

04 September 2018 at 7.00 pm

Conference Room, Argyle Road, Sevenoaks

Despatched: 24.08.18



Finance Advisory Committee

Membership:

Chairman, Cllr. Scholey; Vice-Chairman, Cllr. Eyre
Cllrs. Mrs. Bayley, Bosley, C. Barnes, Dr. Canet, Esler, Eyre, Kelly, Krogdahl, Lake, Pearsall, Pett and Scholey

Agenda

There are no fire drills planned. If the fire alarm is activated, which is a continuous siren with a flashing red light, please leave the building immediately, following the fire exit signs.

	Pages	Contact
Apologies for Absence		
1. Minutes To agree the minutes of the meeting of the Committee held on 5 June 2018, as a correct record.	(Pages 1 - 4)	
2. Declarations of Interest Any interest not already registered		
3. Actions from Previous Meeting	(Pages 5 - 6)	
4. Update from Portfolio Holder		
5. Referral from Cabinet or the Audit committee (if any)		
6. Archbishops Palace, Otford	(Pages 7 - 32)	Alex Dawson, Richard Wilson Tel: 01322 343129, Tel: 01732 227262
7. Treasury Management Annual Report 2017/18	(Pages 33 - 52)	Roy Parsons Tel: 01732 227204
8. Financial Performance Indicators 2018/19 - July 2018	(Pages 53 - 60)	Alan Mitchell Tel: 01732 227483
9. Financial Results 2018/19 - July 2018	(Pages 61 - 96)	Alan Mitchell Tel: 01732 227483

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|-----|--|-------------------|---------------------------------------|
| 10. | Financial Prospects and Budget Strategy
2019/20 Onwards | (Pages 97 - 112) | Adrian Rowbotham
Tel: 01732 227153 |
| 11. | Business Rates Retention Pilot 2019/20 | (Pages 113 - 132) | Adrian Rowbotham
Tel: 01732 227153 |
| 12. | Work Plan | (Pages 133 - 134) | |

EXEMPT INFORMATION

At the time of preparing this agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public.

If you wish to obtain further factual information on any of the agenda items listed above, please contact the named officer prior to the day of the meeting.

Should you need this agenda or any of the reports in a different format, or have any other queries concerning this agenda or the meeting please contact Democratic Services on 01732 227000 or democratic.services@sevenoaks.gov.uk.

FINANCE ADVISORY COMMITTEE

Minutes of the meeting held on 5 June 2018 commencing at 7.30 pm

Present: Cllr. Eyre (Vice Chairman in the Chair)

Cllrs. Mrs. Bayley, Bosley, Dr. Canet, Esler, Kelly, Krogdahl and Lake

Apologies for absence were received from Cllrs. C. Barnes, Pearsall, Pett and Scholey

1. Appointment of Chairman

Resolved: That Cllr. Scholey be appointed as Chairman of the Advisory Committee for 2018/19.

2. Appointment of Vice Chairman

Resolved: That Cllr. Eyre be appointed as Vice Chairman of the Advisory Committee for 2018/19.

(Cllr. Eyre in the Chair)

3. Minutes

Resolved: That the Minutes of the meeting of the Finance Advisory Committee held on 27 March 2018 be approved and signed by the Chairman as a correct record.

4. Declarations of Interest

There were no additional declarations of interest.

5. Actions from Previous Meeting

The Actions were noted.

6. Referral from Cabinet or the Audit committee (if any)

There were none.

CHANGE IN ORDER OF AGENDA ITEMS

Agenda Item 1

Finance Advisory Committee - 5 June 2018

With the Committee's agreement, the Chairman brought forward the consideration of agenda item 8.

7. Council Tax Reduction Scheme - 2019/20

The Chief Finance Officer provided details of the proposed Council Tax Reduction (CTR) scheme, which would be implemented with effect from 1 April 2019.

Members were reminded that the CTR scheme was for working-age applicants only and was means tested.

One of the main components of the current CTR scheme was all applicants were required to pay a minimum of 20% towards their Council Tax liability.

Full service Universal Credit would start in the District in November 2018, which resulted in an increased number of changes to individuals. Based on this and the fact more frequent changes were received due to systems currently in place, the existing CTR scheme was not viable going forward.

The proposal was to have a banded scheme so that the CTR of individuals is not amended every time there is a small change in circumstances. This should make it more efficient for staff and less confusing for customers.

Members questioned the reasoning behind the proposal for the capital limit being reduced from the current £16,000 to £6,000, and the proposal for the child maintenance payments disregard to be removed from the scheme.

The Chief Finance Officer advised that he would investigate, and provide the information at a later date to Members.

Action 1 - Chief Finance Officer to provide reasons for the proposals to reduce the capital limit from £16,000 to £6,000, and for the child maintenance payments disregard to be removed from the scheme, and provide information to Members when available.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the progress so far on proposed changes to the Council Tax Reduction Scheme for 2019/20 be noted.

8. Update from Portfolio Holder

The update from the Portfolio Holder was noted by Members of the Committee.

9. Financial Performance Indicators 2017/18 to the end of March 2018

The Head of Finance presented a report which detailed the ten internally set performance indicators as at the end of March 2018, that covered activities that support information provided in the regular financial monitoring statements, which Members considered.

He advised Members that most indicators met their target by March 2018, or were up for discussion in the coming months.

The report also covered how the use of these indicators meant management were able to highlight areas which had a financial impact on the authority. The Head of Finance explained that of the amount of debt outstanding for more than 21 days is equivalent to 0.73% of debts raised in the previous 12 months or a collection rate of 99.27% (16/17 98.2%). Furthermore, the amount of debt outstanding for more than 61 days is equivalent to 1.17% of debts raised in the previous 12 months or a collection rate of 98.83% (16/17 98.23%).

Members queried the staffing costs versus the debts itself, and the financial implications that this had for the Council. The Head of Finance advised that the team could keep on top of monitoring sundry debts because their flexibility allowed the work (comparable to less than one full time equivalent) to be absorbed and the costings were not significant.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the report be noted.

10. Provisional Outturn 2017/18

The Head of Finance reported the Provisional Financial Outturn figures for 2017/18.

It was explained that there had been a favourable variance of £617,000 achieved, which represented 4.2% of the net service expenditure budget.

In response to questions, the Chief Finance Officer explained that there had been additional costs due to difficulties in recruiting technical area roles, which had resulted in the use of agency staff in some areas. Members noted that this issue was currently being considered by the Scrutiny Committee.

In response to Members' questions about staff National Terms and Conditions, the Chief Finance Officer explained that there were no plans for this to change, but work was continuing on the payment packages available to staff to aid retention. This was included in the work carried out by a Scrutiny Committee Working Group, which was looking at overall staff recruitment and retention.

Public Sector Equality Duty

Agenda Item 1

Finance Advisory Committee - 5 June 2018

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

- Resolved: That it be recommended to Cabinet that the report be noted.
11. Work Plan

The Work Plan was noted.

THE MEETING WAS CONCLUDED AT 8.20 PM

CHAIRMAN

ACTIONS FROM THE MEETING HELD ON 5/6/2018			
Action	Description	Status and last updated (09.07.2018)	Contact Officer
ACTION 1	<p>Chief Finance Officer to provide reasons for the proposals to reduce the capital limit from £16,000 to £6,000, and for the child maintenance payments disregard to be removed from the scheme, and provide information to Members when available.</p> <p>(Minute 7)</p>	<p><u>Capital limit</u></p> <p>The current scheme is in line with the other benefits, any savings that working age claimants have below £6,000 are ignored in the calculation . Any amount from £6,000 up to £16,000 is taken into account in a tapered way so that there is a calculation to work out what weekly income is included, this is called tariff income. However, this calculation adds an extra layer of complexity and sometimes confusion which is what we are trying to avoid. If the limit is increased above £6,000 it would be necessary to continue to calculate the tariff income. Therefore, an amount of £6,000 is being proposed.</p> <p><u>Child Maintenance Payments Disregard</u></p> <p>The item included in the FAC report is not included in the proposal to Cabinet as following further work, it was found that it would directly affect families which is not the intention. Therefore this source of income will not be included in the calculation of any entitlement. (email sent 9/7/18)</p>	<p>Adrian Rowbotham</p> <p>Ext.153</p>

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ARCHBISHOP'S PALACE, OTFORD

Finance Advisory Committee - 4 September 2018

Report of	Chief Officer, Environmental and Operational Services
Status	For recommendation to Cabinet
Also considered by	Cabinet - 13 September 2018
Key Decision	No

Executive Summary: This report provides the background to the Archbishop's Palace in Otford and recommends the granting of a lease to the Archbishop's Palace Conservation Trust to pursue their ambition to convert, of what remains of, the North West corner tower and part of the northern gatehouse into a self-sustaining centre for the dissemination of knowledge about the heritage of this building and area.

This report supports the Key Aim of a sustainable economy.

Portfolio Holder Cllr. John Scholey

Contact Officer(s) Alex Dawson, Ext. 7368
Emma Burdett, Ext. 7304

Recommendation to Advisory Committee:

That it be recommended to Cabinet that a 99 year lease, at one peppercorn, per annum, if demanded, be granted to the Archbishop's Palace Conservation Trust to allow the Trust to develop their objectives with a five year review dated inserted into the lease to allow progress to be considered by both parties and such other terms as agreed.

Recommendation to Cabinet:

That a 99 year lease, at one peppercorn, per annum, if demanded, be granted to the Archbishop's Palace Conservation Trust to allow the Trust to develop their objectives with a five year review dated inserted into the lease to allow progress to be considered by both parties and such other terms as agreed.

Reason for recommendation: To allow the Archbishop's Palace Conservation Trust to develop their mission and objectives for the Palace to assemble the talent, finances and management skills to build and manage a self-sustaining centre for this heritage asset.

Introduction and Background

- 1 The historic environment of the Palace building and its grounds are well documented and constitute a common heritage dating back to Offa, King of Mercia and for the next 600 years the manor house was built and enlarged by 52 subsequent Archbishop's.
- 2 In 1537 Henry VIII became its owner and spent lavishly on it. After Henry's death the palace fell gradually into disrepair until, by the 17th Century it was largely a ruin.
- 3 Now all that remains is part of the North Range - the North West Tower, part of the Northern gatehouse and connecting wall, which was turned into a row of three small cottages.
- 4 There are further remains on private land, and a section of the boundary wall can be seen, where, was previously the site of the Palace moat.
- 5 In November 2016, the Council appointed Thomas Ford and Partners (Chartered Architects and Surveyors) to carry out an options appraisal to define long term sustainable solutions for this scheduled monument, which will be compatible with preservation and enhancement of the heritage value, will enhance the Palace as a tourist destination and could be implemented in phases or as discrete projects.
- 6 This appraisal also comprised of an extensive Consultation between February and March 2017.
- 7 Responses were received from 36 local residents and substantial proposals were received from the Archbishop's Conservation Trust, the Darent Valley Landscape Partnership and the Parish Council.
- 8 Following two extensive programmes of repair undertaken in the last two years, partly funded by a Historic England Grant, the condition of the tower is now much improved with all significant urgent repair issues tackled, including the repair of the roof, rebuilding of internal brickwork and masonry and the almost complete repointing of the tower.
- 9 The final part of the work was to make the tower pigeon proof which will dramatically reduce the maintenance burden.
- 10 The recently completed work has stabilised the monument for the short to medium term, say 5-10 years, allowing a longer term strategy to be identified, organised and funded.

Option Appraisal

- 11 The Consultant considered 14 options, covering a 'do nothing' option, to a Visitor Centre with or without a Parish Office, a small Community Centre, various residential options and transfer of ownership from the Council.

- 12 Of the 14 options only three were considered, by the Consultant, to be viable. These were:
- 1 Transferring ownership from the Council
 - 2 Convert Gatehouse to one bed residential
 - 3 Convert Tower to small two bed residential

Archbishop's Palace Conservation Trust

- 13 The Trust was founded with five trustees in 2017 and is a Charitable Incorporated organisation, Charity Registration number: 1173486. The Trust has an agreed Constitution by which it operates.
- 14 In April 2018 the Trust presented to the Council a Business Plan with a mission and objectives to:-
- 14.1 have the freedom to maintain and develop the Palace building and ground.
 - 14.2 To assemble the talents, finances and management skills to build and manage a self-sustaining Centre for the dissemination of knowledge about our Tudor and our Valley's heritage.
 - 14.3 To develop a lasting heritage landmark within the Sevenoaks region.
- 15 The Trust's specific objectives are to carry out the development of the Palace as a Visitor Centre for Otford and Darent Valley for educational, information and tourism opportunities. A key requirement of the proposed programme is that the site and building should be self-sustaining and to identify income streams that cover the cost of operation.
- 16 The Business Plan identifies potential sources of funding and involvement of the Community.

Key Implications

Financial

With support from Historic England the buildings have been brought to a stabilised condition for the next 5-10 years. If a lease is granted to the Trust, responsibility for future maintenance and improvement would pass to the Trust for the duration of the lease thus removing the Council from future maintenance liability.

Legal Implications and Risk Assessment Statement.

A 99 year lease for the Palace buildings in Council ownership, between the Council and the Trust, would be entered into with a review clause after five years to determine whether the progress made by the Trust is tangible and viable for the lease to be continued to enable them to achieve their objectives.

Agenda Item 6

If following this review, this is not the case, the lease to be determined and responsibility revert back to the Council.

If this was necessary the Council could pursue the residential options outlined in the options appraisal report.

Equality Assessment

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.

Conclusions

By granting a lease to the Trust, it enables them the opportunity to develop and deliver their Business Plan and to secure the necessary external funding required to achieve their vision and objectives, creating a self-sustaining Centre for educational, information and tourism use and preserving this valuable heritage asset. The granting of a lease to the trust removes the Council from future maintenance liability.

If, after a review, sufficient progress cannot be made, the lease can be determined and responsibility reverts back to the Council. If this was necessary the Council could pursue the residential options outlined in the options appraisal report.

The Council maintains the freehold of the existing Palace building currently under its ownership.

Appendices

Appendix A - Feedback from Public Consultation

Appendix B - Letter from Ancient Monuments

Appendix C - Conservation Statement

Background Papers

Oxford, Archbishop's Palace
Option Appraisal - August 2017

Archbishop's Palace Conservation Trust
Business Plan - April 2018 (Some information
exempt under paragraph 3 of part 1 of Schedule
12A of the Local Government Act 1972.

Richard Wilson

Chief Officer, Environmental & Operational Services

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APPENDIX A

Public Consultation – February 2017

for

Options Appraisal

at

OTFORD, ARCHBISHOP'S PALACE

867504

March 2017

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LONDON

SE26 4QH

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Agenda Item 6

Oxford, Archbishop's Palace Options Appraisal

Contents

1.	Information.....	1
2.	Responses.....	2
2.1	Why is the Palace significant to you?.....	2
2.2	What level of public access do you think should be provided?.....	4
2.3	What local needs could be served by the accommodation available in the Palace Gatehouse and Tower in future?	6
2.5	The Gatehouse: What do you think about part or all of the space being used for these purposes: Private residential; holiday let; visitor centre; community meeting space, other? 8	
2.6	The Tower: What do you think about part or all of the space being used for these purposes: Private residential; holiday let; visitor centre; community meeting space, other?	10
2.7	Would you agree with new accommodation being added to the Tower or Gatehouse in order to generate revenue for the maintenance of the buildings?	12
2.8	Please add any other comments:	14

1. Information

Nick Forthergill	Local resident and on committees of Otford Heritage Centre and Historical Society.	
Jackie Howe	Local resident and Sec Historical Society.	
Caren Chapman	Local resident	
Anthony Wiltshire and Evelyn Wiltshire	Local resident	
Ed Thompson	Resident and member of Historical Society and Heritage CTR	
Christine Clucas	Answered yes to are you a local resident or do you represent an organisation? *	
Philip Clucas	Local - Parish Councillor/ Committee of Historic Society (OPHS)	
Phil Chapman	Local resident	
Heather Stanley	Local resident	
T Stanlel	Local resident	
Keith Gofton	Local resident and Otford Society	
Howard Leicester	Local resident and works with NHS England as an accessibility advisor for inclusive communication documents and face to face.	
Laura Papanicola	Resident	
*Chris Reed		
Phyllis Putt		
*David Evans	Local resident	
*Michael Dudding	Resident	
*Gabbie Dudding	Resident	
*Peter Nixon	Resident	
*M Edmead	Local resident	
*Ann Richards	Local resident	
*Linda Dunning	Local resident	
*Robert Dunning	Local resident	
Doug Cracknell		
*Rodney Lissenden		
*Corinne Fisher	Local resident	
*Denise Barrett	Local resident	
*Elisabeth Lindsay	Local resident	
*Audrey Thomas	Local resident	
*Jennifer Dean	Frequent visitor	
*Jane Donaldson	Local resident	
*Janet Boswell	Local resident	
*Winifred Medhurst	Local resident	
*John Bassendine	Local resident	
*Mary Bassendine	Local resident	
*James Bassendine	Local resident	

*	Feedback form completed	
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Agenda Item 6

2. Responses

2.1 Why is the Palace significant to you?

It is the most important historical site in Otford and one of the most important Tudor sites in the country.

Iconic part of village's history.

It is just down the road and is an integral part of the village.

As a local resident I value having a Tudor relic on my doorstep.

It is a unique link with Otford's Tudor past.

It is a wonderful landmark and one to be proud of.

Represents Otford history since c840s.

Part of the character of our historic and beautiful village.

Live adjacent, gives significance to Otford, makes it slightly "different".

Last remaining part of palace visible above ground.

Part of our heritage. Pride in village history.

Because it is a big opportunity. Now under-exploited. Looks unhelpful at the present. The Palace has a strong family and personal associations.

I live there!

Important piece of local history.

Lived in village for 40 years.

A building of national significance.

I am happy and proud to have the palace and its history in my village.

It is of national importance as a mediaeval/Tudor palace where the Book of Common Prayer was penned.

The most important historical building in Otford.

Underlies Otford's history – significant to schoolchildren.

This site is Otford and we should pay towards its upkeep as do residents in Putney pay for upkeep of Richmond Park.

Historic interest – amazing unused benefit to the village.

Romantic scene.

Historical interest.

I love the village.

It is part of Otford's history.

My relative's home has a good view of the tower.

Historical interest.

Part of local history and potential income to Council.

It is an important part of the our village and the local area and the adjacent valley.

Local heritage.

Part of the history and landscape of the village our home for 30+ years.

Lived here all my life, interested in history, archaeology of local area. Otford Palace is central to identify of the village.

Agenda Item 6

2.2 What level of public access do you think should be provided?

Enough for visitors in cars to Tower/ Gatehouse and/ or if used for residential use.

Walking – not by car.

At present – all of the grounds.

As much access as found to be viable.

As much as possible.

A new Heritage Centre and parish offices in the Tower Gatehouse – holiday lets or short term lets.

Public access for all (not closed of i.e. rented on as an office).

Access to the roof for views would be great, but may be incompatible with eventual use.

Same as existing -free to all.

Some as current – is accessible and free.

Totally, if affordable. Recognise there may be need for some commercial sacrifice to finance it.

Some access to interior essential. Provide max accessibility for people with sensory condition and mobility difficulties. Illustrate difficulties of access in old buildings.

Would like to go into Tower.

A less important factor than generating income.

As much as possible if feasible.

External viewing and if possible some internal access with supporting information/displays.

Depending on its future use, at least part available internal viewing and keep the field surrounding areas.

Full public access at specified times.

Full, free public access.

As much as possible, without harming the buildings.

Full.

As much as possible.

As it is.

Don't know.

The more you can manage.

Public access for visitors but some other provision would be required for vehicles.

No answer.

If it becomes private housing it will be difficult to have too much access, but if visitor centre etc. will be good to have access over site.

As much as is feasible.

Full access into Heritage Centre.

As much as possible.

Vital not to lose opportunity for public access. To convert to housing or offices would make it very difficult to reverse in future.

Agenda Item 6

2.3 What local needs could be served by the accommodation available in the Palace Gatehouse and Tower in future?

Heritage Centre and Office for Parish Council.

Heritage Centre and possible extension.

Possibly moving the Heritage Centre as long as that would free up the two semis currently serving the Heritage Centre for private dwellings.

No answer.

Visitors and Heritage Centre, meeting rooms etc.

A new Heritage Centre and parish offices in the Tower Gatehouse – holiday lets or short term lets.

Preferably as new Heritage Centre – either for Otford (sell School House) or as Heritage Centre for Darent Valley.

Provision of information about the palace does not appeal, but seems unlikely to be viable. Most likely it should be housing, like the cottages.

None.

None.

Darent Valley Information Centre.

Provide residencies for historical, _____ players, Jousts! Short of accommodations reasonably priced for rent (sale or sheltered accommodation).

No answer.

Residential.

Visitor and teaching centre and school *** .

A centre for information about Otford's history/place for public access.

-

Visitors Centre for Darent Valley, for schools and locals.

Educational, visitor and other cultural attractions.

Perhaps as a local museum with any local artefacts founds.

No answer.

A visitors centre – exhibition of site.

For meeting place guides, Info. Centre etc.

Don't know.

-

No answer.

No answer.

No answer.

Not sure there will be any benefit in leaving as it is as gatehouse is cold etc. so very unlikely to be used by locals.

A large number; particularly bringing visitors to the village as an attraction and as a historical place.

Local heritage centre in both buildings with community space use.

School visits/Parish Council offices/Heritage Centre.

Darenth Valley will need to define itself as a tourist destination to protect against encroachment. In the long run, Otford palace would be a central part of that. In the short term, meeting space, space for parish co., historical soc.

Agenda Item 6

2.5 The Gatehouse: What do you think about part or all of the space being used for these purposes: Private residential; holiday let; visitor centre; community meeting space, other?

(Private residential and holiday let highlighted). Suggest use Gatehouse for the above, so can use Tower for Heritage Centre/ Parish Office.

All possible, depends how much income is needed to maintain use of Tower. Suggested £50,000 per annum.

We have enough community meeting space. If not, then education for surrounding schools.

Visitor centre or community meeting place or museum.

No answer.

A new Heritage Centre and parish offices in the Tower Gatehouse – holiday lets or short term lets.

Yes, to holiday let, visitor centre, community meeting space and Heritage Centre etc.

First choice – private residential, second choice – visitor centre, third choice – holiday let, fourth choice – community meeting space, fifth choice – business.

Visitor Centre possibly but traffic generation needs careful consideration.

Visitor Centre or community – none of others.

Ideally public access, but if only way to finance it in perpetuity, residential use would be acceptable.

Yes, to private residential, holiday let, visitor centre and sheltered housing. Plenty of community meeting space now.

Prefer private residence to holiday let for security reasons/ like others (centre etc.) but needs to pay for itself.

Private residential.

Back-up to Gatehouse. ?Holiday let.

Visitor centre/meeting place.

Visitor Centre – education – of the castle, Roman remains in Darent Valley and for tourists to the area.

Ideally, a meeting space, or as a let to generate income – but with some access at certain times.

Community meeting space, visitor centre. Prefer not private residence.

Visitor centre or community space.

Visitor centre and community meeting space.

Visitor centre if not *** new by the Tower.

Visitor Centre, community meeting space.

Residential to provide income. ? Private long term lets.

-

Visitors centre.

Holiday let.

Private residential, holiday let, visitor centre, community meeting space.

Private residential, holiday let, visitor centre, community meeting space:

I'd be happy for any of the above as they potentially bring more visitors to area, thus some income.

Whatever makes the building viable bearing in mind the above.

Visitor centre, community meeting space.

Visitor centre, community meeting space.

Gatehouse should probably be part of shared scheme with Tower. For instance possibly as a café to support visitors centre. Strongly opposed to residential, office etc.

Agenda Item 6

2.6 The Tower: What do you think about part or all of the space being used for these purposes: Private residential; holiday let; visitor centre; community meeting space, other?

1. Heritage Centre 2. Office for Parish Council.

Visitor Centre, too small for meetings and others inappropriate.

Private residential or holiday lets – but who would administer H/L's?

Interior to be (as far as possible) brought back to original.

No answer.

A new Heritage Centre and parish offices in the Tower Gatehouse – holiday lets or short term lets.

Not private residential or holiday let, but Heritage Centre etc.

First choice – private residential, second choice – visitor centre, third choice – holiday let, fourth choice – community meeting space, fifth choice – business.

Visitor Centre possibly but traffic generation needs careful consideration.

Ideally public access, but if only way to finance it in perpetuity, residential use would be acceptable.

Yes, to private residential, visitor centre; community meeting space.

Prefer private residence to holiday let for security reasons/ like others (centre etc.) but needs to pay for itself. Would rather not private.

Private residential.

Visitor and community centre.

Visitor centre/meeting place.

Would prefer to keep it open for area, but realise its commercial value.

Visitors Centre for schools in the area.

Educational or cultural resource/meeting place, visitor centre – NOT residential.

Visitor centre or community space.

Visitor centre and community meeting space.

Possible meeting place and view platform from roof.

Visitor centre, community meeting space.

Visitor Centre: community meeting space.

-

Community meeting space.

Visitor centre.

Private residential, holiday let, visitor centre, community meeting space.

Private residential, holiday let, visitor centre, community meeting space:

I'd be happy for any of the above as they potentially bring more visitors to area, thus some income.

Residential and holiday lets are secondary to the other purposes and only needed to finance the rest.

Visitor centre, community meeting space.

Visitor centre, community meeting space.

Strongly opposed to residential, office in particular. Support local trust scheme for visitors centre.

