

TONBRIDGE & MALLING BOROUGH COUNCIL



EXECUTIVE SERVICES

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

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

9 February 2026

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

Dear Sir/Madam

Your attendance is requested at a meeting of the Finance, Regeneration and Property Scrutiny Select Committee to be held in the Council Chamber, Gibson Drive, Kings Hill on Tuesday, 17th February, 2026 commencing at 7.30 pm.

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

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

Yours faithfully

DAMIAN ROBERTS

Chief Executive

AGENDA

1. Guidance for the Conduct of Meetings

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PART 1 - PUBLIC

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4. Declarations of interest 11 - 12

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

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

5. Minutes 13 - 16

To confirm as a correct record the Notes of the meeting of the Finance, Regeneration and Property Scrutiny Select Committee held on 16 September 2025

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The Cabinet Member report provides an overview of the infrastructure and Tonbridge regeneration related activities that the Council has undertaken over the past 12 months and sets out the plan for delivery in the coming year.

7. Cabinet Member Report - Economic Development and Property 23 - 34

The Cabinet Member report provides an overview of the economic development and property-related activities that the Council has undertaken over the past 12 months and sets out the plan for delivery in the coming year.

8. Medium Term Financial Strategy 35 - 46

This report gives Members details of the Medium-Term Financial Strategy (MTFS) used in supporting the budget proposed for agreement at Full Council on 24 February 2026.

9. Tonbridge Swimming Pool Boiler Replacement 47 - 54

To provide information to Members on efforts to replace the end-of-life gas boilers at Tonbridge Swimming Pool.

10. Work Programme 2026 55 - 56

The Work Programme setting out matters to be scrutinised during 2026 is attached for information. Members can suggest future items by liaising with the Chair of the Committee.

11. Urgent items

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

Matters for consideration in Private

12. Exclusion of Press and Public 57 - 58

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

PART 2 - PRIVATE

13. Urgent items 59 - 60

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

MEMBERSHIP

Cllr D Harman (Chair)
Cllr M R Rhodes (Vice-Chair)

Cllr A G Bennison
Cllr T Bishop
Cllr P Boxall
Cllr R I B Cannon
Cllr L Chapman
Cllr J Clokey

Cllr W E Palmer
Cllr B A Parry
Cllr S Pilgrim
Cllr K B Tanner
Cllr C J Williams

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-ugSzxjAPfw/featured>

- (2) There are no fire drills planned during the time a meeting is being held. For the benefit of those in the meeting room, the fire alarm is a long continuous bell and the exits are via the doors used to enter the room. An officer on site will lead any evacuation.
- (3) Should you need this agenda or any of the reports in a different format, or have any other queries concerning the meeting, please contact Democratic Services on committee.services@tmbc.gov.uk 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@tmbc.gov.uk for further information.

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

Ground Rules:

The meeting will operate under the following ground rules:

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

For those Members participating online:

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

Voting:

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

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

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Finance, Regeneration and Property Scrutiny Select Committee – Substitute Members (if required)					
	Conservative	Liberal Democratic	Green	Ind. Kent Alliance	Labour
1	Chris Brown	Garry Bridge	Lee Athwal		Paul Hickmott
2	Roger Dalton	Trudy Dean	Kath Barton		
3	Dave Davis	Frani Hoskins	Steve Crisp		
4	Sarah Hudson	Roger Roud	Anna Cope		
5	James Lark	David Thornewell	Mark Hood		
Members of Cabinet cannot be appointed as a substitute to this Committee					

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Declarations of interest

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TONBRIDGE AND MALLING BOROUGH COUNCIL

FINANCE, REGENERATION AND PROPERTY SCRUTINY SELECT COMMITTEE

MINUTES

Tuesday, 16th September, 2025

Present: Cllr D Harman (Chair), Cllr M R Rhodes (Vice-Chair), Cllr A G Bennison, Cllr T Bishop, Cllr P Boxall, Cllr R I B Cannon, Cllr L Chapman, Cllr F A Hoskins (substitute), Cllr W E Palmer, Cllr B A Parry, Cllr S Pilgrim, Cllr K B Tanner and Cllr C J Williams

In attendance: Cllrs Mrs S Bell*, M D Boughton and D Keers* were also present pursuant to Council Procedure Rule No 15.21.

(*participated via MS Teams)

An apology for absence was received from Councillor J Clokey

PART 1 - PUBLIC

FRP 25/27 NOTIFICATION OF SUBSTITUTE MEMBERS

Notification of substitute members were recorded as set out below:

- Cllr F Hoskins substitute for Cllr J Clokey

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

FRP 25/28 DECLARATIONS OF INTEREST

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

FRP 25/29 MINUTES

RESOLVED: That the notes of the meeting of the Finance, Regeneration and Property Scrutiny Select Committee held on 22 July 2025 be approved as a correct record and signed by the Chair.

MATTERS SUBMITTED FOR INFORMATION

FRP 25/30 JULY 2025 BUDGETARY CONTROL, SAVINGS AND CABINET MEMBER UPDATE

In accordance with the Borough Council's Financial Procedure Rules, the Head of Finance and Section 151 Officer informed Members of the

current financial position to the end of July 2025 and provided an update on the current progress towards the achievement of the savings target for 2026/27.

Attention was drawn to an underspend of £92,050 in salaries due to vacancies above the budgeted position; an increase of £148,702 on the revenue budget due to additional reserve contributions and additional grants; a small under recovery of income for Development Control and Land Charges of £5,553 as a result of being offset by parking income; and the details in investment income as set out in paragraphs 3.6.1 to 3.6.2 of the report.

As at the end of July 2025 a number of areas had been identified as variations to the original budget estimates. These were detailed in paragraphs 3.7.1 to 3.7.6 of the report and resulted in a current net favourable variance of £729,645 as at the end of July.

Reference was made to the savings target of £600,000 to be achieved by the time the budget for 2026/27 was set. In addition, a milestone of saving a minimum of £300,000 by summer 2025, to feed into the budget setting process for 2026/27 had been set. An outturn review of expenditure and income against current budgets had been undertaken. The results were summarised in 5.4 of the report and illustrated that there was a shortfall. However, if an overprovision of inflation for the Waste Services Contract, which was considered an ongoing reduction in the Medium-Term Financial Strategy (MTFS), was factored in, the revised savings total came to £302,500.

Reference was made to the savings target for 2026/27 and Members were advised of positive progress on achieving the milestone of 'saving a minimum of £300,000 by summer 2025 to feed into the budget setting process for 2026/27'. An exercise reviewing previous and current budgets had identified £182,500 in savings, which when supplemented by lower-than-expected inflation on waste contracts, brought total identified savings to £302,500.

Finally, Members were provided with a broader overview of financial successes and pressures under the Cabinet Member for Finance portfolio and noted the achievement of savings targets and ongoing budgetary challenges. The Borough Councils strong financial performance including fully audited accounts, high rates of Council Tax and Business Rates collection (97.93% and 99.29% respectively, which was the highest in Kent) and successful leveraging of over £1.5 million in external grant funding for carbon reduction projects at leisure facilities was highlighted.

Members expressed concern in respect of the significant financial challenges represented by temporary accommodation and were pleased to note a reduction in clients. The efforts to move individuals into more

cost-effective housing, such as council owned property and away from expensive overnight accommodation, and the factors contributing to continued overspend despite these improvements were noted.

Clarification was also sought on the Leisure Trust utility support payments and car parking arrangements. It was confirmed that utility support was linked to energy price inflation and was expected to decrease. Further reductions were anticipated if energy prices stabilised. The Leisure Trust had also budgeted for the parking arrangements for its members and this was now reflected in their budget estimates.

FRP 25/31 CONSULTATION PAPERS - RESPONSES

Members reviewed and noted the responses submitted by the Borough Council in respect of the Fair Funding and Council Tax System Modernisation consultations (attached at Annexes 1 and 2).

The consultation in respect of Fair Funding had insufficient detail to predict the impact on the Borough Council, although significant changes to the Borough Council's funding was expected. Further detail was likely to be provided as part of the provisional local government settlement for 2026/27 in November. It did indicate that the overall level of Council funding, known as 'core spending, would increase by 2.6% over the next three years to 2028/29. However, this included increases in council tax which had been assumed to occur at the level proposed for capping and meant that Council Tax as a proportion of 'core spending' would increase over the spending period. A potential negative impact on district/borough funding as a consequence of resources being directed towards social care and children's services was noted.

