) Do you agree the supporting information requirements are proportionate and sufficient without creating unnecessary burdens?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We consider the supporting information requirements set out in policy CO2 to be appropriate and proportionate.

Chapter 10: Securing Clean Energy and Water

96) Do you agree with the approach to planning for energy and water infrastructure in policy W1?

Partly agree

a) Please provide your reasons, particularly if you disagree, what alternative approach would you suggest?

We support the requirement at paragraph 1 for early engagement with infrastructure and service providers regarding the potential impacts of growth proposed in Local Plans, and the need to work collaboratively with these partners to ensure that there is a clear understanding of current infrastructure and network capacity, and future requirements to support the growth proposed.

We consider that paragraph 2 is vague and should be reworded to provide a clear focus on the need to prepare an Infrastructure Delivery Plan and related schedules to accompany Local Plans. These should set out future infrastructure requirements clearly, providing a robust understanding of delivery and funding matters, any known issues and how these will be overcome.

97) Do you agree with the amendments to current Framework policy on planning for renewable and low-carbon energy development and electricity network infrastructure in policy W2?

Neither agree nor disagree

a) Please provide your reasons, particularly if you disagree.

We support the direction of this policy to “support the transition to clean power by planning positively for the increased supply and use of renewable and low carbon energy and electricity

network infrastructure”. However, it is for the energy industry to identify and advise local planning authorities on future requirements based upon their forecasting and most recent business plans. Where new energy infrastructure and assets are required to support Local Plan growth and the wider operation of the energy network, e.g. power generation, storage, over headlines and substations, operators should set out these requirements at an early stage of plan making i.e. regulation 18.

Available opportunities for low carbon energy generation and network infrastructure requirements will vary between regions and local authority areas and must be balanced against constraints e.g. national landscapes, SSSIs and similar designations, this should be expressed in the policy wording. District heat networks are unlikely to be suitable or viable in predominantly rural authorities.

98) Do you agree with the proposed approach to supporting development for renewable and low carbon development and electricity network infrastructure in policy W3?

Partly disagree

a) Please provide your reasons, particularly if you disagree, and any changes you would make to improve the policy.

We recognise the benefits of renewable and low carbon energy development, as well as the reuse of existing sites and therefore support the criteria in paragraph 1 of the policy.

We however disagree with paragraph 2 of the policy; applicants should be required to demonstrate the need for renewable or low carbon development and electricity network infrastructure. In many cases applications for such uses will be on undesignated sites outside of existing settlement confines, as such there must be robust justification for these proposals. Where there is a clear need and business case for such investment in line with published plans, strategies and the Council's Infrastructure Delivery Plan, this should not prove difficult to demonstrate.

We support the criteria in paragraph 3 regarding time-limited energy infrastructure developments and related site restoration.

99) Do you agree with the proposed approach to supporting development for water infrastructure in policy W4?

Partly disagree

a) Please provide your reasons, particularly if you disagree.

We disagree with paragraph 2 of this policy; applicants should be required to demonstrate the need for water infrastructure developments. In many cases applications for such uses will be on undesignated sites outside of existing settlement confines, as such there must be robust justification for these proposals. Where there is a clear need and business case for such investment in line with published plans, strategies and the Council's Infrastructure Delivery Plan, this should not prove difficult to demonstrate.

AS TMBC IS NOT THE MINERALS AUTHORITY ONLY LIMITED ANSWERS HAVE BEEN GIVEN TO QUESTIONS 100 -113.

100) Do you agree with the proposed prohibition on identifying new coal sites in policy M1, and to the removal of coal from the list of minerals of national and local importance?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

101) Do you agree with how policy M1 sets out how the development plan should consider oil and gas?

Neither agree nor disagree

a) Please provide your reasons, particularly if you disagree.

102) Do you agree with the proposed addition of critical and growth minerals to the glossary definition of 'minerals of national and local importance'?

Agree.

a) Please provide your reasons, particularly if you disagree.

103) Do you agree criteria b of policy M2 strikes the right balance between preventing minerals sterilisation and facilitating non minerals development?

Agree.

a) Please provide your reasons, particularly if you disagree.

104) Do you agree policy M3 appropriately reflects the importance of critical and growth minerals?

Agree

a) Please provide your reasons, particularly if you disagree.

105) Do you agree with the exclusion of development involving onshore oil and gas extraction from policy M3?

Neither agree nor disagree

106) Please provide your reasons, particularly if you disagree.

107) Do you agree policy M4 sufficiently addresses the impacts of mineral development, noting that other national decision-making policies will also apply?

Agree

108) Please provide your reasons, particularly if you disagree.

109) Do you agree with approach to coal, oil and gas in policy M5?

Neither agree nor disagree

a) Please provide your reasons, particularly if you disagree.

110) Are there any other exceptional circumstances in which coal extraction should be permitted?

No

111) If yes, please outline the exceptional circumstances in which you think coal extraction should be permitted.

N/A

112) Do you agree policy M6 strikes the right balance between preventing the sterilisation of minerals reserves and minerals-related activities, and facilitating non-minerals development?

Partly agree

a) Please provide your reasons, particularly if you disagree.

113) Does policy M6 provide sufficient clarity on the role of Minerals Consultation Areas?

Partly agree

a) Please provide your reasons, particularly if you disagree.

Chapter 12 - Making effective use of land

114) Do you agree policy L1 provides clear guidance on how Local Plans should be prepared to promote the efficient use of land?

Partly agree.

115) If not, what further guidance is needed?

Although Policy L1 provides a framework for how Local Plans should be prepared to promote the efficient use of land, some additional guidance and/or clarification would be helpful.

Clause 1a(iii) states that Local Plans should set minimum residential density standards. However, neither Policy L1 nor Policy L3 make reference to constraints that may impact on the ability to deliver minimum densities in all town centres and locations that have a high level of connectivity. Although we fully support the aim to make the most effective use of land, in some instances due to on-site or off-site constraints, densities may need to be flexible to take account of factors such as landscape and heritage.

Clause 1(iv) considers that it may be appropriate to set out a range of densities that reflect the identified need for different types of housing. It is not clear what evidence base would be needed to support such an approach, and how by identifying different densities for different types of housing, this would not appear prejudicial to different sections of society. For example detached and semi-detached market properties are likely to be more expensive, but lower density than the potentially cheaper higher density terraced properties and flats, which are typologies more likely to deliver affordable products. In addition, most residential schemes will contain a mixture of housing types, which would make the application of different densities for different types of housing very complicated to apply. Would an alternative approach be to identify a density range for development typologies that would allow flexibility, whilst also seeking to include minimum development densities.

Chapter 12 – Making Effective Use of Land

116) Do you agree policy L2 provides clear guidance on how development proposals should be assessed to ensure efficient use of land?

Strongly disagree.

a) Please provide your reasons, particularly if you disagree.

Whilst the re-use of previously developed land is to be encouraged, the proposed policy is unnecessarily prescriptive and seeks to make effective use of land at the expense of necessary service areas. It also proposes design criteria which may not be suitable for all locations and circumstances and also proposes limitations on development within residential curtilages with no explanation or justification as to how the quantum was reached. The policy also seeks to impose a definition of an existing building which exists on the date of the publication of the Framework which will be extremely difficult for LPA's to assess given that extensive permitted rights exist within residential curtilages.

117) Do you agree policy L2 identifies appropriate typologies of development to support intensification?

Strongly disagree.

a) If not, what typologies should be added or removed and why?

It is recommended that a broader suite of typologies that can support gentle density and context-appropriate intensification—such as missing-middle housing, small-site and corner-plot intensification, structured transit-oriented development around transport nodes, and opportunities for mixed-use and public-sector land co-location. Clearer national guidance in these areas would aid delivery, provide greater policy certainty, and better support authorities in planning positively for well-designed, sustainable intensification.

118) Do you agree the high-level design principles provided in policy L2(d) appropriate for national policy?

Strongly disagree.

a) Please provide your reasons, particularly if you disagree.

As set out above, the policy seeks to impose a national set of design criteria for development which should be managed at the local level. Not all gaps in a settlements roofline should be development as these gaps are important in many locations to a settlements character and similarly most street corners are not “important” and warrant “landmark” buildings. Defining a percentage of non-developed area seems arbitrary when site specific factors are key. No one site is the same and in one location greater or less development may be acceptable. Percentages relating to the amount of development should only be used where there is a direct impact on matters of importance such as openness.

119) Do you agree policy L2 (d)(i) achieves its intent to enable appropriate development that may differ from the existing street scene, particularly in cases such as corner plot redevelopment and upwards extensions.

Strongly disagree.

a) Please provide your reasons, particularly if you disagree.

For the same reasons as set out in question 116 above.

120) Do you agree with the proposed safeguards in policy L2 that allow development in residential curtilages?

Strongly disagree.

a) Please provide your reasons, particularly if you disagree.

For the reasons set out above in question 116 above.

121) Do you agree policy L3 provides clear guidance on achieving appropriate densities for residential and mixed-use schemes?

Partly agree

a) If not, please explain how guidance could be clearer?

It would be helpful if the policy could define “reasonable” walking distance within the policy itself and any study used to underpin an assessment of reasonable walking distance. This could be within a range of acceptable distances that would make this a viable alternative.

122) Do you agree with the minimum density requirements set out within policy L3?

Partly agree

a) Please provide your reasons, particularly if you disagree.

In well-connected rail stations and underground, and increased density above 50 dph should be considered as these sites could be made some of the most sustainable sites. The density for a railway is considered appropriate.

b) Could these minimum density requirements lead to adverse impacts on Gypsies and Travellers and other groups with protected characteristics? Please provide your reasons, including any evidence

Gypsy and Traveller groups and other groups with protected characteristics should not be excluded from the requirement as these sites can be made very sustainable and if the densities cannot be achieved, then the development does not make the best use land in an area that could be made very sustainable.