Agenda Item 6

2.7 Would you agree with new accommodation being added to the Tower or Gatehouse in order to generate revenue for the maintenance of the buildings?

Yes. I think anything like this would be acceptable to help use the Tower for public use.

Possibly – depends on plans.

Yes, depending on parking/ access and providing there is still access to the current green space / significant portion of it.

I am not against this idea, but it must be done with great care and thought.

Yes.

If tastefully done could be a good idea.

No – prefer you sold School House to generate revenue.

Only as a very last resort, if the alternative is terminal decay.

No.

No.

Only if it was the last gasp solution to funding their maintenance.

Would be ok.

Gatehouse yes.

If necessary and in keeping with the original.

Limited, with restrictions.

Yes – but also to better describe the Palace site.

Not sure.

If carefully regulated.

NO!!

Yes.

No. Perhaps Otford residents could provide funds via Council Tax.

Yes.

No!!

No.

Not agreeing with a carpark on or very near to palace field.

Yes, provided that the design is in keeping with the project.

Yes.

Only if new accommodation doesn't change the look/aspect of the building. Maybe some houses could be built on edge of site.

No.

Only if extension is for local community use or Parish Council use.

With great caution – important to preserve the buildings – finance from sell off of Parish offices is they move to extension to Tower/Gatehouse?? New accommodation NOT for housing or offices – only for community use.

Not to the Tower, that would be an irreversible step, to damage integrity of remaining buildings. Possibly development, part of the way along Otford Road, if necessary to support a visitors centre.

Agenda Item 6

2.8 Please add any other comments:

If it is financially possible to sustain it would be wonderful to be able to use the tower for public use (as above). This would involve public access onto Palace Field.

Whether donations from residents would be worth exploring is questionable – and only for purchase. Continuing administration expenses is another matter.

These are quite narrow thoughts – is there nothing more adventurous or out of the box we can consider (nightclubs aside of course!) if we want it to be self-sustaining. Ultimately we know that if we do nothing, Sevenoaks will have to keep/ maintain it, so why should Otford Village risk its finances on a venture? We couldn't keep enough interest going in the Otford Village Society – which spends money on things in the village proposed by and for the benefit of villagers to keep the OVS going – why on earth do we think we are going to be able to generate interest in something that is currently free, requires no effort (importantly) and takes no effort. Don't underestimate the lack of motivation that currently exists here, even when a benefit can directly benefit you personally – so for something that has no impact on villager's lives I can't see any enthusiasm on the horizon. My husband and his colleagues (volunteers) worked really hard to try and drum up interest/ enthusiasm to keep OVS going but to know avail. The older residents do not want charge and are prepared to turn up to be heard to get the status quo maintained. The younger residents don't seem to feel engaged. I would hate for Sevenoaks to spend oodles of time/ treasure to get this off their hands, only to get it back... but with huge additional costs attached due to folding of trust / similar. For example, here's a sort of illustration.... When the pond was redone, some bright spark promoted the idea of putting crossing stones over to the pond (like pedestrian stones). When I pointed out that this implies tacit approval of using the road/ pond like this and would open up the authority to liability if there were road accidents/ injury as a result of pedestrians crossing onto the pond – they reconsidered. Things like this don't get thought about... such as where else in the world do you/ anyone want to cross roads to picnic on roundabouts? More examples of successful schemes need to be presented and also info regarding how much the current heritage centre is used / income it would generate. That sort of thing.

This whole project is full of problems, but with care a way forward could be found. I think it would be an idea to have “a park” i.e. Palace Tower Park – set out in some way that would indicate its Tudor roots. I see flower beds, seats, statuettes; and anything that presents an area of tranquillity for residents to sit in.

It seems to me that this is a once a lifetime chance for the village to ‘own’ our little piece of history – lets go for it.

Perhaps provide green parking in the field on the same side of the road as the school.

Bubblestone site of previous archaeological excavation (1970s) should not be built over! Possibly consult Alison Weir / David Stamroy – both know the site and may have ideas and influence.

I am very concerned by the idea that Sevenoaks DC will transfer all responsibility for upkeep, insurance etc. to local residents. I would hate to see the remaining buildings fall into ruin again, but doubt the financial viability of the site being a visitor attraction. On that basis, making the buildings into housing like the linking cottages would seem the easiest way to keep them structurally sound and – ideally – “listed” to prevent fundamental changes to the historic buildings. Any moves to make the site into a tourist attraction would also have an unwelcome impact on limited parking and already busy roads.

The likelihood of this generating sufficient income to make it financially viable without ruining the location and setting is very low. Additional cars and coaches will create huge problems in a village already challenged for parking.

There simply is not enough here to be a visitor destination let alone providing any sensible access to the site. Cars/ coaches cannot be allowed onto the site.

Like the idea of taking cottages back. We need starter homes and retirement homes for residents; acceptable development would be ok.

Relate to model of the solar system in the playground area idea. Would be happy to help through contacts with BSI and NHS England. Contactable via email.

No answer.

None.

None.

Consider asking the Parish to increase its precept – i.e. to raise funds for the benefits of all the village.

None.

The Palace field could be usefully used – for markets, events (jousts?) fete etc. – perhaps the foundations indicated by brick outlines and a garden created or park area.

Providing an income stream to maintain and manage this resource is key. The Palace field could help with this for farmers' market, fetes, church events (weddings?), plays and film shows in the summer, for example.

None.

This is a unique site for the Darent Valley and also Sevenoaks and must be preserved. A small museum and exhibition centre to display the rich history of the area would be welcome.

Very helpful presentation and hopefully something positive will be the outcome.

I understand the need for income but the site could be ruined by development.

None.

None.

None.

None.

I would agree to adding £15 to local council tax to maintain the palace and gatehouse.

I know Guiding will be disappointed to lose the Gatehouse as that is currently their store/meeting room, but that's only very minor in the scheme of things. Overall, I wouldn't want the Tower/Gatehouse to fall into disrepair, so most of the suggestions for site are "OK" by me.

Agenda Item 6

I am particularly interested to see the Tudor gardens developed quickly. They are presumably cheaper and easier to accomplish and create interest in the final project.

None.

None.



SOUTH EAST OFFICE

Mr Paul Drury

Direct Dial: 01483 252032

The Drury McPherson Partnership

114 Shacklegate Lane

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TEDDINGTON

Middlesex

TW11 8SH

20 March 2017

Dear Paul

Pre-application Advice - Otford Palace, Sevenoaks

During our visit to Otford Palace on the 21st February I agreed to write to you to summarise our initial advice and position with regard to the proposals for conservation and potential development that we discussed then.

The archaeological remains and historic buildings of Otford Palace are extensive, complex and vulnerable to degradation and therefore we agree that they require proactive management. We would welcome the establishment of a Trust that has responsibility to manage them with the aim of sustaining their heritage significance.

Re-use of the tower and gatehouse would be a means of conveying the heritage significance of the place to visitors as well as potentially providing community facilities and providing an income that might make future conservation more sustainable. We welcome your proposal to assess the options that might be available and will look forward to discussing them with you in due course. As we said at our meeting, we have an open mind about proposals to install floors in the tower and re-purpose it for other uses. We are also open to proposals to make changes to the gatehouse. Our aim will be the conservation of what is historically significant about the place. This will



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mean seeking development and management options that are based on a good understanding of heritage significance so that informed choices can be made. It could be possible to make substantial changes to elements of the site that are of less significance in order to sustainably conserve the most important elements.

Detailed heritage assessment to enable critical appraisal of development and management options will be needed. This should include assessment of the buildings and areas that might offer development opportunities, such as the gatehouse and tower, but should also include assessment of other elements that are in need of repair and management, such as the remains of the conduit, water features, south curtain wall, cloister, garden and inner court buildings.

It would be highly desirable to provide interpretation facilities that convey the scale and grandeur of the palace to visitors. This might include museum exhibits and interpretive signage, but it could also be helped by landscaping and grounds maintenance that better reveals the history of the place.

Financial viability will also be a vital consideration, which should be considered alongside heritage significance. We think it will be necessary to identify an optimum scheme that can both preserve significance but also be financially viable. This would mean that ambitious schemes will need to demonstrate both that they can be achieved without causing harm to heritage significance, but also that they have a realistic business model that is likely to succeed. Scheme options for development that would cause great harm to important buried archaeological remains will not be sustainable in conservation terms and therefore will not be acceptable to us.

I hope that this provides some useful advice about our approach and initial position with respect to current ideas for developing and managing the palace. We will be pleased to advise further as you undertake your assessment and consider options for conservation and development.

Yours sincerely

Paul Roberts MCIfA
Inspector of Ancient Monuments
E-mail: Paul.roberts@HistoricEngland.org.uk

cc: Simon McCormack, Thomas Ford and Partners



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**OTFORD PALACE
OTFORD, KENT
CONSERVATION STATEMENT**



Drury McPherson Partnership
Historic environment policy and practice

FINAL DRAFT: FEBRUARY 2018

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Contents

1.	INTRODUCTION	6
1.1.	Commission and purpose of this statement.....	6
1.2.	The structure of the statement.....	6
1.3.	Sources.....	7
1.4.	Acknowledgements.....	7
2.	UNDERSTANDING	8
2.1.	Introduction.....	8
	<i>Location, geology, topography</i>	8
	<i>Objective</i>	8
2.2.	Period 1: The prehistoric and Roman landscape.....	8
2.3.	Period 2 The Anglo-Saxon and Norman manor	10
2.4.	Period 3: The Medieval House.....	11
	<i>Origins and development of the moated house</i>	11
	<i>Context of the moated house</i>	13
2.5.	Period 4: Archbishop Warham’s transformation.....	13
	<i>The context and chronology of Warham’s work</i>	13
	<i>Key documentary descriptions</i>	16
	<i>The main house within the moat</i>	17
	<i>The outer court</i>	20
	<i>The environs of the courtyard buildings</i>	28
	<i>Architectural context and parallels</i>	30
2.6.	Water management	31
	<i>The southern system</i>	31
	<i>The northern system</i>	33
2.7.	Period 5: Royal ownership, 1537-1601.....	34
	<i>Transfer and royal works</i>	34
	<i>The Sidney family as hereditary keepers</i>	35
	<i>Early interventions in the outer north-west range</i>	36
	<i>A second phase of intervention</i>	38
2.8.	Period 6: Decline into a farmstead	39
	<i>Later owners</i>	39
	<i>The abandonment of the house in the 18th century</i>	40
2.9.	Period 7: The 20th century	41

Agenda Item 6

Oxford Palace Conservation Statement

3.	SIGNIFICANCE.....	45
3.1.	Introduction: Significance and values.....	45
3.2.	Grading significance	45
3.3.	Statutory designations.....	46
	<i>Heritage designations.....</i>	46
	<i>Planning and other environmental designations</i>	47
3.4.	The values of Oxford Palace in its setting.....	47
	<i>Evidential/ Archaeological values.....</i>	47
	<i>Architectural/ Aesthetic values</i>	48
	<i>Historic Values</i>	48
	<i>Communal Values.....</i>	49
3.5.	Summary statement of significance of Oxford Palace.....	49
4.	ISSUES AND RECOMMENDATIONS.....	50
4.1.	Introduction.....	50
4.2.	Applicable heritage protection regimes.....	50
	<i>Scheduled Monument Consent</i>	50
	<i>Listed Building Consent.....</i>	50
4.3.	Nature conservation policy and guidance.....	51
4.4.	Towards a strategy for the conservation of the outer court.....	52
	<i>National planning policy for heritage assets</i>	52
	<i>Local planning policy for heritage assets.....</i>	53
	<i>The north-west tower</i>	54
	<i>The remains of the gatehouse.....</i>	56
	<i>1-3 Castle Cottages.....</i>	56
	<i>Ownership, management, and presentation of the outer court and surrounding land.....</i>	58
4.5.	Condition and repair needs of the fabric.....	59
	<i>The north-west range of the outer courtyard.....</i>	59
	<i>The area within the former moat excavated in 1974</i>	61
	<i>The developed parts of the formerly moated area.....</i>	61
	<i>Other structures.....</i>	63
4.6.	Research priorities.....	64
	<i>Towards a research strategy.....</i>	65
	<i>If the vacant north range structures are to be brought back into use.....</i>	67
	REFERENCES	68

Figures

Fig 1 Map of Otford showing the principal features of the historic landscape	9
Fig 2 Elements of the earlier medieval house, in relation to modern development known elements of the early 16th century palace	12
Fig 3 Overall plan of the Tudor palace against a background of geophysical survey	15
Fig 4 Overall plan of the Tudor palace against a background of modern topography.....	19
Fig 5 Sketch plan of the western part of the gatehouse at first floor level by John Thorpe, soon after 1605-6.....	20
Fig 6 Phased and partly reconstructed ground plan of the surviving elements of the north outer courtyard range.....	21
Fig 7 The north-west range of the outer court c1775, as illustrated in Hasted’s <i>History of Kent</i> (1778)	22
Fig 8: The north-west range of the outer court as it currently exists	22
Fig 9 Detail of the palace from the Otford Tithe Map, 1844	24
Fig 10 Gatehouse: Blocked doorway and remains of a second doorway	24
Fig 11 Enlarged extract of Fig 7, c1775, showing detail of east end of gallery and gatehouse	25
Fig 12: Gatehouse: Blocked doors from gate passage and west cloister	26
Fig 13 The palace in context, showing historic features including water management.....	29
Fig 14 St Thomas a Becket’s well, from <i>Archaeologia Cantiana</i> 70 (1956), 173.....	32
Fig 15 The reservoir of the northern system of water management, looking east.....	33
Fig 16 The remains of the added garderobe tower.....	36
Fig 17 The projection on the south side of the north-west range	37
Fig 18 The south side of the garderobe tower showing blocked sockets for rafters	39
Fig 19: The gatehouse from the north-west before the 1914 fire.....	42
Fig 20 The extent of the scheduled area	46
Fig 21 The north-west range seen from the south-west across Old Palace Field	57
Fig 22 Castle Cottages and the north-west tower from the north.....	58
Fig 23 The north-west tower in 1934, after the removal of ivy	60
Fig 24 The north-west stair tower at second floor level in 1934 and 2017	60
Fig 25 The remains of the south curtain of the palace site, on the north frontage of Bubblestone Road	62
Fig 26 The remains of the north gable of the scheduled structure by the reservoir	63
Fig 27: St Thomas à Becket’s Well from the north.....	64

Agenda Item 6

1. INTRODUCTION

1.1. Commission and purpose of this statement

1.1.1. In January 2017, the Drury McPherson Partnership (DMP) was commissioned by Sevenoaks Borough Council, as part of a team led by Thomas Ford and Partners, to produce a Conservation Statement as part of an options appraisal to inform decisions about the future of the remains of Otford Palace, Otford, Kent.

1.1.2. The four main objectives of this statement are:

- *Understanding* the place
- *Assessing* its significance
- *Defining* the issues affecting the place and its vulnerability to harm or loss
- *Developing* an overall vision for the palace and setting out recommendations for its future management and development.

1.1.3. This statement has been largely prepared by Paul Drury FSA of Drury McPherson Partnership, supported particularly on buried archaeology and plotting the extent and location of the palace by Canterbury Archaeological Trust. Their report was prepared as a separate document and is referenced here as 'CAT 2017'.

1.1.4. The statement is at a rather more strategic level than a Conservation Plan, but we hope sufficiently comprehensive to provide a reliable basis for strategic decisions. Thereafter, it is envisaged as a working document in which the understanding of the place, in particular, can be developed and corrected both in depth and detail, if and when a project moves towards implementation.

1.2. The structure of the statement

1.2.1. The conservation statement is structured in two main parts:

- *Understanding and Significance*: comprising an account of the history of the palace in its landscape setting, with an analysis of the buildings and site and their evolution; and an assessment of the cultural heritage values attached to the place, culminating in an overall statement of significance.
- *Issues and recommendations*: comprising a discussion of the issues affecting the building and site, and strategic recommendations to address them in the context of future management and potential development.

1.2.2. The evolution of the palace in its landscape context is summarised in six principal periods, as follows:

Period 1	The prehistoric and Roman landscape
Period 2	The Anglo-Saxon and Norman estate
Period 3	The medieval palace

Period 4	Archbishop Warham's transformation
Period 5	Royal ownership, 1537-1601
Period 6	Decline into a farmstead
Period 7	The 20th century

1.3. Sources

- 1.3.1. The form and evolution of the standing structures has been analysed principally through close inspection of its fabric, informed by earlier accounts and largely published documentary sources. For the historical background of Otford, we have generally referred to Clarke and Stoyel's 1975 *History*. The mapping of the lost outer court ranges and the formerly moated core of the palace is based on site inspection and geo-location of visible structures, Brian Philp's excavation report, geophysical survey by West Kent Archaeological Society, historic topographical sources, and structures recorded by earlier writers, particularly A D Stoyel in his 1984 paper in *Archaeologia Cantiana*. Interpretation of the fragmentary records, particularly of the moated core, has developed over time with increasing knowledge. We have avoided speculative reconstruction of the plan beyond elements that can be located with reasonable certainty. Much more could be done to improve both the accuracy of mapping and the understanding of the palace, which we address as a Recommendation in Section 4.6.
- 1.3.2. Site visits were made in December 2016 and between January and August 2017.

1.4. Acknowledgements

- 1.4.1. We are particularly grateful to Kevin Fromings, West Kent Archaeological Society, for providing a copy of the results of geophysical surveys undertaken around the site of Otford Palace, and for information about the villa site currently under excavation as part of the Discovering Roman Otford Project; Don Scales, for access to his garden overlying the palace in Bubblestone Road; Canterbury Archaeological Trust, for the archaeological baseline assessment and especially for their persistence in producing a 'best fit' of the known elements of the palace core to the modern topography; Otford Heritage Centre, particularly for access to the palace model by Rod Shelton; Cliff Ward, author of *A guided walk around Otford Palace*, for a copy of his book and a helpful conversation; the Society for the Preservation of Ancient Buildings for access to their archives, on which our account of the 20th century history of the place is largely based; Alden Gregory, for sharing his transcripts of the 1548 and 1573 surveys (TNA E 101/497/4) and a copy of the c1537 survey in Sevenoaks Library; and Sir John Soane's Museum, Kent History and Library Centre, Maidstone; and a copy of the c1537 survey in Sevenoaks Library, and the Society of Antiquaries of London for permission to reproduce Figures 5, 9 and 19 respectively.

Agenda Item 6

Otford Palace Conservation Statement

2. UNDERSTANDING

2.1. Introduction

Location, geology, topography

- 2.1.1. Otford lies at the point where the Darent valley, which cuts through the chalk of the North Downs, is crossed by an ancient route which follows the base of the North Downs escarpment, reflecting the probably even more ancient ridgeway on the top of the escarpment. The two routes merge to cross the Darent valley on a line now followed by the west-east street through Otford (Fig 1).
- 2.1.2. To either side of the Darent Valley, the exposure of the gault clay formation (here mudstone) below the chalk of the Downs to the north and above the lower greensand to the south defines the Vale of Holmesdale. This landscape feature is continuous across Kent, between one and six kilometres wide. Otford village and palace stand on the east side of the Darent, on rising ground just below the edge of the lower chalk, on the underlying clay, with overlying superficial deposits in the valley itself.¹ Springs appear at the foot of the chalk, where it meets the almost impermeable gault clay, and have been utilised as feeders for an extensive system of water management associated with the palace.

Objective

- 2.1.3. The objective of this section is to provide a narrative 'model' for the evolution of the place in its landscape and social contexts, drawing on a wide range of sources from landform and geology to historic documents. The model is intended to be the best fit with the range of evidence available to us, and should be developed and corrected as further information becomes available and research is undertaken.

2.2. Period 1: The prehistoric and Roman landscape

- 2.2.1. The long distance prehistoric route along the North Downs escarpment extends from the coast near Folkestone westwards into Wessex. A ridgeway follows the top of the escarpment, while a terraceway follows a sinuous course along the foot of the steep scarp, at the boundary between the upper and lower chalk, in Kent following the natural causeway of the Vale of Holmesdale. The terraceway is now known as the Pilgrims' Way from Winchester to Canterbury, which it doubtless was, but its origin is much older, without doubt prehistoric. At Otford, the ridgeway descends along a chalk spur to cross the Darent valley, following a more or less direct route which corresponds to Otford High Street (Fig 1). The terraceway joins it at the foot of the scarp, and also appears to continue north-westwards down the edge of the Darent valley. This continuation has certainly been part of the main north-south route through the valley since the establishment of the Dartford and Sevenoaks Turnpike in 1766. The other routeway which seems likely to be of very early origin is that down the east side of the Darent valley, just above the floodplain.

¹ Lawson & Killingray 2010, 1-5

It is still the main north-south route almost as far north as the present High Street;² footpaths and boundaries recorded on maps from 1844 onwards suggest that it once continued north of the High Street, through the medieval *Northfield*.³

2.2.2. Recorded archaeological finds (CAT 2017) suggest, unsurprisingly, that this location, where a long distance east-west routeway crosses the Darent, has been a favoured location for people to settle since the hunter-gatherers of the Mesolithic period and the first farmers of the Neolithic. It provides a wide range of natural resources – marsh and pasture along the valley, good arable land at the foot of the scarp, springs providing ample water, and wooded chalk uplands. A possible round barrow, Otford Mount, sited near the top of the chalk spur (off the map), suggests that it was intended to be visible in crossing the valley from the west.

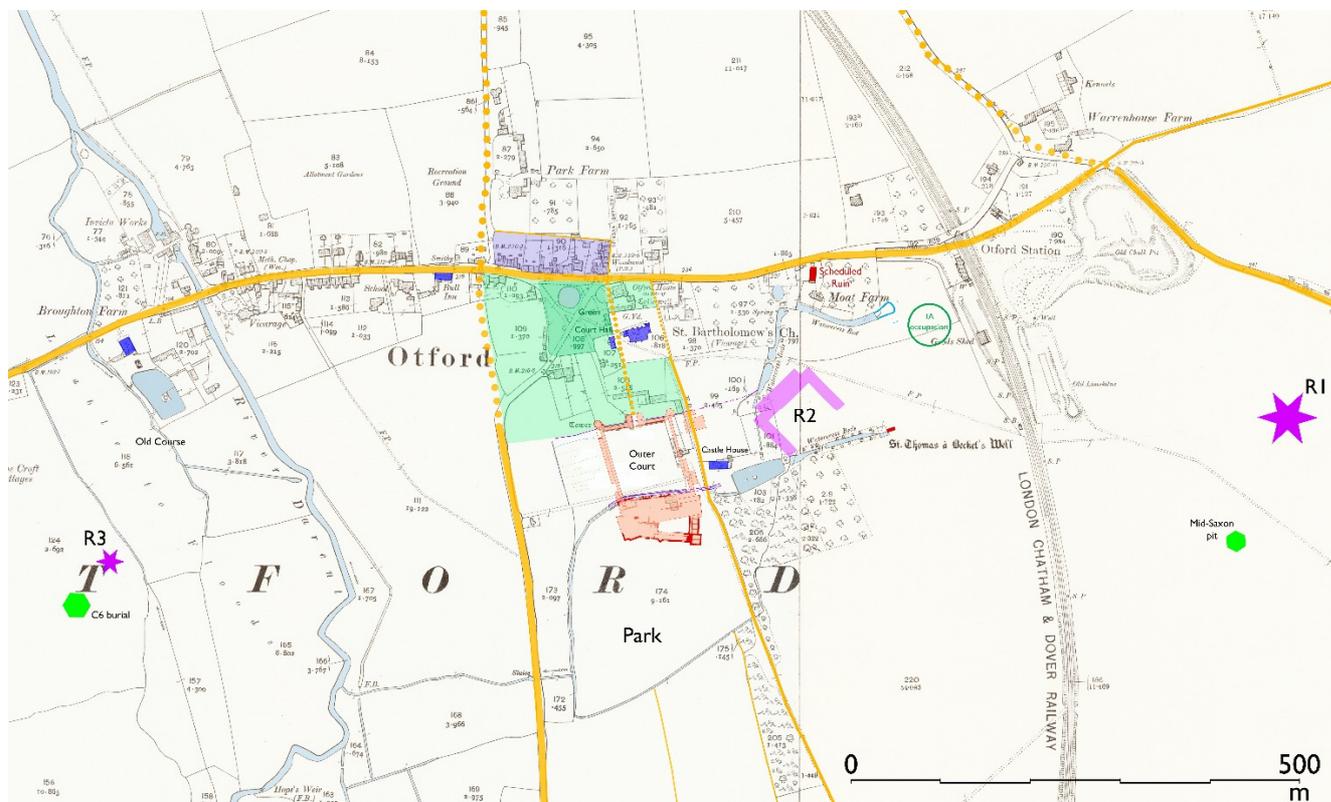


Fig 1 Map of Otford showing the principal features of the historic landscape, superimposed on the second edition 25" Ordnance Survey map, 1907. The outline of the villa (R2) is partly schematic, but allows its approximate scale to be compared with the medieval palace

2.2.1. While the nature of earlier prehistoric settlement remains unclear in the absence of large-scale excavation, it seems likely that by the mid-late iron age there was a high-status community at Otford, which after the Roman conquest in AD43 was reinvented with Romanised masonry buildings superseding timber round houses. The likely outlines of these houses have been identified in geophysical surveys of one of the masonry buildings (Fig 1, R1) that succeeded them (although probably with an intermediate phase) along with middle and late iron age pottery, and two late iron age coins (of Cunobelin, minted at Camulodunum).