With regard to the Council Tax consultation the Borough Councils response had supported the retention of the 10-month statutory instalment plan on the grounds of maintaining flexibility for residents, addressed the proposal to redefine the severely mentally impaired disregard and noted that the main barrier was GP certification. It was reported that the majority of neighbouring authorities in Kent and the professional body in revenue and benefits also supported the retention of the 10-month instalment for Council Tax.

Finally, it was noted that there was no time limit for retrospective Council Tax banding appeals and this could create significant operation and financial challenges if refunds were required for changes dating back to the introduction of Council Tax in 1993. The Borough Council supported introducing a six-year limit.

FRP 25/32 WORK PROGRAMME 2025/26

The Work Programme setting out matters to be scrutinised during the next year was attached for information. Members were invited to suggest future matters for 2026/2027 by liaising with the Chair of the Committee and the Scrutiny Officer.

MATTERS FOR CONSIDERATION IN PRIVATE

FRP 25/33 EXCLUSION OF PRESS AND PUBLIC

There were no items considered in private.

The meeting ended at 8.11 pm

Finance, Regeneration and Property Scrutiny Select Committee

17 February 2026

Part 1 - Public

Matters for Information



Cabinet Member	Cllr Adem Mehmet, Cabinet Member for Infrastructure and Tonbridge Regeneration
Responsible Officer	Eleanor Hoyle, Director of Planning, Housing and Regulatory Services and Adrian Stanfield, Director of Central Services
Report Author	Eleanor Hoyle, Director of Planning, Housing and Regulatory Services and Stuart Edwards, Head of Administrative and Property Services

Cabinet Member Report – Infrastructure and Tonbridge Regeneration

1 Summary and Purpose of Report

- 1.1 This report provides an overview of the infrastructure and Tonbridge regeneration related activities that the Council has undertaken over the past 12 months and sets out the plan for delivery in the coming year.

2 Corporate Strategy Priority Area

- 2.1 Sustaining a borough which cares for the environment
- 2.2 Improving housing options for local people whilst protecting our outdoor areas of importance
- 2.3 Investing in our local economic to help support residents and businesses and foster sustainable growth.
- 2.4 A specific aim under this priority area is to 'identify ways we could use our land and other assets better, especially in Tonbridge town centre'. This has been a particular focus for a wide range of work involving a number of different Council services.

3 Introduction and Background

- 3.1 The delivery of infrastructure is absolutely essential to ensure that development is delivered sustainably and in a way that delivers the services that residents need whilst also maintaining and enhancing the huge range of outdoor amenity in the borough. The focus on the Infrastructure Delivery Plan as a key element of the proposed Local Plan demonstrates the Council's commitment to putting this issue at the heart of our approach.
- 3.2 The potential redevelopment of Tonbridge town centre is an exciting opportunity for the Council, residents of the town and wide borough and visitors to Tonbridge. Following completion of phase 1 (establishing scope, aims and objectives of the review) and phase 2 (governance and option appraisals), Cabinet approved the creation of a Tonbridge Town Centre Programme Board in late 2024, which is made up of cross-party Members and officers, to oversee progress of a wide range of work streams.
- 3.3 Although there is input from a number of different Council services, Members recognised the need for a dedicated resource if meaningful progress was to be made. In September 2024 a Tonbridge Town Centre Programme Manager was successfully appointed on a 3-year fixed term and has been instrumental in supporting both the Programme Board and internal services.

4 Infrastructure Activities

- 4.1 Letters were sent to all infrastructure providers during the Local Plan consultation period, strongly encouraging them to respond to enable the Council to fully assess deliverability. The information provided to the Local Plan consultation has already proved important in holding infrastructure providers accountable, as it has informed a further letter to the Chief Executive of south East Water, highlighting that their response suggests that they may not be able to sufficiently mitigate the current fragilities in the system to meet the demands of new development, which is obviously a significant delivery risk for development. Work to hold infrastructure providers to account will continue with a collaborative effort from Members and officers.
- 4.2 Members will be aware of longstanding concerns about the differences between the national policy position on Highways infrastructure, which forms the basis for the position of the County Council as statutory highways consultee, and the experience of communities that will be impacted by development. An additional recommendation was agreed by Cabinet as part of their approval of the Local Plan Regulation 18 consultation to delegate authority to the Director of Planning, Housing and Regulatory Services, in consultation with the Cabinet Members for Planning and Infrastructure & Tonbridge Regeneration, to review the specification for highways work and any additional work so it adequately responded to community concerns about highway impacts in order to inform the ongoing assessment of site allocations in the Draft Local Plan. This review has

commenced with officer level meetings with KCC Highways and the development of proposals for review.

- 4.3 Members will be aware from previous reports to the Housing & Planning Scrutiny Select Committee that the Council's role in the delivery of infrastructure is limited, with the Planning function collecting contributions and liaising with the relevant providers to identify relevant schemes to deliver to mitigate the impacts of development. Beyond this, the Council utilises its placemaking role to bring key stakeholders, including developers, together with statutory providers and seeks to hold statutory providers to account. A good example of this partnership working is the ongoing discussions with the Integrated Care Board to seek to secure faster delivery of health facilities across the borough. Specifically, the site at Leybourne Chase, where the potential for medical facilities to be provided on site was secured only through a planning use class and has not been able to be delivered to date, has been the focus of stakeholder meetings in recent months, which have resulted in local groups working collaboratively to make proposals for use of the space for medical facilities. Although these discussions have some way to go, it is encouraging to see how the Council's placemaking role can facilitate honest and productive progress on the delivery of infrastructure projects that have the potential to make a significant difference in our communities.
- 4.4 The Council's approach to s106 contributions continues to develop further to Members' agreeing a revised approach that included the removal of other statutory bodies as signatories so that the Council as Local Planning Authority retains the funding. In addition, the Council has recently adopted evidence documents and guidance to ensure that our approach to seeking contributions towards Indoor and Outdoor Leisure, Playing Pitches and Open Space is robust and meets the needs of the borough's residents. A report will be coming to the April meeting of the Overview & Scrutiny Committee to review the monitoring arrangements for s106, to provide information on use of s106 funding currently and to consider proposals for further improvements to our processes.
- 4.5 Work has commenced in the Planning service to consider how the Building Safety Levy will be implemented and monitored. This will be a key piece of work in 2026/27 and is identified in the draft Annual Service Delivery Plan.

5 Tonbridge Town Centre Activities

- 5.1 Over the last 12 months a wide range of activities have been completed, as listed below.

5.1.1 East of High Street Masterplan

- Procurement and appointment of masterplan consultant
- Completion of a masterplan framework including several, well attended Member workshops along with key stakeholder and public engagement. The public engagement was particularly successful with around 1,450 responses received. Overall, there was 79% agreement from the respondents with the proposals.
- The masterplan framework included high-level illustrative masterplan and spatial development proposals, supported by viability and delivery analysis, to support meeting the housing and employment growth requirements for the area
- Adoption of the masterplan framework and delivery strategy in October 2025
- Commenced work on Linear Riverside Park in January 2026

5.1.2 Angel Centre Replacement

- Continuation of the regular cross-party Programme Board meetings throughout 2025 following the first meeting in September 2024.
- In April 2025 Cabinet approved the site location for the replacement Angel Centre as Sovereign Way Mid Car Park and, subject to approval of the project by full Council, approved the appointment of Alliance Leisure Services Ltd as the Borough Council's leisure development partner to progress the project through the RIBA Stages
- Council approved the Capital Plan Evaluation (List C to List A) for the replacement Angel Centre in April 2025.
- In May 2025 work started on RIBA 2 (concept design) for the replacement Angel Centre
- In June 2025 the Town Centre Programme Board recommended to Cabinet the progression of RIBA Stage 2 work, including the proposed facility mix and public engagement arrangements.
- The All-Member briefing took place in July 2025.
- The public engagement survey on the proposed facility mix that was carried out in August 2025
- A report was presented to Overview and Scrutiny committee in September 2025

- Cabinet agreed the completion of RIBA 2 and progression to RIBA 3 in October 2025
- In November 2025 the Town Centre Programme Board recommended the appointment of RPT Consulting Limited to validate both business plans for the replacement Angel Centre.
- Pre-App meetings with TMBC Planners took place on 9th January & 28th January 2026

5.2 **Next 12 Months**

- Public Engagement for the replacement Angel Centre to take place ahead of the planning submission in February 2026
- Planning Submission for the replacement Angel Centre proposed for March 2026.
- Decision on progressing to RIBA 4 proposed for March 2026
- Planning Determination at Council planned for 14th July 2026
- Council Decision on progressing to RIBA 5 proposed for meeting on 20th October 2026
- Start on Site for the build of the replacement Angel Centre proposed for October/November 2026
- Linear Riverside Park – Procurement of a designer to produce the feasibility/design framework by September 2026

6 **Financial and Value for Money Considerations**

6.1 All the services are delivered within the Council's budgetary framework.

7 **Risk Assessment**

7.1 None associated with this report.

8 **Legal Implications**

8.1 The matters raised in this report are considered to be routine, uncontroversial or not legally complex and a legal opinion has not been sought on these proposals.

