



TONBRIDGE & MALLING BOROUGH COUNCIL

EXECUTIVE SERVICES

Chief Executive
Damian Roberts

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

To: MEMBERS OF THE COUNCIL

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

Dear Sir/Madam

I hereby summon you to attend a meeting of the Tonbridge and Malling Borough Council which will be held in the Council Chamber, Gibson Drive, Kings Hill on Tuesday, 28th October, 2025 at 7.30 pm.

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

The following business is proposed to be transacted:-

1. Guidance on the Conduct of Meetings 5 - 8

PART 1 - PUBLIC

2. Apologies for absence 9 - 10
3. Declarations of interest

To declare any interests in respect of recommended items

4. Minutes 11 - 20

To confirm as a correct record the Minutes of the meeting of Council held on 8 July 2025

5. Mayor's Announcements 21 - 22
6. Questions from Members pursuant to Council Procedure Rule No 5.5 23 - 30
7. Questions from the public pursuant to Council Procedure Rule No 5.6 31 - 32
8. Leader's Announcements 33 - 34

Matters for Information

9. Overview and Scrutiny - Annual Report 35 - 38

The report of the Chair of the Overview and Scrutiny Committee provides a summary of the work of the Committee over the past year.

10. Minutes of Cabinet and Committees 39 - 40

To receive and note the Minutes of meetings of Cabinet and Committees as set out in the Minute Book (attached as a supplement).

Matters for Decision

11. Tonbridge Community Governance Review 41 - 54

This report sets out the results of the recent Community Governance Review consultation and seeks approval for the next steps in the process.

12. Local Code of Corporate Governance 55 - 82

Consideration of recommendations of the Audit Committee in respect of the outcome of the annual review of the Local Code of Corporate Governance.

13. Treasury Management Performance Update and Annual Report for 2024/25 83 - 110

Consideration of recommendations of the Audit Committee in respect of details provided on investments undertaken during April and May of the current financial year, and the Treasury Management outturn position for 2024/25.

14. Replacement of Shallows Bridge, Haysden Country Park 111 - 122

Consideration of recommendations of Cabinet of 2 September 2025 in respect of a List C Capital Plan Evaluation for the replacement of the Shallows Bridge in Haysden Country Park. It is recommended that the scheme is included in List A of the Capital Plan and progressed within the current financial year.

15. Proposal for Monthly Member Briefing Sessions on Pre-application Development Proposals 123 - 138

Consideration of the recommendations of Cabinet of 2 September 2025 in respect of regular briefing sessions for Members.

16. Treasury Management Performance Update and Mid-Year Review for 2025/26 139 - 168

Consideration of recommendations of the Audit Committee in respect of updates provided on investments undertaken during the period April to July of the current financial year and incorporates a mid-year review of the Treasury Management and Annual Investment Strategy for 2025/26.

17. Annual Audit Report 2024/25 169 - 212

Consideration of recommendations of Cabinet in respect of the Auditor's Annual Report.

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

18. Risk Management 213 - 256

Recommendations of Cabinet in respect of Risk Management.

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

Matters for Decision as a Planning Committee

In order to facilitate the proper consideration of the planning application at agenda item 19, the Council will need to suspend its own procedure rules and resolve itself into a committee to which rules relating to a planning committee will be applied.

19. Planning Application TM/24/01270/PA - Gibson Building, 257 - 296
Gibson Drive, Kings Hill

Following approval of planning permission in October 2024, there is now a need for the Borough Council to seek alternative means of securing the required Biodiversity Net Gain provision. The previous report is attached as Annex 1.

In accordance with the LGA 1972 Sch 12A Paragraph 5, Annex 2 is restricted as it contains exempt information relating to legal advice.

20. Sealing of Documents

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

DAMIAN ROBERTS
Chief Executive
Monday, 20 October 2025

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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@tmbc.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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TONBRIDGE AND MALLING BOROUGH COUNCIL

COUNCIL MEETING

MINUTES

Tuesday, 8th July, 2025

At the meeting of the Tonbridge and Malling Borough Council held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Tuesday, 8th July, 2025

Present: His Worship the Mayor (Councillor C Brown), the Deputy Mayor (Councillor K B Tanner), Cllr L Athwal, Cllr B Banks, Cllr Mrs S Bell, Cllr A G Bennison, Cllr R P Betts, Cllr T Bishop, Cllr M D Boughton, Cllr G C Bridge, Cllr R I B Cannon, Cllr L Chapman, Cllr J Clokey, Cllr M A Coffin, Cllr A Cope, Cllr R W Dalton, Cllr D A S Davis, Cllr Mrs T Dean, Cllr S M Hammond, Cllr D Harman, Cllr P M Hickmott, Cllr M A J Hood, Cllr F A Hoskins, Cllr S A Hudson, Cllr D Keers, Cllr J R S Lark, Cllr A McDermott, Cllr A Mehmet, Cllr D W King, Cllr Mrs A S Oakley, Cllr R W G Oliver, Cllr W E Palmer, Cllr S Pilgrim, Cllr B A Parry, Cllr M R Rhodes, Cllr R V Roud, Cllr Mrs M Tatton, Cllr M Taylor, Cllr D Thornewell, Cllr K S Tunstall and Cllr C J Williams

Apologies for absence were received from Councillors K Barton, P Boxall and S Crisp

PART 1 - PUBLIC

C 25/61 DECLARATIONS OF INTEREST

Cllr A Mehmet declared an Other Significant Interest in agenda items 21 and 22 (Budget Approval – Borough Council costs – Planning Appeals and Planning Appeal – Case Management Review) respectively as he had given advice to landowners in the area. He withdrew from the meeting and did not participate or vote on these matters.

C 25/62 MINUTES

RESOLVED: That the Minutes of the proceedings of the statutory annual meeting of the Council held on 13 May 2025 be approved as a correct record and signed by the Mayor.

C 25/63 MAYOR'S ANNOUNCEMENTS

The Mayor was pleased to welcome back former Mayor Cllr S Hammond after a period of ill health and took the opportunity to present him with a civic insignia. Cllr Hammond thanked the Council for their good wishes and for the support during the preceding year.

The Mayor advised of a number of engagements attended since the last meeting of Council and made particular reference to the following civic and charity events:

- Tonbridge Lions Club's Community Fete and Parade
- Blossom Care home Launch in Tonbridge
- Tonbridge Lions It's A knockout
- Chairman of KCC's Armed Forces Flag Raising Ceremony
- The Mayor of Medway's Armed Forces Day Celebration Event
- Plaxtol Nursery School's 50th Anniversary Event

Arrangements were being finalised for future civic and charity events and these would be announced as soon as possible. However, it was hoped that the Mayor's Go-Karting race could be reintroduced.

Finally, the Mayor thanked the Deputy Mayor, Past Mayors Cllrs Lark and Bell for attending a number of events on their behalf.

C 25/64 QUESTIONS FROM MEMBERS PURSUANT TO COUNCIL PROCEDURE RULE NO 5.5

In accordance with Council Procedure Rule No. 5.5 questions had been submitted by Cllr Hood in respect of social housing rents (25/004/MEM) and Cllr Athwal in respect of a local housing company (25/005/MEM).

A detailed response to these questions was provided by the Cabinet Member for Housing, Environment and Economy (Cllr R Betts) and the questions and answers, attached as an annex to these Minutes were noted.

In response to supplementary questions, the Cabinet Member for Housing, Environment and Economy recognised that the housing market was challenging and that there was room for improvement in respect of social housing rents. In addition, whilst he supported early discussions around the potential for a local housing company, careful consideration had to be given to the implications of local government reorganisation on significant projects.

C 25/65 QUESTIONS FROM THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 5.6

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

C 25/66 MOTION WITHOUT NOTICE

In accordance with Council Procedure Rule 5.30 (c), Cllr Boughton proposed that the order of business on the agenda be changed and that item 16, Changes to the Constitution, be discussed immediately after Leaders Announcements on the grounds that the matter was substantive

and likely to have significant debate. This was seconded by Cllr Harman and

RESOLVED: That the order of business on the agenda be changed and that agenda item 16 – Changes to the Constitution - follow Leaders Announcements.

C 25/67 LEADER'S ANNOUNCEMENTS

The Leader referenced the Borough Council's recent achievements which included a silver award from the Defence Employer Recognition Scheme for supporting the armed forces, the Community Enforcement Teams success in tackling anti-social behaviour and the success of the 50th Anniversary Community Grant Scheme.

Other areas highlighted included the Banking Hub based temporarily in Tonbridge Castle pending identification of a permanent location, the ongoing consultation for a Tonbridge Town Council and the upcoming public engagement on proposals for the east of the High Street Master Plan. The importance of engaging with residents and delivering new, viable facilities for the town was outlined.

Finally, on behalf of Tonbridge and Malling Borough Council, the Leader paid tribute to Sharon Shelton, Director of Finance and Transformation as a dedicated, efficient and diligent officer. The Council recorded appreciation for 42 years of service and rigorous financial planning and expressed good wishes for a well-deserved retirement.

Full Leaders announcements were available on the Borough Council's [YouTube channel](#).

MATTERS FOR DECISION

C 25/68 CHANGES TO THE CONSTITUTION

Careful consideration was given to the proposed changes to the Constitution as detailed in the report of the Monitoring Officer. An amended version of the Constitution with tracked changes was attached at Annex 1.

Changes to the operational arrangements, the Overview and Scrutiny Procedure Rules, the Rules for Decision Making during a Period of Serious and Unexpected Disruption, the Rules for Public Speaking at planning committees and the committee procedure rules were outlined in 4.1 to 4.22 of the report.

Members discussed the qualifications for First and Second vice-chairs of the Overview and Scrutiny Committee, the proposed changes aimed to clarify the roles and ensure a balance between the executive and opposition parties. On the grounds of maintaining effective scrutiny and

holding the executive to account, Cllr Oakley proposed that the First Vice-Chair should be a member of a political party which is neither the political party of the Chair nor a political party forming the executive. This was seconded by Cllr Hood.

Following a formal vote this amendment was defeated.

There was detailed and robust discussion on changes to the Rules for Public Speaking at Planning Committees which proposed a limit on the number of public speakers to ensure efficient meetings. In order to bring the Borough Council's approach more in line with established practice elsewhere it was proposed that within parished areas a maximum of 5 speakers be permitted for each application, plus the applicant (or their agent) and a representative of the relevant Parish/Town Council. In non-parished areas it was proposed that 6 speakers be permitted on each application, plus the application (or their agent).

Concern was expressed that these proposals would limit public participation, curtail debate and be seen as a failure in civic duty. However, some councillors supported the changes to improve the quality of decision-making and to reduce inefficiency. There was also recognition that planning decisions were required to reflect an objective assessment of material planning considerations and not be shaped by other factors, such as strength of feeling that may be expressed. It was confirmed that there were a number of ways in which residents were able to express their views on a planning application, such as submitting written representations and communicating directly with their local ward Councillor.

On the grounds of increasing public participation, Cllr Oakley proposed that the maximum number of public speakers should be increased to 10. This was seconded by Cllr Clokey.

Following a formal vote this amendment was defeated.

Particular reference was made to the occasions when the red line of the planning application straddled more than 2 Town/Parish Council areas and it was proposed by Cllr Clokey that in these instances a representative of each of the Town/Parish Council areas within the relevant area be permitted to speak. This was seconded by Cllr Boughton and agreed unanimously.

In accordance with Council Procedure Rule 6.15, the Council

RESOLVED: That the original motion be divided to facilitate individual votes.

Following formal votes on the individual motions it was

RESOLVED: That

- (1) the changes to the Constitution to address the deletion of the post of Director of Finance and Transformation and creation of the new post Head of Finance and Section 151 Officer with effect from 28 July 2025 be noted;
- (2) the changes to the Overview and Scrutiny Procedure Rules at Part 4 of the Constitution be agreed;
- (3) the changes to the Rules for Decision Making during a Period of Serious and Unexpected Disruption at Part 7 of the Constitution be agreed;
- (4) the changes to the Rules for Public Speaking in respect of planning applications at Part 4 Annex 1 of the Constitution be agreed; subject to allowing a representative from each of the Town/Parish Councils to speak where the red line of the application straddled 2 or more of those Town/Parish areas.
- (5) the deletion of CPR 15.24 at Part 4 of the Constitution be agreed.

C 25/69 HEAD OF FINANCE AND SECTION 151 OFFICER - RECRUITMENT

Members were provided with an update on the recruitment process undertaken in respect of the newly established Head of Finance and Section 151 Officer.

At the meeting of Council on 13 May 2025, the formation of a Member Panel had been agreed to oversee and be involved in the recruitment process.

Due to the specialist skillset and seniority of the post, a rigorous selection and assessment process had been undertaken before Member Panel interviews had been undertaken on 4 July 2025.

Consideration was given to the recommendations of the Member Panel detailed in the supplementary report of the Chief Executive and the Leader of the Borough Council proposed that Mr Paul Worden be appointed as the Head of Finance and Section 151 Officer. This was seconded by Cllr Coffin and supported by the Council who welcomed the appointment and noted that the successful candidate had the requisite skills, knowledge and experience necessary to ensure the Borough Council's good financial position continued.

RESOLVED: That Paul Worden be appointed as permanent Head of Finance and Section 151 Officer with effect from 28 July 2025.

C 25/70 BLUEBELL HILL TEMPORARY ACCOMMODATION PROJECT

The report of the Director of Planning, Housing and Environmental Health provided a Capital Plan Evaluation for the Bluebell Hill temporary accommodation project and sought Member approval for the associated budget.

The proposed approach to procure a contractor to deliver a modular housing scheme at Bluebell Hill was supported by the Housing and Planning Scrutiny Select Committee and Cabinet and due regard had been given to a feasibility study prepared by an external consultant.

As a result of updating the Local Authority Housing Fund and revenue reserve for capital schemes funding to allow for commitment to the resettlement programme, Members noted that the partnership funding for the project had reduced to £4,670,663. In addition, the revenue impact section had been updated to allow for estimated staffing costs and to demonstrate the potential revenue saving of £157,500.

On the grounds that the principle of progressing this project had already been approved, Cllr Boughton proposed, Cllr Betts seconded and

RESOLVED: That the Capital Plan Evaluation (attached at Annex A) for the Bluebell Hill temporary accommodation project be approved.

C 25/71 RIVERSIDE ROUTE LIGHTING PROJECT, TONBRIDGE

Consideration was given to the recommendation of Cabinet in respect of a List C Capital Plan Evaluation for the Riverside Route Lighting Project, Tonbridge.

Due regard was given to the views of the Finance, Regeneration and Property Scrutiny Select Committee and Cabinet and on the grounds that the principle of this project had already been approved, Cllr Boughton proposed, Cllr Coffin seconded and Council

RESOLVED: That the Scheme be transferred to List A of the Capital Plan.

C 25/72 GIBSON EAST REFURBISHMENT TENDER

Consideration was given to the recommendation of Cabinet in respect of transferring some funding from the Decarbonising the Council's Estate Capital Plan Scheme to the Gibson East Refurbishment Scheme to help support the installation of renewable and decarbonising technologies.

Due regard was given to the financial and value for money considerations, the outcome of the tender evaluations and the progress being made on identifying further savings to close a shortfall in funding as considered by Cabinet.

On the grounds that the principle of the project had already been approved, Cllr Boughton proposed, Cllr Coffin seconded and Council

RESOLVED: That the transfer of £125,000 from the Decarbonising the Council's Estate Capital Plan Scheme to the Gibson East Refurbishment Scheme be approved.

C 25/73 STATEMENT OF LICENSING POLICY 2025-2030 CONSULTATION

Consideration was given to the recommendation of the Licensing and Appeals Committee to adopt the draft Statement of Licensing Policy 2025/30, which would include details of the 'Ask for Angela' initiative.

Cllr Williams proposed, Cllr Coffin seconded and Council

RESOLVED: That the draft Statement of Licensing Policy 2025/30, including reference to the Ask for Angela initiative be adopted.

C 25/74 ESTABLISHMENT REPORT

Consideration was given to the recommendations of the General Purposes Committee in respect of establishment changes recommended by the Management Team.

Due regard was given to the views of the General Purposes Committee and Cllr Rhodes proposed, Cllr McDermott seconded and Council

RESOLVED: That

- (1) Post DV0723, Housing Solutions Manager, be regraded from Grade M7 to M6 with effect from 9 July 2025;
- (2) Post DV0731, Housing Allocations Team Leader, be regraded from Scale 5/6 to SO with effect from 9 July 2025;
- (3) Posts DV0726 and DV0745, Housing Allocations Officers, be regraded from Scale 3 and 3/4 respectively to Scale 5/6 with effect from 9 July 2025;
- (4) the hours of post DR0016, Contracts and Procurement Lawyer, be increased from 21 to 37 hours per week with effect from 9 July 2025; and
- (5) Post DE0107, Resilience Officer, be regraded from Scale SO to Grade M9 and the hours of the post be increased from 15 to 29.6 hours per week with effect from 9 July 2025.

C 25/75 APPOINTMENTS TO OUTSIDE BODIES

The report of the Director of Central Services recommended an addition to the Schedule of Outside Bodies and changes to annual appointments.

Particular reference was made to the Southern Water Local Authority Stakeholder Group whose main objective was to act as a platform for local authorities to come together to hold Southern Water to account for the poor quality of waterways and coastlines.

The Chair of Housing and Planning Scrutiny Select Committee had previously attended this Group on an informal basis. It was proposed that this arrangement be formalised by adding the Stakeholder Group to the Borough Council's Schedule of Outside Bodies for annual appointments and Cllr Boughton proposed, Cllr Harman seconded that Cllr D King, as the current Chair of Housing and Planning Scrutiny Select Committee, be appointed.

Following notification from the Parking and Traffic Regulations Outside London (PATROL) Adjudication Joint Committee that they were moving to in-person meetings in London, there was a requirement to appoint a new representative as the change in meeting arrangements was no longer convenient to the current appointee. Cllr Boughton proposed, Cllr Harman seconded that Cllr L Chapman be appointed as the Borough Council representative with immediate effect.

RESOLVED: That

- (1) the Southern Water Local Authorities Stakeholder Group be added to the Schedule of Outside Bodies for annual appointments;
- (2) Cllr D King be the Borough Council's appointment to the Southern Water Local Authorities Stakeholder Group with immediate effect; and
- (3) Cllr L Chapman be appointed as the Borough Council representative to the PATROL Joint Committee with immediate effect.

MATTERS FOR INFORMATION**C 25/76 CHANGES TO THE CABINET PORTFOLIOS**

In accordance with paragraph 6 of the Rules for the Making of Decisions by Executive Members (as set out in Part 4 of the Constitution) the Leader may amend the Scheme of Delegation relating to executive functions at any time during the year.

As advised at the Annual meeting of Council, the Leader had reviewed portfolio responsibilities to ensure effective decision making continued. Notice of this change had been given to the Chief Executive and to members of the Executive.

Decision Notice D250045MEM confirming the changes had been published on 3 June 2025. Revised Cabinet Member Portfolios was attached at Annex 1.

C 25/77 MINUTES OF CABINET AND COMMITTEES

The Minutes of meetings of the Cabinet and Committees for the period 1 April to 30 June 2025 set out in the Minute Book (Volume 3 attached as a supplement, were received and noted.

Any recommendations to the Council from Cabinet or Committees were resolved elsewhere on the agenda.

C 25/78 SEALING OF DOCUMENTS

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

C 25/79 EXCLUSION OF PRESS AND PUBLIC

The Mayor moved, it was seconded by Cllr Boughton and

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

PART 2 - PRIVATE

MATTERS FOR DECISION

C 25/80 BUDGET APPROVAL - BOROUGH COUNCIL COSTS - PLANNING APPEALS

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

The report of the Director of Planning, Housing and Environmental Health sought approval for a supplementary estimate/budget to pay for appeal costs arising as a result of the Borough Council defending the grounds for refusal in respect of an upcoming planning appeal. These costs related only to Tonbridge and Malling's own costs and did not relate to the appellants costs.

Cllr Brown proposed, Cllr Boughton seconded and Council

RESOLVED: That a supplementary estimate/budget to pay for the Borough Council's costs in defending the upcoming planning appeal be agreed, as set detailed in the report.

C 25/81 PLANNING APPEAL - CASE MANAGEMENT REVIEW

(Reasons: Part 2 – Private – LGA 1972 Sch 12A Paragraph 5 – Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings).

The report of the Director of Central Services and Monitoring Officer presented the legal advice prepared by Counsel for consideration.

RESOLVED: That

- (1) reason for refusal 4 be withdrawn;
- (2) subject to securing an appropriate Grampian condition, reason for refusal 5 be withdrawn; and
- (3) reason for refusal 6 be withdrawn.

C 25/82 DISPENSATION FOR COUNCILLOR NON-ATTENDANCE

(Reasons: Part 2 – Private – LGA 1972 Sch 12A Paragraph 1 – Information relating to an individual)

On the grounds that the Member had attended this meeting, the Mayor proposed that this item be withdrawn. This was seconded by Cllr Boughton and supported by the Council.

RESOLVED: That the matter be withdrawn.

The meeting ended at 11.05 pm

Mayor's Announcements

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Agenda Item 6

Questions from Members pursuant to Council Procedure Rule No 5.5

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COUNCIL

28 October 2025

QUESTION ASKED PURSUANT TO COUNCIL PROCEDURE RULE NO 5.5

The following question has been asked pursuant to Council Procedure Rule No 5.5 by Councillor Parry:

‘Why will Kingdom not release the filmed footage of offences such as spitting when their fixed penalty notices are challenged? With it surely containing proof of the offence, would it not make sense to make this available when residents wish to challenge a FPN?’

Response of the Cabinet Member for Finance, Waste and Technical Services (Cllr M Coffin):

An authorised officer, including a member of staff from Kingdom, usually witnesses an alleged offence and would then issue a witness statement to be used as admissible evidence, should a prosecution case be taken to the magistrate’s courts. A Fixed Penalty Notice (FPN) is issued to offer the offender the opportunity of discharging any liability to conviction for the offence, by payment of the fixed penalty.

Until the payment is made and the liability is discharged, it is still an active criminal investigation and further enforcement action may be taken, i.e. prosecution. There is no formal appeal procedure at this stage and the alleged offender may decide not to pay the FPN and defend themselves in court.

Whilst a littering or fly tipping case is ongoing which may lead to further enforcement action, including potential prosecution, any footage captured is considered potential evidence in the case and would only be released to the alleged offender’s defence team should the prosecution case go to Magistrates Court, in accordance with the Investigatory Powers Act 2016.

Regarding the use of the Kingdom Officers’ body-worn cameras, these can only be activated once an offence has been witnessed, to capture the communication between the officer and the alleged offender, as they are not allowed to have their cameras filming constantly throughout their patrols due to the general data protection regulation.

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COUNCIL

28 October 2025

QUESTION ASKED PURSUANT TO COUNCIL PROCEDURE RULE NO 5.5

The following question has been asked pursuant to Council Procedure Rule No 5.5 by Councillor Barton:

- Access to council services for those with visual impairments

'With the understandable drive to push residents to use online services, what steps are TMBC taking to ensure that services are accessible to those with visual impairments? The 2010 Equalities Act requires services to make sure people with disabilities can access their services as easily as people without disabilities. I am concerned that when trying to help a resident with visual impairment, I was told in an email response that "We do encourage applicants to try and work with support workers, family, and friends to submit applications if they struggle to access the system, but we can support with this when required."

However, when advocating for a resident, I found over two weeks passed before anyone would call them because they were unable to use our online services and to be told that the solution is for someone else to do this for them infantilises members of the public by requiring someone else to act for them, rather than making our services accessible.'

Response of the Cabinet Member for Community Services (Cllr Keers): TO FOLLOW

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COUNCIL

28 July 2025

QUESTION ASKED PURSUANT TO COUNCIL PROCEDURE RULE NO 5.5

The following question has been asked pursuant to Council Procedure Rule No 5.5 by Councillor Cope:

'In light of the challenges many grassroots festivals and community events are currently facing, does the Council believe it is doing everything it can to support these vital initiatives that help make Tonbridge unique? Specifically, is the current approach to requirements and cost structures at the Castle acting as a barrier to not-for-profit groups, and what more can be done to ensure these important local events are supported rather than stifled?'

Response of the Cabinet Member for Community Services (Cllr Keers): TO FOLLOW

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Agenda Item 7

Questions from the public pursuant to Council Procedure Rule No 5.6

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Leader's Announcements

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Council

28 October 2025

Part 1 - Public

Matters for Information



Member

Cllr Anita Oakley – Chair of Overview and Scrutiny

Overview and Scrutiny – Annual Report

1 Summary and Purpose of Report

- 1.1 To provide a summary of the work of the Committee over the past year

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 The Overview and Scrutiny process monitors how decisions are made and how resources are used, holding decision makers accountable and identifying ways to improve performance and value for money.

3 Introduction and Background

- 3.1 This report sets out a summary of the activities and work undertaken by the Overview and Scrutiny Committee over the past twelve months. Full details of all the reviews undertaken and other matters considered by the Committee over this period are set out on the Council's website.
- 3.2 In the last 12 months, 5 programmed meetings of the Committee took place. In addition to these formal meetings, the Chair of Overview and Scrutiny and members of Cabinet regularly meet to discuss workload and current opportunities and challenges across each portfolio.

4 Proposal

- 4.1 Set out below are details of the Committee's main meetings and a brief description of the work undertaken.

4.2 **O&S Committee Meeting – 14 November 2024**

- 4.2.1 The agenda for this meeting included Key Performance Indicators, where positive and negative trends in the report were discussed and noted.
- 4.2.2 The meeting also considered a review of Tonbridge Community Forum and Parish Partnership Panel. As a result of this review, Tonbridge Community Forum changed venue to the Methodist Church in Tonbridge, all meetings changed to “in person” rather than online and an open discussion section was introduced for members to discuss and respond to items raised. Initial responses in relation to Parish Partnership Panel (PPP) were referred back to the Panel for further discussion.
- 4.2.3 An information report was also considered regarding the progress and implementation of the Agile software system. The report responded to queries raised by Members and a further request was made for another update report to be shared.

4.3 **O&S Committee Meeting – 23 January 2025**

- 4.3.1 At this meeting the Committee considered the Revenue estimates 2025/26 along with a detailed list of services and whether they were mandatory or discretionary. The Revenue Estimates were endorsed for consideration by Cabinet. The Committee also considered the Capital Plan Review for 2024-25 with recommendations going on to Cabinet.
- 4.3.2 Also on the agenda was the introduction of the Annual Service Delivery Plan 2025-26 to strengthen links with the Corporate Strategy and set out priorities for the year.
- 4.3.3 In addition, a presentation was given by the Leader and the Chief Executive, providing an update on the Devolution White Paper released by Government on 16 December 2024.

4.4 **O&S Committee Meeting – 3 April 2025**

- 4.4.1 Included on the agenda was a presentation from representatives of Citizens Advice North and West Kent. Members were updated on the services provided and the numbers of residents in Tonbridge and Malling who have received advice and support.
- 4.4.2 The Committee also heard from representatives of South East Water who had been invited to attend the meeting to provide an update and answer questions in relation to recent water outages. Representatives responded to concerns and noted potential areas of further improvement to improve resilience of the water supply.

- 4.4.3 Corporate Key Performance Indicators were also considered for the quarter 3 period, with positive and negative trends noted.
- 4.4.4 Following further consideration by the Parish Partnership Panel, a report was considered in relation to future meetings. It was recommended that all meetings will be held in the Council Chamber, with a remote joining option retained as an option.
- 4.4.5 An information report was considered regarding affordable housing delivery with Members updated on current national and local issues with securing affordable housing. The Committee recognised the challenges around affordable housing provision and welcomed more detail to be brought to a meeting of the Housing and Planning Scrutiny Select Committee.
- 4.4.6 A report reviewing the primary care capacity was also considered due to member concern regarding the pressures being placed on GP practices especially in the northeast of the borough arising from growth and development. The report provided an overview of capacity and information regarding future requirements.

4.5 O&S Committee Meeting – 26 June 2025

- 4.5.1 A report on Empty Homes was provided for information, which included current figures on empty homes across the borough, trends, comparison with other Kent local authorities and the empty Homes Officer post.
- 4.5.2 The Committee also considered the annual consultant use report for the 2024-25 financial year along with the annual review letter from the Local government and Social Care Ombudsman.
- 4.5.3 A Part 2 – Private Report was also considered – Built Environment and Public Protection Software System. The report presented findings of the independent review, identifying key learning and actions.

4.6 O&S Committee Meeting – 11 September 2025

- 4.6.1 The Borough Council's representative, Cllr M Boughton provided a brief overview of the role and activities of South East Council.
- 4.6.2 The Annual Service Delivery Plan – Quarter 1 data was also considered by the Committee.
- 4.6.3 The Angel Leisure Centre replacement project was considered, with an opportunity for the Committee to ask questions to the project team.
- 4.6.4 The Executive/Scrutiny Protocol was considered by the Committee and on the grounds of the increasing importance and reliance of I.T. it was agreed that I.T Policies and Strategies would be included within the standing items for consideration.

- 4.6.5 The Committee also received an update on Information Rights Requests and noted the increasing volume and complexity of these requests. A further review of resources for the management of information requests was supported, subject to any proposals considered by general Purposes Committee and the Council.

5 Summary of activity

- 5.1 Overall, it has been a busy and productive year for the Committee, marked by a strong commitment to improving transparency, accountability and service delivery across the council. The Committee has undertaken a wide range of reviews, examined key policy areas and provided constructive recommendations that have influenced positive change.

Background Papers	None
Annexes	None

Agenda Item 10

To receive and note the Minutes of meetings of Cabinet and Committees as set out in the Minute Book (attached as a supplement).

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Council

28 October 2025

Part 1 - Public

Matters for Decision



Cabinet Member	Cllr Matt Boughton, Leader of the Council
Responsible Officer	Damian Roberts, Chief Executive
Report Author	Daune Ashdown, Head of Electoral Services Jeremy Whittaker, Strategic Economic Regeneration Manager

Tonbridge Community Governance Review

1 Summary and Purpose of Report

- 1.1 This report sets out the results of the recent Community Governance Review consultation and seeks approval for the next steps in the process.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 This report sets out proposals that could contribute to or impact the efficient and effective delivery of local council services to the residents of Tonbridge.

3 Recommendations

- 3.1 That the Community Governance Review process **BE CONTINUED**.
- 3.2 That the proposed next steps (as described in section 6) **BE APPROVED**

4 Introduction and Background

- 4.1 At a Council meeting on 18 February 2025, it was agreed that a Community Governance Review should be undertaken to consider the creation of a new town council for the unparished area of Tonbridge. This was shortly followed by receipt of a petition, which was validated on 12 March 2025.
- 4.2 Following consideration of a report by Council on 13 May 2025, Terms of Reference for a cross-party Member working group (including timetable and consultation plan) were adopted and a one-off budget agreed in order to conduct the review.

- 4.3 A key part of any Community Governance Review is the delivery of community consultation to ascertain the level of support or otherwise for the proposals. In the consultation plan, a six-week consultation (from 02 June-14 July 2025) was programmed and promoted by the Council through direct leafleting to the address, emails and social media messaging. In addition to this, other groups in the community also produced their own publicity material about the consultation independently of the council.
- 4.4 This consultation sought views on the following question: “Should Tonbridge have a town council?”, along with associated questioning relating to the reasons behind the views of responders. This report sets out the main findings of this consultation exercise.

5 Consultation Outcome

- 5.1 The full results of the consultation exercise are provided in Annex 1. In total **3,236** people responded to the consultation, representing approximately a **12%** response rate. This compares very favourably to other areas that have recently undertaken Community Governance Review consultations, for example Tunbridge Wells received a 2% response rate and Maidstone a 0.5% response rate.
- 5.2 The overall profile of responders was as follows:
- **96%** were residents of Tonbridge, with a further **2%** working in Tonbridge.
 - **8%** were under 35 years of age and **34%** were 65 years of age and over. **3%** preferred not to say.
 - **7%** considered themselves disabled, with a further **6%** preferring not to say.
- 5.3 In response to the question, “Should Tonbridge have a town council?” a sizeable majority were in favour. **72%** responded that they think Tonbridge should have a town council, **23%** responded that Tonbridge shouldn’t and **5%** were unsure.
- 5.4 For responders that answered that Tonbridge should have a town council, **47%** stated that it would give the residents of Tonbridge a stronger voice in local decisions, **31%** stated it would offer better facilities and support for the town and a further **19%** said it would enhance the status of Tonbridge.
- 5.5 For responders that answered that Tonbridge shouldn’t have a town council, **41%** stated that they don’t want the additional costs added to their tax bill, **27%** stated that the borough council (and any future unitary council) already provides the services that a town council would and a further **27%** felt it would add to local bureaucracy.
- 5.6 Just over three-quarters of people responding to the consultation found out about it directly from the borough council:

- Direct email (**39%**)
- Leaflet to the premises (**25%**)
- Social media (**9%**)
- Council website (**2%**)

5.7 In conclusion, the main outcome of this Community Governance Review consultation is that the majority of responders were in favour of a town council being established for Tonbridge.

6 Next Steps

6.1 It is proposed that a second consultation is undertaken (as per the consultation plan) to seek views on more detailed aspects of a future Tonbridge town council, including whether the town council should be warded, the potential number of town councillors, and whether it should have a mayor. Please see attached Annex 2 with a draft of the consultation questionnaire.

6.2 Given the more technical nature of this consultation it is proposed that this second consultation will be more 'light touch' than the first, with a focus on an online questionnaire promoted via social media and direct emails to responders from the previous consultation.

6.3 In addition, hard copy forms will still be made available for people to complete should they not have access to the online form.

6.4 Given the requirement to complete the process by February 2026, the need to leave time to properly analyse the consultation responses and the desire to minimise any overlap with the Local Plan Regulation 18 consultation later on in the year, it is proposed that the consultation will take place for a 6-week period from **31 October – 12 December 2025**.

7 Financial and Value for Money Considerations

7.1 The proposed next steps in this report will result in less funding being required from the General Revenue Reserve to carry out the second stage consultation.

8 Risk Assessment

8.1 Whilst very good progress has been made, the timescales for the completion of the Community Governance Review continue to be quite tight. The Member Working Group is aware of this and are proactively supporting and overseeing the process to ensure the necessary milestones are achieved.

9 Legal Implications

- 9.1 The Local Government and Public Involvement in Health Act 2007 (Part 4) devolved power from the Secretary of State to principal councils to carry out community governance reviews and put in place or make changes to local community governance arrangements. This Community Governance Review is being undertaken in accordance with this Act and supplementary guidance.
- 9.2 The council is obliged to undertake a review which has been requisitioned following the submission of a valid petition or requests.
- 9.3 The Community Governance Review must be completed within one year of receipt of a valid petition. In this case this means that the review must be completed by 20 February 2026.

10 Consultation and Communications

- 10.1 The Media and Communications team lead the consultation part of the review process. This work will be overseen by the council's Member Working Group and the results reported back to Full Council in February 2026

11 Implementation

- 11.1 The focus of this report is on the implementation of a community governance review within the required timeframe.

12 Cross Cutting Issues

12.1 Climate Change and Biodiversity

- 12.1.1 Limited or low impact on emissions and environment.
- 12.1.2 Climate change advice has not been sought in the preparation of the options and recommendations in this report.
- 12.1.3 For this second stage consultation, care is being taken to focus on electronic options to facilitate engagement in the consultation process and only use paper-based methods where required.

12.2 Equalities and Diversity

- 12.2.1 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.

12.3 Other If Relevant

- None

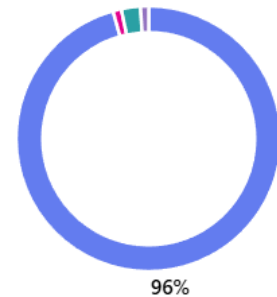
Background Papers	None
Annexes	Annex 1 – Community Governance Review Consultation – Results Overview Annex 2 – Proposed Stage 2 Consultation questionnaire

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Annex 1 – Community Governance Review Consultation – Results Overview:

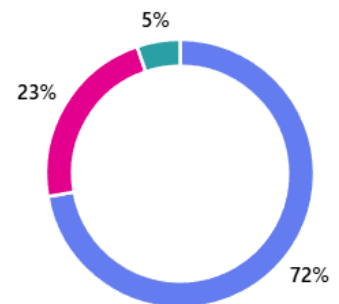
1. Are you responding as....?

● A resident of Tonbridge	3193
● A visitor to Tonbridge	34
● A worker in Tonbridge	78
● Other	33



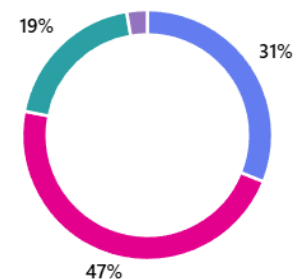
2. Should Tonbridge have a town council

● Yes	2354
● No	734
● Not sure	169

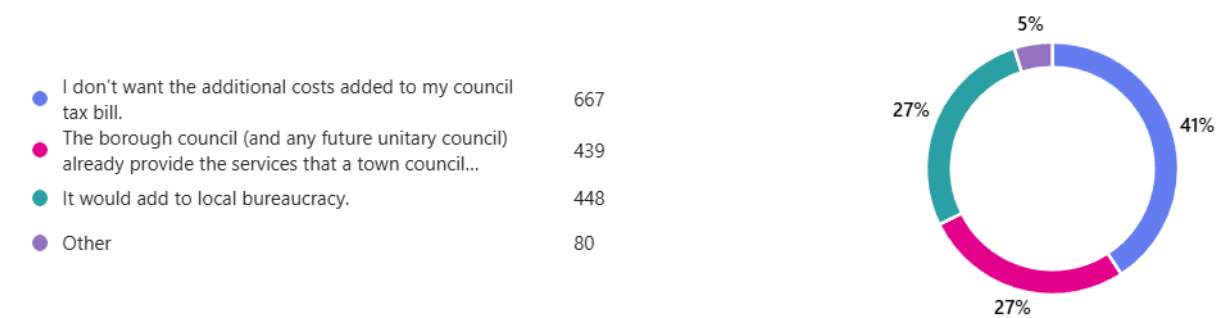


3. What is your main reason for saying Tonbridge should have a town council?

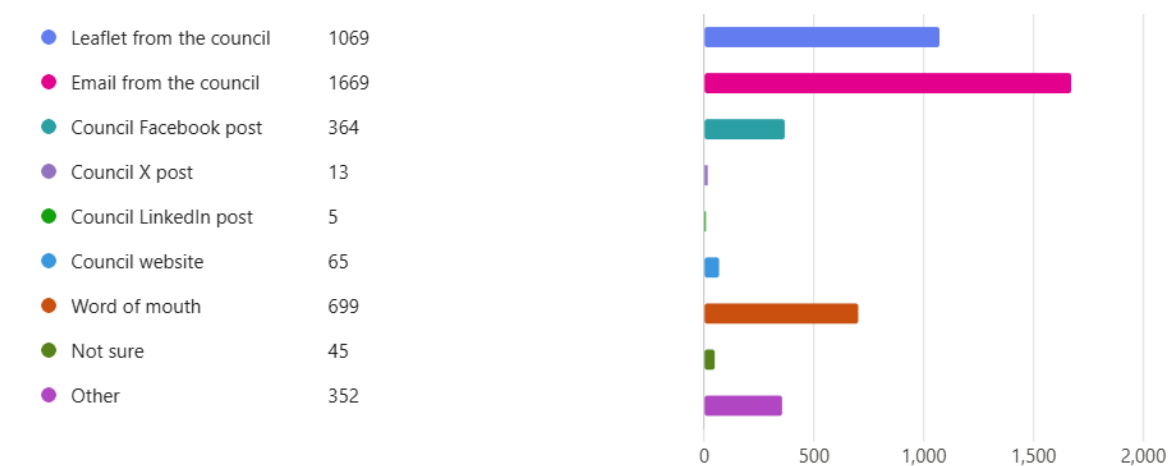
● It would offer better facilities and support for the town.	1451
● It would give the residents of Tonbridge a stronger voice in local decisions.	2193
● It would enhance the status of Tonbridge.	901
● Other	123



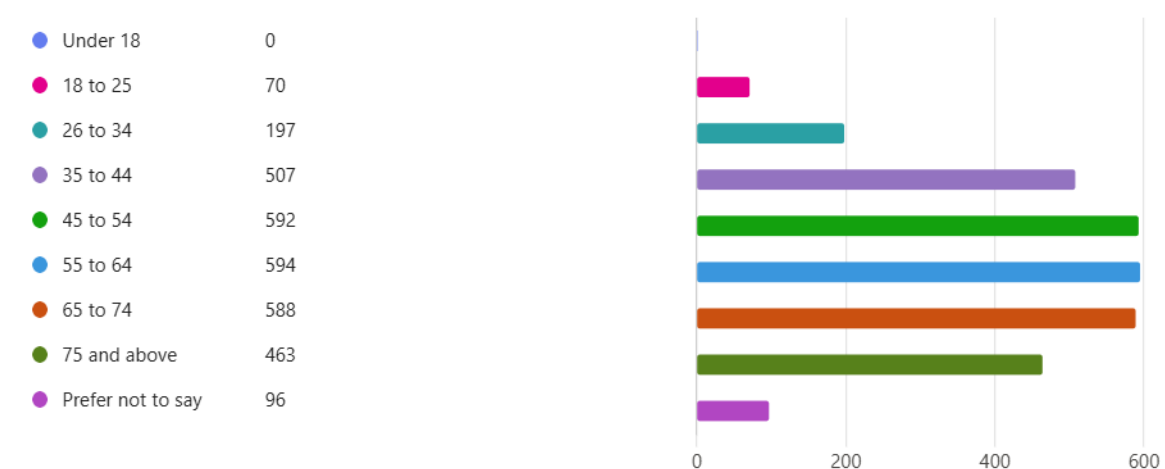
4. What is your main reason for saying Tonbridge should not have a town council?



5. How did you find out about this consultation?

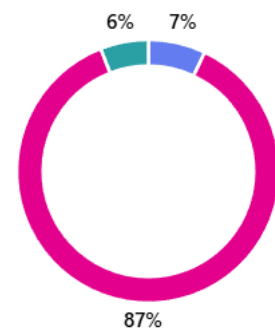


17. What age are you?



18. Do you consider yourself to be disabled?

● Yes	222
● No	2744
● Prefer not to say	186



Annex 2 – Proposed Stage 2 consultation Questionnaire

Tonbridge CGR - Proposed Stage 2 consultation questions.

Our first consultation in summer 2025, showed that the majority of residents who responded would like a town council for Tonbridge to be established.

A final decision on whether to create a town council will not be taken until early 2026. However, we would like further views on how a new town council could be structured. This survey seeks your views on:

- Warding arrangements
- The number of councillors a town council could have
- Whether the town council should have a mayor

Before responding to this consultation, you may wish to read more information about the review of community governance. [Visit our Tonbridge CGR webpages.](#)

Questions

[Demographic Qs]

Did you submit a response to the first consultation on a town council for Tonbridge?

Yes/No

Warding arrangements

1. Most large parish or town council areas are divided into sub-sections called wards. Town councillors are then elected to represent the residents of each ward.

The alternative is that the area is not divided into wards and all councillors are responsible for representing the whole parish or town area.

If a town council for Tonbridge is created, would you like the area to be divided into wards?

Yes

☐

No

☐

If no, please proceed to Q3 (No. of Councillors)

[Filter - If yes]

2. Existing borough council arrangements have six wards in Tonbridge. They are:

- Cage Green and Angel
- Higham
- Hildenborough (unparished area)
- Judd
- Trench
- Vauxhall

It is proposed that if the area was divided into wards, that these six wards would be used. However, if you have alternative suggestions on warding structure, please provide them below.

Number of councillors

3. The number of elected town councillors reflects the population size of the area or wards they represent. There are no rules around the number of councillors on a town/parish council, but the typical town/parish councils are made up as follows:

- less than 500 people had between 5 and 8 councillors
- those between 501 and 2,500 had 6 to 12 councillors
- those between 2,501 and 10,000 had 9 to 16 councillors
- those between 10,001 and 20,000 had between 13 and 27 councillors
- while almost all councils representing a population of over 20,000 had between 13 and 31 councillors

In the 2021 Census, Tonbridge had a population of 36,115

How many councillors would you like to sit on a town council?

Select one of the four options below.

Option 1: 13 councillors

☐

i.e. if warded:

Cage Green & Angel – 3

Higham – 2

Hildenborough (unparished area) – 1

Judd – 2

Trench – 2

Vauxhall - 3

Option 2: 18 councillors

☐

i.e. if warded:

Cage Green & Angel – 4

Higham – 3

Hildenborough (unparished area) – 1

Judd – 3

Trench – 3
Vauxhall - 4

Option 3: 30 councillors

i.e. if warded:

☐

Cage Green & Angel – 6
Higham – 5
Hildenborough (unparished area) – 3
Judd – 5
Trench – 5
Vauxhall - 6

Option 4: Suggest an alternative number of councillors

If selecting Option 4, please explain your answer.

Mayor for Tonbridge

4. A town council can opt to have a mayor instead of a chairperson. While a mayor would not have any greater decision-making powers than a chairman or chairwoman, they would have a role in promoting the more traditional civic and ceremonial type activities of the council.

Should the town council have a mayor?

