

TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

20 April 2016

Report of the Management Team

Executive Non Key Decisions

1 REVIEW OF FUNDING ARRANGEMENTS WITH PARISH COUNCILS

Further to the information report submitted to the Cabinet on 22 March 2016, this report sets out the findings of detailed research into funding for parish councils as commissioned by Cabinet at its meeting on 11 February. Members are asked to consider the findings and are recommended to commence two consultations within the context of an updated timetable. Members are further recommended to give delegated authority to the Chief Executive and Director of Finance & Transformation, in liaison with the Leader and Cabinet Member for Finance Innovation & Property, to agree all detailed aspects of the consultation programmes.

1.1 Introduction

- 1.1.1 At the meeting of Cabinet on 11 February, Members agreed an outline timetable to commence a review of funding to parish councils. Unfortunately, due to the complexity of the review and the research that has been necessary, it was not possible to report to the meeting of Cabinet on 22 March as had been anticipated.
- 1.1.2 Instead, it was agreed that a special meeting should be set up in order to receive and consider the work undertaken by the officer team. This meeting has been convened accordingly.
- 1.1.3 As Cabinet were advised on 22 March, for transparency purposes, parish councils have been kept apprised of progress and are aware that this special meeting has been convened.
- 1.1.4 Due to this early slippage in the programme, the timetable has been adjusted and is set out in paragraph **1.5**. We believe that the programme can still be delivered by the ultimate date of 1 November (Full Council).
- 1.1.5 The purpose of the paper is to provide detailed information in order for Cabinet to seek further guidance and/or formulate recommendations for the future.

1.2 Objectives

- 1.2.1 Members are reminded that funding to parish councils is made up of two streams:
- 1) the Financial Arrangements with Parish Councils (FAPC) Scheme (currently circa £226,000 in total); and
 - 2) the Council Tax Reduction Scheme (CTRS) contribution (currently circa £175,000 in total).
- 1.2.2 In respect of 1) above, it is important to recognise that the reason the Borough Council gives funding through the Scheme is to reflect the fact that, in the unparished area (Tonbridge), the Borough Council provides a variety of 'local services' which are generally provided by parish councils in the parished areas (known as '*concurrent functions*').
- 1.2.3 At the outset, the main reason for commencing this review is to assist the Borough Council in making savings required through the Savings and Transformation Strategy (STS). This is, therefore, a key objective of this review.
- 1.2.4 However, there is a risk that simply reducing the funding to parish councils could generate 'inequity' across the borough. This is because '*all other things being equal*', parish councils would need to levy additional precepts on residents in their areas to maintain the status quo; or alternatively cut local service provision to those residents. At the same time, in the unparished area, the Borough Council would continue to provide the 'local services' that it delivers in the absence of a town council; the cost of which is shared across the entire borough.
- 1.2.5 This point about potential inequity has been touched upon during discussions at Cabinet (11 February – see minute CB16/6) and the recent meeting of the Parish Partnership Panel (PPP) on 18 February (see minute PPP16/8).
- 1.2.6 It is very important, therefore, that a second objective of this review must be to promote equity in terms of how much residents in different parts of the borough have to pay towards the cost of services.
- 1.2.7 The key objectives of this review are, therefore, twofold:
- 1) Make savings in the Borough Council's revenue budget; and
 - 2) Promote 'equity' across the borough in terms of how much residents in different parts of the borough have to pay towards the cost of services.
- 1.2.8 An officer group has produced a detailed '**Research Paper**' [**Annex 1**] looking into the issues surrounding funding for parish councils. It is important to stress that this is, by its name, a *research paper only* and no recommendations, nor any decisions, have yet been made by any Members of the Council. Furthermore, the financial modelling that has been undertaken within the paper should be treated as indicative only. The purpose of the paper is to provide detailed information in

order for Cabinet to seek further guidance and/or formulate recommendations for the future.