123) Do you agree that using dwellings per hectare is an appropriate metric for setting minimum density requirements? Additionally, is our definition of ‘net developable area’ within the NPPF suitable for this policy?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

124) Do you agree with the proposed definition of a ‘well-connected’ station used to help set higher minimum density standards in targeted growth locations? In particular, are the parameters we’re using for the number of Travel to Work Areas and service frequency appropriate for defining a ‘well-connected’ station?

Partly agree

Please provide your reasons and preferred alternatives.

The current Travel to Work Areas (TTWA) is based on 2011 commuting flows and is therefore outdated. Only the latest datasets should be used. However, TTWA captures where people work not how fast or reliable the service is. So whilst it is considered appropriate to use the top 60 by GVA, an analysis of network performance should also be considered.

There are a number of other factors that should also be included in the definition to ensure that access and connectivity quality around the station is acceptable and network performance and equity checks are acceptable.

125) Are there other types of location (such as urban core, or other types of public transport node) where minimum density standards should be set nationally?

Yes

a) If so, how should these locations be defined in a clear and unambiguous way and what should these density standards be?

- High-Accessibility Public Transport Nodes (Major and Minor Hubs) – Bus interchanges/rapid bus corridors, City Region rail/commuter rail.
- Town Centres and District Centres
- Local Centres and High-Frequency Bus Corridors
- Urban Extensions and New Settlements
- Strategic Brownfield Opportunity Areas
- University Districts, Innovation Quarters, and Employment Hubs

All the above locations should be promoted at higher densities seeking a minimum 50 dph on new development sites.

126) Should we define a specific range of residential densities for land around stations classified as ‘well-connected’?

Yes

127) If so, what should that range be, and which locations should it apply to?

See above for the list of potential locations as set out in question 125 a)

128) Do you agree policy L4 provides clear high-level guidance on good design for residential extensions?

Strongly disagree.

129) Please provide your reasons, particularly if you disagree.

The policy does not differentiate development in urban or rural areas, development in sensitive locations or landscapes. The term “blend effectively” is not a recognised architectural term and lacks any clear direction. The policy does not set a high stand for design quality or seek to promote good design.

Chapter 13 – Protecting Green Belt land

130) Do you agree that policy GB1 provides appropriate criteria for establishing new Green Belts?

Partly agree.

131) Please provide your reasons, particularly if you disagree.

Policy GB1 does provide clarity around the criteria for establish new Green Belt. However, it would be help to provide clarify over the 'long term growth ambitions' element of clause 1c. Does this relate to the growth ambitions for a single local plan cycle, or the long-term growth ambitions?

132) Do you agree policy GB2 gives sufficient detail on the expected roles spatial development strategies and local plans play in assessing Green belt land?

Partly disagree.

a) Please provide your reasons, particularly if you disagree.

Although Policy GB2 provides some clarity around the expected role spatial development strategies and local plans play in assessment Green Belt land, we do have two areas of concern.

Firstly, the term 'strongly contribute' does not feature in any of the Green Belt policies or Annex E, which provides detailed guidance on undertaking Green Belt Assessments, and how Green Belt performs against purposes (a), (b) and (d). This is a departure from the current NPPF, which provides clarity when interpreting the outcomes of Green Belt Assessments. The categories 'Strong', 'Moderate' and 'Weak' still appear in Annex E but wording around how to apply this information is omitted. There is also an element of inconsistency as the grey belt definition within the glossary does retain reference to 'strongly contribute'. The term 'strongly contribute' should be reinstated.

In addition, and of particular concern, is the removal of Foot Note 7 assets from the definition of grey belt. Tonbridge and Malling is c.70% Green Belt, and c. .30% National Landscape (Kent Downs National Landscape and the High Weald National Landscape), the majority of which falls within the Green Belt. By removing this exclusion from the grey belt definition, it puts greater pressure on these nationally protected landscapes, particularly from small scale incremental development (major development is controlled by Policy N4) which would be less likely to be in a sustainable location with good access to a range of services, which may undermine the spatial strategy of the Local Plan. Footnote 7 assets should excluded from the grey belt definition.

133) Do you agree with proposals to better enable development opportunities around suitable stations to be brought forward?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

We broadly support the inclusion of clause 1a, land around stations, subject to the consideration of onsite and off-site constraints in these locations that may impact on the suitability and/or density of development.

134) Do you agree the expectations set out in policy GB5 are appropriate and deliverable in Local Plans?

Partly agree

135) Please provide your reasons, particularly if you disagree.

We support the broad principle of Policy GB5 and welcome the inclusion of reference to Local Nature Recovery Strategies in clause 1b. However, we are concerned to see the reintroduction of clause 1d. In a borough covered by c. 70% Green Belt, and adopting a policy compliant approach to plan making in terms of reviewing Green Belt boundaries to allow us to meet our objectively assessed housing need, we are concerned about what compensatory measures may look like, how much land will be required for this, and how such land may potentially limit future growth in the borough beyond this Local Plan cycle. If land is set aside for compensatory measures, then this may further constrain and already heavily constrained borough. It is also not clear what evidence would be required to demonstrate that clause 1d had been met.

The majority of Green Belt land in Tonbridge and Malling is in agricultural use, therefore using productive agricultural land to meet clauses 1a-c, may also impact on food production.

136) Do you agree policies GB6 and GB7 set out appropriate tests for considering development on Green Belt land?

Strongly agree

137) Do you agree policy GB7(1h) successfully targets appropriate development types and locations in the Green Belt, including that it applies only to housing and mixed-use development capable of meeting the density requirements in chapter 12?

Strongly agree

138) Please provide your reasons, including any evidence that this policy would lead to adverse impacts on Gypsies and Travellers.

The proposed policies provide for when there is an unmet need for sites that development may be appropriate so there should be no adverse impacts on Gypsies and Travellers.

139) Do you agree that site-specific viability assessment should be permitted on development proposals subject to the Golden Rules in these three circumstances?

Partly agree

a) Please provide your reasons, particularly if you disagree.

It is not clear how part C would work in practice as any land allocated for development in the a plan would normally be taken out of the Green Belt so this seems to provide an opportunity to circumnavigate providing affordable housing or other obligations.

140) With regards to previously developed land, are there further changes to policy or guidance that could be made to help ensure site-specific viability assessments are used only for genuinely previously developed land, and not predominantly greenfield sites?

It might be an idea to remove equestrian uses from previously developed land or any other uses such as airfields which require large amount of land from previously developed land. In these cases paddock and large areas of undeveloped land can fall under the previously developed land definition.

141) Do you agree with setting an affordable housing 'floor' for schemes subject to the Golden Rules accompanied by a viability assessment subject to the terms set out?

Strongly agree

142) Please explain your answer, including your view on the appropriate approach to setting a ‘floor’, and the right level for this?

Yes this would secure affordable housing and this would be based on evidence base in the Local Plan viability for Green Belt sites.

143) Do you agree with local planning authorities testing viability at the plan making stage using a standardised Benchmark Land Values scenario of 10 times Existing Use Value for greenfield, Green Belt land?

Disagree

a) Please explain your answer

We do not agree with using a single national “10× EUV” benchmark land value for greenfield/Green Belt at plan-making stage. National policy and updated PPG emphasise proportionate, locally evidenced viability at plan-making; an inflexible multiple would conflict with the EUV approach in guidance and with case law requiring policy-compliant BLV formation. It would likely be unsound across diverse markets, risking under-delivery in high-cost strategic sites and over-payment in lower-value areas, thereby undermining affordable housing and infrastructure delivery.

144) Do you have any other comments on the use of nationally standardised Benchmark Land Values for local planning authorities to test viability at the plan-making stage?

The answer set out in question 143 outlines the concerns where nationally standardised Benchmark Land Values are proposed.

145) Do you agree that proposed changes to the grey belt definition will improve the operability of the grey belt definition, without undermining the general protections given to other footnote 7 areas?

Strongly disagree

a) Please provide your reasons, particularly if you disagree.

By removing reference to footnote & it would allow for development which could adversely affect impact on those irreplaceable habitats, ecological designations and important landscape designations etc.

Chapter 14 - Achieving well-designed places

146) Do you agree that policy DP1 provides sufficient clarity on how development plans should deliver high quality design and placemaking outcomes?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports the retention of policy requiring plans to set out clear design expectations based on an understanding of the area’s characteristics. The proposed removal of the requirement for design policy to be developed with local communities would not alter the fact

that they would remain an essential part of the development plan making process (criterion a). TMBC considers that significant greenfield sites and urban extensions, and not only brownfield opportunities that have been mentioned, should be included within criterion b. as examples of where design guides, design codes and masterplans are necessary to deliver design and placemaking outcomes. Reference to there being a role for locally specific design policies or standards to add detail to policy DP3 principles, in response to specific local issues, is welcomed (criterion c). TMBC agrees that development plans should set out the circumstances when design review and other design processes will be required (criterion d).

However, the important role played by national standards, such as the nationally prescribed spaced standard providing a consistent approach across LPA areas, contributing to dwellings that are fit for purpose, and taking away the need for local areas to 're-invent the wheel', should also be referenced.

147) Do you agree with the approach to design tools set out in policy DP2?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

TMBC agrees that where design guides, design codes and masterplans are necessary, they should be based on an understanding of local and wider context and address opportunities for existing character to be strengthened, for example within town centre regeneration sites. The need for these design tools to consider economic, social and environmental factors and implementation conditions, local views, the appropriate level of detail/prescription and be subject to monitoring and review to allow for adjustments, will create confidence and ensure that guidance remains fit for purpose and schemes are deliverable.

148) Do you agree policy DP3 clearly set out principles for development proposals to respond to their context and create well-designed places?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC agrees that the list of characteristics for well-designed places should be revised in accordance with 10 characteristics set out in the National Design Guide. TMBC supports national decision-making policy DP3: Key principles for well-designed places, sub-section 1, that would require development proposals to:

- a. Respond to their context without precluding innovation and change.
- b. Support liveability, incorporating mixed uses and tenures and encouraging social interaction.
- c. Contribute to climate change mitigation and adaption and the transition to net zero.
- d. Incorporate/connect to a high quality network of multifunctional green infrastructure.
- e. Provide transport infrastructure movement and choices, prioritising sustainable methods.
- f. Use the pattern of buildings, e.g. to define streets and spaces and promote compact development to optimise site potential.
- g. Include public spaces that facilitate social interaction, incorporating features such as active frontages and natural surveillance.
- h. Create or maintain a strong sense of place and pride.