9 **Consultation and Communications**

9.1 This report is aimed at ensuring that Members are aware of the work progressed under the banner of Infrastructure and Tonbridge Regeneration and contribution to the Council's Corporate Strategy and the Annual Service Delivery Plan 2025/26.

10 Cross Cutting Issues

10.1 Climate Change and Biodiversity

10.1.1 Some impact on reducing emissions in support of carbon neutral by 2030 or enhancing the natural environment.

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

10.1.3 A key part of the replacement Angel Centre project is to deliver a low carbon, energy efficient building.

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 is no perceived impact on end users.

10.3 Other If Relevant

- None

Background Papers	None
Annexes	None

Finance, Regeneration and Property Scrutiny Select Committee

17 February 2026

Part 1 - Public

Matters for Information



Cabinet Member

Cllr Robin Betts, Cabinet Member for Housing, Environment and Economy

Responsible Officer

Damian Roberts, Chief Executive and
Adrian Stanfield, Director of Central Services

Report Author

Jeremy Whittaker, Economic Development and
Special Projects Manager and
Stuart Edwards, Head of Administrative and Property
Services

Cabinet Member Report – Economic Development and Property

1 Summary and Purpose of Report

- 1.1 This report provides an overview of the economic development and property-related activities that the Council has undertaken over the past 12 months and sets out the plan for delivery in the coming year.

2 Corporate Strategy Priority Area

- 2.1 Investing in our local economy to help support residents and businesses and foster sustainable growth.
- 2.2 The Economic Regeneration and Property Teams undertake a wide range of projects that help to support sustainable growth in our borough economy for the benefit of our local residents and businesses.
- 2.3 Improving housing options for local people whilst protecting our outdoor areas of importance.
- 2.4 The Property Team has undertaken a number of measures to improve the availability of temporary accommodation to support some of our most vulnerable residents.
- 2.5 Sustaining a borough which cares for the environment.

- 2.6 A number of initiatives, such as the Carbon Descent Plans and installation of renewable and decarbonising technologies at our leisure facilities, installation of Electric Vehicle Charging Points at the Gibson Building, and the delivery of the Green Business Grant Scheme have contributed towards the council's Climate Change Strategy action plan.

3 Introduction and Background

- 3.1 The Economic Regeneration Team are responsible for supporting sustainable growth in the local economy and addressing areas of weakness in the borough's economic performance through a range of initiatives including business support, jobs fairs and grant schemes.
- 3.2 The Property Team are responsible for managing the Council's property portfolio and ensuring it helps support delivery of the Council's strategic objectives. This includes generating income from the Council's investment/commercial, operating and maintaining our offices at Kings Hill and Tonbridge Castle as well as maintaining and improving a broad range of buildings from leisure centres to public conveniences.
- 3.3 In recent years, the borough council has delivered on a range of initiatives that have contributed towards the delivery of the Corporate Strategy 2023-2027. In addition to the use of its own resources, this delivery has been supported by external funding, principally from Government (such as the Public Sector Decarbonisation Scheme and the UK Shared Prosperity Fund) and through Section 106 funding.

4 Economic Regeneration Activities

- 4.1 Much of the work of the Economic Regeneration Team is steered by the Economic Development Strategy 2023-2027 which sits underneath the Corporate Strategy 2023-2027 and was adopted by Cabinet in January 2024. The Economic Development Strategy sets out a vision – 'Maximising the unique strengths of the local area to help create a resilient, dynamic and inclusive economy that fosters sustainable growth' – that is underpinned by 7 themes which form the basis of the Action Plan. These seven themes are:

- Promoting the Borough
- Supporting Local Business
- Land and Premises
- A Greener more Productive Economy
- A Thriving Rural Economy
- An Inclusive Economy
- Vibrant Town Centres

4.2 In terms of activities specifically over the past 12 months, these have been further shaped and defined by two documents: the Annual Service Delivery Plan 2025/26 and the UK Shared Prosperity Fund Investment Plan 2022-26 which identifies the following economic regeneration activities:

4.2.1 **Delivery of the UK Shared Prosperity Fund (UKSPF) Programme:** the initial 3-year UKSPF Programme (up to end of March 2025) was delivered in full with the £1m externally funded budget all spent on supporting our local communities and businesses. This programme comprised a number of economic initiatives:

- **Shopfront and Vacant Unit Improvement Scheme ('Vibrant Town Centres')** – a capital grant scheme offering grants of up to £5,000 (60% of total eligible cost) to independent businesses or property owners to carry out improvements to shopfronts, bring vacant units back into use or carry out energy efficiency measures. **33** businesses from across the borough benefited from this scheme.
- **Green Business Grant Scheme ('A Greener more Productive Economy')** – a capital grant scheme offering grants of up to £8,000 (40% of total eligible cost) to businesses in the borough with a commercial premises to reduce their carbon footprint. Most common interventions were the installation of solar panels, air source heat pumps and EV charging points. **18** businesses from across the borough benefited from this scheme.
- **West Kent Business Support Programme ('Supporting Local Business')** – jointly commissioned by the 3 West Kent authorities, Smarter Society delivered a programme of events, training, mentoring service and small grants scheme for small and start-up businesses in the area. By the end of March 2025, the key outputs from the programme were:
 - A) Provided support and advice to **708** small, start-up and pre-start-up businesses in West Kent (234 in the borough). This covered a range of different topics, but covered issues such as sales and marketing, recruitment and managing cashflow.
 - B) Provided up to 8 hours of 1-2-1 mentoring to **100** small and start-up businesses (33 in the borough).
 - C) Awarded **60** micro-grants (£500) to help support small-business growth (20 in the borough).
 - D) Delivered **14** business workshop events across West Kent (5 in the borough – in Tonbridge and Kings Hill).
 - E) Co-ordinated and delivered the West Kent Business Expo in March 2025 at the River Centre in Tonbridge (see pictures below). This was delivered in collaboration with the Sevenoaks District Chamber of Commerce (who cover West Kent), the Federation of Small Businesses and four local

business sponsors (Carbon3, Baxall Construction, Thackray Williams and Biggin Hill Airport). In total there were **57** exhibitors at the event, and just under **500** attendees. In addition to the exhibitors, there were also **5** workshops, including sessions from Google on digital marketing; and Barclays on funding for growth.

Following the agreement of one additional year of UK Shared Prosperity Funding, the West Kent Business Support Programme is running again in 2025/26 and providing a similar level of offer to small businesses in West Kent. Life Skills Project.