1.3 FAPC Scheme Grants – A Review

- 1.3.1 The overall review of the funding has been split into two parts, with the major piece of work concentrating on the funding awarded to parish councils through the FAPC Scheme and the alternative options that are available.
- 1.3.2 In respect of the FAPC scheme, the research paper appended at **[Annex 1]** sets out the arrangements that currently apply within the borough; the legal framework; and the ‘options’ that could be pursued together with the ‘pros and cons’ of each option. The paper includes **indicative** modelling by area to illustrate how cost burdens would shift within an overall ‘envelope’ if certain options were taken. It is extremely important that this modelling is viewed in that light – i.e. it is indicative only.
- 1.3.3 Within the research paper, reference is made to the DCLG’s “Quality Parish and Town Council Scheme” (2003) in which five principles concerning funding of local services - with particular reference to funding arrangements between different ‘tiers’ of authority – were set out. These principles are still relevant:
- 1) *fairness in the provision of services* (and access to them) by the principal authority between different parts of their area;
 - 2) *simplicity* - to keep administrative costs of operation to a minimum;
 - 3) *transparency* - to help understanding;
 - 4) *democratic control and accountability* - to let local councils support additional services with additional expenditure while ensuring accountability to all those responsible for funding. This means distinguishing between funding by principal authorities (for a service carried out by a local council) and funding raised by local councils themselves (e.g. using their precepting powers); and
 - 5) *finance following function* - where provision of a service is devolved or transferred from a principal authority to a local council, funding is also transferred, with the amount involved being agreed by the principal authority and the parish or town council.
- 1.3.4 The reason the Council gives funding through the Scheme is to reflect the fact that in the unparished area (Tonbridge) the Borough Council provides a variety of ‘local services’ which are provided by parish councils in the parished areas (the ‘*concurrent functions*’.) Our Scheme sets out a list of those *concurrent functions* that are recognised:

- Allotments
- Footpaths
- Parks
- Open Spaces
- Sports Grounds
- Village Halls
- Cemeteries and Churchyards
- Footway Lighting (where applicable).

1.3.5 Grants to parish councils through this scheme have followed an agreed 'methodology'. As a result of government cuts to Borough Council funding over the years, in 2012/13 in particular, the overall level of grants to parish councils fell dramatically from its 2011/12 level of some £295,000. In addition, capital grants to parish councils were suspended in 2010 due to funding pressures.

1.3.6 To mitigate the ongoing impact of falling Settlement Funding Assessments (SFA), the Council agreed to adapt the methodology to include New Homes Bonus (NHB) in the calculation, and as a result of this change the overall FAPC funding level has effectively stabilised at circa £225,000 (see para 15 of Annex 1). **However, it is important to recognise that, with the latest SFAs, this will not be the case going forward even if we were to retain the current methodology.**

1.3.7 At para 21 of the research paper, five different approaches are considered and at para 23 the 'pros and cons' of each are set out. In summary they are:

Option	Pros	Cons	Savings?	Equity?
Continue with FAPC as it currently exists (i.e. no change)	Status quo	No impact on savings targets	x	✓
Liaise with parish councils to remove grants	Contributes towards savings target	Equity issues are significantly compounded	✓	x
Liaise with parish councils to reduce grants by a fixed percentage, e.g. 50%	Contributes towards savings target	Equity issues are compounded.	✓	x
Commence a parish by parish negotiation of grants having regard to the actual functions undertaken	Could contribute to savings target	Divisive. Potentially inequitable. Significant officer time required.	✓	x
Introduce Special Expenses and remove parish council grants	Contributes towards savings target Equity in payments between areas of the council for services provided.	Council Tax levels will shift between parished and unparished areas. The benefits could be difficult to understand	✓	✓