Yes ☐

No ☐

Other Comments

5. Do you have any other comments on the arrangements for a town council for Tonbridge?

Newsletter sign up – Yes/No

Follow up communication – Yes/No

End of survey

LOCAL CODE OF CORPORATE GOVERNANCE

Item AU 25/29 referred from Audit Committee of 21 July 2025

The joint report of the Chief Executive and the Director of Central Services informed Members of the outcome of the annual review of the Local Code of Corporate Governance.

The Local Code was last reviewed in July 2024. The proposed changes to the Local Code were to reflect a small number of minor updates within the past year and a revised Code was attached at Annex 1 to the report.

Reference was made to a previous request that litigation be included in future to demonstrate that checks were undertaken to ensure that procedures were being followed and were reviewed to ensure their effectiveness in determining the outcome, which implementation was impacted due to conflicting priorities within Legal Services but would be progressed in due course.

Furthermore, it was suggested that links to published documents referenced in the Local Code of Corporate Governance be included when the Code was reviewed and published in the future.

It was proposed by Councillor Cannon (Chair), seconded by Councillor Clokey and the Audit Committee

RECOMMENDED*: That the updates and amendments to the Local Code of Corporate Governance, as set out at Annex 1 to the report, be approved and commended to Council for adoption.

***Recommended to Council**

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Audit Committee

21 July 2025

Part 1 - Public

Recommendation to Council



Cabinet Member	Martin Coffin, Cabinet Member for Finance, Waste and Technical Services
Responsible Officer	Damian Roberts, Chief Executive and Adrian Stanfield, Director of Central Services
Report Author	Joy Ukadike, Head of Legal and Democratic Services

Local Code of Corporate Governance

1 Summary and Purpose of Report

- 1.1 This report informs Members of the outcome of the annual review of the Local Code of Corporate Governance.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all residents, maintaining an effective Council.
- 2.2 Ensuring that the Council's governance arrangements work towards meeting the seven principles of good governance as set out in the CIPFA Good Governance in Local Government Framework.

3 Recommendations

- 3.1 To approve the updates and amendments to the Local Code of Corporate Governance at **Annex 1** and commend it to the Council for adoption.

4 Introduction and Background

- 4.1 The Local Code of Corporate Governance was last reviewed by this Committee in July 2024.
- 4.2 There are no substantive changes to the Code. The Code has been revised to reflect a small number of minor updates within the past year including the following:
 - (a) A new complaints handling procedure from 1st June 2025
 - (b) Annual Service Delivery Plan for 2025/2026

(c) Procurement Strategy 2024-2026

- 4.3 A revised Code is attached at Annex 1. Changes to the code are shown as tracked changes.

5 Proposal

- 5.1 Members are asked to approve the amendments to the Local Code of Corporate Governance set out at **Annex 1** and commend it to the Council for adoption.

6 Other Options

- 6.1 None considered.

7 Financial and Value for Money Considerations

- 7.1 There are no financial and value for money considerations arising from the Code.

8 Risk Assessment

- 8.1 Adoption of a Local Code of Corporate Governance is seen as good practice in that it demonstrates how the Council ensures it operates in a proper way and in accordance with the law and as such is subject to annual review to ensure it remains fit for purpose. Not to do so may attract unwelcome criticism.

9 Legal Implications

- 9.1 Whilst there is no legal requirement for Councils to develop a Local Code of Corporate Governance, such a Code provides a public document that demonstrates how the Council ensures it operates in a proper way and in accordance with the law.

10 Consultation and Communications

- 10.1 Internal consultation has been undertaken with relevant services.

11 Implementation

- 11.1 Subject to approval by this Committee and by Council, the revised Code will be published on the Council's website.

12 Cross Cutting Issues

- 12.1 Climate Change and Biodiversity

- 12.1.1 N/A

- 12.2 Equalities and Diversity

12.2.1 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	CIPFA/SOLACE – “Delivering Good Governance in Local Government Framework 2016”
Annexes	Annex 1 – Revised Code of Corporate Governance

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Local Code of Corporate Governance	Supporting Evidence
1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	
1.1 Behaving with Integrity	
<p>Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organization</p>	<p>The Council has Codes of Conduct for both Members and Officers. The Member code is founded upon the seven Principles of Public Life (the Nolan Principles).</p> <p>The Members' code is enforced (where necessary) through the Council's Joint Standards Committee. The Officer code is enforced (where necessary) through disciplinary procedures.</p> <p>In addition the Council has:</p> <ul style="list-style-type: none"> • An Equalities Policy • A protocol for member/ officer relations • A Declaration of Interest Register for Members and for staff • A Register of Gifts and Hospitality offered to Members and staff • Financial Procedure Rules • Contracts Procedure Rules • A publicised complaints procedure • A fraud-aware culture, and an anti-fraud and corruption policy which is reviewed and updated annually.
<p>Ensuring members take the lead in establishing specific standard operating principles or values for the organization and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life</p>	<p>The Council's constitution sets out clearly the standard operating procedures, and any delegation of responsibility from Council (and Cabinet) and the decision-making powers of the Council, Cabinet members, cabinet and the committees of the Council and the executive.</p> <p>The Council's Cabinet and Overview and Scrutiny Committee have established a Cabinet/ Scrutiny protocol which sets out the expectations that each body has of the other.</p> <p>The Seven Principles of Public Life are embedded within the Constitution and form part of the Members' Code of Conduct.</p>
<p>Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively</p>	<p>The Council's constitution clearly sets out the process for holding the executive to account through a system of reporting to the Council's Overview & Scrutiny committee and the Scrutiny Select Committees.</p>

	The Council has a Corporate Strategy for 2023 - 2027- which sets out an overarching vision for the Council.
1.2 Demonstrating Strong Commitment to Ethical Values	
Seeking to establish, monitor and maintain the organisation's ethical standards and performance	<p>The Council has a number of policies and Codes which officers and members are expected to adhere to:</p> <ul style="list-style-type: none"> • Codes of Conduct for Members and Officers • An Equalities Policy • A Declaration of Interest Register for Members and for staff • A Register of Gifts and Hospitality offered to Members and staff • Financial Procedure Rules • Contracts Procedure Rules • An anti-fraud and corruption policy • A Joint Standards Committee to promote and maintain high standards of conduct by Members. The arrangements for handling complaints under the Code were reviewed during 2023/24 with revised arrangements agreed by Council in October 2023.
Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	<p>The Code of Conduct for Members is enforced through the Standards process.</p> <p>Where members of staff depart from the Officer Code of Conduct or other policies, these may be enforced through disciplinary measures. The Monitoring Officer and Deputy Monitoring Officer are available to provide advice to Members and staff on all aspects of standards of conduct and lawful and ethical behaviour.</p> <p>Professional officers are also accountable to their respective professional bodies and any applicable Codes of Conduct.</p>
Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	<p>The Council has robust arrangements in place to ensure that it does the right things, for the right people in a timely, inclusive, open, honest and accountable manner. These are monitored and publicized through:</p> <ul style="list-style-type: none"> • The Council's performance reporting arrangements • Procedures for recruitment and training • Decision making practices (including requirements for the publication of officer decisions) • publication of decisions and committee meeting minutes • Data transparency arrangements, such

	as the Council's Publication Scheme under the Freedom of Information Act 2000 and data published in accordance with the Local Government Transparency Code
Ensuring that external providers of services on behalf of the organization are required to act with integrity and in compliance with ethical standards expected by the organisation	The Council's Contracts Procedure Rules require standard terms to be included in all contracts, including provisions relating to bribery, equalities and fraud.
1.3 Respecting the Rule of Law	
Ensuring members of staff demonstrate a strong commitment to the rule of law as well as adhering to relevant laws and regulations	<p>The Council actively recognises the requirements and responsibilities placed on it by law and will act to observe all specific legal requirements placed upon it when taking decisions.</p> <p>Training is provided to new members of staff appropriate to their roles, and ongoing training (particularly in relation to regulatory functions) is also provided on both an ad hoc and programmed basis.</p> <p>This is underpinned by a series of policies and processes to ensure that staff adhere to legal requirements including:</p> <ul style="list-style-type: none"> • Codes of Conduct for Members and Officers • A Declaration of Interest Register for Members and for staff • A Register of Gifts and Hospitality offered to Members and staff • Financial Procedure Rules • Contracts Procedure Rules • An anti-fraud and corruption policy
Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	<p>Training is provided to new members upon election, and ongoing training (in particular in relation to regulatory functions) is also provided on both an ad hoc and programmed basis.</p> <p>The Council's Monitoring Officer (the Director of Central Services & Deputy Chief Executive) and Deputy Monitoring Officer (the Head of Legal & Democratic Services),</p>

	<p>both of whom are qualified Solicitors with current practising certificates are responsible for ensuring that the Council acts in accordance with the law and that decisions made by the Council, however made, are made lawfully.</p> <p>The Council has appointed Deputies to each of the statutory officer posts to ensure resilience and also to ensure that those officers can act in the event of a conflict of interest arising.</p> <p>The 3 Statutory Officers and their Deputies meet on a regular basis in order to review current and likely future issues that will raise ethical, political, financial, legal, staffing or other issues that may impact on their statutory duties.</p>
Striving to optimize the use of the full powers available for the benefit of citizens, communities and other stakeholders	<p>All departments are encouraged to work closely with the Council's legal team and where necessary to consult the Monitoring Officer to ensure that the most effective use is made of the Council's powers.</p> <p>Legal staff receive regular training and updates when new powers become available to the Council.</p> <p>The Council also strives to utilise its statutory powers to work in the public interest and to the full benefit of its citizens, particularly in relation to regulatory activity.</p> <p>All committee reports include a section to ensure any legal implications are fully analysed when making decisions.</p> <p>In addition, many committees (in particular where the Council is carrying out regulatory functions) sit with a legal advisor.</p>
Dealing with breaches of legal and regulatory provisions effectively	<p>Staff in enforcement roles are appropriately trained and (where necessary) professionally qualified in the relevant field.</p> <p>The Council has individual service enforcement policies which set out how breaches are to be investigated and enforced. The Council has also adopted -a Corporate Enforcement Policy.</p> <p>- Investigations are carried out with the assistance of legal advice where needed. Any prospective prosecution is assessed in accordance with the Code for Crown Prosecutors</p>

	<p>and considered by a senior lawyer before a decision is made.</p> <p>Enforcement staff are encouraged to work closely with the Council's legal team to ensure that the most effective use is made of the enforcement powers available to the Council.</p> <p>In committees where the Council is carrying out a regulatory function, the committee usually sits with a legal advisor.</p> <p>The Council has appointed a Data Protection Officer and Deputy Data Protection Officer, in accordance with GDPR, to ensure that following an internal investigation data breaches are reported to the ICO where necessary. The posts of Data Protection Officer and Deputy Data Protection Officer are currently undertaken by the Director of Central Services & Deputy Chief Executive, and the Head of Legal & Democratic Services.</p>
Ensuring corruption and misuse of power are dealt with effectively	<p>The Council takes corruption and misuse of power very seriously. The Council has an anti-fraud and corruption strategy and a whistleblowing policy in place.</p> <p>In addition, the Council has a Joint Standards Committee and Code of Conduct for Members which investigates complaints against members (both at Borough and Parish level).</p> <p>The Council's Monitoring Officer and Deputy Monitoring Officer are responsible for ensuring that the Council acts in accordance with the law.</p> <p>All staff are required to confirm their acceptance of all policies, including the anti-fraud and corruption and whistleblowing policies through netConsent. Such policies are ultimately enforceable through disciplinary measures.</p> <p>Internal audit also carry out programmed audits on matters such as corporate crime.</p>
2. Ensuring openness and comprehensive stakeholder engagement	
2.1 Openness	
Ensuring an open culture through demonstrating, documenting and communicating the organization's commitment to openness	<p>The Council follows both the mandatory and (where cost effective) recommended provisions of the Local Government Transparency Code for publication of information held by the Council, and has a detailed scheme of publication under the Freedom of Information Act. In addition, in</p>

	<p>relation to certain decisions made at officer level, the Council has implemented the requirements of the Openness in Local Government Regulations 2014.</p>
<p>Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided</p>	<p>The Council has an adopted and published a Corporate Strategy for 2023-2027 which sets out the Council's vision for a 4-year period. It emphasises the three key values of innovation, transformation and delivery and is supplemented by a Corporate Strategy Action Plan and Key Performance Indicators.</p> <p>The Council's Constitution sets out clearly the decision- making powers of:</p> <ul style="list-style-type: none"> • The Council • The Cabinet (including the Executive Leader and delegated decision-making to the Cabinet Portfolio Holders), • Other Council committees; and • powers delegated to officers and the limits of such delegation <p>The Overview and Scrutiny Committee and the Scrutiny Select Committees are responsible for reviewing and scrutinizing decisions made by and performance of the cabinet, committees and officers. Decisions made by cabinet, committee or a cabinet member can be subjected to scrutiny via a call-in procedure allowing challenge within five working days of the decision being taken. Feedback from the Overview and Scrutiny Committee/ Scrutiny Select Committees, Cabinet, and other Committees is taken into account and given due consideration in the decision-making process.</p> <p>Forthcoming key decisions are published in advance at regular intervals. All Member meetings held by the Council are open to the public, unless the items being discussed are considered to be private under the Local Government Act 1972; these may include staffing and legal matters and those of a contractual nature. Where such an exemption applies, it is recorded in the relevant report and minute.</p>
<p>Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course,</p>	<p>Reports to members set out all relevant considerations in order to ensure that any decision taken is rational and lawful. In addition, reports of certain officer level decisions are required to be published under</p>

ensuring that the impact and consequences of those decisions are clear.	the Openness in Local Government Regulations 2014.
Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action.	The Council carries out consultation where this is a legal requirement.
2.2. Engaging comprehensively with institutional stakeholders	
Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are successfully achieved and sustainably.	<p>The Council's Corporate Strategy 2023-2027 outlines the means by which local stakeholders (including institutional stakeholders) will be engaged and how constructive, challenging relationships will be built.</p> <p>The Council has Committees -with cross-party representation to ensure effective and robust discussion of issues.</p> <p>The Council has a Parish Partnership Panel, the Tonbridge Community Forum and a Joint Transportation Board which ensure that the Council can effectively engage with external stakeholders, including institutional stakeholders such as Parish Councils and the County Council.</p> <p>The Council also has an Overview and Scrutiny Committee and three Scrutiny Select Committees to scrutinise decisions made (or which are due to be made) by Cabinet, and which has the ability to make recommendations (which could include recommendations on stakeholder engagement) to Cabinet.</p>
Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	<p>The Council seeks to utilise Shared Service and Joint Working arrangements (where appropriate) which are intended to share resources with neighbouring authorities where these will improve efficiency and economic sustainability.</p> <p>Outside of such formal arrangements, Council officers have access to Kent-wide service groups such as Kent Chief Executives and Kent Chief Planners which allow for joint sharing of good practice and knowhow.</p>
Ensuring that partnerships are built on trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit	The informal Kent-wide service groups enable relationships to be built with other Kent authorities such that as and when partnership arrangements such as joint working are carried out, they are based on each organisations knowledge and trust of the other.

2.3 Engaging with individual citizens and services users effectively.	
Establishing a clear policy on the type of issues that the organization will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes	<p>The Council is clear that it is ultimately accountable to the citizens of Tonbridge & Malling. The Council has a good understanding of who lives, works and plays in the borough and has mechanisms to listen to and respond to their needs, aspirations and concerns.</p> <p>All consultations are published on the Council's website. When considering consultation responses, the Council's decision considers the merit of the responses being made, regardless of the nature of the stakeholder group. The Council carries out consultation when legally required to do so.</p> <p>All reports and decisions include an equalities impact assessment which takes into account whether a decision would have a disproportionate impact on a certain section of society.</p>
Ensuring communication methods are effective and that members and officers are clear about their roles with regard to community engagement	<p>All consultations are published on the Council's website, and where legally required, are advertised in a relevant newspaper.</p> <p>The Council's constitution sets out the roles of members, and (in particular) cabinet members and their roles with regard to community engagement.</p> <p>Public-facing staff receive training relevant to their roles to ensure that their community engagement roles are clear.</p>
Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs.	<p>The Council has taken action to develop and support effective engagement opportunities with all groups of the local community:-</p> <ul style="list-style-type: none"> • The Council engages with the Parishes and unparished areas through the Parish Partnership Panel and Tonbridge Community Forum • The Council promotes the TM Youth Forum that represents the views of young people living in Tonbridge and Malling • The Council supports the Tonbridge & Malling Seniors' Forum (TAMS) which promotes and the needs of the older resident. • The Council actively uses complaints received to learn and improve services, whether through the internal complaints system or via the Ombudsman. The Council has recently changed the way it handles complaints in line with the Local Government and

	<p>Social Care Ombudsman Code of Practice. This now means that the process has been streamlined from three stages to a two-stage process</p> <ul style="list-style-type: none"> The Council operates a petition scheme whereby matters of significant local interest can be raised for discussion at full Council.
Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account.	<p>Consultation responses are reported upon to the relevant decision making person or body where that person or body has an opportunity to consider feedback received and how best to respond to such feedback.</p> <p>The Council also has in place a complaints procedure.</p>
Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity	<p>When considering consultation responses, the Council's decision considers the merit of the responses being made, regardless of the nature of the stakeholder group.</p>
Taking account of the impact of decisions on future generations of tax payers and service users.	<p>All reports and decisions include an equalities impact assessment which takes into account whether a decision would have a disproportionate impact on a certain section of society. All reports also include a consideration of the financial implications (both short and long term) of matters which are being recommended for a decision.</p>
3. Defining outcomes in terms of sustainable economic, social and environmental benefits.	
3.1 Defining Outcomes	
Having a clear vision, which is a clear formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy planning and other decisions	<p>There is a clear statement of the organisation's purpose in the Tonbridge & Malling Borough Council Corporate Strategy 2023-2027. This document sets out the key priorities for the authority and how the Council will work with a range of partners and the local communities towards achieving the objectives.</p>
Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	<p>Committee reports all contain an assessment of risk of the options being presented for a decision. Additionally, the Audit Committee has a role in scrutinizing corporate risk.</p> <p>Where any decision is recommended, reports contain an analysis of the intended impact or changes for stakeholders and the timescale on which that is anticipated to happen. Decisions which may have a disproportionate impact on a certain section of society are subject to an Equalities Impact Assessment.</p>

Delivering defined outcomes on a sustainable basis within the resources that will be available	The Council's Medium Term Financial Strategy covers both revenue and capital budgets, 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 and takes us into the future. Alongside the MTFS sits a Savings and Transformation Strategy. Its purpose, to provide structure, focus and direction in addressing the significant financial challenge that lies ahead.
Identifying and managing risks to the achievement of outcomes	<p>The Council has arrangements in place to effectively monitor and manage risks to its business through the risk management strategy and strategic and service risk registers.</p> <p>Committee reports all contain an assessment of risk of the options being presented for a decision. Additionally, the Audit Committee has a role in scrutinizing corporate risk.</p>
Managing service users' expectations effectively with regard to determining priorities and making the best use of the available resources	The Council is accountable to the citizens of Tonbridge and Malling in delivering its duties and responsibilities. The Council manages relationships with partners and consults the public through a number of mechanisms, including regular reporting to members, partnership arrangements (supported by partnership agreements) and the provisions of the Council's constitution.
3.2. Sustainable economic, social and environmental benefits.	
Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision	<p>Value for money considerations are set out in all committee reports, and the Council's external auditors have consistently found that the Council does give value for money. The social impact of decisions is considered throughout the decision-making process, including the carrying out of an Equalities Impact Assessment where it is considered that a recommendation may have a disproportionate impact on a particular section of society.</p> <p>Where relevant, policies are subject to Strategic Environmental Impact Assessment prior to adoption.</p> <p>The Council -adopted a Climate Change strategy for 2020-2030. Each year we produce a new climate change action plan and progress report to help meet the goals set out in our Climate Change The in-year action plans set out</p>

	<p>climate change targets for the Council for that year along with timetables for implementation.</p> <p>All the action plans for previous years including the current year 4 of the Climate Change Action Plan for 2023/2024 are available on the council's website for public viewing.</p>
Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints.	The Corporate Strategy, together with the Medium Term Financial Strategy and supported by the Savings and Transformation Strategy set out the long term high level objectives of the Council.
Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs	Council, Committee and Overview and Scrutiny reports set out all relevant considerations to enable members to make decisions which are appropriate and lawful.
Ensuring fair access to services	The Council has an equalities policy which seeks to ensure fair access to the Council's services by all sections of society.
4. Determining the interventions necessary to optimize the achievement of the intended outcomes	
4.1. Determining interventions.	
Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks, therefore ensuring best value is achieved however services are provided.	<p>Decision making mechanisms are set out in detail in the Council's constitution. Whether a decision is at council, cabinet or committee level it is informed by a report encompassing advice from relevant services across the Council.</p> <p>Where relevant, alternative options are presented within committee reports, with an assessment of the benefits and disadvantages of those options.</p> <p>The Council's enforcement policies will inform a decision where legal or regulatory action is an option and reports will detail the legal implications of such action.</p>
Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise	Where appropriate, the Council carries out consultation with stakeholders, which is taken into account in the decision-making process. Consultations are published on the Council's

competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts	<p>website, or where statutory rules apply to such consultation those rules are followed.</p> <p>In addition, the Council uses its complaints procedure to understand where services can be improved.</p>
4.2 Planning Interventions	
Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	<p>Strategic and operational plans (such as the Corporate Strategy) are reviewed on a regular basis.</p> <p>Feedback from consultations is taken into account in the decision-making process and reported to the relevant committee, cabinet or Council meeting.</p> <p>The Savings & Transformation Strategy (STS) has been prepared in order to support the achievement of the Council's Medium-Term Financial Strategy and direct resources in line with the Council's Corporate Strategy. The STS recognizes that there is no one simple solution to addressing the financial challenges, and that the Council needs to embrace transformation in a multitude of ways in order to deliver savings within an agreed timetable. The STS sets out a measured structure and framework for delivering the necessary savings through a series of themes; each theme having a deliverable target.</p>
Engaging with internal and external stakeholders in determining how services and other courses of action should be delivered	The Corporate Strategy, medium term financial strategy and other key policies are set by cabinet or the Council following input from all service directors and the Chief Executive.
Considering and monitoring risks facing each partner when working collaboratively, including shared risks	Reports on proposals for shared services contain a risk assessment, and risks are mitigated through the shared service agreements.
Ensuring arrangements are flexible and agile so that mechanisms for delivering goods and services can be adapted to changing circumstances	<p>The Council has an internal procurement officers' study group which meets to consider the Council's contracting arrangements.</p> <p>The Council's Contract Procedure Rules and standard contract terms are reviewed regularly to ensure they are up to date with current best practice.</p> <p>The Council has entered into a Procurement Partnership Agreement with Maidstone Borough Council & Tunbridge Wells Borough Council for the creation of a single combined Procurement Service to ensure robust advice</p>

	<p>and guidance is given to the council when procuring goods and services.</p> <p>The Council has adopted a new Procurement Strategy for 2024-2026</p>
Establishing appropriate Key Performance Indicators as part of the planning process in order to identify how the performance of services and projects is to be measured.	Performance indicators are monitored within each service and reported to Management Team where appropriate.
Ensuring capacity exists to generate the information required to review service quality regularly	It is the responsibility of service directors and Management Team to ensure sufficient capacity exists.
Preparing budgets in accordance with objectives, strategies and the medium-term financial plan	<p>The Council's Medium Term Financial Strategy (MTFS) covers both revenue and capital budgets, and it is this Strategy that underpins the budget-setting process for the forthcoming year and over the strategy period.</p> <p>Budgetary control is undertaken on a monthly basis by services, who report known variations to Financial Services. These variations along with detailed monitoring of the Council's Salary Budget and Major Income Streams are reported to the Corporate Management Team and then onto Members via the Finance, Innovation and Property Advisory Board as part of the cycle of Councils meetings programme.</p> <p>The Annual Service Delivery Plan 2025/2026 provides detailed information on the key actions, milestones and performance targets that have been set for the year in paragraph 13.4 and 13.5.</p>
Informing medium and long-term resource planning by drawing up realistic estimates for revenue and capital expenditure aimed at developing a sustainable funding strategy	<p>The Council's Medium Term Financial Strategy (MTFS) covers both revenue and capital budgets, and it is this Strategy that underpins the budget setting process for the forthcoming year and over the strategy period.</p> <p>The Strategy sets out the high level financial objectives the Council wishes to fulfil over the agreed time span. 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.</p> <p>The aim of the MTFS is to give us a realistic and sustainable plan that reflects the Council's priorities and takes us into the future. Underneath the Strategy sits detailed</p>

	estimates formulated in conjunction with Services taking into account past outturn, current spending plans and likely future demand levels / pressures. It is acknowledged that circumstances will change and for this reason the Strategy needs to, and will, be kept under regular review.
4.3 Optimising achievement of intended outcomes	
Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	The medium-term financial strategy is aligned with the Corporate Strategy. Service priorities are aligned to the Corporate Strategy.
Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term	<p>The budget monitoring process considers both revenue and capital budgets.</p> <p>Budget for the following financial year and longer term financial planning through the MTFS takes account of the impacts for service delivery through potential changes in client base, housing need and levels.</p> <p>The MTFS takes into account changes in Government Funding where these are known. Where these factors are unknown these are judged by officers and shared and confirmed with Members.</p>
Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimizing resource usage	<p>In considering the preparation of the Budget for the current and future financial years, Chief Officers are asked to identify potential growth issues and savings for future years that can be assessed and included with the MTFS.</p> <p>This may include changes in demand for services, including the growth in property, and proposed changes in fees and charges.</p>
Ensuring the achievement of “social value” through service planning and commissioning	The Council has a Social Value Policy Statement. Whilst the issues of cost and quality remain of key concern, the concept of social value means that where appropriate, the Council can seek to achieve added social benefits in its procurement processes that may otherwise not have been achieved by other means.
5. Developing the entity’s capacity, including the capability of its leadership and the individuals within it	
5.1. Developing the entity’s capacity	
Improving resource use through appropriate application of techniques such as benchmarking and other options to	<p>The Council works towards improving value for money through:</p> <ul style="list-style-type: none"> • Exploration of innovative ways of

determine how resources are allocated so that defined outcomes are achieved effectively and efficiently	<p>working including potential for joint-working and shared services</p> <ul style="list-style-type: none"> • Robust budgeting and financial monitoring arrangements including detailed reviews of budgets and potential savings opportunities • Internal and external audit • Publication of annual budget and accounts information
Recognizing the benefits of partnerships and collaborative working where added value can be achieved	The Council works in partnerships with other authorities in Kent. A commitment to working in partnership is one of the Council's stated Corporate Objectives.
Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	<p>The Council has an extensive training programme for council officers including mandatory and voluntary training.</p> <p>The Council actively engages with its staff through:</p> <ul style="list-style-type: none"> • Team meetings • Regular performance management meetings • The Joint Employee Consultative Committee <p>The HR Strategy incorporates the Council's Workforce Development Plan</p> <p>The Council's digital strategy seeks to develop solutions which will increase the efficiency of the Council's resources.</p>
5.2. Developing the capability of the entity's leadership and other individuals.	
Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained	<p>The Council examines the capability of its people with governance responsibilities through appraisals, identifying any training gaps – the relevant training programmes are updated accordingly.</p> <p>The Cabinet and Overview and Scrutiny Committee have developed a Cabinet/Scrutiny protocol which sets out their respective roles.</p>
Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	The Council's constitution sets out clearly the decision-making powers of the Council and its bodies and officers.

Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for the other's authority	The roles of the Leader of the Council and Chief Executive are clearly defined in the Council's Constitution.
Developing the capabilities of members and senior management to achieve effective leadership and to enable the organization to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks.	<p>The Council has a training programme for Members and holds regular training sessions (both on a programmed and ad hoc basis) for Members on a variety of topics:</p> <ul style="list-style-type: none"> • Induction training for all new members • Service-specific training, e.g. Community Safety • Committee-specific training, e.g. Audit Committee, Planning Committee, Joint Standards Committee
Ensuring that there are structures in place to encourage public participation	Consultations are published on the Council's websites. In relation to decisions taken by the Council on planning matters, and certain matters under the Licensing Act 2003, members of the public are able to make both written and oral representations to the committee. The Council also operates a petition scheme.
Holding staff to account through regular performance reviews which take account of training or development needs	<p>Staff have access to appropriate induction training, and ongoing training on both an ad hoc and programmed basis relevant to their roles.</p> <p>The annual appraisal process reviews staff performance and also identifies training needs.</p> <p>Staff training takes place both through internal and external provision as appropriate.</p>
Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing	The council has a Health and Wellbeing statement of intent recognizing that the Council's staff are its most valuable asset. The HR Strategy also recognizes the same. The Council has a Joint Employee Consultative Committee which enables employees to raise matters of concern, including health and wellbeing.
6. Managing risks and performance through robust internal control and strong public financial management	
6.1. Managing risk	

Recognizing that risk management is an integral part of all activities and must be considered in all aspects of decision making	Risk management practices are embedded within the organisation through the annual service and strategic planning processes, which is used to develop the Council's vision and objectives. This ensures that risks to the achievement of the Council's objectives are identified and managed appropriately. Risks identified are scored on the basis of their likelihood and impact and existing controls and required actions to further mitigate risks are captured in risk registers. The framework sets out the responsibility of Officers leading on areas with partnership arrangements to ensure that the partner has an adequate risk management strategy and sufficient insurance cover to protect the interests of the Council.
Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	<p>The Council has arrangements in place to effectively monitor and manage risks to its business through the:</p> <ul style="list-style-type: none"> • Risk Management Strategy • Strategic Risk Register • Service Risk Registers • Audit Committee role in scrutinising corporate risk • Consideration of risk in all Committee reports • Annual Governance Statement <p>The strategic and service risk registers are updated regularly.</p> <p>Risks associated with decisions are set out on relevant committee, cabinet or council reports.</p> <p>The Council's standard report template requires Officers and Members to carry out a risk assessment of the action recommended in the report ensuring risk is considered in all decision-making of the authority. This assessment also covers legal, financial and value for money considerations and equality issues where relevant.</p>
Ensuring that responsibilities for managing individual risks are clearly allocated.	The service risk registers clearly identify responsibilities for managing individual risks.
6.2. Managing performance.	
Making decisions based on relevant, clear and objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook	The performance of the Council and its partners in achieving its objectives is monitored and measured by services and their respective Service Management Teams and subsequently Management Team and Members. Individual services are accountable to the Corporate Management Team for operational performance monitoring and measurement and are

	responsible for taking action to correct any adverse performance, in the first instance, as appropriate.
Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organization for which it is responsible (or for a committee system) encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making	<p>The overview and scrutiny committee and the three Scrutiny Select Committees ("SSCs") are responsible for reviewing and scrutinizing the decisions made (or due to be made) by cabinet members and by Cabinet collectively.</p> <p>The Overview and Scrutiny Committee and SSCs are also responsible for reviewing the performance of the Cabinet, Cabinet members, and Council Officers.</p> <p>Decisions made by Cabinet or by a Cabinet Member can be subjected to scrutiny via a call-in procedure allowing challenge within 5 working days of the decision being taken.</p>
Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement	<p>The Council has in place committees & Panels with cross-party representation to ensure effective and robust discussion of issues. Relevant committees and the executive are provided with information reports on a regular basis to provide progress reports on service delivery and outcomes.</p> <p>An Annual Service Delivery Plan for 2025/2026 has been approved to strengthen the links between the Corporate Strategy 2023-27 and the activities of the Borough Council. This Plan sets out priority actions for the year.</p>
Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements)	<p>The medium-term financial strategy is aligned with the Corporate Strategy. Service priorities are aligned to the Corporate Strategy, which ensures consistency between budget-setting and service delivery.</p> <p>Capital schemes are subject to evaluation prior to the approval for implementation; the criteria of the evaluations are set by Council.</p> <p>Following the scheme's completion a post implementation review will be prepared and shared with members in order to determine the accuracy of the initial evaluation and identify</p>

	lessons to be learned and considered in future evaluations.
6.3 Robust internal control	
Ensuring effective counter-fraud and anti-corruption measures are in place	The Council has an effective Internal Audit service and Anti-Fraud service in place. The Council also has an Anti-Fraud and Corruption Policy and Whistleblowing Policy.
Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	<p>The Council has in place arrangements to effectively monitor and manage risks to its business through the:</p> <ul style="list-style-type: none"> • Risk management strategy • Strategic risk register • Service risk registers
Establishing an audit committee or equivalent group/function which is independent of the executive and accountable to the governing body	The core functions of an audit committee as defined by <i>CIPFA's Audit Committees: Practical Guidance for Local Authorities</i> are fulfilled by the Council's Audit Committee. The Council's Constitution sets out the responsibility of the Audit Committee to provide independent assurance of the adequacy of the risk management framework and associated control environment. To do so, the Audit Committee has adopted a Risk Management Strategy that sets out the roles of Officers and Members in the identification and minimisation of risk. The Risk Register is a standing item at every Audit Committee meeting.
6.4 Managing Data	
Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	<p>The Council maintains a number of local policies which support and embed information processes. These include</p> <ul style="list-style-type: none"> • Data Protection policy • Information Security policy • Data Retention policy • Data transfer & removable media policy • Mobile device security policy • Information media disposal policy • Information Asset register • Information Governance Policy <p>The Council has a Data Protection Officer, appointed in accordance with GDPR, with overall responsibility for ensuring the Council follows proper data protection practices. The DPO chairs the Council's Information Governance Group ("IGG") which meets regularly to discuss data protection and related matters within the Council, including data breaches.</p>

	Individual services have representatives appointed to sit on the IGG and feed back into their services to raise and maintain awareness of the requirements of GDPR.
Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	The Council is a signatory to the Kent & Medway Information Sharing Agreement, which prescribes the procedures that are to be followed when sharing data with other public sector bodies in Kent. The Data Protection Officer, or his appointed Deputy, attend the Kent & Medway Information Sharing Partnership, which seeks to share best practice under GDPR across all Kent authorities.
Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	An annual risk-based Internal Audit Plan is prepared to determine the priorities of the internal audit activity, consistent with the organisation's goals. The Plan aims to ensure that sufficient audit assurance work is carried out to enable the Chief Audit Executive to deliver an opinion regarding the adequacy and effectiveness of the internal control arrangements within the Council. Each audit review will cover data quality and accuracy relevant to the subject area.
6.5 Strong public financial management	
Ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance	<p>The Council's Financial Procedure Rules support the provision of high quality financial advice. The Council also acts in consultation with stakeholders. The Council's Internal Audit Service provides assurance on the quality of financial and performance data reported.</p> <p>The ongoing budget-setting and monitoring process together with the Medium Term Financial Strategy supports the long-term achievement of outcomes and short-term financial and operational performance.</p>
Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	Annual budgets are set with involvement from budget holders across all council services. The MTFS is set considering longer-term risks.
7. Implementing good practices in transparency, reporting, and audit to deliver effective accountability	
7.1 Implementing good practice in transparency	
Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate.	The Council has implemented the mandatory and (where cost effective) recommended principles set out in the Local Government Transparency Code. The Council has set up a steering group which meets to discuss changes to the code and its ongoing implementation.

	<p>Reports for both historic and prospective meetings of the Council and its committees and boards are made available to the public through the Council's website.</p> <p>Where possible, reports are written in a public-facing and non-technical manner. All reports (save those which are exempt from publication for reasons set out in the Local Government Act 1972) are made public and can be accessed through the Council's website.</p>
Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	Where possible, reports are written in a public-facing and non-technical manner. All reports (save those which are exempt as discussed above) are made public and can be accessed through the Council's website.
7.2 Implementing good practice in reporting	
Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way	<p>Annual Statement of Accounts report the Council's financial performance against the original estimate set for that financial year. The statement is prepared in accordance with the CIPFA Code for Local Authority Accounting.</p> <p>Included within the financial statements will be a judgement from the Council's external auditors on value for money and adequate use of resources.</p> <p>Included within the financial statements is the Annual Governance Statement. This is approved by Members and signed by the Chief Executive and Leader of the Council and provides evidence on the Council's adherence to the Code of Corporate Governance.</p>
Ensuring members and senior management own the results reported	The Annual Governance Statement is approved by the leader and Chief Executive, and the financial statements are considered and approved by Management Team and the Audit Committee.
Ensuring robust arrangements for assessing the extent to which the principles contained in the framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement)	Compliance is reviewed on an annual basis and reported to Audit Committee.

Ensuring that the framework is applied to jointly managed or shared service organisations as appropriate	Where appropriate, the principles will be applied to jointly managed or shared services.
Ensuring that performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparisons with other, similar, organisations.	Performance information is included as part of the budget-setting process.
7.3 Assurance and effective accountability	
Ensuring that recommendations for corrective action made by external audit are acted upon	Responsibility for acting upon recommendations from external audit rests with the relevant service, and is monitored through individual service management teams and the corporate management team.
Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon	The Council has an effective internal audit service, and an Audit Committee.
Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	<p>The Council takes an active part in Peer Reviews, there was a Local Government Association n-LGA Peer Review Challenge in 2022. The Council has implemented the majority of recommendations arising from that exercise, with the remaining recommendations in progress.</p> <p>There is a Planning Advisory Service peer review provisionally due to take place from 16-18th September 2025 of the Planning Service at TMBC</p>
Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	Risks are picked up through the contract monitoring process and reported through Audit Committee. Service delivery and performance can be scrutinised through Overview and Scrutiny Committee or the relevant Scrutiny Select Committee
Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognized and met	Such arrangements are subject to public reports to each authority in the partnership. The Contracts Procedure Rules also ensure that standard contract terms are imposed ensuring proper accountability.

TREASURY MANAGEMENT PERFORMANCE UPDATE AND ANNUAL REPORT FOR 2024/25

Item AU 25/30 referred from Audit Committee of 21 July 2025

The report of the Director of Finance and Transformation provided an update on investments undertaken during April to May of the current financial year and set out the Treasury Management outturn position for 2024/25.

A full list of investments held on 30 May 2025 was attached at Annex 1 to the report and a copy of the lending list at Annex 2. In terms of cash flow and core cash investments, £422,170 was earned in interest to the end of May 2025, which had exceeded expectation when compared to the original estimate for the same period. The positive variance was primarily driven by the slower-than-anticipated reduction in the Bank Rate, which had resulted in sustained higher interest yields on deposits. An extract from MUFG's (Mitsubishi UFJ Financial Group, formerly Link Asset Services) latest benchmarking data was provided in the form of a scatter graph at Annex 3, which showed that as at 31 March 2025 the Borough Council's return was 4.67%, in line with the local benchmarking group average of 4.56%.

With regard to long term investment, during the period 1 April 2025 to 31 May 2025, the £3m investment in property funds were estimated to have generated dividends of £28,730 which represented an annualised return of 4.61%, compared to 3.92% in 2024/25. Between April and May 2025, all property fund investments recorded capital depreciation. Despite this, property funds had continued to distribute dividends, with an estimated £30,045 to be received for the first two months of the financial year.

Following the termination of the Lothbury Property Trust, five payments had been received to-date totalling £1,276,520 of the initial investment. Taking into account the dividends received in the sum of £380,755 since the fund's inception up to May 2025, the breakeven point would be achieved with the recovery of £342,725 from the sale of outstanding assets, which were expected to be concluded by the end of August 2025.

In addition, being a small-value investment stakeholder in the Hermes Property Trust, the Council would have the shares realised and paid out upon successful completion of the merger of the Trust.

Furthermore, reference was made to the recent acquisition of CCLA Investment Management Limited by Jupiter Investment Management Group Limited, subject to regulatory approval, and the potential benefit to arise from the acquisition was acknowledged.

Under medium term investment, during the period April to May 2025, the £4.25m investment in multi asset funds generated dividends of £36,460, which represented an annualised return of 5.13%.

Finally, Member's attention was drawn to the Treasury Management Annual Report for 2024/25 as set out at Annex 4, which provided a summary of the investment performance. The combined performance of the Council's investments exceeded the revised estimate by £375,604, and £846,854 when compared to the 2024/25 original estimates, mainly due to the Bank initiating its easing cycle and reducing the rates at a slower pace than anticipated in 2024/25.

It was proposed by Councillor Cannon (Chair), seconded by Councillor Rhodes and the Audit Committee

RECOMMENDED*: That the following be commended to Council:

- (1) the action taken by officers in respect of Treasury Management activity for April to May 2025, be endorsed;
- (2) the 2024/25 outturn position, be noted; and
- (3) the current position in respect of Lothbury and Hermes Property Investment Funds, be noted.

***Recommended to Council**

Audit Committee

21 July 2025

Part 1 - Public

Recommendation to Council



Cabinet Member	Martin Coffin – Cabinet Member for Finance, Waste and Technical Services
Responsible Officer	Sharon Shelton – Director of Finance and Transformation
Report Author	Donna Riley – Principal Accountant

Treasury Management Performance Update and Annual Report for 2024/25

1 Summary and Purpose of Report

- 1.1 The report provides details of investments undertaken during April and May of the current financial year, and the Treasury Management outturn position for 2024/25.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 Prudent financial management of Council's investments will generate a yield to assist with the Council's overall budget objectives.

3 Recommendations

- 3.1 Members are asked to **RECOMMEND** that Council:
- Endorse the action taken by officers in respect of Treasury Management activity for April to May 2025.
 - Note the 2024/25 outturn position.
 - Note the current position in respect of Lothbury, and Hermes Property Investment Funds.

4 Introduction and Background

- 4.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly. This report, therefore, ensures this Council is implementing best practice in accordance with the Code.

- 4.2 Following the Treasury Management training provided to Members in 2023 the Chairman expressed an interest in externally managed funds being presented to the Committee.
- 4.3 Kelly Watson, Head of Local Government Relationships from CCLA attended Audit Committee in July 2023 and again in September 2024, presenting the LAPF Portfolio which included the fund performance and the sustainable investment outcomes.

5 Investment Performance

- 5.1 In accordance with the CIPFA Code, the Council's priorities, in order of importance, are to ensure security of capital; liquidity; and having satisfied both, to obtain an appropriate level of return which is consistent with the Council's risk appetite.
- 5.2 The Council's investments are derived from cash flow surpluses, core cash balances and other long term cash balances.
- 5.3 Cash flow surpluses are available on a temporary basis and the amount mainly dependent on the timing of council tax and business rates collected and their payment to precept authorities and government. Less significant cash flows relate to receipt of grants, payments to housing benefit recipients, suppliers and staff. Cash flow surpluses build up during a financial year and are spent by financial year end.
- 5.4 The Authority also holds 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.
- 5.5 Long and medium term investments are expected to be held anywhere upward of 5 years and is anticipated to be held in perpetuity to provide steady investment income and capital growth.
- 5.6 A full list of investments held on 30 May 2025 is provided at **[Annex 1]** and a copy of our lending list of 30 May 2025 is provided at **[Annex 2]**. The table below provides a summary of funds invested and income earned at the end of May 2025.

	Funds invested on 31 May 2025	Average duration to maturity	Weighted average rate of return	SONIA benchmark May 2025	Interest / dividends earned	Gross annualised return
	£m	Days	1 April to 31 May 2025 %	%	1 April to 31 May 2025 £	%
Cash flow	18.72	6	4.30	4.22	180,330	4.45
Core cash	30.17	97	4.65	4.19	241,840	4.72
Long term	3.00				28,730	4.61
Long term (LPT)	0.72				1,715	--
Medium term	4.25				36,460	5.13
Total	56.86				489,075	--

Table 1

Property funds pay dividends quarterly. The return quoted above is based on dividends expected for April and May 2025.

- 5.7 **Cash flow and core cash investments.** Interest earned of £422,170 from surplus cash flow and core cash balances to the end of May 2025 is a positive variance of £60,170 when compared to the original estimate for the same period. This positive variance is primarily driven by the slower-than-anticipated reduction in the Bank Rate, which has resulted in sustained higher interest yields on deposits.
- 5.8 Market sentiment around potential rate cuts is increasingly reflected in the investment opportunities currently being offered by financial institutions. Meanwhile, money market funds continue to yield near the bank rate level, providing investors with a low risk, enhanced liquidity option.
- 5.9 The Council takes advantage of MUFG's (formerly Link Asset Services) benchmarking service which enables performance to be gauged against MUFG's other local authority clients. An extract from the latest benchmarking data is provided in the form of a scatter graph at **[Annex 3]**. The graph shows the return (vertical scale) vs. the credit / duration risk (horizontal scale) associated with an authority's investments. As at 31 March 2025 the Council's return was 4.67% (purple diamond) in-line with the local benchmarking group average of 4.56%. MUFG's predicted return is between the upper and lower boundary indicated by the diagonal lines. The Council's risk exposure remains consistent with the local authority average.
- 5.10 **Long term investment.** £5m was 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.