- **Digital Inclusion Project ('An Inclusive Economy')**: a scheme aimed at helping people in financial hardship; unemployed or a young person (16-25) not in education, employment or training that are digitally excluded through the provision of hardware and training. In total, 308 applications were received to be part of the scheme with **172** approved (the majority of those turned down were not resident in the borough or did not meet the hardship criteria, but were offered some support through other projects). A geographical distribution of beneficiaries is provided in **Annex 1**. The remaining handful of devices at the end of the project were given to 4 local organisations supporting residents in Tonbridge and Malling to able them to initiate or continue digital inclusion projects – Tonbridge Amateur Boxing Club, East Malling Centre, Tonbridge Baptist Church and Compaid.
- 4.2.2 With a one-year extension to the UKSPF programme during 2025/26 (albeit with less funding provided by Government), the Green Business Grant Scheme and the West Kent Business Support Programme have continued into this financial year. To date, an additional 4 businesses have been supported through the Green Business Grant Scheme in 2025/26 and the West Kent Business Support Programme has delivered 1-to-1 mentoring sessions for 20 start-up businesses in the borough, along with training opportunities, and another round of the popular micro-grants scheme (which supported 10 businesses). On 11 March 2026, the third annual West Kent Expo will take place at the River Centre in Tonbridge.
- 4.2.3 **Delivery of the Rural England Prosperity Fund (REPF) Programme ('A Thriving Rural Economy')**: During 2024/25, the West Kent authorities collaboratively ran the West Kent Rural Grants Scheme, which was funded through the Rural England Prosperity Fund. The Scheme offered capital grants of up to £24,999 (covering 50% of total project cost) to support rural businesses and community organisations. The total pot of funding to distribute in 2024/25 was just over £370,000.
- 4.2.4 The scheme opened 7 rounds of calls for applications, with applications being initially appraised by officers before going to a West Kent public/private panel including elected representatives from the three West Kent local authorities (for the borough council, the Cabinet Member for Housing, Environment and Economy was the representative).

- 4.2.5 In total, the scheme supported 30 projects in Tonbridge and Malling during 2024/25 with projects covering most eligible parts of the borough. Further details can be accessed from Report FRP 25/16 which went to this committee in July 2025.
- 4.2.6 For 2025/26, the Borough Council received further REPF funding from Government, albeit a smaller pot (just over £130,000). All of this funding was allocated to projects by the panel during July-September 2025, with successful applicants needing to complete their projects and submit evidence of completion before the end of the financial year. To date, all bar one project has now completed, with 93% of the budget spent (funding is claimed on completion of a project).
- 4.2.7 **People and Skills Scheme ('An Inclusive Economy')**: In 2024/25, 4 organisations were awarded funding (up to £5,000) to deliver projects that helped people furthest from the workplace with volunteering, experience and enrichment activities (with project running until December 2025). The four organisations were:
- The Oaks Specialist College and Runway Training (collaborative project): training and work experience in the hospitality sector for 18-25 year olds with disabilities.
 - Compaid Trust: project to deliver digital skills training to older people to reduce social isolation, increase access to medical services and enhance well-being and independence.
 - Communigrow: therapeutic gardening group for veterans and ex-emergency service personnel.
- 4.2.8 In May 2025, a further round of this scheme was opened up for applications with 10 organisations ultimately securing funding for projects that will be delivered by the end of the financial year.
- 4.2.9 **Business Rates Pool (Shared Growth Fund) Programme**: having been approved by Kent County Council, the proposed £1.125m programme of activities was agreed by Cabinet on 30 June 2025 (Report CB 25/74). The Programme includes a number of measures to support the local economy to be delivered by teams from across the Council. Included within the programme is the launch of a further round of the Green Business Grant Scheme, which offers grants of up to £5,000 (at an intervention rate of 50% of total eligible costs) towards carbon reduction and energy efficiency measures. The new round opened for applications on 05 February 2026 with a deadline of 02 April 2026. See 4.2.7 for information on other initiatives to be delivered through this programme by the Economic Regeneration Team.
- 4.2.10 **Working with strategic partners to bring forward employment sites ('Land and Premises')**: beyond the vital role played by the planning department in bringing forward employment sites, the Economic Regeneration team does also

engage with developers to support and encourage inward investment through the provision of economic data, links with local businesses and information about financial support – recent examples include Panattoni Park Aylesford, the RBLI Factory and London Golf Club.

4.2.11 Other activities include:

- Invest West Kent ('Promoting the Borough') - establishment of a new website to provide businesses and inward investors with useful information about the area and the support that is available to them - <https://investwestkent.com/>. This is particularly needed following the closure of Locate in Kent and Visit Kent.
- Jobs Fairs in Tonbridge and Aylesford ('An Inclusive Economy') – the Economic Regeneration team have been working with the Job Centres for a number of years now to deliver jobs fairs the give recruiters and job seekers an opportunity to meet face-to-face to discuss opportunities. The most recent jobs fair took place in Aylesford on 05 November 2025 and had over 200 people attend.
- T&M Business e-Bulletin – providing approximately 850 subscribers with monthly business-relevant information about local news, activities, events and funding opportunities. Anyone can subscribe via <http://eepurl.com/dthPW1>

4.2.12 In terms of planning for the next 12 months, the following are key activities:

- Successfully complete the UKSPF and REPF Programmes, which both end in March 2026.
- Monitor and oversee the completion of the remaining 'People and Skills' projects from Round 1 and 2 and ensure completion in 2026.
- Move forward with the Business Rates Pool (Shared Growth Fund) Programme, which includes:
 - a) A funding pot to continue 'People and Skills' activities – which could culminate in the launch of a Round 3 of the scheme.
 - b) Funding to extend the contract for the Economic Development Officer (P/T) position.
- Continued partnership working with the Job Centres to support getting residents into well-paid employment through the provision of jobs fairs.
- Ongoing work with the Economic Regeneration Teams at Sevenoaks DC and Tunbridge Wells BC on Invest West Kent, particularly the delivery of the West Kent Expo in March 2026.

5 Property Activities

5.1 Over the last 12 to 18 months the Property Team have progressed a wide range of activities in support of the Council's Corporate Strategy, as listed below.

5.1.1 Renewables and energy efficiency measures

- Installation of 149 solar panels at Tonbridge Pool, generating around 65 MWhs per year with estimated savings in the region of £13,175 per year
- Installation of 150 LED light fittings at Tonbridge Pool, with estimated savings in the region of £7,100 per year
- Installation of 450 solar panels at Larkfield Leisure Centre (in addition to the 190 existing), generating around 215 MWhs per year with estimated savings in the region of £43,581 per year. Funding from Swimming Pool Support Fund.
- Installation of 340 LED light fittings at Larkfield Leisure Centre, with estimated savings in the region of £13,950 per year. Funding from Swimming Pool Support Fund.
- Installation of increased roof insulation above the changing areas at Larkfield Leisure Centre. Funding from UK Shared Prosperity Fund.
- Continuing work to install air source heat pumps and a new air handling unit to supply the fitness pool at Larkfield Leisure Centre and removal of gas boilers. Funding from Public Sector Decarbonisation Scheme. Project due for completion April 2026.
- Continuing design work to install air source heat pumps at Poulton Wood Golf Centre and removal of the oil boilers. Funding from Public Sector Decarbonisation Scheme. Project due for completion by March 2027.
- Commencement of work on site to install air source heat pumps to replace the gas boilers and solar panels at the Council's Gibson East offices

5.1.2 Gibson Office Consolidation

- Tendering the refurbishment of Gibson Building East and awarding the contract.
- Relocation of staff, including reception, from Gibson Building East to Gibson Building West.
- Commencement of work on site.
- Procure and instruct agents to market Gibson Building West

5.1.3 Temporary Accommodation Provision

- Supporting Housing Services in identifying opportunities to provide the Councils directly owned temporary accommodation
- Completion of lease arrangements for 19 apartments in Tonbridge town centre
- Progression of modular housing scheme at Blue Bell Hill, including seeking internal approvals, tendering the design and build contract, awarding the work to Zed Pods, submitting and obtaining planning permission and undertaking public engagement
- Conducting negotiations and reporting to Members a proposal to lease a further 20 apartments in Tonbridge

5.1.4 Facility Improvements / Repairs

- Delivery of the health suite refurbishment at Tonbridge Pool which has resulted in a significant increase in customers using the facilities
- Progressing the wet changing area refurbishment at Larkfield Leisure Centre including tendering the work, awarding the contract and commencing work on site
- Completion of repairs to Tonbridge Castle Gatehouse roof which required a large scaffold both externally and internally, as well as a temporary roof to protect both the facility and contractors whilst work was undertaken
- Completion of re-felting flat roof areas at Larkfield Leisure Centre in preparation for installation of solar panels, including upgrading roof insulation
- Delivering around £800,000 of servicing, repair and maintenance activities up to the end of December this financial year across the Council's estate

5.1.5 Miscellaneous

- In partnership with the Customer Services and Economic Regeneration Teams, help deliver the temporary banking hub at Tonbridge Castle
- Completion of agreement with Sainsbury's in Tonbridge to facilitate their store expansion and refurbishment

5.2 Priorities For the Next 12 Months

- Gibson office consolidation. Completion of the Gibson East refurbishment work and relocation of staff, including Kent Police, into the building from Gibson West. Reporting offers received for Gibson West to Members.