- 1.3.8 Members will note that the paper concludes that, in order to **meet both of the key objectives** set out in paragraph 1.2.7, only one option within the control of the council actually ‘fits the bill’ – i.e. the introduction of Special Expenses and, by default, the cessation of the current FAPC scheme. (The implementation of a scheme of Special Expenses requires a resolution of the Full Council and would override the current FAPC scheme).
- 1.3.9 In practice what would it mean if Members were minded to consider introducing Special Expenses and ceasing the FAPC scheme?
- 1.3.10 **In very simple terms**, the Borough Council would set up a “Special Expenses Account” diverting those costs which are specifically ‘local to certain areas’ into that Account. It would then levy the costs on those parts of the borough where it is providing local services (in the main, the unparished area). Effectively, on the council tax bill, this would look very similar to the ‘extra’ parish council charge.
- 1.3.11 Because the ‘special expenses’ have been diverted into a ‘Special Expenses Account’, this means that the revenue costs to be shared by all households across the entire borough will reduce. In other words, TMBC’s **basic level of council tax** (i.e. for its General Expenses) which is paid by all households, regardless of where they live in the borough, **will go down**. Presently, as Members will be aware, TMBC’s basic level of council tax at band D is £192.51. In our **indicative** modelling, the basic level of council tax for general expenses would reduce by £19.13 across the borough, prior to special expenses being added back – where appropriate.
- 1.3.12 In the parished areas, where the parish councils provide (in the main) the ‘local services’, the parish councils would not receive any funding from the Borough Council through FAPC and, therefore, ‘*all other things being equal*’ would need to increase their precept/level of council tax to counteract the reduction in funding. Therefore, ‘*all other things being equal*’, we have assumed from a modelling point of view that the parish council level of council tax would go up as a result.
- 1.3.13 However, it is important to recognise that, as democratically-elected and sovereign bodies, parish councils will make their own decisions regarding the setting of their precept and level of council tax, so any figures set out within the detailed research paper can only be viewed as ‘potential’ parish council tax levels. Members are, therefore, asked to view these figures within this context.
- 1.3.14 **Generally speaking**, within the **parished areas**, the (potential) increase in parish council band D tax as a result of the withdrawal of FAPC is negated by the reduction in TMBC’s basic level of council tax for its general expenses. In other words, generally speaking, households in the parished areas should not see any increase in the **overall** level of the council tax bill (and in some cases it would be a reduction). Logically this makes sense because we would simply be shifting the burden of cost from one ‘line’ of the council tax bill to another ‘line’.

- 1.3.15 There is a slight complication to this overall logic in that, as set out in the research paper, not all special expenses borne by TMBC are confined to the unparished area. For example, Members will note that TMBC maintains open space and play areas in some parished parts of the borough. If a resolution is made by the Full Council to opt for the levying of special expenses, it would be necessary (and of course equitable) to include all special expenses wherever they are delivered within the borough.
- 1.3.16 In short, this means that **some** parished areas would also see special expenses being levied in addition to their TMBC council tax and that of their parish council. The **indicative** modelling that has been undertaken (see bar chart at para 80 of Annex 1) shows that even **with the implementation of special expenses for some parished areas, the vast majority of those areas see very little change to their overall level of council tax, and indeed some see reductions.**
- 1.3.17 It is clearly no surprise that the indicative modelling shows that it would be the households in the unparished area that would see an increase in the overall level of council tax as the 'burden of cost' is shifted. Members should remember that the unparished area currently pays the lowest level of council tax, and this has led to questions about 'double taxation', and potential inequity, in the past (rightly or wrongly).
- 1.3.18 The **indicative** modelling indicates that the 'special levy' at band D to the households of the unparished area would still be lower than the majority of parish council tax levels. In other words, despite adding special expenses to the overall council tax levy, households in the unparished area would still pay less at Band D than the vast majority of households across the borough.
- 1.3.19 Members will no doubt wish to understand how other neighbouring councils approach this difficult subject. Whether a district is fully parished or not will have a bearing on what happens.
- 1.3.20 Sevenoaks District Council is fully parished and no special expenses have been identified.
- 1.3.21 Maidstone Borough Council has areas that are parished and unparished. The Council does not levy special expenses on the unparished area(s) but give grants by 'negotiation' with individual parish councils.
- 1.3.22 In Tunbridge Wells, the town centre is unparished with the remainder of the district being parished. Tunbridge Wells levies special expenses on households living in the unparished area (Royal Tunbridge Wells) and also levies some special expenses in other pockets of the borough which are parished. In 2016/17, the special levies at Band D range from £2.09 to £107.10 (for Royal Tunbridge Wells).
- 1.3.23 As set out in the research paper, it was reported in the DCLG document "Quality Parish and Town Council Scheme" that the authorities involved in the research and were faced with the 'dilemma' of potential 'double taxation' had found the