- 5.11 During the period 1 April 2025 to 31 May 2025, the £3m investment in property funds are estimated to generated dividends of £28,730 which represents an annualised return of 4.61% (3.92% in 2024/25).
- 5.12 Of the initial £2m invested in Lothbury Property Fund, due to the sales of assets and the return of capital monies, the outstanding balance is £723,480. While unbudgeted dividends are being received, it is on an ad-hoc basis. Further information is set out in paragraphs 5.17 to 5.19.
- 5.13 The long-term investment figure set out in table 2 concentrates on the LAPF and Hermes Property Funds. Lothbury Property Fund is shown separately in table 3 to provide details of the repayment of capital investment from the sale of assets due to the termination of the Fund on 30 May 2024.
- 5.14 Sale values at the end of May 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 31 May 2025	31 May sale value above (below) purchase price (c-a)
	a	b	c	
	£	£	£	£
LAPF (Primary, July 2017)	1,000,000	922,200	896,430	(103,570)
Hermes (Secondary, Oct 2017)	1,000,000	939,000	900,575	(99,425)
LAPF (Primary, June 2018)	1,000,000	922,200	859,495	(140,505)
Total change in principal	3,000,000	2,783,400	2,656,500	(343,500)
Total dividends received to March 2025				855,136
Net benefit since inception				511,636

Table 2

- 5.15 Since inception, the Council have received dividends from the above property fund investments totalling £855,136.
- 5.16 Investment institutes continue to diversify their portfolios to optimise returns while considering prevailing market conditions. Between April and May 2025, all property fund investments recorded capital depreciation. Despite this, property funds have continued to distribute dividends, with an estimated £30,045 to be received for the first two months of the financial year.
- 5.17 Lothbury Property Fund officially terminated on 30 May 2024 and commenced the sale of assets.
- 5.18 As shown in Table 3 below, we have, to date, received five payments totalling £1,276,520 of our initial investment. The remaining assets are now expected to

be sold by July 2025. Distributions will be made as assets sales are completed, with additional dividends paid from income-generating assets.

- 5.19 Taking into account the dividends received since the fund's inception, the breakeven point would be achieved with the recovery of £342,725 from the outstanding assets.

Property fund <small>(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)</small>	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	1,276,520	(723,480)
Total dividends received to May 2025				380,755
Net balance to breakeven point				(342,725)

Table 3

- 5.20 On 13 February 2025, Hermes Property Trust held an Extraordinary General Meeting (EGM) following a redemption request for approximately 22% of the fund. The meeting included a vote on proceeding with potential merger options, which required 75% approval to pass. The resolution was successful, and discussions are now moving forward.
- 5.21 However, it has been announced that small-value investments will not be eligible to form part of the merger. As a result, the Council, along with many other smaller stakeholders, will have their shares realised and paid out upon the successful completion of the merger.
- 5.22 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.
- 5.23 **Medium term investment.** £4.25m of the Council's expected medium term cash balances together with new money derived from the sale of assets has been invested in externally managed diversified income funds. These investments will generate an annual income stream and will provide capital appreciation over time.
- 5.24 During the period April 2025 to May 2025 the £4.25m investment in multi asset funds generated dividends of £36,460 which represents an annualised return of 5.13%.

6 Compliance with the Annual Investment Strategy

- 6.1 Throughout April to end of May 2025, all the requirements contained in the 2025/26 Annual Investment Strategy intended to limit the Council's exposure to investment risks (minimum sovereign and counterparty credit rating; durational limits; exposure limits in respect of counterparties, groups of related counterparty and sovereigns; and specified and non-specified investment limits) have been complied with. No borrowing was undertaken during April or May 2025.
- 6.2 The Council has also operated within the treasury limits and prudential indicators set out in the Annual Investment Strategy. The 2025/26 Prudential and Treasury Indicators will be included for review as part of the treasury management report to the September 2025 meeting of Audit Committee.

7 Interest Rate Forecast

- 7.1 MUFG's latest interest rate forecast below, updated in February 2025 and reviewed following the Bank of England's Monetary Policy Committee (MPC) meeting in May 2025, reflects an unchanged position in the forecast.

The forecast projects Bank Rate will continue to see a managed reduction to rates over the next two years, settling at 3.50%.

Link - February 2025	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27
	%	%	%	%	%	%	%	%	%	%	%
Bank Rate	4.50	4.25	4.25	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50
3 mth ave earnings	4.50	4.30	4.30	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.50
6 mth ave earnings	4.40	4.20	3.90	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.50
12 mth ave earnings	4.40	4.20	3.90	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.50
25yr PWLB	5.80	5.70	5.50	5.50	5.40	5.30	5.20	5.10	5.00	5.00	4.90

Table 4

8 Economic Background

- 8.1 CPI inflation is projected to rise to around 3.5% over the coming months, reflecting ongoing pressures in certain sectors such as services and domestically driven costs. However, the inflation trajectory beyond the short-term is likely to fall below the BoE's 2% target by 2027, or earlier if the macroeconomic developments, such as the strengthening of the pound and declines in global energy prices, are sustained.
- 8.2 The front-loading of UK goods exports to the United States in Q1, in anticipation of the incoming US tariffs, likely unwound in April, contributing to a temporary dip in export volumes and despite the continued uncertainty following Liberation Day, analysts broadly expect the tariffs to have only a modest impact on overall UK economic activity.

- 8.3 While the situation in the Middle East remains fluid, the economic ramifications are being monitored closely by markets, policymakers, and international institutions. The key channels of impact include energy markets, inflation, financial market volatility and regional economic stability.

9 2024/25 Treasury Management Outturn

- 9.1 A detailed report covering treasury management activity for the last financial year was submitted to Cabinet on 30 June 2025 as an annex to the Revenue and Capital Outturn report for 2024/25. That annex is replicated in full and provided at **[Annex 4]** to this report. The role of this Committee is to act as scrutineer on behalf of full Council.
- 9.2 A summary of the investment performance included in Annex 4 is as follows:

	2024/25 Balance 31/03/2025 £ m	Return %	2024/25 Interest/ dividends earned £	2024/25 Revised Estimate £	Variance Better (worse) £
Cash flow surplus	18.9	4.52	1,396,112	965,000	431,112
Core cash	27.0	4.76	1,572,085	1,730,000	(157,915)
Medium term investment	4.3	4.92	209,630	148,750	60,880
Long term investment	3.7	3.92	146,527	105,000	41,527
Total	53.9	4.80	3,324,354	2,948,750	375,604

Table 5

- 9.3 The combined performance of the Authority's investments exceeded the revised estimate by £375,604, and £846,854 when compared to the 2024/25 original estimates. The increase in investment returns is mainly due to the Bank initiating its easing cycle and reducing the rates at a slower pace than anticipated in 2024/25.
- 9.4 Income and expenditure attributed to the Treasury Management function for 2024/25 is provided at **[Annex 5]**. This shows the aggregate staff resource applied to treasury management remains 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 subject to changes in the level of reserves and changes in Bank Rate. Expenditure in future years is expected to rise in-line with inflation.

10 Financial and Value for Money Considerations

- 10.1 **Short-Term Liquidity:** Ensuring sufficient cash is readily available to meet operational and unforeseen financial commitments.

- 10.2 **Longer-Term Investments:** Identifying opportunities to invest surplus cash (up to 1 year) at fixed higher rates before further interest rate reductions diminish returns.
- 10.3 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.
- 10.4 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 over time through capital appreciation.
- 10.5 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. 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.
- 10.6 **Diversification:** Allocating funds across a range of investment vehicles to mitigate risk while maximising returns.
- 10.7 **Market Monitoring:** Regularly assessing economic conditions and interest rate forecasts to make informed investment decisions.
- 10.8 By adopting a proactive approach, the Council aims to optimise returns on its cash holdings while maintaining financial stability.
- 10.9 Performance is monitored against a benchmark return and against other local authorities in Kent and the broader local authority pool via MUFG's (formerly Link Asset Services) benchmarking service.

11 Risk Assessment

- 11.1 The application of best practice, including the regular reporting and scrutiny of treasury management activity, as identified by the CIPFA Code is considered to be an effective way of mitigating the risks associated with treasury management.
- 11.2 MUFG (formerly Link Asset Services) 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 (balance sheet reviews,

benchmarking and general support) ensures that the requirements of the Strategy and the Treasury Policy Statement adopted by this Council are complied with.

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. In addition, MUFG (formerly Link Asset Services) are employed to provide independent advice on legislative and professional changes that impact on the treasury management function.
- 12.2 This report fulfils the requirements of the Chartered Institute of Public Finance & Accountancy's Treasury Management and Prudential Codes of Practice 2021 and the 2018 Statutory Guidance on Local Government Investments.

13 Cross Cutting Issues

- 13.1 Climate Change and Biodiversity
- 13.2 While the Treasury Management Code outlines the principle for investments as Security Liquidity and Yield is core, it recognises that ESG issues are increasingly significant for investors.
- 13.3 Consideration will be given to how we can formalise ESG as part of the Treasury Management Strategy Statement, while appreciating it is better developed in the equity and bond markets, than the short-term cash deposits, where the majority of the Council's portfolio is held.
- 13.4 Equalities and Diversity
- 13.5 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	Benchmarking data.
Annexes:	(1) TMBC Investment Summary May 2025 (2) TMBC Lending List May 2025 (3) TMBC Benchmarking March 2025 (4) TMBC Treasury Management Annual Report 2024/25 (5) TMBC Finance & Transformation Outturn 2024/25

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Tonbridge and Malling Borough Council - Investment summary 30 May 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	4.30	5.28%		3,000,000		
Goldman Sachs : Fixed Term Deposit Fixed Term Deposit	UK	A+	F1	6 months	15/05/2025 06/11/2025	15/11/2025 06/08/2025	6 months 9 Months	6,000,000 3,000,000 3,000,000	4.27 4.72	10.56%		3,000,000 3,000,000		
Handelbanken : Fixed term deposit	UK	AA	F1+	1 year	17/04/2025	17/07/2025	3 months	3,177,095 3,177,095	4.30	5.59%		3,177,095		
HSBC Bank : 31 day notice account	UK	AA-	F1+	1 year	02/12/2019	TBD	31 Days	3,000,000 3,000,000	4.25	5.28%	3,000,000			
National Westminster Bank : Deposit account Certificate of Deposit Certificate of Deposit	UK	A+	F1	1 year	30/05/2025 20/06/2024 06/08/2024	02/06/2025 20/06/2025 05/08/2025	Overnight 1 Year 1 Year	6,050,000 50,000 3,000,000 3,000,000	3.00 5.15 4.62	10.65%	50,000	3,000,000 3,000,000		
Rabobank : Certificate of Deposit Certificate of Deposit	Netherlands	A+	F1	1 year	23/07/2024 06/11/2024	22/07/2025 05/11/2025	12 months 12 months	6,000,000 3,000,000 3,000,000	5.13 4.69	10.56%		3,000,000 3,000,000		
Standard Chartered : Sustainable Fixed Term Deposit	Netherlands	A+	F1	1 year	14/11/2024	13/11/2025	12 months	3,000,000 3,000,000	4.72	5.28%		3,000,000		
Toronto Dominion Bank : Certificate of Deposit	Canada	AA-	F1+	1 year	04/10/2024	03/10/2025	1 year	3,000,000 3,000,000	4.59	5.28%		3,000,000		
Money Market Funds														
Blackrock MMF - shares/units held	N/A	AAA	mmf (Eq)	5 years	30/05/2025	02/06/2025	Overnight	0	4.29		-			
BNP Paribas MMF - shares/units held	N/A	AAA	mmf (Eq)	5 years	30/05/2025	02/06/2025	Overnight	4,254,000	4.30	7.49%	4,254,000			
CCLA PSDF MMF - shares/units held	N/A	AAA	mmf	5 years	30/05/2025	02/06/2025	Overnight	1,869,000	4.32	3.29%	1,869,000			
DWS Deutsche MMF - shares/units held	N/A	AAA	mmf	5 years	30/05/2025	02/06/2025	Overnight	1,552,000	4.32	2.73%	1,552,000			
Federated MMF - shares/units held	N/A	AAA	mmf	5 years	30/05/2025	02/06/2025	Overnight	8,000,000	4.33	14.08%	8,000,000			
Morgan Stanley MMF - shares/units held	N/A	AAA	mmf	5 years	30/05/2025	02/06/2025	Overnight	0	4.29		-			
Property Funds														
Hermes Property Unit Trust : Property fund units	N/A	N/A	N/A	N/A	29/09/2017	N/A	N/A	1,000,000 1,000,000	3.63	1.76%				1,000,000
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	3.52%				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	675,761 675,761		1.19%				- 675,761
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		3.08%			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		1.76%			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		2.64%			1,500,000	
Total invested								56,827,856		100.00%	18,725,000	30,177,095	4,250,000	3,675,761

Number of investments	26	Average investment value £				2,186,000
Number of counter parties	20	Average counter party investment £				2,841,000
Group exposures:		Core £	Cash £	Combined £	%	
Royal Bank of Scotland + National Westminster (UK Nationalised MAX 20%)		6,000,000	50,000	6,050,000	10.65	
Bank of Scotland + Lloyds (MAX 20%)		-	-	-	-	
Property Funds Total				£	%	
Multi Asset Funds Total				3,675,761	6.47	
				4,250,000	7.48	

Total non-specified investments should be less than 60% of Investment balances	13.95%
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Notes:
Property fund returns are based on dividends distributed from the start of each investment. Capital appreciation / depreciation is recorded elsewhere. Last update March 2025.

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 30/05/25
Minimum investment criteria is Link's green duration band (100 days). Entry point broadly equates to Fitch A-, F1 unless UK nationalised.

Counterparty	Sovereign	Sovereign rating [1]	Fitch long term	Fitch short term	UK classification	Exposure limit	Link duration based on [2]	
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
Close Brothers Ltd	UK	AA-	BBB+	F2	Exempt	£7m	N/A	N/A
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-	A+	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	1 year	1 year
The Royal Bank of Scotland (Group limit Nat West and RBS £7m).	UK	AA-	A+	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 (Coöperatieve 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 Link's post CDS duration suggestion. For UK entities duration may be extended by up to three months based on credit ratings alone or six months if CDS is below average, subject to a maximum combined duration of 12 months.

Money Market Funds (Minimum investment criteria AAA) :

Fund Name	Moody	Fitch	S&P	Exposure Limit	Link credit worthiness
Blackrock Institutional Cash Series - Sterling Liquidity	AAA	-	AAA	£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 Director of Finance and Transformation
30 May 2025

No change

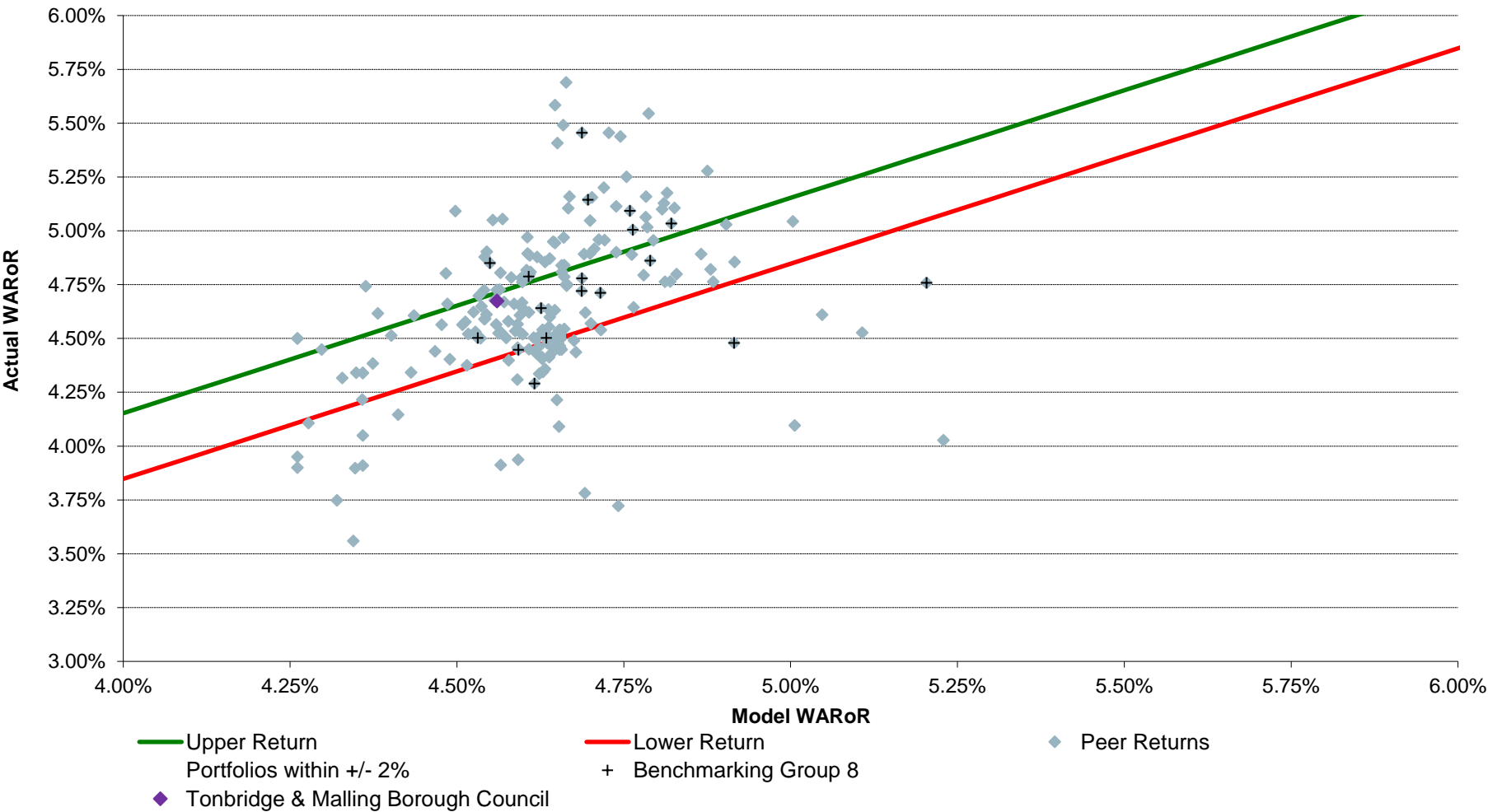
Note: Close Brothers removed from Link's Suggested Credit List 12/02/2024. Although removed, Link have stated that the Fitch long term rating change from A- to BBB+ would have no impact on the suggested duration and would remain at 6 months.

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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
	4.67%	4.56%	0.11%	4.41%	4.71%	Inline

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Tonbridge and Malling Borough Council

Treasury Management Annual Report 2024/25

1.1 Introduction

1.1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activity and the actual prudential and treasury indicators for 2024/25. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

1.1.2 During 2024/25 the minimum reporting requirements were that Full Council should receive the following treasury reports:

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

In addition, treasury management updates have been presented to each meeting of the Audit Committee throughout the 2024/25 financial year. Treasury performance is also included in the Financial Planning and Control reports to Cabinet and/or the Finance, Regeneration and Property Scrutiny Select Committee.

1.1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

1.1.4 This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit Committee before they were reported to the Full Council. Member training on treasury management issues was undertaken during the year on the 19 June 2023 in order to support members' scrutiny role.

1.2 Treasury Position 31 March 2025

1.2.1 At the beginning and the end of 2024/25 the Council's debt and investment position was as follows:

	31 March 2024 £m	Average Rate / Return %	Average duration Days	31 March 2025 £m	Average Rate / Return %	Average duration Days
Variable rate debt:						
Overdraft	0.0	-	-	0.0	-	-
Total debt	0.0	-	-	0.0	-	-
Fixed rate investments:						
Cash flow surpluses	-	-	-	-	-	-
Core cash	32.0	5.39	158	27.0	4.76	123
Variable rate investments:						
Cash flow surpluses	10.9	5.51	9	15.9	4.52	7
Core cash	3.0	5.25	95	3.0	4.55	95
Sub-total	45.9	5.40	122	45.9	4.68	83
Medium term investments:						
Multi-Asset Income Funds	4.3	4.94	-	4.3	4.92	-
Long term investments:						
Property Funds	5.0	3.59	-	3.7	3.92	-
Total investments	55.2	5.28	-	53.9	4.80	-

Table 1

1.2.2 There has been no overall change to the total cash available for investment purposes at the end of the financial year. Funds have been transferred between core and cashflow to meet the Council's financial obligations, including the payment of Short Term Creditors. Conditional government grants paid in advance in 2024/25 have been offset by the increase in Grants and Contributions in advance held in Long Term Liabilities. These funds are used to generate additional investment income.

1.3 The Strategy for 2024/25

1.3.1 The treasury management strategy for 2024/25 was based on the November 2023 forecast and assumed bank rates would steadily decrease over the next year to 4.0% with rates reducing to 3.00% in 2025/26. In actuality, the Bank of England initiated its easing cycle by lowering interest rates from 5.25% to 5.0% in August 2024, holding the rates steady until a further reduction in November 2024 and again in February 2025, ending the year with the Bank Rate at 4.50%.

1.3.2 The slow and measured rate path reflects the MPC's dual mandate: cooling inflation and guarding against a sharper economic slowdown. Two of the prominent factors influencing the rate cuts include fiscal loosening (£36 billion) from plans unveiled by the Chancellor in the budget which led to a revised GDP growth expectation, and the easing of UK labour markets.

- 1.3.3 This has provided the Council with the challenge of proactively investing surplus cash while maintaining the appropriate balance between cash for liquidity purposes while pursuing opportunities to lock in deposits at favourable rates.
- 1.3.4 While the Council has taken a prudent approach to investing surplus funds, it is also fully aware of the regulatory changes introduced for financial institutions following the Global Financial Crisis of 2008/09. These reforms, including enhanced capital and liquidity requirements, have provided a stronger foundation for the financial sector.
- 1.3.5 Annual stress tests conducted by regulators offer evidence that institutions are now significantly better equipped to withstand extreme market and economic conditions.
- 1.4 **Investment Rates in 2024/25**
 - 1.4.1 Investment returns remained robust throughout 2024/25 with Bank Rate reducing steadily through the course of the financial year (three 0.25% rate cuts in total), and even at the end of March the yield curve was still relatively flat, which might be considered unusual as further Bank Rate cuts were expected in 2025/26.
 - 1.4.2 Bank Rate reductions of 0.25% occurred in August, November and February, bringing the headline rate down from 5.25% to 4.5%. Each of the Bank Rate cuts occurred in the same month that the Bank of England publishes its Quarterly Monetary Policy Report, therein providing clarity over the timing of potential future rate cuts.
 - 1.4.3 As of early April 2025, market sentiment has been heavily influenced by President Trump's wide-ranging trade tariffs policy. Commentators anticipate a growing risk of a US recession, whilst UK GDP is projected by the Office for Budget Responsibility to remain tepid, perhaps achieving 1% GDP growth in 2025/26.
 - 1.4.4 Looking back to 2024/25, investors were able to achieve returns in excess of 5% for all periods ranging from 1 month to 12 months in the spring of 2024 but by March 2025 deposit rates were some 0.75% - 1% lower. Where liquidity requirements were not a drain on day-to-day investment choices, extending duration through the use of "laddered investments" paid off.
 - 1.4.5 That is not to say that investment choices were straight-forward. Concerns over rising inflation after the Autumn Statement in October led to reduced expectations for Bank Rate to fall. Indeed, the CPI measure of inflation is expected to reach c3.75% by the autumn of 2025, which could provide for some presentational issues for a Bank whose primary mandate is to ensure inflation is close to 2% on a two-to-three-year timeframe. At the end of March, only two further rate cuts were priced into the market for 2025 (4% at December 2025).

- 1.4.6 Bank Rate and investment returns across durations of up to 12 months are depicted in the graphs below.

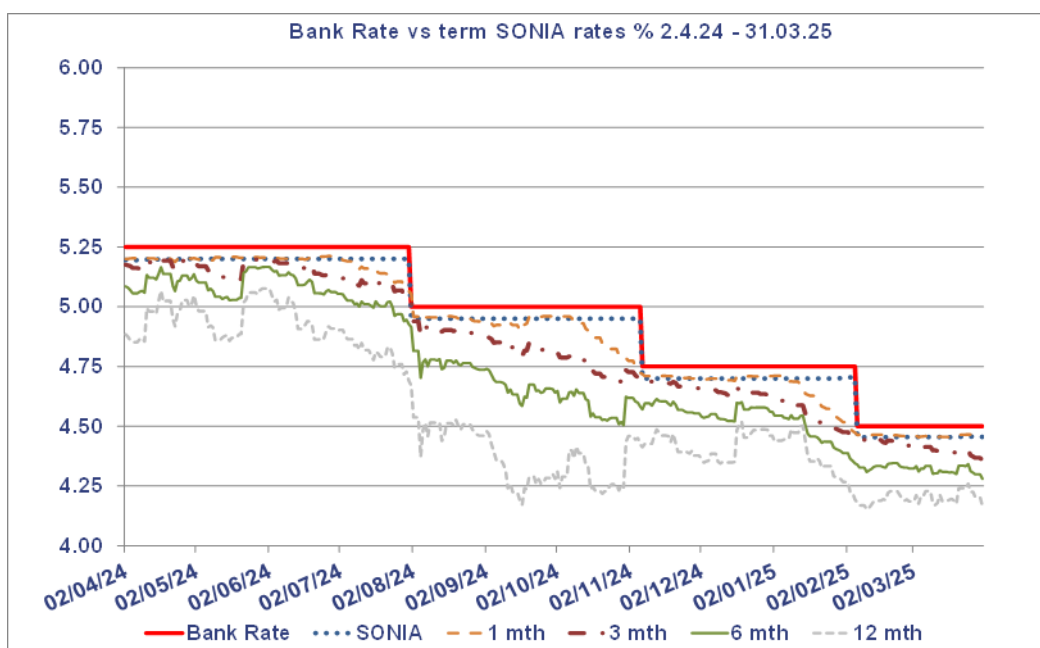


Table 2

1.5 Investment Outturn for 2024/25

- 1.5.1 The Council's investment policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies. This is supplemented by additional market information including credit rating outlooks and credit default swap data (CDS). The 2024/25 Annual Investment Strategy was approved by Council in February 2024 and was subjected to a mid-year review in September 2024. In undertaking the review, no changes were made to the Council's minimum counter-party credit requirement (typically Fitch A-, F1 unless UK state owned) or counter-party exposure limits (maximum of 20% of funds per financial institution). Subject to constraints, discretion to extend investment duration for UK regulated financial institutions by up to six months over the Council's external treasury advisor's suggested duration was also retained.
- 1.5.2 **Cash flow investment.** In 2024/25 cash flow surpluses averaged £30.7m and earned an average rate of return of 4.56%. The benchmark used to compare performance was 4.88%. Cash flow surpluses arise from the timing difference between the receipt of monies (from council tax, business rates, grants, etc.) and its subsequent payment (to Government, precepting authorities, housing benefit recipients, suppliers, staff, etc.). Cash flow surpluses are required to meet regular payment obligations and are invested in bank deposit accounts and money market funds which allow next day access. The opportunity to invest for longer durations and generate additional yield is taken when cash flow surpluses permit.

- 1.5.3 **Core cash investment.** In 2024/25 core cash averaged £31.1m and earned an average rate of return of 5.13%. The benchmark used to compare performance was 4.82%. Core cash comprises of the authority's revenue and capital reserves. Unlike cash flow, core cash is not required to meet regular payment obligations and is available to invest for longer durations including durations exceeding one year. This added flexibility allows core cash to generate a better return relative to cash flow surpluses.
- 1.5.4 **Medium-term investment.** In recent years multi asset (diversified income) funds have grown in popularity. Like property funds, multi asset funds aim to generate returns over and above inflation and thus preserve spending power.
- 1.5.5 The council has a total of £4.25m invested across three funds. Additional multi asset fund investments may be made in the future as resources become available from asset disposals and other windfalls.
- 1.5.6 In 2024/25 the investment in multi asset funds generated dividends of £209,215 which represents an annualised return of 4.92%.
- 1.5.7 As at 31 March 2025, the capital investment has depreciated in value by £517,950, a small increase in the position from the prior year of £29,904. The value of multi asset diversified income funds at 31 March stood at £3.73m. Members are reminded that our multi asset diversified income funds are medium term investments (5+ years) and the funds applied to them are not required to meet day to day spending commitments.
- 1.5.8 **Long-term investment.** Of the different types of long-term investment (equities, bonds, and commercial property), investment in property funds was considered best suited to meet the Council's more immediate funding need: a sustainable, stable income stream.
- 1.5.9 This does not however, preclude consideration of an alternative investment opportunity that meets the Council's strategic priorities and objectives, achieves value for money and delivers a financial return commensurate with the Council's risk appetite. Each such opportunity to be considered on a case-by-case basis as appropriate.
- 1.5.10 £5m was invested in property investment funds and no further sums were invested during the year. Investment was spread across three funds to ensure, as far as is possible, stability of annual income and capital growth over time.
- 1.5.11 Lothbury Property Fund officially terminated on 30 May 2024 and commenced the sale of assets. At the end of March 2025, five payments totalling £1,276,520 had been received from the initial £2,000,000 investment. The sale of assets has continued in 2025/26 with the expectation the fund should complete the winding up process within the financial year with final distributions being made.
- 1.5.12 In 2024/25 investment in property funds generated dividends of £146,527 which represents an annualised return of 3.92%.

- 1.5.13 Property funds issue and redeem primary units at a buy and sell price with the difference between the two prices reflecting the costs associated with buying and selling property (legal and other fees, stamp duty, etc.). The price spread varies from fund to fund but is typically in the region of 8% (6% on entry to a fund and 2% on exit). Where units are traded on a secondary market the impact of the spread can be reduced and delays in the purchase or redemption of units avoided. The table below compares the sale value of each investment if sold to the fund manager with the initial purchase price.

Property fund <small>(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)</small>	Purchase price (a) £	Sale value at date of purchase (b) £	Principal recalled	Sale value March 2025 (c) £	March sale value above (below) purchase price (c-a) £
LAPF (Primary, July 2017)	1,000,000	922,200		896,075	(103,925)
Lothbury (Primary, July 2017)	1,000,000	927,700	(1,000,000)	--	--
Hermes (Secondary, Oct 2017)	1,000,000	939,000		911,840	(88,160)
LAPF (Primary, June 2018)	1,000,000	922,200	(276,520)	--	--
Lothbury (Secondary, July 2018)	1,000,000	973,000		859,155	(140,845)
Total	5,000,000	4,684,100	(1,276,520)	2,667,070	(332,930)

Table 3

- 1.5.14 As at 31 March 2025, the capital investment (excluding Lothbury Property Trust) has depreciated in value by £332,930. Members are reminded that our property fund investments are long-term (10 years) and the funds applied to them are not required to meet day to day spending commitments.

- 1.5.15 **Summary.** Investment performance for the year 2024/25 is summarised in the table below:

	2024/25 Balance 31/03/2025 £ m	Return %	2024/25 Interest/ dividends earned £	2024/25 Revised Estimate £	Variance Better (worse) £
Cash flow surplus	18.9	4.52	1,396,112	965,000	431,112
Core cash	27.0	4.76	1,572,085	1,730,000	(157,915)
Medium term investment	4.3	4.92	209,630	148,750	60,880
Long term investment	3.7	3.92	146,527	105,000	41,527
Total	53.9	4.80	3,324,354	2,948,750	375,604

Table 4

- 1.5.16 The overall performance of the Authority's investments bettered the revised estimates by £375,604 or £846,854 when compared to the 2024/25 original estimates.

1.6 Compliance with the Annual Investment Strategy

- 1.6.1 The Annual Investment Strategy aims to limit the Council's exposure to investment risks by prescribing: minimum counterparty credit criteria; maximum exposure limits in respect of sovereigns, counterparties, and groups of related counterparties; the type of investment instrument that can be used; and investment duration limits. Throughout the period April 2024 to March 2025 the requirements set out in the Annual Investment Strategy for 2024/25, as approved by Council in February 2024, were complied with. No liquidity issues were experienced resulting in nil borrowing throughout 2024/25.

1.7 Treasury and Prudential Codes of Practice

- 1.7.1 Updates to both the Prudential Code and Treasury Management Code were published by the Chartered Institute of Public Finance and Accountancy (CIPFA) in December 2021 and uphold a key principle that borrowing primarily for return on investment is not permissible.
- 1.7.2 Also re-emphasised that the risks associated with investment in '**non-financial assets** which are held primarily for financial returns' are properly evaluated, reported, subject to scrutiny and managed over time. The Council has no material non-financial investments.
- 1.7.3 The requirements of both the Treasury Management and Prudential Codes of Practice published by CIPFA have been considered and reflected as appropriate in this annual review.

Financial Services
June 2025

Prudential and Treasury Indicators

1 Prudential Indicators	2023/24 Actual £'000	2024/25 Original £'000	2024/25 Actual £'000
Capital expenditure	1,070	7,283	2,886
Ratio of financing costs to net revenue stream	-9.83%	-62.40%	-24.82%
Net borrowing requirement:			
Brought forward 1 April	nil	nil	nil
Carried forward 31 March	nil	nil	nil
In year borrowing requirement	nil	nil	nil
Capital financing requirement as at 31 March	nil	nil	nil
Annual change in capital financing requirement	nil	nil	nil
Incremental impact of capital investment decisions:			
Increase in Council Tax (Band D) per Annum	£0.06	£0.06	£0.00

2 Treasury Management Indicators	2023/24 Actual £'000	2024/25 Original £'000	2024/25 Actual £'000
Authorised limit for external debt:			
Borrowing	nil	7,000	nil
Other long-term liabilities	nil	nil	nil
Total	nil	7,000	nil
Operational boundary for external debt:			
Borrowing	nil	4,000	nil
Other long-term liabilities	nil	nil	nil
Total	nil	4,000	nil
Actual external debt:	nil	nil	nil
Upper limit for fixed rate exposure over one year at year end	nil	0 – 60%	nil
Upper limit for variable rate exposure under one year at the year end	10,916 (19.50%)	40 – 100%	15,851 (29.03%)
Upper limit for total principal sums invested for over 365 days	9,250 (16.7%)	60%	7,973 (14.6%)

3 Maturity structure of new fixed rate borrowing during 2024/25	Upper limit %	Lower limit %
Under 12 months	100	nil
Over 12 months	nil	nil

Extract from Revenue & Capital Outturn Booklet presented to Cabinet - 30 June 2025. Costs attributed to banking arrangements and transfers in lieu of interest are excluded.

DIRECTOR OF FINANCE & TRANSFORMATION

	ORIGINAL ESTIMATE £	2024/25 REVISED ESTIMATE £	PROVISIONAL OUTTURN £
4 <u>TREASURY MANAGEMENT & BANKING ARRANGEMENTS</u>			
Employees			
Salaries	35,050	37,550	37,465
Supplies & Services			
Treasury Advisor & Dealing Fees	16,000	17,000	15,484
	<hr/>	<hr/>	<hr/>
	51,050	54,550	52,949
	<hr/>	<hr/>	<hr/>
Less Income			
Interest on:			
Cash Flow Investments	(1,433,000)	(965,000)	(1,396,112) a)
Core Cash Investments	(676,000)	(1,730,000)	(1,572,085) a)
Property Fund Investments	(185,000)	(105,000)	(146,527) b)
Multi Asset Income Fund Investments	(183,500)	(148,750)	(209,630) c)
	<hr/>	<hr/>	<hr/>
	(2,477,500)	(2,948,750)	(3,324,354)
	<hr/>	<hr/>	<hr/>
<u>Sub-total</u>	(2,426,450)	(2,894,200)	(3,271,405)
Central, Departmental & Technical Support Services			
Central Salaries & Administration	12,650	13,400	12,971
Information Technology Expenses	1,100	1,350	1,281
Departmental Administrative Expenses	19,150	19,800	20,214
	<hr/>	<hr/>	<hr/>
<u>TO SUMMARY</u>	(2,393,550)	(2,859,650)	(3,236,939)
	<hr/>	<hr/>	<hr/>
Full Time Equivalent Number of Staff (including Support Service Staff)	0.91	0.98	

- a) Increased interest receipts due to the slower than anticipated reduction in the Bank Rate, which has resulted in sustained higher interest yields on deposits.
- b) Revised estimate reflected a lower level of investment income mainly due to the Lothbury Trust being terminated on 30th May 2024. An unbudgeted dividend of circa £32,000 was received in 2024/25.
- c) Multi-Asset Diversified Income Funds performed better than anticipated.

Notes relate to changes between 2024/25 original and revised estimates reported to Audit Committee January 2025 and have been added to the outturn presentation to aid understanding.

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REPLACEMENT OF SHALLOWS BRIDGE, HAYSDEN COUNTRY PARK

Item CB 25/93 referred from Cabinet of 2 September 2025

Consideration was given to a List C Capital Plan Evaluation (attached at Annex 1) for the replacement of the Shallows Bridge in Haysden Country Park.

The proposal was to remove the existing Shallows Bridge, which had been condemned by a structural engineer, and to replace it with a new bridge that met the needs of park users and would be compliant with the Disability Discrimination Act.

Due regard was given to the financial and value for money considerations and it was estimated that the replacement of the bridge would be circa £265,000. The potential to utilise developer contributions to meet just over half of the costs was welcomed. As the works were required for health and safety reasons the balance of £112,000 would need to be provided from the Revenue Reserve for Capital Schemes.

Attention was drawn to the potential risk of increased costs arising from an inspection and assessment of the existing abutments by a structural engineer once the existing bridge was removed. It was hoped that the existing abutments would be fit for purpose but if not a full reconstruction could cost in the region of £45,000. In this scenario, Cabinet would be asked to determine if the project was cost prohibitive.

Finally, it was confirmed that the replacement bridge would be stainless steel to increase longevity. It was also reported that the only other option would be not to replace the bridge as a repair was not possible and remove the existing structure.

On the grounds that the replacement bridge would maintain access for users of the Country Park, Cllr Keers proposed, Cllr Taylor seconded and Cabinet

***RECOMMENDED:** That

- (1) the scheme to replace the Shallows Bridge, Haysden Country Park be transferred to List A of the Capital Plan; and
- (2) subject to an assessment of the abutments, the replacement bridge be constructed in the current financial year.

***Recommended to Council**

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Cabinet

02 September 2025

Part 1 - Public

Recommendation to Council



Cabinet Member	Des Keers (Cabinet Member for Communities)
Responsible Officer	Robert Styles (Director of Street Scene, Leisure & Technical Services)
Report Author	Andy Edwards (Head of Technical Services)

Replacement of Shallows Bridge – Haysden Country Park

1 Summary and Purpose of Report

- 1.1 This report brings forward a List C Capital Plan Evaluation for the replacement of the Shallows Bridge in Haysden Country Park.
- 1.2 It is recommended to Full Council that the scheme is included in List A of the Capital Plan and progressed within the current financial year.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 The replacement of the existing bridge is identified in the Council's new Annual Service Delivery Plan 2025/26 and will maintain access for users of the Country Park.

3 Recommendations

- 3.1 Cabinet is requested to consider the List C Capital Plan Evaluation for the replacement of Shallows Bridge at Haysden Country Park (**Annex 1**), recommend to Council that the scheme be transferred to List A of the Capital Plan and subject to an assessment of the abutments be constructed in the current financial year.

4 Introduction and Background

- 4.1 The Council has a total of 28 Council bridges it owns.
- 4.2 These bridges are inspected on a routine basis by the Engineering Manager in the Technical Services Team with specialist independent structural assessments by a

consultant every 2 years. A number of bridges are now coming to end of life and are being closely monitored.

- 4.3 Shallows Bridge in Haysden Country Park has reached the end of its life and has been condemned by the structural engineer. The bridge has subsequently been closed to the public. The existing bridge cannot be repaired and now needs removal and replacement.

5 **Proposal**

- 5.1 The proposal is to remove the existing Shallows Bridge and replace it with a new bridge that meets the needs of park users.
- 5.2 The new bridge will include longer ramps that will be compliant with the Disability Discrimination Act and will be wider as the current bridge is very narrow.

The Shallows bridge is considered essential to Haysden Country Park, as it provides quick access to the park from the car park and enables circular walks for dog walkers and other regular users /visitors. It is also frequently used by Volunteers to carry out regular maintenance works. The distance to an alternative means of crossing the river is excessive and is prohibitive for some users. It is a popular start point for walks that end at the catering facilities and also popular with visitors who may not wish to visit the catering area or Barden Lake. The removal of the bridge also increases the time required for emergency responses and access to popular areas of the park.

- 5.3 The location of the bridge is shown on the plan at **Annex 2**.

6 **Other Options**

- 6.1 The only other option is not to replace the bridge as a repair is not possible. The existing structure would still need to be removed as a minimum and additional work would be required to remove the abutments and return the riverbanks to a natural finish. The budgetary estimate for this is iro £40k.

7 **Financial and Value for Money Considerations**

- 7.1 The replacement of the bridge has been estimated at £265k. Cabinet will see at **Annex 1** the potential to utilise developer contributions to meet just over half these costs. The Head of Finance (Section 151 Officer) has advised that as the works are required for health and safety grounds the balance of £112k would need to be provided from the Revenue Reserve for Capital Schemes.
- 7.2 A key issue will be the inspection and assessment of the existing abutments by the structural engineer once the existing bridge is removed. It is hoped the existing abutments will be fit for purpose but if not a full reconstruction could cost iro £45,000. If this is the case there will be a need to bring a further report back to Members to determine if the project is cost prohibitive.

8 Risk Assessment

- 8.1 The current estimate for a replacement bridge is based on a standard replacement and more detailed design work may be required.
- 8.2 Any construction near or around water can be prone to unforeseen costs and challenges. The first stage for this project is for the existing structure to be removed to allow for the existing abutments to be inspected with the anticipation that they can be reused.

9 Consultation and Communications

- 9.1 As part of the project, stakeholders will be updated through site notices and through social media channels.

10 Cross Cutting Issues

10.1 Climate Change and Biodiversity

- 10.1.1 Adaptation and resilience have been considered.
- 10.1.2 Climate change advice has not been sought in the preparation of the options and recommendations in this report.

10.2 Equalities and Diversity

- 10.2.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There will be a positive impact on end users.

10.3 Other If Relevant

- Procurement
- Business Continuity / Resilience
- Health and Safety
- Healthy Lifestyles

Background Papers	None
Annexes	(1) Capital Plan Evaluation (2) Map

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CAPITAL PLAN LIST C – EVALUATIONS

	Project: Street Scene, Leisure & Technical Services: Shallows Bridge – Haysden Country Park		
1	Specification:		
	(i)	Purpose of the scheme	To replace the existing pedestrian bridge due to structural failure.
	(ii)	Relevance to National / Council's Objectives	(a) National: N/A (b) Council: Efficient services for all our residents, maintaining and effective Council.
	(iii)	Targets for judging success	(a) Successful removal and replacement of the existing pedestrian footbridge (b) Project delivered within budget and timescale
2	Description of Project / Design Issues The project cost has been assessed by an external structural engineer and estimated to be in the region of £265k. A sum of £153k in future S106 contributions has been identified to assist with funding this scheme. It is proposed that the scheme will be initially funded from the Revenue Reserve for Capital Schemes (RRCS). Upon occupation of the associated development, the S106 contributions will be released and transferred to the RRCS, thereby replenishing the reserve and contributing towards the cost of the bridge works. This approach will enable the project to proceed without delay, whilst ensuring that the earmarked S106 funding is applied to the scheme.		
3	Milestones / Risks <u>Risks</u> Following the removal of the bridge there is potential for additional works to bring the bridge abutments up to a standard that allows them to be reused. This is not possible to assess until the existing bridge structure is removed. It may be necessary to review this project with Members in light of any unforeseen problems resulting in additional works. Potential for poor weather to slow/stop work on site along with the potential for flooding. The project design will need to be submitted to the Environment Agency for approval to obtain a Flood Risk Activity Permit for working near and over the river. This process could require additional design work to be undertaken and delay the project.		