² This and the section of the turnpike down the east side of the Darent valley, linked by a short section of Otford High Street, remain the principal north-south route through the area, as the A225

³ The principal demesne field of the manor in the 13th century: Hewlett 1973, 104-5

Agenda Item 6

2.2.2. Traces of an Iron Age occupation site have been found near Otford Station (Fig 1).⁴ This is also close to the second of two large Romano-British buildings located about 500m apart, east of the Darent and south of the 'Pilgrim's Way' (Fig 1, R1, R2). Current understanding is that the eastern one⁵ was occupied primarily in the later first to second centuries, succeeding the iron age settlement, while the western one belongs to the third and fourth centuries. This implies that one succeeded the other as the main house ('villa') at the centre of an extensive agricultural estate, although some estate activity probably continued at the earlier site.⁶ West of the Darent, agricultural buildings (but still in part of masonry) may be part of another working estate centre (Fig 1, R3). The Darent valley is notable for its distribution of villas, including Lullingstone, about 6km north, and Darenth, about 12km north.⁷

2.3. Period 2 The Anglo-Saxon and Norman manor

2.3.1. The western, later, villa building did not follow the usual trajectory of abandonment to ruin in or by the early 5th century, as Roman rule ceased, but instead seems to have been deliberately demolished for its materials late in the 4th century. A Saxon burial from the west side of the Darent in Otford belongs to the second phase of Saxon migration into Kent, beyond the coastal strip and into the Vale of Holmsdale c525-600 (Fig 1). Otford re-emerged as the centre of an early Anglo-Saxon royal estate, but from its church being historically a chapelry of Shoreham⁸ it seems that the ecclesiastical centre of the estate, the minster church, was in what is now the parish to the north. The extent to which proximity represents continuity rather than geographical advantage is unclear; but the only middle Saxon occupation evidence to date⁹ was found close to the eastern Roman villa building.

2.3.2. Within the pre-Norman conquest organisation of Kent, Otford was in the Lathe of Sutton-at Hone and the Hundred of Codsheath. The earliest record of the place-name occurs in the *Anglo-Saxon Chronicle* s.a.773. Its origin is uncertain, but Wallenberg came down in favour of derivation from a continental personal name *Ot(t)a*.¹⁰

2.3.3. King Offa of Mercia defeated Aldric King of Kent at Otford, and in 791 Offa gave the royal manor of Otford to the [Cathedral] church of Canterbury. It largely remained in their hands until Archbishop Lanfranc in 1070 divided the church's lands between the cathedral convent and the archbishopric, reserving Otford for himself and his successors. The manor by 1086 was large (159 households) and valuable (£60 per year).¹¹

⁴ Rayner in Sadarangani 2005, 44-45 – the small amount of pottery recovered seems to span the period

⁵ The 'Progress' villa; see *Kent Archaeological Review* 25 (1971) and references cited.

⁶ *Ex Inf* Kevin Fromings, who is leading excavations for the West Kent Archaeological Society

⁷ Andrews in Lawson & Killingley 2010, 20; Philp 1984 for Darenth

⁸ Lambard 1576, 267

⁹ Aceramic, dated by radiocarbon; see CAT 2017

¹⁰ Wallenberg 1934, 58-9

¹¹ Clarke & Stoyel 1975, 43-6

- 2.3.4. While the logic of locating the manorial centre above (east of) the flood plain, in the angle between two significant early routeways, is obvious, there is little to suggest why the precise site was chosen. A natural spring-fed stream from the east, later St Thomas' Well, and another from the north-east, could well have been influential. Archbishop Warham's great entrance façade and gateway to his palace make clear that the principal approach to the house in the early 16th century was from the north, and that was probably true from the outset.
- 2.3.5. The church has a pre-conquest masonry phase, incorporating recycled Roman material, and so was established on its present site by the early 11th century. The manor house was certainly on its medieval and subsequent site by the late 11th – 12th century. Domestic rubbish of that date was found tipped on the south-east corner of the 'island' within the earliest moat, suggesting that the kitchen was nearby.¹² Some tile, *opus signinum* and a few potsherds from the moated area suggest use of material robbed from the nearby Roman sites, but no substantial Roman activity. A recycled early 12th century capital suggests the date of the earliest masonry building on the palace site, and later 12th century use is indicated by six papal bullae of 1181-7 found in a masonry drain backfilled in the early 13th century,¹³ and probably associated with a water management system that is addressed at section 2.6.
- 2.3.6. There is nothing but legend to associate Thomas Becket (archbishop 1162-70) with major work to the manor, although there was evidently a comfortable, if by later standards modestly-sized, house at Otford in his time. His attachment to the place is evident from largely apocryphal stories from later generations, but there seems no reason to doubt the underlying truth of the association.

2.4. Period 3: The Medieval House

Origins and development of the moated house

- 2.4.1. Documentary sources show that Archbishop Boniface (1249-70) made some additions and built a new hall. In the late 13th century repairs are documented to the hall, lord's chamber, and outbuildings (the latter not necessarily within the same enclosure, but probably adjacent to the east, where later there were certainly service buildings): stables, the great granary and an oxhouse.
- 2.4.2. The earliest feature located in the 1974 excavation at the south-east corner of the moated area was a shallow wet ditch, 5.75m wide, in sequence the earliest of three moat cuts (Fig 2). Its primary fill contained 13th century pottery and it was open until around the middle of the 14th century. Whether it was dug around a pre-existing building group or is a primary feature of this site is unclear.
- 2.4.3. In the mid-14th century the island was enlarged; a new ditch was dug beyond the original one, which was filled. A building, c16.7m long, was built adjacent to the

¹² Philp 1984, 140

¹³ Chewley, G, *Kent Archaeological Review*, 1970, 3; Found 1969, HER TQ55 NW49; Ward 2017, 37-8

Agenda Item 6

edge of the new moat, with massive foundations about 2.9m x 2.5m at each corner and a pair of garderobe chutes in the centre, all in distinctive yellowish mortar. There was no connecting foundation so the superstructures between them were probably timber-framed. The plan suggests a pair of lodgings each probably (given the width) comprising an outer and inner chamber, with garderobes to the inner chambers,¹⁴ the building two storeys high with newel stairs at the corners. Edward III spent Christmas at Otford in 1348, the see being vacant, which might provide a context for this work.



Fig 2 Elements of the earlier medieval house, in relation to modern development and (in red tone) known elements of the early 16th century palace. A, earliest moat; B, mid-14th century lodging range; and C, its associated moat, superseded by Warbam's new south-eastern extension to the moated island

2.4.4. Otford seems to have been damaged in the Peasant's Revolt, extensive repairs being undertaken in 1382-3 by Archbishop Courtenay, who again rebuilt the great hall.¹⁵ However, Philp's excavation report on the south-eastern quadrant makes clear that here at least there was no curtain wall within the moat.

2.4.5. Otherwise little is known of the plan prior to the 16th century reconstruction. Two building alignments which do not conform to the 16th century extension at the south-east corner, however, probably originated in the medieval alignments of the hall (rebuilt yet again by Bishop Bouchier in 1482-3) and the chapel, both of which were retained, at least in part, in the 16th century work. The hall lay east of the centre (with its low end to the east, at least in the 16th century) and the chapel towards the south-west corner (Fig 2).¹⁶

¹⁴ The pits are wide enough to have had divisions carried on arches at higher level

¹⁵ Philp 1984 note 198, LPL MS 835

¹⁶ Stoyel 1984; and see below, Section 2.5

Context of the moated house

- 2.4.6. Warham's outer court entrance front suggests an axial approach to the gateway from the north, passing between the Court Hall and the church tower, and closely related to several surviving property boundaries (Fig 13). The Court Hall, built c1330-50 (west of the church) over a covered ground floor open space, is a building type most commonly associated with market places. There is no record of a market at Otford, but a probable context for the hall is a long-established fair held at Otford on the anniversary of St Bartholomew (24 August),¹⁷ to whom the church is dedicated.
- 2.4.7. Although latterly a house within a garden curtilage, the obvious context for the Court Hall is fronting a once more extensive green on which the fair was held (Fig 13). The later development of the area north of the moated site suggests that it originated as a large green or common in the angle of the roads, with the church standing within it, and the moated manor house fronting its south side. The present small green, recorded as manorial 'waste' in 1844,¹⁸ seems to be the last remnant of this common, reduced by successive encroachments, probably including Warham's own outer court. The block of tenements (blue on Figs 1, 13) is likely to be early.
- 2.4.8. The medieval manor house lay at the centre of a large estate, which eventually contained two parks, the Great Park stretching to the south towards Sevenoaks and the Little Park to the south-west.¹⁹ In the 15th century there were multiple entrances to the moat island, as well as the northern entrance which the later development of the site suggests. A new bridge was built on the south in 1410-11, an east gate is mentioned in 1431-2, and a new entry to the west of the Lord's Chamber in 1439-40.²⁰ A west entry would have been direct from the Sevenoaks road, the east entry is explained by the service areas being on that side; a gate on the south probably served the park.

2.5. Period 4: Archbishop Warham's transformation*The context and chronology of Warham's work*

- 2.5.1. William Warham (b1450? – d1532) came comparatively late to high ecclesiastical office, becoming Bishop of London in 1501 before his translation to Canterbury in 1503, by which time he was already over 50 years old. Secular high office followed, as Keeper of the Great Seal (1502) and then Lord Chancellor (1504), only to resign, not entirely of his own volition, in favour of Wolsey in 1515. Of modest origins in London, he was well educated (Winchester and New College, Oxford) and well-travelled in Europe, especially France and the Low Countries, in royal service.
- 2.5.2. Before he took up the archbishopric he is not known to have been a patron of building, and only began remodelling Otford on a princely scale when he was

¹⁷ Noted by Lambard 1576, 50, 375, Hasted 1778; but not mentioned in Samantha Letters, *Online Gazetteer of Markets and Fairs in England and Wales to 1516* <<http://www.history.ac.uk/cmh/gaz/gazweb2.html>>

¹⁸ Tithes award and map, Kent Archives CTR/279A, B

¹⁹ Noted in Lambard 1576, 48

²⁰ Philp 1984 notes 199-201, from LPL MS 835, 846, 860, 865

Agenda Item 6

around 60 years old.²¹ This followed his start on works at Knole in 1504, a house purchased by Archbishop Bouchier in 1456, initially for himself but presented to the see of Canterbury in 1480.²² Otford became a house for show and the entertainment of noble guests, on a main road from London to Canterbury; but Knole, for Warham as well as Bouchier, provided a secluded retreat from public office. It is therefore not surprising that Warham carried on major work at the two houses in parallel, along with modifications to other archiepiscopal houses, including Maidstone.²³ Common details suggest the same, shared team of craftsmen was involved. In his will, Warham stated that he had spent £30,000 on new buildings, building works, repairs and refurbishments of the manors and houses of the archbishopric. It is a widely-accepted assumption that much of this was applied to Otford.

- 2.5.3. A reference in Warham's correspondence with Erasmus in 1514, to 'spending money every day to have stones brought to my buildings' may well include work at Otford, but there is little to support the commonly-accepted view that it marks the start of major work. It is more plausible, given that Warham stated (in 1526) that Otford was 'ruinous by neglect' when he inherited it, that he began work earlier, perhaps spurred by the accession of Henry VIII in 1508. It probably began with the major extension in the south-east corner, providing lodging ranges flanking a three-story lodging tower. The garderobes of the modest lodging range that they replaced (or which had possibly long gone) appear to have silted by the early 15th century.²⁴
- 2.5.4. Henry stayed at Otford on 24 September 1514, and quite possibly the extension was complete by then, although he could of course have taken over the archbishop's chambers.²⁵ But Warham's choice of Otford over other possible houses to entertain the papal ambassador, Cardinal Campeggio, and his large retinue for two days in 1518 certainly suggests that the remodelling of the original core of the house appeared complete by then, incorporating the relatively new hall (1482-3) and the chapel, which had probably become associated with Becket, with whom Warham personally identified.²⁶
- 2.5.5. Erasmus, writing in 1523, and a frequent guest in preceding years, implies that the house within the moat was complete by then:
- Nor should I have found it very attractive before William Warham, the present archbishop of Canterbury and primate of all England, [...] had built there on such a scale that he seemed not so much to have restored an old house as to have raised a new one from the ground, so little did he leave of the old palace beyond the walls of some hall or other and of the church* ²⁷
- 2.5.6. While major sections of the south (park) and north (entrance) fronts seem to have been bought to some degree of coherence, the irregular outline of the moated area

²¹ Scarisbrick 2004; Gregory 2010, 97; see Gregory 2015 for his character and motivation

²² Gregory 2010, 23

²³ Gregory 2010, 110

²⁴ Philp 1984, 144

²⁵ Gregory 2010, 115; Mynors & Thomson 2, 276-77

²⁶ Their retention is confirmed by Lambarde (1576, 375)

²⁷ Erasmus Ep. 1400 see Mynors & Thomson, 10, 122

and multiple alignments of inherited building blocks indicate that elsewhere there was limited coherence, confirming Erasmus's implication that apart from the south-east extension, the rest was the result of piecemeal adaptation and rebuilding.

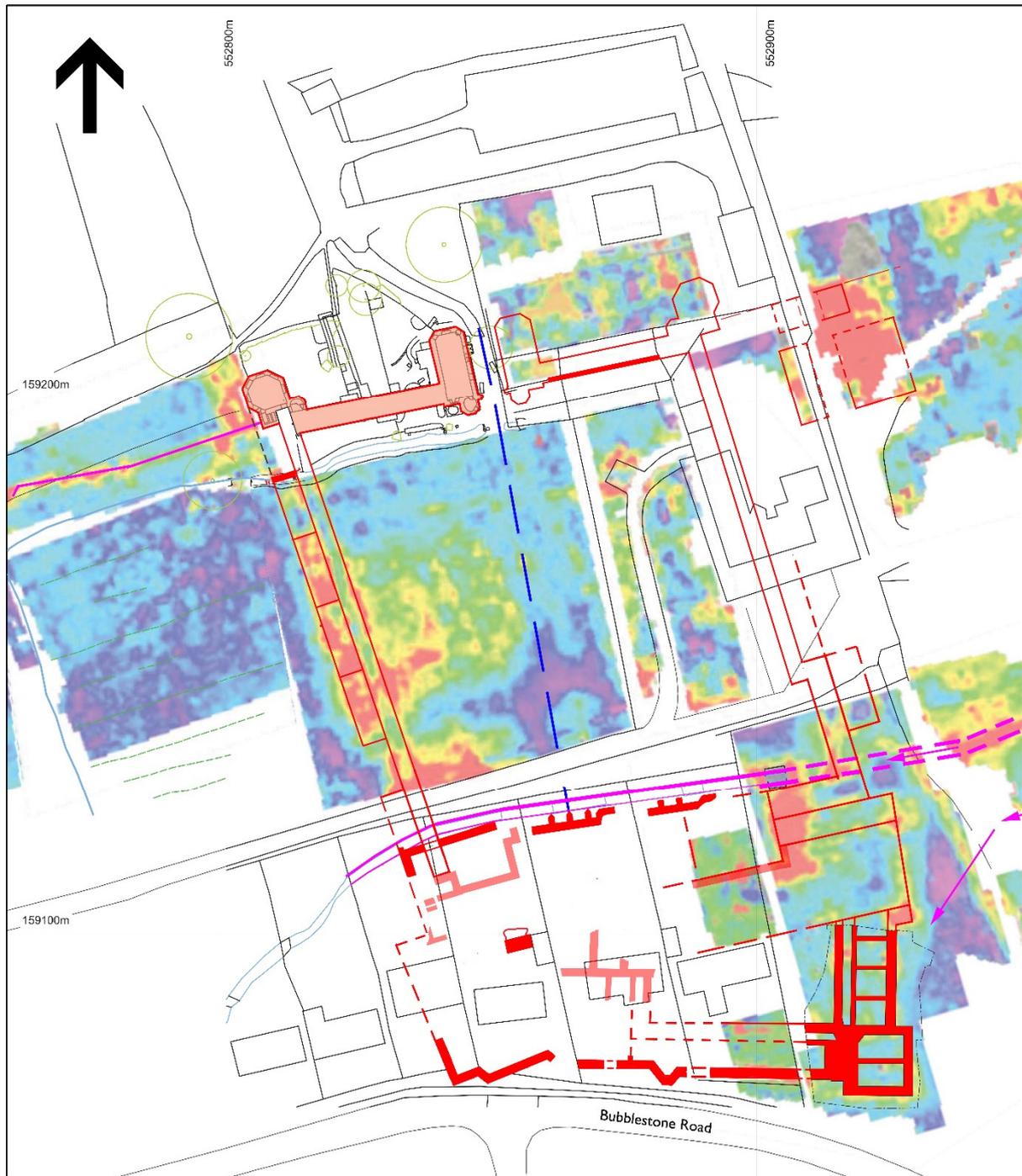


Fig 3 Overall plan of the Tudor palace against a background of geophysical survey (West Kent Archaeological Group; overlay Canterbury Archaeological Trust; with additions and interpretation) which provides useful evidence for the western outer court range and the eastern parts of the moated core not excavated by Philp; 100 m grid superimposed. The dashed blue line joins the entrance gatehouse to the moat bridge

2.5.7. The awkward planning of the outer court, skewed to reconcile the grand axial approach with the irregular plan of the moated core, suggests that the latter was conceived after the plan of the moated inner core was largely settled. This is especially clear from the location of the entrance bridge across the moat (indicated

Agenda Item 6

by piers continuing the simple chamfered orders of the arches), well to the west of centre of the pile of building on the moat island, resulting in a diagonal approach across the courtyard (Fig 3). Conceptually and to a large extent chronologically, the outer court must represent a second phase, complete by 1526 when Warham stated that formerly the *'buildings were ruinous by neglect, but now sufficiently repaired and enlarged and a great house has been built with galleries and towers, and various new gardens have also been created'*.²⁸

- 2.5.8. Erasmus may have been writing from memory in 1523 so work on the outer court could have started earlier. Soon after Henry VIII and Catharine of Aragon stayed on 21 May 1520, on their way to the Field of the Cloth of Gold, masons are known to have been present at Otford. The only specific reference to work at Otford in the (incomplete) surviving Receiver's accounts is in 1524-5, to £80.10.7 for unspecified building works.²⁹ This is a substantial sum which, on this interpretation, would fall around the completion of the outer court with its *galleries and towers* by 1526.
- 2.5.9. The evidence therefore points to two principal building periods, the first relating to the extension and rebuilding of the inherited house enclosed within the moat, of which the major extension at the south-east corner should fall early within a programme of incremental work. The whole was complete by 1523, probably by 1518-20, with the lodging ranges extension to the moated core early in the process, perhaps after 1508; work was certainly in progress in 1514. The outer court was probably added in a second phase, c1520-25, certainly complete by 1526, although adjustments to the inner court would likely have continued in parallel with its addition.

Key documentary descriptions

- 2.5.10. The earliest (but undated) survey of the manor is recorded in a transcription made in 1927 from an original then in private ownership.³⁰ It refers (p10) to a knight's fee held by 'the Pryor of St Mary Overy by Lunden', which places it before the latter's dissolution in 1539. It also refers to the moat, which the archaeology shows was filled in the 16th century, an intervention for which the only plausible context is the works in 1541-6 following Henry VIII's acquisition of Otford (Section 2.7 below). Its context seems to be Henry's contemplation of acquiring Otford during 1537, since unlike a normal manorial survey it extols the virtues of manor, particularly for deer coursing, hawking and hunting, and notes *'Also there be personable and able men within the said Towne of Otford to doo the king's service 40'*.³¹ The house described in the document is therefore as it stood before Henry's interventions, c1537.
- 2.5.11. Later surveys, essentially concerned with the deteriorating condition of the palace in the decades following Henry's death, inevitably reflect how Henry had used, or intended to use, his new palace. Of those surviving and legible, the earliest was made

²⁸ Gregory 2010, 117; Canterbury, Ch. Ch. Cant. Reg. T. (f.272); Translation from Gregory 2015, 33; see also Hesketh 1915, 5

²⁹ Gregory 2010, 113-4

³⁰ The typescript, now in Sevenoaks Library, was copied by Major C Hesketh, aided by a transcription by Gordon Ward, MD; both were active local historians. Stoyel (1984, 260) dated it to 'c1541' without stating his reasons

³¹ With 50 more in Sevenoaks and 30 in Shorham, both parts of this large manor

in 1548,³² and the next in 1573,³³ both itemising necessary repairs; the last in 1596³⁴ is an inquisition which summarises (without detail) estimated repair costs (£2,300.7s) and assesses the salvage value of the materials of which the house was built (£1,837.13.4d).

The main house within the moat

2.5.12. The 1537 survey describes the spring-fed moat, with buildings within it, enclosing the moated Inner Court. Within it was the hall, '*invirowed aboute with Galeries and Towers and Turrette of Stone and the Chappell embatiled and parte covered with leade*' with other '*houses of office bilded of stone with leade and tyle wherein be lxxi chambers with chimneyes whereof xviii selide with waycott and fower above with knotte gilt*'.³⁵ The Inner Court was entered from the north by a timber bridge over which '*is the forebay or forefront of the Galerye well edified and bilded of free stone with large oute caste of baywindows after an uniforme plan by all the Northe Part of the said mote, verye pleasunte to the prospecte and view of the said sighte*'.

2.5.13. The names of the rooms in the 1548 survey reflect the use of the building as a Henrician palace, listing a '*Gallerye at the upper end of the same halle besyde the Seller*'; the '*greate chamber of presence*' and the '*kynges pryve chambre*'; the '*Quenes pryve chambre*' and an adjoining lodging; '*my ladye maryes chamber*'³⁶ and '*my ladye of Southffolkes lodgyng*'; and '*the pages chambres*'; '*the Newe Gallery*'; and '*one little Gallerye there bytwene the greate Gallerye and the Ketchyn*'. All of these lay on the upper floor, directly below leaded roofs, much of the lead being missing or decayed. The '*dyverse & severall gutters*' between the great and privy kitchens were also much in decay.

2.5.14. Although long post-dating alterations to structure or room use made by Henry VIII for royal use, the 1573 survey best illustrates the general layout of the main house, the surveyor arriving via the east outer court gallery and generally working anti-clockwise around the parts that needed repair. The sequence, which can be followed on the outline plan of the inner court, reconstructed from the surviving and recorded walls³⁷ (Fig 4), runs as follows:

- A gallery leading from the east outer court gallery to the east end of the hall; the leads between it and the Green Gallery; under that is the buttery, privy kitchen, surveying place, scullery and larder
- The hall
- Leads over the great chamber, with leads south and north over sundry lodgings and three towers adjoining with lead roofs
- Leads over the presence chamber and privy chamber with two turrets and sundry lodgings under them
- Leads of the Green Gallery, leads adjoining the hall on the west end, lodgings under them

³² TNA E 10-1/497/4, 15 July, 2 Edward VI, taken by William Hyde, largely printed in Hesketh 1915, Appendix 1

³³ TNA E178/1100, 28-29 April, 15 Elizabeth I, largely printed in Hesketh 1915, Appendix 2

³⁴ BL MS Lansdowne Vol 82, ff117-122, 13 December, 39 Elizabeth I

³⁵ Presumably 18 chambers panelled in oak wainscot, four of which had ceilings with gilded knot patterns

³⁶ Princess (later to become Queen) Mary was assigned her own lodging at Otford in 1543: Thurley 2017, 255

³⁷ By excavation and through geophysical survey

Agenda Item 6

- Schoolhouse butting upon Great Chamber (proposed to be taken down)
- Lodgings at the east end of the hall over the scullery, pantry and surveying place
- The chapel, with the wardrobe under
- Flat roof with a turret on the south side of the chapel and the lodging under it
- *'uppon the south parte of the hall a courte wheryn ys sundrye lodgings with open galleries and a towre of thre storyes highe'*
- Great Kitchen; pastry, two wet larders, three dry larders with chambers over them.

2.5.15. Apart from the small courtyard, the 71 chambers must have made for a very tightly-built island with light wells. From the surveys it is evident that most of the buildings were of two storeys, with lodgings and service rooms at ground floor level, under the high-status rooms above, the latter mostly directly under flat leaded roofs. The principal apartments were west of the hall, no doubt beginning with the great chamber accessed by a principal stair from the dais end. They were probably connected by the Great Gallery (probably synonymous with Green Gallery) behind the north front. This front seems, despite the off-centre bridge, to have had a central section with bay windows, uniform at least above the entrance level, flanked by plainer blocks, on the west at least set slightly forward, suggesting a resemblance to towers clasping the main range. The c1537 survey is relevant here, describing the outer court galleries as *'enclosing the said Courte east and west leading from the said Courte to certain towers bylded within the mote on the southe....whereof the one galerye is a Pryvie Galerye, all those above and beneath leading by the garden to the Great Chambers...'*

2.5.16. There is little clue as to how these arrangements were adapted after 1537 to provide the adjacent King's and Queen's lodgings evident in the 1548 survey. The Great Chamber may have functioned as the Guard or Watching Chamber, from which opened two apartments contrived in parallel, ending in privy lodgings which probably came together to link to the west outer court gallery, which was called the privy gallery from as early as c1537.

