

Extract from Minutes of Special Meeting of Tonbridge Forum, 12 May 2016

TF [Public Consultation on 'Fairer Charging' in Tonbridge and Malling \(Presentation\)](#) 16/13 Minutes:

The Director of Finance and Transformation advised that the Borough Council was considering changing the way it charged for the Tonbridge and Malling Borough element of the council tax bill from 2017/18 onwards. The introduction of a local charge (technically called 'special expenses') to pay for the local facilities and services provided by the Borough Council, such as local parks, playgrounds, allotments, flower displays, events, cemeteries and churchyards, was being considered. This would promote fairness for all residents in different parts of the borough when paying towards the cost of these services, generate savings to offset ongoing reduction in Government funding and protect services.

Members were shown a short video, followed by a presentation focusing on issues relevant to Tonbridge, to explain the proposal regarding fairer charging. It was explained that residents living anywhere within the Borough, other than the town of Tonbridge, paid an extra parish precept for local services such as playgrounds and open spaces provided by the parish/town council. As Tonbridge was not parished services to these residents were provided and funded by the Borough Council. However, to provide some equity, the Borough Council paid grants, totalling just over £225,000 to parish councils to help them with the costs of the local services they provided.

Tonbridge and Malling continued to face significant financial challenges due to cuts in Government funding and needed to make savings of £1.8 million over the next four years, whilst protecting the services that the authority provided. The Council had adopted a Savings and Transformation Strategy to assist with the focusing and delivering of savings from a range of areas. It was noted that the areas being reviewed as part of this process were the grants made to the parish councils. The Director of Finance and Transformation explained that it would be unfair to simply remove the grants to the parish councils without considering the cost of the local services that the Borough Council provided in Tonbridge. Members were advised that the local services provided by the Borough Council in Tonbridge totalled some £800,000 and this could be converted into a local charge which, just like a parish precept, could be charged directly to Tonbridge households.

As part of this proposal, the Borough Council was inviting borough residents, parish councils and other key stakeholders to take part in a Public Consultation. Information could be found on the Borough Council's website, including the questionnaire, the short video shown at the meeting and other supporting information. All Members and organisations were asked to spread the word and encourage residents to participate as all opinions were welcome.

The deadline for responses was **noon on Monday 20 June 2016**. Further information and a questionnaire to complete was available via: www.tmbc.gov.uk/localcharge

Reference was made to business rates being retained by local authorities and whether this would improve the Borough Council's financial pressures. The Chief Executive explained that the move to full business rate retention was not expected until 2020 and that the final detail was not yet known or understood. The proposals around business rates continued to change which made it difficult to predict and model financial implications. It was noted that grant (Revenue Support Grant) from central government was being reduced further; and, in addition to that, the Council had been expecting earlier in the year to have to pay back to Government some of the rates it currently retained over a four year period. The Chairman advised that the Borough Council had successfully argued for a 'clawback' holiday ensuring that Tonbridge and Malling did not have to pay back rates in years 2-3 of the scheme. However, this was a temporary reprieve as £1M 'clawback' was still required in year 4.

The Chairman also advised that from next year the Borough Council would no longer receive any direct Government grant funding in the form of Revenue Support Grant. This meant that the authority was reliant on business rates retention, New Homes Bonus and fees and charges. All of these issues represented a significant and complex financial challenge for Tonbridge and Malling.

Whilst Members supported the principle being proposed and welcomed the opportunity to comment, it was suggested that communication could be improved as it was difficult to understand the detail. It was commented that the video viewed earlier was a good way to get the message across. The Chief Executive welcomed this feedback and consideration would be given on how to improve the promotion of the video already on the Borough Council's website.

To promote the public consultation there would be significant media coverage in the local press, a BBC Radio Kent interview on Monday morning and leaflets/posters distributed to local libraries and other public places for displaying. Parish councils would be invited to comment at a special meeting of the Parish Partnership Panel on Wednesday 18 May 2016. The use of social media (Twitter and Facebook) was also confirmed, although it was recognised that regular posts and updates would be beneficial to keep the consultation at the top of 'news feeds'.

[Subsequent to the meeting the Borough Council was advised that the BBC Radio Kent interview would be aired on the morning of Tuesday 17 May 2016]

Extract from Minutes of Special Meeting of Parish Partnership

Panel, 18 May 2016

PPP [Funding Arrangements with Parish Councils - options and consultation](#) 16/14 Minutes:

The Director of Finance and Transformation advised that a six week public consultation on 'fairer charging in Tonbridge and Malling' had started and residents, parish councils and other key stakeholders were invited to participate.

Members were shown a short video to explain the concept of fairer charging. This was followed by a presentation focusing on issues relevant to parish councils.

The Borough Council was considering changing the way it charged for the Tonbridge and Malling element of the council tax bill from 2017/18 onwards. The introduction of a local charge (technically called 'special expenses') to pay for local facilities and services provided by the Borough Council, such as local parks, playgrounds, allotments, flower displays, events, cemeteries and churchyards, was being considered. This would promote fairness for all residents in different parts of the Borough when paying towards the cost of these services, generate savings to offset ongoing reduction in Government funding and protect services.