special expenses provision to be helpful as it met three of the important principles for financial arrangements (see paragraph 1.3.3) namely: *fairness; transparency; and democratic control and accountability.*

- 1.3.24 Where applicable, the reason some authorities gave for not pursuing this option is that they considered it did not meet another of the principles – i.e. that of *simplicity*. We would suggest that although it is by no means a simple topic, the potential ‘method’ set out in the attached detailed research paper is relatively simple to operate and robust. Our neighbouring council, Tunbridge Wells BC, also adopts this process and manages it successfully.
- 1.3.25 Were the Council to decide that it is not minded to consider adopting a Special Expenses Scheme, it will be essential from a position of equity and to avoid “double taxation”, to ensure that ‘*finance follows function*’ (the final principle set out in paragraph 1.3.3). This would mean that unless a significant ‘cost-cutting review’ was undertaken of the local services provided in the unparished area, Members would, from an equity point of view, need to largely maintain the level of funding provided to parish councils through the FAPC scheme thus making little or no contribution towards the Council’s savings targets in the STS.
- 1.3.26 For this reason, we recommend that Cabinet actively pursues a consultation on the introduction of special expenses. **As set out within the research paper, the introduction of a scheme of special expenses in place of the current FAPC scheme meets both key objectives of this review.**
- 1.3.27 It is appreciated that this ‘concept’ is a significant leap from where we are presently; and from an ‘openness and transparency’ point of view this would need to be the subject of consultation with parish councils, residents and any other relevant stakeholders across the borough. Members may recall that the outline timetable approved at the last Cabinet meeting did allow time for consultation with relevant stakeholders to take place. More detail about potential consultation methods is set out in paragraph 1.5 below.

1.4 CTRS Grants – A Review

- 1.4.1 In April 2013, the national Council Tax Benefit Scheme was replaced by local Council Tax Reduction Schemes (CTRS), the difference being that with the latter, any award is considered to be a discount affecting the Taxbase rather than a transfer of funds.
- 1.4.2 As the discount affected the Taxbase, the Government recompensed Local Government with an additional grant through the Local Government Finance Settlement (being added to Revenue Support Grant (RSG)) equating to 90% of its previous benefit grant. When announcing the settlement for the 2013/14 financial year, the Government published separate indicative amounts on how much grant was in respect of borough services and parish services. In doing so, the (then) Local Government Minister, Kris Hopkins, encouraged billing authorities to pass on grant to parish councils. For the 2013/14 financial year this was £173,111.