2.5.17. The lodging ranges around the south-eastern courtyard were united at the corner by a square tower breaking forward on both elevations. The 1573 survey notes that the tower was of three storeys; the flanking lodging ranges were presumably of two.³⁸ The architectural language, as well as the building materials, was probably similar to that still extant in the outer court, and the stonework to its plinth is identical, but from the c1537 survey, the superstructure was also of stone rather than brick. This was a coherent, orthogonal new building, cutting diagonally across the underlying medieval structures and moat. Northwards, from geophysical evidence, the east range made a very awkward junction with another block on a quite different alignment, apparently that of the retained medieval hall to the west, and it, too, extended eastwards across the pre-16th century moat (Fig 2). This block housed the great kitchen, to the east of the hall, flanked on the south by the pastry and five larders all with chambers over them, and on the north by the privy kitchen, with the buttery, surveying place, scullery and larder adjoining, all necessarily being below the screens passage of the hall.

³⁸ TNA E 178/1100; Stoyel 1984, 274

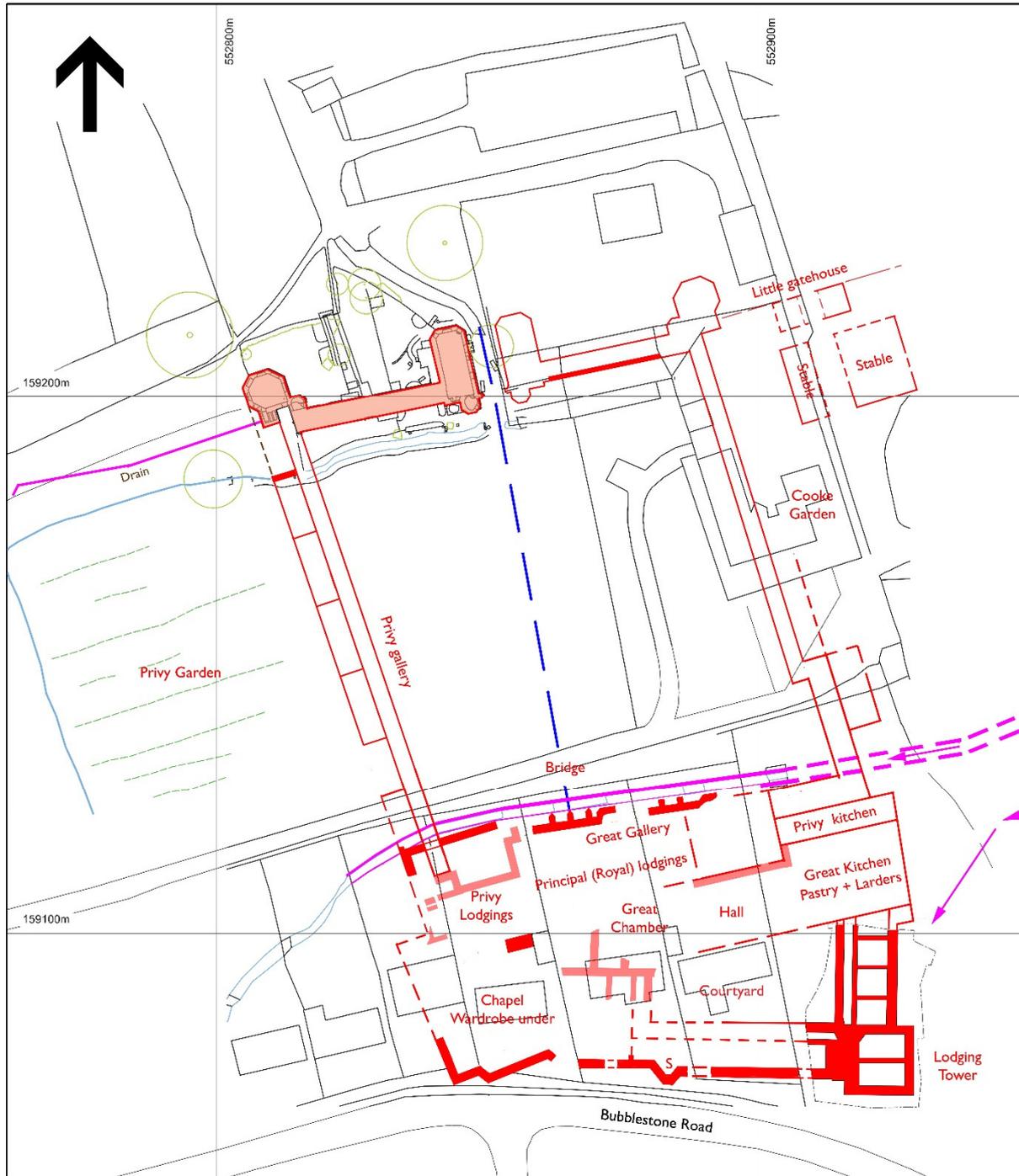


Fig 4 Overall plan of the Tudor palace against a background of modern topography; 100 m grid superimposed. Standing buildings shaded orange; excavated or standing walls shown solid red; walls suggested by geophysical survey by thin red lines; recorded but unverified walls shown in red tone; culverts in purple. The dashed blue line joins the entrance gatehouse to the moat bridge

2.5.18. The south lodging range seems to have extended westwards from the tower as far as the surviving base of a stair turret.³⁹ Walls which still stood as ruins to be recorded on ordnance survey plans down to 1938 suggest that the gallery/ cloister returned along the west side of the courtyard to meet a block beyond hall range. Westwards beyond the stair turret the frontage wall continues in the same construction and alignment, but not quite the same line, as far as the section at the corner that seems to reflect the alignment of the chapel, although the chapel itself had a flat-roofed

³⁹ A south entrance may have been incorporated given that one was recorded on this side in 1410-11 (2.4.8)

Agenda Item 6

lodging flanking it on the south. The chapel unusually was at first floor level, separated by a timber floor from the wardrobe below.

The outer court

2.5.19. The western half of the north range of the outer court survives up to first floor level, and the north-west tower approximately to roof level. Much of the plinth of the south wall of the answering range to the east survives, along with the lower storey of the west side of the central gatehouse. A sketch plan (Fig 5) of its first floor (with some dimensions) by John Thorpe survives from the beginning of the 17th century, and this range centred on the Great or Principal Gatehouse is easily identifiable in the surviving (written) surveys. It is also the principal object of this *Statement*, since substantial intervention is contemplated. It also provides evidence about the form of Warham's building that is qualitatively much more informative than the scant and little-explored remains of the main house, and therefore warrants more detailed consideration.

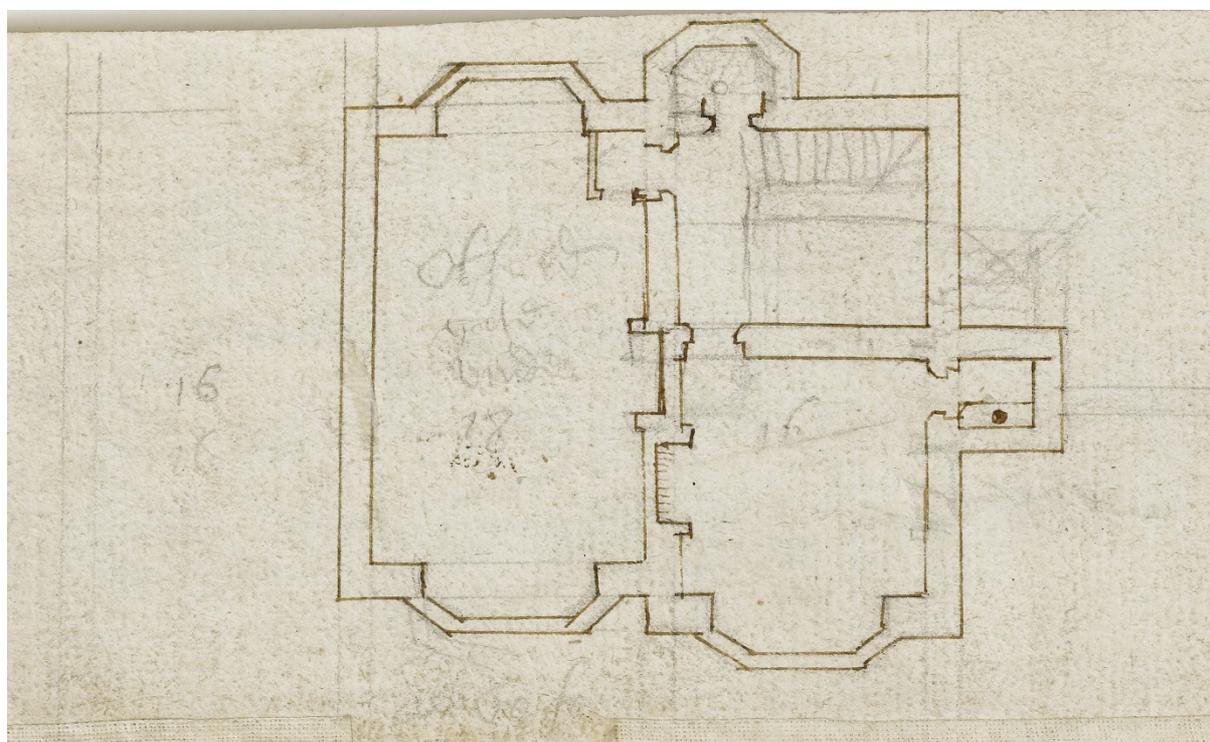


Fig 5 Sketch plan of the western part of the gatehouse at first floor level by John Thorpe, soon after 1605-6; north is at the bottom and the east block is shown only in pencil outline (© Sir John Soane's Museum, vol 181/182)

2.5.20. The outer court was trapezoidal in plan (Fig 4). The north range was symmetrical around the central 'great gatehouse',⁴⁰ of which the west block survives to just above first floor level. The approximate width of the gate passage is given by dimensions on John Thorpe's partial plan of the gatehouse from the early 17th century (Fig 6). The walls are thicker than those of the north-west tower, probably because of the need to accommodate fireplaces in the main walls. The towers were placed forward of the north range and the gatehouse projected yet further, to create an impressive entrance façade to what was a courtyard defined essentially by narrow galleries.

⁴⁰ Insofar as the trapezoidal plan allowed; the towers follow the alignment of the east and west ranges, and the lengths of the north gallery ranges were equal on their long axis, around which the block must have been set out

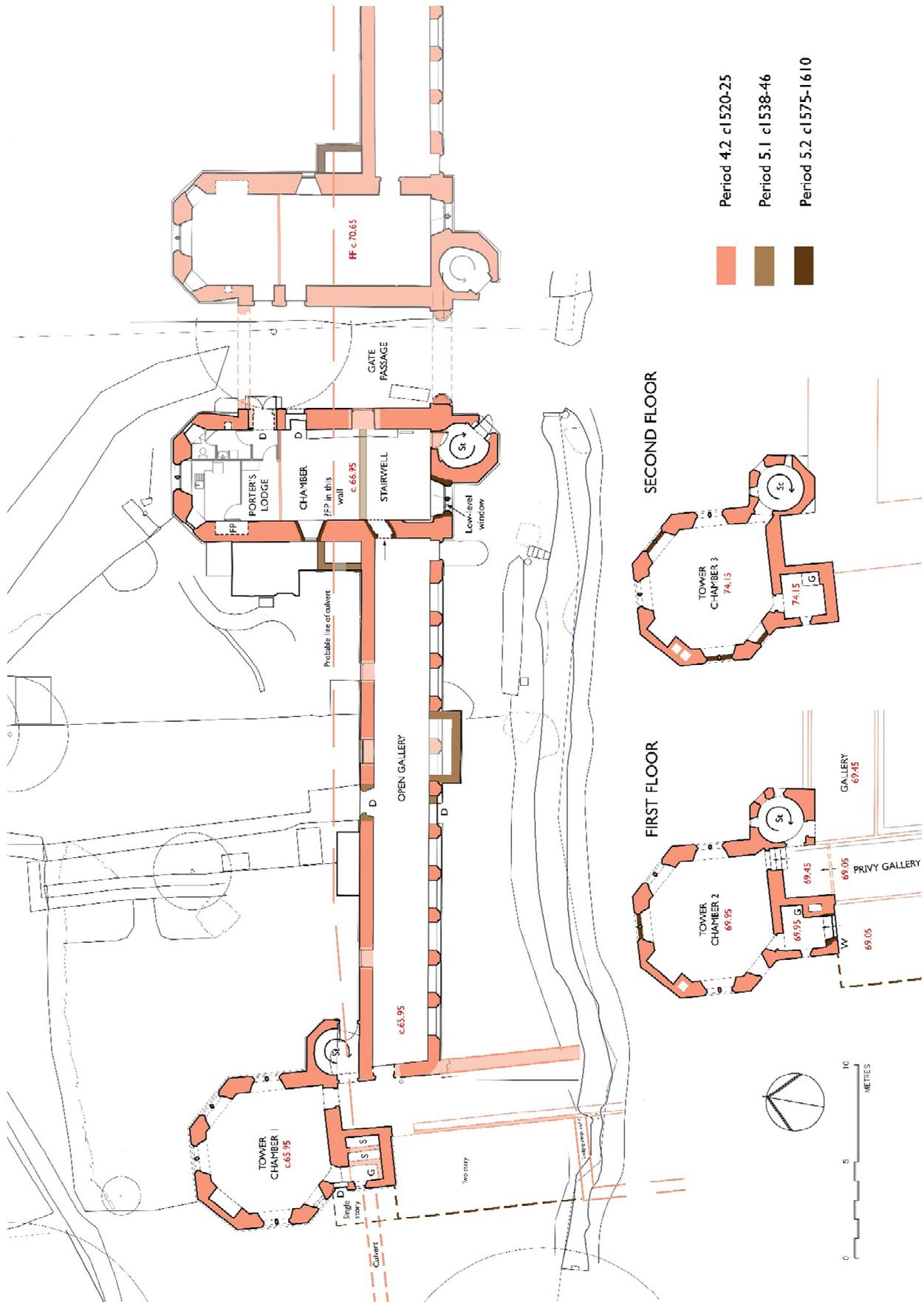


Fig 6 Phased and partly reconstructed ground plan of the surviving elements of the north outer courtyard range (base plan: TFP). Figures in red are historic floor levels in metres above Ordnance Datum Newlyn

Agenda Item 6

Offord Palace Conservation Statement

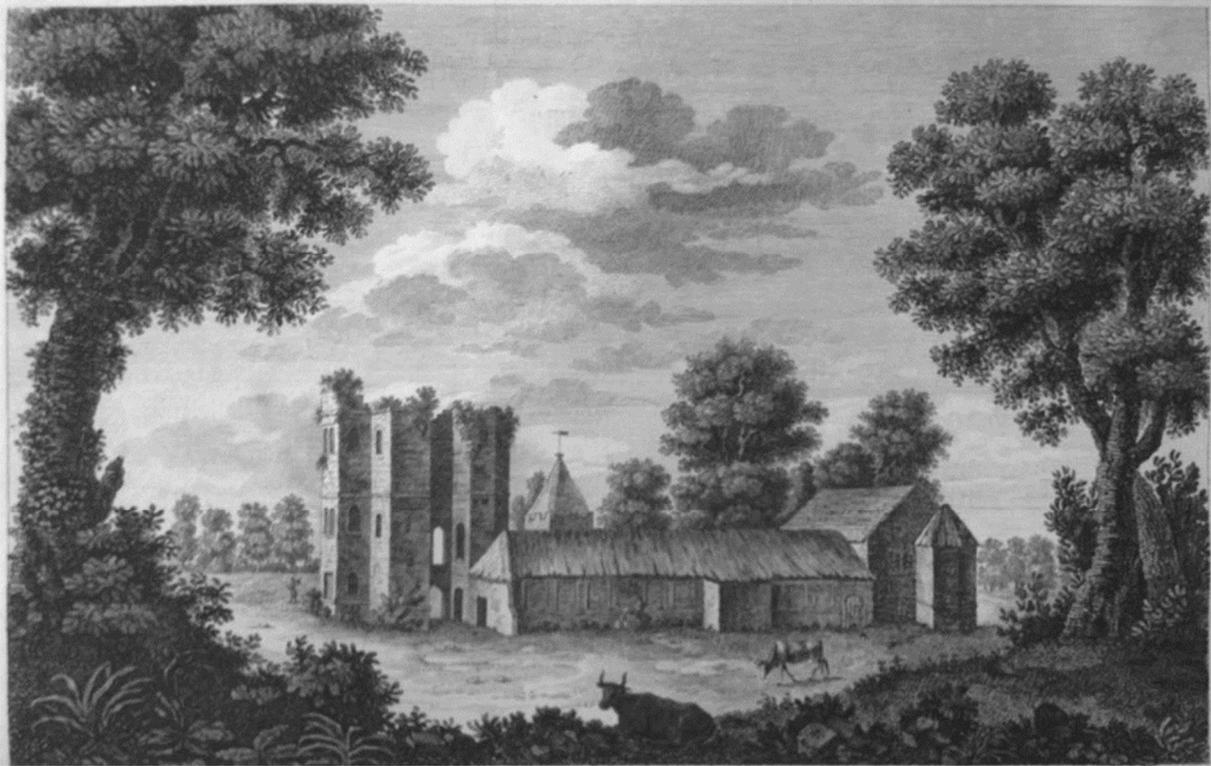


Fig 7 *The north-west range of the outer court c1775, as illustrated in Hasted's History of Kent (1778)*



Fig 8: *The north-west range of the outer court as it currently exists*

2.5.21. The surviving primary fabric is of a single build, the plinth of Kentish ragstone rubble, brought to courses and galleted, the walls above (unlike the main house) being of red brick laid English bond with ragstone dressings. The brickwork has cross motifs picked out in dark headers, and some areas of diaper patterning. It is clear from the narrow scar on the garderobe tower that the west wall of the west, gallery, range was timber framed, probably above a continuation of the stone plinth,

whose substantial rubble foundations survive in the stream to the south.⁴¹ The survival of the brickwork of the north range walls to a consistent level and the lack of scars above that level in early views points to them also being timber-framed, confirmed by the c1537 description of these galleries being of '*Stone and Tymber*'. Indeed, it seems that the entire structure of the linking ranges between the towers and the gatehouse, and to the east and west ranges, was timber-framed above first floor level, and the outer walls of those ranges were timber-framed down to plinth level.

2.5.22. Only the northern stubs of the west courtyard range walls survive above ground, but geophysical survey revealed most of the length of the west gallery range (Fig 3), recorded c1537 as 304ft (92.6m) long, placing its termination at a tower inside the moat, which it presumably crossed on a bridge.⁴² By c1537 there was a narrow block of lodgings set against the west wall of the gallery, with substantial foundations again clearly revealed in outline by the geophysical survey.⁴³ The survey also suggests a major structural division into four units, from which one would normally infer that with fireplaces on brick cross walls, there would be eight lodgings per floor, 16 in total. The 21 recorded in c1537 suggests that the remainder were either at the southern end in a separate block, the edge of which is suggested by the geophysical survey or within a garret storey. The lodgings were tiled (c1537), so definitely had pitched roofs, in contrast to the galleries which were leaded (1548). These lodgings interposed between gallery and garden may be a second thought.

2.5.23. A long narrow building apparently reflecting the footprint of much of the east range survived to be mapped in 1844 (Fig 9) and 1869 (1st Ed OS 25'' plan), and a wall incorporating much re-used material survives on part of this line. However, the 1869 plan shows that this building lay to the west of the Tudor gallery. It probably originated as a lean-to erected against the gallery, itself subsequently demolished, so that on the 1844 map it is the recess in the east side of the building that probably represents the footprint of the former gallery. There were nine windows in the east wall, facing the kitchen garden. This gallery was recorded c1537 as 228ft (69.5m) long, at the southern end the passage being continued (on the evidence of the geophysical survey) by another, slightly offset, along the west side of a building, presumably the gallery noted in 1573 as leading from the east courtyard gallery '*to the estend of the hall*'.

⁴¹ There is no obvious scar on the tower wall plinth but quoining of the angle above demonstrates that there was a door to the garden here, within the framing. These foundations, contra Austin (2016, 3) on the basis of a small shallow cut, are probably typical of the structure as a whole.

⁴² Stoyel 1984, 267; quoting c1537 survey from which subsequent documentary references in this section are also taken

⁴³ At one point the top of the west wall slightly protrudes through the grass

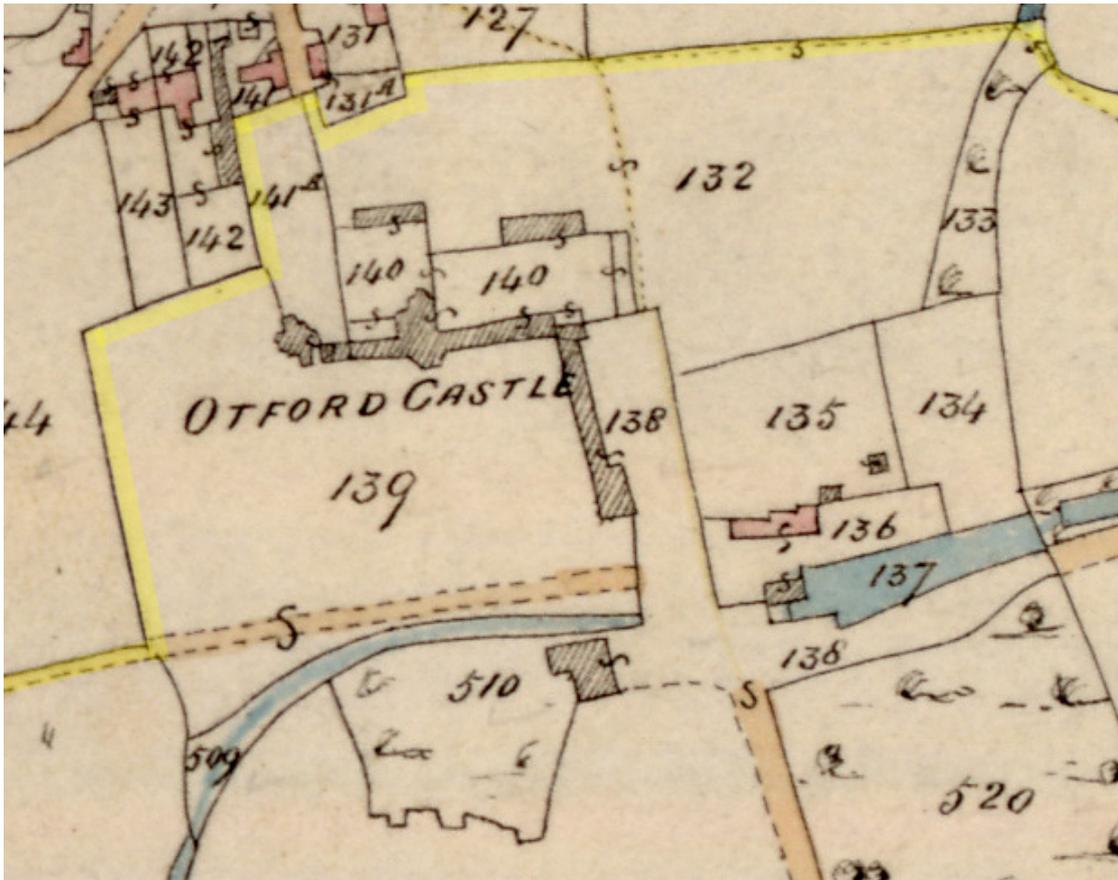


Fig 9 Detail of the palace from the Otford Tithe Map, 1844 (Courtesy of Kent History & Library Centre, Maidstone, CTR 279B). Lord Amburst's land outlined in yellow. 132, Little Mead (pasture); 133, Shaw; 134, Garden; 135, Orchard; 136, House and garden; 137, Pond; 138, Yard, road and buildings; 139, Palace Meadow; 140, Yard and buildings; 510, Ruins



Fig 10 Gatehouse: Blocked doorway and remains of a second doorway, much altered and enlarged, alongside; floor level was originally lower

2.5.24. The gatehouse had canted bays projecting to the north, flanking the gateway of which only a rebuilt scar survives on the existing structure (Fig 6). Immediately within what was the gate passage, the rere-arch of a doorway survives, later widened and the exterior destroyed; a very awkward position if, as one must assume, the outer arch of the passage was fitted with gates, one of which would open over the doorway. Adjacent to this is another doorway, the rere-arch identical, blocked but intact, with a three-centred head (Fig 10). Outside the gate the flanking walls are splayed inwards from just above plinth level, as if better to display the gateway but primarily connected with accommodating an oriel over it.⁴⁴ The moulded base of the south, inner arch of the passage survives *in situ*; its plan, with a rebate formed between the stone and brick jambs of the archway, indicates former gates,⁴⁵ as does the remains of plaster on the west wall of the gate passage, redolent of an internal space. On the courtyard side the passage was flanked by stair turrets, of engaged octagon plan, the survivor entered from the south-east. Internally it is much damaged, but it rose directly to the upper floors,⁴⁶ with the stair probably built solid to door head height, with stone treads above, like that serving the tower.

2.5.25. The pair of adjacent doors in the side of the gate passage indicate an internal partition between them; there are suggestive shadows of a timber-framed one on the walls. The north chamber is likely to be a porter's lodge, generously lit through three windows in the north wall.⁴⁷ Surviving primary plaster and a refaced zone place the first-floor structure directly above the higher (side) primary window lintels, with first floor level being about 3.7m above estimated original ground floor level (3.5m above existing).⁴⁸ There was a fireplace on the west wall, indicated by part of its relieving arch, and a lamp recess or cupboard, now blocked, adjacent to the door.