TMBC supports policy DP3 sub-section 2, which retains the requirement that poorly designed proposals should be refused, and sub-section 4 which retains the requirement for substantial weight to be given to outstanding or innovative designs promoting high levels of

sustainability. TMBC supports the proposal that national design and placemaking planning practice guidance principles are used to inform how policy DP3 is applied where local design policies and tools have not been produced (sub-section 3).

149) Do you agree with the proposed approach to using design review and other design processes in policy DP4?

Strongly agree.

TMBC supports the retention of policy requiring design to be considered throughout the development process from evolution to delivery, for planning conditions to refer to clear and accurate plans and drawings and for LPAs not to allow the quality of approved development to be materially reduced. TMBC also supports the retention of policy stating that LPAs should have access and use design review and other design tools and take into account their outcomes.

a) If not, what else would help secure better design and placemaking outcomes?

N/A

Chapter 15: Promoting sustainable transport

150) Do you agree that policy TR1 will provide an effective basis for taking a vision-led approach and supporting sustainable transport through plan-making?

Partly agree

a) Please provide your reasons, particularly if you disagree.

We support the prioritisation of sustainable transport modes from the earliest stages of plan making (paragraph 1.a), supported by early and ongoing engagement with transport infrastructure providers and operators. We also support the alignment of Local Plans with Local Transport Plans, Public Rights of Way Improvement Plans and Local Walking and Cycling Infrastructure Plans, regardless of lead authority on these in two tier areas.

As identified at paragraph 1.b), it is right that proposed development is located where it can support sustainable patterns of movement and make effective use of existing or proposed transport infrastructure. We support paragraphs c and d of the policy which support the appropriate location of land uses to minimise the length and number of journeys, as well as safeguard sites and routes in Local Plan which are likely to be required to deliver sustainable transport infrastructure.

It is right to take a vision-led approach, however on its own policy TR1 is not sufficient to achieve this. Funding and other barriers including land availability and acquisition can stand in the way of achieving a range of sustainable transport schemes including the delivery of active travel routes. Government therefore needs to ensure that the aspirations of this policy are supported through additional funding and appropriate new powers to enable local authorities to deliver transport schemes efficiently and cost effectively, to ensure that vision becomes reality and to prevent infrastructure delivery from lagging behind housing growth.

151) Do you agree that policy TR2 strikes an appropriate balance between supporting maximum parking standards where they can deliver planning benefits, and requiring a degree of flexibility and consideration of business requirements in setting those standards?

Partly disagree

a) Please provide your reasons, particularly if you disagree.

Parking provision associated with new developments is often a controversial matter. The implications of having badly designed or too little provision can have serious effects on highway safety because of unintended levels of on street parking, while over provision can result in poor design, wasted space and apparent encouragement to use cars in preference to walking, cycling and public transport.

Parking is therefore a key issue for all new developments, getting it right is not just about minimising conflict it is also about ensuring the quality of life for occupants, and good management of the public realm. It is important that adequate parking provision for all is provided. Access to alternative sustainable modes of transport should inform the level of car parking provision that is provided for both residential and non-residential development.

In our experience setting maximum parking standards can be unhelpful and result in unintended negative consequences, especially for developments in suburban areas and more rural settlements where there is less mode choice and car dependency is higher. [Kent County Council revised their local parking standards in 2025](#) removing previous maximum standards, therefore allowing more flexibility in terms of the application of the identified standards on a site-by-site basis.

Paragraph 1 of the policy should be revised to say that 'development plans can set local parking standards...' Given our experience we don't support the introduction of maximum standards at paragraph 2 of the policy. We otherwise support the criteria which inform parking standards set out at paragraph 3.

152) Do you agree with the changes proposed in policy TR3(1a), including the reference to proposals which could generate a significant amount of movement, and the proposed use of the Connectivity Tool?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We support the wording of policy TR3 paragraph 1. a). and the proposed use of the connectivity tool alongside other evidence to assess the connectivity of site allocations identified in Local Plans.

153) Do you agree that proposed policy TR4 provides a sufficient basis for the effective integration of transport considerations in creating well-designed places?

Partly agree

a) Please provide your reasons, particularly if you disagree.

As drafted, we consider that policy TR4 provides a sufficient basis for the effective integration of transport considerations in creating well-designed places. Giving priority first to pedestrian and cycle movements and secondly access to public transport, this clearly

informs the vision led approach that is set out in Local Plans, and consequently the design of development layouts and streets.

This policy should however be context specific, as it's no good having high quality cycle routes within a new development for example, if these do not form part of a wider route network that connects a development to the existing urban centre and key facilities e.g. station. Route networks are let down by their weakest links and won't be attractive to users if they can't make continuous and safe end to end journeys. The aspirations of 1. a) and b) should therefore be set in the content of Local Cycling and Walking Infrastructure Plans, which should be sufficiently ambitious.

154) Do you agree with policy TR5 as a basis for supporting the provision and retention of roadside facilities where there is an identified need?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We support the criteria of this policy as drafted, and requirement for new or significantly expanded roadside facilities should be appropriately evidenced.

155) Do you agree that the amended wording proposed in policy TR6 provides a clearer basis for considering when transport assessments and travel plans will be required, and for considering impacts on the transport network?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We support the amended wording in the policy so that proposals that are "likely to" rather than "will" generate significant amounts of movement, need to be supported by a transport statement or assessment and a travel plan. The content of transport assessments and transport statements should be proportionate to the scale and significance of identified transport impacts and issues.

We remain concerned any agreed travel plans are effectively monitored during agreed timescales, sufficient resourcing within transport authorities is required to support this. Where fallback positions are identified re delivery of mitigation measures, this must be clearly set out in related legal agreements to be enforceable, the policy wording should be updated at paragraph 2 to reflect this.

156) Do you agree the proposed text in policy TR7 provide an effective basis for assessing proposals for marine ports, airports and general aviation facilities?

Partly agree

a) Please provide your reasons, particularly if you disagree.

We support paragraphs 1. a-c) of the policy as drafted, however paragraph c) is muddled and needs to be reworded. Environmental impacts not effects of port, airport, advanced air mobility and aviation facilities (and development ancillary to them) must be acceptable given all relevant matters to be granted planning consent. The term 'advanced air mobility' should be clearly defined in the NPPF glossary, we understand this refers to future air transport using revolutionary, often electric, aircraft like eVTOLs (electric Vertical Take-Off and Landing) to move people and goods.

157) Do you agree with the additional policy on maintaining and improving rights of way proposed in policy TR8?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

This policy is a helpful addition which provides focus on the maintenance and improvement of public rights of way, supporting the ambition and delivery of local Public Rights of Way Improvement Plans.

Chapter 16: Promoting healthy communities

158) Do you agree with the approach to planning for healthy communities in policy HC1, including the expectation that the development plan set local standards for different types of recreational land, drawing upon relevant national standards?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We support the criteria of this policy as drafted, which outlines established good practice to retain, enhance and provide appropriate community facilities and public service infrastructure through the plan making process.

159) Do you agree that Local Green Space should be 'close' to the community it serves?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We support the criteria of this policy as drafted which includes a minor change so that designated areas should be "close" to the community they serve rather than "reasonably close". Designated Local Green Spaces should be genuinely local.

160) Do you agree that the proposed policies at HC3 and HC4 will support the provision of community facilities and public service infrastructure serving new development?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We support the criteria of these policies as drafted.

161) Do you have any views on whether further clarity is required to improve the application of this policy, including the term 'fast food outlets', and the types of uses to which it applies?

We support the policy as drafted but consider that clarity should be provided to make clear what a 'reasonable walking distance' is, e.g. within 400m of a school. Clarification of the term 'fast food outlets' would also be helpful in the NPPF glossary. Our understanding is that these are quick-service restaurants focused on convenience, with limited menus, offering hot and cold food and drinks for takeaway or drive-thru.

162) Do you agree with the proposed approach to retaining key community facilities and public service infrastructure in policy HC6?

Partly disagree

a) Please provide your reasons, particularly if you disagree.

We don't fully support this policy as drafted. Where a development proposal would result in the loss of a community facility or public service infrastructure, clarification of the 12-month marketing period required to justify a lack of market interest is helpful at paragraph 1. a) to provide consistency in approach for all local planning authorities. However, related marketing should be undertaken on a genuine basis for the existing use of the premises as well as reasonable alternatives, given the flexibilities within use class E.

We have concern regarding the clarification in paragraph 2 of the policy that "The policy applies only where the facility would be the last of its type in the area concerned". This is not an acceptable approach and risks the loss of facilities and services until only the last examples remain, this makes the policy ineffective and risks hollowing out much existing provision, to the detriment of local communities.

163) Do you agree with the approach taken to recreational facilities in policy HC7, including the addition of 'and/or' with reference to quantity and quality of replacement provision?

Strongly agree

a) Please provide your reasons, particularly if you disagree.

We support the criteria of the policy as drafted, including at paragraph 1, the reference to 'other formal and informal play space and allotments'. We also support the amendment at paragraph 1. b) regarding facility loss resulting from a proposed development which would be replaced by equivalent or better provision in terms of quantity and/or quality. This will allow some additional flexibility in how replacement facilities can be provided. It is the case in some circumstances that an improvement in the quality of a recreation facility can offset a reduction in overall quantity.

164) Do you agree with the clarification that Local Green Space should not fall into areas regarded as grey belt or where Green Belt policy on previously developed land apply? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

Partly disagree

We partly disagree with this question. The current NPPF excludes footnote 7 designations from the definition of grey belt in the glossary, which includes a range of designations including Local Green Space. We support the current definition. The updated definition of grey belt removes reference to footnote 7, however Policy HC8 is seeking to retain the grey belt protection for Local Green Space. This suggests that Local Green Space will be given greater protection than other designations set out in footnote 7, which we do not believe is necessary. If land is deemed grey belt, it can still meet the criteria for Local Green Space designation, such as close proximity to community, historic significance and local in character.