- 1.4.3 In subsequent years, no indicative amounts were given by Government although the Minister continued to encourage billing authorities to pass on the sums to their parish councils. Whilst some billing authorities have openly decided not to do so, at TMBC Members agreed that the increase/decrease in the CTRS grant award should follow the increase /decrease in FAPC. Therefore, the overall grant award has since remained fairly stable - the figure due to be paid for 2016/17 is £174,650. The breakdown of funding by parish council is set out in appendix 9 of the research paper.
- 1.4.4 The Council is under no statutory obligation to pass these funds onto parish councils, and many billing authorities have ceased, or are planning to significantly reduce, the payments in response to the significant cuts in government grant funding to local government.
- 1.4.5 Guidance issued by DCLG in November 2012 (referenced in the bibliography in Annex 1) gives the following statement in respect of passing on an element of the grant for CTRS to parishes:
- “Local precept payers are local tax payers within the billing authority area and should not be treated differently to those outside of parish areas”*
- 1.4.6 Logically, therefore, if Members were to agree to the introduction of special expenses which provides an “equalisation methodology” across the borough, to continue to provide this funding would arguably unbalance the equalisation.
- 1.4.7 This is, of course, quite apart from the fact that the funding being passed to district councils from government is being significantly cut. Members are aware from reports during the Budget Cycle that, from 2017/18, TMBC will no longer receive RSG.
- 1.4.8 As with FAPC, if the CTRS grant were to be ceased, the parish councils would, *‘all other things being equal’*, need to increase their precept/level of council tax to counteract the reduction in funding. Parish councils would ultimately determine how, or whether, this was necessary. **For illustrative purposes only**, the bar chart at para 98 of **[Annex 1]** combines the impacts of both special expenses and CTRS grant on different areas of the borough. Members will note that when compared to the current overall council tax levy, the majority of households in the parished areas are no worse off.
- 1.4.9 For all the reasons set out above and in order to meet our key objectives of the review (see paragraph 1.2.7), it is therefore recommended that formal consultation is undertaken with the parish councils to advise them that having considered the matter, the Council is minded to cease paying the CTRS grant from 2017/18. Subject to Members’ views, this could take the form of a formal letter of ‘intent’ inviting their comments. Undoubtedly, Members will wish to engage with the local branch of Kent Association of Local Councils (KALC) and the PPP in this process (indeed, a commitment was given at the last meeting of the PPP to engage fully).

1.4.10 We do not envisage that this consultation need follow the same detailed process as the review of FAPC/special expenses. However, it is recognised that parish councils will wish to view and respond to the issues simultaneously as, depending upon the outcome, both could affect their own budgetary planning

1.5 Timetable and Consultation

1.5.1 When changes to the Council's Budget and Policy Framework are proposed, the Council's Constitution requires a formal process to examine that policy prior to its adoption. In summary, the process to be followed is:

- The Cabinet sets out initial proposals for the new policy
- Consultation with 'relevant stakeholders' must be undertaken
- The Cabinet agrees a draft policy having taken account of the results of the consultation
- The draft policy is referred to the Overview and Scrutiny Committee for its independent consideration
- Recommendations of the Overview and Scrutiny Committee are then referred back to the Cabinet and, if appropriate, the Cabinet agrees the new policy with any necessary adjustments
- The new policy needs to be adopted at Full Council

1.5.2 As indicated in the report to Cabinet on 11 February, we believe that the review of FAPC/special expenses can be completed over the Summer/Autumn period with the aim of adopting the final policy at Council in November of this year. This would allow for the implications of any new policy to be taken into account by parish councils and the Borough Council in time for the 2017/18 budget setting process. A revised, detailed timetable is set out below:

9 May – 17 June 2016	6-week consultation with stakeholders; including meetings of the PPP/KALC and Tonbridge Forum
July 2016 (date to be agreed)	Special Cabinet considers responses, formulates preferred way forward and commissions new policy to be drafted
July/August 2016	Draw up draft policy
8th September 2016 and 12th September 2016	PPP and Tonbridge Forum updated verbally as to progress
13th September 2016	Overview and Scrutiny Committee (O&S) review draft policy and make recommendations to Cabinet

12th October 2016	Cabinet considers policy, including any recommendations from O&S, and makes recommendation to Full Council
1st November 2016	Full Council adopts policy for 2017/18
Early December 2016	Write to parish councils with information for budget setting
January 2017	Finance, Innovation and Property Advisory Board considers implications of adopted policy on budget setting process.