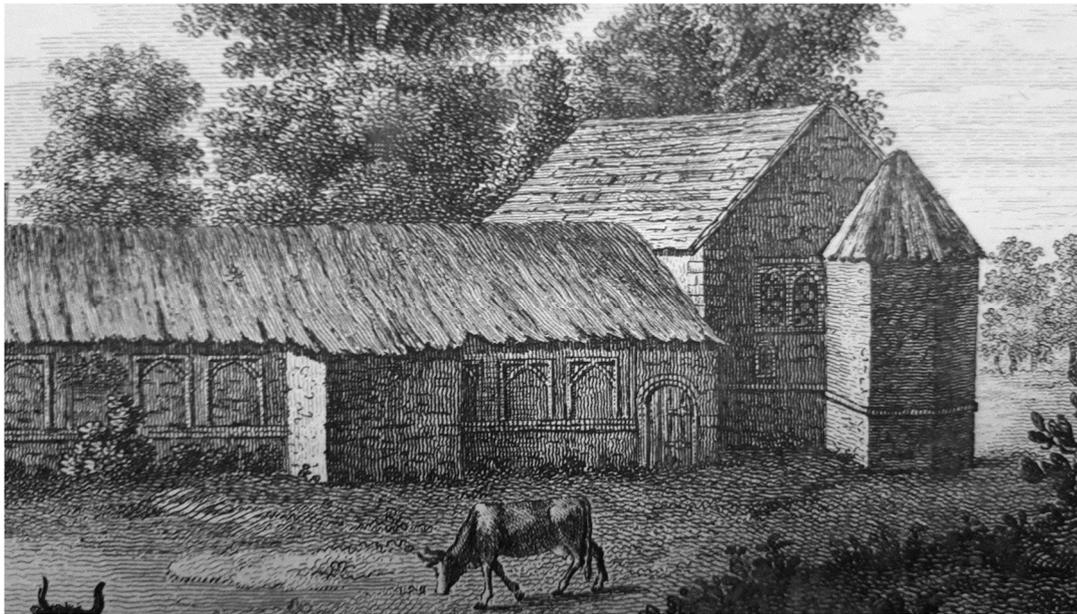


Fig 11 Enlarged extract of Fig 7, c1775, showing detail of east end of gallery and gatehouse

⁴⁴ Diaper patterning of the face shows that this is not due to post-1520s alteration; Thorpe's plan confirms an oriel window over

⁴⁵ Gatehouses with doors at both ends of the passage are more common in medieval castles

⁴⁶ The door to the chamber is a later cut

⁴⁷ The small window at high level in the centre is a late re-siting

⁴⁸ Evident at the original doorways; the floor levels were 66.95m and 70.65m above ODN respectively

Agenda Item 6

- 2.5.26. The southern, larger, chamber (sub-divided later: 2.7.14) was originally entered only from the gate passage (Fig 12), separately from the putative porter's lodge. There is no clear evidence of a fireplace, but the west wall face is much patched. It was probably lit only from a two-light window one in the south wall, set lower than it now is.
- 2.5.27. Thorpe's plan at first floor level (Fig 5) shows a single large chamber over the gate passage, with an oriel window at either end, accessed by an internal porch from the southern of two compartments in the west block. The north compartment had a fireplace and (secondary) garderobe. His sketch plan shows a masonry wall between the two compartments, but the evidence from the fabric at ground floor level suggests that the divisions were of timber and not necessarily corresponding on each floor.⁴⁹



Fig 12: Gatehouse: Blocked doors from gate passage (left; for outside see fig 10) and west cloister (which appears to be secondary)

- 2.5.28. The ceiling of the large room over the gate passage is likely to have been high, for the 1573 survey⁵⁰ refers to three roofs over the gatehouse, suggesting that the centre block was of a different height from the flanking ones, most likely one tall storey over the gateway being flanked by three-storey towers, a smaller scale version of Wolsey's Great Gate at Hampton Court of 1522.⁵¹ From the 1537 survey, the roofs were leaded flats, surrounded by a crenelated parapet, the stair turrets presumably continuing upwards to access the tower roofs.

⁴⁹ Unless a brick partition wall was inserted in the later works and has left no trace above ground

⁵⁰ Hesketh 1915, 18

⁵¹ Thurley 2003, 19. The 1537 survey records 15 chambers with chimneys in the north range. There were 3 in each of the towers (assuming symmetry); in the gatehouse the plan (Fig 6) suggests 4 at ground floor level, the Thorpe plan (Fig 5) 3 at first floor level, leaving two at second floor level (one in each of the towers flanking the passage).

- 2.5.29. The gallery range, extending west from the gatehouse, was only about 2.8m wide internally.⁵² The ground floor formed a cloister open to the courtyard, with 11 bays of four-centred arched openings within square frames with sunk spandrels (Figs 8, 11). In contrast to all the other architectural details, these are formed wholly in moulded brick, with weathered brick cills set directly on the stone plinth. At the east end is a doorway, wholly renewed but present in all the early views (Fig 11) and anticipated in the layout of the cloister bays. Access into the cloister from the west was via a partly extant doorway in the west wall (see Fig 7), from the west cloister.
- 2.5.30. Over the cloister, the evidence points to an enclosed gallery, entered by a surviving doorway from the stair turret in the angle of the north-west tower and north range. Access from the first floor of the gatehouse tower might seem logical, but there is no sign of it on the Thorpe plan (Fig 5) or in the surviving base of the wall, and the floor levels of the cloister range were very different (see levels on Fig 6).
- 2.5.31. Less is known of the west cloister range other than it was narrower even than the north range; but since the wall defining the north-west corner of the courtyard returns in the same form, it is likely that the inner elevation was similarly treated, as an open brick cloister at ground floor level and an enclosed timber gallery over. A rebate which suggests the use of plank joists (and thus a flat ceiling) over the cloister is visible on the east wall of the garderobe projection of the tower.
- 2.5.32. At the north end at ground floor level, doors opened into the ground floor lodging of the north-west tower, the north-west cloister and, between them, the stair in the angle between tower and north range which gave access at first floor level to both galleries and upwards to the second-floor chamber. That the stair continued upwards, in a turret, to serve a flat roof enclosed by an 'embatiled' (crenelated) parapet over the tower is clear from sockets for the treads continuing the full surviving height of the shaft, to roof level. The plan becomes almost a full octagon part way up the second storey, as the south-west angle is weathered off.
- 2.5.33. At ground level opposed doors provide a passage through the stair turret to the exterior, the stair rising through 180° as solid masonry to the head of the east passage door, the (lost) stone treads alone continuing upwards. As well as conventional single light windows, the stair is lit by three quatrefoil ventilators in the north and east facets of the turret, in Caen stone, one of which was utilised broken from a larger unit, so all presumably recycled from an earlier building along with embellishments to the string course which defines second floor level.⁵³ The sloping site and disparate scales of the tower chambers and galleries complicated circulation from the stair at first floor level. Adjacent doorways gave access from the stair to the two galleries, demonstrating that must have been separated by a solid partition. Entry into the west or privy gallery was via a lobby, whose floor was built up above the structural floor. It was separated from the privy gallery proper by a partition, through or beyond which steps must have led down to the gallery. The

⁵²Based on assumptions about wall thicknesses. The c1537 survey states 12ft (3.7m: Stoyel 1984, 264) but this presumably relates to the upper timber-framed storey

⁵³ Austin 2016, 4, pls 9, 35

Agenda Item 6

abutment of the partition – or conceivably archway - is clearly marked by the absence of plaster from a strip at the corner of the garderobe tower. From this lobby steps in the thickness of the wall also led up to the first-floor tower chamber, its doorway being set on the inner face of the wall to accommodate them.

2.5.34. Each of the three tower lodgings is essentially similar, an irregular heptagon, with a window in each of the five external facets and a fireplace (smaller to the top floor) in the sixth, opposite the door. The floor to floor height was c 4m (4.2m to the middle storey). At the south-west corner, a projecting block contained garderobes. On the top floor this had a substantial closet with the shaft, once fitted with a seat, opening in the floor at the south-east corner; in the middle floor the shaft opened alongside the brick shaft from above. All had a window on the west and the first floor another in the south wall, all but the relieving arch removed by a later door (see 2.7.15). Both shafts had narrow ventilation flues in the south wall, which probably terminated in shafts like chimneys.⁵⁴ On the ground floor the garderobe took the form of a conventional narrow compartment, placed on the west side against the shafts descending from above. A narrow doorway gave access to a lobby direct from the exterior/ garden, but the partly surviving west jamb, dressed with stone, shows that the lobby always connected with the chamber.⁵⁵

2.5.35. Internal walls were generally finished with the usual thin lime plaster, much of which is still visible, but the (higher status) first and second floor tower chambers instead have regular bond timbers set in the inner face of the brickwork and sockets for oak dowels around the openings, both intended for fixing panelling. The first-floor room alone has evidence for internal window shutters;⁵⁶ all the windows had a single opening casement set outside the ferramenta. The upper floors were framed with 9” (230mm) deep plank joists (like the west cloister) either side of a diagonal bridging beam, which produces a flat ceiling.⁵⁷ The ground floor was laid with green glazed tiles on a thin mortar bed.⁵⁸

The environs of the courtyard buildings

2.5.36. The courtyard was regraded from east to west, leaving it gently falling both to the west and the south, most likely by building up the west side with imported material.⁵⁹ There is a sharply-defined terrace marking the western edge of the west range, but no clear sign of paths or other features.

2.5.37. In c1537 the west gallery was called the privy gallery, implying a direct connection with the privy lodgings – the archbishop's or king's inner sanctum. The lodgings attached to the range overlooked the Privy Garden, which the c1537 survey describes it as having '*four square alleys sett with all manner of quicksett on both side with dyvers knottes of herbes and in the same be trees of dyvers fruits and in the garden be three hylte houses of pleasure with seats...*' There is now no obvious physical evidence of a formal

⁵⁴ Austin 2016, 7

⁵⁵ But widened on the east, hence said to be cut through. The garderobe was separated from the lobby by a timber frame, the shadow of which remains

⁵⁶ Austin 2016, 5

⁵⁷ This is more likely with plank joists than downstanding bridging beams (contra Austin 2016, 4)

⁵⁸ Found by the Oxford and District Historical Society in excavation in 1983: Austin 2016, 4

⁵⁹ Since there is no corresponding terrace cut on the east

garden layout of this kind; lidar shows parallel shallow negative features aligned east-west, perhaps connected with drainage, and quite likely post-dating the garden (Fig 4). The western boundary may approximate to the present stream, since the ground is built up against its east side, while the north side is likely to have been in the vicinity of the buried culvert, an approximate westward continuation of the entrance front of the house. The 1573 survey refers to the 'pale aboute the prey walkes', confirming the absence of evidence for enclosing walls. More puzzling is that the c1537 survey goes on to describe 'poules wherein fysh may be preserved and kepte and sene running within the view', not evident on the ground, by lidar or by geophysical survey; is this a confusion with the fishponds to the east of the outer court, associated with the kitchen garden?

2.5.38. The east gallery in c1537 overlooked the kitchen (Cooke) garden, 'wherein be four square alleys sett about with quicksett [...] in the eastward side of the said garden a pair of Butts'.⁶⁰ Further south is the likely location of the woodyard, also fenced, associated in 1573 with a 'colehouse' and 'powltrye' [house]. Outbuildings here may be the origin of Castle House.

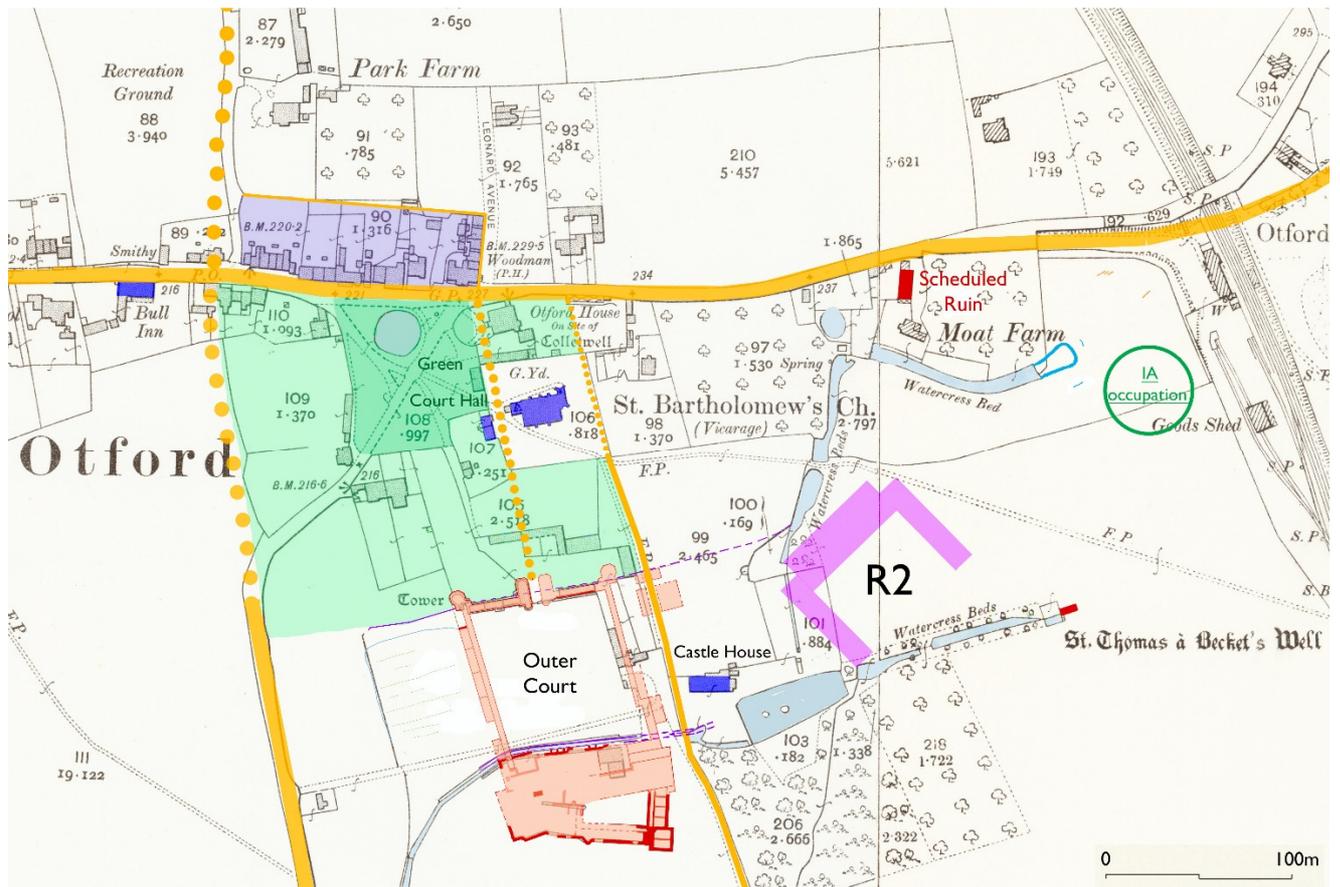


Fig 13 The palace in context, showing historic features including water management (enlarged extract from Fig 1). Existing green tinted mid-green; putative earlier green tinted light green; probable early tenement plots tinted dark blue; 3rd-4th century Roman villa R2 shown schematically in purple

2.5.39. To the east of the north range of the outer court, geophysical survey suggests a substantial building group. The 1548 survey, immediately following the description of the outer court gatehouse range and the gallery ranges, lists 'one little gate house

⁶⁰ For archery

Agenda Item 6

there' 46ft by 28ft (14m x 8.5m), and '*at the east end of the same gatehouse'* a stable 48ft by 40ft (24.4m x 12.2m). The 1573 survey adds a stable on the west side of the gatehouse. By then, '*very little remaynith butt the fowndacion'* of the eastern stable, and both texts make clear that all three buildings were timber-framed on brick foundations. Impliedly nearby was a timber-framed barn, 80 ft (1548) or 104ft (1573) by 40 ft, from the description (and width) aisled and probably lacking brick foundations. The gatehouse no doubt provided service access to the east side of the palace, along a route still reflected in the current footpath (Fig 13).

Architectural context and parallels

- 2.5.40. Of the inner courts within the moated island, we know little in detail of the layout or the architecture except for the south-east corner, which was a completely new element, reshaping this part of the moated island on an orthogonal plan. This suggests that it may have been intended as the start of a coherent reconstruction of the whole, save perhaps for the hall and chapel. That did not happen; the rest of the moated area remained irregular, with the main entrance notably off-centre on the north side of the house. The known walls follow at least two other alignments dictated seemingly by retained earlier structures, and probably the piecemeal nature of the later reconstruction work.⁶¹ Nonetheless, the projecting square corner tower, which rose from the water of a wide moat, suggests that externally the building was intended to evoke something of the air of a castle.
- 2.5.41. The outer court, by contrast, was laid out on largely open ground, the great gatehouse centred on an axial approach to the house. Beyond it, the east and west ranges were necessarily twisted eastwards to frame the front of the house, making the outer court trapezoidal. The entrance courts of other archiepiscopal and secular great houses of this period generally had lodgings arranged around corridors, like the south-east block Warham added to the moat island at Otford, (probably Archbishop Bouchier's) lost great court at Croydon Palace,⁶² and the outer court at Hampton Court (Thomas Wolsey, 1514-22).⁶³ Warham's south-east lodging block was, however, unusual in having, at least at ground floor level, an open cloister rather than an internal partitioned corridor.
- 2.5.42. The entrance court at Otford, however, was highly unusual in having, for the most part, the corridors without the lodgings; corridor galleries, of brick open to the courtyard on the lower level, and timber framed, enclosed, to the upper levels. Structures like this began to be constructed to take exercise and enjoy the views over gardens and the surrounding landscape from the beginning of the century. The one at Richmond Palace, first built for Henry VII c1497-1501 and rebuilt in 1506, in its final form had a timber-framed superstructure set over and against a brick garden wall; another opened from the privy apartments at Thornbury Castle (1511-31).⁶⁴ At Hampton Court, Wolsey's work of 1514-22 included a double-storied

⁶¹ To which later work by Henry VIII may have contributed

⁶² Faulkner 1970, 136-8

⁶³ Thurley 2003, 17-19

⁶⁴ For a discussion of these, including Otford, see Coope 1986, 45-8

gallery, open at the lower level, and extending about 60m eastwards through the gardens, sited on the opposite side of the house to the entrance court.⁶⁵

2.5.43. Warham's outer court at Otford can therefore be seen as a singular combination of this fashion for two-storied garden galleries with the established and conventional practice of entering a great house through a magnificent gatehouse, leading to a courtyard surrounded by lodgings. Here the outer court was surrounded by galleries primarily for exercise and pleasure, serving very few lodgings. The upper galleries would have provided a grandstand for activities in the courtyard itself, as would the great and other galleries which ran across the front of the main house. Was this, indeed, a typical hard entrance court, or part of the gardens? The main role of the corridor galleries would, however, typically be to provide views over the gardens – on the east the productive garden, on the west the privy garden – whose location suggests that they were parts of the same concept. Yet the undeniable evidence for a lodging range against the west side of the west range – it is both documented c1537 and located on the ground – is curious in that for most of its length it would deny the usual purpose of this kind of gallery, to provide a view over what should have been the most important garden. A key research question should be to determine whether it, and particularly its internal divisions, are of one build with the gallery itself. It is narrow for a lodging range, and if primary, it may have had other uses in Warham's time than the lodgings described c1537.

2.6. Water management

2.6.1. The management system channelled water through the manor house site from springs to the north-east, ultimately to discharge via drains into the Darent. On the way it supplied fish ponds, fresh water to the house, and fed a moat into which garderobes discharged. The latter are first evident in the mid-14th century lodging range constructed on the south-east side of a realigned moat but was a feature of the site before c1200 (see 2.3.5) and the course of an existing spring-fed stream may have been a determining factor in selecting the site. The management system probably reached its zenith in the Tudor period, and so is addressed here.

The southern system

2.6.2. The southern feed originates at what is now St Thomas a Becket's well and given its proximity to the house it is probably the earlier of the two to be utilised. Excavations in 1951-54 revealed a building sequence in which the earliest feature was the flint floor of an underground chamber or tank quite possibly of similar size to the extant one, but whose walls were founded at a lower level. The layer of silt over this floor contained no finds 'datable later than Roman', but this probably means that they were derived wholly from the Roman site immediately to the north.

2.6.3. Nonetheless an early medieval origin for the well is consistent with its traditional association with archbishop Becket, and the legend that *'finding the house wanted a fit*

⁶⁵ Thurley 2003, 17-22

Agenda Item 6

*spring to water it, struck his staff into the dry ground, and water immediately appeared where this well is.*⁶⁶

- 2.6.4. The earliest surviving stone reservoir walls, and its floor of chalk blocks set in a layer of gault clay, probably date from the 14th century primarily on the evidence of the earliest finds from the site generally.⁶⁷ The reservoir was *c* 10.7m long, and originally 5.8m wide, with two pointed-arch inlets in the base of the east wall, connected to springheads at least 6.1m distant by chalk-lined conduits. The northern was, probably secondarily, connected to a lead pipe⁶⁸ presumably for drinking water, while the other fed the cistern from which a channel, controlled by a sluice, flowed westwards. Since the internal dimensions essentially agree, this should be the base of *'the conduyte house or well conteyning in length xxxvi foote and in breadth xix fote to be taken downe and newe sett upp'*, estimated to cost £30 in the 1573 survey.⁶⁹

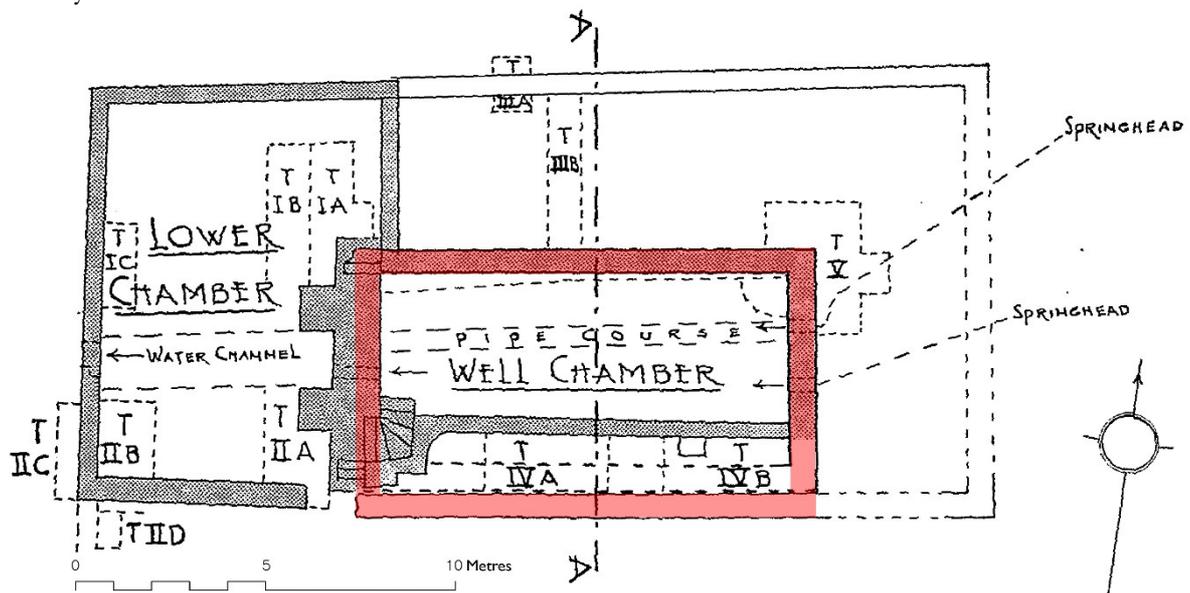


Fig 14 *St Thomas a Becket's well*, from *Archaeologia Cantiana* 70 (1956), 173; approximate scale added. The earliest surviving chamber is outlined in red

- 2.6.5. The lower chamber seems, from the brick used its construction, to have been added in Warham's time, and an enclosure wall constructed around the primary chamber. The whole structure was maintained, with piecemeal rebuilding, into the 19th century, with the south wall of the well chamber being rebuilt further north around the end of the 18th century.
- 2.6.6. Westwards from here the channel terminates in a pond retained by a dam on the west, presumably in origin a fish pond and the third of a series,⁷⁰ then flows in an underground culvert, in part Tudor. Originally this presumably fed the moat, and this would have remained true in Warham's enlargement of the moat. However, the enlarged moat was soon filled in, mostly with clay, probably following the

⁶⁶ Hasted 1778

⁶⁷ A stone structure existed by 1440-41 – Otford Minister's Accounts, cited Pateman 1956, 175

⁶⁸ By 1440-41, as above; the 1573 survey mentions *'the pypes conveying the water from thence to the offices and small sestrens'*: Hesketh 1915, 21

⁶⁹ Hesketh 1915, 21

⁷⁰ See Tithe Map, Kent Archives CTR/279B; Fig 9

acquisition of Otford by Henry VIII in 1537. This necessitated the contemporaneous construction of a network of aqueducts and drains within the fill to flush through the garderobes and take away the roof water.⁷¹ The current outlet channel along the north side of the moat wall is the base of a similar culvert, well-constructed and so similar to the excavated south sewer.

- 2.6.7. Adjacent to the dam of the lowest pond is Castle House, much altered and extended in an arts and crafts style after 1933⁷² but incorporating something of earlier buildings which by the 19th century served as the house of P[a]lace Farm, covering the northern part of the park. As noted, it may well have originated as a palace outbuilding; if not it utilised salvaged material.