Chapter 17 - Pollution, public protection and security**165) Do you agree with policy P1 as a basis for identifying and addressing relevant risks when preparing plans?**

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports consolidating existing policy to set out the key considerations for identifying sites and necessary safeguards which can limit risks from ground instability, pollution and other hazards. TMBC also supports the retention of existing policy on identifying opportunities to reduce pollution through development and new policy on identifying land which may be needed for public safety and security, as this would ensure that these land uses are considered as an integral part of the development plan process.

166) Are any additional tools or guidance needed to enable better decision-making on contaminated land?

No. TMBC supports the retention of existing policy setting out the expectation that sites should have appropriate ground conditions to support safe and sustainable development. This includes the requirement that responsibility for securing a safe development rests with the developer and/or landowner where a site is affected by contamination or land stability issues.

167) Do you agree with the criteria set out in proposed policy P3 as a basis for securing acceptable living conditions and managing pollution?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports the retention of existing policy setting out requirements for new development to be acceptable in terms of living conditions and pollution, and the addition of specific provisions relating to air pollution, noise exposure, artificial light and water quality, including the specific reference to chalk streams. TMBC supports the addition of a specific reference to development proposals not resulting in, or contributing to, unacceptable loss of levels of daylight and sunlight. TMBC notes that the current assumption that separate pollution control regimes will operate effectively would be amended to highlight that it should not be assumed that other regimes for the control of pollution will necessarily eliminate emissions completely.

168) Do you agree policy P4 makes sufficiently clear how decision-makers should apply the agent of change principle?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports the retention of existing policy related to mitigating the impact of new development on existing activities and the addition of more explicit policy on matters to be considered, such as both the current and permitted levels of activity. TMBC acknowledges that further types of activity that may be affected by new development have been added to the policy, including blue light services, defence and security, electricity network infrastructure, electronic communications networks and industrial and waste sites, whilst accepting that the list is not exhaustive. TMBC supports the approach that it should be development proposals that identify the nature of potential impacts from the operation of an existing activity, that could have a significant adverse effect on the new development, to

inform the scope for mitigation and demonstrate that suitable mitigation, which should be secured by planning conditions or obligations, can be provided prior to occupation. TMBC also agrees that the requirements should apply to changes of use as well as new construction.

169) Do you agree policy P5 provides sufficient basis for addressing possible malicious threats and other hazards when considering development proposals?

Strongly agree.

TMBC supports the retention of existing policy related to the need for malicious threats and natural or man-made hazards to be anticipated and addressed by development proposals. TMBC supports the additional provisions on the need to consider safeguarding related to existing or proposed hazardous installations or alterations to existing installations, for example civilian aerodromes and technical sites, ensuring the appropriate bodies such as the Civil Aviation Authority are consulted and the operation of existing uses are not compromised. The approach would enable any conflicts to be taken into account at the planning application stage and mitigated, where possible.

170) Do you agree that substantial weight should be given to the benefits of development for defence and public protection purposes?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports the retention of existing policy related to development for defence and public protection and agrees that substantial weight should be attached to these important uses when proposals for their development, or proposals that could affect their operation, are being considered.

Chapter 18 – Managing Flood Risk and Coastal Change

171) Do you agree with the proposed changes set out in policy F3 to improve how Coastal Change Management Areas are identified and taken into account in development plans?

Neither agree or disagree.

a) Please provide your reasons, particularly if you disagree.

Although Tonbridge and Malling borough contains a short stretch of the tidal River Medway, it is not located on the coast.

172) Do you agree with the proposed clarifications to the sequential test set out in policy F5?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

We support the removal of the ‘not being permitted’ element from paragraph 174 of the NPPF, and the recognition that it may still be appropriate for development to proceed in an area at risk of flooding in some circumstances when weighed against other considerations, as this represents a more flexible approach.

173) Do you agree with the proposed approach to the exception test set out in policy F6?

Partly disagree.

a) Please provide your reasons, particularly if you disagree

We broadly support Policy FP6, however we do have some concerns over clause 2(b), and the lack of requirement for an exception test at the planning application stage, if the site was subject to an exception test at the plan making stage. These concerns are due to the relative lack of detailed development proposal information available at the plan making stage when compared to that which is available as part of a planning application.

174) Do you agree with the proposed requirement in policy F8 for sustainable drainage systems to be designed in accordance with the National Standards?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

We support the adoption of a standardised design for Sustainable Drainage Systems, as this will allow a consistent approach to be applied.

175) Do you agree with the proposed new policy to avoid the enclosure of watercourses, and encourage the de-culverting and re-naturalisation of river channels?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

We also broadly support the reference to not enclosing existing water courses and re-naturalising of river channels, which will help to support some of the aims of the Local Nature Recovery Strategy. We welcome clause 3 and reference to 'unless to do so would increase flood risk', so that each case is considered on its merits and existing residents and properties are not put at risk from this updated approach.

176) Do you agree with the proposed changes to policy for managing development in areas affected by coastal change?

Neither agree nor disagree.

a) Please provide your reasons, particularly if you disagree.

Although Tonbridge and Malling borough contains a short stretch of the tidal River Medway, it is not located on the coast.

177) The National Coastal Erosion Risk Map sets out where areas may be vulnerable to coastal change based on different scenarios. Do you have views on how these scenarios should be applied to ensure a proportionate approach in applying this policy?

No.

178) Do you agree with the proposed new additions to Table 2: Flood Risk Vulnerability Classifications?

Strongly agree.

- a) **Should any other forms of development should be added? Please give your reasoning and clearly identify which proposed or additional uses you are referring to.**

Uncertain.

Chapter 19 – Conserving and enhancing the natural environment

179) Do you agree that the proposed approach to planning for the natural environment in policy N1, including the proposed approach to biodiversity net gain, strikes the right balance between consistency, viability, deliverability, and supporting nature recovery?

Partly agree.

- a) **Please provide your reasons, particularly if you disagree.**

We broadly support Policy N1, however we do have some comments on the current wording.

It is not clear from clause 1(a), whether or not 'geological (including soil)' relates to the Agricultural Land Classification (ALC). If it does, this should be included in the policy wording. If not, to what does 'soils' relate to?

We also require some clarity around 'other features which require particular consideration'. How are these identified, what status do these have in the hierarchy and will they be designated? If these are to be identified at a local authority level, what evidence will be required? Other locally designated sites such as local wildlife sites go through an agreed system of survey and ratification by the Kent Nature Partnership. Will a similar process be required for 'other features' in order to determine their condition and extent?

We welcome clarification in clause 1(d) that the Local Nature Recovery should not necessarily preclude the allocation of land for development. However, this does seem to contradict text on page 99 of the NPPF: Proposed reforms and other changes to the planning system which states that Policy N1 "highlights the importance of using relevant environmental evidence, including Local Nature Recovery Strategies, to set out areas which need safeguarding from development because of their importance for nature". The use of the word 'safeguarding' suggests these areas are not suitable for development. However, development offers an opportunity to deliver the aims of the LNRS through the delivery of green infrastructure associated with development. Clarification on this consistency point would be welcomed.

We support Policy N1 clause 2 on BNG.

180) In what circumstances would it be reasonable to seek more than 10% biodiversity net gain on sites being allocated in the development plan, especially where this could support meeting biodiversity net gain obligations on other neighbouring sites in a particular area?

We believe there may be some potential to seek more than 10% BNG on some strategic sized sites allocated within the development plan, but this would need to be subject to viability and not prejudice the delivery of other policy requirements necessary for that development. It may not be until a detailed masterplan has been prepared for such sites, that the ability to deliver more than 10% BNG could be determined, which may be outside of the Local Plan process. Therefore, it may be more appropriate to include wording around a

'minimum 10% BNG' within either Policy N1 or in an equivalent local policy on BNG to allow for this, but provide sufficient flexibility.

181) Do you agree policy N2 sets sufficiently clear expectations for how development proposals should consider and enhance the existing natural characteristics of sites proposed for development?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

We broadly support Policy 2, however we have some comments.

Clause 1(a) includes the consideration of 'natural beauty'. Although this forms part of the designation criteria for National Landscapes, and components of this are identified in their respective Management Plans, what is the data set for natural beauty for land outside of National Landscapes and how is this defined? The other components of habitat and landscape character are identified in existing datasets, but it is not clear how natural beauty is to be defined or measured.

Clause 1(b) makes reference to areas of poorer agricultural land but does not define the specific grades of agricultural land to which this applies e.g. Grade1, Grade 2 etc. Clarification within the text or a footnote would be helpful.

182) Do you agree policy N2 sets sufficiently clear expectations for how development proposals should consider and enhance the existing natural characteristics of sites proposed for development?

Partly disagree.

a) Please provide your reasons, including how the policy can be improved to ensure compliance.

See comments above in response to Question 181 regarding clarification points.

183) Do you agree policy N6 provides clarity on the treatment of internationally, nationally and locally recognised site within the planning system?

Partly agree.

a) Please provide your reasons, particularly if you disagree.

Policy N6 provides a step by step guide for each of the tiers of the hierarchy, from international to local level, which is helpful. However, no reference is made to 'other features which require particular consideration' which are mentioned in Policy N1, therefore it is not clear how Policy N6 applies to these features.

Policy N6 is entitled 'Areas of particular importance for biodiversity'. This is a term that features and such areas are defined within Local Nature Recovery Strategies, but these are not referenced within this policy. Some clarification on whether this policy relates to those areas identified in the LNRS as Area of particular importance, or if this is something different, would be welcome to ensure clarity.

The term Environmental Delivery Plan should be added to the glossary for clarification purposes.

184) Are there any further issues for planning policy that we need to consider as we take forward the implementation of Environmental Delivery Plans?

Uncertain. Guidance on how to prepare Environmental Delivery Plans and how these link to the various stages of plan making would be welcome.