- Temporary accommodation at Blue Bell Hill. Should planning permission be granted, commence work on site.
- Completion of the Larkfield Leisure Centre wet change refurbishment project.
- Completion of the Poulton Wood Golf Centre air source heat pump project.
- Completion of the Larkfield Leisure Centre fitness pool air source heat pump project.

6 Financial and Value for Money Considerations

6.1 All the services are delivered within the Council's budgetary framework.

7 Risk Assessment

7.1 None associated with this report.

8 Legal Implications

8.1 The matters raised in this report are considered to be routine, uncontroversial or not legally complex and a legal opinion has not been sought on these proposals.

9 Consultation and Communications

9.1 This report is aimed at ensuring that Members are aware of the work of the Economic Regeneration and Property Teams and their contribution to the Council's Corporate Strategy and the Annual Service Delivery Plan 2025/26.

10 Cross Cutting Issues

10.1 Climate Change and Biodiversity

10.1.1 Some impact on reducing emissions in support of carbon neutral by 2030 or enhancing the natural environment.

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

10.1.3 Some of the initiatives undertaken by the Economic Regeneration and Property teams have a significant and direct impact on reducing emissions, such as the Carbon Descent Plans for our leisure centres or the Green Business Grant Scheme, whereas others have a smaller or indirect impact, such as the Shopfront and Vacant Unit Improvement Scheme.

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 is no perceived impact on end users.

10.3 Other If Relevant

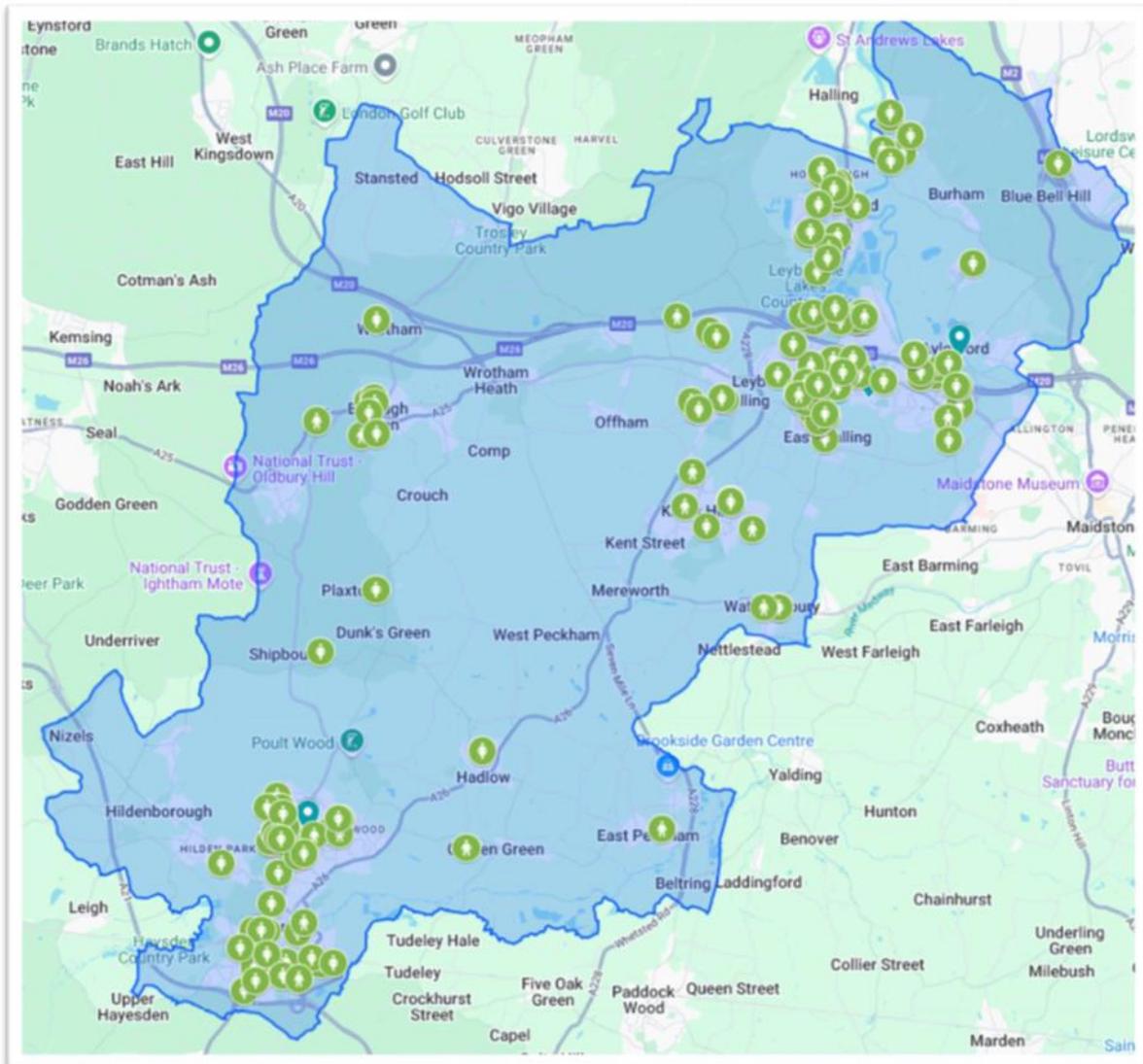
- Business Continuity / Resilience
- Healthy Lifestyles

10.3.1 Initiatives support the Council's own resilience through improvements to Council property, as well as can help our local businesses to become more robust through business support, advice and grants.

10.3.2 These initiatives also indirectly support healthy lifestyles, be it through providing and maintaining the property that provides services that are beneficial to our residents, or through helping our businesses and the associated knock-on economic benefits to staff (with economic well-being having a bearing on healthy lifestyles).

Background Papers	None
Annexes	Annex 1 – map showing geographical spread of beneficiaries of the Digital Inclusion Project

Map showing geographical spread of beneficiaries of the Digital Inclusion Project



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Finance, Regeneration and Property Scrutiny Select Committee

17 February 2026

Part 1 - Public

Matters for Information



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Cabinet Member	Cllr Martin Coffin – Cabinet Member for Finance, Waste and Technical Services
Responsible Officer	Paul Worden, Head of Finance and Section 151 Officer
Report Author	Paul Worden, Head of Finance and Section 151 Officer Donna Riley, Financial Services Manager

Medium Term Financial Strategy

1 Summary and Purpose of Report

- 1.1 This report gives members details of the Medium-Term Financial Strategy (MTFS) used in supporting the budget proposed for agreement at Full Council on the 24th February 2026.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 The MTFS demonstrates longer term financial projections allowing the Council to plan in advance for any service changes to contribute to any funding gap identified.

3 Introduction and Background

- 3.1 The MTFS covers both revenue and capital budgets over a rolling ten-year period, and it is this Strategy that underpins the budget setting process each year and over the strategy period.
- 3.2 The Strategy also sets out, based on current financial information, not only the projected budgets for the period, but also the assumed levels of council tax, based upon expected referendum limits, required to meet the Council's spending plans. The information supporting this Strategy primarily comes from Service estimates and details supplied from the provisional settlement announced in December 2025, which covers the 2026/27, 2027/28 and 2028/29 financial years.
- 3.3 In addition to these 'known' facts additional assumptions are used to allow for the projections for the remainder of the strategy period.