The northern system

- 2.6.8. The northern system now begins with a deep spring-fed reservoir (perhaps also serving as a fish pond) almost following the contour at Moat Farm, north-east of the palace. It originally extended further east, where the terminal of the deep cut has been located (Fig 13);⁷³ above it the banks were cut back to a gentler slope, as can still be seen (Fig 15) towards the east end of the surviving section. Although the bottom was not reached in excavation it presumably cuts through the edge of the chalk, into the gault clay beneath. The east end cut through two successive shallow ditches on a similar alignment, the fill of the earliest of which contained a single sherd of late 11th/early 12th century pottery;⁷⁴ the later contained only residual Roman and earlier material. In its ultimate form, at least, the reservoir is thus likely to be of later medieval origin.



Fig 15 The reservoir of the northern system of water management, looking east, from the dam

⁷¹ Philp 1984. The photographs and sections, unlike the plan, make quite clear that the culverts and drains in the latest moat were either built prior to the clay filling over the primary silt (eg fig 53, S drain) or cut through it (fig 50, aqueduct)

⁷² By Eric McDowell, sometime Borough Engineer of Westminster: Ward 2017, 35

⁷³ Sadarangani 2005, esp fig 7; it must be the terminal rather than the turn of a moat northwards, given the increasing rise of the ground to the north

⁷⁴ Sadaraangani 2005, 17

Agenda Item 6

- 2.6.9. To its north are the remains of a rectangular building. Until turnpike improvements it had its north end (gable?) onto the ‘Pilgrim Road’.⁷⁵ The lower parts of the walls are of coursed ragstone rubble, galleted, the upper parts continuing unbroken in sharp-arrised thin brick laid Flemish garden wall bond. The brickwork incorporates a probable keeping place in one wall, the only architectural feature. Its original purpose is unclear but it does not look domestic; its location suggests a connection with the reservoir. Its stonework is undateable, the brickwork looks c1700, and both may be contemporary, but it is included in the palace scheduling.
- 2.6.10. From here the water is channelled south, the flow controlled by a penstock, through narrow ponds, and feeds via a channel into the lower pond of the south system. A branch was probably taken off this to serve the stables, and then to flush the garderobes of the towers of the north outer court range through a culvert along its north wall (as suggested on Fig 13). This would be a plausible origin for the comparatively recent⁷⁶ open stream that now flows across the south side of the north-west range continuing westwards before turning south. There is certainly a buried culvert running west from the north-west tower garderobe pit,⁷⁷ its end turning south as if to meet the stream running southwards, and eventually connecting with the moat overflow system.

2.7. Period 5: Royal ownership, 1537-1601

Transfer and royal works

- 2.7.1. Archbishop Cranmer reluctantly transferred both Otford and Knole to Henry VIII in 1537. Henry had stayed at Otford as Archbishop Warham’s guest, and so was aware of the drawbacks of its low damp situation. He reputedly insisted on having both houses so that he could lie at the ‘*sound, parfaite, bolsome grounde*’ of Knole, while most of his household lay at Otford.⁷⁸ Nonetheless he eventually came to stay at Otford rather than Knole.
- 2.7.2. Initial repairs were undertaken in 1538. More extensive works were undertaken between June 1541 and June 1546, at a cost of more than £2,200. About half of this was definitely at Otford, and the rest split between Otford, Knole and a park at Panthurst. A payment of £152 in August 1541 direct to the king’s chief carpenter John Russell suggests that he was at that time the principal craftsman on site. This and the scale of expenditure suggest significant works rather than simply repair, but no documentary evidence has yet been found as to their nature.⁷⁹ The clear archaeological evidence for infilling the inner court moat, necessitating the construction of culverts and drains within it to flush the garderobes and drain the roofs, probably accounted for much of this sum (see 2.6.6 above). It was also

⁷⁵ The Dartford and Sevenoaks Turnpike from 1766; see Tithe Map (Kent Archives, CTR/279B), parcel 120, ‘old road etc’ immediately to the east

⁷⁶ It is absent from the 25” Ordnance survey map surveyed in 1907 but present by the time of the 1936 survey

⁷⁷ Visible on the geophysical survey following a gently curving course, from the outlet of the pit located in excavation

⁷⁸ Colvin *et al* 1982, 217, from an account by Ralph Morice, present at the transfer: Hesketh 1915, 8

⁷⁹ Colvin *et al* 1982, 218

probably necessary to adapt the principal apartments of the main house to provide the royal lodgings noted in the 1548 survey (see 2.5 above).

- 2.7.3. Crown ownership was interrupted by Edward VI granting Otford to John Dudley in 1551, but he returned it in exchange for lands in Somerset the following year. Queen Elizabeth (r.1558-1603) made little use of the place. Maintenance was neglected; by 1548 many rooms were said to be *'greatly yn decaye'* because of defective roofs and gutters, but repairs were estimated at the relatively low sum of £106, and in 1559 Queen Elizabeth visited Otford on progress.⁸⁰

The Sidney family as hereditary keepers

- 2.7.4. The Sidney family were hereditary keepers of the palace, with a lease on the Little Park for 18 years from 1560; and had long hoped to acquire the estate. In April 1573 the survey by three local gentlemen, accompanied by the queen's surveyor of works and the surveyor of the royal estates in Kent, found dilapidations estimated to cost £1,868 to put right, including rebuilding the east wall of the hall. However, the context is interesting, for following the survey, Sir Henry Sidney (who already had a life interest in parts of the estate worth nearly £40 pa) offered to take the estate in fee-farm, with an undertaking to repair the house and *'mayntayne [it] for ever at his own charges for hir Majesties accesse'*, along with a park stocked with deer for her *'disporte and pleasure'* and a supply of venison for her larder. The queen visited briefly on 24 July, on her way between Orpington and Knole, where she stayed a week, presumably to see the state of Otford for herself.⁸¹ But the offer was rejected, and repairs to gutters and leads were undertaken in 1576 at a cost of £14.5s.4d.⁸²
- 2.7.5. In 1596 commissioners found the buildings *'greatlie in decay'*, advising that even if repaired the place *'woylde not be fytt for her majestie to lye in for that yt standeth in a verie wett soyle upon springs and vantes of water continually ronninge under yt.'* Nothing was done, and Sir Robert's pleadings, now including an offer via Lord Burghley that *'if I may have a good estate in the Park, I will build a pretty house at my own charge, and keep it in repair so that she may dine there as she passes by'* came to nothing. Eventually, in November 1601, the Queen, needing funds to feed her troops in Ireland, sold to Sir Robert Sidney the house and the great park, extending to 700 acres in Otford, Seal, and Kemsing.
- 2.7.6. As hereditary keepers of the palace and park, the Sidneys would have had permanent lodgings in the house. At Audley End, Essex after its purchase as a royal palace in 1666, the Howards became hereditary keepers and as such retained a house in miniature in the three-storey north-west pavilion of the outer court, which had previously housed their private apartments. It is tempting to see the Sidneys having the central and western blocks of the outer gatehouse,⁸³ the north-west tower, and the galleries between them as their hereditary lodging, which would help explain its initial survival when the rest of the buildings were so thoroughly demolished in the following century. In support of this, Sir Henry's offer in 1573 included in his terms

⁸⁰ Staying 23 – 28 July: Cole 1999, 81, 180

⁸¹ Cole 1999, 81, 186

⁸² Most of the references here are taken from Colvin *et al* 1982, 217-9

⁸³ As suggested by Thorpe drawing in full only those blocks, with no connection eastwards

Agenda Item 6

a licence to take down the east and west galleries, ‘and in place thereof to make ij faire brick walles or stone walls’. The effect would have been to separate the north range, putatively as a separate house, and a similar idea may lie behind the 1596 offer of a ‘pretty house’.

Early interventions in the outer north-west range

2.7.7. The extant building retains evidence of several pre-1600, if small-scale, interventions. A small rectangular block, truncated by a modern roof, was built in the angle of the gallery and gatehouse. The stonework of the lower part of this structure extends several courses above the plinth line, above which is dark red brickwork in English bond, similar to the primary brickwork, but whose courses do not bond or align with those of the gallery wall. A small high-level window seems to have acted as the corbel for a splayed junction with the gallery at high level and would have appeared near the ceiling of the ground floor gallery (Fig 16).

2.7.8. This structure might be thought a late intervention, but in fact its presence and purpose are shown on Thorpe’s first floor gatehouse plan, as containing a garderobe serving the first floor of the gatehouse. The drawings in Thorpe’s *Book* include surveys, designs, and adaptive or inventive developments of plans of buildings seen or illustrated in printed books; the Otford plan might therefore include some ‘improvement’ of what actually existed. But by 1600 garderobes had been superseded in polite society by stool closets, so this was not a proposal or invention by Thorpe but a record of something already existing. It probably stood over and connected to a pre-existing culvert serving the tower garderobes (2.6.10).



Fig 16 The remains of the added garderobe tower – the doorway is a 20th century insertion

- 2.7.9. The projection on the south side of the cloister (Figs 6, 8), was also done with some care and placed neatly to encompass two of the cloister bays. It is similar in construction to the garderobe projection, sharing the distinctive feature of stonework continuing above the main plinth; which suggests that they are broadly contemporary. The plinth adjacent to the west has been raised in brick, and a doorway cut through the central arcade opening, with a chamfered brick jamb, both coursing with but not bonded to the main wall. The rough filling above the doorway is late and suggests that it replaced a timber window (Fig 17), and thus that this short cloister had been glazed in at or by at the time of the intervention. The projection appears to be a substantial hearth,⁸⁴ suggesting the likelihood that another served the enclosed gallery above.
- 2.7.10. At ground floor level the creation of a second doorway from the courtyard suggests that the interior was divided. In the centre of the north wall of the gallery a doorway gives access from the exterior, but it is set into a panel of brickwork projecting slightly forward, and fills (unbonded) a roughly door-shaped, but larger, aperture to which the plinth returns on either side. The projecting brickwork seems best explained as the face of the wall formed within a projecting porch, now lost, after the hole had been inserted to make the doorway. It is clearly an early insertion and looks suspiciously like the front door to the Sidney lodging.



Fig 17 The projection on the south side of the north-west range; note the section of the plinth raised in brick, and the chamfered jamb of a doorway formed through one of the arched openings of the cloister. The rough infill above it is of uncertain date, the infill of the doorway around 1800

⁸⁴ Stoyel (report 7.9.78 on the SPAB file) suggests that it was for the farm smithy, with the adjacent doorway formed to give access to it; it may have served this purpose later, but is too elaborate to have started life as part of a farm smithy. A post-1914 (construction of present cottages) photo shows small chimney rising through the roof. The author has not seen the structure internally.

Agenda Item 6

2.7.11. At least one intervention (the garderobe) and by association probably the other changes noted so far pre-date the Thorpe plan, and seem more likely to have been initiated by the Sidneys than the Royal Works. The great galleries and gatehouse were in poor repair at the time of the 1548 and 1573 surveys,⁸⁵ suggesting therefore that these changes belong either to works by Henry VIII, or much more likely, after 1573 when the Sidney interest in acquisition became evident.

A second phase of intervention

2.7.12. A first-floor plan (Fig 5) of the north gatehouse was made by John Thorpe (c1565-1651), an eminent surveyor of land and designer of buildings around the turn of the century. The sketch in his MS *Book of Architecture* is on the back of a drawing of Holdenby, Northants, datable to c1605-6, and likely belongs slightly later but still in the same decade.⁸⁶ It suggests that having finally acquired the estate in 1601 Sir Robert Sidney was still considering developing a house based on his north range lodging.

2.7.13. The intervention with which Thorpe was likely concerned was the insertion of a [timber] stair of two largely straight flights into the southern compartment of the gatehouse, which would have provided a fashionable (and internal) alternative to the newel stair to access the principal chamber, over the gate passage. That it was executed, presumably before 1618/19 when Sidney sold the estate, is clear from changes to the fenestration of the south wall. The two-light window, much damaged and rebuilt but originally similar to that in the north chamber, is set much higher, across the first-floor line; and below it is a small single light window (Figs 7, 10). Both are, on close examination, inserted. The upper window lit the well of the new stair, the small window lit the space below the stair. A small (apparently re-cycled) window was inserted high in the west wall of the remaining part of the original southern chamber, which would have been deprived of natural light by the creation of the stairwell.

2.7.14. The partially-surviving arch and opening apparently cut through the east wall of the lower gallery into the gatehouse (where it is visible) must from its location run skew through the wall (Fig 7). Its position and this contrivance suggest that it was associated with the insertion of the stair, and it too must have been approached by a short flight within the gallery itself, conveniently close to the south door.

2.7.15. Evidence survives in the structure of the north-west corner tower for quite extensive and early adaptation and extension, again most likely in the early 17th century. At first floor level the garderobe was abandoned and a doorway with a splayed internal west reveal cut through the south wall. Its subsequent blocking remains clear externally, extending down to the floor level of the privy gallery, necessitating a short stair within the former garderobe to reach the level of the tower chamber. It would have connected with a structure formed against the south wall, the creasing line for whose flashing is clearly visible cut into the brickwork, returning around the east side of the garderobe tower across the site of the gallery, whose end

⁸⁵ Hesketh 1915, 17-18

⁸⁶ Summerson 1966, 93 & plate 84; for Thorpe's biography, 1-13

it presumably incorporated. The geophysical survey indicates that it infilled the gap between the garderobe tower and the north end of the west gallery lodging range, against which a brick chimney stack is likely to have been built. Otherwise from the light trace in the geophysical survey and absence of visible engagement with the tower walls, it was probably timber-framed.

- 2.7.16. A lean-to single storey addition on the west of the garderobe tower, whose scar remains (Fig 18) was certainly timber framed and probably part of this scheme. Selective blocking of tower windows, well finished in plaster on both sides, is also likely to be part of this phase. Austin notes⁸⁷ evidence for lime plaster succeeding the primary panelling, and a doorway cut from the ground floor passage through the stair turret into the north range.



Fig 18 The south side of the garderobe tower showing blocked sockets for rafters, and probably rails of timber-framed wall, and internal plaster on the formerly external wall

2.8. Period 6: Decline into a farmstead

Later owners

- 2.8.1. In 1618/19, Sidney, now Viscount Lisle, having disparted the great park, conveyed the property to Sir Thomas Smith, second son of Customer Smith. During the 17th century, probably after the purchase by Sir Thomas, the palace was gradually demolished, except for parts of the north (and possibly east) ranges of the entrance courtyard. This clearly survived because it had a continuing use. Whatever Robert Sidney's intentions for the north range, it was eventually adapted as a farmstead, with the north-west tower probably remaining as a house, and the north range, eventually reduced to a single storey including the western half of the gatehouse, used for agricultural purposes and perhaps (as later) workers' dwellings. Partial

⁸⁷ 2016, 6, 7

Agenda Item 6

survival down to the 19th century suggests that part of the east side of the outer courtyard was also adapted (Fig 8). The formerly moated site was reduced to an enclosed farmyard, retaining parts of the perimeter and some other walls of the palace; hence the survival of the parts that today front Bubblestone Road.

- 2.8.2. Otford continued to be held by Smith's descendants down to Sir Sidney Stafford Smythe, Knt., Lord Chief Baron of his Majesty's Court of Exchequer, who inherited on his coming of age in 1726,⁸⁸ was appointed Chief Baron in 1772 and died in 1778. His widow Lady Sarah Smythe died in 1790, leaving the estate, consisting of the ruins of the palace, and three farms (the Place, Great Lodge and Greatness containing about 860 acres) in trust, to be sold for the benefit of her nephews and nieces. The estate was sold by auction in the following year to Robert Parker of Maidstone, save for Greatness Farm which went to a separate purchaser.⁸⁹ *'The ruins of the ancient castle and palace of Otford'* were expressly included in Place Farm.
- 2.8.3. In 1844 Castle Farm (then called) was purchased by the Rt Hon William Pitt, 1st Earl Amherst (1773-1857), from the heirs of Robert Parker, who died in 1837.⁹⁰ Amhurst's great uncle Sir Jeffrey Amherst, K.B. (1717-97), from whom he inherited, had acquired a third share in the manor,⁹¹ and by 1844 William was in possession of the whole lordship.⁹² The estate then descended through his son William Pitt Amherst, 2nd Earl (1805-1886), his son William Archer Amherst, 3rd Earl (1836-1910) then his brother Hugh Amherst, 4th Earl (1856-1927), of Montreal Park, Sevenoaks.

The abandonment of the house in the 18th century

- 2.8.4. By the time of the first surviving illustration in Hasted's *History of Kent* (1778 Fig 7),⁹³ the north-west tower was roofless, its parapet largely decayed and mostly lost. The north range was in agricultural use, under a thatched roof over the brick lower storey, as was the surviving ground floor of the western part of the gatehouse. Hasted noted that *'There are now only a wall and two towers, part of the outer court remaining of it. These towers some years ago were two stories high[er],⁹⁴ but the largest of them, which was covered in lead, falling in, the Chief Baron took down the upper story of each.*
- 2.8.5. Hasted's account is evidently confused, since the north-west tower has lost only a turret and parapet, as his plate shows, and from its limited decay probably retained a leaded roof well into the 18th century; whereas the gatehouse has lost two storeys from the two tall blocks that would have flanked the passage. This confusion suggests that the event was not recent when Hasted was writing in the mid-1770s. A date in the middle of the 18th century seems likely.

⁸⁸ His father Henry Smithe of Great Bounds, Kent, died in 1707: TNA, PROB 11/494/213

⁸⁹ For more detail see Hesketh 1914, 13-14, drawing on the Amhurst muniments.

⁹⁰ Kent History and Library Centre, U1350/E11, 'Letters regarding the purchase of Otford Castle (now Otford Palace) Farm', 1841-44

⁹¹ Hasted 1778, 324

⁹² Tithe Award 1844 (Kent Archives CTR 279A) shows him as possessing the village green as manorial 'waste'

⁹³ Hasted 1778, facing p 325

⁹⁴ An obvious correction made in the 1797 edition: [British History Online <http://www.british-history.ac.uk/survey-kent/vol3/pp19-31> [accessed 12 July 2017].

- 2.8.6. The first photo c1885 shows two chimneys rising through the roof of the eastern part of the gallery range, and a reference in 1892⁹⁵ to ‘the cloistered portion now turned into cottages’ confirms that this change of use had occurred since 1844.⁹⁶
- 2.8.7. Antiquarian views always show the extant north-west range but in settings idealised (c1775) or notional. This suggests that the north-east and east ranges shown on the tithe map of 1844 (Fig 9) retained little recognisable historic structure despite occupying the footprint of the north-east and reflecting that of the east ranges of the outer court. By this date Castle House was the only house on the extensive farm (308 ac in Otford parish) occupied by James Selby. The farm buildings remained clustered around the north and east ranges of the outer court of the palace. The site of the inner courts, still largely defined by a curtain, with a farm building at its north-east corner, was identified as ‘Ruins’, use ‘pasture and rough’, held in hand by the then owner Lord Amherst, separately from the surrounding farm. Hasted noted that *‘There is nothing left of the mansion itself, but vast heaps of rubbish and foundations, which cover near an acre of ground’*.

2.9. Period 7: The 20th century

- 2.9.1. From the 1880s the plight of the north-west range ruins became a matter of antiquarian concern.⁹⁷ Miss Emily Parr wrote to Thackeray Turner, secretary of the Society for the Protection of Ancient Buildings (SPAB)⁹⁸ on 13 July 1892, that *‘during the last 20 or 30 years it has fallen very much into decay and no care seems to be taken in its preservation...parts of it are used as farm buildings.’* The secretary duly wrote (without much hope of success) a letter drafted by Philip Norman to the 3rd Earl Amherst, expressing concern about the tower being overgrown with ivy, and the need for repointing of the rest. In his covering letter Norman observed that *‘Lord Amhurst is the reverse of a popular man; he is said to be selfish and ill-tempered, in which case he will probably resent our appeal.’* There is no record of a reply.
- 2.9.2. At the request of Rev Wm Lutyens,⁹⁹ A R Powys, the then secretary of the SPAB, visited and brought the matter to the SPAB Committee in May 1913. Powys wrote to the local historian of Otford, Captain C Hesketh, suggesting that he approach the owner (the 4th Earl had inherited in 1910) with a view to the building being placed in the guardianship of the Office of Works. Shortly afterwards¹⁰⁰ the thatched roofs of the gallery and gatehouse were destroyed by fire. In rebuilding, an upper storey was added to the former gallery range, which was divided into three small cottages (now known as 1-3 Castle Cottages), with some of the original openings glazed with new timber windows. A new tiled roof was constructed over the remains of the gatehouse, which remained a barn. A dovecot was formed in the top of the truncated remains of the gatehouse stair turret. All this was done to a

⁹⁵ SPAB Secretary to the Earl Amhurst, 18 August 1892, copy in SPAB file, see below;

⁹⁶ The Tithe Award (Kent Archives, CTR/279A) shows all the buildings hatched grey; dwellings were washed red

⁹⁷ For photographs of the buildings at the end of the 19th century see Ward 2017,

⁹⁸ Unless otherwise noted the following section is based on the voluminous file held by the SPAB

⁹⁹ Vicar of Otford 1907-14: Clarke & Stoyel 1975, 237

¹⁰⁰ Hesketh writing in July 1924 says ‘about 10 years ago’

Agenda Item 6

good standard, with care and sensitivity to the historic building, and remains little changed today.

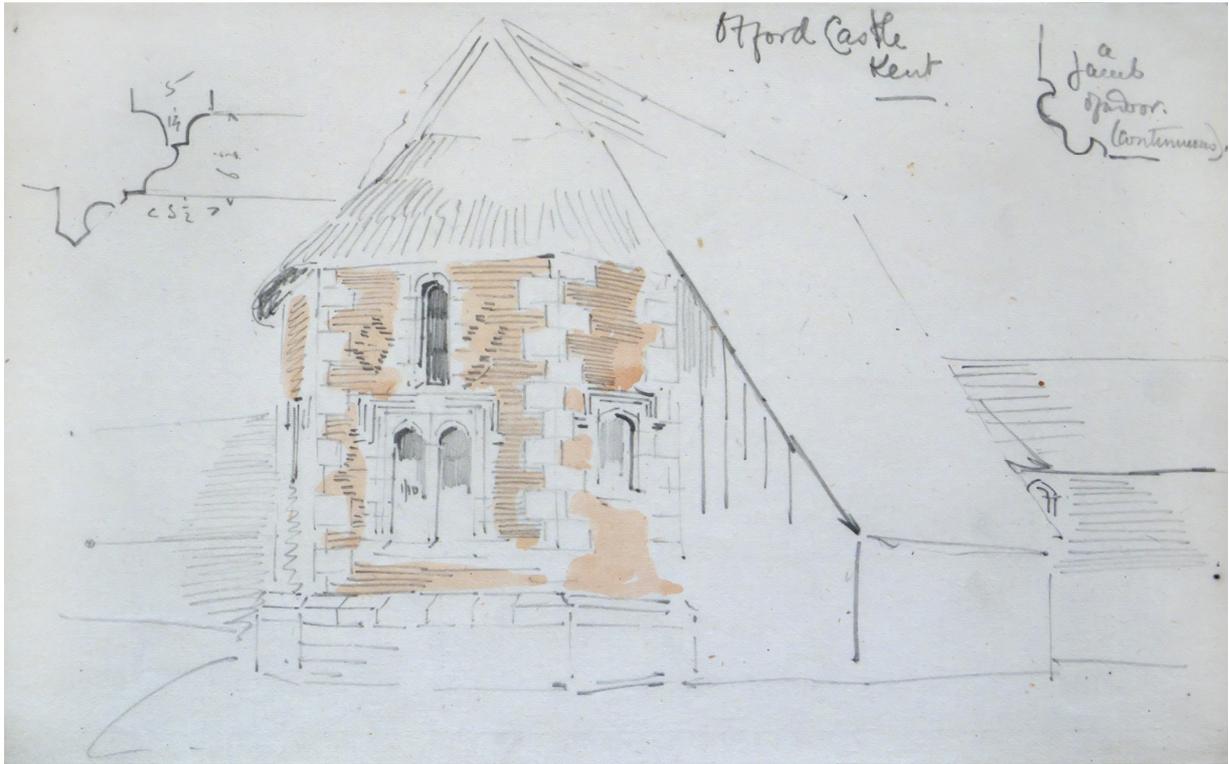


Fig 19: The gatehouse from the north-west before the 1914 fire: Pencil and wash drawing, © Society of Antiquaries of London Roland Paul Collection (Box 6)

2.9.3. The Otford holdings were sold in 1924. After some hesitation on the part of the Ancient Monuments Board the structure was scheduled in 1928, but to little effect: by 1929 the tower was again reported as decaying, the adjacent occupied cottages being dangerous due to falling masonry. But *'unfortunately to the owner the ruin is a nuisance & she will not spend a penny on it'*.¹⁰¹ Sir Charles Peers wrote a report for the Community Council of Kent in July 1933, suggesting local action through repair and a Town Planning Scheme to provide an appropriate setting in public open space, including removal of the still-existing farm buildings. William Weir's report in December makes clear that the tower was the matter of concern, estimating the cost of repairs at £200.