Chapter 20 - Conserving and enhancing the historic environment

185) Do you agree the government should implement the additional regard duties under Section 102 of the Levelling-Up and Regeneration Act?

Strongly agree.

a) Please provide your reasons.

TMBC supports the addition to ensure consistency in planning decisions, requiring there to be special regard to the desirability of preserving or enhancing heritage assets, would be extended to include scheduled monuments, registered parks and gardens, protected wrecks and world heritage sites.

186) Do you have any evidence as to the impact of implementing the additional regard duties for development?

No.

187) Do you agree with the approach to plan-making for the historic environment, including the specific requirements for World Heritage Sites and Conservation Areas, set out in policies H1 – H3?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports retaining the requirements within policy HE1 for plans to set out a positive strategy for the conservation and enhancement of heritage assets, the need to consider the wider benefits arising from the conservation of the historic environment and the contribution heritage assets can make to the character of a place. TMBC supports the provision of clearer guidance on factors that should inform the strategy and the requirement for local lists of non-designated heritage assets, important to local communities, to support development plans at the appropriate level.

Policy HE2 retains requirements for LPAs to identify opportunities for new development within conservation areas and World Heritage Sites and the setting of heritage assets which enhance or better reveal their significance. TMBC supports the additional requirements for these opportunities and any safeguarding measures to be reflected in site allocation policies and/or design guides, codes and masterplans and for development plans to include locally specific policies, if needed, to preserve and enhance World Heritage Sites and their settings. TMBC supports retaining the requirement for new or amended conservation areas to be justified by their special architectural or historic interest. TMBC supports the introduction of an expectation that conservation areas are reviewed periodically and that new or amended designations are supported by an adopted appraisal and management plan, to ensure that development proposals can take up-to-date guidance into account.

TMBC supports retaining the current policy requirements related to Historic Environment Records within policy HE3.

188) Do you agree with the approach to assessing the effects of development on heritage assets set out in policy HE5?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports retaining the requirements related to applicants submitting assessments, employing appropriate expertise where necessary, of the significance of affected heritage assets and the potential effect of the development proposal on their significance. TMBC also supports the clearer guidance on the categorisation of levels of potential impacts that development proposals may have on heritage assets and their settings. This guidance would require assessments to identify whether proposals would:

- a) have a positive effect where the asset would be enhanced or its significance better revealed
- b) have no effect on the significance of the asset
- c) result in harm to significance from work affecting the asset or development within its setting. The degree of harm should be identified. Substantial harm would occur where the development proposal would seriously affect a key element of the asset's significance
- d) cause a total loss of significance.

TMBC supports clearer guidance requiring assessments to focus on the effects of development proposals on the significance of the asset and not the scale of the development itself (sub-section 3) and new guidance for decision makers to be satisfied that the assessment accurately sets out the effect on the asset, allowing LPAs to request further information to help them assess the effect, where necessary (sub-section 4). TMBC supports the retention of policy regarding development proposals involving, or potentially involving, archaeology (sub-section 5).

189) Do you agree with the approach to considering impacts on designated heritage assets in policy HE6, including the change from "great weight" to "substantial weight", and in particular the interactions between this and the statutory duties?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports the retention of existing policy related to decision-making for proposals affecting designated heritage assets within policy HE6, including refusing consent for development proposals that would cause substantial harm or a total loss of significance. TMBC supports clearer guidance for public benefits, including securing the long-term re-use of a listed building and energy efficiency measures, to be weighed against the 'harm' to the significance of the asset instead of the current requirement for 'less than substantial harm'. The draft removes the concept of 'optimum viable use' as a public benefit which TMBC agrees would allow greater flexibility where proposals cause harm not considered to be substantial.

TMBC agrees that when considering the potential effect of a development proposals on a designated heritage asset, changing the requirement from "great weight" to "substantial weight" being given to the conservation of designated heritage assets would improve consistency in how weighting is applied across the draft Framework without changing the weighting to be given.

190) Do you agree with the new policies in relation to world heritage, conservation areas and archaeological assets in policies HE8 – HE10?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

TMBC supports the additional guidance provided within sub-section 1 of policy HE8 enabling there to be a more comprehensive assessment of development proposals affecting World Heritage Sites:

- a. requiring the design of the proposals to pay particular regard to the significance and attributes of the Outstanding Universal Value of the Site, including its setting and any buffer zone
- b. whether there are any implications related to the Site management plan and
- c. the submission of an impact assessment.

TMBC supports the retention of policy related to assessing the loss of a building or element within a World Heritage Site (sub-section 2) and agrees that proposals preserving elements that make a positive contribution to the Site's setting, or that better reveal its significance, should be approved (sub-section 3).

TMBC supports the additional clarity resulting from the proposed separation of World Heritage Site requirements from conservation area policy and the retention of policy relating to the assessment of development proposals affecting conservation areas within policy HE9.

TMBC also supports the retention of existing requirements related to the assessment of development proposals with the potential to affect discovered or undiscovered archaeological heritage assets with a separate policy (HE10), and the inclusion of requirements prioritising preservation in situ, where feasible, or for appropriate provisions to be made where the asset cannot be preserved or managed on site.

191) Do you have any other comments on the revisions to the heritage chapter?

No.

192) Do you agree with the transitional arrangements approach to decision-making?

Strongly disagree.

a) Please provide your reasons, particularly if you disagree.

The effect of the transitional arrangements would be to undermine those Local Plans which are "in any way inconsistent with the national decision making policies" and either have recently been adopted or are in the stages of adoption. This is likely to delay plan making and also significantly impact on the current statutory duty as set 38(6) of the Planning and Compulsory Act 2004 which confirms that "if regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise.

193) Do you have any further thoughts on the policies outlined in this consultation?

Already set out in the consultation

194) Do you agree with the list of Written Ministerial Statements set out in Annex A to the draft Framework whose planning content would be superseded by the policies proposed in this consultation?

Strongly agree

Please provide your reasons, particularly if you disagree.

N/A

Annex A - Data Centres and onsite energy generation

195) Do you consider the planning regime, including reforms being delivered through the Planning and Infrastructure Act, provide sufficient flexibility for energy generation projects co-located with data centres to be consented under either the NSIP or TCPA regime? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree

Strongly agree.

196) Would raising the Planning Act 2008 energy generation thresholds for renewable projects that are co-located with data centres in England (for the reason outlined above) be beneficial? Yes/No

No

a) If so, what do you believe would be the appropriate threshold? Please provide your reasons.

No view as do not consider thresholds should be raised.

197) Do you have any views on how we should define 'co-located energy infrastructure'? Please provide your reasons.

Consider that the definition should specify what co-located means. Definition of co-location should include a distance or whether it means that the two uses have to share the same site.

198) Do you think the renewable energy generation thresholds under Section 15 of the Planning Act 2008 for other use types of projects should be increased, or should this be limited to projects co-located with data centres?

No

a) Please provide your reasons.

The thresholds as currently set should not be increased as energy generation should be of national strategic importance.

199) What benefits or risks do you foresee from making this change? Please provide your reasons.

See answer to question 198 above.

Annex B - Viability: Standardised inputs in viability assessment

200) Would you support the use of growth testing for strategic, multi-phase schemes?

Strongly agree.

a) Please explain your answer.

Would enable more certainty to developer contributions and reduce the need for alterations to S106 agreements etc due to changes in viability on developer contributions.

201) Would you support the optional use of growth testing for regeneration schemes?

Strongly agree

a) Please explain your answer.

Strongly agree, for reason given to question 200 above.

202) Do you agree greater specificity, including single figures, which local planning authorities could choose to diverge from where there is evidence for doing so, would improve speed and certainty?

Strongly disagree

a) Please explain your answer. If you agree, the government welcomes views on the appropriate figure – for example, whether 17.5% would be an appropriate reflection of the industry standard for most market-led development.

Strongly disagree – from experience most developers have different profit expectations and setting a standardised figure nationally has the potential to affect viability for market-led development.

203) Are there any site types, tenures, or development models to which alternative, lower figures to 15-20% of Gross Development Value might reasonably apply?

We support the principle of standardised inputs but strongly recommend that the final NPPF retains explicit flexibility allowing LPAs to apply lower GDV-based profit assumptions for:

- Build-to-Rent schemes
- Affordable or RP-led developments
- Public-sector-led and partnership schemes
- Strategic regeneration and long-term phased sites
- Forward-funded or pre-sold development models

This approach reflects the evidence in national guidance and professional/legal commentary and will significantly enhance our ability to deliver sustainable, affordable and well-designed development across the borough.

a) Please explain your answer. The government is particularly interested in views on whether clarifying an appropriate profit of 6% on Gross Development Value for affordable housing tenures would make viability assessments more transparent and speed up decision-making.

It is important to make the viability process more transparent to assist with speeding up decision making but setting national profit levels will put developers off undertaking certain types of application. Rather than concentrating on profit perhaps it would be more appropriate to look at the overall contributions being sought and making some forms of development, e.g, 100% affordable housing schemes exempt from certain contributions.

204) Are there further ways the government can bring greater specificity and certainty over profit expectations across landowners, site promoters and developers such that the system provides for the level of profit necessary for development to proceed, reducing the need for subjective expectations?

We recommend anchoring developer profit and landowner return expectations to plan-stage, standardised inputs, so these are priced into land transactions and not revisited at application.

a) Please explain your answer.

Whilst it would be difficult to set profit expectations at the national level due to the variables at play, there are a number of ways to reduce landowner expectation based on the following:

- Developer's return: adopt national default bands and publish specific ranges by typology
- Benchmark Land Value: confirm EUV+ as default; require policy-compliant adjustment of market comparables,
- Standardised inputs: issue technical annexes for finance costs, overheads, abnormals, sales/marketing and the interaction with review mechanisms.
- Adopt a single, open-source viability model with audit pack and open-book submission, in line with the PPG.
- Review mechanisms: adopt model clauses that seek policy compliance uplift and avoid underwriting profit.
- Green Belt: restate that for major housing subject to the 'Golden Rules', application-stage viability cannot reduce contributions, clarifying PPG/NPPF wording locally.