It was explained that residents living anywhere within the Borough, other than the town of Tonbridge, paid an extra parish precept for local services such as playgrounds and open spaces provided by the parish/town council. As Tonbridge was not parished services to these residents were provided and funded by the Borough Council. However, to provide some equity, the Borough Council paid grants, totalling just over £225,000 to parish councils to help them with the costs of the local services they provided.

Tonbridge and Malling continued to face significant financial challenges due to cuts in Government funding and needed to make savings of £1.8 million over the next four years, whilst protecting the services that the authority provided. The Council had adopted a Savings and Transformation Strategy to assist with the focusing and delivering of savings from a range of areas. It was noted that one of the areas being reviewed as part of this process were the grants made to the parish councils. The Director of Finance and Transformation explained that it would be unfair to simply remove the grants to the parish councils without considering the cost of the local services that the Borough Council provided in Tonbridge. Members were advised that the local services provided by the Borough Council in Tonbridge totalled some £800,000 and this could be converted into a local charge which, just like a parish precept, could be charged directly to Tonbridge households.

As part of this proposal, the Borough Council was seeking comments via a Public Consultation. Information could be found on the Borough Council's website, including the questionnaire, the short video shown at the meeting and other supporting information. All Members and parish councils were asked to spread the word and encourage residents to participate as all opinions were welcome. Copies of documents could be provided in a pdf format for placing on parish notice boards or websites.

It was emphasised that all figures used in the presentation were indicative and these

would be clarified if the proposal went forward. The deadline for responses was **noon on Monday 20 June 2016**. Further information and a questionnaire to complete was available via: www.tmbc.gov.uk/localcharge

In addition, the Borough Council was undertaking a further consultation with parish councils only seeking views on the potential removal of the Council Tax Reduction Scheme (CTRS). Revenue Support Grant (RSG) for Tonbridge and Malling continued to reduce and from next year (2017) the authority would no longer receive any of this grant funding. Members were advised that there was no obligation for borough/district councils to pass CTRS grant on to parish councils and many neighbouring authorities had already stopped doing so. The Borough Council recognised that parish councils were likely to increase precepts to compensate for the loss of CTRS grant.

The deadline for responses was also noon on 20 June 2016 and all were encouraged to respond to the letter dated 6 May 2016 with regard to this matter from the Director of Finance and Transformation.

Following the six week consultation period for both of the consultations a Special Cabinet meeting would be held on 28 July 2016 to consider outcomes and options, with a draft policy drawn up in July/August (if appropriate). This revised policy could potentially be effective from next year.

The Director of Finance and Transformation recognised that this was a complex issue, and explained that she and her staff would happily talk through figures with individual parish councils. It was emphasised that the video that had been produced in-house, and could be accessed via the Borough Council's website, should assist in explaining the concept of fairer charging.

Reference was made to comments raised by parish councils in advance of the meeting around funding for Christmas lights and the likelihood of council tax capping for parish councils. The Chief Executive responded that the options for Christmas lights would be reviewed and carefully considered following the consultation and all comments would be taken into account. It was therefore important for all parish councils, and residents, to take part in the consultation.

With regard to Government applying capping to parish councils, the Chief Executive advised that extensive investigation did not suggest that this issue was likely to be revisited by central government at the present time. However, it could not be guaranteed that this proposal was ruled out. If the situation changed the Borough Council would have serious and proper discussions with parishes and attempt to identify a way forward. The Borough Council recognised the concerns around council tax capping and the potential implications.

To promote the public consultation in respect of 'fairer charging' there would be significant media coverage in the local press, a BBC Radio Kent interview to be transmitted in the near future and leaflets/posters distributed to local libraries and other public places for displaying. The use of social media was also confirmed, although it was recognised that regular posts and updates would be beneficial to keep the consultation at the top of 'news feeds'.

Members were broadly supportive of the proposals put forward given the Borough Council's difficult financial position and welcomed the concept of fairness for all residents and areas of the Borough. Parishes recognised the potential changes to funding for Christmas lighting and many were happy to explore options with their local retail centres. However, concern remained around the potential for Government to make a late decision regarding the introduction of council tax capping for parish councils.

The Kent Association of Local Councils (Tonbridge and Malling) asked that consideration be given to expressing these concerns around capping to the Department for Communities and Local Government at the earliest opportunity. The Chairman was happy to pursue this on behalf of the parishes, subject to further discussion with local Members of Parliament and in the context of the 4-year settlement.

Detailed discussion followed around the potential transfer of land and/or property assets, how the individual parish figures were estimated, maintaining a flexible approach in achieving savings targets set out in the Savings and Transformation Strategy and the overall difficult and challenging financial position faced by local government.

The Kent Association of Local Councils (Tonbridge and Malling) thanked the Borough Council for the honest approach taken with the consultation and the thoughtful timetabling. It was noted that Tonbridge and Malling had continued to support parish councils for as long as possible and that was greatly appreciated.

The County representative for Malling North also thanked the Borough Council for an intelligent and well-presented explanation of the proposals and appreciated the opportunity for residents to be involved.

The Chairman welcomed these comments and asked that these be submitted formally as part of a consultation response.