2.9.4. This part of Kent came under considerable development pressure in the 1930s. In December 1933 the executors of Mr Ansell sold the freehold of the palace site to a local builder, William B Collier of Pilgrims Road, Otford. He was prepared to sell the north range to the Rural District Council if the town planning scheme to develop what is now Bubblestone Road were approved, including the purchase of the north range and about 4ac of adjacent land by Sevenoaks RDC as open space. Under the auspices of the Community Council a Castle Repair Fund had been set up and William Weir instructed as architect, but Collier wrote to Powys on 19 November 1934 that it would be *'against my interest to allow you to proceed with repair work at the above as the matter now stands'*, lest the scheme and sale to the Council not

¹⁰¹ Hesketh to Powys, 24 May 1929

proceed. Agreement was eventually reached; the north range and land to its west and south were purchased by the RDC in 1935,¹⁰² in November pledges to the repair fund were called-in, and the tower was repaired under Weir's direction in July 1936.

- 2.9.5. The site of the Inner Court did not fare well, primarily because it was not included in the 1928 scheduling, despite its upstanding ruins. In December 1934 the Office of Works declined to schedule for fear of a preservation order and a claim for compensation, nor was the Council inclined to buy it as further open space, despite the high profile of the whole case in the national press.¹⁰³ It was therefore laid out as part of the housing estate, the first three houses being built by 1936;¹⁰⁴ building was interrupted by World War II but resumed c1947. Hence suburban houses have the base of the south curtain wall of the inner courts as their front boundary wall, and the moat wall as their rear boundary.
- 2.9.6. The condition of the tower masonry became a periodic matter of concern. Repairs to wall tops including removal of trees were carried out by Sevenoaks RDC in 1955. A repair scheme proposed in 1979 was costed at £40,000; because of capital expenditure restrictions this was reduced in scope to 'essential' works at a cost of £22,760, begun in January 1982. Concerns about the use of hard cement mortar were answered by the response that it was as specified by the Ancient Monuments Inspectorate.
- 2.9.7. The underlying problem was that a roofless ruin of comparatively thin brickwork was becoming progressively become more fragile, and maintenance was not adequate to sustain it. David Pearce, as secretary of the SPAB, in 1981 contacted John Smith of the Landmark Trust about the possibility of roofing it for holiday letting, but the Trust, having looked at it in the past, felt unable to take it on. This was perhaps not surprising given the adjacent cottages. An inquiry from a potential private purchaser, 1991, is on the SPAB file. In his reply the secretary, Slocombe, noted that '*any proposal to partially reconstruct and occupy the palace would be controversial*', but his general tone was encouraging. In a further phase of repair a new lightweight roof was installed (in succession to one from the earlier works) in 2015.
- 2.9.8. After purchase by SRDC in 1935, the three cottages became *de facto* council houses. They were eventually sold, and each is now in the hands of a separate owner. Proposals in 1978 for internal modernisation included provision for re-opening back (south) doors, two original¹⁰⁵ and the one inserted in the south front adjacent to the projecting hearth. This proved extremely controversial, and the doors, at any rate, were dropped. Subsequently the primary doorway at the east end of the south wall was unblocked, and in the process the entire doorcase renewed.¹⁰⁶ Each plot extends beyond the building south to a stream; the two western plots, being inaccessible, are overgrown while the eastern one takes the form of a suburban

¹⁰² For £1,350: Collier to Powys, 26 November 1934

¹⁰³ The hope was still expressed in *The Times*, 20 July 1936, reporting the completion of the first phase of work

¹⁰⁴ Nos 1, 3, 5 Bubblestone Road are shown on the 1938 edition of the 25" OS map, sheet Kent XXIX.9

¹⁰⁵ One in the west wall of the western cottage, the other at the east end of the south range

¹⁰⁶ As 1978 objectors predicted would be necessary

Agenda Item 6

Oxford Palace Conservation Statement

garden and patio. The surviving section of the gatehouse, lightly fitted out with a kitchen and WC, remains, like the tower, in the ownership of Sevenoaks District Council and let to the Otford Girl Guides.

3. SIGNIFICANCE

3.1. Introduction: Significance and values

3.1.1. In accordance with *Conservation Principles, Policies, and Guidance* (English Heritage 2008), the significance of Oxford Palace is articulated as the sum of the identified heritage values of the site. These can be considered under four headings:

Evidential values: the potential of the palace to yield primary evidence about past human activity;

Historical values: the ways in which past people, events, and aspects of life can be connected, through the palace, to the present, both by illustrating aspects of architectural and social history, and through its association with notable people and events;

Aesthetic values: the ways in which people derive sensory and intellectual stimulation from the palace; and

Communal values: the meanings of the palace for the people who relate to it, or for whom it figures in their collective experience or memory.

3.2. Grading significance

3.2.1. The following grading system has been adopted to enable the relative weight of the values contributing to the significance of the palace and its setting to be compared:

A: Exceptional significance

Elements whose values are both unique to Oxford Palace and are relevant to our perception and understanding of it in a national and international context. These are the qualities that, for buildings, warrant listing in grade I or II*.

B: Considerable significance

Elements whose values contribute to the palace's status as a nationally important place. These are the qualities that justify statutory protection at national level.

C: Moderate significance

Elements whose values make a positive contribution to the way the palace is understood and perceived, primarily in a local context.

D: Little significance

Elements whose values contribute to the way the palace is perceived in a very limited, but positive, way.

N: Neutral significance

Elements which neither add to, nor detract from, the significance of the palace.

INT: Intrusive

Agenda Item 6

Elements of no historic interest or aesthetic or architectural merit that detract from the appearance of the palace, or mask the understanding of significant elements.

3.3. Statutory designations

Heritage designations

3.3.1. The site of the palace with extensive precinct areas to the east and west, the water management features associated with St Thomas á Becket's Well and the reservoir at Moat House, and the ruins of a building said to be a lodge adjacent to it, comprise an extensive scheduled monument (SM) (Fig 20).¹⁰⁷ The well is scheduled separately. Occupied dwelling houses in the scheduled area, but not the soil on which they stand, are excluded. Scheduled monuments (SMs) are monuments and sites included on a Schedule compiled by the Secretary of State for Culture, Media and Sport (the Secretary of State) under the Ancient Monuments and Archaeological Areas Act 1979. Inclusion on the Schedule recognises the national importance of such monuments and gives them statutory protection. They must satisfy all eight of the Secretary of State's scheduling criteria in the strongest way: Period, Rarity, Documentation, Group Value Survival/Condition, Fragility/ Vulnerability, Diversity and Potential.

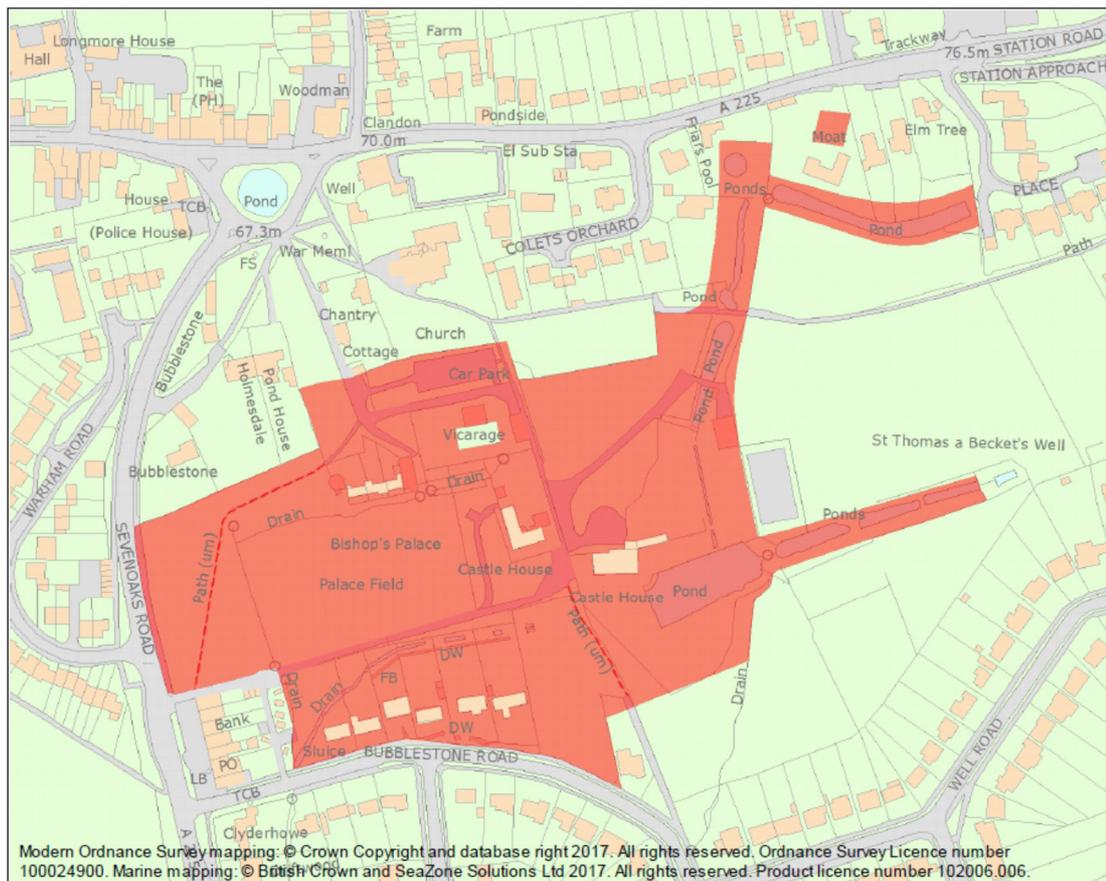


Fig 20 The extent of the scheduled area; dwellings excluded; St Thomas a Becket's well scheduled separately (Historic England)

3.3.2. The heritage significance of the palace is further recognised by the listing of Castle Cottages and the surviving part of the former gatehouse at their east end in grade

¹⁰⁷ List entry Number: 1005197.

II* (the gatehouse also being included in the schedule despite being roofed). Grade I and II* buildings together comprise about 8% of all listed buildings. These designations signify that the palace is considered to be of *exceptional significance* in the national context. Castle House and the visible remains of the buildings of the inner court of the palace, around its former south and north sides are also listed in grade II.

- 3.3.3. The palace site (but not the full extent of the scheduled area) lies within the Otford Conservation Area, which includes the whole of the historic core of the village, including both courtyards of the palace.

Planning and other environmental designations

- 3.3.4. There are no statutory or non-statutory designated nature conservation sites within the Palace site.
- 3.3.5. Otford as far south as the southern side of the outer court of the palace is part of the Kent Downs Area of Outstanding Natural Beauty. The built-up area of Otford forms an ‘island’ in the Metropolitan Green Belt.

3.4. The values of Otford Palace in its setting

- 3.4.1. The cultural significance of Otford Palace derives from a wide range of factors, but primarily the evidence it provides of the unusual layout and expansive scale of Bishop Warham’s rebuilding and extension of what until the early 16th century had been a comparatively modest moated manor house. The adaptive re-use of its north outer court range, by the Sidney family as keepers (and from 1601 owners) of the palace, and subsequently as agricultural buildings, has preserved enough of Warham’s building to begin to visualise his concept and the architecture of arguably his last major phase of work at Otford, the entrance court.

Evidential/ Archaeological values

- 3.4.2. Otford Palace is of *exceptional significance* for the picture it gives, even in our current limited state of knowledge, of one of the outstanding buildings of its generation. The significance of the site includes the archaeological potential, in combination with documentary evidence, more fully to understand the layout and form of its buildings, especially those of the inner courts; as well as the evolution of the manor house that preceded it, and indeed how that was influenced by the exceptional Roman landscape that preceded it. All the surviving upstanding structure and buried archaeological deposits prior to the early 17th century are therefore of *exceptional* evidential value.
- 3.4.3. Specifically in relation to the surviving structure of the outer court north range, evidential values lie in the surviving structure and plan form, the evidence for early adaptation and change in the later 16th and early 17th centuries, architectural elements including windows, doors and fireplaces, and the evidence in the structure for missing elements, principally glazing, floor and roof frames, stair treads, and internal wall finishes, despite some of these being to a greater or lesser extent compromised by successive phases of alteration and repair.

Agenda Item 6

Oxford Palace Conservation Statement

- 3.4.4. The evidential value of later, agricultural changes to the surviving parts of the north range is at best of *some* value in helping to understand the decline of the palace and the pattern of survival.

Architectural/ Aesthetic values

- 3.4.5. The *exceptional* architectural values of Oxford Palace are carried primarily by the surviving 16th century elements of the outer court range, demonstrating the architectural style and detailed form and quality of Warham's outer court. Although variously repaired following stone decay, all the windows and doors in the standing structure survive and some of the windows retain their ferramenta. The only missing element is the parapet and the stair turret which gave access to the roof.
- 3.4.6. The only other phase substantially represented today is the 1914 reinstatement of an upper floor to the gallery range and re-roofing of the fragment of the gatehouse, both well-mannered interventions which do not detract from the significance of the Tudor work, but in themselves are of *little significance*.
- 3.4.7. The ensemble has *considerable* fortuitous aesthetic value, enhanced by the pre-war planning scheme which has placed the remains of the north range in a sequence of public open spaces from the Green to Bubblestone Road. The streams which originated in the medieval water management system add to its charm. The domestic gardens on the north side do not detract from this quality, rather they convey some of the incidental charm beloved of 19th century illustrators, of countrymen living among the wreckage of past greatness (or over-weening ambition). However, it, and the ability to appreciate their formal architectural quality, is seriously compromised by the suburbanisation (one) and total abandonment (two) of the cottage gardens south of the building.
- 3.4.8. The situation of the upstanding remains of the perimeter walls of the former moated island, bounding gardens of pre- and post-war 'cottage-style' detached houses, the front wall pierced by driveways, is bizarre. The presence of the houses and garden features is *intrusive* both visually and archaeologically (though this is the result of historical accident; no blame attaches to the current owners).

Historic Values

- 3.4.9. The historic interest of Oxford derives above all from its ability to illustrate the form and layout of a late medieval episcopal palace of the first rank, comparable with Wolsey's Hampton Court and although fragmentary, not overlain by later buildings of yet greater scale. Alongside the documents, it sheds light on the character and ambition of Archbishop Warham, arguably in competition with Cardinal Wolsey at Hampton Court. This is of *considerable significance*.
- 3.4.10. The antiquarian concern for the fate of the place, the actions taken (and not taken) both locally and nationally in a range of difficult circumstances, and the physical outcomes in the form of 20th century interventions to the site and its setting, provide a particularly interesting illustration, in conjunction with the archive

material (especially in the SPAB files), of the struggle for the conservation of historic places through the twentieth century. This is certainly of *some significance*.

Communal Values

3.4.11. When Oxford Palace was built it was not only the dominant building in the area but also the most important in social and economic terms, as the centre of the manor and estate. While no longer occupying that role, it nonetheless ranks highly in the identity of Oxford and its community today, witnessed by the Oxford Heritage Centre, the palace model, and the range of publications on offer. This is of *some to considerable* significance.

3.5. Summary statement of significance of Oxford Palace

3.5.1. Oxford Palace is of *exceptional significance* for

- The evidence which it provides for the form and architectural character of what was one of the outstanding buildings of early 16th century England
- Its archaeological potential to yield much more information about that building, particularly on the moat island, and its medieval predecessors

3.5.2. Oxford palace is of *considerable significance* for

- The evidential value of the adaptation of the north-west range by the Sidney family
- Its ability to illustrate the form and scale of a late medieval archiepiscopal palace, despite its fragmentary survival
- The aesthetic qualities, designed and fortuitous, of the north range building in its open space setting
- The contribution it makes to the character and appearance of Oxford Conservation Area
- The insight it provides into the character and ambition of Archbishop Warham

3.5.3. Oxford palace is of *some* significance for

- As an illustration, especially with the archive material, of the struggle for the conservation of historic places during the 20th century
- Its contribution to the identity of Oxford and its community today

3.5.4. The 1914 conversion into 1-3 Castle Cottages is of itself of *little significance*

3.5.5. The following elements are *neutral*:

- Domestic gardens on the north side of 1-3 Castle Cottages

3.5.6. The following elements are *intrusive*:

- The interior fit-out of the former gatehouse
- Domestic gardens on the south side of 1-3 Castle Cottages
- The houses in Bubblestone Road built on the site of the moat island.

4. ISSUES AND RECOMMENDATIONS

4.1. Introduction

- 4.1.1. This section of the *Statement* is intended to inform the long-term future management of the site of Oxford Palace. It considers, principally, ways in which the significance of its remains, identified in the preceding section, might be sustained through conserving its fabric. It identifies opportunities to better reveal and recover significance, and seeks to identify, at strategic level, the heritage constraints and opportunities on its development and ongoing management.
- 4.1.2. The most pressing conservation issue at Oxford is to find a long term sustainable future for the north-west tower, which we suggest, is best done by bringing it back into sympathetic use. Other issues of management and interpretation focus essentially on trying to mitigate the effects of fragmentation of ownership and management that began with the break-up of the Amhurst Estate in 1924 and grew in consequence of each of the cottages now being in separate private ownership.

Recommendation 01 The assessments of significance set out in this conservation statement should be used to inform decisions about the future management of Oxford Palace.

4.2. Applicable heritage protection regimes

Scheduled Monument Consent

- 4.2.1. The purpose of scheduling under the Ancient Monuments and Archaeological Areas Act 1979 is the preservation of the fabric of monuments of national importance. Most works affecting that fabric (standing or buried) therefore require scheduled monument consent (SMC)¹⁰⁸ from the Secretary of State for Culture, Media and Sport (DCMS), unless the subject of deemed ('Class') consent.¹⁰⁹ The most relevant of these, particularly in relation to the open spaces, is the continuation of most agricultural works undertaken within the preceding six years (Class 1). Historic England advises the Secretary of State (DCMS) on the management of scheduled monuments and applications for consent to undertake works, and is responsible for inspecting them and reporting on their physical condition.
- 4.2.2. Scheduled monument consent is separate from planning control. Where works or changes of use constituting development (other than 'permitted development') are proposed, planning permission must be sought in parallel with scheduled monument consent (or alone for works outside the scheduled area).

Listed Building Consent

- 4.2.3. The purpose of including a building in the statutory list made under the Planning (Listed Buildings and Conservation Areas) Act 1990 is to preserve their character as buildings of special architectural or historic interest. Listed building consent

¹⁰⁸ Ancient Monuments and Archaeological Areas Act 1979, s2(ii)

¹⁰⁹ Under the Ancient Monuments (Class Consents) Order 1994

(LBC) is required for works affecting that character, both internal and external, whether or not a particular feature affected is specifically mentioned in the list description.¹¹⁰ Where structures are both scheduled and listed, the scheduled monument regime takes precedence, but dwelling houses are legally excluded from that regime unless incidental, housing a caretaker. At Otford, 1-3 Castle Cottages and (to the east of the palace) Castle House are subject to listed building control, but other structures (other than modern dwelling houses) and sub-surface deposits within the scheduled area (Fig 20) are subject to scheduled monument control, under which consent is required for virtually all works, rather than those which are considered to affect their historic character or significance.

Recommendation 02 Scheduled monument consent should be sought for any works affecting the fabric of the scheduled areas not covered by Class Consent.

Recommendation 03 Listed building consent should be sought for any works that affect the character of the listed buildings not subject to the need for scheduled monument consent.

Recommendation 04 Planning permission should be sought for any works constituting development.

4.3. Nature conservation policy and guidance

4.3.1. The *National Planning Policy Framework* sets out in Section 11 policy related to planning applications and biodiversity including protected sites, habitats and species. In addition to planning permission, any works affecting protected or notable species or habitats are likely to require further ecological survey work and/or applications for mitigation licences from Natural England prior to commencement.

4.3.2. Otford Palace has the potential for use by bats. They are listed as ‘European protected species’ and protected by law under the Wildlife and Countryside Act 1981 (as amended) and the EC Habitats Directive on the Conservation of Natural Habitats and of Wild Flora and Fauna (Council Directive 92/43/EEC). It is therefore an offence deliberately to disturb bats in a way that would significantly affect their local distribution or abundance, or ability to survive, breed or rear young, to damage or destroy a roost or intentionally to disturb a bat at a roost.

Recommendation 05 Protected species (including bats) should be safeguarded; specialist advice should be sought in advance of any works to buildings, landscape or trees and appropriate surveys, licences and mitigation measures provided where necessary.

¹¹⁰ Planning (Listed Buildings and Conservation Areas Act) 1990, s.7ff.

Recommendation 06 Where protected or notable species (including bats) are found during building, landscape or tree works, the works should halt immediately and advice from Natural England should be sought.

4.4. Towards a strategy for the conservation of the outer court

National planning policy for heritage assets

- 4.4.1. National planning policy, for plan-making and decision-making affecting designated heritage assets and their settings (as well as undesignated heritage assets), is set out in the *National Planning Policy Framework* (NPPF),¹¹¹ published in March 2012, supported by the *Planning Practice Guidance* published (online) in March 2014.¹¹²
- 4.4.2. The over-arching aim of the NPPF is that there should be ‘*a presumption in favour of sustainable development*’ (para. 14). One of the three dimensions of sustainable development is environmental, and this includes ‘*protecting and enhancing the ... the built and historic environment*’ (para.7). Included in its core planning principles is the statement that planning should ‘*conserve heritage assets in a manner appropriate to their significance, so that they can be enjoyed for their contribution to the quality of life of this and future generations*’ (para. 17).
- 4.4.3. The palace and its grounds are ‘designated heritage assets’ by virtue of their scheduling, the statutory listing of the upstanding structures and conservation area designation. Designated heritage assets are subject to the provisions of Section 12 of the NPPF, which sets out relevant national planning policy for them and their settings.
- 4.4.4. Section 12 of the NPPF, *Conserving and enhancing the historic environment*, adopts a ‘significance-based’ approach. Its policies relate to all ‘heritage assets’, elements of the historic environment defined as having ‘*a degree of significance meriting consideration in planning decisions*’. ‘Significance’ is defined as ‘*The value of the heritage asset to this and future generations because of its heritage interest. That interest may be archaeological, architectural, artistic or historic. Significance derives not only from a heritage asset’s physical presence, but also from its setting.*’¹¹³ Heritage assets include, but are not limited to, formally designated assets, including conservation areas and registered parks and gardens, as well as scheduled monuments and listed buildings.
- 4.4.5. The NPPF advises local planning authorities that: ‘*When considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to the asset’s conservation. Significance can be harmed or lost through alteration or destruction of the heritage asset or development within its setting. As heritage assets are irreplaceable, any harm or loss should require clear and convincing justification... Substantial harm to or loss of designated heritage assets of the highest significance, notably ... grade I and II* listed buildings ... should be wholly exceptional*’ (para 132).

¹¹¹ *National Planning Policy Planning Framework*, Department of Communities & Local Government, 2012

¹¹² <http://planningguidance.planningportal.gov.uk/>

¹¹³ NPPF Annex 2: Glossary

- 4.4.6. The significance of the settings of heritage assets and the impact of development in them is recognised at para. 128 of the NPPF. It defines ‘setting’ (at p56) as ‘*The surroundings in which a heritage asset is experienced. Its extent is not fixed and may change as the asset and its surroundings evolve. Elements of a setting may make a positive or negative contribution to the significance of an asset, may affect the ability to appreciate that significance, or may be neutral.*’ This is relevant to the palace because, in addition to the heritage significance of the standing fabric, its setting contributes to its significance because of its place in the planned and natural landscapes that surround it, and because of the archaeological significance of the site and its surroundings.
- 4.4.7. In relation to ‘enabling development’, para 140 of the NPPF states that: ‘*Local planning authorities should assess whether the benefits of a proposal for enabling development, which would otherwise conflict with planning policies but which would secure the future conservation of a heritage asset, outweigh the disbenefits of departing from those policies.*’
- 4.4.8. While the protection of the setting of a scheduled monument is a matter of planning policy rather than law, it is relevant that because the upstanding 16th century palace structures are also listed (apart from the north-west tower), planning decisions affecting their settings are also subject to the legal duty under s66 (1) of the Planning (Listed Buildings and Conservation Areas) Act 1990 that ‘*the local planning authority or, as the case may be, the Secretary of State, shall have special regard to the desirability of preserving the building or its setting.*’

Local planning policy for heritage assets

- 4.4.9. Local planning policy is currently set out in Sevenoaks District Council’s adopted Core Strategy (February 2011, in course of review). Policy SP 1, ‘Design of New Development and Conservation’ includes ‘*The District’s heritage assets and their settings, including listed buildings, conservation areas, archaeological remains, ancient monuments, historic parks and gardens, historic buildings, landscapes and outstanding views will be protected and enhanced.*’
- 4.4.10. The Council’s *Allocations and Development Management Plan* (February 2015) Policy EN4, Heritage Assets, provides more detail:

Proposals that affect a Heritage Asset, or its setting, will be permitted where the development conserves or enhances the character, appearance and setting of the asset.

Applications will be assessed with reference to the following:

- a) the historic and/or architectural significance of the asset;*
- b) the prominence of its location and setting; and*
- c) the historic and/or architectural significance of any elements to be lost or replaced.*

Where the application is located within, or would affect, an area or suspected area of archaeological importance an archaeological assessment must be provided to ensure that provision is made for the preservation of important archaeological remains/findings. Preference will be given to preservation in situ unless it can be shown that recording of remains, assessment, analysis report and deposition of archive is more appropriate.