205) Existing Viability Planning Practice Guidance refers to developer return in terms a percentage of gross development value. In what ways might the continued use of gross development value be usefully standardised?

As stated above, it would be difficult to standardise gross development value at the national level as there are too many factors that currently go into the gross development value that are variable on location to enable standardisation.

206) Do you agree the circumstances in which metrics other than profit on gross development value would support more or faster housing delivery, or help to maximise compliance with plan policy?

Partly agree

a) Please explain your answer.

Using a metric such as Return on Capital Employed means that the development would be assessed against the company as a whole rather than looking at the profitability of a single site so potentially could increase compliance with plan policy.

207) Are there types of development on which metrics other than profit on gross development value should be routinely accepted as a measure of return e.g. strategic sites large multi-phased schemes, or build to rent schemes?

Partly agree

a) Please explain your answer.

As with question 206, it is not necessarily the type of development proposed but whether using a different metric would provide more certainty on what can be delivered.

Question 208

Do you agree that guidance should be updated to reflect the fact a premium may not be required in all circumstances?

Partly agree.

a) In what circumstances might a premium, or the usual premium, not be required?

Development by Public Sector bodies or sites with significant contamination issues where the cost of remediation should be taken from the land value rather than the profit.

b) What impact (if any) would you foresee if this change were made?

Potential to lead to difficult to develop sites not coming forward if developers do not consider that maximum profits can be achieved.

209) Do you agree that extant consents should not be assumed to be sufficient proof of alternative use value, unless other provisions relating to set out in plans are met? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

a) Please explain your answer.

Partly agree – Alternative use value should only be used if there is a genuine chance that the extant development was going to come forward in a timely manner.

210) If extant consents were not to be assumed as sufficient proof of alternative use value, should this be at the discretion of the decision-maker, or should another metric (e.g. period of time since consent granted) be used? Decision maker discretion / Another metric / Neither

Decision maker discretion

a) If another metric, please set out your preferred approach and rationale.

Final decision should always rest with decision makers discretion.

211) What further steps should the government take to ensure non-policy compliant schemes are not used to inform the determination of benchmark land values in the viability assessments that underpin plan-making?

Requirement built in to the NPPF that if using benchmark land values, these are only considered if it can be shown that the developments used are only fully compliant with the most up to date planning policies and legislation.

212) Do you agree that the residual land value of the development proposal should be cross-checked with the residual land values of comparable schemes; to help set the viability assessment in context.

Strongly agree

a) Please explain your answer.

Cross checking should be mandatory. Could potentially be supported by a national database of land values.

213) Do you agree that a 2.5 hectare threshold is appropriate?

Partly agree

a) Please provide your reasons, particularly if you disagree.

An alternative might be to work on a net developable area that excludes necessary infrastructure so that proposals that do not require such land intensive features as SUDs basins are assessed only on the scale of the development.

214) Do you agree that a unit threshold of between 10 and 49 units is appropriate?

Strongly agree.

a) Please provide your reasons, particularly if you disagree.

As an Authority the majority of our applications for housing development fall into this category and it would make sense to classify them separately from larger scale major developments, especially if model legal agreements and agreed commuted sums are brought in to simplify the processing.

215) Do you foresee risks or operability issues anticipated with the proposed definition of medium development? Yes/No.

Yes

216) If so, please explain your answer and provide views on potential mitigations.

The principal operational issues that would arise from the mitigations proposed would be that the public would expect a greater level of information to be provided with such a submission and it would be down to the LPA to manage these expectations.

217) Do you have any views on whether the current small development exemption should be extended to cover a wider range of sites – indicatively to sites of fewer than 50 dwellings, or fewer than 120 bedspaces in purpose built student accommodation?

Yes

a) Please provide your reasons.

There should be conformity between planning and building regulations thresholds to avoid any confusion.

218) If the exemption were to be extended, do you have any views on whether the development of 120 purpose-built student accommodation bedspaces is an appropriate equivalent to a development of 50 dwellings for the purposes of the levy exemption?

Yes

a) Please provide your reasons.

Logic of the 120 student bedspaces against the threshold of 50 dwellings makes sense as it would equate with the average occupancy levels for both types of development.

219) If the exemption were to be extended, do you have any views on whether the exemption should be based solely on the existing metrics (dwellings/bedspaces) or whether there should also be an area threshold.

It is not considered that there would be any additional benefit in providing an area threshold as well as dwellings/bedspaces. It is more appropriate to base the exemption on population rather than site area as the levy relates to floorspace rather than site area.

220) If you do have views on possible changes to the small developments levy exemption, please specify the potential impact of the possible change of the levy exemption on people with protected characteristics as defined in section 149 of the Equality Act 2010.

Do not consider it would have any impact under Section 149 of the Equality Act 2010.

221) What do you consider to be the potential economic, competitive, and behavioural impacts of possible changes to the levy exemption? Please provide any evidence or examples to support your response.

Do not consider that there would be any economic, competitive or behavioural impacts from the changes to the levy exemption.

222) Do you agree with the proposal to extend the Permission in Principle application route to medium development?

Partly agree

a) Please provide your reasons, particularly if you disagree.

Whilst there are benefits to the Permission in Principle application route these are mainly in areas where there is a large amount of brownfield land. In areas covered by restrictive policies, it is unlikely that an extension to the permission in principle is unlikely to lead to more development.

223) Do you have views about whether there should be changes to the regulatory procedures for these applications, including whether there should be a requirement for a short planning statement?

An increase in the size of the development that can be covered by permission in principle applications should lead to a change in regulatory procedures as the developments would start being of a size that would attract developer contributions etc. For this reason there would be a need for more information to be submitted.

Public Sector Equality Duty

224) Do you have any views on the impacts of the above proposals for you, or the group or business you represent and on anyone with a relevant protected characteristic?

No

a) If so, please explain who, which groups, including those with protected characteristics, or which businesses may be impacted and how.

N/A

Question 225

Is there anything that could be done to mitigate any impact identified?

N/A

Annex 2: Risk Register for Local Plan - Planning Policy January 2026

Number	Risk Title & Description	Effect of non compliance	Classification	Risk Owner from Management Team	Date identified	Last date of review	Unmitigated risk Score			Movement to previous review	Current mitigation in place	Mitigated risk Score			Movement to previous review	Actions required to reduce score further	Link to Annual Service Development Plan	Links to Strategies
							Likelihood Score (1-5)	Impact score (1-5)	Overall risk score			Likelihood Score (1-5)	Impact score (1-5)	Overall risk score				
1	Risk of Government intervention if a plan is not progressed	Loss of control over planning decisions; increased vulnerability to ‘planning by appeal’; increase in funding required to defend appeals or to progress additional work associated with intervention measures; loss of strategic approach to infrastructure provision; reputational damage and reduced public confidence; difficulty influencing the spatial strategy and site allocations; diminished role in plan-making for elected members and communities.	F, R	Director of Planning, Housing and Environmental Health	22/01/26	N/A	5	5	25		Maintain and keep up to date the Local Development Scheme; progress evidence in a timely manner; ongoing engagement with members and communities; Develop a robust Infrastructure Delivery Plan; collaboration with the Planning Inspectorate with advisory visit; maintaining a clear audit trail in decision making; continued work with the Planning Advisory Service; obtaining legal advice as required.	2	5	10		Strengthen Member training in key areas; strengthen collaboration with MHCLG; ensure political consistency and corporate ownership of the Local Plan.	5.1 and 10.1	Corporate Strategy
2	Not meeting the Government’s submission deadline of 31 st December 2026 under the transitional arrangements.	Forced switch to plan-making under a new planning system; requirement to either set aside previous Local Plan work or substantially re-work; any emerging Local Plan would carry no weight increasing exposure to speculative developments; increased risk of Government intervention; longer delay to having an adopted Local Plan; increased costs where work will require updating; reputational damage and reduced public confidence.	F, R	Director of Planning, Housing and Environmental Health	01/09/24	01/01/26	4	5	20		Maintain momentum on plan-making; meet critical path deadlines and all other deadlines as far as possible; address meeting development needs early in the plan-making process; communicate the work programme with communities, Members and stakeholders.	3	5	15		Enhance governance and Member training to avoid politically driven delays; prepare a Contingency Plan for plan-making under a new planning system, in case the deadline cannot be met.	5.1 and 10.1	Corporate Strategy
3	National policy reform	Forced to re-write or re-scope the emerging Local Plan to future proof the Plan; reduced weight for Local Policies once the Local Plan is adopted; a need to re-work some of the evidence base to future proof the plan where possible; delay to Local Plan timetable; Risk of delay to the Local Plan timetable; increased pressure on staff resources; budget implications if updated evidence or additional resources are required.	F	Director of Planning, Housing and Environmental Health	22/01/26	N/A	5	4	20		Early alignment with emerging national policy; strengthen the evidence base to future proof the Local Plan; adapt the spatial strategy to demonstrate consistency; expand policies to account for changes in climate change approach and environmental matters; set housing requirements above minimum requirement; engage with PAS and the Planning Inspectorate.	5	3	15		Undertake or procure a NPPF/NDMP compliance review.	5.1 and 10.1	Corporate Strategy
4	Change in political administration	Delay or revisiting key aspects of the local plan; heightened Member objection and political challenges; need to re-open or update evidence; shift in policy objectives; failure to meet 'transitional arrangements' as proposed by Government; failure to achieve an adopted plan under the current planning system and potential for Government intervention in plan-making.	F, R	Director of Planning, Housing and Environmental Health	01/09/24	Jan-26	3	5	15		Progress the Local Plan in line with the Engagement Strategy setting out how both internal and external engagement will be progressed; Continued working and discussions with members to gain understanding and awareness of the local plan, the process, the outputs of evidence and the direction of the spatial strategy and local plan policies; Regular member meetings and briefings; maintain an evidence based led approach; Communicate the consequences of not progressing a Local Plan; maintain consistent staffing to assist with member communications.	3	5	15		Strengthen cross-party ownership of the Local Plan; provide Member induction training; prepare scenario plans for political change; engage early with new administration; Work with Members to lock in political ownership early in the Regulation 19 stage making clear any risks; document decision-making; use external peers to reinforce stability; engage external technical peer review including legal or Planning Advisory Service to assist with key matters raised; external legal and other technical advice to be communicated to members.	5.1 and 10.1	Corporate Strategy