- 1.5.3 Consultation with stakeholders will be an important part of the process and we must ensure the approach adopted is open and transparent. That said, it is worth noting that there is no specific statutory provision which requires consultation to be carried out and we are, therefore, free to determine how best that consultation is undertaken.
- 1.5.4 We have reviewed the approaches adopted by other councils who have consulted on special expenses and suggest the following way forward.
- 1.5.5 In addition to direct consultation with all parish councils, the local branch of KALC and key stakeholders in Tonbridge, it is suggested that the consultation process should also include the following elements:
- development of a questionnaire (online and hard copy) open to all residents/stakeholders
 - meetings of both the Parish Partnership Panel and Tonbridge Forum to be held during the consultation period
 - a general publicity campaign to raise awareness of the proposal and to promote completion of the questionnaire utilising: the Council's website; news releases; fliers available at public facilities including libraries and leisure centres; social media; and formal notices placed in the Kent Messenger and the Courier
 - liaison with local groups and forums
- 1.5.6 The key aims of the consultation will be to explain the purpose of the proposed special expenses policy and to gather as many views as possible on this issue. This will need to inform the final content of the policy that the Cabinet adopts and refers to the Overview and Scrutiny Committee prior to its formal adoption. We will seek to identify relevant programmed Council meetings to facilitate the above timetable but special meetings might be required.

- 1.5.7 To enable the above programme to be achieved, it is suggested that delegated authority be given to the Chief Executive and Director of Finance & Transformation in liaison with the Leader and Cabinet Member for Finance Innovation & Property, to agree all detailed aspects of the consultation and publicity materials. It is estimated that the costs of the consultation exercise will be a maximum of £5,000 which can be met from the Invest to Save reserve.
- 1.5.8 As mentioned in paragraph 1.4.10, consultation in respect of CTRS should prove to be less complex. Subject to Members' views, we recommend that this is commenced through the issuing of a formal letter of 'intent' to all parish councils seeking their comments. Undoubtedly we would wish to engage with both the local branch of KALC and PPP.

1.6 Legal Implications

- 1.6.1 Detailed legal considerations in respect of special expenses and FAPC are set in in appendix 3 of **[Annex 1]**.
- 1.6.2 Section 136 of the Local Government Act 1972 allows principal authorities to pay grants to local (parish) councils in respect of concurrent functions. The principal authority has discretion as to the amount it may decide to pay under these arrangements.
- 1.6.3 Provisions relating to special expenses are contained in the Local Government Finance Act 1992 at sections 34 and 35. These sections allow different amounts of council tax to be calculated for different parts of the district, depending on what, if any, special items relate to those parts.
- 1.6.4 There is no statutory requirement for the Council to pass on funding to parish councils in respect of CTRS. It therefore has unfettered discretion in this regard.
- 1.6.5 Should Members be minded to launch the consultations within the timetable set out at paragraph 1.5.2, this will fall within the pre-election period (purdah) for the EU Referendum. Any consultation documentation and publicity will, therefore, need to be mindful of the purdah guidance.

1.7 Financial and Value for Money Considerations

- 1.7.1 One of the key objectives of the review is to generate savings for the Council in relation to the STS. Were Members minded to introduce special expenses and withdraw FAPC grants following the proposed period of consultation, there is potential to save circa £226,000 from the Council's revenue budget from 2017/18.
- 1.7.2 Similarly, if Members were minded to withdraw the CTRS grant following the proposed consultation with parish councils, there is potential to save circa £175,000 from the Council's revenue budget from 2017/18.

- 1.7.3 It is anticipated that the cost of consultation (excluding officer time) will be £5,000 (maximum) which can be met from the Invest to Save Reserve.

1.8 Risk Assessment

- 1.8.1 If consultation is not carried out appropriately, there is a risk of challenge once a decision is taken.
- 1.8.2 If decisions are not made within the timescales set out, the Council may not be able to implement savings (if any) in readiness for 2017/18.