- 3.4 As well as these assumptions the Section 151 officer is required to demonstrate that the Council will remain a 'Going Concern' for the foreseeable future, and therefore the strategy assumes no changes to the current service delivery as a result of Local Government Reorganisation proposals for Kent.
- 3.5 To remind members the strategy has high level objectives these are:
- 1) To achieve a balanced revenue budget that delivers the Council's priorities by the end of the strategy period.
 - 2) To retain a minimum of £3.0m in the General Revenue Reserve by the end of the strategy period and not to fall below £2.0m at any time during the 10-year period.
 - 3) Seek to set future increases in council tax having regard to any guidelines issued by the Secretary of State.
 - 4) Continue to identify efficiency savings and opportunities for new or additional income sources and to seek appropriate reductions in service costs in delivery of the Savings and Transformation Strategy (STS) approved by Members.
 - 5) Subject to there being sufficient resources within the capital reserve, set a maximum 'annual capital allowance' each year as part of the budget setting process for all new capital schemes (currently set at £500,000 for 2026/27 and 2027/28 from the Council's own resources) and give priority to those schemes that generate income or reduce costs.
- 3.6 The MTFs is supported by the Savings and Transformation Strategy (STS). The purpose of the STS is to formulate an overarching plan to address any "funding gap" identified to meet the criteria above.

4 Position in February 2025

- 4.1 At the Budget meeting in February 2025, the Council agreed an MTFs which identified a funding gap of £2,800,000 to be achieved over four tranches.
- 1) £600,000 to be achieved for the Budget for 2026/27;
 - 2) £750,000 to be achieved for the Budget for 2028/29;
 - 3) £750,000 to be achieved for the Budget for 2029/30; and
 - 4) £700,000 to be achieved for the Budget for 2030/31.

5 Budget for 2026/27

- 5.1 The budget for 2026/27 has been considered by both the Overview and Scrutiny Committee on 22nd January 2026 and then Cabinet on 10th February 2026 before the final approval by Full Council on the 24th February 2026.
- 5.2 As mentioned above in February 2025 the Council set a savings target of £600,000 to be delivered by April 2026. This target was exceeded and the reductions in expenditure and increased income has been reflected in the 2026/27 estimates as detailed in the table below.

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

- 5.3 Also incorporated into this budget is the details arising from the Fair Funding Review and Business Rates Reset which were provisionally announced in December 2025, the final settlement is expected in early February and will be updated to Cabinet, this meeting and Council verbally.
- 5.4 The budget being proposed allows for a Band D Council Tax of £252.65 and a total Borough Precept of £13,812,921.

6 MTFS for 2026/27 to 2035/36

- 6.1 As with previous years and minded to the statement in paragraph 3.4 the MTFS covers the period from April 2026 to March 2036.
- 6.2 As stated earlier the net budget for 2026/27 has been used to project forward across the period to provide an estimated long term financial outcome.
- 6.3 In addition to the base budget there have been several assumptions made in completing this strategy and these are explained below.

Government Funding

- 6.4 At the time of writing this report the Council has received the provisional settlement for Local Government for 2026/27, 2027/28 and 2028/29.
- 6.5 The settlement is the result of the Fair Funding Review and Business Rates Reset; both have influenced the financial support from Central Government.
- 6.6 As a result, several grants such as New Homes Bonus, Business Rate Reliefs and elements of the Homelessness Prevention Grant have now been rolled into a single Revenue Support Grant.

- 6.7 Furthermore, previous gains achieved on Business Rate growth on businesses around the borough and from pooling gains from the Kent Business Rates Pool have now been absorbed into the new Business Rates Baseline for 2026/27 onwards.
- 6.8 The overall change, which has been details in previous reports results in a reduction in Government Support of £895,000 by 2028/29, compared to the notional amount for 2025/26.
- 6.9 These published amounts are likely to be subject to alteration in 2027/28 to take account of changes in the Councils Rateable Value of Business Rate premises on 31st March 2026.
- 6.10 Whilst this is not good news, as there is a larger reliance on Council Tax income, which will be explored further later in this report, previous iterations of the MTFS had assumed a prudent approach to the expected results of this review which have resulted in a lesser blow to the long term stability of the Council.
- 6.11 Moving back to the expected levels of Government Support in the years after this three year settlement, the MTFS has assumed that Business Rate income will increase by the prevailing rate of CPI, which has been assumed at the Bank of England target of 2% and that the level of Revenue Support Grant will remain at the provisional £3.848m level from 2029/30 onwards.

Waste, Recycling and Street Cleansing Contract

- 6.12 The current contract is due to end in March 2027, and as such the South West Kent Partnership, being ourselves and Tunbridge Wells Borough Council, has carried out a retendering exercise for a contract award to be made in April 2026 with service commencement in April 2027.
- 6.13 In the update to members in November 2024, an additional balloon payment of £2.4m was added to the MTFS from 2027/28 onwards to account for anticipated increases in market value. It was recognised that this figure could be insufficient, but a commitment was made through the Budget reports to re-assess the contract specification to eliminate some or all the spend above this level.
- 6.14 The resulting tenders have now been assessed with reports being presented to Communities and Environment Scrutiny Select Committee in March. Once the contract has been formally awarded the previously assessed budget provision will be adjusted accordingly within the MTFS.

Angel Centre

- 6.15 With the proposed development of a replacement to the Angel Centre now progressing further and the effects of Government Financial support now being provisionally known, the funding for the project can be considered further.

- 6.16 The Capital Programme has a List A budget of £19.4m covering the 2025/26 to 2027/28 financial years, the funding to which was to be identified. Given the settlement position and to assist with the project, it has been proposed that the Council allocates £3.5m in both 2026/27 and 2027/28 to support the project. Members should note that this does not preclude the consideration of borrowing, if the market conditions are found to be favourable, but these contributions should allow for certainty that the scheme can be supported, in full, from reserves and external contributions if necessary.
- 6.17 If the outcome is that the Council does not borrow to support the project, it would be safe to assume that the Leisure Trust would make a service fee contribution to the Council as part of the service fee negotiations currently being undertaken.
- 6.18 To allow for this, the MTFS includes an income of £400,000 from the 2028/29 financial year to meet this assumption.

Local Government Reorganisation

- 6.19 The announcement on the future of Local Government in Kent expected early summer 2026. In both the run up to and following the announcement officers and members in these new groupings will work together to prepare services to ensure ongoing delivery from the date of the unitary authority's inception.
- 6.20 This will likely result in additional workload for officers who will assist with this work, therefore, an allowance will be needed to backfill these posts as necessary to maintain 'business as unusual' meeting statutory requirements of service delivery for existing Borough Council.
- 6.21 There will also be a need to provisionally pay for interim costs for new council which will then be reclaimed from the Shadow and Unitary authority on inception,
- 6.22 Within the MTFS an additional contribution to the Transformation Reserve of £700,000 in both 2026/27 and 2027/28 specifically earmarked for this purpose.

Inflation Rates

- 6.23 Inflation rates for the MTFS are broken down into headline areas - Pay, Energy, Waste contract, General Prices and Income - beyond 2026/27 the rates projected remain constant over the MTFS.
- 6.24 Assumptions in the MTFS are, Pay, General Prices and Income 2%, Waste Contract 4% and Energy at 5%.
- 6.25 In arriving at these assumptions consideration has been taken of the Office of Budget Responsibility (OBR) inflationary forecast for November 2025 gives inflation for 2026 to be 2.5% falling to 2% in 2027, which is the Bank of England longer term forecast.

Other identified changes

- 6.26 Several smaller assumptions have been included in the MTFS, partly due to recent initiatives proposed by the Council.
- 6.27 The first concerns the development of Gibson East and the sale of Gibson West. Work is now commencing on Gibson East and is expected to be ready for reoccupation in Autumn 2026. In preparation for this move the Council have appointed agents to actively promote the sale of Gibson West in the future. It has been assumed that a £200,000 of savings in premises costs following the sale of the building starting in 2029/30.
- 6.28 Members have recently agreed to expand the Council's owned or managed Homelessness provision in the borough, as a result it would be expected that there would be a reduction in the costs of nightly paid accommodation. The two newly approved schemes are likely to be ready for occupation by the end of the 2026/27 financial year. Therefore, a saving of £100,000 in 2027/28 rising to £200,000 in 2028/29 has been included in the MTFS.