	5	Community opposition leading to Member objections to the Local Plan	Local Plan delay; missing the Government's transitional deadlines; Government intervention in plan-making; Compromised spatial strategy and weakened policy position in emerging Local Plan; greater exposure to speculative development; increased costs, resource pressure and evidence needs; increased complaints, FOIs; reduced confidence from infrastructure providers and developers; increased risk of legal challenge; weakened case for infrastructure funding and reprioritising investment away from the Borough.	F, R	Director of Planning, Housing and Environmental Health	22/01/26	N/A	3	5	15	Early and transparent engagement with the community; engage in accordance with the Engagement strategy; strengthen member communication and governance via briefings; present a strong evidence- led narrative; demonstrate how the Local Plan responds to Local concerns; engage infrastructure providers early; clear and consistent political leadership; manage expectations around what can and cannot be changed or done; provide structured feedback to communities; pre-empt legal risks and maintain a clear audit trail of decisions and Local Plan activities; ensure statutory processes are met; Engage external support such as PAS, legal advice and the Planning Inspectorate; reinforce the consequences of not progressing a Local Plan.	3	5	15	N/ A	5.1 and 10.1	Corporate Strategy
	6	Not achieving political consensus on the Local Plan Spatial Strategy	Significant delays to plan progression due to a potential need to revisit spatial options including spatial option testing, protracted engagement with members causing staff capacity constraints; Not meeting the Government's Local Plan submission timeframe; Potential Government intervention in plan-making; Not achieving Regulation 19 consultation or submission due to Committee decision not to proceed; Weakened position and / or risk of unsoundness at Examination, if spatial strategy decisions are unclear; Reduced confidence from stakeholders and Infrastructure providers; Withdrawal of Local Plan during Examination.	F, R	Director of Planning, Housing and Environmental Health	22/01/26	N/A	4	5	20	Hold member briefings to explain evidence requirements and assumptions; engage external support such as PAS, legal advice and the Planning Inspectorate; reinforce the consequences of not progressing a Local Plan.	4	5	20	Strengthen member and stakeholder alignment as early as possible.	5.1 and 10.1	Corporate Strategy
	7	Overall increase in costs required to progress a local plan and additional / sufficient budget not being available and / or agreed	Delay to the Local Plan work programme; inability to meet the Government's submission timeframe; inability to commission the evidence required; Local Plan soundness risk and greater risk of legal challenge; reduction in scope / the quality of the Local Plan; abandonment of the Local Plan; inability to provide the level of staff resource to deliver the Local Plan within the timeframe; inability to respond to evidence update requirements to account for Regulation 18 consultation responses or national policy changes.	F, R	Director of Planning, Housing and Environmental Health	03/11/24	Jan-26	4	5	20	Establish a robust and early budget strategy for the Local Plan programme to adoption including individual project contingency; ensure that evidence base requirements are proportionate; strong project and financial management; ensure ongoing monitoring of the budget and individual projects including value for money; early and on-going engagement with Management Team and finance.	3	5	15	Keep the budget position under regular review; Ensure flexibility within the budget to make best and most efficient use of funding across the work streams; identify the cost of not progressing a Local Plan; create a business case linked to statutory obligations for plan-making.	5.1 and 10.1	Corporate Strategy
	8	Member requests for additional evidence not procedurally required to support the submission of a Local Plan or requests for additional peer review using different consultants	Requirement for additional funding; Potential delay to the Local Plan programme to procure and undertake the work; Increased pressure on consultants to progress work in a short period of time; increased pressure on staff to progress additional work streams; Potential to delay evidence gathering due to procurement or additional interdependencies of evidence or delay to the Local Plan due to reconciling evidence; increased examination scrutiny where disagreements or differences remain unresolved; increased risk of Local Plan challenge; derailment of the Local Plan should it not be possible to fund or obtain the requested evidence; possible Government intervention.	F, R	Director of Planning, Housing and Environmental Health	22/01/26	N/A	4	4	16	Critical friend review - Inspector Pre-submission advisory visit / PAS / Legal advice. Local Plan programme discipline to reduce political disruption to the programme; provide briefings to Members around outputs of programmed evidence base.	3	4	12	Introduce a Governance structure that defines who and what stage requests for new evidence can be made and how these are evaluated and approved; adopt a 'test for necessity and proportionality' before agreeing to extra evidence; provide member training on evidence requirements and soundness tests; agree scope of evidence with Members as early as possible.	5.1 and 10.1	Corporate Strategy

	9	Slippage in the Local Plan Project management timetable, (as set out in the Council approved Local Development Scheme) for the Regulation 19 Local Plan consultation.	Failure to meet the Government’s Local Plan submission deadline of 31 st December 2026 under the current planning system, leading to much abortive work and costs and a requirement to progress a Local Plan under a new planning system.	F, R	Director of Planning, Housing and Environmental Health	01/09/24	Jan-26		4	5	20		The provision of a detailed project plan setting out tasks and the timetable clearly; provision of sufficient and timely staff resources to deliver the project plan; ensure a budget to fund the resources required to deliver a Local Plan; Regular project management meetings between the PPM and HOS and the PPM and PPTL and Planning Policy Team; Ensure that staff have the right skills and experience to progress the workstreams; procure evidence base work at the earliest opportunity to ensure its availability to feed into the Regulation 19 Local Plan; manage political risks and highlight the consequences of additional work requests and the consequences this has on staff resources and potential delay and associated risks.		3	5	15		Given the tight timetable, ensure that the Planning Policy team are provided the space to progress the Local Plan work programme and are not distracted by non-Local Plan workstreams or additional work that is not directly required to progress the Local Plan.	5.1 and 10.1	Corporate Strategy
	10	Delay to testing the spatial strategy Infrastructure, viability and development phasing	Delay to the overall Local Plan timetable; Not achieving the Government’s timescale for submission; knock on impact to progressing other statutory required evidence such as the Sustainability Appraisal and Habitats Regulations Assessment; risk of not applying an evidence base-led approach to defining the spatial strategy with an increased examination risk of being found unsound; risk of viability and deliverability disputes later in the process and at Examination; risk of selecting undeliverable sites; housing trajectory and five-year supply becomes unreliable; vulnerability to requiring further work and additional sites during the Examination to make the Plan sound; Member decision not to Adopt the Local Plan; Local Plan abortive work and costs; risk of speculative development early in the plan period.	F, R	Director of Planning, Housing and Environmental Health	22/01/26	N/A		4	5	20		Commission infrastructure and viability evidence early and in parallel with Reg 19 option development; use iterative testing with scenarios; update the SA sequentially rather than at a late stage; early and structured engagement with infrastructure providers.		3	5	15		Identify where it is possible to progress testing sequentially if there is a likelihood of delay; agree key assumptions with infrastructure providers; ensure SA / HRA is integrated into the process and not bolted on.	5.1 and 10.1	Corporate Strategy
	11	Failure to meet Statutory requirements in plan-making (Sustainability Appraisal, Habitats Regulations and Equality Impact Assessment) including insufficient data and evidence gaps	Legal challenge on adoption of the Local Plan; delay to plan-making and not meeting the Government’s timeline; poor integration between assessments and the Local Plan; Delay in Examination.	F, R	Director of Planning, Housing and Environmental Health	01/09/24	Jan-26		4	5	20		Begin work on the Statutory evidence requirements early; Ensure strong and up-to-date baseline evidence; use clear methodologies and document reasonable alternatives clearly; embed the processes into Plan-making; maintain continuous engagement with statutory consultees and key stakeholders; ensure a clear audit trail and high quality documentation; ensure timescales are aligned in the Local Plan work programme; ensure adequate staff resource for project management.		3	5	15		Work with the Planning Advisory Service on how to navigate any issues; obtaining legal advice as required and advice from the Planning Inspectorate as required.	5.1 and 10.1	Corporate Strategy
	12	Failure to obtain the required evidence on the required topic area to inform the Regulation 19 Local Plan.	Plan found unsound at Examination; legal challenge on adoption of the Plan; inability to publish a legally compliant Regulation 19 Plan; delays to Local Plan timetable; not meeting the Government’s timeframe for submission; Members not agreeing to take forward the Local Plan to Regulation 19; Weak policy framework that is vulnerable to challenge; increased risk of unresolved objections at Regulation 19 and at examination; stakeholder objections and criticisms.	F, R	Director of Planning, Housing and Environmental Health	01/09/24	Jan-26		4	5	20		Identify all required evidence workstreams as early as possible; Frontload commissioning and gathering the additional evidence to support the Regulation 19 Local Plan; identify evidence dependencies in the work programme and the critical path; schedule early meetings with stakeholders and line up their required input at relevant key stages; draft clear specifications for work; avoid over scoping of the work and ensure proportionality; consider emerging national policy changes early to avoid repetitive work.		3	5	15		Continue to use PAS as a critical friend on evidence gathering and use advice once received particularly around proportionality.	5.1 and 10.1	Corporate Strategy