1.9 Equality Impact Assessment

- 1.9.1 Decision-makers are reminded of the requirement under the Public Sector Equality Duty (s149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups.
- 1.9.2 As set out at paragraph 1.3.17, households in the unparished area would see an increase in the overall level of council tax but these households have historically paid the lowest level of council tax which has raised questions about potential inequity in the existing system. The proposal therefore aims to improve equity across the borough in terms of how much residents in different parts of the borough have to pay towards the cost of services.
- 1.9.3 Whilst the impact on protected characteristics is expected to be minimal, an equality impact assessment will be complete, based on data collected via the consultation, to provide a record of any equality considerations that need to be taken into account. The findings will be included in the report to Cabinet together with the results of the consultation, for Members to take into account in formulating a preferred way forward.

1.10 Policy Considerations

- 1.10.1 Customer Contact; Community

1.11 Summary

- 1.11.1 Members are aware that the Council has a significant challenge ahead in delivering the requirements of the Savings and Transformation Strategy. One theme of the Strategy concerns '*partnership funding*', and this review contributes towards that particular element.
- 1.11.2 Having undertaken a detailed piece of research into the funding arrangements, and taking into account the key objectives of the review as set out in paragraph 1.2.7, it is clear that there is only one option which meets both of the objectives.

- 1.11.3 We are effectively now at a 'crossroads' given the dilemmas and challenges we face. Whilst it has been the Council's tradition to address the potential issue of 'double taxation' through the use of grants under s136 of the Local Government Act 1972, entering into discussions with parish councils in order to reduce those grants opens up the potential for inequity. By resolving to use s136 of the 1972 Act, the Council has chosen not to apply Special Expenses under s35 of the Local Government Finance Act 1992.
- 1.11.4 Members can, if they feel that it is now the right time to do so, resolve to take a different course as we move into the future. Our neighbour, Tunbridge Wells Borough Council, already applies Special Expenses to parts of its borough.
- 1.11.5 The issues have been highlighted and considered in depth within the attached Research Paper; but Members are reminded that questions about 'double taxation' have also recently surfaced from external sources. For example, at the meeting of Cabinet on 22 March, Members were apprised of a letter received in relation to the Car Parking charges in West Malling which referred extensively to the absence of an additional levy in Tonbridge, and (quote) the *'much lower rates enjoyed by Tonbridge residents since 1974'*. In addition, this matter was also raised at the last meeting of the PPP (see paragraph 1.2.5).
- 1.11.6 Standing at the 'crossroads', therefore, we are of the view that now is the time to give serious consideration to a potential change of direction. Recognising that this is a significant 'leap' from where we are at present, we recommend that a consultation with the public, parish councils and other relevant stakeholders should commence as soon as possible in respect of the potential introduction of a special expenses scheme (and the consequential cessation of the Financial Arrangements with Parish Councils Scheme).
- 1.11.7 In addition, we are also of the view that consultation should commence as soon as possible with parish councils regarding the potential cessation of grant funding in respect of CTRS.

1.12 Recommendations

1.12.1 Cabinet is **RECOMMENDED** to :

- 1) Endorse the updated timetable set out at paragraph 1.5.2 and give delegated authority to the Chief Executive and Director of Finance & Transformation to set up any special meetings as required;
- 2) Endorse the launch of a consultation with parish councils regarding the potential cessation of grant funding in respect of CTRS with effect from the financial year 2017/18;
- 3) Endorse the launch of a consultation with the public, parish councils and other relevant stakeholders regarding the potential introduction of a Special Expenses Scheme with effect from the financial year 2017/18; and

- 4) Give delegated authority to the Chief Executive and Director of Finance & Transformation, in liaison with the Leader and Cabinet Member for Finance Innovation & Property, to agree all detailed aspects of the consultation programmes and associated publicity materials.

As set out in Research Paper

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