Council Tax Increases

- 6.29 For 2026/27 the Government has issued guidance that the maximum amount that a District Council can increase their Council Tax is by the greater of £5 or 3%.
- 6.30 From the details shared within the provisional settlement, the Government has assumed that Councils will continue to increase their Council Tax by the same levels, 3%, in future year.
- 6.31 As well as Band D Council Tax the Government also assumes that the Council's Taxbase will increase due to housing development in the borough. The MTFS includes expectations of growth, and as such has assumed growth of 600 Band D properties up to 2029/30, increasing to 650 from 2030/31 being a total increase of 5,700 Band D properties over the life of the MTFS.

7 Final MTFS Projection for 2026/27

- 7.1 Including the impact of the assumptions made above, the resulting MTFS shown in **[Annex 1]**, gives a balanced position in year 10, 2035/36 with a contribution to the General Revenue Reserve (GRR) of £318,000 and a GRR balance of £4.8m, meeting the objectives set in paragraph 3.5.
- 7.2 In addition to this, to achieve these results a zero funding gap has been identified, as such the Head of Finance has decided not to produce a Savings and Transformation Strategy for 2026/27. This does not preclude the resurrection of the plan in later years if changes to assumptions are necessary.

8 Sensitivity Analysis

- 8.1 Given the length of the projections being undertaken there will always be a need for 'sense checks' on assumptions being made.
- 8.2 Inflationary assumptions made have been considered with the comments made at paragraph 6.25, a variation to these assumptions would have a longer term impact on the MTFs outcomes. The table below repeats the information shared in November 2024 being updated for the current values in the MTFs.

Area	Long term Inflation Rate (%) for 2027/28 and beyond	Impact of 1% variation £,000's
Employees	2	176
Energy	5	3
Waste	4	115
Prices	2	136
Income	2	(121)

- 8.3 If the outcome of the inflation rates over the year were to fluctuate to the higher value given in paragraph 6.25, a 0.5% increase in the inflation factors considered above will still result in a balanced budget in year 10 of the MTFs, albeit reduced to £170,000 and a GRR balance of £3.7m meeting both requirements of the MTFs. It will also maintain a zero funding gap over the MTFs.

9 Financial and Value for Money Considerations

- 9.1 The Council maintains a prudent level of reserves to provide a safety net for unforeseen or other circumstances. The Section 25 'Robustness of Estimates and Adequacy of Reserves' statement that the Council's Chief Financial Officer (i.e. Head of Finance) is required to produce under the local Government Finance Act 2003 to support Members in considering the Budget Setting report, lists examples of why the Council needs to retain a minimum level of reserves. Examples include Emergencies; Economic and world recession; Interest Rate volatility; Income volatility; and Government Legislation.
- 9.2 The Council has resolved to hold a minimum level of general revenue reserve of £3 million to provide for a host of potential financial and operational risks. At the start of 2025/26, the general revenue reserve balance was circa £11.0m giving some headroom to deal with any issues arising without more immediate 'draconian' measures.
- 9.3 It should be recognised that the use of the reserves to fund corporate priority projects will have a longer term effect in the reserve, primarily through reduced investment receipts, but it will remain above the £3m level throughout the MTFs.

10 Risk Assessment

- 10.1 The Medium-Term Financial Strategy sets out the high-level financial objectives the Council wishes to fulfil and underpins the budget setting process for the forthcoming year and over the Strategy period. As the Council's high level financial planning tool, the Strategy needs to be reviewed and updated at least annually and in the current climate regularly reviewed by Management Team. In addition, not identifying and implementing the requisite savings and transformation contributions will put at risk the integrity of the MTFS.
- 10.2 Through prudent husbandry of resources, Council has reserves to help to smooth the path in the event that the delivery of savings is necessary. However, reserves are finite, and it is imperative that any actions required are taken at the earliest opportunity to preserve the longer term financial sustainability of the Council.

11 Legal Implications

- 11.1 Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs and requires one officer to be nominated to take responsibility for the administration of those affairs.

12 Consultation and Communications

- 12.1 None required

13 Implementation

- 13.1 None required

14 Cross Cutting Issues

- 14.1 Climate Change and Biodiversity

- 14.1.1 None

- 14.2 Equalities and Diversity

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

Background Papers	None
Annexes	Annex 1 – MTFS Summary

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Medium Term Financial Strategy

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

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Finance, Regeneration and Property Scrutiny Select Committee

17 February 2026

Part 1 - Public

Matters for Information



Cabinet Member Robin Betts (Cabinet Member for Housing, Environment and Economy)

Responsible Officer Robert Styles (Director of Street Scene, Leisure and Technical Services)

Report Author Stuart Edwards (Head of Administrative & Property Services)

Tonbridge Swimming Pool Boiler Replacement

1 Summary and Purpose of Report

1.1 To provide information to Members on efforts to replace the end-of-life gas boilers at Tonbridge Swimming Pool.

2 Corporate Strategy Priority Area

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

2.2 The Council is responsible for maintaining the plant and equipment at Tonbridge Swimming Pool, which includes the heating system. The system needs to remain operational to avoid service disruption which may lead to customer complaints and significant lost revenue.

2.3 Sustaining a borough which cares for the environment.

2.4 The work to date has focussed on how the facility can be decarbonised in line with the Council's Climate Change Strategy.

3 Recommendations

3.1 Members are asked to note the contents of the report.

4 Introduction and Background

4.1 Tonbridge Swimming Pool was constructed in the mid-1990s and features fitness, teaching and toddler indoor pools, an outdoor pool, changing area, health suite, café and associated plant areas.

- 4.2 Tonbridge Pool is owned by the Council and included in the portfolio of leisure centres managed by the Tonbridge and Malling Leisure Trust (TM Active). Under the management agreement, the Council is responsible for the maintenance of the building fabric along with the replacement of the majority of plant and equipment.
- 4.3 As part of the Council's Climate Change Strategy, significant investment has recently been made in the facility through the installation of around 150 LED light fittings (estimated £7,100 savings in electricity usage per year) and 149 solar panels (estimated annual electricity generation of 65 MWhs with an annual saving of £13,175).

5 Decarbonising

- 5.1 Efforts to decarbonise the building have focused on replacing the two large gas boilers which provide the majority of water and space heating for the facility and which are original to the building, meaning they are now over 30 years old and are end-of-life (typically considered to be around 20 years). In addition, there are two smaller gas boilers which provide hot water for sinks and showers, which were replaced in 2018.
- 5.2 Members will be aware the Council was successful in obtaining grant funding via the Public Sector Decarbonisation Scheme (PSDS) for the installation of air source heat pumps at Larkfield Leisure Centre to replace the end-of-life gas boilers serving the fitness pool. At the time, feasibility work was progressed on a similar scheme at Tonbridge Pool with the view of including it in the same application.
- 5.3 However, the initial design work for an air source heat pump scheme estimated the cost of each tonne of carbon saved was well in excess of the threshold used by PSDS when calculating grants, meaning TMBC would have liability for around 70% of the project cost (approx. £1.8m).
- 5.4 The high costs were a result from the site challenges, primarily the lack of space both inside and outside the building footprint and also the high flooding risk meaning any external equipment would need to be installed at height.
- 5.5 Because each authority was only able to make one PSDS application (which could include multiple sites), the Council did not want to risk the Larkfield Leisure Centre scheme not being accepted due to the high cost of the Tonbridge Pool scheme and so it was not included. This proved to be the right approach as the application for the Larkfield scheme was successful and is currently being progressed.

- 5.6 At the time it was agreed we would look again at what options existed to decarbonise Tonbridge Pool by removing the end-of-life gas boilers, with a view to developing an initial design that could be used to apply for future rounds of PSDS funding. This work was included in the 2025/26 Annual Service Delivery Plan (ref: 1.3).

6 Feasibility Study

- 6.1 Design engineers were commissioned to undertake a feasibility study of the options to remove the main gas boilers and provide estimated costs. A range of options were considered, with seven progressing to a more detailed appraisal, each involving a greater or lesser extent of air or ground source heat pumps. The capital expenditure and resultant estimated impact on running costs were also estimated. A summary of the seven options can be found below.