CAPITAL PLAN LIST C – EVALUATIONS

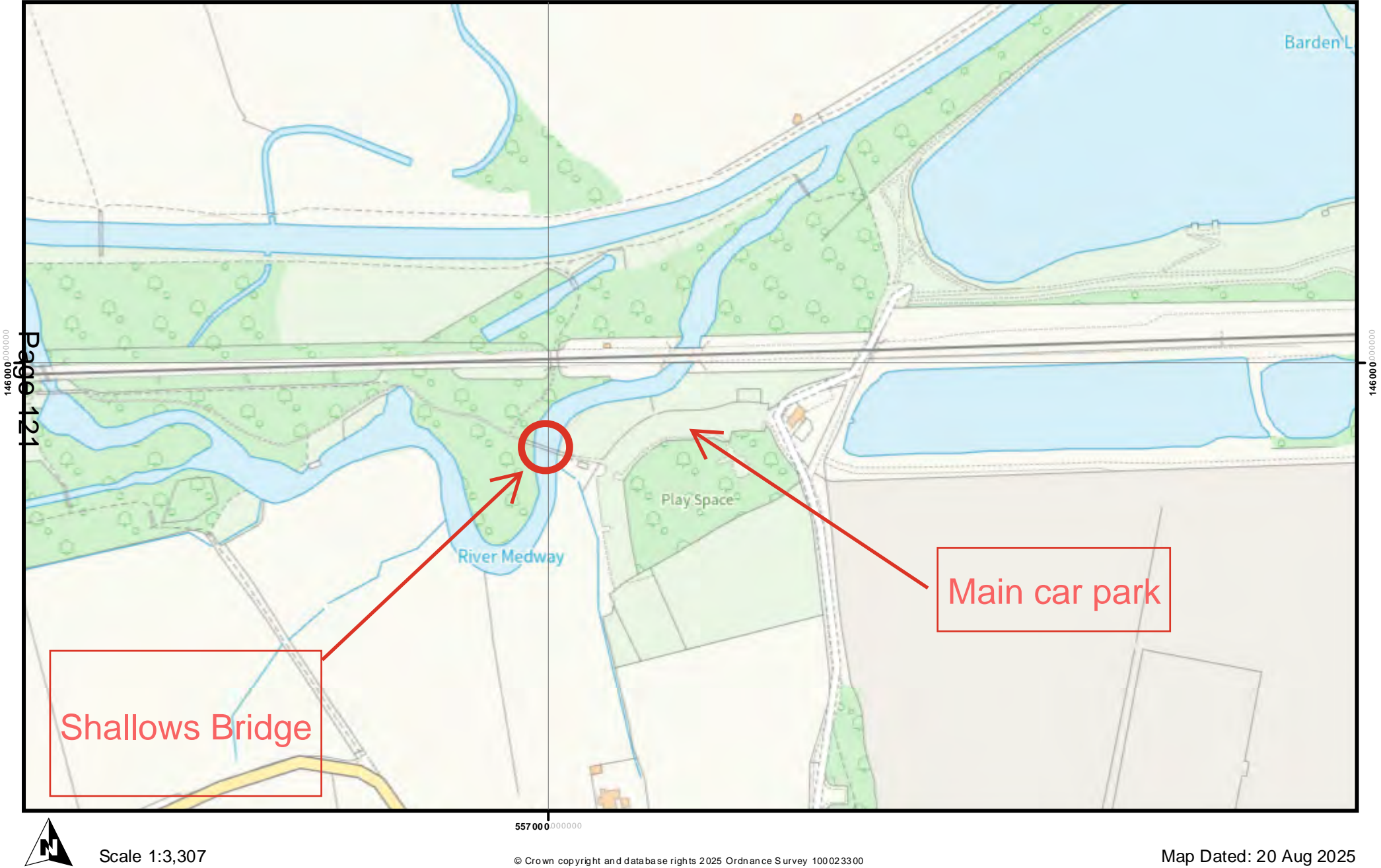
4	Consultation: Initial consultation has been undertaken with the Environment Agency as this bridge is over 'main river' which will require a Flood Risk Activity Permit for working near and over the river. Consent has been granted to remove the existing structure. Further consultation and liaison will be required.				
5	Capital Cost: The project cost has been assessed by an external structural engineer and estimated to be in the region of £265k. A sum of £153k in future S106 contributions has been identified to assist with funding this scheme. It is proposed that the scheme will be initially funded from the Revenue Reserve for Capital Schemes (RRCS). Upon occupation of the associated development, the S106 contributions will be released and transferred to the RRCS, thereby replenishing the reserve and offsetting the cost of the bridge works. This approach will enable the project to proceed without delay, whilst ensuring that the earmarked S106 funding is applied to the scheme.				
6	Profiling of Expenditure				
	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)
		£40	£225		
7	Capital Renewals Impact: Nil – the anticipated life of a new bridge would be iro 75 years				
8	Revenue Impact: 4% loss of income on capital sum will equate to £ 10,600 of lost interest.				
9	Partnership Funding: N/A				
10	Project Monitoring / Post Implementation Review: Post Implementation review to be carried out 12 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	The proposed replacement will be an improvement in terms of accessibility.

CAPITAL PLAN LIST C – EVALUATIONS

		b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	Yes	Current provision is not compliant in terms of accessibility so the proposed new structure will improve this to allow better access.
		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	Any construction activity will create carbon emissions.
		b. What steps are you taking to mitigate, reduce, avoid or minimise any negative or neutral impacts identified above?	Yes	Where possible we will look to make sure construction methodologies and materials are the most efficient in terms of climate change impact.
	12	Recommendation:		
		It is recommended that the scheme is fast-tracked and transferred directly onto List A of the Capital Plan.		

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Notes: Shallows Bridge Location



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PROPOSAL FOR MONTHLY MEMBER BRIEFING SESSIONS ON PRE-APPLICATION DEVELOPMENT PROPOSALS

Item CB 25/94 referred from Cabinet of 2 September 2025

Consideration was given to the recommendations of the Housing and Planning Scrutiny Committee in respect of establishing regular, officer-chaired briefing sessions for Members on pre-application development proposals.

The aim was to enhance Member engagement whilst maintaining confidentiality and integrity of the planning process.

Due regard was given to the views of the Scrutiny Select Committee, the financial and value for money considerations, the assessment of risk and the legal implications. A new charge would be introduced as part of the pre-application charging schedule as detailed in Annex 1. This was reviewed annually to ensure that costs were recovered effectively.

Cabinet welcomed the introduction of early engagement giving Members an opportunity to raise key planning issues and highlight local sensitivities. It was also recognised that the effectiveness of these sessions relied on Members participating and that low attendance could undermine the value of the service.

On the grounds of improving communication and engagement between Members and developers, Cllr Taylor proposed, Cllr Mehmet seconded and Cabinet

***RECOMMENDED:** That

- (1) the proposed approach be endorsed;
- (2) the establishment of monthly member briefing sessions be commended to Council; and
- (3) the introduction of the proposed fees, which would supplement the existing pre-application services (as set out in Annex 1) be endorsed.

***Recommended to Council**

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PROPOSAL FOR MONTHLY MEMBER BRIEFING SESSIONS ON PRE-APPLICATION DEVELOPMENT PROPOSALS

Item HP 25/31 referred from Housing and Planning Scrutiny Select Committee of 15 July 2025

Consideration was given to a proposal to establish regular, officer-chaired briefing sessions for Members, providing early visibility of major development proposals progressing through the pre-application process. The aim was to enhance Member engagement while maintaining the confidentiality and integrity of the planning process.

As highlighted to Members, this new category of early Member engagement session service was intended solely for major and strategic development proposals and, in order to be eligible for participation, a scheme must fall within one of the qualifying categories and must either be currently undergoing or had recently completed one of the Council's formal pre-application services. Detailed qualifying criteria and proposed fees were set out in Section 4 of the report and in Annex 1 attached to the report.

Furthermore, within the proposal there was provision for an optional follow-up session, subject to a discounted fee, which could provide an opportunity for a revised scheme to be presented, demonstrating how the earlier Member feedback had been taken into account in the design development process.

Following a benchmarking exercise, the cost of presentation to Members for each scheme was proposed to be £1000 for an initial presentation and £500 for each follow-up presentation, and it was noted that these were compliant with the relevant legislation under the Local Government Act 2003.

A proposed structure and details of the operation of the sessions were set out in Section 5 of the report. With regard to the membership for these sessions, given that there was scope for all Members to be invited so that they could have a strategic oversight of the developments within the borough, particularly in the case of a planning application in one planning committee area having impact on another area, Members supported that invitation of the sessions be sent to all Members.

In addition, Members were reminded that information shared during these sessions should not be disclosed to the public at this stage and that they should keep an open mind throughout the session. In response to concerns raised by Members in respect of the risk of pre-determination, it was clarified that as Members were not making decisions at these sessions but only providing advice based on their local knowledge, pre-determination was not considered an issue within this proposal.

Members welcomed the introduction of this early-stage engagement opportunity, which would allow them to raise key planning issues, highlight local sensitivities, with

the potential to influence the direction of development while changes could still be readily accommodated.

Finally, due regard was given to the finance and value for money consideration, the risk assessment and the legal implications outlined in the report.

It was proposed by Councillor King (Chair), seconded by Councillor Dalton and the Housing and Planning Scrutiny Select Committee

RECOMMENDED*: That the proposed approach to Council, indicating support for the establishment of monthly briefing sessions and the introduction of the proposed fees, which would supplement the existing pre-application services and as set out in Annex 1, be endorsed.

***Recommended to Cabinet**

Housing and Planning Scrutiny Select Committee

15 July 2025

Part 1 - Public

Recommendation to Council



Cabinet Member	Cllr Mike Taylor, Cabinet Member for Planning
Responsible Officer	Eleanor Hoyle, Director of Planning, Housing & Environmental Health
Report Author	Hannah Parker, Development Manager

Proposal for Monthly Member Briefing Sessions on Pre-application Development Proposals

1 Summary and Purpose of Report

- 1.1 This paper sets out a proposal to establish regular, officer-chaired briefing sessions for Members, to provide early visibility of major development proposals progressing through the pre-application process. The aim is to enhance Member engagement, while maintaining the confidentiality and integrity of the planning process. The cost of presentation to Members for each scheme accepted will be £1000 for initial presentation and £500 for each follow-up presentation.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.

3 Recommendations

- 3.1 Members are asked to endorse the proposed approach to Council, indicating their support for the establishment of monthly briefing sessions and the introduction of the proposed fees, which will supplement the existing pre-application services.

4 Introduction and Background

- 4.1 This proposal has been developed following discussions with the Cabinet Member for Planning, who has highlighted the need for improved Member engagement and oversight at the pre-application stage of the planning process. At present, opportunities for Members to view and influence emerging development proposals are more limited, and ward focused, often occurring only once an application has been formally submitted, at which point the scope for meaningful change is significantly reduced.

4.2 In response, this paper proposes the introduction of regular Member briefing sessions for schemes that are undergoing pre-application discussions. The intention is to provide Planning Committee Members with earlier visibility of major proposals and create a structured forum in which informal feedback can be offered before a planning application is finalised.

4.3 This new category is intended solely for major and strategic development proposals. To be eligible for participation, a scheme must fall within one of the qualifying categories outlined below and must either be currently undergoing, or has recently completed, one of the Council's formal pre-application services.

4.4 Major application qualifying criteria and fee

- ten to 99 new residential units
- creation or change of use is between 1,000 square metres and 9,999 square metres
- proposals for residential units where floorspace exceeds 9,999 square metres will fall within the large or strategic development type
- £2,973

The fee covers:

- preliminary site visit by case officer
- internal meeting by case officer with internal services
- initial briefing by case officer to key members (where the case officer considers it necessary and proportionate to do so in liaison with those members)
- virtual meeting between developer and council teams (60 mins)
- written response (format to be agreed by the parties)

4.5 Strategic development qualifying criteria and fee

- creation of 100 or more new residential units
- creation or change of use of 10,000 square metres or more floorspace
- £3,850

The fee covers:

- preliminary site visit by case officer
- internal meeting by case officer with internal services
- Initial briefing by case officer to key members (where the case officer considers it necessary and proportionate to do so in liaison with those members)
- virtual meeting between developer and council teams (120 mins)
- written response (format to be agreed by the parties)

4.6 As outlined above, the Council already provides for Member engagement as part of its existing pre-application processes. The intention of this proposal is not to replace the current approach but to supplement and enhance it. Annex 1 provides

further detail and illustration of the proposed new offer. Specifically, the proposal seeks to formalise a structured approach to Member engagement by introducing a new category of regular early engagement sessions with Planning Committee Members.

- 4.7 This new category will create a forum for Members of the Planning Committee who can be briefed on, and offer informal feedback regarding, emerging development proposals. A key prerequisite for participation in these sessions is that the scheme must be the subject of a current or recently completed pre-application process with the Council, ensuring that proposals are at a stage where Member input can meaningfully influence design evolution.
- 4.8 Written feedback will not be provided from these sessions meaning that officer led pre applications will not be held up if developers are also utilising this service concurrently.
- 4.9 Furthermore, developers will have the option to request a follow-up session, subject to the applicable fee. This is advised to be at a discounted rate (1/2 price). This would provide an opportunity to present a revised scheme and demonstrate how earlier Member feedback has been taken into account in the design development process.
- 4.10 Depending on the success of the engagement a subsequent Member Engagement session could happen at the planning application stage. However, this would be subject to a further report to HPSSC.
- 4.11 The proposed approach ensures that the Area Planning Committee can engage with significant schemes from the outset. This early-stage involvement allows Members to raise key planning issues, highlight local sensitivities, and may influence the direction of development while changes can still be readily accommodated. It is anticipated that this will lead to improved outcomes for both applicants and the wider community.
- 4.12 The proposed fee has also been benchmarked against practices adopted by other local authorities across Kent and London but is also based on average cost recovery for offering the service. It is noted that a number of Kent authorities do not currently offer formal Member engagement sessions in this proposed form as part of their pre-application service. Where Member involvement does occur, it is typically facilitated through Planning Performance Agreements (PPAs), and the associated costs are often incorporated within those broader agreements rather than listed as separate standalone charges.
- 4.13 Based on this benchmarking exercise and the discretionary charging powers available to local authorities under the Local Government Act 2003, it is considered that a charge of £1,000 per session is reasonable, proportionate, and compliant with relevant legislation. A fee of £500 would be charged for

subsequent presentations to Committee, allowing developers the opportunity to demonstrate how their scheme has progressed.

- 4.14 Members should also be aware that these sessions carry staffing implications. Participation in these sessions will require planning officers to step away from their core responsibilities, particularly the processing of planning applications.
- 4.15 While the sessions offer clear benefits in terms of early engagement and improved outcomes, it is important to balance this with the potential impact on day-to-day service delivery.

5 **Proposal** - Proposed Structure and Operation

- 5.1 **Frequency and Timing-** It is proposed that a 1.5-hour session be held monthly. The scheduling of this regular slot will be agreed with Committee Services. Although not every session may be required, having a regular fixture will provide flexibility and support early programming.
- 5.2 **Number of Schemes-** Each session will allow for the presentation of up to two schemes. Each scheme will be allocated a 45-minute slot, comprising a developer presentation followed by Member questions and informal discussion.
- 5.3 **Format and Delivery-** Sessions will be delivered via Microsoft Teams to maximise accessibility and support wider Member committee attendance. Given that developers will be charged a fee to participate in these sessions, it is essential that sessions are well-attended to ensure value and impact. Sessions will be advertised to the Area committee which the development falls within. However, there is scope for all Members to be invited so they have strategic oversight of the developments within the borough. Members are asked to consider whether the invitation should be sent to all members or just those members who sit on the relevant Area Planning Committee.
- 5.4 **Chairing and Officer Role-** The sessions will be chaired by a lead officer who will introduce each scheme with a brief overview and clarify the purpose of the session, namely that it is a non-decision-making, confidential forum for early engagement. Members will be reminded that this is not a committee debate, and that information shared during the session should not be disclosed to members of the public at this stage. Members will also be reminded that they should keep an open mind throughout the session and that this is not where the decision will be made.
- 5.5 **Developer Role** -The developer will lead the substantive part of the session, providing an electronic presentation of no more than 20 minutes. This will be followed by up to 25 minutes for Members to ask questions and provide informal comments. This feedback may help shape the evolution of the scheme prior to any formal submission.

- 5.6 **Policy and Procedural Context-** These sessions are intended to supplement, rather than replace, existing consultation requirements as set out in the Council's Statement of Community Involvement and Pre-application offer. Developers will be expected to carry out public engagement in accordance with those requirements.
- 5.7 **Pre-Application Requirement-** Only schemes that have formally entered the pre-application process will be considered for presentation at these sessions. This ensures that any proposals brought forward are sufficiently advanced to benefit from meaningful Member engagement. Multi Member engagement submissions will be encouraged to show evolution of designs.
- 5.8 **Member Attendance-** Officers will work closely with the Leader, Cabinet Member for Planning and Democratic Services to promote attendance and ensure that Members are aware of the importance of these sessions. As this is a charged service it is important that all Members across the Council attend the relevant briefings. Their contribution is essential to the success and value of the process which is shape proposals are the early stages before submission of an application.
- 6 Other Options**
- 6.1 Not endorse the decision and to keep Member engagement the same as currently stands.
- 7 Financial and Value for Money Considerations**
- 7.1 This is a new charge which will sit along the pre-application charging schedule which is already reviewed yearly to ensure the Council continues to effectively recover costs.
- 8 Risk Assessment**
- 8.1 This new charge will be monitored with the annual Review of Fees and Charges for Discretionary Planning Services. This already ensures that robust monitoring is carried out on a yearly basis to ensure that our protocols are up to date and reflect best practice and that the charging schedule reflects the costs of delivering the service and is based on up-to-date evidence.
- 8.2 A key risk to highlight is Member attendance. The effectiveness of these sessions relies heavily on the majority of the committee being present. Low attendance could undermine the value of the service, potentially leading developers to request refunds or reconsider using the service in the future.
- 9 Legal Implications**
- 9.1 The Local Government Act 2003 provides the power for local authorities to charge for discretionary services (as defined in the Local Government Act 1999).

Discretionary services are those services that an authority has the power but not a duty to provide. An authority may charge where the person who receives the service has agreed to its provision. The power to charge under this provision does not apply where the power to provide the service in question already benefits from a charging power or is subject to an express prohibition from charging.

- 9.2 The Local Government Act 2003 places a duty on authorities to ensure that, taken one year with another, the income from charges for each kind of discretionary service does not exceed the costs of provision. An authority may set charges as it thinks fit, and may charge only certain people for a service or charge different people different amounts.
- 9.3 Local authorities are required to have regard for any guidance that may be issued by the Secretary of State in terms of carrying out their functions under the 2003 Act. Section 93(7) of the Act provides that certain prohibitions in other legislation preventing authorities from raising money are specifically dis-applied in relation to the exercise of the charging power.
- 9.4 Local Planning Authorities therefore have powers to recover the costs of preapplication advice in recognition of the time officers have to spend researching information in order to provide answers to prospective developers or applicants.

10 Consultation and Communications

- 10.1 The new fee will be published on-line on the Council's website. The uptake will be developer driven so no lead in time would be required.

11 Implementation

- 11.1 If adopted officers will work with Democratic services to find suitable dates which will be diarised in advance to Members Calendar. Relevant Members will be invited to attend meeting once meeting addenda have been set.

12 Cross Cutting Issues

12.1 Climate Change and Biodiversity

- 12.1.1 Limited or low impact on emissions and environment.

- 12.1.2 Climate change advice has not been sought in the preparation of the options and recommendations in this report.

12.2 Equalities and Diversity

- 12.2.1 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.

- None

Background papers:	N/A
Annex	Annex 1 – Pre-application advice fees

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Annex 1

Pre-application advice fees

These fees are set from April 2025. See definition of each [development type](#).

Prices inclusive of VAT.

Householder development fees

- written advice only: £312

Minor development fees

- written advice only: £473

Works to listed buildings fees

- virtual meeting and letter: £531
- site visit, follow up meeting and letter: £704

Medium development fees

- written advice only: £615
- virtual meeting and letter: £1,221
- site visit, follow up meeting and letter: £1,322

Larger scale development fees

- written advice only: £920
- virtual meeting and letter: £1,832
- site visit, follow up meeting and letter: £2,039

Major development fees

- £2,973

The fee covers:

- preliminary site visit by case officer
- internal meeting by case officer with internal services
- initial briefing by case officer to key members (where the case officer considers it necessary and proportionate to do so in liaison with those members)
- virtual meeting between developer and council teams (60 mins)
- written response (format to be agreed by the parties)

Strategic development fees

- £3,850

The fee covers:

- preliminary site visit by case officer
- internal meeting by case officer with internal services
- Initial briefing by case officer to key members (where the case officer considers it necessary and proportionate to do so in liaison with those members)
- virtual meeting between developer and council teams (120 mins)
- written response (format to be agreed by the parties)

Member engagement virtual session with the Planning Committees

An opportunity for applicants to present their scheme to Members of the Area planning committee prior to determination of a planning application. Usually at pre application stage.

- £1000

In order to qualify you must have or be going through a **Major development or Strategic development.**

The fee covers:

- A 45-minute Teams session with the relevant planning committee. Including a developers presentation lasting no longer than 20 mins.
- Please note that the timings for bringing a proposal to a Members Engagement session will be at the discretion of the planning officer.

Requests for compliance with planning conditions

- householder developments: £43
- non-householder developments: £145

Additional fees for senior officer involvement for major development proposals

Virtual meeting between developer and council teams (60 mins)

- to include Team Leader: additional £129
- to include Development Manager: additional £149
- to include Team Leader and Development Manager: additional £278

Additional fees for senior officer involvement for strategic development proposals

Virtual meeting between developer and council teams including case officer (up to two hours):

- to include Team Leader: additional £129
- to include Development Manager: additional £149
- to include Team Leader and Development Manager: additional £278
- to include Head of Planning: additional £179
- to include Team Leader or Development Manager and Head of Planning: additional £348
- to include Director of Planning, Housing and Environmental Health: additional £199
- to include Head of Planning and Director of Planning, Housing and Environmental Health: additional £378
- to include either Leader of the Council/Chief Executive and Head of Planning and Director of Planning, Housing and Environmental Health: additional £485

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TREASURY MANAGEMENT PERFORMANCE UPDATE AND MID-YEAR REVIEW FOR 2025/26

Item AU 25/41 referred from Audit Committee of 29 September 2025

The report of the Management Team introduced the Auditor's Annual Report (attached at Annex 1) prepared by Grant Thornton UK LLP in respect of the Borough Council's overall arrangements for securing economy, efficiency and effectiveness in the use of resources. In introducing the report, a brief outline of the national context was provided.

Grant Thornton had not identified any significant weaknesses in the Council's arrangements to improve economy, efficiency and effectiveness. An improvement recommendation was made in respect of the response to the Internal Audit recommendation on the Agile Software implementation and the response of management was detailed in paragraph 5.5 of the report.

RECOMMENDED*: That

- (1) the Auditor's Annual Report (attached at Annex 1) for 2024/25 be approved;
- (2) the key recommendations made in respect of the comments made, be noted;
- (3) the management comments to the 2024/25 value for money recommendations be noted and endorsed; and
- (4) any specific recommendations be made to Cabinet and/or Full Council as the Committee feels appropriate considering the Annual Report.

***Recommended to Council**

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Audit Committee

29 September 2025

Part 1 - Public

Recommendation to Council



Cabinet Member	Martin Coffin – Cabinet Member for Finance, Waste and Technical Services
Responsible Officer	Paul Worden – Head of Finance
Report Author	Donna Riley – Principal Accountant

Treasury Management Performance Update and Mid-Year Review for 2025/26

1 Summary and Purpose of Report

- 1.1 The report provides details of investments undertaken during April to July of the current financial year, and a mid-year review of the Treasury Management and Annual Investment Strategy for 2025/26.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 Prudent financial management of Council's investments will generate a yield to assist with the Council's overall budget objectives.

3 Recommendations

- 3.1 Members are asked to **RECOMMEND** that Council:
- Endorse the action taken by officers in respect of Treasury Management activity for April to July 2025.
 - Endorse the inclusion of Ethical Investments to the existing parameters intended to limit the Council's exposure to investment risks as per paragraph 9.2.
 - Note the current position in respect of the Lothbury, and Hermes Property Investment Funds.

4 Introduction and Background

- 4.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly and include a mid-year review of the Treasury Management and Annual Investment Strategy. This report, therefore, ensures this Council is implementing best practice in accordance with the Code.
- 4.2 The primary requirements of the Code are as follows:
- The creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
 - The creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
 - Receipt by Full Council of an Annual Treasury Management Strategy Statement, including the Annual Investment Strategy, for the year ahead; a mid-year Review Report (this report) and an Annual Report (stewardship report) covering activities during the previous year.
 - Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
 - Delegation by the Council of the role of scrutiny of the treasury management strategy and policies to a specific named body. For this Council, the delegated body is the Audit Committee.
- 4.3 This mid-year report has been prepared in compliance with the Code and covers the following:
- An economic update and interest rate forecast.
 - Investment performance for April to July for the 2025/26 financial year including recent benchmarking data.
 - Compliance with Treasury and Prudential Limits for 2025/26.
 - A review of the risk parameters contained in the 2025/26 Treasury Management and Annual Investment Strategy.

5 Investment Performance

- 5.1 In accordance with the CIPFA Code, the Council's priorities, in order of importance, are to ensure security of capital; liquidity; and having satisfied both, to obtain an appropriate level of return which is consistent with the Council's risk appetite.
- 5.2 The Council's investments are derived from cash flow surpluses, core cash balances and other long term cash balances.
- 5.3 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 a financial year and are spent by financial year end. Thus far in 2025/26 cash flow surpluses have averaged £20.19m.
- 5.4 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.
- 5.5 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.
- 5.6 Long term investments at the end of July 2025 comprised of £3.68m in property fund investments.
- 5.7 Medium term investments at the end of July 2025 comprised £4.25m in multi-asset fund investments.
- 5.8 A full list of investments held on 31 July 2025 is provided at **[Annex 1]** and a copy of our lending list of 31 July 2025 at **[Annex 2]**. The table below provides a summary of funds invested and interest / dividends earned at the end of July.

	Funds invested on 31 July 2025	Average duration to maturity	Weighted average rate of return	SONIA benchmark July 2025	Interest / dividends earned	Gross annualised return
	£m	Days	1 April to 31 July 2025 %	%	1 April to 31 July 2025 £	%
Cash flow	20.19	5	4.24	4.26	368,900	4.37
Core cash	33.00	74	4.41	4.18	471,300	4.62
Long term	3.00				28,730	4.04
Long term (LPT)	0.68				1,715	--
Medium term	4.25				56,830	4.00
Total	61.12				927,475	--

Table 1

Property funds pay dividends quarterly. The return quoted above is based on dividends received for the quarter April to June 2025.

- 5.9 **Cash flow and core cash investments.** Interest earned of £840,200 from surplus cash flow and core cash balances to the end of July 2025 represent a positive variance of £116,220 against the original estimate for the same period. This positive variance is primarily driven by the slower-than-anticipated reduction in the Bank Rate, which has resulted in sustained higher interest yields on deposits.
- 5.10 Market sentiment around future rate cuts is reflected in the investment opportunities being offered by financial institutions. Meanwhile, money market funds continue to yield near the bank rate level (5-10 bps higher at the time of writing), providing investors with a low risk, enhanced liquidity option.
- 5.11 The Council takes advantage of MUFG's benchmarking service which enables performance to be gauged against MUFG's other local authority clients. An extract from the latest benchmarking data is provided in the form of a scatter graph at **[Annex 3]**. The graph shows the return (vertical scale) vs. the credit / duration risk (horizontal scale) associated with an authority's investments. As at 30 June 2025, the Council's return was 4.43% (purple diamond) in-line with the local benchmarking group average of 4.36%. MUFG's predicted return is between the upper and lower boundary indicated by the diagonal lines. The Council's risk exposure remains consistent with the local authority average.
- 5.12 **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.

- 5.13 During the period 1 April 2025 to 30 June 2025, the £3m investment in property funds generating dividends of £28,730 which represents an annualised return of 4.04%.
- 5.14 Of the initial £2m invested in Lothbury Property Fund, sales of assets and the return of capital monies, leaves an outstanding balance of £675,760. While unbudgeted dividends are being received, it is on an ad-hoc basis. Further information is set out in paragraphs 5.19 to 5.21.
- 5.15 The long-term investment figure set out in table 2 concentrates on the LAPF and Hermes Property Funds. Lothbury Property Fund is shown separately in table 3 to provide details of the repayment of capital investment from the sale of assets due to the termination of the Fund on 30 May 2024.
- 5.16 Sale values at the end of July 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 31 July 2025	31 July sale value above (below) purchase price (c-a)
	a	b	c	
	£	£	£	£
LAPF (Primary, July 2017)	1,000,000	922,200	897,810	(102,190)
Hermes (Secondary, Oct 2017)	1,000,000	939,000	908,350	(91,650)
LAPF (Primary, June 2018)	1,000,000	922,200	860,830	(139,170)
Total change in principal	3,000,000	2,783,400	2,666,990	(333,010)
Total dividends received to June 2025				863,175
Net benefit since inception				530,165

Table 2

- 5.17 Since inception, the Council have received dividends from the above property fund investments totalling £863,175.
- 5.18 Investment institutes continue to diversify their portfolios to optimise returns while considering prevailing market conditions. Between April and July 2025, all property fund investments recorded capital depreciation. Despite this, property funds have continued to distribute dividends of £30,445 for the first quarter of the financial year.
- 5.19 Lothbury Property Fund officially terminated on 30 May 2024 and commenced the sale of assets.
- 5.20 As shown in Table 3 below, the Council have, to date, received six payments totalling £1,324,240 of our initial investment. The remaining assets, valued at

£65.5m are currently under offer and sales are expected to conclude by August 2025. Distributions will be made as assets sales are completed.

- 5.21 Taking into account the dividends received since the fund's inception, the breakeven point would be achieved with the recovery of £295,000 from 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	1,324,240	(675,760)
Total dividends received to July 2025				380,755
Net balance to breakeven point				(295,005)

Table 3

- 5.22 On 13 February 2025, Hermes Property Trust held an Extraordinary General Meeting (EGM) following a redemption request for approximately 22% of the fund. The meeting included a vote on proceeding with potential merger options, which required 75% approval to pass. A subsequent EGM took place on 24 June 2025 and the resolution to proceed with the merger was successful. The expected completion date for the merger is 14 August 2025.
- 5.23 Federated Hermes announced that small-value investments will be excluded from the merger. Consequently, the Council, along with other minority stakeholders, will have its shares realised and paid out upon the successful completion of the merger.
- 5.24 The capital investment expected to be returned from Federated Hermes is in the region of £908,000.
- 5.25 This return represents the crystallisation of the investment rather than a discretionary decision to divest. The receipt will provide an opportunity to support cash flow, replenish reserves and will be considered for short-term reinvestment in line with the Council's Treasury Management Strategy.
- 5.26 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.
- 5.27 **Medium term investment.** £4.25m of the Council's expected medium term cash balances together with new money derived from the sale of assets has been

invested in externally managed diversified income funds. These investments will generate an annual income stream and will provide capital appreciation over time.

- 5.28 During the period April 2025 to July 2025 the £4.25m investment in multi asset funds generated dividends of £56,830 which represents an annualised return of 4.0%.

6 Compliance with the Annual Investment Strategy

- 6.1 Throughout the period April to July 2025, all the requirements contained in the 2025/26 Annual Investment Strategy intended to limit the Council's exposure to investment risks (minimum sovereign and counterparty credit rating; durational limits; exposure limits in respect of counterparties, groups of related counterparty and sovereigns; and specified and non-specified investment limits) have been complied with. No borrowing was undertaken during April to July 2025.
- 6.2 The Council has also operated within the treasury limits and prudential indicators set out in the Annual Investment Strategy, and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators can be found in **[Annex 4]** to this report.

7 Interest Rate Forecast

- 7.1 MUFG reviewed and updated their interest rate forecast following the Bank of England's Monetary Policy Committee (MPC) meeting in August.

The table below sets out the revised rates which are broadly in-line with the assumptions reported to Committee in January 2025 as part of the Treasury Management and Annual Investment Strategy 2025/26. The Bank Rate is projected to undergo a managed reduction over the next two years, before stabilising at 3.25%.

MUFG - August 2025	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28
	%	%	%	%	%	%	%	%	%	%	%
Bank Rate	4.00	4.00	3.75	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.25
3 mth ave earnings	4.00	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.30	3.30	3.30
6 mth ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.30	3.40
12 mth ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.40	3.50
25yr PWLB	6.10	5.90	5.70	5.70	5.50	5.50	5.50	5.40	5.40	5.30	5.30

Table 4

8 Economic Background

- 8.1 CPI inflation rose from 3.6% in June to 3.8% (consensus 3.7%) and is expected to peak of 4% in September due to ongoing pressures in certain sectors such as services and domestically driven costs, as well as global agricultural commodity

prices. However, the inflation trajectory beyond the short-term is likely to fall below the BoE's 2% target by 2027, or earlier if the macroeconomic developments, such as the strengthening of the pound and declines in global energy prices, can be sustained.

- 8.2 It is expected that UK economic growth will remain subdued in the near-term after the first quarter's boost by 0.7% from tariff front-running (reported in July) GDP growth is forecast at 1.0% in 2025 and 1.2% in 2026.
- 8.3 The labour market continues to face pressures from rising costs, notably through increases to the minimum wage and employer's National Insurance contributions. These factors are weighing on business sentiment and recruitment intentions. Unemployment is forecast to rise, with rates expected to peak around 5.0% in Q4 2025, signalling a gradual softening in labour demand.
- 8.4 It is anticipated that the BoE will cut interest rates to 3.0% in 2026. Meanwhile, future fiscal tightening is expected, through increased taxation.
- 8.5 While the situation in the Middle East remains fluid, the economic ramifications are being monitored closely by markets, policymakers, and international institutions. The key channels of impact include energy markets, inflation, financial market volatility and regional economic stability.

9 Review of Risk Parameters

- 9.1 Members will recall the detailed consideration that was given to the 2025/26 Treasury Management and Annual Investment Strategy at Audit Committee in January. For ease of reference the parameters included in the Strategy that aim to limit the Council's exposure to investment risks are summarised in **[Annex 5]**.
- 9.2 In undertaking this review *a change to the current approved risk parameters to include Ethical Investments are being proposed at this time. Future consideration will be given to the inclusion of borrowing and debt rescheduling in anticipation of the future needs of the Council.* The Strategy ensures that the Council is investing in high credit quality counterparties and there are an adequate number of counterparties available to maintain a well-diversified portfolio. However, we will continue to look to expand the Council's lending list to include any UK banks and building societies that don't currently feature on our lending list but meet our minimum credit criteria. This will ensure that we can take advantage of all available opportunities as they arise.
- 9.3 There is a need to continue to explore alternative investment options to ensure the maximum return on investment for the Council. Subject to an understanding and acceptance of any associated risks with such investments, they may be offered for inclusion in next year's Annual Investment Strategy. Any investment will of course be dependent on the level of reserves and other balances available for such an investment.

10 Financial and Value for Money Considerations

- 10.1 **Short-Term Liquidity:** Ensuring sufficient cash is readily available to meet operational and unforeseen financial commitments.
- 10.2 **Longer-Term Investments:** Identifying opportunities to invest surplus cash (up to 1 year) at fixed higher rates before further interest rate reductions diminish returns.
- 10.3 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.
- 10.4 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 over time through capital appreciation.
- 10.5 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. 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.
- 10.6 **Diversification:** Allocating funds across a range of investment vehicles to mitigate risk while maximising returns.
- 10.7 **Market Monitoring:** Regularly assessing economic conditions and interest rate forecasts to make informed investment decisions.
- 10.8 By adopting a proactive approach, the Council aims to optimise returns on its cash holdings while maintaining financial stability.
- 10.9 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.

11 Risk Assessment

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

- 11.2 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 (balance sheet reviews, benchmarking and general support) ensures that the requirements of the Strategy and the Treasury Policy Statement adopted by this Council are complied with.

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. In addition, MUFG are employed to provide independent advice on legislative and professional changes that impact on the treasury management function.
- 12.2 This report fulfils the requirements of the Chartered Institute of Public Finance & Accountancy's Treasury Management and Prudential Codes of Practice 2021 and the 2018 Statutory Guidance on Local Government Investments.

13 Cross Cutting Issues

- 13.1 Climate Change and Biodiversity
- 13.2 While the Treasury Management Code outlines the principle for investments as Security Liquidity and Yield as core, it recognises that environmental, social and governance (ESG) issues are increasingly significant for investors.
- 13.3 The Council's Treasury Management activities will continue to be guided by the primary principles of Security, Liquidity and Yield (SLY) as part of the Treasury Management Strategy Statement. In addition, consideration will be given to the incorporation of ethical investment criteria within the investment decision-making process.
- 13.4 Investment counterparties will be required to meet the Council's approved lending criteria to ensure the ongoing safeguarding of public funds. Where ethical investment opportunities are available and consistent with the Council's security and liquidity requirements, such options will be considered in the first instance.
- 13.5 The Council recognises that, while ethical considerations are an important element of its investment strategy, any decision to prioritise such opportunities will be assessed in the context of potential impacts on investment yield when compared to other suitable options.
- 13.6 Equalities and Diversity
- 13.7 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Background Papers	Benchmarking data.
Annexes:	<ul style="list-style-type: none"> (1) TMBC Investment Summary July 2025 (2) TMBC Lending List July 2025 (3) TMBC Benchmarking June 2025 (4) TMBC Prudential and Treasury Indicators 2025/26 (5) TMBC Risk Parameters 2025/26

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Tonbridge and Malling Borough Council - Investment summary 01 August 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	4.30	4.91%		3,000,000		
Goldman Sachs : Fixed Term Deposit Fixed Term Deposit	UK	A+	F1	6 months	15/05/2025 06/11/2025	15/11/2025 06/08/2025	6 months 9 Months	6,000,000 3,000,000 3,000,000	4.27 4.72	9.82%		3,000,000 3,000,000		
Handelbanken : Fixed term deposit 35 day notice account	UK	AA	F1+	1 year	17/07/2025 18/07/2025	17/10/2025 TBD	3 months 35 Days	6,000,000 3,000,000 3,000,000	4.15 4.20	9.82%		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	4.25	4.91%	3,000,000			
National Westminster Bank : Deposit account Certificate of Deposit	UK	A+	F1	1 year	31/07/2025 06/08/2024	01/08/2025 05/08/2025	Overnight 1 Year	3,050,000 50,000 3,000,000	2.25 4.62	4.99%	50,000	3,000,000		
Rabobank : Certificate of Deposit Certificate of Deposit	Netherlands	A+	F1	1 year	06/11/2024 22/07/2025	05/11/2025 22/07/2026	12 months 12 months	6,000,000 3,000,000 3,000,000	4.69 4.09	9.82%		3,000,000 3,000,000		
Standard Chartered : Sustainable Fixed Term Deposit Sustainable Fixed Term Deposit	UK	A+	F1	1 year	14/11/2024 20/06/2025	13/11/2025 19/06/2026	12 months 12 months	6,000,000 3,000,000 3,000,000	4.72 4.14	9.82%		3,000,000 3,000,000		
Toronto Dominion Bank : Certificate of Deposit	Canada	AA-	F1+	1 year	04/10/2024	03/10/2025	1 year	3,000,000 3,000,000	4.59	4.91%		3,000,000		
Money Market Funds														
Blackrock MMF - shares/units held	N/A	AAA	mmf (Eq)	5 years	31/07/2025	01/08/2025	Overnight	0	4.24		-			
BNP Paribas MMF - shares/units held	N/A	AAA	mmf (Eq)	5 years	31/07/2025	01/08/2025	Overnight	1,223,000	4.25	2.00%	1,223,000			
CCLA PSDF MMF - shares/units held	N/A	AAA	mmf	5 years	31/07/2025	01/08/2025	Overnight	0	4.22		-			
DWS Deutsche MMF - shares/units held	N/A	AAA	mmf	5 years	31/07/2025	01/08/2025	Overnight	7,917,000	4.26	12.95%	7,917,000			
Federated MMF - shares/units held	N/A	AAA	mmf	5 years	31/07/2025	01/08/2025	Overnight	8,000,000	4.26	13.09%	8,000,000			
Morgan Stanley MMF - shares/units held	N/A	AAA	mmf	5 years	31/07/2025	01/08/2025	Overnight	0	4.19		-			
Property Funds														
Hermes Property Unit Trust : Property fund units	N/A	N/A	N/A	N/A	29/09/2017	N/A	N/A	1,000,000	3.63	1.64%				1,000,000
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	1,000,000 1,000,000	4.34 5.83	3.27%				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	675,761 0 675,761	2.88	1.11%				- 675,761
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		2.86%			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		1.64%			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		2.45%			1,500,000	
					Total invested			61,115,761		100.00%	20,190,000	33,000,000	4,250,000	3,675,761

Number of investments	27	Average investment value £			2,264,000
Number of counter parties	20	Average counter party investment £			3,056,000
Group exposures:		Core £	Cash £	Combined £	%
Royal Bank of Scotland + National Westminster (UK Nationalised MAX 20%)		3,000,000	50,000	3,050,000	4.99
Bank of Scotland + Lloyds (MAX 20%)		-	-	-	-
Property Funds Total				£ 3,675,761	% 6.01
Multi Asset Funds Total				£ 4,250,000	% 6.95

Total non-specified investments should be less than 60% of Investment balances	12.97%
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Notes:

Property fund returns are based on dividends distributed from the start of each investment. Capital appreciation / depreciation is recorded elsewhere. Last update March 2025.

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 25/07/25
Minimum investment criteria is Link's green duration band (100 days). Entry point broadly equates to Fitch A-, F1 unless UK nationalised.

Counterparty	Sovereign	Sovereign rating [1]	Fitch long term	Fitch short term	UK classification	Exposure limit	Link duration based on [2]	
							Credit ratings	Post CDS
UK Banks, Building Societies and other Financial Institutions :								
Bank of Scotland (Group limit BOS & Lloyds £7m)	UK	AA-	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	1 year	1 year
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 Link's post CDS duration suggestion. For UK entities duration may be extended by up to three months based on credit ratings alone or six months if CDS is below average, subject to a maximum combined duration of 12 months.

Money Market Funds (Minimum investment criteria AAA) :

Fund Name	Moody	Fitch	S&P	Exposure Limit	Link credit worthiness
Blackrock Institutional Cash Series - Sterling Liquidity	AAA	-	AAA	£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 Director of Finance and Transformation

Fitch has downgraded the Sovereign Rating of Finland to AA from AA+. The Outlook on Finland's Sovereign Rating has changed to Stable from Negative.

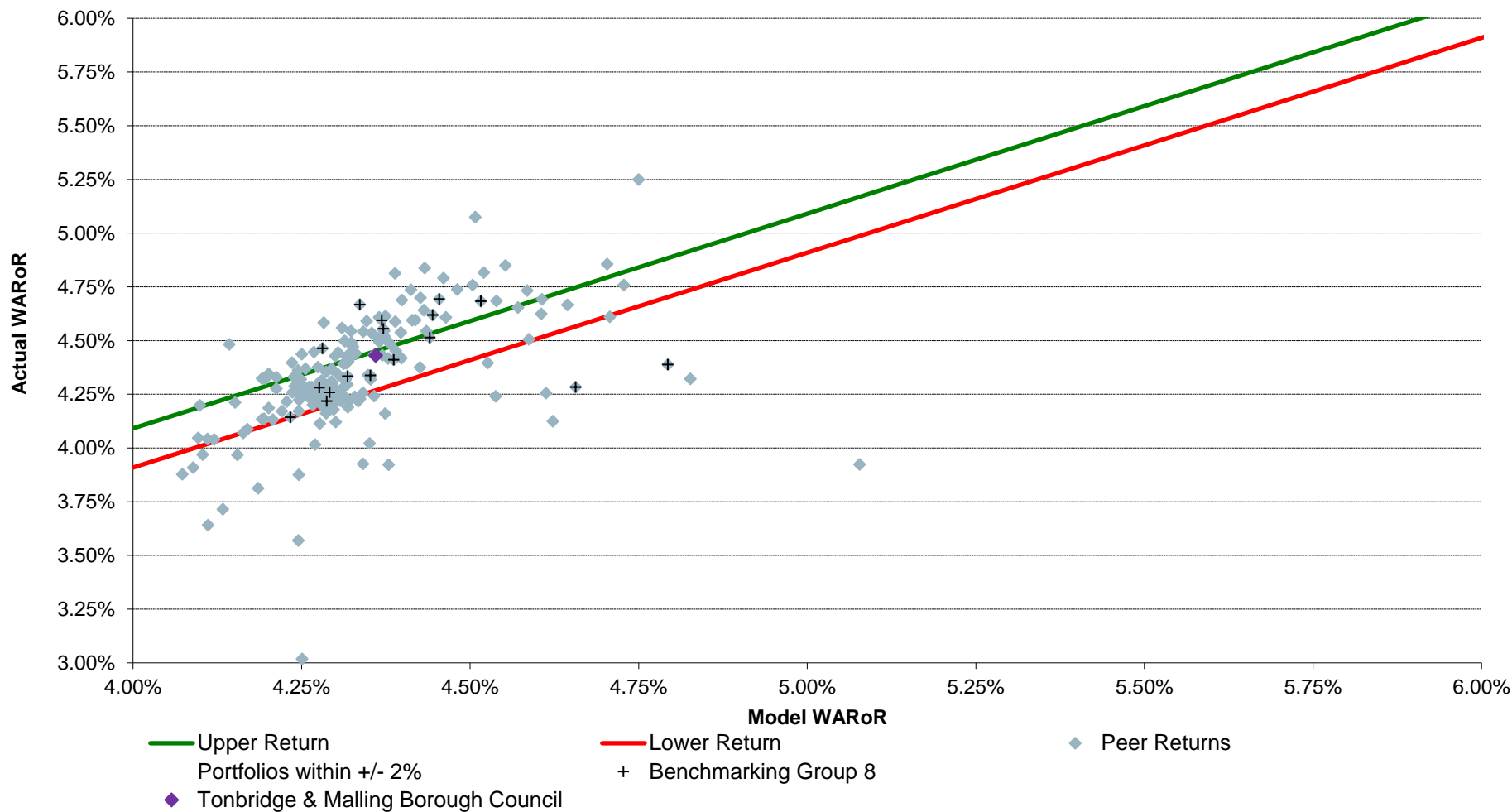
31 July 2025

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 Link's suggested duration and would remain at 6 months.