13	Restricted availability of consultants and / or capacity for consultants to complete the evidence base work required within the project timeline.	Delay to evidence base completion; Local Plan timetable slippage; not being able to procure good quality consultants; increased risk to soundness at examination due to poor or incomplete evidence; inability to progress to Regulation 19; heightened legal compliance risk; higher contract prices; greater officer time required to procure and manage contracts.	F, R	Director of Planning, Housing and Environmental Health	22/01/26	N/A	3	5	15	Consider and strengthen procurement strategy; procure at the earliest time possible; commission partial or interim outputs / phasing of the work; ensure that the scope of works is proportionate; maintain continual engagement with consultants.	2	5	10	Adjust the project plan and where possible build in contingency; provide internal capacity to progress workstreams through additional staff resources.	5.1 and 10.1	Corporate Strategy
14	Procurement / contract delay	Delay to the progression, publication and analysis of the evidence base; inability for policies to be underpinned by evidence; slippage in the Local Plan timetable including key milestones; increased risk of challenge at examination; procedural risk if evidence base not available for committee decision to progress the Regulation 19 consultation and submission; delays to progressing statements of common ground; increased pressure on resources and capacity; uncertainty in decision making.	F, R	Director of Planning, Housing and Environmental Health	22/01/26	N/A	5	5	25	Undertake a peer review by PAS on evidence base; identify early the procurement and contract needs; extend existing contracts where necessary; maintain a clear audit trail of where delays occur and address these for future contracts; re-sequence the Local Plan project programme to ensure critical path activities can be progressed; where feasible run assessments and Local Plan work streams in parallel; prioritise and provide work streams in key phases and request interim reports / partial outputs; use Framework contracts to accelerate commission times; provide clear scopes of work; build in contingency; early engagement with statutory bodies sharing work in draft.	3	5	15	Identify an additional resource to ensure that contracts can progress.	5.1 and 10.1	Corporate Strategy
15	Not meeting the minimum housing need requirement in the Local Plan or demonstrating sufficient land in the first five years.	Local Plan risk of failure at examination on the basis of the soundness tests; a requirement for the plan to be paused for additional evidence and / or major modifications to make the plan sound; Substantial re-working of the Local Plan; prolonged examination and therefore a later adoption of the Plan; greater scrutiny at examination; loss of weight of policies during the examination period; increased risk of speculative development; risk of legal challenge post-adoption; complete loss of work if Plan withdrawn or found unsound.	F, R	Director of Planning, Housing and Environmental Health	01/09/24	Jan-26	3	5	15	Frontload work on housing and employment evidence including the LAA and test supply assumptions; build a realistic and defensible housing trajectory; allocate a wider mix of sites; include a windfall allowance with sufficient justification; engage infrastructure providers to confirm that sites are genuinely deliverable; use Statements of Common Ground.	2	5	10	If it is not possible to meet housing need, seek to identify reserve sites; develop a clear strategy for addressing under-delivery.	5.1 and 10.1	Corporate Strategy
16	Duty To Cooperate (DTC)	DTC issues raised prior to Reg 19 or Local Plan submission; including matters such as unmet development needs and cumulative infrastructure issues; Not meeting the Local Plan timetable; Failure to demonstrate DTC at examination; not meeting the Government deadline for submission.	F, R	Director of Planning, Housing and Environmental Health	01/09/24	Jan-26	3	5	15	Early, regular and documented engagement and cooperation with partners; the production of effective Statements of Common Ground; commissioning joint evidence bases or sharing methodologies on strategic matters; establish political commitment where required and audit trails.	2	5	10	In the work undertaken ensure that engagement with DTC partners leads to effective, deliverable and strategic outcomes and engage external legal and / or technical advice from Barristers / PAS.	5.1 and 10.1	Corporate Strategy
17	Regulation 18 consultation responses identify a fundamental matter relating to evidence or strategy that cannot be addressed within the timescales to achieve Regulation 19	Delay to the Local Plan timetable due to a need to revisit evidence, revise the spatial strategy or re-consult if changes required are substantial; that the Local Plan cannot progress to Regulation 19 within the timeframe or at all; increased risk of the plan being found unsound if critical warning is not addressed; requirement for additional consultation at Regulation 18; reputational issues with communities, Members and stakeholders.	F, R	Director of Planning, Housing and Environmental Health	22/01/26	N/A	3	5	15	Frontload the evidence base work; adjust the project plan if possible; revisit and adapt the strategy; strengthen engagement and Duty to Cooperate; avoid premature progression to Regulation 19.	2	5	10	Commission an independent review of the Local Plan and matter raised.	5.1 and 10.1	Corporate Strategy

18	Loss of staff either through leaving the Council, sickness or unexpected absences	Delay to timetable, health and wellbeing implications for remaining staff members, failure to meet the Local Plan timetable and Government deadline for Local Plan submission.	F, R, H	Director of Planning, Housing and Environmental Health	01/09/24	Jan-26	3	3	9	Regular team meetings, 1:1s, effective file management and knowledge sharing, risk management escalation; utilising contractor staff. Smart recruitment policy and investigation of specialist support. Work with recruitment agencies to fill permanent positions and to cover staff absence.	3	2	6	Predict early where more staff resource may be required; Keep under review the staffing budget; keep up-to-date with the recruitment market offerings and make any offers early.	5.1 and 10.1	Corporate Strategy
19	No / limited internal expertise on matters relating to heritage	Delays to evidence gathering and site assessments including through requiring procurement lead in times; risk of incomplete or insufficient evidence at submission and / or at Examination; Increased risk of challenge at Examination on heritage matters; Local Plan found unsound at Examination; Bottleneck in site allocations workstream; dependency on external consultants increasing budget costs and requiring a staff resource to manage workstream; Not meeting Local Plan timetable.	F, R	Director of Planning, Housing and Environmental Health	01/09/24	Jan-26	5	5	25	Commission heritage specialists as early as possible; share services with Sevenoaks Borough Council where possible; develop clear scopes for external Heritage work; undertake early engagement with Historic England; integrate heritage work into site selection as early as practically possible.	2	3	6	Engage external legal and / or technical advice from Barristers / PAS.	5.1 and 10.1	Corporate Strategy
20	Capacity constraints within the Planning Policy Team and / or skills and experience shortage	Delays / slippage and slower progress for work streams; Missed project milestones; Not meeting the Local Plan timetable overall due to work stream interdependencies; Not meeting the Governments submission timeframe; dependency on external consultants and / or existing / temporary staff to plug skills gaps; weak or incomplete evidence base with gaps in technical and key evidence; risk of an unsound plan at examination; legal compliance risks for SA, HRA, Equalities Impact Assessment, statutory Regulation 19 consultation; reduced ability to engage and negotiate with key stakeholders; staff burnout and turnover.	F, R, H	Director of Planning, Housing and Environmental Health	22/01/26	N/A	5	5	25	Strengthen internal capacity by recruiting permanent planners; upskill staff; ensure that the work programme is detailed with clear responsibilities identified; hold regular 1:1s and team meetings; use external support either in relation to recruiting temporary planners or consultants to progress key workstreams; regular monitoring of workloads and priority setting; strengthen corporate and cross-departmental support; manage staff wellbeing and retention.	3	3	9	Secure additional financial funding; Plan for the worst-case scenario through contingency planning.	5.1 and 10.1	Corporate Strategy
21	Not meeting the Committee date to report the Regulation 18 consultation due to the level of responses to analyse	Strategic, procedural, political and resource implications including - delay to the Local Plan programme; not meeting the Government's timeline for submission; increased risk of Government intervention; knock on delays to the evidence base to support Regulation 19; political and governance risks; reputational risks with the community and stakeholders; increased workload and compression of future tasks; financial implications in progressing additional resources to assist in meeting the programme; abortive local plan work if overall work programme and submission cannot be achieved.	F, R	Director of Planning, Housing and Environmental Health	22/01/26	N/A	3	5	15	Identify and get in place additional resource and free up capacity to deliver the Regulation 18 consultation workstream; cross departmental working; ensure that the task is prioritised over other workstreams where possible and subject to other critical pathways; provide a reporting template and prioritise key deliverables.	2	5	10	Agree a clear escalation process; Corporate support and cross - departmental working to progress the work streams	5.1 and 10.1	Corporate Strategy
22	Delays caused by IT issues (internal and external systems)	Delay to progressing work streams; Local Plan timetable slippage; inability to finalise work when required; increased costs and inefficiency; increased pressure on resources and capacity.	F, R, H	Director of Planning, Housing and Environmental Health	22/01/26	N/A	3	3	9	Ensure stable and well supported systems; ensure software updates are undertaken outside working hours; understand the systems and plan for eventualities.	3	2	6	Ensure updates do not affect performance; ensure updates will not affect work momentum or require too much learning or affect data; identify IT dependencies and monitor risks; strengthen IT support; ensure responsive IT support; ensure capacity and build flexibility into the work programme; Ensure flexibility in the IT budget for contingency and modernisation.	5.1 and 10.1	Corporate Strategy

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Executive Decisions Record - January 2026

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
D260001MEM	Agreement with KCC re Former Commuter car park at BBH Chatham	Housing, Environment and Economy	02.01.26	06.01.26	13.01.26						14.01.26
D260002CAB	Fees and Charges 2026/27 - Legal Fees, Photocopying, Land Charges etc	Cabinet	06.01.26	08.01.26	15.01.26						16.01.25
D260003CAB	Review of Fees and Charges for Discretionary Planning Services 2026/27										
D260004CAB	HMO and Caravan Site Licensing Fee Charges 2026/27										
D260005CAB	Adoption of a Calculator for Indoor Sports, Outdoor Sports and Playing Pitch Developer Contributions										
D260006CAB	Reserves Review										
D260007CAB	Planning Advisory Service - Review of the Council's Planning Service										
D260008CAB	Proposed Lease of Residential Apartments in Tonbridge for use as TA										
D260009CAB	Lease Arrangements for 8-10 Martin Square Larkfield										
D260010CAB	Bluebell Hill TA Project										
D260011CAB	Tonbridge Town Centre Programme Board - Notes										
D260012MEM	Change of use of Jubilee room at Angel Leisure Centre to an Innerva Suite	Infrastructure and Tonbridge Regeneration (nominated by Leader in the absence of Cabinet Member for Community	13.01.26	14.01.26	21.01.26						22.01.26
D260013MEM	Application for Section 13A 1(C) Council Tax Discount	Leader (on behalf of Cabinet Member for Finance, Waste and Technical Services)	23.01.26	27.01.26	03.02.26						04.02.26
Decision pending	Call in period	Key Decision	Private	Urgent							
	Subject to call in										

URG - outside of budget and policy framework

Number of monthly call-ins:	0

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Agenda Item 16

- The Notice is 'to follow' and will be circulated in advance of the meeting.

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Agenda Item 17

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

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Agenda Item 20

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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