Option	Technology Type	Capital Cost*	Annual saving / running cost*	tCO2e annual saving	Cost per tCO2e LT saved
1	Air source heat pump (low temperature)	£2,812,500	+£14,720	399	£353
2	Air source heat pump (high temperature)	£2,251,500	+£66,513	390	£289
3	Air source heat pump (cascade system)	£2,404,500	+£33,476	396	£304
4	Air source heat pump and gas boiler (hybrid system)	£1,734,000	+£66,668	292	£293
5	Ground source heat pump (low temperature)	£4,594,500	-£2,864	405	£454
6	Ground source heat pump (cascade system)	£3,754,500	+£18,940	402	£374
7	Air source heat pump and cascade gas boiler	£2,215,500	+£27,003	241	£460

tCO₂e – tonnes of carbon dioxide equivalent (a standard unit to measure and compare the warming impact of different greenhouse gases)

tCO₂e LT – tonnes of carbon dioxide equivalent over the Lifetime of the low-carbon heating technology

* Capital and running cost figures as of July 2025

- 6.2 In addition, the following options were initially considered but not taken forward to the more detailed appraisal stage:

Water Source Heat Pump

- 6.3 The design engineers suggested that an open-loop system would require significant water abstraction from the river which they felt would not be approved by the Environment Agency. A closed-loop system would reduce the environmental impact but due to the river's shallow depth would require approximately 1.8km of submerged loop piping.

Electric Heating

- 6.4 The design engineers commented this would result in high running costs due to relatively low efficiency and increased electrical demand. This may be appropriate as a backup or in a hybrid arrangement but not as a primary heating solution.

Biomass

- 6.5 The design engineers did not recommend this option due to insufficient space for plant and fuel storage, with the only suitable area for fuel access and delivery being constrained and impractical.

Solar Thermal

- 6.6 The design engineers did not feel this option was feasible being that there is insufficient roof space available for the number of solar thermal collectors required.

Summary

- 6.7 Members will note capital costs range from £1.734m to £4.594m. Only the ground source option 6 (£4.594m cost) delivers an estimated small revenue saving of £2,864, with the cheapest capital option 4 (hybrid system - £1.734m) estimated to result in an annual increase in running costs of £66,668.
- 6.8 Members should note some options, including the cheapest one, includes utilising a gas boiler alongside a heat pump.

- 6.9 A significant proportion of the capital cost would be for the electricity transformer upgrade – estimated at around £600,000. This would be a Council cost as the transformer would be supplying Tonbridge Pool only.
- 6.10 The design engineers also considered a like-for-like replacement with gas boilers and a reasonable estimate of this cost is £300,000. Modern gas boilers would be more efficient than the now 30-year old current boilers, which would result in reduced gas usage and therefore cost and CO2. This increase in efficiency could potentially be around 20-30%, with modern boilers operating at over 90% efficiency.

7 Public Sector Decarbonisation Scheme (PSDS)

- 7.1 Members may be aware that the government withdrew the PSDS last year, which was the main source of grant funding for public sector organisations looking to decarbonise. No replacement funding arrangements have been announced nor any other external grant funding opportunities identified, meaning the Council would need to fund the entirety of the project.

8 Proposal

- 8.1 Due to the significant costs associated with all of the options outlined in the report, which the Council would need to fund itself, it is recommended that a scheme is brought forward to replace the end-of-life boilers on a like-for-like basis.

9 Other Options

- 9.1 The options considered are set out in the report. Due to the age of the current boilers, there is not a 'do nothing' option. Any failure of the existing boilers would also result in a significant period of disruption and a loss of income claim from the Leisure Trust.
- 9.2 Options can be considered for reducing the carbon footprint of the facility in other ways, such as investigating whether any additional renewable technology can be installed in the vicinity or reducing the amount of energy the facility uses through upgrades to existing plant, equipment and/or the building fabric.
- 9.3 The Council will also investigate the viability of other schemes across its estate to help offset, including the potential for solar canopies to help further reduce the demand for electricity supplied from the grid and provide an ongoing revenue saving.

10 Financial and Value for Money Considerations

- 10.1 The capital and revenue implications of the options assessed are set out in the report. It is important to note the figures are at July 2025 prices meaning by the time a project were to be progressed, costs could have increased through inflation.

- 10.2 One of the Council's current priorities is to deliver a replacement Angel Centre in Tonbridge prior to local government reorganisation. Due to the high capital cost of that project, the Council is needing to prioritise available funding in order to reduce the amount of borrowing that will be required to deliver the scheme. If one of the heat pump based schemes were progressed, it would likely divert between £1.734 to £4.594m away from the Angel Centre scheme, resulting in higher borrowing costs needing to be met.
- 10.3 A Capital Plan Scheme for a like-for-like boiler replacement scheme has been developed and was considered by Overview and Scrutiny Committee on 22nd January and subsequently Cabinet on 10th February 2026 as part of the budget setting process. Full Council will now consider the budget on 24th February 2026.

11 Risk Assessment

- 11.1 If the current boilers are not planned to be replaced then the risk of failures and service disruption increases, leading to customer complaints and potentially a substantial loss of revenue. Spare parts for the boilers are becoming increasingly difficult to source due to their age.
- 11.2 If financial resources are diverted from the replacement Angel Centre project it may put at risk the ability to demonstrate a sustainable business case for the project due to increased borrowing costs.

12 Legal Implications

- 12.1 It is not felt there are any legal implications associated with the contents of this report.

13 Consultation and Communications

- 13.1 This work has been progressed in full liaison with relevant internal services, the relevant Cabinet Members and TM Active.

14 Implementation

- 14.1 Should Members approve the Capital Plan Scheme for the like-for-like replacement, it is anticipated the work to replace the boilers would be undertaken in 2027/28.

15 Cross Cutting Issues

- 15.1 Climate Change and Biodiversity
- 15.1.1 Some impact on reducing emissions in support of carbon neutral by 2030 or enhancing the natural environment through the improved efficiency of modern boilers and resultant reduction in gas usage.

15.1.2 Climate change advice has been sought in the preparation of the options and recommendations in this report.

15.1.3 In 2024/25 Tonbridge Pool consumed approx. 2,500,000 KWh of gas. The level of usage would be reduced if new, more efficient gas boilers were to be installed.

15.2 Equalities and Diversity

15.2.1 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.

15.3 Other If Relevant

- Business Continuity / Resilience
- Healthy Lifestyles

15.3.1 Ensuring the facility continues to be available supports the substantial revenue generated by the site as well as customers accessing health and fitness services.

Background Papers	None
Annexes	None

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FINANCE, REGENERATION AND PROPERTY SCRUTINY SELECT COMMITTEE – UPCOMING MATTERS

2026/27

C=Council; CAB = Cabinet; DEL = Delegated to Committee; INFO = matters for information. Cabinet are responsible for ALL Key Decisions (KD). Some Non-Key Decisions (NKD) can be taken by Cabinet Members outside of the meeting.

MEETING DATE	DECISION (TITLE)	DESCRIPTION	C/CAB/DEL/INFO	KD/NKD	CAB MEMBER DN Y/N	PART 1 OR 2	OFFICER IN PERSON ATTENDANCE Y/N
26 May 2026	TBC						
	IT Strategies and Policies (if any)	Standing Item					
	Work Programme	Standing item	Info				
	Matters Arising in between cycles (if any):						
21 July 2026	TBC						
	IT Strategies and Policies (if any)	Standing Item					
	Work Programme	Standing item	Info				
	Matters Arising in between cycles (if any):						

MEETING DATE	DECISION (TITLE)	DESCRIPTION	C/CAB/DEL/INFO	KD/NKD	CAB MEMBER DN Y/N	PART 1 OR 2	OFFICER IN PERSON ATTENDANCE Y/N
15 September 26	TBC						
	IT Strategies and Policies (if any)	Standing Item					
	Work Programme	Standing item	Info				
	Matters Arising in between cycles (if any):						
17 November 26	TBC						
	IT Strategies and Policies (if any)	Standing Item					
	Work Programme	Standing item	Info				
	Matters Arising in between cycles (if any):						
Future items to be scheduled for scrutiny: Annual update from Lower Medway and Upper Medway Internal Drainage Boards – to be arranged							

Agenda Item 12

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

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

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Agenda Item 13

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

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