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Tonbridge & Malling Borough Council

Population Returns against Model Returns



Tonbridge & Malling Borough Council

Actual WARoR
4.43%

Model WARoR
4.36%

Difference
0.07%

Lower Bound
4.27%

Upper Bound
4.45%

Performance
Inline

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Prudential and Treasury Indicators

Prudential Indicators	2024/25 Actual £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Capital expenditure	2,886	13,760	1,113
Ratio of financing costs to net revenue stream	-24.82	-11.99%	-10.67%
Net borrowing requirement:			
Brought forward 1 April	nil	nil	nil
Carried forward 31 March	nil	nil	nil
In year borrowing requirement	nil	nil	nil
Capital financing requirement as at 31 March	nil	nil	nil
Annual change in capital financing requirement	nil	nil	nil
Incremental impact of capital investment decisions:			
Increase in Council Tax (Band D) per annum	nil	nil	nil

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	7,000	7,000	7,000
other long term liabilities	nil	nil	nil	nil	nil
TOTAL	nil	7,000	7,000	7,000	7,000
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	nil	It is anticipated that exposure will range between 0% to 60%			
Upper limit for fixed interest rate exposure < 1 year at year end	30,000 (56.37%)	It is anticipated that exposure will range between 40% to 60%			
Upper limit for variable rate exposure < 1 year at year end	15,851 (29.03%)	It is anticipated that exposure will range between 20% 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 2024/25 – 2026/27	upper limit	lower limit
under 12 months	100 %	0 %
Over 12 months	0 %	0 %

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2025/26 Annual Investment Strategy Risk Parameters

The strategy includes parameters that aim to limit the Council's exposure to investment risks by requiring investments to be placed with high credit rated financial institutions and that those investments are diversified across a range of counterparties. More specifically the 2025/26 Strategy requires:

- Counterparties must be regulated by a Sovereign rated AA- (UK minimum of A-) or better as recognised by each of the three main rating agencies (Fitch, Moody's, and Standard & Poor's).
- Whilst 100% of funds can be invested in the UK, exposure to non-UK banks is restricted to no more than 20% of funds per Sovereign.
- Exposure to individual counterparties and groups of related counterparty must not exceed 20% of funds 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 should be rated AAA 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 Funds 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 a maximum of £3m per fund (no more than 20% of expected long term cash balances). No cash limit applies where invested funds are derived from or in anticipation of new resources e.g. proceeds from selling existing property assets or other windfalls.
- Exposure to non-credit rated diversified income (multi-asset) funds and or short dated bond funds is limited to a maximum of £3m per fund (no more than 20% of expected long term cash balances) across all such funds. No cash limit applies where invested funds are derived from or in anticipation of new resources e.g. proceeds from selling existing property assets or other windfalls.

All specified and non-specified Investments will be:

Subject to the sovereign, counterparty and group exposure limits identified above.

Subject to the duration limit suggested by MUFG (+6 months for UK financial institutions) 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 (maturities up to 1 year):

Investment	Minimum Credit Criteria
UK Debt Management Agency Deposit Facility	UK Sovereign A-
Term deposits - UK local authorities	UK Sovereign A-
Term deposits - UK nationalised banks	UK Sovereign A- Counterparty BBB, F2 or Green excluding CDS
Term deposits – all other banks and building societies	UK Sovereign A- / Non-UK Sovereign AA- Counterparty A-, F1 or Green excluding CDS
Certificates of deposit - UK nationalised banks	UK Sovereign A- Counterparty BBB, F2 or Green excluding CDS
Certificates of deposit – all other banks and building societies	UK Sovereign A- / Non-UK Sovereign AA-. Counterparty A-, F1, or Green excluding CDS
UK Treasury Bills	UK Sovereign A-
UK Government Gilts	UK Sovereign A-
Bonds issued by multi-lateral development banks	AAA
Sovereign bond issues (other than the UK govt)	AAA
Money Market Funds (CNAV, LVNAV or VNAV)	AAA
Enhanced Cash / Government Liquidity / Ultra-Short Dated Bond Funds	AA

Non-specified Investments (maturities in excess of 1 year and any maturity if not included above):

Investment	Minimum Credit Criteria	Max duration to maturity
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 association	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-	5 years
Property Funds	N/A	N/A
Diversified Income and or Short Dated Bond funds	N/A	N/A

2025/26 Annual Investment Strategy Risk Parameters

The strategy includes parameters that aim to limit the Council's exposure to investment risks by requiring investments to be placed with high credit rated financial institutions and that those investments are diversified across a range of counterparties. More specifically the 2025/26 Strategy requires:

- Counterparties must be regulated by a Sovereign rated AA- (UK minimum of A-) or better as recognised by each of the three main rating agencies (Fitch, Moody's, and Standard & Poor's).
- Whilst 100% of funds can be invested in the UK, exposure to non-UK banks is restricted to no more than 20% of funds per Sovereign.
- Exposure to individual counterparties and groups of related counterparty must not exceed 20% of funds 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 should be rated AAA 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 Funds 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 a maximum of £3m per fund (no more than 20% of expected long term cash balances). No cash limit applies where invested funds are derived from or in anticipation of new resources e.g. proceeds from selling existing property assets or other windfalls.
- Exposure to non-credit rated diversified income (multi-asset) funds and or short dated bond funds is limited to a maximum of £3m per fund (no more than 20% of expected long term cash balances) across all such funds. No cash limit applies where invested funds are derived from or in anticipation of new resources e.g. proceeds from selling existing property assets or other windfalls.
- ***The Council's Treasury Management activities will continue to be guided by the primary principles of Security, Liquidity and Yield (SLY) as part of the Treasury Management Strategy Statement. In addition, consideration will be given to the incorporation of ethical investment criteria within the investment decision-making process.***
- ***Investment counterparties will be required to meet the Council's approved lending criteria to ensure the ongoing safeguarding of public funds. Where ethical investment opportunities are available and consistent with the Council's security and liquidity requirements, such options will be considered in the first instance.***
- ***The Council recognises that, while ethical considerations are an important element of its investment strategy, any decision to prioritise such opportunities will be assessed in the context of potential impacts on investment yield when compared to other suitable options.***

All specified and non-specified Investments will be:

Subject to the sovereign, counterparty and group exposure limits identified above.

Subject to the duration limit suggested by MUFG (+6 months for UK financial institutions) 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 (maturities up to 1 year):

Investment	Minimum Credit Criteria
UK Debt Management Agency Deposit Facility	UK Sovereign A-
Term deposits - UK local authorities	UK Sovereign A-
Term deposits - UK nationalised banks	UK Sovereign A- Counterparty BBB, F2 or Green excluding CDS
Term deposits – all other banks and building societies	UK Sovereign A- / Non-UK Sovereign AA- Counterparty A-, F1 or Green excluding CDS
Certificates of deposit - UK nationalised banks	UK Sovereign A- Counterparty BBB, F2 or Green excluding CDS
Certificates of deposit – all other banks and building societies	UK Sovereign A- / Non-UK Sovereign AA-. Counterparty A-, F1, or Green excluding CDS
UK Treasury Bills	UK Sovereign A-
UK Government Gilts	UK Sovereign A-
Bonds issued by multi-lateral development banks	AAA
Sovereign bond issues (other than the UK govt)	AAA
Money Market Funds (CNAV, LVNAV or VNAV)	AAA
Enhanced Cash / Government Liquidity / Ultra-Short Dated Bond Funds	AA

Non-specified Investments (maturities in excess of 1 year and any maturity if not included above):

Investment	Minimum Credit Criteria	Max duration to maturity
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 association	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-	5 years
Property Funds	N/A	N/A
Diversified Income and or Short Dated Bond funds	N/A	N/A

Agenda Item 17

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

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ANNUAL AUDIT REPORT

Item AU 25/41 referred from Audit Committee of 29 September 2025

The report of the Management Team introduced the Auditor's Annual Report (attached at Annex 1) prepared by Grant Thornton UK LLP in respect of the Borough Council's overall arrangements for securing economy, efficiency and effectiveness in the use of resources. In introducing the report, a brief outline of the national context was provided.

Grant Thornton had not identified any significant weaknesses in the Council's arrangements to improve economy, efficiency and effectiveness. An improvement recommendation was made in respect of the response to the Internal Audit recommendation on the Agile Software implementation and the response of management was detailed in paragraph 5.5 of the report.

RECOMMENDED*: That

- (1) the Auditor's Annual Report (attached at Annex 1) for 2024/25 be approved;
- (2) the key recommendations made in respect of the comments made, be noted;
- (3) the management comments to the 2024/25 value for money recommendations be noted and endorsed; and
- (4) any specific recommendations be made to Cabinet and/or Full Council as the Committee feels appropriate considering the Annual Report.

***Recommended to Council**

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Audit Committee

29 September 2025

Part 1 - Public

Recommendation to Cabinet



Cabinet Member	Martin Coffin - Deputy Leader; and Cabinet Member for Finance, Waste and Technical Services
Responsible Officer	Management Team
Report Author	Paul Worden, Head of Finance

Annual Audit Report 2024/25

1 Summary and Purpose of Report

- 1.1 Our external auditors (Grant Thornton UK LLP) are required to satisfy themselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report on the same to those charged with governance - which for this purpose is the Audit Committee – followed by Cabinet and Full Council.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 An assessment by the Council's external auditors on the arrangements for securing economy, efficiency and effectiveness in its use of resources along with recommendations for improvement.

3 Recommendations

- 3.1 Members are RECOMMENDED to:
- 1) Consider and approve the Auditor's Annual Report [**Annex 1**] for 2024/25;
 - 2) Note the comments made in respect of the key recommendations from 2023/24;
 - 3) Note and endorse the management comments to the 2024/25 value for money recommendations raised; and
 - 4) Make any specific recommendations to Cabinet and/or Full Council as the Committee feels appropriate considering the Annual Report.

4 Introduction and Background

- 4.1 Our external auditors (Grant Thornton UK LLP) are required to satisfy themselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report on the same to those charged with governance - which for this purpose is the Audit Committee - followed by Cabinet and Full Council.
- 4.2 The last Annual Audit Report relating to the financial year 2023/24 was presented to this Committee in January 2025. Members might recall that two significant weaknesses in the Council's arrangements to improve economy, efficiency and effectiveness were highlighted relating to procurement and performance management. The Committee has been tracking progress against the action plan to remedy these over the past 12 months.

5 2024/25 Annual Audit Report

- 5.1 Grant Thornton's report is attached at **[Annex 1]**.
- 5.2 The auditors report on three distinct areas, namely:
- 1) Financial sustainability;
 - 2) Governance; and
 - 3) Improving economy, efficiency and effectiveness.
- 5.3 In terms of financial sustainability and governance it is pleasing to note that no significance weaknesses were found, albeit some improvement recommendations have been made.
- 5.4 In 2023/24, one key recommendation remained concerning the role of procurement within operational aspects of the Council's work. Members will recall that the progress related heavily within 2024/25 and as a result the Auditors consider that this recommendation has been implemented in full and no further action is required.
- 5.5 This year's report has not identified any significant weaknesses, with only one improvement recommendation being made in respect of the response to the Internal Audit recommendation on the Agile Software implementation. The Council's Management response is shown in their report, but is replicated below;

Recommendation The Council should follow through on the commitments that it has made in response to Internal Audit findings in review of the Agile software implementation. Management should ensure that progress against each improvement action is regularly reported to Members.

Relates to Economy, efficiency and effectiveness

Management actions In addition to this improvement action, Internal Audit also carried out a review, an action plan has been prepared with named officers and

regular updates both to the Cabinet Member responsible and wider Committee Membership.

Responsible Officer: Eleanor Hoyle on behalf of Corporate Management Team

Due date: March 2026

- 5.6 In prior years there were also several improvement recommendations as shown in Appendix C to the annex. Members can note that most of the recommendations have either been closed or downgraded to an 'Insight', one recommendation remains in place concerning the reserves forecast. A review of the reserves is being undertaken in line with the target under that Annual Service Delivery Plan and will be reported to Cabinet in November 2025 and will feed into the MTFS in line with the budget preparations.

6 Financial and Value for Money Considerations

- 6.1 As set out in the Auditor's Annual Report.
- 6.2 The Auditor should not need to carry out any additional work as a result of this report and therefore no additional fees should accrue.

7 Risk Assessment

- 7.1 The remaining recommendations within the report covering Reserves and Agile will need to be reported to members and officer in line with the timetables proposed.

8 Legal Implications

- 8.1 The Council's external auditor is required under s20(1)c) of the Local Audit and Accountability Act 2014 to satisfy themselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 8.2 The Code of Audit Practice issued by the National Audit Office in 2020 requires us (Grant Thornton UK LLP) to report to you our commentary relating to proper arrangements.

9 Consultation and Communications

- 9.1 The Auditor's report will be available to the public through this agenda.

10 Implementation

- 10.1 To address the recommendations made, Management Team have agreed actions with anticipated timescales as set out in the report.

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 Annual Report from Grant Thornton

Tonbridge and Malling Borough Council

Auditor's Annual Report
Year ending 31 March 2025

September 2025



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The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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01 Introduction and context

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Introduction

This report brings together a summary of all the work we have undertaken for Tonbridge and Malling Borough Council during 2024-25 as the appointed external auditor. The core element of the report is the commentary on the value for money (VfM) arrangements. The responsibilities of the Council are set out in Appendix A. The Value for Money Auditor responsibilities are set out in Appendix B.

Page 180

Opinion on the financial statements

Auditors provide an opinion on the financial statements which confirms whether they:

- give a true and fair view of the financial position of the Council as at 31 March 2025 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We also consider the Annual Governance Statement and undertake work relating to the Whole of Government Accounts consolidation exercise.

Auditor's powers

Under Section 30 of the Local Audit and Accountability Act 2014, the auditor of a local authority has a duty to consider whether there are any issues arising during their work that indicate possible or actual unlawful expenditure or action leading to a possible or actual loss or deficiency that should be referred to the Secretary of State. They may also issue:

- Statutory recommendations to the full Council which must be considered publicly
- A Public Interest Report (PIR).

Value for money

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources (referred to as Value for Money). The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:

- financial sustainability
- governance
- improving economy, efficiency and effectiveness.

Our report is based on those matters which come to our attention during the conduct of our normal audit procedures, which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. The NAO has consulted on and updated the Code to align it to accounts backstop legislation. The new Code requires auditors to share a draft Auditor's Annual Report (AAR) with those charged with governance by a nationally set deadline each year, and for the audited body to publish the AAR thereafter. This new deadline requirement is introduced from November 2025.

Local government – context

Local government has remained under significant pressure in 2024-25

National

Past



Funding not meeting need

The sector has seen prolonged funding reductions whilst demand and demographic pressures for key statutory services has increased; and has managed a period of high inflation and economic uncertainty.



Workforce and governance challenges

Recruitment and retention challenges in many service areas have placed pressure on governance. Recent years have seen a rise in the instance of auditors issuing statutory recommendations.

Present



Financial sustainability

Many councils continue to face significant financial challenges, including housing revenue account pressures. There are an increasing number of councils in receipt of Exceptional Financial Support from the government.



External audit backlog

Councils, their auditors and other key stakeholders continue to manage and reset the backlog of annual accounts, to provide the necessary assurance on local government finances.

Future



Funding reform

The UK government plans to reform the system of funding for local government and introduce multi-annual settlements. The state of national public finances means that overall funding pressures are likely to continue for many councils.



Reorganisation and devolution

Many councils in England will be impacted by reorganisation and/or devolution, creating capacity and other challenges in meeting business as usual service delivery.

Local

The Council is a borough council with a population of 133,000 residents. The Council operates under an Executive decision-making model, which oversees the formation of all major policies, strategies and plans and as such the Council’s formal decision making and governance structure constitutes the Full Council and an Executive (the Cabinet). Full Council and Cabinet are supported by ten policy committees and three scrutiny committees. The Council has 44 councillors, and the Council is elected every four years. The most recent elections were in May 2023 when the Conservatives secured a majority with 21 elected councillors.

It is within this context that we set out our commentary on the Council’s value for money arrangements in 2024-25.

Grant Thornton Insights – Local Government Reorganisation (LGR)

National perspectives - devolution and LGR

In December 2024, the English Devolution White Paper set out the government’s vision for a simpler form of local government. The intention is to produce better outcomes, save money for reinvestment in local services and to improve local accountability. All councils with a two-tier county and district system of local government (together with neighbouring small unitary councils) were required to set out the plans for a programme of devolution and local government reorganisation.

On 5 February 2025, the government’s Devolution Priority Programme was announced to establish six new regional Mayoral Strategic Authorities. Those selected for the programme submitted plans by May 2025 with the ambition of holding Mayoral elections in May 2026.

On the same date, all remaining councils with a 2-tier were required to develop proposals to reconfigure county and district services into one or more new unitary councils. Plans are required to be submitted by 28 November 2025 with the ambition of establishing the new unitaries from April 2028.

Local perspectives - LGR in the Kent region

In February 2024 the 14 councils in the Kent region (including Medway) were informed they would not be included in the Devolution Priority Programme. The move to a Mayoral Strategic Authority model for regional services would be delayed.

Kent councils submitted an interim plan for LGR in March 2025 and are currently developing a full proposal for submission by 28 November 2025. Governance arrangements are in place to manage the process, overseen by the Kent and Medway Joint Chief Officers group. A single external development partner has been appointed to develop options for consultation over the summer and autumn of 2025 and will support the development of the final proposals in November.

Our discussion with councils in the Kent region indicate a good level of collaboration between officers to progress the LGR agenda. Kent has a diverse political landscape and the political discussion is expected to become more challenging as the proposals crystallise, particularly in regard to the specific configuration of the new unitaries.

 **Grant Thornton insight**

What the Council is already doing

- Active participation of officers in the governance and options appraisal process.
- Consideration of LGR compatibility in contract renewal and capital investment decisions.
- Safeguarding responsible financial decisions in the medium-term including use of reserves.

The Council should consider

- Modelling potential outcomes to discuss with members and establish political priorities.
- Making advance preparations for member and public engagement within a tight timeframe.
- Considering the potential cost of transition for the Council and how this will be funded.
- Making use of available guidance, including the “Learning from the new unitary councils” report by Grant Thornton.

02 Executive summary

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Executive summary – our assessment of value for money arrangements

Our overall summary of our value for money assessment of the Council’s arrangements is set out below. Further detail can be found on the following pages.

Criteria	2023-24 Assessment of arrangements	2024-25 Risk assessment	2024-25 Assessment of arrangements
Financial sustainability	A No significant weaknesses in arrangements identified but improvement recommendations made.	No risks of significant weakness identified	A No significant weaknesses in arrangements identified and no new improvement recommendation made. However, one prior year improvement recommendation has been kept open
Governance	A No significant weaknesses in arrangements identified but improvement recommendations made.	No risks of significant weakness identified	A No significant weaknesses in arrangements identified and no new improvement recommendation made. However, two prior year improvement recommendations have been kept open
Improving economy, efficiency and effectiveness	R Significant weaknesses from prior year in relation to procurement and contract management remained open. Improvement recommendations raised.	No risks of significant weakness identified	A No significant weaknesses in arrangements identified but one improvement recommendation made.

- G

No significant weaknesses or improvement recommendations.
- A

No significant weaknesses, improvement recommendation(s) made.
- R

Significant weaknesses in arrangements identified and key recommendation(s) made.

Executive summary

We set out below the key findings from our commentary on the Council's arrangements in respect of value for money.



Financial sustainability

The Council has established a robust and well-integrated framework for financial planning and savings delivery, which supports its strategic priorities and ensures financial sustainability. The Medium-Term Financial Plan and Savings & Transformation Strategy underpin the Council's approach, incorporating scenario planning, sensitivity analysis, and alignment with the Corporate Strategy. Evidence from outturn reports and budgetary control highlights prudent financial management, including favourable variances, strong reserve levels, and robust governance arrangements. However, over-optimism around the use of earmarked reserves in the medium-term should be reviewed. Overall, the Council's arrangements are sufficient and effective, with no significant weaknesses identified.



Governance

The Council has robust arrangements in place to manage risk, internal controls, fraud prevention, financial management, and governance. Risk management is supported by a Strategic Risk Register that is regularly reviewed, while Internal Audit and Counter Fraud services provide comprehensive coverage with no material weaknesses or fraud cases identified in 2024-25. Budget-setting processes are sound, aligning with the Medium-Term Financial Plan, and benefit from thorough scrutiny and collaboration across multiple levels. Financial reporting and oversight are strong, with regular updates to Cabinet and Audit Committee, although there is scope to enhance decision-making by including full-year financial forecasts. Overall, the Council's arrangements are sufficient and effective, with no significant weaknesses identified.



Improving economy, efficiency and effectiveness

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 includes the maintenance of a contract register, implementation of a best-practice procurement strategy and the embedding of procurement-related responsibilities in departmental processes. Key performance indicators (KPIs) aligned with the corporate strategy are reviewed quarterly, supported by comparative benchmarking and internal audit reviews to ensure data accuracy. Lessons from past challenges, such as the Agile software project, are being embedded to mitigate future risks. Overall, the Council's arrangements are sufficient and effective, with no significant weaknesses identified.

Executive summary – auditor’s other responsibilities

This page summarises our opinion on the Council’s financial statements and sets out whether we have used any of the other powers available to us as the Council’s auditors.

Auditor’s responsibility	2024-25 outcome
Opinion on the financial statements	<p>Our audit of your financial statements is substantially complete, and we plan to issue an unqualified audit opinion following the Audit Committee meeting on 29 September 2025. Our findings are set out in further detail on pages 11-12.</p>
Use of auditor’s powers	<p>We did not make any written statutory recommendations under Schedule 7 of the Local Audit and Accountability Act 2014.</p> <p>We did not make an application to the Court or issue any Advisory Notices under Section 28 of the Local Audit and Accountability Act 2014.</p> <p>We did not make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014.</p> <p>We did not identify any issues that required us to issue a Public Interest Report (PIR) under Schedule 7 of the Local Audit and Accountability Act 2014.</p>



03 Opinion on the financial statements and use of auditor's powers

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Opinion on the financial statements

These pages set out the key findings from our audit of the Council’s financial statements, and whether we have used any of the other powers available to us as the Council’s auditors.

Audit opinion on the financial statements

We plan to issue an unqualified opinion on the Council’s financial statements following the Audit Committee meeting on 29 September 2025. The full opinion will be included in the Council’s Annual Report for 2024-25, which can be obtained from the Council’s website.

Grant Thornton provides an independent opinion on whether the Council’s financial statements:

give a true and fair view of the financial position of the Council as at 31 March 2025 and of its expenditure and income for the year then ended

- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We conducted our audit in accordance with: International Standards on Auditing (UK), the Code of Audit Practice (2024) published by the National Audit Office, and applicable law. We are independent of the Council in accordance with applicable ethical requirements, including the Financial Reporting Council’s Ethical Standard.

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Findings from the audit of the financial statements

The Council provided draft accounts a month before the national deadline of 30 June 2025.

Draft financial statements were of a good standard and supported by detailed working papers.

Audit Findings Report

We report the detailed findings from our audit in our Audit Findings Report. A final version of our report will be presented to the Council’s Audit Committee on 29 September 2025. Requests for this Audit Findings Report should be directed to the Council.

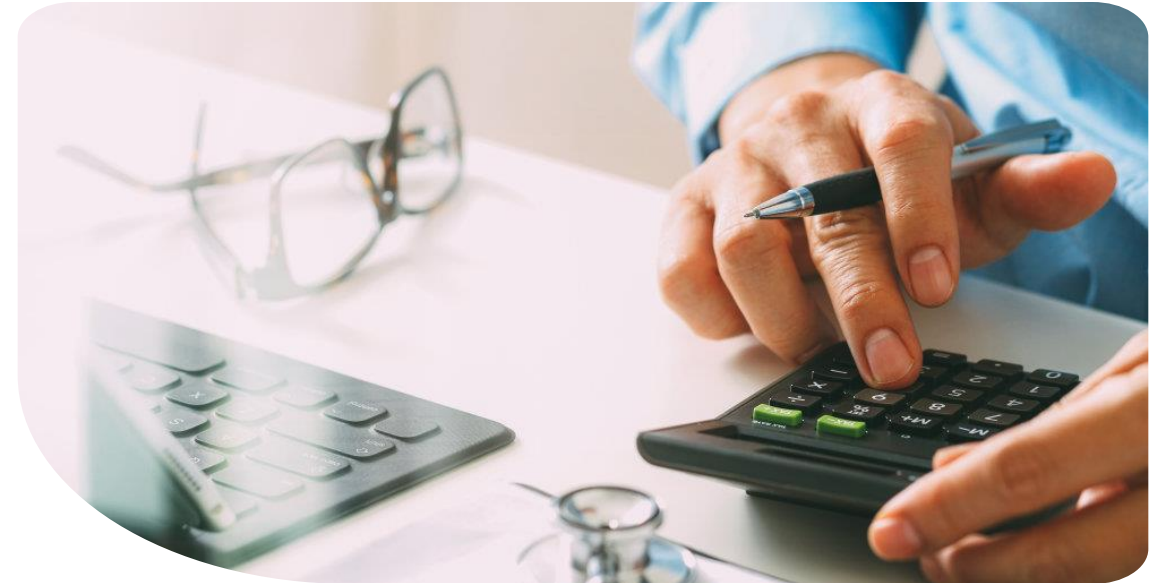
Other reporting requirements

Annual Governance Statement

Under the Code of Audit Practice published by the National Audit Office we are required to consider whether the Annual Governance Statement does not comply with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting, or is misleading or inconsistent with the information of which we are aware from our audit.

We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.



04 Value for money commentary on arrangements

Value for money – commentary on arrangements

This page explains how we undertake the value for money assessment of arrangements and provide a commentary under three specified areas.

All councils are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Council’s report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.


Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:

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Financial sustainability

Arrangements for ensuring the Council can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium-term (3-5 years).



Governance

Arrangements for ensuring that the Council makes appropriate decisions in the right way. This includes arrangements for budget setting and budget management, risk management, and making decisions based on appropriate information.



Improving economy, efficiency and effectiveness

Arrangements for improving the way the Council delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

Financial sustainability – commentary on arrangements (1)

We considered how the Council: Commentary on arrangements		Rating
identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them	<p>The Council set a balanced revenue budget for 2025-26 and employs a robust framework for developing savings plans through its Medium-Term Financial Plan (MTFP) and Savings & Transformation Strategy (STS). The 10-year MTFP is updated annually and incorporates sensitivity analysis to address funding gaps and manage financial risks such as inflation and service demand pressures. Evidence from outturn reports and budgetary control demonstrates prudent financial management, including favourable variances and strong reserve levels, with no inappropriate use of reserves identified in response to the upcoming Local Government Reorganisation (LGR).</p> <p>While we have no indication of significant weaknesses in the Council’s arrangements for developing savings plans or financial planning, a prior-year improvement recommendation regarding over-optimism in the use of earmarked reserves remains in place (see page 31). Additionally, the Council should consider establishing an earmarked reserve for LGR to fund its contribution to transition costs.</p>	A
plans to bridge its funding gaps and identify achievable savings	<p>The Council has established a robust framework for developing and delivering savings through its Savings & Transformation Strategy, which is integrated into the MTFP. This phased approach is supported by detailed business cases for major projects and regular progress reviews by the Management Team and Members. The Council has a strong track record of achieving savings, which has contributed to financial sustainability. However, specific plans are still needed to address a future funding gap, with ongoing engagement and oversight in place to support savings delivery.</p>	G
plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities	<p>The Council has well-defined financial planning arrangements that align with its strategic and statutory priorities, as outlined in the Corporate Strategy. The MTFP ensures alignment between financial resources and key objectives, with investments in areas like de-carbonisation, waste management, housing, and infrastructure reflecting the Council’s focus on environmental sustainability, housing, and economic growth.</p> <p>A structured process links service and financial planning, including business case reviews for large investments, while robust scrutiny of the budget-setting process, as demonstrated at the January 2025 Cabinet meeting, supports informed decision-making.</p>	G

- G

No significant weaknesses or improvement recommendations.
- A

No significant weaknesses, improvement recommendations made.
- R

Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability – commentary on arrangements (2)

We considered how the Council:	Commentary on arrangements	Rating
ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system	<p>The Council ensures consistency between its financial plan and other strategic and operational plans by embedding alignment across its budgeting and planning processes. The Corporate Strategy underpins financial decisions, with the MTFP and Capital Programme reflecting key priorities such as environmental sustainability and housing. Investments in areas like de-carbonisation and temporary accommodation illustrate this alignment.</p> <p>The Capital Programme is funded through a mix of external grants and internal reserves, supported by robust monitoring and regular reporting to Cabinet.</p> <p>The Treasury Management Strategy (TMS) further promotes financial sustainability by ensuring prudent practices and aligning with the MTFP.</p>	G
identifies and manages risk to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions in underlying plans	<p>The Council has strong arrangements in place to identify and manage risks to financial resilience, supported by regular reporting and robust governance processes. Key strategies, including the TMS, STS and MTFP, are regularly scrutinised by Cabinet, scrutiny committees, and Full Council, ensuring transparency and oversight.</p> <p>The introduction of sensitivity analysis into financial planning from November 2024, following a prior recommendation, further strengthens these arrangements by providing scenario planning to assess potential impacts, such as inflation, on financial performance.</p>	G

- G

No significant weaknesses or improvement recommendations.
- A

No significant weaknesses, improvement recommendations made.
- R

Significant weaknesses in arrangements identified and key recommendation(s) made.

Grant Thornton insights – learning from others

The Council has the arrangements we would expect to see in respect of financial sustainability, but could challenge itself to go further, based on the best arrangements we see across the sector.

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What the Council is already doing

- The Council differentiates between mandatory and discretionary services when presenting revenue estimates and supporting information to Cabinet. This is considered good practice.
- Recent MTFS updates delivered to Cabinet Members contain sensitivity analysis which helps Members to understand how variations to assumptions, such as inflation, will impact expenditure or income.
- The Council has established an earmarked reserve for LGR to fund contribution to transition costs.



What others do well

- High performing councils often look to develop a balanced budget throughout the MTFS period which includes a savings programme that fully manages the projected funding gap over the period.



The Council could consider

- Capital underspends can indicate slippage in planned programmes, potentially increasing delivery risks or additional costs for services relying on them. It is important to set realistic capital budgets and provide Members with clear information to ensure effective performance monitoring and challenge, avoiding the tendency to explain underspends as simply unrealistic budgeting.
- Reviewing and broadening the scope of the Savings & Transformation Strategy to take advantage of transformation opportunities, with the aim of maximising future savings potential.
- Including a year-end forecast within the Financial Planning and Control budget monitoring reports to help Members understand the full-year impact of different items.

Governance – commentary on arrangements (1)

We considered how the Council:	Commentary on arrangements	Rating
monitors and assesses risk and how the Council gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud	<p>The Council has robust arrangements for monitoring and assessing risk, maintaining internal controls, and preventing and detecting fraud. Risk management is supported by a comprehensive strategy and guidance document, with the Strategic Risk Register (SRR) reviewed quarterly by Cabinet and Audit Committee to monitor high-level risks effectively. While some recommendations from an external review by Zurich Risk Management are still being implemented, the SRR framework remains operational and effective.</p> <p>Internal Audit services, delivered through Kent County Council, align with the Council’s risk register and provide comprehensive coverage of key risks. Quarterly reporting to the Audit Committee and the Internal Audit Annual Report confirm no significant restrictions on scope or independence. Counter Fraud services are integrated with Internal Audit, and no material fraud cases were detected in 2024-25.</p>	G
approaches and carries out its annual budget setting process	<p>The Council has a robust budget-setting framework that involves detailed collaboration with Service Managers to prepare accurate estimates based on past outturns, current plans, and future demands. The process is subject to thorough scrutiny at multiple levels, including the Overview and Scrutiny Committee, Cabinet, and Council, ensuring that savings, pressures, risks, and growth are carefully reviewed before approval. The approved budget aligns with the MTFP, integrating short-term and long-term financial planning.</p>	G
ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships	<p>The Council has effective processes for budgetary control, financial reporting, and management information. Regular reports to Cabinet and the Audit Committee cover key budget areas and treasury management, ensuring strong oversight.</p> <p>Roles and responsibilities for financial management are clearly defined in the Constitution and financial regulations, supporting statutory compliance. While financial reporting is robust, there is scope to improve decision-making by including full-year financial forecasts at the Council-level. This was identified in the prior year (see page 32) and will be kept open as an improvement recommendation. No capacity issues within the finance team or audit concerns have been identified.</p>	A

- G

No significant weaknesses or improvement recommendations.
- A

No significant weaknesses, improvement recommendations made.
- R

Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements (2)

We considered how the Council:	Commentary on arrangements	Rating
ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee	<p>The Council has well-established arrangements to ensure informed, transparent, and evidence-based decision-making. The Constitution clearly defines decision-making principles and responsibilities, with key decisions communicated in advance through a ‘Notice of Forthcoming Key Decisions’ to allow for research and challenge.</p> <p>Scrutiny is facilitated by three Select Committees, which align with corporate priorities and hold the executive to account. Audit Committee minutes confirm regular and effective Member challenge, while declarations of interest and a Code of Conduct ensure ethical governance. The presence of the S151 Officer on the senior leadership team further supports financial accountability in decision-making.</p> <p>As in the prior year, we note that the declarations of interest of some Members appear out of date on the Council's website. The prior year improvement recommendation will therefore remain in place (see page 32).</p>	A
monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour	<p>The Council has robust arrangements to ensure appropriate standards, legislative compliance, and governance of staff and Member behaviour. Member conduct is overseen by a Joint Standards Committee, which manages complaints and advises on the Code of Conduct. The number of complaints received is proportionate, and no significant breaches of standards or legislative requirements were identified. The Annual Governance Statement confirms the effectiveness of the Council’s governance arrangements, with no significant gaps reported.</p> <p>In procurement, the Council joined the Mid-Kent Procurement Partnership in May 2024, providing access to expert resources and clear governance through a formal agreement. The partnership has supported the development of a Procurement Strategy, which was approved by Cabinet following internal governance processes.</p>	G

- G

No significant weaknesses or improvement recommendations.
- A

No significant weaknesses, improvement recommendations made.
- R

Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness – commentary on arrangements (1)

We considered how the Council:		Commentary on arrangements	Rating
Page 197	uses financial and performance information to assess performance to identify areas for improvement	<p>The Council has implemented robust arrangements to assess performance and identify areas for improvement through its performance management framework, introduced in 2023-24 following a prior weakness. Key performance indicators (KPIs), aligned with the Corporate Strategy, are reviewed quarterly through structured governance processes, ensuring effective Member challenge and accuracy.</p> <p>Comparative benchmarking with data from sources such as LG Inform Plus and Kent Analytics enables the Council to evaluate its performance relative to similar councils. Data quality and accuracy are further supported by the Local Code of Corporate Governance and internal audit reviews.</p>	G
	evaluates the services it provides to assess performance and identify areas for improvement	<p>No external inspections or reviews were conducted during the 2024-25 financial year or afterward, as confirmed by the S151 Officer. Consequently, there is no improvement plan in place for assessment.</p>	G
	ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives	<p>The Council has well-structured arrangements to manage its role in significant partnerships and engage stakeholders effectively. Key partnerships, including those with the Mid-Kent Procurement Partnership, Tonbridge and Malling Leisure Trust, and Urbaser, are monitored through performance schedules and KPIs included in the Annual Service Delivery Plan. These KPIs are reported quarterly to the Communities and Environment Scrutiny Select Committee, ensuring regular oversight.</p> <p>The Council engages extensively with stakeholders through public consultations, community forums, and internal governance structures. Consultations and forums allow for input on services, policies, and resource allocation, while internal processes ensure decisions are informed by diverse perspectives. The Corporate Strategy was shaped by community consultation, reflecting the Council’s commitment to stakeholder involvement.</p>	G

- G No significant weaknesses or improvement recommendations.
- A No significant weaknesses, improvement recommendations made.
- R Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness – commentary on arrangements (2)

We considered how the Council:	Commentary on arrangements	Rating
<p>Page 198</p> <p>commissions or procures services, assessing whether it is realising the expected benefits</p>	<p>The Council has strong arrangements to ensure it is realising benefits from commissioned and procured services. Performance for key contracts (Leisure, Grounds Maintenance, and Waste) is monitored through regular operational meetings and KPIs, some of which are included in the Annual Service Delivery Plan and reviewed quarterly. No significant disputes exist, and contract renewals are progressing smoothly.</p> <p>Significant improvements have been made in procurement and contract management, including joining the Mid-Kent Procurement Partnership in 2024, which has enhanced efficiency and supported the development of a best-practice Procurement Strategy. These improvements are considered sufficient to close the prior year key recommendation, see page 26 for more information.</p> <p>Training for officers, anti-fraud measures. Lessons can be learned from previous challenges, such as the Agile software project and we raise an improvement recommendation to ensure that the recommendations identified by Internal Audit’s review of the Agile implementation are embedded into future processes.</p>	<p>A</p>

- G No significant weaknesses or improvement recommendations.
- A No significant weaknesses, improvement recommendations made.
- R Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness – improvement area

Area for improvement identified: Lessons from Agile system implementation

Key finding: The Council took a proactive approach by commissioning an internal audit of the Agile software implementation to ensure that lessons are learned and mistakes are not repeated in future software implementations.

In response, management commits to improving procurement and project management processes to address each of these issues and mitigate the risk of similar challenges in future implementations.

Evidence: We reached this conclusion following review of the relevant internal audit report and conversations with management.

Impact: Failure to learn lessons from the unsuccessful software implementation risks further implementation failures in the future.

Improvement recommendation 1

IR1: The Council should follow through on the commitments that it has made in response to Internal Audit findings in review of the Agile software implementation. Management should ensure that progress against each improvement action is regularly reported to Members.

05 Summary of value for money recommendations raised in 2024-25

Improvement recommendations raised in 2024-25

	Recommendation	Relates to	Management actions
IR1	The Council should follow through on the commitments that it has made in response to Internal Audit findings in review of the Agile software implementation. Management should ensure that progress against each improvement action is regularly reported to Members.	Economy, efficiency and effectiveness (page 22)	Actions: In addition to this improvement action, Internal Audit also carried out a review, an action plan has been prepared with named officers and regular updates both to the Cabinet Member responsible and wider Committee Membership. Responsible Officer: Eleanor Hoyle on behalf of Corporate Management Team Due date: March 2026

06 Follow up of previous Key Recommendation

Follow up of 2022-23 Key Recommendation

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Prior Key Recommendation	Raised	Progress	Current status	Further action
3Es - The Council needs to improve its procurement and contract management arrangement by: 1. Updating its procurement strategy; 2. Ensuring the contracts register is monitored, kept up to date and used by all services; 3. Ensuring it fully meets the Local Government (Transparency Requirements) (England) Regulations 2015 legislation; 4. Having a suitably trained client lead for procurement and contract management; 5. Provide training for officers and members on procurement and contract management to enable them to fully understand their responsibilities for social value and value for money; and 6. Ensuring the Council’s shared arrangements for fraud also include procurement and contract management.	2022-23	<p>The Council has significantly improved its procurement processes by developing a new procurement strategy in collaboration with the Mid-Kent Procurement Partnership, which has been validated as appropriate through Internal Audit. The strategy reflects best practices, aligning with the principles of the Local Government Association’s National Procurement Strategy for Local Government.</p> <p>The contracts register is now regularly updated and publicly available, ensuring transparency in contract awards. The Council has embedded procurement responsibilities within departments, with the partnership providing expertise and guidance to clarify roles and responsibilities.</p> <p>Training for officers is enhanced, focusing on tender evaluation and procurement practices, with plans to extend this to Members to improve their understanding. Robust anti-fraud and anti-bribery measures have been embedded in procurement processes, supported by financial controls and regular internal audits to ensure oversight.</p> <p>These improvements address previous weaknesses, and the progress made since 2022-23 is sufficient to close this key recommendation.</p>	Implemented in full	No further action required

07 Appendices

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Appendix A: Responsibilities of the Council

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Council's Section 151 Officer is responsible for preparing the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Section 151 Officer is required to comply with CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. In preparing the financial statements, the Section 151 Officer is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



Appendix B: Value for Money Auditor responsibilities

Our work is risk-based and focused on providing a commentary assessment of the Council’s value for money arrangements.

Phase 1 – Planning and initial risk assessment

As part of our planning, we assess our knowledge of the Council’s arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period.

Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements, we undertake further work to understand whether there are significant weaknesses. We use auditor’s professional judgement assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations.

**A range of different recommendations can be raised by the Council’s auditors as follows:**

Statutory recommendations – recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.

Key recommendations – the actions which should be taken by the Council where significant weaknesses are identified within arrangements.

Improvement recommendations – actions which are not a result of us identifying significant weaknesses in the Council’s arrangements, but which if not addressed could increase the risk of a significant weakness in the future.

Information that informs our ongoing risk assessment

Cumulative knowledge of arrangements from the prior year	Key performance and risk management information reported to the Executive or full Council
Interviews and discussions with key stakeholders	External review such as by the LGA, CIPFA, or Local Government Ombudsman
Progress with implementing recommendations	Regulatory inspections such as from Ofsted and CQC
Findings from our opinion audit	Annual Governance Statement including the Head of Internal Audit annual opinion

Appendix C: Follow up of previous improvement recommendations (1)

Prior recommendation		Raised	Progress	Current position	Further action
Page 207	IR1	2023-24	Review is underway with target deadline of November 2025. No changes have been made at this stage.	Not yet implemented. The Council's earmarked reserves for areas such as Climate Change, and Homelessness Accommodation are forecast to remain level in the medium-term. However, given pressures such as increasing homelessness demands and existing plans in these areas, it may be overly optimistic to assume these reserves will remain untouched.	Improvement recommendation still in place – The Council still needs to review and update its reserves forecast in the MTFP to address any potential over-optimism in its assumptions.
	IR2				
		2023-24	Updated response from management is that: "Review underway, Annual Service Delivery plan Objective 13.5 "Undertake a base budget review across all services to identify contributions towards in-year saving and the Medium-Term Financial Strategy 2026/27." Current Milestone "Initial report on options to save a minimum of £300,000 by summer 2025, to feed into the budget setting process for 2026/27."	Not yet implemented. Per management update, we understand that a review is underway, but no changes have been made at this stage.	Improvement recommendation downgraded to an 'Insight' (see page 18) – The Council still needs to review and broaden the scope of its Savings & Transformation Strategy to take advantage of transformation opportunities, with the aim of maximising future savings potential.

Appendix C: Follow up of previous improvement recommendations (2)

Page 208

	Prior recommendation	Raised	Progress	Current position	Further action
IR3	The Council should review and update their budget setting process to ensure that a complete set of risks is identified, and that information to provide context to those risks is provided and Members are made aware Of possible medium-term scenarios the Council may face.	2023-24	Section 25 statement updated to include a complete set of risks and assumptions around the robustness of the estimates within the MTFS and budget. Sensitivity analysis added to MTFS updates.	Fully implemented. The section 25 statement includes a complete set of risks and assumptions around the robustness of the estimates within the MTFS and budget. Sensitivity analysis is also now taking place and Members are now made aware of possible medium-term scenarios the Council may face.	Improvement recommendation closed – No further work required.
IR4	The Council should include a year-end forecast, and explanations of service level overspends within the Financial Planning and Control budget monitoring reports.	2023-24	No progress made.	Not yet implemented. The Council has not acted on the recommendation from the prior year.	Improvement recommendation downgraded to an ‘Insight’ (see page 18) – While the recommendation is not implemented, we have seen evidence that the Council operates a solid budgetary control reporting system.
IR5	The Council should ensure that past-date declarations of interest are updated for the current year or by way of a statement of confirmation no change, to ensure the public is assured of their reliability.	2023-24	A recent letter was sent asking Councillors to review and provide confirmation of no change or update, as necessary.	All councillors have now provided 2024-25 declarations (aside from one who is on long-term sick leave). We are therefore content that the declarations of interest are now materially up to date.	Improvement recommendation closed – No further work required.

Appendix C: Follow up of previous improvement recommendations (3)

Prior recommendation		Raised	Progress	Current position	Further action	
Page 209	IR6	The Council should prioritise the continued development of its KPI reporting to ensure that data is complete.	2023-24	KPIs have been produced and are shared with Members.	Fully implemented. Appropriate KPIs are now produced and shared with Members. KPIs are aligned to the Council’s Corporate Strategy and are presented alongside comparative benchmarks.	Improvement recommendation closed – No further work required.
		The Council should undertake a retrospective, post-implementation review of the Agile Project to learn lessons for application to future projects to maximise success, minimise delays and ensure consideration of a PMO/project management support is undertaken in the initial stages of project scoping.	2023-24	Agile implementation was ultimately unsuccessful. The retrospective review of the Agile Project has taken place.	Fully implemented. Management has developed an improvement plan to ensure that the risk of future unsuccessful software implementations is sufficiently mitigated.	Improvement recommendation closed – We raise a subsequent improvement recommendation to ensure that the improvement plan is enacted and Members kept up to date on progress (see page 25).
	IR8	The Council should prioritise the formalisation of the governance arrangements to monitor the effectiveness of the Procurement Partnership, supported by an Internal Audit review of arrangements.	2023-24	The Council has taken significant steps to strengthen its governance and oversight of the partnership. The Council commissioned an Internal Audit review of procurement arrangements, with positive feedback.	Fully implemented. The Mid-Kent Procurement Partnership has been formalised through a two-year agreement with defined roles, responsibilities, and reporting mechanisms.	Improvement recommendation closed – No further work required.

Appendix C: Follow up of previous improvement recommendations (4)

Page 210

	Prior recommendation	Raised	Progress	Current position	Further action
IR9	The Council should establish formal processes for the requesting, approving, reporting and oversight of tender waivers.	2023-24	Governance arrangements have been now been set up and are sufficient to monitor the effectiveness of the Procurement Partnership.	Fully implemented. A formal system is now in place for officers to request tender waivers. Officers seeking a tender waiver are required to consult with statutory officers and the Mid-Kent Procurement Partnership.	Improvement recommendation closed – No further work required.
IR10	The Council should ensure it establishes, or maintains, a consistent and regular schedule of performance monitoring Of its key contracts for leisure, waste and grounds maintenance by Members, via its Scrutiny Select Committee structure.	2023-24	KPIs have been included within the Annual Service Delivery Plan to enable the performance monitoring of key contracts.	Fully implemented. Key contract performance is tracked through KPIs which roll up into the Council's annual service delivery plan and are reported against quarterly.	Improvement recommendation closed – No further work required.
IR4 (22-23)	Improve the Workforce Strategy to include fully costed strategy over the medium to long-term.	2022-23	Improved Workforce Strategy approved by Members and shared with staff.	Improved strategy now in place with focus on talent development, recruitment and retention, wellbeing and change readiness	Improvement recommendation closed – No further work required.
IR6 (22-23)	The Council needs to fully integrate performance and financial reporting for revenue and capital to improve financial reporting.	2022-23	KPIs and Service Delivery embedded into budget setting process following implementation of annual service delivery plan.	KPIs and Service Delivery now part of budget setting process ensuring that performance metrics as well as financial metrics impact the budget and feed into financial reporting.	Improvement recommendation closed – No further work required.



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

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RISK MANAGEMENT

Item AU 25/43 referred from Audit Committee of 29 September 2025

The report of Management Team provided an update on the risk management process and the Strategic Risk Register (SRR). An update in respect of the work being undertaken within the Council to champion risk management was also provided.

In July 2025, there were 3 risks categorised as RED as summarised below and these remained RED.

- Achievement of Savings and Transformation Strategy
- Failure to agree a Local Plan
- Managed exit from the Agile System

Reference was made to the risk in respect of 'Devolution and Local Government Reorganisation', which remained as AMBER at this stage, although it was recognised that the ongoing risk assessment would be informed by the work underway regarding the submissions from the Kent authorities with the assistance of an appointed strategic partner.

A schedule of ongoing risks and risks identified by Service Management Teams and Management Team since the last report to the Committee in July 2025 was attached at Annex 2 to the report.

As part of the arrangements in place to ensure risk management maintained a high profile within the Council, the Risk Management Strategy (attached at Annex 3) and accompanying guidance (attached at Annex 4) were subject to annual review. Following changes to the guidance and consideration by the Risk Champions Group, a new format of the risk matrix was proposed and attached at Annex 5, and if approved by Council would be used for reporting from January 2026.

During discussion, Members challenged the AMBER risk rating for 'Carbon Neutral 2030 Aspiration' despite various works having been carried out and the success of grant applications, however it was likely that the risk would remain AMBER due to a reduction in future grant funding.

RECOMMENDED*: That

- (1) the updates to the Strategy Risk Register since the last iteration with particular emphasis on those risks categorised as RED as shown in Annexes 1 and 1a, be noted;
- (2) the service risks identified in Annex 2, be noted; and
- (3) the Risk Management Strategy and accompanying Risk Management Guidance, subject to any amendments required, be reviewed and adopted by Full Council.

***Recommended to Cabinet**

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Audit Committee

29 September 2025

Part 1 - Public

Recommendation to Cabinet



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Cabinet Member	Matt Boughton – Leader; 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. An update is also provided in respect of the work being undertaken within the Council to champion risk management.

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;
 - 2) **NOTE** the service risks identified in Annex 2; and

- 3) **REVIEW** the Risk Management Strategy and accompanying Risk Management Guidance and, subject to any amendments required, **RECOMMEND** to Cabinet its adoption by Full Council.

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 risk.
- 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 January and subsequently adopted by Full Council on 20 February 2024. Members agreed that the next update of the Strategy would be in September 2025 and is presented in section 8 in this report.

5 Risk Management Escalation Process

- 5.1 Effectively risks are assessed/scored in terms of their likelihood/impact.
- 5.2 Any risk evaluated as 'High Risk' (score of 15 or above) will be deemed by the Council to be beyond 'risk tolerance' and to have exceeded its 'risk appetite' and will be escalated immediately. Such risks should be added to the service's risk register and discussed at the earliest opportunity within the Service Management Team (SMT) to inform a decision as to whether this should be escalated to Management Team by the respective Service Director. Management Team should then consider whether the risk is significant enough for inclusion in the Strategic Risk Register and action this if relevant. A record should be maintained of risks discussed at both SMTs and Management Team and the outcome of those discussions.
- 5.3 Similarly risks identified as "Medium Risk" may be escalated to the appropriate SMT for advice and to ensure they are kept fully aware of the current risks being faced. Risks determined as "Low Risk" should be managed within the service

team. It is recommended that SMTs consider periodic review or moderation processes for Service Risk Registers to ensure they are happy with the scores risks have been given and confirm whether there are 'Medium' or 'Low' risks they wish to consider further.

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 An executive summary of the RED risks has been provided at **[Annex 1]** and a full update of the current strategic risks and how they are being managed as at the time of writing is appended at **[Annex 1a]**.
- 6.3 For completeness the risks that were categorised as RED at the time of the July 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
- 6.4 The Register has been updated and, as usual, notes in red font on the Register identify current mitigations and updates to the strategic risks.
- 6.5 The Devolution / Local Government Reorganisation risk remains at an amber level at this stage. Further work is ongoing regarding the submissions from the Kent authorities with the assistance of a strategic partner which will inform the ongoing risk assessment and will be shared with Members as this progresses.
- 6.6 The current RED risks REMAIN as:
 - Achievement of Savings and Transformation Strategy
 - Failure to agree a Local Plan
 - Managed exit from the Agile System

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 July is appended at **[Annex 2]**.

- 7.3 Senior officers undertook mandatory training with the Risk Consultant in October 2024. Risk management appears as an agenda item for all Service Management Teams and Corporate Management Team meetings.

8 Risk Management Strategy and Risk Management Guidance

- 8.1 As part of arrangements in place to ensure risk management maintains a high profile within the Council, the Strategy and accompanying Guidance is subject to annual review and endorsement through the Audit Committee, Cabinet and Council.
- 8.2 Following the Zurich Risk Management review undertaken in 2023/24 the authority committed to a review of the Risk Management Strategy and the accompanying Risk Management Guidance.
- 8.3 A copy of the Risk Management Strategy and accompanying Risk Management Guidance is attached at **[Annex 3]** and **[Annex 4]** respectively.
- 8.4 Changes to the Guidance include a shift from a 4 x 6 risk matrix to the nationally recognised 5 x 5 risk matrix that is used by the Central Government.
- 8.5 To assist managers in assessing these risks the Risk Officer Champions group have also considered examples of how the impact could be considered in matters of reputational, health and safety and financial considerations.
- 8.6 Following these changes, the format of the Council's risk registers will also change. The officer group considered that the current format did not demonstrate any unmitigated risk to the Council and felt that a better flow to demonstrate how the Council currently mitigates these issues and what would be required to mitigate the risks still further would be required. An example of the new format is shown in **[Annex 5]**.
- 8.7 The new strategy, guidance and risk register formats have been shared with the Council's Wider Management Team and officers will provide further feedback at the Committee.
- 8.8 Reporting on the new matrix and format will occur from the January 2026 meeting following approval by this Committee and full Council in October 2025.

9 Zurich Risk Management Review

- 9.1 With the approval of the updated Risk Management Strategy, associated guidance and review of the risk register format, the recommendations given by Zurich are now complete as shown in **[Annex 6]**.

10 Financial and Value for Money Considerations

- 10.1 Financial issues may arise in mitigating risk which will be managed within existing budget resources or reported to Members if this is not possible.

- 10.2 Effective risk management arrangements make a positive contribution to ensuring value for money is provided in the delivery of services.

11 Risk Assessment

- 11.1 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.
- 11.2 A specific item for 'Risk Management' appears on all Management Team and Service Management Team agendas.

12 Legal Implications

- 12.1 There is a Health and Safety requirement for effective risk management to be in place and the Strategy supports this requirement.
- 12.2 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.

13 Cross Cutting Issues

- 13.1 Equalities and Diversity
- 13.1.1 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 Annex 3 - Risk Strategy Annex 4 - Risk Management Guidance Annex 5 - New Format Risk Register Annex 6 - Zurich Recommendations Matrix

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No	Risk Title	Risk Type	Consequences	Date identified	Likelihood Score (1-6)	Impact score (1-4)	Overall risk score	Current Mitigation	Desired Likelihood Score (1-6)	Desired Impact score (1-4)	Desired risk score	Actions required to ensure mitigation remains	Links to Corporate Objectives / Strategies	Lead on behalf of Management Team	Direction of Travel	Review Date
4	Achievement of Savings and Transformation Strategy	F, R, S	Failure to meet objectives and/or make savings. Impact on quality of service, budget overspends, salami slicing, etc. staff motivation impacted and increased risk of fraud or error.	01/04/2017	4	4	16	STS reviewed and updated in line with review of MTFS. Regular reports to update MT and Members. The 25/26 Budget is balanced with small contribution to General Revenue Reserve and significant contributions to Earmarked Reserves for Corporate priorities. s25 statement reported to Members in Feb 25 MTFS updated and reported to Cabinet in February 2025 alongside budget. STS also updated at this point Taking all opportunities to maximise income receipts where appropriate New savings programme being devised by MT	3	3	9	Exercise launched by MT to identify savings to contribute to 1st tranche of savings based on last 3 year outturns. This has been reported to FRPSSC in Sept 2025. In addition, a wider review is currently being finalised by MT to identify more significant options for Members to consider in order to deliver the full programme of savings needed.	Exercise launched by MT to identify savings to contribute to 1st tranche of savings based on last 3 year outturns. This has been reported to FRPSSC in Sept 2025. In addition, a wider review is currently being finalised by MT to identify more significant options for Members to consider in order to deliver the full programme of savings needed.	Chief Executive / Head of Finance (Section 151 Officer)/ Management Team	↔	Dec-25
5	Delivery of a Local Plan	F, R	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.	04/01/2017	4	4	16	Members are updated via workshop sessions open to all members on Local Plan policies - as part of the Engagement Strategy and via email updates and reports to the Housing & Planning Scrutiny Select Committee. Local Plan risk register in place to manage full range of individual risks Ensure that all other policy tools, including 5 year housing land supply evidence, is up to date 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 requirements of the NPPF so that the plan can be found to be sound at the examination stage. Use of legal advisors/Counsel to ensure plan is legally sound and compliant with NPPF/NPPG.	3	3	9	Regular review of Government policy that may impact on delivery, including updated housing standard methodology and WMS relating to Planning. Regular review of project plan and liaison with consultants to ensure plan can be delivered within current Government timeframes. Ongoing engagement with Counsel Ongoing engagement with Members including implementation of engagement strategy and ensuring Members are sighted and able to comment on policy areas ahead of Local Plan consultation Regular analysis of budget position and programme. Maintain staff levels within Planning Policy team to ensure capacity to manage process Regular analysis of programme - within Policy team on a weekly basis, reporting to Head of Planning/DPHEH bi-weekly. Resource available corporately to manage contract and procurement delivery	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.	Director of Planning, Housing and Environmental Health	↔	Dec-25
12	Managed exit from Agile (This replaces previous risk "implementation of Agile Software") NEW	F, S	Service impacts from level of staff time required to test upgrades, attend training and test data migration Post implementation data issues if transfer is poorly managed	17/03/2025	4	4	16	Fixed term 'Service Transformation Manager' role appointed to in order to provide internal project management resource Regular informal briefings to Cabinet Risk and issue log maintained Internal meetings with staff. Post-implementation review being carried out by internal Audit - live lessons learned being PID signed with IDOX, which includes establishing technical requirements for return of data from Agile system	2	1	2	Revised internal governance Commercial relationship management with IEG4	Digital Strategy	Director of Planning, Housing and Environmental Health	↔	Dec-25

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1	Safeguarding and PREVENT	S, R	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.	01/04/2017	3	4	12	<p>The overall responsibility for safeguarding lies with the Chief Executive, rather than individual services.</p> <p>The Council has undertaken the following actions to mitigate risk</p> <ul style="list-style-type: none">Carried out audit review of procedures to identify and address weaknessesProvided training to all licenced Dual, Hackney Carriage and Private Hire DriversProvides a secure database for the recording and sharing of safeguarding concerns.Officer Study Group with safeguarding champions across services who are able to provide advise and support regarding safeguarding issuesDedicated safeguarding officer employed for 2.5 days per week. <p>Training provided to staff</p>	3	4	12	<p>Continue to refer Safeguarding concerns to appropriate agencies where necessary and also raise with partners at the weekly CSU meetings.</p> <p>Complete outstanding actions from the Safeguarding Audits/ Self Assessments.</p> <p>Dedicated Safeguarding Officer now in post.</p>	Safeguarding Policy	Chief Executive		Dec-25
2	Financial position/budget deficit	F, R	<p>Financially unstable organisation. Failure to deliver a balanced budget, detrimental impact on quality of service, increased intervention and/or s114 notice.</p> <p>This includes</p> <ul style="list-style-type: none">Failure to maximise New Homes Bonus (for as long as it exists).Assessment of the current economic implications of higher inflation and interest ratesFailure to deliver identified savings / Additional income	01/04/2017	3	4	12	<p>The Council provides an annual statement (as a minimum) on the following areas;</p> <ul style="list-style-type: none">Treasury Management and Investment Strategy.Robustness of estimates and adequacy of reserves (s25 statement)Medium Term Financial Strategy (MTFS)Savings and Transformation Strategy (STS) <p>Statement of Accounts containing Audit and Value for Money Opinion. 2023/24 accounts audited without qualification and a positive position from External Audit noted. 2024/25 accounts closed in accordance with statutory requirements and audit underway. 20024/25 outturn showed underspend, which has allowed contribution to reserves for key priorities.</p> <p>Growth in business rate income above baseline assisted overall financial position in year 24/25 . This is expected to continue in 2025/26.</p> <p>The Council also considers it has the following</p> <ul style="list-style-type: none">Effective Budgetary control and reporting procedures covering areas such as Leisure Trust Utility costsEffective monitoring covering Business Rates and Council Tax income including reporting to the Kent Pool. <p>Regular reviews undertaken on the forecast of the Local Government Settlement. Responses have been made to consultations so far and will continue as new consultations are issued</p> <p>2024/25 outturn was positive, mainly due to investment income and business rates</p> <p>Minimum level of General Revenue Reserve maintained at £3m. In addition, a Budget Stabilisation Reserve is held.</p> <p>Update of MTFS presented to Members in February 2025 Budget meeting. Current financial position within MTFS shows balanced budget for final year. This is after allowing for assumptions made on long term resourcing issues covering Funding Reform, Business Rates reset and allows for increased contract costs on major council contracts.</p> <p>Budget monitoring to date shows overall budget on track, although individual areas need careful review and attention.</p>	3	3	9	<p>Continued budget monitoring during year and actions put in place to address overspending areas, e.g. homelessness. In addition, through budget 2025/26, consider increased budget pressures and how they will be met.</p> <p>It has always been anticipated that once local government Funding Reform has been undertaken, the position will dramatically switch and expenditure will outstrip external funding. Therefore savings needs to be made in order to ensure that by the end of MTFS we have a balanced budget again. Under new government, national priorities and actions need to be carefully tracked. NEW SAVINGS PROGRAMME BEING LAUNCHED BY MT with budget holders to assess options for presentation to Members.</p> <p>Ensure that Business Rate income is maximised for benefit of TMBC prior to any Reset by any incoming Government (expected 26/27)</p> <p>Update of MTFS presented to Members in February 2025 as part of budget setting showed expected funding gap to be £2.8m. This can be broken down into tranches over next 4 to 5 years with first tranche of £600k to be achieved by 1 April 2026. £300k has now been identified and reported to both Cabinet and FRPSSC in September 2025</p> <p>Continue to respond to any consultations in respect of LG finances.</p> <p>Waste, Homelessness and Local Plan continue to be service areas of financial pressure and are being managed carefully. In addition, any necessary growth areas need to be carefully managed and increase in spend needs to be matched by reductions elsewhere.</p> <p>MT and Cabinet continuing to work to consider the best way of delivering transformation which could also to assist with identification and delivery of efficiencies. New savings programme being devised by MT, and details to be reported to Cabinet in near future</p> <p>Carefully review any knock on implications from upper tier spending and funding decisions and where appropriate consider action to address this. Council will need to plan for potential for borrowing in relation to replacement of Angel Leisure Centre. Reports due to come to Members in first part of 2025/26.</p> <p>Continue to actively monitor in year budgets to enable swift action as needed</p>	<p>Priority in the Corporate Strategy of "Efficient services for all our residents, maintaining an effective council"</p> <p>Annual Service Delivery Plan has an objective of identifying at least £300k savings. This has now been identified and report to Cabinet in September 2025.</p>	Head of Finance (Section 151 Officer)		Dec-25

Direction of Travel key



Downward or positive movement



No change in movement



Upward or negative movement

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3	Performance Management	F,R,S	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.	30/08/2023 (separated from Corporate Plan)	3	3	9	Having now been established for over 2 years, a review of performance management was undertaken and reported to O&S and Cabinet in November 2024. Improvements have been made in terms of reporting, as well as strengthening the link between the Corporate Strategy 2023-27 and delivery through the Annual Service Delivery Plan 2025/26 which comprises approximately 70 priority actions and 60 KPIs and was adopted by Cabinet in February 2025.	1	3	3	A streamlined reporting process was implemented during Q3 2024/25, with quarterly reports going to Management Team, O&S and Cabinet and this process is continuing for the reporting of the Annual Service Delivery Plan 2025/26. An annual Member Report is scheduled for the relevant Scrutiny Select Committee, highlighting achievements over the previous 12 months and future plans.	One of the priorities in the new Corporate Strategy is "Efficient services for all our residents, maintaining an effective council"	CE/MT		Dec-25
4	Achievement of Savings and Transformation Strategy	F, R, S	Failure to meet objectives and/or make savings. Impact on quality of service, budget overspends, salami slicing, etc. staff motivation impacted and increased risk of fraud or error.	01/04/2017	4	4	16	STS reviewed and updated in line with review of MTFS. Regular reports to update MT and Members. The 25/26 Budget is balanced with small contribution to General Revenue Reserve and significant contributions to Earmarked Reserves for Corporate priorities. s25 statement reported to Members in Feb 25 MTFS updated and reported to Cabinet in February 2025 alongside budget. STS also updated at this point Taking all opportunities to maximise income receipts where appropriate New savings programme being devised by MT	3	3	9	Exercise launched by MT to identify savings to contribute to 1st tranche of savings based on last 3 year outturns. This has been reported to FRPSSC in Sept 2025. In addition, a wider review is currently being finalised by MT to identify more significant options for Members to consider in order to deliver the full programme of savings needed.	Priority in the Corporate Strategy of "Efficient services for all our residents, maintaining an effective council"	Chief Executive / Head of Finance (Section 151 Officer)/ Management Team		Dec-25
5	Delivery of a Local Plan	F, R	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.	04/01/2017	4	4	16	Members are updated via workshop sessions open to all members on Local Plan policies - as part of the Engagement Strategy and via email updates and reports to the Housing & Planning Scrutiny Select Committee. Local Plan risk register in place to manage full range of individual risks Ensure that all other policy tools, including 5 year housing land supply evidence, is up to date 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 requirements of the NPPF so that the plan can be found to be sound at the examination stage. Use of legal advisors/Counsel to ensure plan is legally sound and compliant with NPPF/NPPG.	3	3	9	Regular review of Government policy that may impact on delivery, including updated housing standard methodology and WMS relating to Planning. Regular review of project plan and liaison with consultants to ensure plan can be delivered within current Government timeframes. Ongoing engagement with Counsel Ongoing engagement with Members including implementation of engagement strategy and ensuring Members are sighted and able to comment on policy areas ahead of Local Plan consultation Regular analysis of budget position and programme. Maintain staff levels within Planning Policy team to ensure capacity to manage process Regular analysis of programme - within Policy team on a weekly basis, reporting to Head of Planning/DPHEH bi-weekly. Resource available corporately to manage contract and procurement delivery	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.	Director of Planning, Housing and Environmental Health		Dec-25
6	Organisational development inc. staff recruitment and retention/skills mix. Impact of loss of capacity caused by recruitment difficulties upon delivery of corporate objectives. Increase in rate of inflation and consequent pressure on level of pay award.	F, R, S	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.	01/04/2017	3	4	12	Review of staff resources and skills via service reviews. Organisational structure reviews are part of S&TS to achieve efficiency, coordinated service delivery and reflect changing legislative and policy requirements and priorities. The Council implemented it's Market Supplement policy in October 2023. At present all 'qualified' Planning Officer roles receive a market supplement. Vacant Planning Officer roles are advertised with a 'Golden Hello' payment. Specific workstream on Building Control due to Building Safety Act requirements for all surveyors to be recertified - looking at different certification routes and HR processes for staff.	3	4	12	Succession planning and staff development to be prioritised and reflected in an updated appraisal process (delivered 1 April 2025). Engagement of agency staff, external consultants and specialists where required. Reviewed by MT on a monthly basis to ensure Value for Money. Resilience and rationalisation of existing structures. Pay award for 2025/26 for all staff. Award of 2.9% agreed by General Purposes Committee in January 2025, with SCP 1 & 2 plus 315 deleted. Structural reviews approved by Members on an ongoing basis. Workforce Strategy approved by General Purposes Committee in June 2022. Revised version approved by General Purposes Committee in March 2025.	HR Strategy (Inc. Workforce Development Strategy) Savings and Transformation Strategy	Director of Central Services and Deputy Chief Executive/ Chief Executive		Dec-25



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7	Health and Safety	F, R, S	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.	01/04/2017	3	4	12	Lone working policy and service based practices to be continuously monitored. Health and Safety considered by management at weekly SMT meetings. Staff involvement with Health & Safety Group Ongoing review undertaken to react to potential key risk areas. Organisational learning and response to national events. Incident and near miss reporting.	2	3	6	Embedding and dissemination of good practice through staff briefings. Corporate Health and Safety Group (chaired by DPHEH) identifying cross organisational issues with feedback to Management Team and Health and Safety Officer. All services have reviewed all their Health & Safety local Procedures in particular Lone working and service specific risk assessments. Staff survey on H&W completed spring 2021, results reviewed and a future survey will be incorporated into general staff survey approach Corporate Health & Safety Policies and procedures are up to date and reviewed regularly which all staff can access. Continuing focus on risk assessment process including reviews as a result of Coronavirus pandemic. Further staff wellbeing survey to focus on working at home and wellbeing.	Staff wellbeing and customer care underpin the Council's fundamental service and corporate objectives	Director of Planning, Housing and Environmental Health		Ongoing
8	Cyber Security	F, R	Loss of data and legislative breach, leading to financial penalties and reputational impact.	01/04/2017	3	4	12	The Council has; Information Security Policy deployed via Policy Management System. Implemented network security measures including access controls. Considered cyber insurance. Established an Information Governance Group. Appointed a Member Cyber Champion. Rolled out Cyber awareness training to all staff and Members via eLearning. Deployed 'Next generation' Palo Alto firewall technology for improved visibility and control. Deployed software solution to identify potential confidential data held on file servers. Implemented secure email in accordance with NCSC guidelines. Maintained dual level firewall security with the KPSN gateway being primary and the Council's own firewalls secondary. Implemented Solarwinds Security Event Manager. 1 member of IT team obtained Certified Information Systems Security Professional (CISSP) qualification October 2020. Implemented cloud backup and DR facilities to improve resilience; and embedded cyber security into DR and BCP processes. Continued to monitor Cybersecurity alerts via LGA Cyber Security email; through membership of NLAWARP and CISP; and attending information sharing events such as Kent Connects Information Security Group. Cloud based web and email filtering has been deployed to improve availability and resilience. Completed firewall ruleset review following migration to Cloud to ensure our configuration is in line with best practice guidelines. Done Annually at ITHC Carried out phishing simulation exercises for awareness training for staff and members, to highlight areas of risk and to identify training needs. Subsequent online training sent out to all staff and members. Developed and deployed wallpaper/ lock screen to all TMBC laptops and PCs, with cyber security reminder to further reduce risk by increasing awareness. Head of IT appointed Senior Information Risk Owner (SIRO) from October 22. This role has responsibility for information and data risk and protection. Obtained Cyber Essentials accreditation in May 2025, demonstrating that our technical controls are designed to defend against the most common cyber threats. NCSC approved cyber security training has been evaluated and made available via the Council's new LMS.	3	3	9	The Council has; Prioritised the resources (both financial and staff) to ensure relevant updates and security mitigations are carried out in a timely manner. Scheduled annual IT Health Check (ITHC), quarterly PCI scans, and monthly vulnerability scans, feeding into remediation plans. Investigating and resolving detected security issues from previous ITHC. New ITHC completed August 2024, including the TMBC Microsoft 365 environment with remediation of security improvements underway. Next ITHC scheduled for w/c 18 August 2025 Regular email messages are sent out to all staff and Members on cyber security vigilance. Continuing to investigate emerging threats and cyber alerts, communicating with 3rd party suppliers to check compliance/obtain security updates and implementing mitigations as required to reduce likelihood of compromise. Training for IT staff on security aspects of Cloud environment is underway. Investigating further improvements to DR capability with specific regard to recovery from cyber incidents. Ensuring new staff have been invited to undertake training cyber security training. Further training and audits will follow to ensure the Council is as aware and prepared as possible to respond to potential cyber attacks. Procured NCSC approved cyber security training for staff and members, deployed during 2023, continued training throughout 2024 and re-procured for 2025 Staff and Councillors have been required to complete Cyber Training. Phishing simulations are carried out on an ad-hoc basis, without prior notification, to check effectiveness of training, and as regular assurance of staff and member awareness. Maintaining of industry standards, PCI DSS, Cyber Essential and Cyber Essential Plus annually to ensure that any changes in the IT environment still demonstrate that our technical controls are designed to defend against the most common cyber threats. Enrolment and management of devices in Intune is now live. It has replaced SCMC for deployment of all line of business apps to PCs and laptops, and Microsoft Defender for Endpoint is being used to leverage additional security features including network blocking when malware is detected and enforcement of encryption on laptops and removable media.	IT Strategy	Director of Central Services and Deputy Chief Executive		Dec-25

Direction of Travel key



Downward or positive movement



No change in movement



Upward or negative movement

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	Cyber Security. Continued							Achieved 'Substantial' rating for Cyber Security at Internal Audit Report TM19-2023 & TM07-2023 - Cyber Security and ICT Infrastructure (Combined Report). An in-depth phishing training package, to highlight specific risks and increase staff awareness, was deployed to all staff and followed up by phishing simulations to check effectiveness of training. PCI DSS accreditation achieved to demonstrate that standards have been met by the Council with compliance of the PCI DSS standards to help protect sensitive payment card information and help reduce the risk of data breaches and fraud. Obtained Cyber Essentials Plus accreditation in October 2024, demonstrating that our technical controls are designed to defend against the most common cyber threats which were independently checked and verified. Utilising Microsoft Defender for Cloud to further enhance security of the Council's Azure IaaS infrastructure. Operation member of the IT team to be trained in the Certified Information Systems Security Professional (CISSP) qualification to ensure there is a higher knowledge of security within the team - Staff member qualified in Jan 2025 Maintain and using the new government framework Cloud Assessment Framework (CAF) to ensure critical systems are documented and robust. - CAF readiness and assessments completed in line with the first Government adoption programme				Test restore to sandbox environment carried out to validate our ability to recover successfully from a cyber incident. Areas for improvement identified, documentation of process underway and training for all technical support staff planned for Q4 2024/25. Continued ongoing development training to ensure that knowledge is kept up to date. Investigating preventative analysis, monitoring and remediation of suspected malicious network activity and NCSC approved cyber incident response retainer services to allow on hand cyber experts to assist with any Cyber Incident that may occur. Investigating and working towards the new government framework Cloud Assessment Framework (CAF) to ensure critical systems are documented and robust. Run regular simulations for Cyber readiness to ensure all staff are prepared and understand their roles during incidents. Report of the Senior Information Risk Owner (SIRO) presented to FRPSSC July 2025 in part 2 with recommendations for consideration by Cabinet in September				
9	Business Continuity and Emergency Planning (incl. Civil Contingencies)	F, R, S	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	updated January	3	4	12	The Council has in place; Business Continuity Plan. Corporate Business Continuity Risk Register Emergency Plans Disaster Recovery Plans Inter-Authority Agreements Mutual Aid Agreement Partnership agreement with Kent Resilience Team. Emergency Planning Support Officer. Duty Emergency Coordinator System and Duty Officer System introduced to provide greater resilience. Covid Secure rest centre plan has been developed Flood Risk Assessments along with Support from Parishes with Flood Wardens EA support for expansion of Leigh Storage Area and works to Medway River Wall	3	4	12	Emergency planning documentation undergoing constant review and key aspects exercised. Increase % of staff trained in roles identified in the Emergency Plan Training organised by Kent Resilience Team. Business Continuity working group established to review and update existing Plan. Updated plan to be considered by Management Team and tested by a training exercise. Duty Officer rota in place to support Duty Emergency Coordinators out of hours. All staff fully trained before commencing duties. Out of Hours Manual reviewed and regularly updated. DSSLTS sits on Kent Resilience Forum Strategic Board. Actions taken in response to the Covid 19 pandemic will be reviewed and lessons learnt for the future. Any approved changes will be reflected in the Corporate Business Continuity Plan. Business Continuity Group including all members of Management Team meets twice weekly to oversee and coordinate response to pandemic. Annual Emergency planning review to be reported to Management Team. 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 ongoing. Enhanced staff training being developed to ensure rest centre staffing levels Funding allocated in Council's Capital Plan to support works to Leigh Flood storage area which will be completed by 2025.	Business continuity underpins the delivery of the Council's essential services and is a core of the authorities risk management	Director of Street Scene, Leisure & Technical Services		Dec-25

Direction of Travel key



Downward or positive movement



No change in movement



Upward or negative movement

No	Risk Title	Risk Type	Consequences	Date identified	Likelihood Score (1-6)	Impact score (1-4)	Overall risk score	Current Mitigation	Desired Likelihood Score (1-6)	Desired Impact score (1-4)	Desired risk score	Actions required to ensure mitigation remains	Links to Corporate Objectives / Strategies	Lead on behalf of Management Team	Direction of Travel	Review Date
10	Sustained or increasing levels of Housing need.	F, R, S	Increased demand on Housing and Revenues & Benefits services. Significant cost of providing temporary accommodation Inability to meet our legislative requirements - increased risk of decisions being challenged.	01/04/2017	4	3	12	TMBC run Welfare Reform Group with partner agencies invited. Knowledge sharing and issue identification. Council has joined the ReferKent network Additional resources in place to ensure focus on prevention activity and management/increase of ... Working with owners to bring long term empty properties back into use. Ongoing work on Empty Homes is being supplemented by fixed term resource. Council in February 24 agreed empty homes premium and second homes premium. EQIA assessment of key decisions included in all Board reports. Signposting now to UC rather than HB for new working age claimants. Keeping track of welfare statistics CTR Scheme approved for 24/25 . Downsizing incentive policy agreed Homelessness services externally reviewed and Member approved action plan being implemented	3	3	9	Improved working with TA providers leading to more guarantees of available accommodation and developing a TA Procurement Strategy 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. Continue to facilitate Welfare Reform group and widen participation from external partners so as to ensure best support for those affected by welfare reforms in T&M. Work with Kent councils collaboratively to ensure grants and support targeted to those most in need Continued focus on homelessness prevention through staff training, team structure and delivery of homelessness action plan Distribute latest Household Support Fund	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	Director of Planning, Housing and Environmental Health/ Head of Finance (Section 151 Officer)		Sep-25
11	Political factors including stability of political leadership and decision making	F, R	Decisions required to achieve objectives including corporate strategy and savings and transformation may not be made and therefore required savings not achieved.	01/04/2017	3	4	12	Close liaison with Leader, Deputy Leader and Cabinet in developing the Savings & Transformation Strategy. Clear and comprehensive reports to support Members in making appropriate decisions to support the S&TS. Regular Group Leader meetings in place and stability of leadership following election. Regular pattern of informal MT/Cabinet meetings to provide stability and cohesiveness	3	3	9	Member briefings and training sessions.	Underpins delivery of overall strategy and Savings and Transformation.	Chief Executive		Sep-25
12	Managed exit from Agile (This replaces previous risk "implementation of Agile Software") NEW	F, S	Service impacts from level of staff time required to test upgrades, attend training and test data migration Post implementation data issues if transfer is poorly managed	17/03/2025	4	4	16	Fixed term 'Service Transformation Manager' role appointed to in order to provide internal project management resource Regular informal briefings to Cabinet Risk and issue log maintained Internal meetings with staff. Post-implementation review being carried out by internal Audit - live lessons learned being PID signed with IDOX, which includes establishing technical requirements for return of data from Agile system	2	1	2	Revised internal governance Commercial relationship management with IEG4	Digital Strategy	Director of Planning, Housing and Environmental Health		Dec-25
13	Carbon Neutral 2030 Aspiration	F, R, S	Significant reputational risk, particularly if other similar councils have achieved similar goals or targets. Significant financial cost to purchasing offsets to meet carbon neutral. High cost of increased frequency and intensity of extreme events (floods, heat waves) that increase costs and disrupt service delivery.	01/09/2023	4	3	12	Development of climate evidence (e.g. for the Local Plan), partnerships (residents, community and other Councils) and pathway analysis to support move towards transformative and larger-scale emissions reductions. Produce advice on decarbonising new waste collection contract. Increased contributions to Climate Change Reserve to Support match funding as well as capital projects. Grant Award received for Energy Efficiency measures for Sports Facilities. Total grant award of £1.6m will support installation of LEDs, solar PV and a heat pump at Larkfield Leisure Centre, reducing vulnerability to energy price variations and tackling a significant source of carbon emissions. Grant Award received for Energy Efficiency measures for Sports Facilities confirmed got Poulton Wood Golf Course to be installed in 2025/26.	3	2	6	New strategic planning, oversight and commitment by Members, senior management and services to ambitious actions beyond 'business as usual'. Improved understanding of financial returns from climate mitigation measures that can be reinvested. Innovative thinking and delivery of services and mitigation options. Gap analysis report endorsed at Overview and Scrutiny Committee January 24 Funding is dependant on successful applications and awards being achieved, otherwise Council Resources will be needed. Successful delivery of decarbonisation projects using grant funding. Ensure all delivery, project and monitoring milestones set by funders are met.	Climate Change Strategy 2020 - 2030, Corporate Strategy 2023 - 2025	Chief Executive		Dec-25



No	Risk Title	Risk Type	Consequences	Date identified	Likelihood Score (1-6)	Impact score (1-4)	Overall risk score	Current Mitigation	Desired Likelihood Score (1-6)	Desired Impact score (1-4)	Desired risk score	Actions required to ensure mitigation remains	Links to Corporate Objectives / Strategies	Lead on behalf of Management Team	Direction of Travel	Review Date
14	Contract/Contractor Procurement	F, R	Failure to appoint suitably experienced and qualified contractors leading to poor quality of service, reputational damage and increased costs to the Council.	01/02/2024	2	3	6	Compliance with Council's adopted Procurement Rules and Strategy. Consultation undertaken with Property and Legal Services to ensure appropriate Lease/License/Contract arrangements are in place. Procedure adopted and monitored for the engagement of contractors setting out and seeking minimal requirements including Risk Assessment and Public Liability. Establishment of cross-departmental working groups for key contracts and projects. Contracts awarded on an evaluation of 'most economically advantageous' and 'best value' and not solely on financial benefit. Directorate representatives on the Council's Procurement OSC. Use of Mid-Kent Procurement Partnership Use of specialist advisors on major contracts. Contracts to include break clause and/or extension periods based on performance. Use of contract frameworks where appropriate. Risk assessment approach to appointment of contractors.	1	3	3	Corporate Procurement Strategy adopted Procurement documentation being reviewed. Corporate Training progressing for staff and Members Annual report to audit committee on procurement performance Compliance with new Procurement Act regulations Review level of legal resources for supporting contract procurement	Procurement Strategy. Compliance with legislation. Health and Safety.	Director of Street Scene, Leisure & Technical Services	↔	Dec-25
15	Devolution and Reorganisation in Kent Local Government	F, R	Uncertainty about future operating models and changes / opportunities in responsibilities or service provision leading to financial pressures, impact on quality of services, reputational damage. 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 Staff concerns: scale of change & securing a job in new structure Not being aligned with other Councils forming the new unitary. Political risks & loss of public support if no consensus achieved. The current council may not having sufficient capacity (financial, staffing and project mgmt.) to manage the transition process and carry out Business as Usual Is there a risk towards shorter-term thinking (Political Thinking) Risk of Forward Planning being linked to changes in long term organisation	Feb-25	4	3	12	Mitigation will be subject to legislative agenda. Dependent on the accounting records for the debt, whether attributed to specific assets or distributed on Population base Work on certain services will be cross cutting and staff could be seconded to prepare for unitary works therefore leaving ongoing services with reduced support. Regulation 24 will prevent excessive spending from a given date. Major Capital Works (replacement for Angel and Temp Accommodation) will need to be agreed and letter of intent issued prior to this date. Issues around staff retention and appointment needs clarification in accordance with legislation rather than through rumour. Changes in recent elections have changed political control of authorities and therefore a potential wider mix of Political Parties. Link to Core service provision Will depend on 'go-live' date on how matters schemes are progressed or deferred.	4	3	12	Will depend on legislation and accounting records held Planned resources priorities, both frontline and support staff areas in order to maintain service provision. Clear project management of major schemes, showing milestones for achievement. Regular reporting to Members and Management. Open and Transparent communications with staff on progress and potential impact on staff. In regards to recruitment issues working with Neighbouring boroughs could allow cross working or mentoring. Pro active engagement with other authorities and seek alignment on systems during the transition process. Utilisation of Transformation Reserve, Project Groups including secondment, external expertise. Government funding received and being held by Kent County Council. Strategic Partner engagement is now underway.	All Strategies	Chief Executive	↔	Dec-25

Ongoing Risks and Risks Identified by Service Management Teams and Management Team

		Risk Identified	Background	New or ongoing	Reason for removal / ongoing
Page 231	Executive Services	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.
		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 to be submitted to O&S Committee on 11 Sept 2025. This will raise the issue of capacity and resources.
		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	Ongoing.	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	Ongoing.	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	Page 232	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.
		Government withdraws funding for Public Sector Decarbonising Scheme	Government has not allocated any funding for future rounds on PSDS funding in the latest Spending Review, meaning it is likely the Council will need to fund in their entirety new decarbonising projects coming forward. The first of which will be the substantial Tonbridge Pool scheme	Ongoing	
		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.

RISK MANAGEMENT STRATEGY



June 2025

1. Introduction

- 1.1. The risk management strategy of Tonbridge and Malling Borough Council (the Council) is to adopt best practices in the identification, evaluation, and cost-effective control of risks. This is intended to ensure that risks are reduced to an acceptable level or, where possible eliminated, thereby safeguarding the Council's assets, employees and customers and the delivery of services to the local community.
- 1.2. The Council endeavours to deliver essential services to the local community. It will exercise a prudent approach to risk taking and decisions will be made within the parameters of the Council's internal control and governance arrangements, i.e. Constitution, Procedural Rules, etc. These arrangements serve to ensure that the Council does not expose itself to risks above an acceptable level.

2. Mandate and commitment

- 2.1. This strategy is supported and endorsed by the Management Team and Members of the Audit Committee who will ensure that:
 - The risk management objectives are aligned with the objectives and strategies of the Council
 - The Council's culture and risk management strategy are aligned
 - The necessary resources are allocated to risk management
 - There is a commitment to embedding risk management throughout the organisation, making it a part of everyday service delivery and decision making
 - The framework for managing risk continues to remain appropriate

3. Applicability

- 3.1. This strategy applies to all functions undertaken by the Council. Where the Council enters partnerships the principles of risk management established by this strategy and supporting guidance should be considered as best practice and applied where possible. The Council expects that our significant contractors have risk management arrangements at a similar level, and as such will be subject to monitoring during the procurement and contract arrangements.

4. Objectives

- 4.1. The risk management objectives of the Council are to:
 - Embed risk management into the culture of the Council
 - Apply a consistent approach to risk management across all services.
 - Manage risks in line with its risk appetite, and thereby enable it to achieve its objectives more effectively
 - Reduces and where possible eliminate the impact, disruption and loss from current and emerging events
 - Harness risk management to identify opportunities that current and emerging events may present and maximise benefits and outcomes

- Ensure effective intelligence sharing and collaboration between risk management disciplines across all Council activities
- Ensure fraud risks are proactively considered and embedded into the organisation's risk management arrangements
- Ensure sound and transparent risk management arrangements are operated in partnership and commissioner / provider situations, underpinned by a culture that supports collaboration and the development of trust, ensuring clear effective lines of communication and the management of relationships.

4.2. The delivery of this strategy is the collective responsibility of officers, Service Management Teams, Management Team, the Council's partners and Members, with delivery being assured by the Management Team.

5. Roles and responsibilities

- 5.1. Responsibility for risk management runs throughout the Council. Managers and staff that are accountable for achieving an objective are accountable for managing the risks to achieving it.
- 5.2 To ensure that risk management is successful, the roles and responsibilities of key groups and individuals are identified at the table shown at 5.4 .
- 5.32. Other officer groups' deal with related risk specialisms such as Health and Safety; Treasury Management; Emergency Resilience and Business Continuity; Insurance; Information Security; Anti-fraud, bribery and corruption, etc. These groups are linked into the governance arrangements of the Council so that their work is co-ordinated within the Council's overall risk management framework.
- 5.4. In order to support Members and Officers with their responsibilities, risk management guidance is available.

Group or Individual	Responsibilities
Full Council / Cabinet	Approval of the Risk Management Strategy will be witnessed by the signature of the Leader of the Council.
Audit Committee	<p>The Audit Committee, as those charged with Governance, will provide independent assurance of the adequacy of the risk management framework and will monitor the effective development and operation of risk management in the Council.</p> <p>The Chairman of the Audit Committee will take a lead role in promoting the application of sound risk management practices across the Council.</p> <p>Training will be provided periodically for all Audit Committee members.</p> <p>The Audit Committee will consider the Risk Management process as part of the assurance evidence in support of any Annual Governance Statement.</p>

Committees	<p>Responsibility for considering risk when making decisions on behalf of the Council.</p> <p>Promote and demonstrate the behaviours and values that support well-informed and considered risk taking, while maintaining accountability.</p> <p>Encourage open and frank conversations about risks, ensuring appropriate reporting and escalation as required.</p>
Chief Executive	<p>Responsibility for the overall monitoring of strategic risks across the Council, including the endorsement of priorities and management action. Responsible for ensuring that risk management resources are appropriate.</p> <p>Also responsible for counter-signing the Risk Management Strategy.</p>
Section 151 Officer	<p>Active involvement in all material business decisions to ensure immediate and longer-term financial implications, opportunities and risks are fully considered.</p>
Management Team (MT)	<p>To ensure the Council manages risks effectively and actively consider, own and manage key strategic risks affecting the Council through the Strategic Risk Register.</p> <p>Keep the Council's risk management framework under regular review and approve and monitor delivery of the annual risk work programme.</p> <p>Promote and demonstrate the behaviours and values that support well-informed and considered risk taking, while maintaining accountability.</p> <p>Encourage open and frank conversations about risks, ensuring appropriate reporting and escalation as required.</p> <p>Delegate the development and delivery of appropriate training to support the implementation of this policy for Members and Officers.</p>
Service Management Teams (SMT)	<p>Responsibility for the effective management of risk within the directorate, including risk escalation and reporting to the Management Team as appropriate.</p> <p>Briefing sessions will be provided on an as and when basis to senior management.</p>
Internal Audit	<p>Assesses the effectiveness of the risk management framework and the control environment in mitigating risk.</p> <p>Review and challenge risk management arrangements through its audit and fraud prevention activities.</p>
All elected Members and staff	<p>Identify risks and contribute to their management as appropriate. Report inefficient, unnecessary or unworkable controls. Report loss events or near-miss incidents to management.</p>

6. Review of this strategy

- 6.1. It is the responsibility of the Audit Committee to: 'On behalf of the Council ensure that Risk Management and Internal Control systems are in place that are adequate for

purpose, and are effectively and efficiently operated.’ Internal Audit will support their role in assuring its effectiveness and adequacy.

- 6.2. Information from Internal Audit and from other sources will be used to inform recommended changes to the strategy and framework at least annually. Any changes will be presented to the Audit Committee for approval before publication. The Strategy was last reviewed in January 2024 and will be reviewed next in January 2026.

7. Approval

Signed:

Print Name: Matt Boughton

Date:

Position: Leader of the Council

Signed:

Print Name: Damian Roberts

Date:

Position: Chief Executive

Document Review History

Version	Reviewed	Reviewer	Approver	Date Approved
Jan 2024	December 2023	Chief Financial Services Officer	Audit Committee and Full Council	Feb 2024
Current	Sept 2025	Head of Finance	Audit Committee and Full Council	

TONBRIDGE AND MALLING BOROUGH COUNCIL
RISK MANAGEMENT GUIDANCE

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8	Allocating risks and determining actions
9	Monitoring Risks
10	Proximity of risk

TONBRIDGE AND MALLING BOROUGH COUNCIL
RISK MANAGEMENT GUIDANCE

1. Introduction

- 1.1. Tonbridge and Malling Borough Council (the Council) has an approved Risk Management Strategy (the Strategy) and this guidance should be read in conjunction with this Strategy.
- 1.2. The aim of this guidance is two-fold; to specify how the Council will deliver its objectives as outlined in the Strategy and provide guidance on how to effectively manage and monitor risk.

2. Achieving strategy objectives

- 2.1. The Council shall achieve its objectives, as outlined in the Strategy, through:
 - Integrating effective risk management practices into the Council's management, transformation, decision making and planning activities.
 - Maintaining the frequency and effectiveness of monitoring of key risks.
 - Providing sufficient risk management training, awareness sessions and support for both Members and Officers of the Council in order to ensure compliance with the Strategy.
 - Ensuring links between audit planning and risk management processes to enable assurance on the effectiveness of risk management across the Council.
 - Subjecting the Council's risk strategy, guidance and practice to annual review to ensure ongoing effectiveness of risk management.
 - Provide robust monitoring and challenge on risks and there mitigating actions.
 - Working with internal and external partners and providers to ensure that effective risk management arrangements are in place to protect the Council.
 - Providing guidance on identifying, assessing, managing and reporting on risk, including escalation of risks.

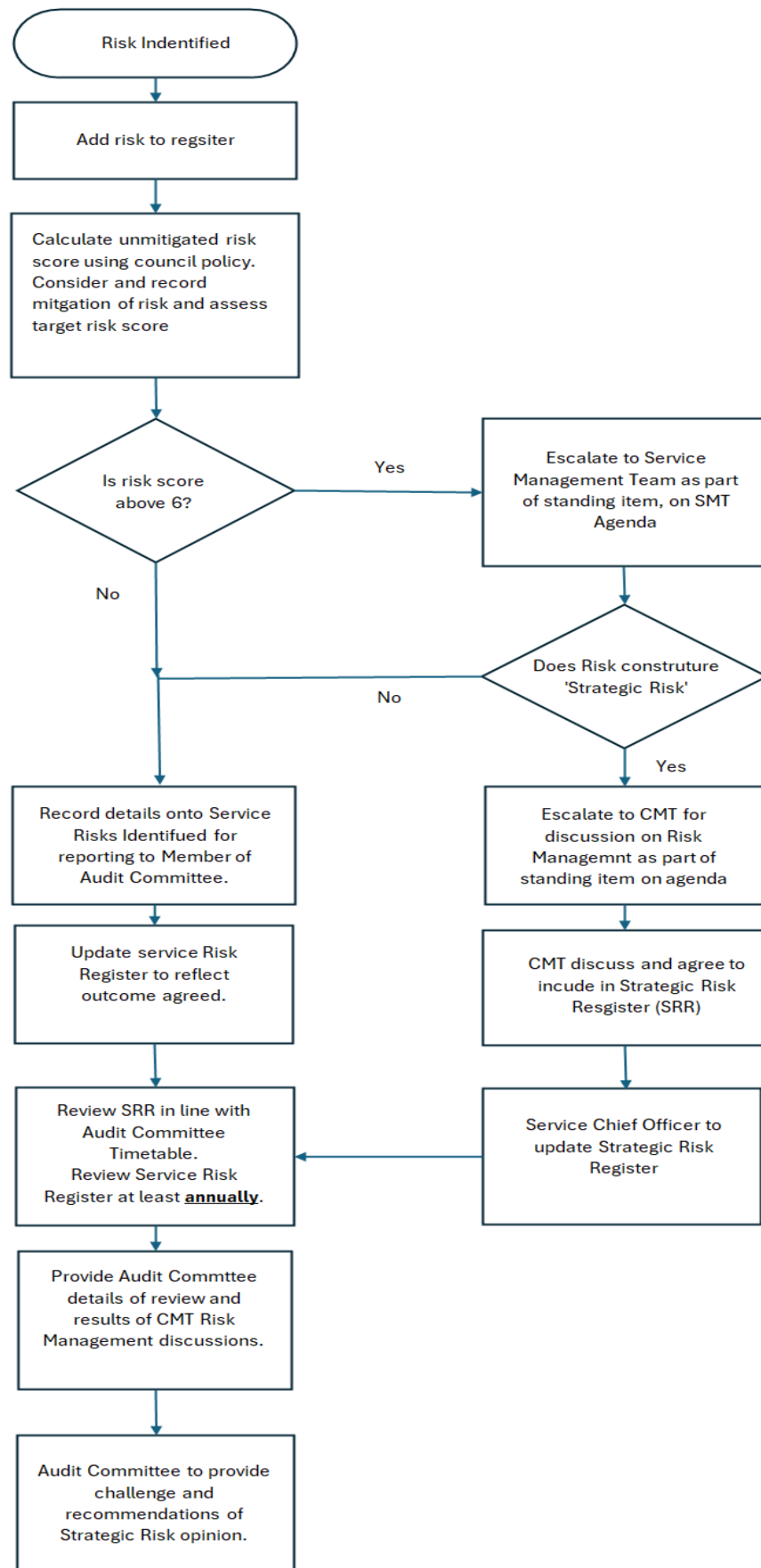
3. Risk Management Process

- 3.1. The risk management process is a circular effect being the following
 - Identify the risk
 - Assess the impact of that risk
 - Evaluate and score the risk
 - Escalate the risk where necessary
 - Allocate mitigation and take action
 - Monitor the risk



4. Risk management at a glance

- 4.1. The following process flow diagram visually demonstrates the risk management process that should be followed by officers.



5. Identifying and Assessing risks

- 5.1. Risk is something that might happen, which if it materialises will affect us in some way or other. A risk is a combination of 'likelihood' and 'impact', that is; how likely the risk is to happen and if it did how much would it affect us. Where a risk is identified it should be recorded on the services risk register, see Appendix A. This Register should be considered a 'live' document and therefore be a process of continually review and update.
- 5.2. Before evaluating the level of risk associated with an activity you should determine what could trigger the risk assess what the consequences may be if it did occur, i.e. identify the risk event. In doing so you should be mindful of the potential timeframes of this risk occurring and focus on a period of no longer than two years in the future, after this period risks are considered speculative.
- 5.3. The Council classifies risk into the distinct types;
 - Financial – Those that have a monetary impact on the Council.
 - Reputational – Those that have an impact on the public perception of the Council, this could be from a regulatory, environmental or service delivery perspective.
 - Health and Safety – Those that have an impact on the health and safety of the public or officers of the council.
- 5.4. The risk assessment should then determine the consequences of failing to act on this risk.

6. The Risk Register

- 6.1. Following a recommendation from Zurich in 2024, the Council uses a single format of risk register to cover, operational, service and strategic risk.
- 6.2. The format of the register can be found in Annex 1 to this guidance note along with details of what needs to be included on the register in line with the guidance offered below.

7. Evaluating and Scoring the risks

- 7.1. Once you have identified the risk and the potential consequences and impacts, the risk needs to be scored.
- 7.2. The Council has now adopted the national model of a 5 x 5 matrix, this matrix will be used for Health and Safety and Business Continuity process. The table below give the four levels of risk and the scoring matrix.

LOW	MEDIUM LOW	MEDIUM HIGH	HIGH
1 – 3	4 – 6	7 – 12	13 – 25

- 7.3. Each risk should initially be considered in its rawest form, prior to any mitigation that you may have in place to eliminate or reduce the risk.
- 7.4. Using the table below and the examples given in Appendix A of this guidance note, managers should consider the likelihood and impact of each risk identified.

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

- 7.5. You can then calculate the overall risk score by multiplying the likelihood score by the impact score. The score should then be assessed as red, amber, yellow or green.
- 7.6. However, once the unmitigated risk has been calculated managers should then include the mitigations, if any, that have been put in place in order to reduce the risk to what is considered the current level.
- 7.7. Using the 5 x 5 matrix rescore the issue to give the current level of accepted risk.
- 7.8. Amber risks, those scoring between 8 and 12, should be raised at Service Management Team, added to the Service Risks identified list which can be found on the [Strategic Risk Register Sharepoint Site](#).
- 7.9. Red risks, those scoring 15 to 25, should be considered by Service Management Teams for potential escalation 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.
- 7.10. Managers should then consider mitigating factors that are in place to reduce the impact of the initial risk scoring, examples that can be used are existing policies and strategies within the Council such as lone working, whistle blowing or training course offered to staff.

- 7.11. Using these mitigations managers should then consider the potential changes to both the likelihood and impact scoring and adjust accordingly, if the mitigations do not impact on the initial score, further discussions should take place with your Service Management Team.
- 7.12. Services should then document the actions required to ensure that the identified mitigation remains, this could include examples as ensuring that training of staff is relevant and that the policies are regularly reviewed and published.
- 7.13. Any links to corporate objectives or strategies should be identified and listed along with the service lead and the date of next review.
- 7.14. Service Risk registers should be reviewed regularly but be subject to peer review at Service Management Team on an annual basis. These reviews should be documented and included within the minutes of the Service Management Team.

8. Escalating risks

- 8.1. Where a risk has been identified the service should consider whether the risk should be escalated to either Service Management Team or onto Corporate Management Team.
- 8.2. It is suggested that the following process should be followed.

Low (Green) Risk	Managed within Service Team
Medium Low (Yellow) Risk	Managed within Service Team but regularly reviewed
Medium High (Amber) Risk	Escalate to Service Management Team with consideration to raise at Corporate Management Team
High (Red) Risk	Full Discussion at Service Management Team and Consideration by Corporate Management Team with potential inclusion on Strategic Risk Register.

- 8.3. Where a risk is identified in having an impact onto the Strategic operations of the Authority the Chief Officer should raise their concerned at the next Corporate Management Team.
- 8.4. Where Corporate Management Team that the risk identified is of a strategic impact, the Chief Officer should add the risk onto the Strategic Risk Register (SRR) for sharing with Members of the Audit Committee. The Strategic Risk Register can be found at [TMBC Strategic Risk Register - Home \(sharepoint.com\)](#).
- 8.5. Where the risk is not considered of a strategic nature but does have major service implications it the Chief Officer should add the risk to the Service Risks Identified which can be found in the same location as the SRR. These risks are reported to the Audit Committee as examples of issues within Services but not high enough to escalate to Strategic Risk.

9. Allocating risks and determining actions

- 9.1. Any risk identified should be allocated a lead officer, the allocation will depend on the type and severity. This lead officer will be responsible for monitoring and scoring the risk.
- 9.2. The table below suggested the ownership of the of risks depending on the levels and location of the risk.

Location of Risk	Level	Suggested owner
Strategic Risk Register	All Levels	Member of Management Team
Service Risk Register	Amber and Above	Service Management Team
Service Risk Register	Yellow and Green	Service Manager

- 9.3. Once the risk has been allocated those responsible should then consider how that risk is to be managed, taking into account the mitigation that has been put in place, these actions are;
- Terminate – Stop the activity that gave rise to the risk.
 - Tolerate – Accept the risk but ensure that the mitigation identified is robust and remains in place.
 - Transfer – Transfer the risk to a third party, this could be through insurance or contracting out, although the responsibility will remain with the Council but will act as mitigation.
 - Treat – Put in place controls and contingency plans to reduce the risk levels to an acceptable level.

10. Monitoring Risks

- 10.1. Risks should be continuously monitored, as unmanaged risks can prevent the Council from achieving its objectives.
- 10.2. As a minimum Service Risk Registers should be reviewed by the Service Management Team on an annual basis, with weekly discussion on risks identification being minuted as part of service Management Teams.
- 10.3. Strategic Risk should also be discussed and minuted as part of Corporate Management Team, with quarterly monitoring taking place in order to report current identified risks and their scores to Member of Audit Committee at their scheduled meetings.
- 10.4. As part of the discussions at both SMT's and CMT the following needs to be considered
- Changing Risks – Is the risk still appropriate and relevant to the Council.
 - Escalation or De-escalation – has the risk levels changed due to the situation changing, this could be an increase or decrease in scoring requiring the change.

- Changing landscape – have any new risks be identified.
- Process – are procedures in place to carrying out regular reviews.
- Challenge – Are the risks stale.
- Control Measures – Are these still in place and can they be relied on.
- Scoring – Does the scoring and therefore risk level seem right when compared with other risks.

11. Proximity of risk

- 11.1. As mentioned above the registers should only consider events that could occur within two year time frame. Some risks will have higher priorities than others, either due to timing or severity.
- 11.2. Priorities can be categorised as follows:
- Immediate – Risk likely to occur / most severe within the next 6 months
 - Medium Term - Risk likely to occur / most severe between 6 to 12 months
 - Long Term - Risk likely to occur / most severe 12 months plus
- 11.3. Where risks are considered immediate or medium term priorities management should ensure that any mitigation required to reduce or eliminate the risk should be acted upon immediately and maintained until the risk is no of concern. Longer term risks may require additional work to fully mitigate or eliminate risk but time scales should be given to implement these factors and these should also be closely monitored.

TONBRIDGE AND MALLING BOROUGH COUNCIL
RISK MANAGEMENT GUIDANCE

Appendix A - Determining Likelihood and Impact

	Likelihood	Example – winter weather
Almost Certain	<ul style="list-style-type: none">• Is expected to happen	<ul style="list-style-type: none">• Rain
Likely	<ul style="list-style-type: none">• More likely to happen than not	<ul style="list-style-type: none">• Strong winds
Reasonably Possible	<ul style="list-style-type: none">• Strong possibility it will happen	<ul style="list-style-type: none">• Snow
Unlikely	<ul style="list-style-type: none">• This could happen	<ul style="list-style-type: none">• Flooding
Rare	<ul style="list-style-type: none">• Once in a lifetime occurrence	<ul style="list-style-type: none">• Thames freezes over

Impact

Score	Description	Health and Safety - Examples	Reputational - Examples	Financial - Examples
1 Low	Minimal or no impact	Some distress caused, very minor injury	No Media coverage / minor complaints/minor non-compliance to internal standards	Financial loss or overspend of below £10k
2 Moderate	Limited impact, easily recoverable	Mild injury or illness leading to less than three days absence	Adverse local media / negative local opinion / formal complaints. Failure to meet internal standards, <24 hrs Service Disruption	Financial loss or overspend of more than £10k
3 Significant	Noticeable impact, requires some resources to address	Injury or illness requiring medical attention leading to more than 7 days absence	Adverse local & national media / member or senior staff position threatened. Failure to meet Professional and National Standards, Serious Service Disruption for less than 24hrs.	Financial loss or overspend of more than £50k
4 Severe	Significant impact, requiring substantial resources and effort	Injury or illness requiring immediate hospital treatment	Situation remembered for years/ member or senior officer resignation, national and local media coverage, failure to meet legislative standards, Service Suspension for more the 24 hrs.	Financial loss or overspend of more than £250k
5 Catastrophic	Devastating impact, potentially irreversible	Loss of limb or fatality	Criminal Prosecution, Repeated failure to meet legislative standards, Service Suspension for an indefinite period.	Uncontrollable financial loss or overspend of over £500k

*Impact should always be considered in terms of financial loss, harm to a person or people and the Council's reputation and should link to Tonbridge and Malling Borough Council's risk appetite.

TONBRIDGE AND MALLING BOROUGH COUNCIL
RISK MANAGEMENT GUIDANCE

Annex B - Risk Register Format

The template example below shows a risk from the Strategic Risk Register, it now shows the unmitigated risk impact of the risk identified, the mitigation in place and then the mitigated or accepted risk score. This score will trigger the escalation process to Service Management Teams or onto Corporate Management Team for escalation to the Strategic Risk Register.

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				
	Acheivement of Savings and Transformation Strategy - Failure to meet obejctives or savings targets	Resultant overspend would have significant on council reserves resulting in potential Section 114 notice delaring authority is no longer a Going Concern	F & R	Head of Finance on behalf of Management Team	Apr-17	Mar-25	4	5	20		Savings and Transformation Strategy is reviewed, by Members and Officers, along side Councils Medium Term Financial Strategy.	3	3	9		1) Taking opportunity to maximise income receipts were appropriate. 2) Exercise to commence to identify and assess savings opportunities for review by Members in September 2025	Objective 3.15	Priority in the Corporate Strategy of "Efficient services for all our residents, maintaining an effective council"

Actions completed to increase mitigation and potentially reduce scoring

these need to be smart time related

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				
	Acheivement of Savings and Transformation Strategy - Failure to meet obejctives or savings targets	Resultant overspend would have signifcant on council reserves resulting inpotential Section 114 notice delaring authority is no longer a Going Concern	F & R	Head of Finance on behalf of Management Team	Apr-17	Mar-25	4	5	20	↔	Savings and Transformation Strategy is reviewed, by Members and Officers, along side Councils Medium Term Financial Strategy.	3	3	9	↔	1) Taking opportunity to maximise income receipts were appropriate. 2) Exercise to commence to identify and assess savings opportunities for review by Members in September 2025	Objective 3.15	Priority in the Corporate Strategy of "Efficient services for all our residents, maintaining an effective council"

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ZM Risk Management Review Recommendation Matrix

Reference	Recommendation	Management Response	Update September 2025	Officer / Member Responsible	Implementation Date
	Culture and Leadership				
1	Consider assigning a corporate risk champion who will drive risk management conversations, set the tone and be the example to follow for both fellow senior level managers and officers at all levels.	This role should be considered by Corporate Management Team on who would have sufficient seniority and resource.	Director of Finance and Transformation appointed as Corporate Risk Champion to be supported by Service Officers as individual Service Risk Champions. DFT now replaced by Head of Finance (S151 Officer)	Director of Finance and Transformation	November 2024
2	Clarify risk management roles and responsibilities, in particular to separate officers and members' roles. This should include not just what is expected, but also how responsibilities should be carried out.	This will be considered as part of the Risk Strategy Review	Risk Strategy to include terms of reference for Risk Champions, Officer and Members. Roles and responsibilities have been shared and accepted in the Officer Group. These have been reflected in the Risk Strategy roles to be approved by Members.	Head of Finance, Risk Management Officer Group and CMT	September 2025
3	Review the level of engagement that is possible from senior officers within current workloads to ensure that risk management responsibilities and objectives are realistic.	Wider review will need to be undertaken	Discussion at Officer Risk Management Group, implementation of new formats to be phased over forthcoming year starting with Strategic Risk Register and then Operational Risk Registers over the next 12 months	Head of Finance, Risk Management Officer Group and CMT	September 2025
	Risk Appetite & Strategy				
4	Define risk appetite levels and statements across different risk categories. This will provide an organisational approach and align thinking across officer and members while providing officers practical guidance at key decision points.	Wider review will need to be undertaken	Contained within Risk Strategy and Guidance notes issued to service managers and staff.	Head of Finance, Risk Management Officer Group and CMT	September 2025
5	Revisit the risk management strategy and its place among other frameworks. Determine if there are opportunities to include risk management as an integrated part of working rather than an add-on requiring specific resources.	The Council's Risk Strategy and Guidance will be reviewed following the clarification of risk appetite.	Workflow to be developed, giving links between areas such as Safeguarding, Budget and Savings, Procurement and Workforce Strategies. These strategies are under review by responsible officers and will be linked following approval	Head of Finance	September 2025
	Governance				
6	Consider a process for increasing visibility of risks across services, this could be either at management level through a management board or more informally through risk champion officers from each service that take on responsibilities for both risk updates within services but also meet to share practices and discuss emerging risks.	Ensure that risks are adequately discussed at Team and Service Management Meetings.	Service Risk officer have been appointed and Risk is a weekly item on Service and Corporate Management Team agendas.	Appointed Risk Champion and CMT	November 2024
7	Ensure that members, and audit committee representatives in particular, receive risk management training that include clear descriptions of their remit and responsibilities.	Training to Members is being prepared and delivered on 15 th January 2024. The session will be recorded and placed into the members resources library.	Received January 2024	Head of Finance	January 2024
	Methodology				
8	Initiate dedicated risk identification sessions at both service- and corporate level to increase proactive risk identification and expand the timeline available to manage risks by being proactive rather than reactive.	Ensure that risks are adequately discussed at Team and Service Management Meetings.	Officer Risk Group discussions are to include the both the Service Risks identified and Strategic Risk Registers in order to provide wider challenge and feedback to CMT and Members.	Head of Finance, Risk Management Officer Group and CMT	September 2025

9	Ensure controls are SMART and that risk owners complete follow-ups. Risk should have practical roadmaps to desired risk score.	Risk Registers need reviewing on an annual basis by Service Management Teams along with documented evidence showing review.	To be discussed at Risk Group but plan is that Risk 'route map' to be discussed with Service Risk Holder and they are to provide project plan to eliminate or reduce risk.	Risk Champions on SMTs	September 2025
	People & Training				
10	Mandate training sessions for elected members, senior leadership, service heads and possibly also third tier managers.	Members training will be delivered in January 2024, Officer training will be arranged following policy renewal in June 2024	Member Training delivered Jan 24 Officer Training Oct 24.	Chief Financial Services Officer	November 2024
11	Consider if there are officers within teams that could have capacity to receive extra training and be integrated risk champions in each service.	Review following Risk training	Consideration to be made following Officer Training in October.	CMT	November 2024
	Projects, Partnerships, Contracts & Supply Chain				
12	Review procurement and contract policies and ensure that a defined risk management approach is included. Ensure training is supplied to increase the skills and confidence of officers managing contracts and partner relationships.	Consideration to be made by Procurement OSG	Cabinet approved Procurement Strategy December 2024 integration into risk Strategy will take place during review.	Head of Procurement OSG, Appointed Risk Champion	September 2025

Kings Hill
Kings Hill

TM/24/01270/PA

Location: GIBSON BUILDING GIBSON DRIVE KINGS HILL WEST MALLING
ME19 4LZ

Proposal: Refurbishment of Gibson East office building, comprising the removal of a corridor link to the grade II listed Gibson West building (and remedial works to the listed facade) minor changes to the external envelope of Gibson East (new external doors / windows and the addition of PV cells to the pitched roof), modifications to site parking and internal circulation, addition of a plant enclosure, single-storey external store, refuse store and cycle shelter

Go to: [Recommendation](#)

1. Introduction:

- 1.1 Members will recall that this application was reported to Full Council on 22 October 2024 where it was resolved to approve planning permission subject to the Council, as applicant, entering into a Conservation Covenant to secure the required off-site Biodiversity Net Gain provision. The Council have since sought to enter directly into a Conservation Covenant to secure the required provision from a Responsible Body who would secure the appropriate off-site delivery mechanism. A "Responsible Body" for BNG delivery is an organization designated by the Department for Environment, Food and Rural Affairs (DEFRA) to create, manage, and monitor legally-binding conservation covenants. These bodies are the counterparty to a landowner, ensuring that long-term habitat improvement and conservation goals for Biodiversity Net Gain are met. Responsible bodies can be local authorities, public bodies, charities, or other organizations whose main activities relate to conservation. The Council have been seeking to enter into an agreement with a local conservation group, however the group has so far failed to gain the appropriate designation from DEFRA.
- 1.2 As a result of this there is now a need for the Council to seek an alternative means of securing the required BNG provision. Due to the wording of the Constitution this matter requires a new resolution from Council to seek an alternative delivery mechanism. For information the previous report is attached as Annex 1 to this report.

2. Determining Issues:

- 2.1 Paragraph E8.7, Part 5 (Codes) of the Tonbridge and Malling Borough Council Constitution sets out that:

‘Proposals for development submitted by the Council must be treated no differently to any other application.

To ensure that planning applications submitted by the Council are determined openly and transparently all applications for planning permission submitted by the Council will be determined by Full Council.’

- 2.2 As the application has been submitted by the Council's Property Service Team the application is required to be determined by Full Council in line with the adopted constitution.
- 2.3 As detailed in the original report, under section 40 of the NERC Act (2006) and paragraph 187 of the NPPF (2024), biodiversity must be maintained and enhanced through the planning system. Additionally, in alignment with paragraph 193 of the NPPF (2024), the implementation of measurable net gains for biodiversity (integrated as part of design) should be encouraged.
- 2.4 Under the Environment Act 2021, all planning applications (unless exempt) will have to deliver at least a 10% biodiversity net gain. The application is of a size that requires the provision of mandatory biodiversity net gain. A statutory BNG metric has been submitted that shows the proposals will result in an on-site net change of -.010 for habitat units and +0.15 hedgerow units. This equates to an on-site net % change of -2.99% for habitat units. The assessment has been reviewed by KCC Ecology and is considered correct.
- 2.5 Given the constrained nature of the site there is no scope to achieve BNG on the site. Following the principles of the national Biodiversity Net Gain Hierarchy set out in the Biodiversity Gain (Town and Country Planning) (Modifications and Amendments) (England) Regulations 2024, if it is not possible to achieve BNG on the site then registered offsite gains should be sought. This approach is followed through in the Councils published Interim Policy on BNG contained within Biodiversity Net Gain (BNG) Interim policy position statement. As detailed above the Council has encountered difficulties in seeking appropriate provision with a Responsible Body, that the Council, as applicant, would enter into a Conservation Covenant to secure the necessary levels of BNG.
- 2.6 The Council, as applicant, has therefore sought to find alternative means of securing the required amount of BNG and is now seeking, instead of entering into a Conservation Covenant, to purchase off-site BNG credits from a Habitat Site Owner in an adjacent Authority. This site is already subject to an agreed Conservation Covenant and is a registered site on the Governments Biodiversity Gain Site Register.
- 2.7 The Council, as Local Planning Authority, has sought legal advice regarding the change of provision. Whilst the arrangement proposed now does not require the Council to enter into a Conservation Covenant, it does mean that the offsite

biodiversity gain will be provided in another location. This approach is considered acceptable under the national Biodiversity Hierarchy as it is the next step below what was previously being proposed that has been found to be unavailable. The Council, as applicant, once credits are purchased, will be required by condition to submit these details for approval and therefore it is recommended that a further condition, no.15 is proposed to require submission of these details.

- 2.8 On this basis, it is considered that the Council, as applicant, purchasing the required amount of offsite biodiversity gain units is an appropriate mechanism to meet its BNG requirements in planning terms and is therefore acceptable.

Public Sector Equality Duty – Equality Act 2010

- 2.9 Section 149 of the Equality Act 2010 introduced the Public Sector Equality Duty (PSED), which came into force in April 2011. This duty requires public authorities, including the Council, to have due regard to the need to:

- Eliminate unlawful discrimination, harassment, and victimisation;
- Advance equality of opportunity between people who share a protected characteristic and those who do not; and
- Foster good relations between people who share a protected characteristic and those who do not.

- 2.10 In the context of planning, equalities considerations are embedded throughout the planning process. This begins with the formulation and adoption of planning policies at the national, strategic, and local levels, including any supplementary planning guidance. These policies are subject to statutory processes that include assessments of their impacts on protected groups.

- 2.11 For individual development proposals, further consideration is given to the potential equality impacts where relevant. In this case, all relevant policies from the Tonbridge and Malling Development Plan and the National Planning Policy Framework (NPPF) have been considered in the assessment of the application. These policies have been subject to equality impact assessments during their adoption, in accordance with the Equality Act 2010 and prior legalisation and the Council's obligations under the PSED.

- 2.12 Accordingly, the adopted planning framework used in the assessment of this application is considered to reflect and support the needs of individuals with protected characteristics, as defined by the Equality Act 2010 and previous legislation. These characteristics include: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

-
- 2.13 The Local Planning Authority can confirm that the application of local and national planning policies in the determination of this planning application has been carried out with due regard to the provisions of the Equality Act 2010.
- 2.14 In conclusion, it is considered that Tonbridge and Malling Borough Council has had due regard to its duties under Section 149 of the Equality Act 2010 in the assessment of this application and the recommendations set out in this report.

Conclusion

- 2.15 Overall, as stated in the original report, the proposal is considered an appropriate rationalisation of the site that accords with all relevant planning policies and guidance. The development would not have a detrimental impact on the surroundings or listed building and provides for appropriate off-site BNG provision. The development accords with all relevant local and national planning policies and guidance. It is therefore recommended that the application be approved subject to the conditions listed below.

3. Recommendation:

3.1 Grant Planning Permission subject to the following conditions:

- 1 The development hereby permitted shall be begun before the expiration of three years from the date of this permission.

Reason: In pursuance of Section 91 of the Town and Country Planning Act 1990.

- 2 The development hereby permitted shall be carried out in accordance with the following approved plans:

02851 1000 S2 P07 Location Plan
02851 1030 P11 Proposed site plan
02851 2300 P04 Proposed elevations
02851 2301 P04 Proposed elevations
02851 2302 S2 P04 Proposed elevations
02851 2000 S2 P04 Site sections
02851 2305 P03 External store – elevations
02851 1300 S2 P08 floor plan
02851 1301 P08 floor plan
02851 1302 P06 floor plan
02851 1310 P08 floor plan
02851 1311 P05 roof plan
A9283 1500 P04 Drainage layout plan
PJC/6597/24/01 Arboricultural report
02851 1050 P05 Proposed BNG areas
2024/05/31 Ecological Appraisal

Reason: To clarify which plans are approved.

- 3 All materials used externally shall accord with the approved plans.

Reason: In the interests of visual amenity.

- 4 Prior to the use of any plant or machinery a scheme of sound insulation shall be submitted to, and approved by, the Local Planning Authority and retained and maintained at all times thereafter.

Reason: To protect the aural environment of nearby dwellings.

- 5 Prior the commencement of any part of the development hereby approved a Construction/Demolition Management Plan shall be submitted and approved in writing. The plan shall include the following:

- (a) Routing of construction and delivery vehicles to / from site.
- (b) Parking and turning areas for construction and delivery vehicles and site personnel, which may require supporting vehicle tracking/swept paths.
- (c) Timing of deliveries, avoiding network and school peaks where possible.
- (d) Provision of wheel washing facilities.
- (e) Measures to prevent the discharge of surface water onto the highway.
- (f) Temporary traffic management / signage.

Reason: To ensure the safe and free flow of traffic.

- 6 Prior to works commencing (including preparatory works and site clearance), a badger survey will be carried out as detailed within section 4.7 of the Preliminary Ecology Appraisal (KB Ecology Ltd, 19 July 2024). If a badger sett is found, a detailed mitigation strategy shall be submitted to and approved in writing by the Local Planning Authority and the works undertaken in accordance with this strategy.

Reason: To ensure the works do not harm protected species

- 7 Prior to occupation, a lighting plan which has been designed to minimise impacts on biodiversity shall be submitted to and approved in writing by the local planning authority. The plan will show how and where external lighting will be installed and provide commentary regarding how the Bat Conservation Trust/Institute of Lighting Professional's 'Guidance Note 08/23: Bats and Artificial Lighting at Night' has been considered in the lighting design. It will be clearly demonstrated that areas to be lit will not impact protected species. All external lighting shall be installed in accordance with the specifications and locations set out in the plan and be maintained thereafter.

Reason: To limit the impact of light pollution from artificial light on nature conservation.

- 8 Prior to works commencing, a Construction and Environmental Management Plan (CEMP) will be submitted to and approved in writing by the Local Planning Authority. The content of the plan will include:

- how the development will protect the adjacent Ancient Woodland and nearby ancient woodland of Mereworth Wood during the demolition and construction of the buildings, as well as during the operational phase. This shall include how the development plans to reduce dust and light pollution.

The plan shall also include appropriate measures to satisfy the following sections of the of the Preliminary Ecology Appraisal (KB Ecology Ltd, 19 July 2024).

- Section 4.6 Dormice precautionary strategy for tree clearance
- Section 4.9 Other species (including hedgehogs) precautionary measures

Reason: To safeguard the existing natural environment.

- 9 Within three months of works commencing, detailed plans showing how the development will enhance and maintain biodiversity will be submitted to, and approved in writing by, the local planning authority. This will include details of bat and bird durable boxes, log piles, hibernacula, hedgehog homes, and the development of a full Biodiversity Management Plan for the wood. The approved measures will be implemented and retained thereafter.

Reason: Pursuant to Section 197 of the Town and Country Planning Act 1990 and to enhance the Biodiversity of the area in accordance with Paragraph 170 of the NPPF 2023 and Policies NE3 and NE4 of the Tonbridge and Malling Managing Development and the Environment Development Plan Document.

- 10 a) Notwithstanding details on the submitted Drainage Layout plan (Drawing No. A9283-1500 Rev – P04) no development shall take place until details of the location, extent and depth of all excavations for services (including but not limited to electricity, gas, water, drainage and telecommunications) in relation to trees on and adjacent to the site have been submitted to and approved in writing by the Local Planning Authority.
- b) The development shall thereafter be implemented in accordance with details approved under this condition.

Reason: To safeguard the health of existing tree(s) which represent an important amenity feature.

- 11 a) No site works (including any temporary enabling works, site clearance and demolition) or development shall take place until a dimensioned tree protection plan

in accordance with Section 5.5 and a site specific arboricultural method statement detailing precautions to minimise damage to trees in accordance with Section 6.1 of British Standard BS5837: 2012 (Trees in relation to design, demolition and construction - Recommendations) have been submitted to and approved in writing by the Local Planning Authority. The submitted tree protection plan and arboricultural method statement shall be based on and expand upon the principles set out in the Arboricultural Impact Assessment, Preliminary Method Statement and Preliminary Tree Protection Plan by PJC Consultancy Ltd dated 27th June 2024 (document ref. PJC/6597/24/01 Rev-), and, as indicated in that document, include details relating to (but not limited to) the detailed construction management/logistics plan/all aspects of demolition and construction site management and logistics, details of the methodologies and precautions to minimise/prevent damage to trees during installation of services, fences and works to hard standing.

b) No site works (including any temporary enabling works, site clearance and demolition) or development shall take place until the temporary tree protection shown on the tree protection plan approved under this condition has been erected around existing trees on site. This protection shall remain in position until after the development works are completed and no material or soil shall be stored within these fenced areas at any time. The development shall be implemented in accordance with the protection plan and method statement as approved under this condition.

Reason: To safeguard the health of existing trees which represent an important amenity feature.

- 12 a) No site works (including temporary enabling works, site clearance and demolition) or development shall commence on site until a detailed tree felling/pruning specification (including details confirming which of the existing trees are to be retained) has been submitted to and approved in writing by the Local Planning Authority.

b) All tree felling and pruning works shall be carried out in full accordance with the approved specifications under this condition and in accordance with British Standard BS3998 (Tree work – Recommendations).

c) Any existing tree identified to be retained in the details submitted for the discharge of this condition which are removed, die, become severely damaged or diseased within five years of the completion of development shall be replaced with trees or shrubs of appropriate size and species in the next planting season.

Reason: To safeguard the health of existing trees which represent an important amenity feature and ensure a satisfactory appearance to the development.

- 13 If, during development, contamination not previously identified is found to be present at the site then no further development (unless otherwise agreed in writing with the Local Planning Authority) shall be carried out until a remediation strategy detailing how this contamination will be dealt with has been submitted to and approved in

writing by the Local Planning Authority. The remediation strategy shall be implemented as approved.

Reason: To ensure that the development does not contribute to, or is not put at unacceptable risk from, or adversely affected by, unacceptable levels of water pollution from previously unidentified contamination sources at the development site in line with paragraph 176 of the National Planning Policy Framework.

- 14 No development shall take place until the details of a surface water drainage strategy that demonstrates that requirements for surface water drainage for all rainfall durations and intensities up to and including the climate change adjusted critical 100 year storm can be accommodated within the proposed development has been submitted to and approved in writing by the Local Planning Authority. The drainage shall be implemented as approved.

Reason: To ensure the development is served by satisfactory arrangements for the disposal of surface water and that they are incorporated into the proposed layouts.

- 15 The development may not be begun unless—

- (a) a biodiversity gain plan has been submitted to the planning authority, and
- (b) the planning authority has approved the plan.

Reason: To ensure the development complies with Schedule 7A of Section 90 of the Town and Country Planning Act 1990.

Informatives

- 1 The applicant is reminded that, under the Wildlife and Countryside Act 1981 (as amended), it is an offence to remove, damage or destroy the nest of any wild bird while that nest is in use or being built. Planning consent for a development does not provide a defence against prosecution under this Act.
- 2 Habitats are present on and around the site that provide opportunities for breeding birds. Any work to vegetation/structures that may provide suitable nesting habitats should be carried out outside of the bird breeding season (1st March to 31st August inclusive) to avoid destroying or damaging bird nests in use or being built. If vegetation/structures need to be removed during the breeding season, mitigation measures need to be implemented. This includes examination by a suitably qualified and experienced ecologist immediately prior to starting work. If any nesting birds are found, works must cease until after the birds have finished nesting.

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Kings Hill
Kings Hill

TM/24/01270/PA

Location: Gibson Building Gibson Drive Kings Hill West Malling ME19 4LZ

Proposal: Refurbishment of Gibson East office building, comprising the removal of a corridor link to the grade II listed Gibson West building (and remedial works to the listed facade) minor changes to the external envelope of Gibson East (new external doors / windows and the addition of PV cells to the pitched roof), modifications to site parking and internal circulation, addition of a plant enclosure, single-storey external store, refuse store and cycle shelter

Go to: [Recommendation](#)

1. Description of Proposal:

1.1 The application seeks full planning permission for the following works:

- Removal of the existing single storey corridor link between Gibson East and Gibson West.
- Reinstatement of the façade of Gibson West to its original condition at the junction with the removed corridor link.
- Addition of a brick-clad plant enclosure adjacent to the central stair of Gibson East.
- Construction of a brick clad single-storey external store at the south end of the Gibson East site, with an external vehicle compound, parking and EV charging points for council vehicles.
- Provision of a new timber clad, covered refuse store.
- Addition of a cycle shelter in the same location as the existing (uncovered) hoops.
- Reconfiguration of the existing vehicle circulation route and parking to allow Gibson East to operate as a site independently of Gibson West.
- Addition of new external doors to the west and south elevations of Gibson East along with the adjacent strip windows (to match existing).
- External ramps providing level thresholds to new and existing external doors of Gibson East (primarily final exits for emergency escape).
- Addition of rooftop photovoltaic cells to the south and east facing pitches of the existing Gibson East roof.
- Modifications to internals, renewal of finishes and upgrading/replacement of services within Gibson East.

1.2 A listed building application has also been submitted under 24/01268 for some of the above works which require listed building consent.

2. Reason for reporting to Committee:

- 2.1 Paragraph E8.7, Part 5 (Codes) of the Tonbridge and Malling Borough Council Constitution sets out that:

'Proposals for development submitted by the Council must be treated no differently to any other application.'

To ensure that planning applications submitted by the Council are determined openly and transparently all applications for planning permission submitted by the Council will be determined by Full Council.'

- 2.2 As the application has been submitted by the Council's Property Service Team the application is required to be determined by Full Council in line with the adopted constitution.

3. The Site:

- 3.1 The application site is located in Kings Hill, to the south of Gibson Drive and east of Malling Road and host the Council offices. The site comprises the Gibson Building made up of Gibson East and Gibson West, which are adjoined via a single storey link.
- 3.2 The Gibson Building (Gibson West) was first listed as Grade II in 1999 and the Historic England list description describes the building as an:

'Officers' mess, now council offices. 1939, based on a type design by A Bulloch, architectural advisor to the Air Ministry's Directorate of Works and Buildings. Stretcher-bond brick to cavity walling with hipped plain tile roofs and brick stacks.

PLAN: central entrance/recreation block with services and dining room to rear, flanking accommodation wings attached at right angles and extending to rear.

EXTERIOR: Neo-Georgian style. The front elevation has 3-window fronts of 2-storey accommodation blocks flanking the single-storey central block of 5:3:5 bays, the 5-bay central porch broken forward and with semi-circular arched entries with similar arches over half-glazed inner doors with fanlights; tall 12/16-pane sashes to flanking recreation rooms, their juncture with the hall marked by tall stacks. The 3-window fronts to the accommodation wings, which have 6/6-pane sashes and 13-window outer elevations, each have a central stack with swept flanks set above a similar arched door with tile imposts.

INTERIOR: central block retains original plasterwork, including moulded cornicing, and joinery, including half-glazed doors, to hall and flanking recreation rooms; latter

have bolection-moulded surrounds to chimneypieces. Dining room to rear has cornicing to ceiling, which is subdivided into panels. HISTORY: West Malling constitutes one of the stations built for Fighter Command and planned during the latter stages of the inter-war expansion of the RAF. In contrast to the post-1933 Luftwaffe, whose stations at home were solely designed for training purposes and whose principal role abroad was close army support, the inter-war RAF had eschewed temporary fabric and envisaged future wars as being fought from fixed and secure bases rebuilt in permanent materials. The first phase of this scheme, the principles of which were debated and established in the Salisbury Committee of March 1923, took place under the guiding hand of General Sir Hugh Trenchard, who formed the RAF as the world's first independent strategic air force in April 1918 and who ranks, along with America's Billy Mitchell and Italy's General Douhet, as the most important advocate of the doctrine of offensive deterrence in the inter-war period, and one which was to determine the controversial policy of Bomber Command during the Second World War. His scheme involved the construction of offensive bomber bases in East Anglia and Oxfordshire, sited behind an 'aircraft fighting zone' some fifteen miles deep and stretching round London from Duxford near Cambridge to Salisbury Plain. It was the latter which accounted for the rebuilding of several bases around London which owed their origins to the First World War. Although political and financial factors had prevented the completion of Trenchard's scheme, it was the collapse of the Geneva disarmament talks, in 1933, which prompted the government to embark, from 1934, on its largest inter-war expansion of the air force, phased in order to ensure parity with the Luftwaffe and deployed with training and storage bases sited behind an eastern front facing Germany. A satellite of Biggin Hill within Fighter Command's strategically critical 11 Group, West Malling was opened in June 1940, although a series of raids in August 1940 rendered the airfield unservicable for much of the Battle of Britain. It reopened in October of that year, becoming a nightfighter station with Bristol Beaufighters in 1941, and later used by Mosquitos and Typhoons in offensive operations in northern Europe; it became a key station during Operation Diver' in 1944, the name given to the defence of the east and south-eastern coasts against the V1 bomb. The mess forms part of an exceptionally well-preserved group of buildings on the domestic site which are strongly representative of the neo-Georgian and Art Deco type designs characteristic of the 1930s expansion period. Whilst the design of Trenchard's stations displayed a stark utilitarian architecture which, apart from the Garden City inspiration for station married quarters, owed much to the army background of the designers who worked from the office of the Air Ministry's Directorate of Works and Buildings, it was the need to integrate the fundamental principle of dispersal against air attack which made airfield planning markedly different from the formal and more condensed layouts of naval or army barracks. This is exemplified, for example, in Trenchard's requirement for the crescent as opposed to previously linear planning of hangars, and the officers' mess designs which separated out the functions of mess and recreation rooms and accommodation in order to obviate the risk of a single run of bombs destroying a building and its occupants. It was in this context that Ramsey MacDonald, as Prime Minister, had instructed that the Royal Fine Arts Commission be

involved in airfield design, and that a process of consultation with the Air Ministry resulted in the creation of the new post of architectural advisor to the Director of Works and Buildings, first occupied by A Bulloch in October 1934, with many of the early (1934-5) building designs being specifically approved by the commissioners; afterwards, liason over layout and other matters was personally handled by Lutyens. The buildings erected for much of the 1930s Expansion Period were, as a consequence, more carefully proportioned than their predecessors, a clear distinction being made between neo-Georgian for domestic buildings and more stridently modern styles for technical buildings. From 1938, and coinciding with Bulloch's replacement by P M Stratton, new buildings and stations, including Middle Wallop and West Malling, made increasing use of concrete and flat roofs in order to respectively speed up the building process and counter the effects of incendiary bombs.'

- 3.3 The site takes vehicular access from Gibson Drive and has parking surrounding the building. In addition to the main entrance the site has pedestrian access points from Gibson Drive, Forest Way (to the northeast of the site) and Lancaster Way (to the east of the site).
- 3.4 Gibson West comprises the former mess building for the airfield, was built in 1939 and comprises a central single storey block and two linear two-storey (formerly accommodation) wings. The structures are stretcher bond brick clad with pitched plain tile roofs and timber sash windows throughout. The central area has been subject to various small extensions over the years. To the front of Gibson West lies a single storey row of garages, adjacent to Gibson Drive.
- 3.5 Gibson East comprises a more contemporary building (with plant on a reduced third floor) along with a single storey corridor link to Gibson West. It comprises two wings of office accommodation and a central core in an 'L' configuration, the building is brick clad with a profiled steel sheet pitched roof and horizontal strip windows. Both facades of the two wings are overlaid with a galvanised steel structure between ground and eaves level providing maintenance access and solar shading. Stairs located in the central core and at the ends of each wing are articulated and extend above the general eaves line. A number of windcatchers punctuate the building's roofscape providing natural ventilation to the accommodation.
- 3.6 The proposal site lies within a predominantly urban and built-up area with residential properties located to the immediate south and east (along Wellington Way, Lancaster and Tempest Road), an office/commercial building to the north (on the opposite side of Gibson Drive and the A228 (Malling Road) situated to the west. An area of ancient woodland lies within the most southern part of the site and buffers the site from neighbouring residential streets.

4. Planning History (relevant):

Application No.	Proposal	Decision	Date
24/01268/PA	Listed Building application: Proposed demolition of a modern corridor link between Gibson East and the grade II Gibson West building, with restoration works to reinstate the original appearance of the east facade of the listed building.	Pending Consideration	-
15/00873/LB	Listed Building Application: Demolition of 1960's extension constructed of asbestos cement panels, following advice of asbestos consultant regarding deteriorating condition of structure.	Approved	13/03/15
02/03003/LB	Listed Building Application: internal refurbishment of Council Chamber and ancillary areas, plus disabled access to these areas and associated external alterations.	Approved	14/03/03
02/03002/DR3	Alterations to the external appearance of the Council Offices to include provision of new lighting; provision of smokers' accommodation; provision of new front entrance steps; creation of new vehicular access to Bunker and provision of new access ramps.	Approved	25/02/03
00/02950/LB	Erection of demountable partitions within dining hall to form postroom.	Approved	15/02/01
00/02291/LB	Listed Building Application: erection of timber stud partition with new doorway to divide room 9 into 2 no. rooms.	Approved	05/12/00
99/02630/ORM	Amended design of "Link Corridor" to Gibson Building previously approved under application ref: TM/99/00413/DR3.	Approved	10/02/00
99/02624/ORM	Amendment to car parking layout and vehicular and pedestrian circulation routes within the site; including new permissive footpath between Tempest Road and Forest Way pursuant to consent ref: TM/99/00413/DR3 (new office building).	Approved	07/02/00

99/02599/LB	Listed Building Application: construction of enclosed corridor link to new adjacent office building and minor adaptations to create connection with existing building's circulation corridors.	Approved	25/01/00
99/01186/ORM	Amendment to parking provision in respect of consent ref: TM/99/00413/DR3 (new office building): delete 9 car parking spaces adjacent to the south eastern boundary and relocate to extended parking area to the south of the building.	Approved	02/08/99
99/00413/DR3	Two storey office building with associated car parking and external works.	Approved	22/04/99

5. Consultees:

5.1 PC: OBJECTION, Kings Hill Parish Council has the following concerns

1. There is currently an Entrance/Exit and an Exit Only from the site onto Gibson Drive. This configuration should be maintained – If the Exit Only is changed to an Entrance/Exit, then that could cause dangerous traffic movements as it is so close to the busy A228, and vehicles entering from the A228 direction could stop abruptly and unexpectedly to be able to turn into the site. Note that Gibson Drive is the only route for which residents of Kings Hill have a right of access onto the A228. As such, any action which impacts on the availability or throughput of residents of this access should be discounted.

2. The store is being proposed as being about 1 metre from the ancient woodland. This does not comply with government guidance which recommends a 15 metre buffer. Although there is existing hard standing (car parking), the presence of the building in its current proposed location would require additional trimming of trees in the ancient woodland which would impact its health.

3. The diagrams for the proposed layout do not include a footpath for the access from Kate Reed Wood to Forest Way. This is important for safety. If the only access to the rear is via the existing one-way road, then this may not be wide enough for larger vehicles. Indeed, opening for larger vehicles would potentially require additional trimming of existing trees which could impact on their stability and effectiveness as a sound barrier for noise from the site to the residential Kate Reed Wood.

4. The wooded area where there is the suggestion of removal for the emergency generator is classified by DEFRA as Priority Deciduous Woodland, and removal will result in reduced wildlife links around the nearby areas of ancient woodland, reducing their health and biodiversity.

5.2 Southern Water: We request that should this planning application receive planning approval, the following informative is attached to the consent: Construction of the development shall not commence until details of the proposed means of foul sewerage and surface water disposal have been submitted to and approved in writing by the Local Planning Authority in consultation with Southern Water.

5.3 Forestry Commission: None received

5.4 Natural England: None received

5.5 KCC Highways and Transportation (23.09.24) Thank you for your consultation in relation to the above planning application. I have the following comments to make with respect to highway matters:-

This document should be read in conjunction with the previous response dated 29th August 2024. The applicant has confirmed that the one-way system will remain in place (travelling in a clockwise direction).

With this mind, the applicant has also provided vehicle tracking to show that refuse vehicle, delivery van, Fire Tender and an HGV can still access the site.

Drawing 02851_1030 P11 does not show any form of separation between the two sites (Gibson West and Gibson East) at the northernmost access point, and therefore it is assumed that this connection will remain in place.

I refer to the above planning application and confirm that provided the following requirements are secured by condition or planning obligation, then I would raise no objection on behalf of the local highway authority:-

Submission of a Construction/Demolition Management Plan before the commencement of any development on site to include the following:

- (a) Routing of construction and delivery vehicles to / from site.
- (b) Parking and turning areas for construction and delivery vehicles and site personnel, which may require supporting vehicle tracking/swept paths.
- (c) Timing of deliveries, avoiding network and school peaks where possible.
- (d) Provision of wheel washing facilities.
- (e) Measures to prevent the discharge of surface water onto the highway.
- (f) Temporary traffic management / signage.

5.6 KCC Highways and Transportation (29/08/24) The site currently has a one-way system around the eastern edge of the Gibson East building. From the drawing (number 1030 Rev P09) which was provided as part of this planning application, it is unclear how vehicles will traverse the internal site layout. Clarification is sought on the potential routing within the site. If the site is to be two-way, then evidence of appropriate internal site visibility splays will be required to ensure drivers have clear sightlines. Also, if two-way traffic is to be incorporated, then the largest vehicle

(refuse vehicle) swept path analysis should be assessed and shown in the context of passing a car.

No details have been provided on the new external store - how often will this building be accessed and by what vehicle types?

These proposals show a slight floorspace increase of 213sqm to 2289sqm from 2076sqm, which means there should be a maximum of 91 car parking spaces according to KCC Supplementary Planning Guidance (SPG) 4, the applicant is proposing to include 94 spaces which is not too dissimilar to the maximum standards and is therefore acceptable to KCC Highways.

- 5.7 KCC Ecology: (26.09.24) We have reviewed the information submitted by the applicant and advise that sufficient ecological information has been provided.

We have taken this view due to the site consisting of mostly well managed, modified grassland habitat, which is likely to be of low ecological value. The woodland that is proposed to be lost can be compensated for through offsite biodiversity net gain. We are satisfied that there is a lack of suitable features for most protected species, and for those potentially on site, appropriate precautionary approaches have been proposed. We recommend that the site be managed to remain in its current state to deter protected species from establishing on site.

Hazel Dormice

Potential habitat (ancient woodland and broadleaf woodland) for hazel dormice has been identified on site. However, only 52sqm broadleaf woodland is proposed to be lost and therefore only a small portion of the dormouse range would be impacted if they are present. Therefore, we are satisfied that a dormouse survey is not required, and such a small loss of habitat is unlikely to impact the local dormouse population.

The PEA has proposed a precautionary strategy for tree clearance. We are satisfied that the measures are suitable. If a dormouse is found during tree clearance, we advise that all works cease immediately and that a qualified ecologist is consulted. We advise that these measures be incorporated into the Construction Environmental Management Plan and secured via a condition.

Badger

Whilst there were no signs of badgers on site during the PEA, suitable habitat for badgers exists on site and badgers have been recorded within 1km of the site. Therefore, it is possible that badgers could be using the site. As a highly mobile species, they can colonise areas quickly and new setts can appear between surveys and works beginning. We advise that within one month of any works taking place, a precautionary walkover of the site and, if accessible, a 30m radius around the site

should be undertaken to search for badger setts. If a badger sett is discovered on site, or within 30m of the site, a suitably experienced ecologist will need to provide advice on whether a badger mitigation licence from Natural England is required prior to the commencement of any or specific site works. We advise that this is secured via a condition if planning permission is granted.

Suggested condition wording

Prior to works commencing (including preparatory works and site clearance), a badger survey will be carried out as detailed within section 4.7 of the Preliminary Ecology Appraisal (KB Ecology Ltd, 19 July 2024). If a badger sett is found, a detailed mitigation strategy must be submitted to the LPA for information.

Measures set out in sections 4.9 of the PEA for good practice to avoid impacts to any terrestrial animals on site, including badgers. If planning permission is granted, we recommend securing these measures in a Construction Environmental Management Plan through a condition.

Breeding Birds

It is possible that breeding birds may be using the trees and woodland vegetation on site. We advise that an informative is included on how works are to be carried out with respect to breeding birds should planning permission be granted.

Breeding bird informative – suggested wording

The applicant is reminded that, under the Wildlife and Countryside Act 1981 (as amended), it is an offence to remove, damage or destroy the nest of any wild bird while that nest is in use or being built. Planning consent for a development does not provide a defence against prosecution under this Act.

Habitats are present on and around the site that provide opportunities for breeding birds. Any work to vegetation/structures that may provide suitable nesting habitats should be carried out outside of the bird breeding season (1st March to 31st August inclusive) to avoid destroying or damaging bird nests in use or being built. If vegetation/structures need to be removed during the breeding season, mitigation measures need to be implemented. This includes examination by a suitably qualified and experienced ecologist immediately prior to starting work. If any nesting birds are found, works must cease until after the birds have finished nesting.

Lighting

Lighting can negatively impact nocturnal species, like bats, that are foraging and commuting on site and in the surrounding habitat. Currently there is no lighting plan

or information submitted. Therefore, if bats are present foraging/commuting within the area, there is a risk that any lighting may have a negative impact.

To mitigate against potential adverse effects on bats, and in accordance with the National Planning Policy Framework 2023, we suggest that the Bat Conservation Trust's 'Guidance Note 08/23: Bats and Artificial Lighting at Night', is consulted in the lighting design of the development. We advise that the incorporation of sensitive lighting design for bats is submitted to the local planning authority and secured via an attached condition with any planning permission.

Suggested condition wording

Prior to occupation, a lighting plan which has been designed to minimise impacts on biodiversity shall be submitted to and approved in writing by the local planning authority. The plan will show how and where external lighting will be installed and provide commentary regarding how the Bat Conservation Trust/Institute of Lighting Professional's 'Guidance Note 08/23: Bats and Artificial Lighting at Night' has been considered in the lighting design. It will be clearly demonstrated that areas to be lit will not impact protected species. All external lighting shall be installed in accordance with the specifications and locations set out in the plan and be maintained thereafter.

Ancient Woodland

The site is directly adjacent to an ancient woodland fragment and 160m from Local Wildlife Site (LWS) Mereworth Woods 160m west of the site. We highlight paragraph 186 of the NPPF which states that "development resulting in the loss or deterioration of irreplaceable habitats (such as ancient woodland and ancient or veteran trees) should be refused, unless there are wholly exceptional reasons and a suitable compensation strategy exists".

The Natural England/Forestry Commission standing advice states that there should be a minimum 15m buffer zone between development and ancient woodland. The guidance also requires consideration of the potential for additional impacts from proposals even when there is existing development within this minimum buffer.

There will be no loss of ancient woodland, but the proposed external storage will be within 15m of the ancient woodland. The Assessment of Alternative Locations for the external storage notes that the location adjacent to the ancient woodland is the only suitable location on site in terms of safety and accessibility, therefore we are satisfied that an alternate location on site is not possible. As the location of the storage will be on existing hardstanding, we are satisfied the proposed external storage will not additionally impact the woodland.

As the site is directly adjacent to the ancient woodland, we highlight that the proposed development entails some potential adverse impacts on the woodlands,

namely from light pollution and potentially dust pollution from the demolition and construction on site.

The applicant should submit how they plan to reduce dust, noise and light pollution during and after construction so as not to impact the ancient woodland and any species living there. We expect these will also be sufficient to protect the nearby LWS. This should be included in a Construction and Environmental Management Plan (CEMP) and secured by a condition if planning permission is granted.

Construction and Environmental Management Plan (CEMP) – suggested wording:

Prior to works commencing, a Construction and Environmental Management Plan (CEMP) will be submitted to and approved in writing by the Local Planning Authority. The content of the plan will include:

- how the development will protect the adjacent Ancient Woodland and nearby ancient woodland of Mereworth Wood during the demolition and construction of the buildings, as well as during the operational phase. This shall include how the development plans to reduce dust and light pollution.
- Section 4.6 Dormice precautionary strategy for tree clearance
- Section 4.9 Other species (including hedgehogs) precautionary measures

Biodiversity Net Gain

Under section 40 of the NERC Act (2006) and paragraph 180 of the NPPF (2023), biodiversity must be maintained and enhanced through the planning system. Additionally, in alignment with paragraph 186 of the NPPF (2023), the implementation of measurable net gains for biodiversity (integrated as part of design) should be encouraged.

Under the Environment Act 2021, all planning applications for major development (unless exempt) submitted on or after 12 February 2024 in England, will have to deliver at least a 10% biodiversity net gain. It is a requirement for minor applications submitted on or after the 2 April 2024. This application was received on 7 August 2024 according to the information available on the planning portal.

Having reviewed the proposal and submitted documents, we consider this application to fall under mandatory biodiversity net gain. A statutory BNG metric has been submitted that shows the proposals will result in an on-site net change of -.010 for habitat units and +0.15 hedgerow units. This equates to an on-site net % change of -2.99% for habitat units and NA for hedgerow units as no hedgerows are present at the baseline. We are satisfied that baseline and proposed onsite habitats are correct.

The metric shows that BNG cannot be achieved on site. It is proposed that offsite units will be acquired but a site has not been proposed at this stage. However, for the habitat types that require offsite units (Lowland mixed deciduous woodland and Other

neutral grassland) there are sufficient units available on the Kent BNG site Register. Therefore, we are satisfied that BNG will be achievable offsite and that the site location can be dealt with as part of the Gain Plan condition discharge.

If planning permission is granted, local planning authorities are encouraged to use suggested paragraphs for Biodiversity Gain Information on the written decision notice which are available to download here:

https://assets.publishing.service.gov.uk/media/663251d969098ded31fca800/BNG_Decision_Notice_Text.odt.

Ecological Enhancements

Enhancement features are not considered as part of a measurable net gain; however, in addition to the measurable net gains we expect enhancement features to also be incorporated into an enhancement plan within the red line boundary. These can include integrated bat and bird bricks and/or durable boxes on retained trees, log piles, hibernacula, hedgehog homes, and the development of a full Biodiversity Management Plan for the wood. We advise that ecological enhancements be secured via condition if planning permission is granted.

Suggested condition wording

Within three months of works commencing, detailed plans showing how the development will enhance and maintain biodiversity will be submitted to, and approved in writing by, the local planning authority. This will include details of bat and bird durable boxes, log piles, hibernacula, hedgehog homes, and the development of a full Biodiversity Management Plan for the wood. The approved measures will be implemented and retained thereafter.

- 5.8 KCC Ecology: (04/09/24) We note that the proposed external storage is to be situated within the 15m buffer zone for the adjacent ancient woodland and will result in the loss of lowland mixed deciduous woodland habitat. Whilst we acknowledge that much of the storage location is on existing hardstanding, it is unclear as to why other areas of hardstanding were not considered for the location of the storage building as other areas suitable for the storage building exist on site. Were these other areas used, it would not result in the loss of woodland or be within the ancient woodland buffer. We advise that prior to determination, other areas for the location of the external storage are considered and, if not suitable, then justification for the current proposed location next to the woodlands is provided.

With regards to other matters, we are satisfied that no further surveys are required as the site consists of mostly well managed, modified grassland habitat, which is likely to be of low ecological value. We are satisfied that the woodland that is proposed to be lost can be compensated for through offsite biodiversity net gain. We are satisfied that there is a lack of suitable features for most protected species, and for those

potentially on site, appropriate precautionary approaches have been proposed. We recommend that the site be managed to remain in its current state to deter protected species from establishing on site.

Hazel Dormice: Potential habitat (ancient woodland and broadleaf woodland) for hazel dormice has been identified on site. However, only 52sqm broadleaf woodland is proposed to be lost and therefore only a small portion of the dormouse range would be impacted if they are present. Therefore, we are satisfied that a dormouse survey is not required, and such a small loss of habitat is unlikely to impact the local dormouse population.

The PEA has proposed a precautionary strategy for tree clearance. We are satisfied that the measures are suitable. If a dormouse is found during tree clearance, we advise that all works cease immediately and that a qualified ecologist is consulted. We advise that these measures be incorporated into the Construction Environmental Management Plan and secured via a condition – we will provide suggested wording once the requested additional information has been submitted.

Breeding Birds: It is possible that breeding birds may be using the trees and woodland vegetation on site. We advise that an informative is included on how works are to be carried out with respect to breeding birds should planning permission be granted – we will provide suggested wording once the requested additional information has been submitted.

Breeding Birds: It is possible that breeding birds may be using the trees and woodland vegetation on site. We advise that an informative is included on how works are to be carried out with respect to breeding birds should planning permission be granted – we will provide suggested wording once the requested additional information has been submitted.

To mitigate against potential adverse effects on bats, and in accordance with the National Planning Policy Framework 2023, we suggest that the Bat Conservation Trust's 'Guidance Note 08/23: Bats and Artificial Lighting at Night', is consulted in the lighting design of the development. We advise that the incorporation of sensitive lighting design for bats is submitted to the local planning authority and secured via an attached condition with any planning permission – we will provide suggested wording once the requested additional information has been submitted.

Ancient Woodland: The site is directly adjacent to an ancient woodland fragment and 160m from Local Wildlife Site (LWS) Mereworth Woods 160m west of the site. We highlight paragraph 186 of the NPPF which states that “development resulting in the loss or deterioration of irreplaceable habitats (such as ancient woodland and ancient or veteran trees) should be refused, unless there are wholly exceptional reasons and a suitable compensation strategy exists”.

The Natural England/Forestry Commission standing advice states that there should be a minimum 15m buffer zone between development and ancient woodland. The guidance also requires consideration of the potential for additional impacts from proposals even when there is existing development within this minimum buffer.

There will be no loss of ancient woodland, but the proposed external storage will be within 15m of the ancient woodland. Whilst this will be on existing hardstanding, as stated above, we advise that consideration and justification on the location of the storage unit within the buffer zone is submitted.

As the site is directly adjacent to the ancient woodland, we highlight that the proposed development entails some potential adverse impacts on the woodlands, namely from light pollution and potentially dust pollution from the demolition and construction on site.

The applicant should submit how they plan to reduce dust, noise and light pollution during and after construction so as not to impact the ancient woodland and any species living there. We expect these will also be sufficient to protect the nearby LWS. This should be included in a Construction and Environmental Management Plan (CEMP) and secured by a condition if planning permission is granted – we will provide suggested wording once the requested additional information has been submitted.

Biodiversity Net Gain and Ecological Enhancements: Under section 40 of the NERC Act (2006) and paragraph 180 of the NPPF (2023), biodiversity must be maintained and enhanced through the planning system. Additionally, in alignment with paragraph 186 of the NPPF (2023), the implementation of measurable net gains for biodiversity (integrated as part of design) should be encouraged.

Under the Environment Act 2021, all planning applications for major development (unless exempt) submitted on or after 12 February 2024 in England, will have to deliver at least a 10% biodiversity net gain. It is a requirement for minor applications submitted on or after the 2 April 2024. This application was received on 7 August 2024 according to the information available on the planning portal.

Having reviewed the proposal and submitted documents, we consider this application to fall under mandatory biodiversity net gain. A statutory BNG metric has been submitted that shows the proposals will result in an on-site net change of -.010 for habitat units and +0.15 hedgerow units. This equates to an on-site net % change of -2.99% for habitat units and NA for hedgerow units as no hedgerows are present at the baseline. We are satisfied that baseline and proposed onsite habitats are correct.

The metric shows that BNG cannot be achieved on site. It is proposed that offsite units will be acquired but a site has not been proposed at this stage. However, for the habitat types required for offsite units (Lowland mixed deciduous woodland and

Other neutral grassland) there are sufficient units available on the Kent BNG site Register. Therefore, we are satisfied that BNG will be achievable offsite and that the site location can be dealt with as part of the Gain Plan condition discharge.

Enhancement features are not considered as part of a measurable net gain; however, in addition to the measurable net gains we expect enhancement features to also be incorporated into an enhancement plan within the red line boundary. These can include integrated bat and bird bricks and/or durable boxes on retained trees, log piles, hibernacula, hedgehog homes, and the development of a full Biodiversity Management Plan for the wood. We advise that ecological enhancements be secured via condition if planning permission is granted – we will provide suggested wording once the requested additional information has been submitted.

5.9 KCC Flood and Water Management: We note that the site is developed and is largely surfaced, with impermeable areas draining to an existing surface water system. Whilst a drainage design has been completed, no Drainage Strategy has been submitted for the site, and we would appreciate this being put forward for our review in order to clarify a number of points:

- The extent of new impermeable area that was previously impermeable and positively drained.
- The extent of new impermeable area that was previously soft landscaped.
- Proposed discharge rates to each existing network for the 1 in 100 year critical storm including allowance for climate change.
- How the development proposes to meet the requirements of our Drainage and Planning Policy, which sets out that brownfield sites should aim to discharge at peak rates as close to greenfield as possible, and with a minimum reduction of 50%.
- The anticipated impact upon potential surface water flooding as shown on gov.uk mapping in the vicinity of the link building proposed to be demolished.

We would therefore recommend the application is not determined until a complete surface water drainage strategy has been provided for review.

At a minimum, a drainage strategy submission must comprise:

- A location plan
- A site layout
- A drainage proposal schematic or sketch
- A clear description of key drainage features within the drainage scheme (e.g. attenuation volumes, flow control devices etc.)
- Information to support any key assumptions (e.g. impermeable areas, infiltration rates etc.)
- Supporting calculations to demonstrate the drainage system's operation and drainage model network schematic

- Drainage strategy summary form (from our Drainage and Planning Policy Statement)
- Consideration of key questions and / or local authority planning policy requirements.

Our Drainage and Planning Policy Statement sets out how Kent County Council, as Lead Local Flood Authority and statutory consultee, will review drainage strategies and surface water management provisions associated with applications for major development and should be referred to for further details about our submission requirements.

5.10 KCC Heritage: None received

5.11 TMBC Environmental Protection: During the demolition and construction phases, the hours of noisy working (including deliveries) likely to affect nearby properties should be restricted to Monday to Friday 07:30 hours - 18:30 hours; Saturday 08:00 to 13:00 hours; with no such work on Sundays or Public Holidays. Although it would not be possible at this stage under Environmental Health legislation to prohibit the disposal of waste by incineration, the use of bonfires could lead to justified complaints from local residents. The disposal of demolition waste by incineration is also contrary to Waste Management Legislation. I would thus recommend that bonfires not be had at the site.

5.12 TMBC Conservation: The proposal, in respect of listed building application 24/01268/PA is relatively straight forward. The removal of the link and reinstatement of the façade brickwork and window would be considered to be a significant improvement and therefore I would raise no objections to the proposal from a heritage perspective. However, I would ask for additional information to make the paperwork complete on the application.

- There is no elevation looking from within the modern link back to the listed building to show the existing penetrations through the wall that will be made good when restoring the façade to its original format.
- There is no information on how the interface between the existing modern link and the listed building will be made good, for example, flashing cuts, mastic fillers between glass and wall, mortar between modern and old brickwork walls, floor to wall interface and below ground interfaces (foundations) etc.

This information could be requested during the application process, or conditions placed up on any approval decision notice.

The proposal in respect of the Planning application 24/01270/PA includes new works to the unlisted building along with a number of ancillary structures being constructed. All of these alterations and structures are located in close proximity to the modern office building and will have only a limited impact to the setting of the listed building.

This impact will not cause harm to the significance of the listed building and on that basis, I would raise no objections from a heritage perspective.

5.13 Private Reps: 4 letters of objection received from local residents raising the following issues:-

- Need to retain woodland
- Need to retain footway link to Kate Reed Wood
- Gibson West should be retained in the public domain
- Ancient Woodland should be retained
- Development of store building too close to Ancient Woodland
- What is the purpose of the new store
- Impact of store on Kate Reed Wood due to noise and disturbance
- Noise and disturbance from generator
- Existing access arrangements should be retained and site should not be split
- Scheme may not represent value for money for residents
- Local residents should be kept informed regarding works.

6. Determining Issues:

Policy and other considerations

6.1 Prior to the consideration of the proposal, it should be noted that the Government has concluded a consultation into revisions to the NPPF. These revisions to the NPPF therefore do not carry any weight at this stage and the following discussion is based on the contents of the current December 2023 NPPF as well as policies and guidance listed below:

- National Planning Policy Framework (NPPF) 2023 (December)
- National Planning Practice Guidance (NPPG)
- Tonbridge and Malling Borough Core Strategy 2007:
 - o Policy CP1: Sustainable Development
 - o Policy CP11: Urban Areas
 - o Policy CP21: Employment Provision
 - o Policy CP24: Achieving a High Quality Environment
 - o Policy CP25: Mitigation of Development Impacts

- Managing Development and the Environment Development Plan Document 2010:
 - o Policy CC1: Mitigation - Sustainable Design
 - o Policy CC2: Mitigation - Waste Minimisation
 - o Policy CC3: Adaptation - Sustainable Drainage
 - o Policy NE1: Local Wildlife Sites
 - o Policy NE2: Habitat Networks
 - o Policy NE3: Impact of Development on Biodiversity
 - o Policy NE4: Trees, Hedgerows and Woodland
 - o Policy SQ1: Landscape and Townscape Protection and Enhancement
 - o Policy SQ5: Water Supply and Quality
 - o Policy SQ6: Noise
 - o Policy SQ7: Health and Well-being
 - o Policy SQ8: Road Safety
 - o Policy SQ9: Crime and Disorder

Background Information

- 6.2 As a result of changes in working practices arising from the Covid pandemic, the Local Authority plans to consolidate the accommodation it requires in the more modern, Gibson East, building. Removing the corridor link would allow for the separating of the buildings and the creation of separate sites. The purpose of this application is therefore to obtain the necessary planning consents to allow for the required works to be undertaken.

Principle of Development

- 6.3 For the purposes of Section 70(2) of the Town and Country Planning Act 1990 and Section 38(6) of the Planning and Compulsory Purchase Act 2004, the relevant policies of the Development Plan and the Council's Core Strategy are the starting point for the assessment of the planning application and an assessment on the acceptability of this application. In addition, it is important to consider the material considerations of the National Planning Policy Framework (2023) and other guidance contained within the Planning Policy Guidance.
- 6.4 The application site is situated within the defined Urban Area of Kings Hill where the principle of the proposed works is acceptable.
- 6.5 Section 66(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990 (as amended) requires that in considering whether to grant planning permission for a development which affects a Listed Building or its setting or in considering whether to grant Listed Building consent for any works, the Local Planning Authority should have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses.

Visual Impact, Design and Layout

- 6.6 Chapter 12 of the NPPF emphasises the importance of achieving good design through the development process. Paragraph 131 sets out that good design is a key aspect of sustainable development, Paragraph 135 requires that the design of development be appropriate in relation to the character, appearance and functioning of the built and natural environment in terms of scale, mass, layout, siting, in respect of the site's surroundings and Paragraph 139 states that development that is not well designed should be refused.
- 6.7 Policy CP24 of the Core Strategy adopted Core Strategy relates to 'Achieving a High Quality Environment' and requires that all developments to be well designed, of a high quality and use of appropriate materials. They must through their scale, density, layout, siting, character, and appearance be designed to respect the site and its surroundings.
- 6.8 The site is not considered to sit within a highly sensitive setting, being situated within a defined urban boundary. The existing built form at the site is generally set back from the adjacent roads and public vantage points and in large parts well screened by existing woodland, trees and planting. The site, in its current form, is therefore not considered to appear highly prominent within the locality. The density, scale and layout of built form is also not at odds with the wider surroundings.
- 6.9 The proposed external works to Gibson East and West would result in an overall reduction in scale, by virtue of the removal of the existing single storey link. The proposed new plant enclosure is considered to be of a modest scale that would not detract from the character or appearance of the host building. The proposed addition would be well set back from public vantage and would not appear visually intrusive. The addition of solar panels to the roof of Gibson East would not be out of keeping with the existing building as they would be sited between the existing wind catchers and not significantly alter the overall appearance of the building.
- 6.10 The application includes the addition of a new external store building. The proposed building is proposed to be single storey and situated to the rear (south) of the application site. The building would not be considered to appear highly prominent by virtue of the surrounding woodland/trees and existing built form at the site. The building is of a design and scale that would clearly appear subservient to Gibson East and would not detract from the sites setting and appearance.
- 6.11 The siting of the proposed store would not have a detrimental impact on the setting of the listed building (Gibson West). The position in the corner of the site is suitably separate from Gibson West and the design of the structure is such that it would not harm the character of the setting of the Listed Building in general. Similarly, the removal of the link corridor would return the building back to its original form enhancing the appearance of the building and the character of its setting. The provision of a new boundary feature in the form of beech hedging with a wire fence

close to the eastern side of Gibson West would not detract from the character and appearance of the listed building or the street scene in general.

- 6.12 The alterations to the external layout of the site retain the footway link through to Kate Reed Wood in the south eastern corner of the site.
- 6.13 Internal alterations are proposed to the internal layout of Gibson East which include the provision of a Council Chamber within the building. These works are purely internal and do not impact on the external appearance of the building and therefore do not raise any objections.
- 6.14 The proposed development would thus be considered to be in keeping with the wider area and is not considered to have a detrimental or unacceptable visual impact.

Residential Amenity

- 6.15 Policy CP1 (Sustainable Development) of the Council's adopted Core Strategy comments that when determining planning applications residential amenity will be preserved.
- 6.16 The proposed development is considered to have the most impact on the nearby residential properties situated along Wellington Way (located to the south of the application site), Lancaster Way and Tempest Road (located to the southeast of the application site). These properties generally front towards the application site. The dwelling at no.6 Tempest Road is located closest to the application site and is situated approximately 20-25m away.
- 6.17 The proposed development of the external store by virtue of its scale, nature, the retention of the existing woodland boundary screening and separation distance from neighbouring residential properties would not result in such a loss of light, privacy or outlook that would be detrimental to residential amenity.
- 6.18 The proposed development is to provide ancillary storage in an area of existing car parking. The storage building and compound is needed to replace the garages currently used for parking and ancillary storage in front of Gibson West. Due to its ancillary use relating to the overall site it is not be considered to generate a significant increase in noise levels at the site that would warrant the application being refused.
- 6.19 Similarly, whilst the emergency generator is sited close to the boundary it is not considered that this will have an adverse impact on the residential amenity of nearby properties as its noise levels can be controlled by condition to ensure no disturbance is experienced. The Council's Environmental Protection team have raised no concerns with regards the location of the emergency generator.

Highway Safety and Parking

- 6.20 Paragraph 115 of the NPPF sets out that *‘Development should only be prevented or refused on highways grounds if there would be an unacceptable impact on highway safety, or the residual cumulative impacts on the road network would be severe.’*
- 6.21 Policy CP2 (Sustainable Transport) of the Council’s Core Strategy seeks to ensure that new developments are well located relative to public transport links, provide a choice of transport modes, are compatible with the character and capacity of the highway network, provide for any necessary enhancements to the safety of the highway network and ensure accessibility for all.
- 6.22 Policy SQ8 (Road Safety) of the Managing Development and the Environment Development Plan comments that development proposals will only be permitted where they would not significantly harm highway safety and where they comply with parking standards.
- 6.23 The overall access arrangements to the site are not proposed to change with the access closest to the A228 remaining as out only, with the main access to the north east remaining as two way. The access around the site will feature a one-way route clockwise with the routing completed by an extension to the access and car parking continuing through where the link corridor is to be removed. This routing provides appropriate access to the new store building for delivery vehicles whilst retaining access to the parking spaces.
- 6.24 With regard to parking provision, 95 spaces, including disabled bays, are indicated. This provision is considered appropriate for the anticipated levels of use of the building. Kent Highway Services raise no objection to the proposals.
- 6.25 On this basis it is considered that there are no highways objections to the proposal.

Trees and Ancient Woodland

- 6.26 Paragraph 186 of the NPPF states:

“When determining planning applications, local planning authorities should apply the following principles:

(a) if significant harm to biodiversity resulting from a development cannot be avoided (through locating on an alternative site with less harmful impacts), adequately mitigated, or, as a last resort, compensated for, then planning permission should be refused;

(b) development on land within or outside a Site of Special Scientific Interest, and which is likely to have an adverse effect on it (either individually or in combination with other developments), should not normally be permitted. The only exception is where the benefits of the development in the location proposed clearly outweigh both

its likely impact on the features of the site that make it of special scientific interest, and any broader impacts on the national network of Sites of Special Scientific Interest;

(c) development resulting in the loss or deterioration of irreplaceable habitats (such as ancient woodland and ancient or veteran trees) should be refused, unless there are wholly exceptional reasons 67 and a suitable compensation strategy exists; and

(d) development whose primary objective is to conserve or enhance biodiversity should be supported; while opportunities to improve biodiversity in and around developments should be integrated as part of their design, especially where this can secure measurable net gains for biodiversity or enhance public access to nature where this is appropriate.”

- 6.27 No trees within the red line site boundary are included within a Tree Preservation Order (TPO) and the site is not within a Conservation Area.
- 6.28 The works result in the removal of a small area of trees in the southeastern corner of the site. The loss of these trees is not considered to have an overall adverse impact on the wider site and the woodland character of this corner of the site can be conserved by proposing appropriate conditions for tree retention and protection measures around the boundary.
- 6.29 The area surrounding the southern part of the site is designated as Ancient Woodland. The Ancient Woodland is outside the development area but normally, and in line with standing advice, there should be a 15m buffer zone between the woodland and any development to ensure its protection. The Ancient Woodland in this location consists of predominantly coppiced sweet chestnut but it should also be noted that an Ancient Woodland designation also covers the soils as well as the above ground vegetation.
- 6.30 The storage building is proposed to be sited within the buffer zone set out in the standing advice but in this instance it should be noted that the area is an existing hard surfaced car park. There is currently no buffer between the Ancient Woodland and the existing hard standing and due to the presence of this existing surface there would be minimal disruption to the soils below from the construction and the building itself would only require minimal lopping of trees that are already part of a managed coppice. The proposal has been fully assessed by KCC Ecology and they have concluded that in this instance the store building would not cause harm to the Ancient Woodland without the provision of the 15m buffer and they raise no objections to the works. On this basis it is considered that the development would not have an adverse impact on the Ancient Woodland, subject to the imposition of a condition requiring the submission of a Construction and Environmental Management Plan.
- 6.31 Given the ecologists comments it would not be justifiable to refuse this application on impacts on the Ancient Woodland or on tree grounds.

Ecology and Biodiversity

- 6.32 Given the nature of the site with its predominantly hard surfaced parking areas surrounding the building it is considered to be of low ecological value. The site lacks suitable features to provide a habitat for most protected species. To mitigate any potential impacts on wildlife the proposal can be subject to conditions to ensure appropriate details are sought for external lighting and provision of bird and bat boxes. KCC Ecology advise such an approach is adopted.
- 6.33 Under section 40 of the NERC Act (2006) and paragraph 180 of the NPPF (2023), biodiversity must be maintained and enhanced through the planning system. Additionally, in alignment with paragraph 186 of the NPPF (2023), the implementation of measurable net gains for biodiversity (integrated as part of design) should be encouraged.
- 6.34 Under the Environment Act 2021, all planning applications for major development (unless exempt) submitted on or after 12 February 2024 in England, will have to deliver at least a 10% biodiversity net gain. It is a requirement for minor applications submitted on or after the 2 April 2024.
- 6.35 The application is of a size that requires the provision of mandatory biodiversity net gain. A statutory BNG metric has been submitted that shows the proposals will result in an on-site net change of -.010 for habitat units and +0.15 hedgerow units. This equates to an on-site net % change of -2.99% for habitat units. The assessment has been reviewed by KCC Ecology and is considered correct.
- 6.36 The metric shows that BNG cannot be achieved on site. It is proposed that offsite units will be acquired and discussions are ongoing to secure appropriate provision. It is intended that this provision will be sought with a Responsible Body, which means that the land is secured by a Conservation Covenant, which is a legal agreement between the applicant and the landowner rather than a S106 agreement as such a provision cannot be made between the Council as LPA and the applicant.
- 6.37 On this basis, and subject to the securing of the Conservation Covenant, the proposal is considered to meet its BNG requirements and is therefore acceptable.

Drainage and Flooding

- 6.38 The site is not in an area of flood risk and as such no special provisions are required. With regard to drainage the site is served by an existing surface water drainage system. Due to changes in the hard surfaced area proposed it is considered appropriate to attach a condition requiring the submission of a drainage strategy to ensure that appropriate provision and capacity is available.

Conclusion

6.39 Overall, the proposal is considered an appropriate rationalisation of the site that accords with all relevant planning policies and guidance. The development would not have a detrimental impact on the surroundings or listed building and provides for appropriate off-site BNG provision. The development accords with all relevant local and national planning policies and guidance. It is therefore recommended that the application be approved subject to the applicant entering into an agreement to secure a Conservation Covenant and conditions.

7. Recommendation:

7.1 Grant Planning Permission subject to:

- The applicant entering into a Conservation Covenant for the provision of off-site Biodiversity Net Gain; and
- The following conditions:-

1 The development hereby permitted shall be begun before the expiration of three years from the date of this permission.

Reason: In pursuance of Section 91 of the Town and Country Planning Act 1990.

2 The development hereby permitted shall be carried out in accordance with the following approved plans:

02851 1000 S2 P07 Location Plan
 02851 1030 P11 Proposed site plan
 02851 2300 P04 Proposed elevations
 02851 2301 P04 Proposed elevations
 02851 2302 S2 P04 Proposed elevations
 02851 2000 S2 P04 Site sections
 02851 2305 P03 External store – elevations
 02851 1300 S2 P08 floor plan
 02851 1301 P08 floor plan
 02851 1302 P06 floor plan
 02851 1310 P08 floor plan
 02851 1311 P05 roof plan
 A9283 1500 P04 Drainage layout plan
 PJC/6597/24/01 Arboricultural report
 02851 1050 P05 Proposed BNG areas
 2024/05/31 Ecological Appraisal

Reason: To clarify which plans are approved.

3 All materials used externally shall accord with the approved plans.

Reason: In the interests of visual amenity.

- 4 Prior to the use of any plant or machinery a scheme of sound insulation shall be submitted to, and approved by, the Local Planning Authority and retained and maintained at all times thereafter.

Reason: To protect the aural environment of nearby dwellings.

- 5 Prior the commencement of any part of the development hereby approved a Construction/Demolition Management Plan shall be submitted and approved in writing. The plan shall include the following:

- (a) Routing of construction and delivery vehicles to / from site.
- (b) Parking and turning areas for construction and delivery vehicles and site personnel, which may require supporting vehicle tracking/swept paths.
- (c) Timing of deliveries, avoiding network and school peaks where possible.
- (d) Provision of wheel washing facilities.
- (e) Measures to prevent the discharge of surface water onto the highway.
- (f) Temporary traffic management / signage.
- (g) Hours of working on site during demolition and construction operations.

Reason: To ensure the safe and free flow of traffic.

- 6 Prior to works commencing (including preparatory works and site clearance), a badger survey will be carried out as detailed within section 4.7 of the Preliminary Ecology Appraisal (KB Ecology Ltd, 19 July 2024). If a badger sett is found, a detailed mitigation strategy shall be submitted to and approved in writing by the Local Planning Authority and the works undertaken in accordance with this strategy.

Reason: To ensure the works do not harm protected species

- 7 Prior to occupation, a lighting plan which has been designed to minimise impacts on biodiversity shall be submitted to and approved in writing by the local planning authority. The plan will show how and where external lighting will be installed and provide commentary regarding how the Bat Conservation Trust/Institute of Lighting Professional's 'Guidance Note 08/23: Bats and Artificial Lighting at Night' has been considered in the lighting design. It will be clearly demonstrated that areas to be lit will not impact protected species. All external lighting shall be installed in accordance with the specifications and locations set out in the plan and be maintained thereafter.

Reason: To limit the impact of light pollution from artificial light on nature conservation.

- 8 Prior to works commencing, a Construction and Environmental Management Plan (CEMP) will be submitted to and approved in writing by the Local Planning Authority. The content of the plan will include:

- how the development will protect the adjacent Ancient Woodland and nearby ancient woodland of Mereworth Wood during the demolition and construction of the buildings, as well as during the operational phase. This shall include how the development plans to reduce dust and light pollution.

The plan shall also include appropriate measures to satisfy the following sections of the of the Preliminary Ecology Appraisal (KB Ecology Ltd, 19 July 2024).

- Section 4.6 Dormice precautionary strategy for tree clearance
- Section 4.9 Other species (including hedgehogs) precautionary measures

Reason: To safeguard the existing natural environment.

- 9 Within three months of works commencing, detailed plans showing how the development will enhance and maintain biodiversity will be submitted to, and approved in writing by, the local planning authority. This will include details of bat and bird durable boxes, log piles, hibernacula, hedgehog homes, and the development of a full Biodiversity Management Plan for the wood. The approved measures will be implemented and retained thereafter.

Reason: Pursuant to Section 197 of the Town and Country Planning Act 1990 and to enhance the Biodiversity of the area in accordance with Paragraph 170 of the NPPF 2023 and Policies NE3 and NE4 of the Tonbridge and Malling Managing Development and the Environment Development Plan Document.

- 10 a) Notwithstanding details on the submitted Drainage Layout plan (Drawing No. A9283-1500 Rev – P04) no development shall take place until details of the location, extent and depth of all excavations for services (including but not limited to electricity, gas, water, drainage and telecommunications) in relation to trees on and adjacent to the site have been submitted to and approved in writing by the Local Planning Authority.

b) The development shall thereafter be implemented in accordance with details approved under this condition.

Reason: To safeguard the health of existing tree(s) which represent an important amenity feature.

- 11 a) No site works (including any temporary enabling works, site clearance and demolition) or development shall take place until a dimensioned tree protection plan in accordance with Section 5.5 and a site specific arboricultural method statement detailing precautions to minimise damage to trees in accordance with Section 6.1 of British Standard BS5837: 2012 (Trees in relation to design, demolition and

construction - Recommendations) have been submitted to and approved in writing by the Local Planning Authority. The submitted tree protection plan and arboricultural method statement shall be based on and expand upon the principles set out in the Arboricultural Impact Assessment, Preliminary Method Statement and Preliminary Tree Protection Plan by PJC Consultancy Ltd dated 27th June 2024 (document ref. PJC/6597/24/01 Rev-), and, as indicated in that document, include details relating to (but not limited to) the detailed construction management/logistics plan/all aspects of demolition and construction site management and logistics, details of the methodologies and precautions to minimise/prevent damage to trees during installation of services, fences and works to hard standing.

b) No site works (including any temporary enabling works, site clearance and demolition) or development shall take place until the temporary tree protection shown on the tree protection plan approved under this condition has been erected around existing trees on site. This protection shall remain in position until after the development works are completed and no material or soil shall be stored within these fenced areas at any time. The development shall be implemented in accordance with the protection plan and method statement as approved under this condition.

Reason: To safeguard the health of existing trees which represent an important amenity feature.

- 12 a) No site works (including temporary enabling works, site clearance and demolition) or development shall commence on site until a detailed tree felling/pruning specification (including details confirming which of the existing trees are to be retained) has been submitted to and approved in writing by the Local Planning Authority.

b) All tree felling and pruning works shall be carried out in full accordance with the approved specifications under this condition and in accordance with British Standard BS3998 (Tree work – Recommendations).

c) Any existing tree identified to be retained in the details submitted for the discharge of this condition which are removed, die, become severely damaged or diseased within five years of the completion of development shall be replaced with trees or shrubs of appropriate size and species in the next planting season.

Reason: To safeguard the health of existing trees which represent an important amenity feature and ensure a satisfactory appearance to the development.

- 13 If, during development, contamination not previously identified is found to be present at the site then no further development (unless otherwise agreed in writing with the Local Planning Authority) shall be carried out until a remediation strategy detailing how this contamination will be dealt with has been submitted to and approved in writing by the Local Planning Authority. The remediation strategy shall be implemented as approved.

Reason: To ensure that the development does not contribute to, or is not put at unacceptable risk from, or adversely affected by, unacceptable levels of water pollution from previously unidentified contamination sources at the development site in line with paragraph 174 of the National Planning Policy Framework.

- 14 No development shall take place until the details of a surface water drainage strategy that demonstrates that requirements for surface water drainage for all rainfall durations and intensities up to and including the climate change adjusted critical 100 year storm can be accommodated within the proposed development has been submitted to and approved in writing by the Local Planning Authority. The drainage shall be implemented as approved.

Reason: To ensure the development is served by satisfactory arrangements for the disposal of surface water and that they are incorporated into the proposed layouts.

Informatives

- 1 The applicant is reminded that, under the Wildlife and Countryside Act 1981 (as amended), it is an offence to remove, damage or destroy the nest of any wild bird while that nest is in use or being built. Planning consent for a development does not provide a defence against prosecution under this Act.
- 2 Habitats are present on and around the site that provide opportunities for breeding birds. Any work to vegetation/structures that may provide suitable nesting habitats should be carried out outside of the bird breeding season (1st March to 31st August inclusive) to avoid destroying or damaging bird nests in use or being built. If vegetation/structures need to be removed during the breeding season, mitigation measures need to be implemented. This includes examination by a suitably qualified and experienced ecologist immediately prior to starting work. If any nesting birds are found, works must cease until after the birds have finished nesting.
- 3 The applicant is reminded that the Biodiversity Gain plans required under the Conservation Covenant are required to be approved before development may be begun.

Contact: Robin Gilbert

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

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