Agenda Item 6

4.4.11. The *Oxford Conservation Area Appraisal and Management Plan* was adopted as informal planning guidance in November 2010. It includes guidelines for development, emphasising the need for contextual design: '*All development in the conservation area, must respond to its immediate environment and context, in terms of scale, density, form, materials and detailing.*'

The north-west tower

4.4.12. The most pressing conservation issue at Oxford Palace, to find a long term sustainable future for the north-west tower, we suggest, in line with the *Conservation Area Appraisal and Management Plan*¹¹⁴ (p11), would best be achieved by bringing it back into sympathetic use. The extant elements of the north range have survived because they continued to be used after the majority of the palace was abandoned and dismantled. They were not the only elements to be re-purposed, since as late as 1869 there were buildings which mirrored the footprint of the eastern part of the north range and much of the east range of the outer court. However, the earliest antiquarian accounts suggest that these retained little of visible antiquity by the end of the 18th century, probably through rebuilding and the survival (on the east side) of later attached structures rather than the original range. Only the plinth of one wall is today clearly of the 16th century. So far as the surviving north-west range is concerned, Hasted notes what must have been the demolition of the upper parts of the gatehouse and abandonment of the tower following the failure of its roof around the middle of the 18th century. It is a reasonable assumption that their utility value did not justify their full repair, only a thatched roof over the most easily utilised parts. Had it not been for the cultural value increasingly attributed to historic structures from the late 18th century onwards, the same approach would have continued. It would be interesting to know more about the reasoning of the landowner in 1914, but the decision to repair and adapt the single storey ranges but leave the decaying tower seems to have been similarly motivated, albeit tempered with a degree of architectural sensibility.

4.4.13. The key point is that these structures survived the otherwise complete demolition of the palace through adaptive re-use, and that use ceased, for the tower, once repair was no longer considered worth the cost. Neither the abandonment of most of the palace nor the abandonment of this tower a century and a half later are the results of historically-significant events, but rather functional redundancy. Moreover, it has become clear over the course of the past century that while its cultural heritage values have been recognised as high, indeed exceptional, they have not been exceptional enough financially to justify the intensive and sustained maintenance that a roofless ruin – particularly a brick one with much fine detail in a stone particularly susceptible to decay – needs if its significance is to be sustained. It was rejected by the Office of Works for Guardianship in the 1930s and there is no more realistic prospect of it being taken into the English Heritage 'national collection' in the future. The local authority has owned the building in the public interest since 1935, but historically it has struggled to meet the cost, delaying repair until public pressure or public danger have made intervention essential. Now that the structure has been substantially repaired and at least temporarily roofed, an alternative

¹¹⁴ At p 11, under a picture of the tower before the recent repairs, '*uses for this historic structure should be sought*'

approach to its long-term future is desirable. That means giving it utility value sufficient to justify its maintenance, provided this can be achieved without material harm to its significance.

- 4.4.14. Given the completeness of the survival of the shell, the significance of the tower need not be harmed by replacing its first and second floors; indeed the scale and space of its chambers could once again be appreciated. The arrangement of the framing has already been worked out in detail from wall sockets for the second floor.¹¹⁵ In reinstating these, whether the bridging beam were oak or a modern paraphrase in steel, the common joists would logically follow the same size and layout, utilising the original sockets, and in any event all of this structure was designed to be concealed. The line of the string course at structural wall head level is complete on the c1775 engraving and clear in the 1934 photo, particularly on the garderobe tower. The roof framing would be expected to follow that of the floors below and the roof is known to have been leaded. The sockets for the stone stair treads remain clearly defined. Doors and windows can be repaired from the evidence still present, even as to which lights had opening iron casements and internal timber shutters. Windows blocked early – one of the few obvious traces of the later 16th/ 17th century use – could remain so. Thus far is authentic restoration possible without resorting to speculation.
- 4.4.15. Externally the only details for which detailed evidence is lacking are the form of the parapets, the turret covering the head of the stair (beyond the octagonal plan of the latter) and the form of the chimneys and garderobe vent shafts (which would normally appear like a second stack of chimneys). Rebuilding above the string would therefore best appear as modern construction, clearly different from but sympathetic to the original; functional requirements as well as inference from what is below would necessarily include a parapet of safe height, a turret to access the roof, and (if the use were residential) a stack of chimneys, and possibly of vents from bathrooms or similar in the garderobes.
- 4.4.16. Residential was the original use and is the most obvious new use, but any use which fits the historic spaces and generates value sufficient to maintain the building would be appropriate. Modest extension on the line of the former west range and early 17th century extensions could both protect the vulnerable, once-internal areas and help indicate the original context of the tower in the corner of a courtyard.
- 4.4.17. This approach would be consistent with national and local planning policy outlined above. It could secure the heritage asset for future generations by giving it, though use, a utility value that would justify its maintenance, with minimal harm to its archaeological significance (mitigated through prior investigation and recording, and the gain in detailed understanding that would bring), while sustaining and better revealing its architectural significance. So long as its surroundings are not suburbanised in the process, the effect on the picturesque (fortuitous aesthetic) quality of the north range as a whole in the context of the conservation area would be minimal.

¹¹⁵ Austin 2016, Dwg 3

Agenda Item 6

Oxford Palace Conservation Statement

Recommendation 07: The long-term future of the north-west tower should be secured by replacing its floors and roof and bringing it into a use of sufficient value to sustain its future maintenance.

Recommendation 08: Lost or decayed structural elements and external details of the north-west tower should be reinstated up to roof level, where full and detailed evidence for them exists; above roof level, where only the elements of the structure, rather than their detail, is known, new work should be undertaken in different but sympathetic idiom. Sympathetic extension on the footprint of the north end of the west range and former 17th century extensions could be acceptable.

The remains of the gatehouse

4.4.18. The gatehouse fragment is in reasonably good condition under a sound 1914 roof, but a roof which fails to suggest the original form or scale of the structure. Internally the building is partly divided by lightweight modern partitions. It has survived in low key uses, most recently by the Girl Guides, and in conservation terms there is no particular reason why it should not continue in this form and similar use.

4.4.19. Given the disparity in significance between its exceptional Tudor structure, the 1914 roof (neutral) and the modern partitions (neutral/ intrusive), it can nonetheless be seen as having potential for other uses and indeed for extension, upwards rather than outwards since its plan is defined wholly by Tudor perimeter walls. At its simplest this might entail extension into the roof void (bearing in mind that the original ceiling height of the rooms was about 3m, rather less than the current height); or more ambitiously extending the footprint upwards, bearing in mind that the early 17th century principal stair was at the south end of the building, lit by the extant south window.

4.4.20. This approach, like bringing the north-west tower back into use, could also be consistent with national and local planning policy outlined above. It could similarly secure the heritage asset for future generations by giving it utility value sufficient to justify its maintenance, with minimal harm to its archaeological significance (mitigated through prior investigation and recording, and the gain in detailed understanding that would bring), while sustaining its architectural significance.

Recommendation 09: The potential for new uses of the gatehouse could be explored, including extension into the roof, or a new roof at higher level, provided that any extension does not detract from understanding the original form of the building, and preferably enhances it.

1-3 Castle Cottages

4.4.21. Each of the three cottages is in separate ownership, residential use and fair to good repair. The enclosed gardens on the north side might be thought to diminish visitors' appreciation of the range as a whole –in the 1930s it was hoped that it might be seen in the sequence of public open space created from the Green into the Palace. Equally, however, the inhabitation of this ancient fragment lends a charm and interest to the scene, and helps explain why it survives. So long as it remains

traditional and relatively informal, on balance the setting of the block is appropriate. But it is vulnerable to a change in gardening taste; an influx of modern materials in garish colours, of the kind to be found in any garden centre, could seriously harm the setting of the building and the character of the conservation area.

- 4.4.22. The problems on the south are greater, where the range is seen both at close quarters (across the stream) and distantly across Old Palace Field (Fig 21). The long view is the best, indeed the only, one of the group as a whole. The Castle Cottages have curtilages defined southwards by a stream whose centre meanders from 5.5m to 8m from the front elevations. The eastern cottage cultivates this space and has created a terrace in front of the gatehouse block, facilitated by an historic doorway being renewed and opened. The others lack direct access, and the spaces are overgrown and unsightly. Proposals to create access doors by re-opening blocked doors caused an outcry in 1978 (before the sale of the cottages) and were dropped.



Fig 21 The north-west range seen from the south-west across Old Palace Field; note terrace marking site of former west range of outer court

- 4.4.23. The present situation is both unsatisfactory for the occupiers of 1-3 Castle Cottages, two of which are denied access to south-facing gardens, and for the public's ability to appreciate the palace range from the setting of the former courtyard. Some separation of the public from the domestic windows of the cottages is essential and the stream does this unobtrusively, like a ha-ha. The best solution would be the co-operative management by the owners and tenants of this private space, with an awareness of the public as well as private interest in its appearance. The present unresolved situation makes the public face of the cottages particularly vulnerable to further suburbanisation, even though the ground is scheduled.

Recommendation 10: Efforts should be made to secure by agreement with all concerned management of the curtilage of Castle Cottages that takes account of their contribution to the setting of the north-west range as a whole.

Agenda Item 6

Oxford Palace Conservation Statement

Ownership, management, and presentation of the outer court and surrounding land

- 4.4.24. The divided ownership of the range, between the Council with the end sections and separate owners of 1-3 Castle Cottages, is a major barrier to presenting the buildings in a unified landscape and avoiding further erosion of such unity as currently exists, as discussed in the foregoing section. It is vital that its ownership and management do not become more fragmented as a consequence of developing the elements in the Council's ownership. This makes the choice of vehicle to develop and ultimately own the properties critical to the long-term need to secure the future of the site in the public interest. If either of the Council's elements becomes residential, then the potential of right to buy should rule out the local authority itself, or a housing association, as long-term owner. A charitable trust holding the property would need to avoid granting a lease of more than 21 years in order to prevent the risk of enfranchisement.
- 4.4.25. If such a trust were set up, it should seek to work with the owners and occupiers of Castle Cottages to agree a common management strategy for the exterior spaces around the buildings. In the medium to long term it might reasonably aspire to acquiring the cottages as investments as and when they come on the market. That is, ultimately, the only way to ensure unified management in the public interest.
- 4.4.26. If the tower becomes a roofed building in use, then logically it would be added to the statutory list. If that use is residential, listing, presumably in grade II* like the remainder of the block, would become essential, for the scheduling regime cannot apply to a dwelling house. However, it would be usual for the process of conversion to be controlled under scheduled monument consent, and management thereafter to fall under the listing regime.



Fig 22 Castle Cottages and the north-west tower from the north; recently-planted trees in the foreground, with trunk protection still in place

- 4.4.27. The public open space around the buildings is generally well-managed as such and there are information boards explaining the form of the lost palace and context of

the standing buildings. However, there are clear opportunities to manage the spaces in ways that more clearly relate the historic layout to people's current experience of the grounds. The approach through the outer courtyard from the outer gate towards the inner gate, for example, could be close-mown, and the site of the west range subtly demarcated by planting (not trees or woody shrubs), to help place the surviving elements in context and demonstrate the scale of the palace. Differential mowing could also help emphasise the former garden to the west, below the west range.

- 4.4.28. The Tudor Palace was designed to be seen and approached from the 'Pilgrim Road', across a green in which the church stood but that has apparently been reduced by subsequent enclosure. The connection, both visual and in terms of public ownership, was restored in the 1930s by the purchase of the land directly to the north of Castle Cottages. While in winter much of the range can be seen, at least at relatively close quarters, through leafless trees (Fig 22), in summer little is visible. This view should be managed to maintain, not obscure, views of the palace range at least from the viewpoint of Fig 22; recent tree planting here, thickening the tree belt, suggests that the current objective is to 'plant out' (ie obscure) views of the palace.

Recommendation 11: The vehicle for any scheme which brings the Council's parts of the north-west range into new uses should hold the buildings in the public interest for the long term, and seek through co-operation with other interests (and potentially acquisitions) to extend unified management of elements of the palace site in the public interest.

Recommendation 12: The land around the surviving palace buildings in public or charitable control should be managed to help visitors better understand their historic context, particularly through improving visibility on the approach from the Green, and subtly suggesting the framework of the outer court and gardens in the management of Castle Meadow.

4.5. Condition and repair needs of the fabric

The north-west range of the outer courtyard

- 4.5.1. The condition of the north-west tower was a matter of recurring concern for over a century. After adaptation as a dwelling it was abandoned when the roof failed in the middle of the 18th century (2.8.5 above). The earliest engraving (Fig 7) shows it with part of the parapet still intact (on the west), the rest reduced evenly to roof level (below which the wall was much thicker), and some vegetation growing out of the wall tops. After more than a century of weathering, it was covered from the top almost to ground level with ivy, suggesting that this was well rooted in the wall heads. By 1934, when the ivy had been cleared, the extent of loss at high level, particularly on that same west front, was evident, with collapse reaching down below window head level (Fig 23). Internal timber window lintels, particularly, must have been failing, contributing to the fragility of the structure.



Fig 23 The north-west tower in 1934, after the removal of ivy (SPAB archive)

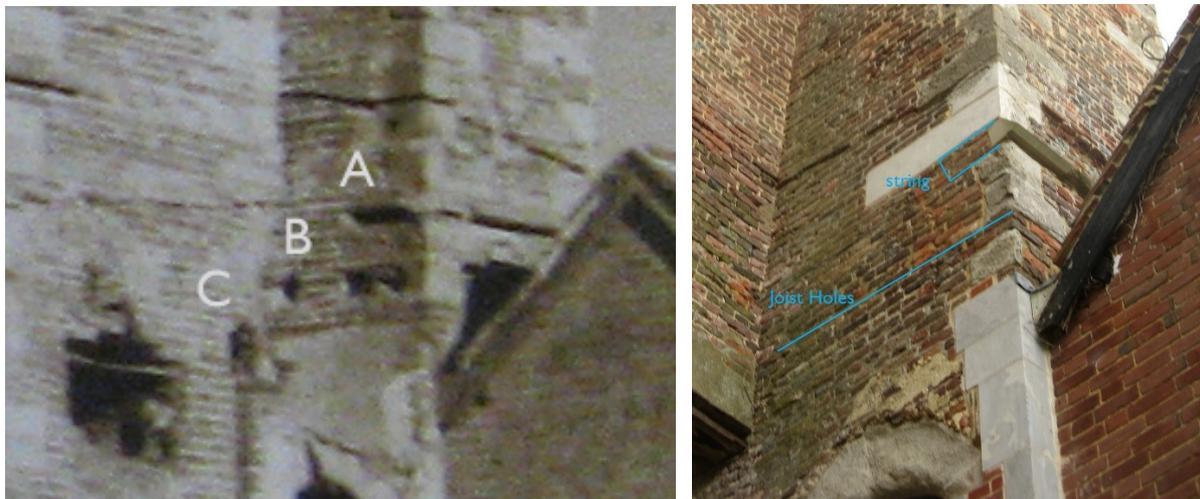


Fig 24 The north-west stair tower at second floor level in 1934 and 2017 showing (A) weathering course returning but now cut off; (B) gallery roof joist sockets now lost; (C – 1934 only) socket for bead of timber frame of west wall of the west gallery. Note extensive survival of internal plasterwork below joists 'B' in 1934; barely a fragment now remains

4.5.2. Major repairs were undertaken on several occasions, although from the SPAB archive these interventions were generally not followed by routine maintenance. Recent comprehensive structural repair works, including a 'temporary' felt roof, have essentially stabilised the structure. However, a good deal of architectural detail has been lost over the past century, as well as detailed evidence for the original form of the structure. Removing the ivy was beneficial at high level but a great deal that it sheltered lower down was exposed. Plaster was lost, and the infilling of sockets of decayed timbers with brickwork, followed by repairs of repairs, have in places

resulted not only in loss of evidence but also the inadvertent introduction of misleading details. Fig 24 shows an example, with the stone weathering course stopped at the corner. Regardless of whether the tower is brought into use, as discussed above, regular routine maintenance, rather than major repairs following periods of neglect, is necessary to minimise future losses.

- 4.5.3. The condition of the remainder of the range – the north-west gallery with its 1914 upper storey and the remaining part of the gatehouse, which have remained more or less continuously roofed and in use, is reasonably good. Recent repairs to the gatehouse have addressed its relatively modest external repair needs.

Recommendation 13: Following recent repairs, a programme of regular inspection and planned maintenance to the tower and former gatehouse should be devised and carried out, to protect the considerable investment already made in sustaining the significance of the buildings.

The area within the former moat excavated in 1974

- 4.5.4. Most of the surviving structure of the inner court buildings is buried. In the area excavated in 1974 and subsequently acquired by the Council, the wall tops are just below the ground surface.¹¹⁶ They are known to extend further north (see Figs 3-4) Continued burial is by far the best means of ensuring their preservation, and it fortunate that any temptation to leave the area excavated in 1974 exposed was resisted. The key management need is to fell the trees that have self-seeded in the excavated area to avoid harm to the underlying structures and remaining archaeological deposits. The area would probably best be managed as rough grassland.

Recommendation 14: The area within the former moat excavated in 1974 should be managed in ways conducive to the preservation of buried structures and deposits, including felling of self-seeded trees whose roots threaten the integrity of buried masonry.

The developed parts of the formerly moated area

- 4.5.5. The scheduled area of the inner courts is, rather unusually, occupied by a row of valuable detached houses (5-11 (odd) Bubblestone Road) in substantial gardens, each of which represents a north-south slice from the remains of the south curtain on the road frontage to the drain defining the southern edge of the former moat at the rear. Archaeologically (in terms of buried remains), this area is by far the most significant part of the palace remains, and apart from the upstanding walls it is obvious that cover over the remains of others is very limited indeed, with medieval masonry breaking the surface. As the Historic England website states, *'In practice [scheduling] is a very strict regime under which very little, if any, disturbance of the monument is possible without [scheduled monument] consent. Carrying out an activity without consent where it was needed is a criminal offence.'*¹¹⁷

¹¹⁶ As plates 19-29 in Philp 1984 show

¹¹⁷ <https://historicengland.org.uk/advice/hpg/consent/smc/>

Agenda Item 6

- 4.5.6. While the protection through scheduling is undoubtedly justified, by vulnerability as well as significance, it is hardly surprising that owners find this regime irksome, despite the continuation of established domestic gardening [‘horticultural’] activity (but not the planting or uprooting of trees and shrubs) being permitted under Class 1 of the Ancient Monuments (Class Consents) Order 1994. In one particular respect, however, it works against the preservation of the monument, since to undertake any repair of the upstanding walls, however minor, would require scheduled monument consent. The works proposed would require specification by a conservation professional, and to be undertaken by a specialist contractor. Individually, the effort and cost are not worth the trouble, and since there is no obligation on the owner of a monument actively to take steps for its preservation, the walls continue to decay.



Fig 25 The remains of the south curtain of the palace site, on the north frontage of Bubblestone Road, looking west

- 4.5.7. This is important because a considerable length of the south curtain stands about 1-1.5m high as the front boundary wall of nos 5-11 Bubblestone Road, interrupted by cuts for drives to the houses (Fig 25). It includes the cill of a substantial window and the decayed brick reveals of another, with sundry patches and blockings mostly modern. Generally, it is in poor condition, the top courses in particular disintegrating and colonised by plants. Much of it is in urgent need of consolidation, with particular care needed to identify, understand and maintain the remaining architectural features.
- 4.5.8. The rear gardens of these houses similarly include sections of the north curtain, surviving generally no higher than ground level but exposed as the retaining wall of the watercourse on the line of the moat. This has understandably attracted the

attention of gardeners over some 70 years, usually by accretions to the Tudor structure, and is mostly in fair condition. The watercourse itself is defined northwards by a brick wall, the north side of a culvert, mostly robbed in antiquity, but some of the exposed sections are fragile and in need of consolidation.

- 4.5.9. The solution to achieving the repair of these structures without disproportionate trouble and expense may lie in a Management Agreement between the owners and Historic England, under Class 8 of the Class Consents Order, under which specified works of maintenance could be carried out to the visible walls to a common specification. The use of a single contractor in first instance would be the most economical approach for all concerned. Negotiation of such an agreement would be greatly encouraged by the offer of a small grant by Historic England, if only to cover professional fees; in which case consent for the approved works would be automatic under Class 9. Such an incentive, however small, could be an effective recognition of the public interest in the management of the heritage values of this site by its several owners.

Recommendation 15: Historic England and the owners of the properties concerned should be encouraged to negotiate a management agreement under which repair of the exposed masonry structures of the palace could be communally achieved at reasonable cost.

Other structures



Fig 26 The remains of the north gable of the scheduled structure by the reservoir

- 4.5.10. The scheduled brick building in the grounds of Moat House, by the reservoir, at some point probably in the mid-20th century was reduced to a garden enclosure about 1.5m high, the walls now extremely fragile and disintegrating, with no evident recent repair (Fig 26). They are in need of consolidation, including repointing and re-bedding the top courses with a suitable capping to shed water.

Agenda Item 6

4.5.11. The ruin at Moat House might be brought into the form of an agreement proposed for the Bubblestone Road walls, for the issues are the same. But even on a rapid assessment this structure seems substantially to post-date the 16th century (2.6.9 above). More research is needed to understand the form and date of this structure, but its significance may not be such as to warrant its continued scheduling; management as a listed building may be more appropriate. In either case its repair is both urgent and desirable.

Recommendation 16: Research should be undertaken to better understand the form, age and significance of the ruined building at Moat Farm, and in the light of the results Historic England invited to consider whether its current designation is appropriate. The owners should be encouraged to undertake repair appropriate to its significance.

4.5.12. St Thomas à Becket's Well has been reported in the past (1955)¹¹⁸ to be in poor condition, and in 2017 was completely overgrown with vegetation (Fig 27).



Fig 27: St Thomas à Becket's Well from the north, August 2017

Recommendation 17: The condition of the scheduled monument of St Thomas à Becket's Well should be assessed, and efforts made to encourage the owners to agree with Historic England a suitable management regime for it.

4.6. Research priorities

4.6.1. A great deal of research has been undertaken on Otford Palace, indeed Otford generally, over the past century, and continues particularly under the auspices of the West Kent Archaeological Society, the Otford Archaeological Society and others. Inevitably it has tended to focus on the palace at its zenith under Archbishop

¹¹⁸ In the excavation report

Warham. In trying to summarise and review this work we have attempted to look both forwards and backwards from that brief flowering, not least to consider the circumstances that led to the survival of what exists today. In so doing we have hardly scratched the surface of the documentary and archaeological resources available.

Towards a research strategy

- 4.6.2. One of the problems in understanding the palace in detail is that there is no modern, large scale survey of the site onto which all the visible elements are located with precision, and onto which past records and surveys can be plotted confident that the relationships between the visible elements and modern topographic features are correct. The team has undertaken some GPS survey of the walls along Bubblestone Road and the north-west courtyard range, and reconciled these with large scale OS data, but the precise location and alignment of visible parts of the north side of the formerly-moated area is uncertain, being taken largely from secondary sources which do not agree with one another. Developing an accurate survey, and plotting on it records of past archaeological interventions, especially small-scale work undertaken in conjunction with extension and alteration of the houses in Bubblestone Road, as well as geophysical survey data and information from historic maps and other documents, should be the first step. In parallel, the data from past interventions should be collated and, where this has not already been done, the results entered in the Kent Historic Environment Record. Doing this would rely on the active support and engagement of the landowners, and the Otford Historical Society and others who have done so much to champion the value of the Palace over recent decades, perhaps in partnership with an organisation like Canterbury Archaeological Trust who have worked on this project and on the standing tower.
- 4.6.3. An equally thorough approach needs to be taken to the archival sources, which has not been possible in the course of this project. The Receiver's Accounts for the Otford Bailiwick, from which Alden Gregory has been able to elucidate the parallel building history of Knole, might shed more light on Otford.¹¹⁹ Split mostly between Lambeth Palace Library and the National Archives, a substantial proportion of them survive for the years between 1442-3 and 1538-9, occasionally with associated vouchers.¹²⁰ These might be important because they relate to the period when Otford was in the hands of the archbishops, and in particular the period when Warham was rebuilding it; and as Stoyel pointed out, yet earlier records of the see are also essential to building a comprehensive understanding of the evolution of the place.¹²¹
- 4.6.4. Alden Gregory has kindly shared with us his transcripts of the principal surveys and a copy of the c1537 survey in Sevenoaks Library, and we have used these particularly to give an outline account of the inner court buildings. But a more detailed analysis of these key documents would yield much more, and a comprehensive search for

¹¹⁹ Although Gregory noticed only one reference to Otford

¹²⁰ Gregory 2010, for example at pp 90-92; the accounts and their present locations are listed in Appendix 1, pp225-228

¹²¹ Stoyel 1984, 260

Agenda Item 6

other relevant documentation in both the royal and archepiscopal archives is needed.

- 4.6.5. A comprehensive search for relevant documentation relating to later owners is also desirable, not least to try to find references to the works by the Sidney family to their lodgings and the involvement of John Thorpe. For this *Statement* we have only studied in detail one primary source, the archives of the Society for the Preservation of Ancient Buildings, to clarify the 20th century history of the place.
- 4.6.6. Only if a substantial evidence base were collated from both archaeological and documentary sources would it be possible to formulate a research strategy for the site involving archaeological intervention. Since the site is scheduled, consent for intrusive archaeological research is unlikely to be granted without such an evidence-based research strategy to justify it. On a practical level, the moat island is covered by private gardens and opportunities are likely to be limited.
- 4.6.7. Without prejudice to the need for a better evidence base to underpin a research strategy, however, the priorities are likely to including defining the extent and character of the archaeological remains, to improve their interpretation and management. This (which would require scheduled monument consent) could involve:
- Targeted excavation to verify the lines and junctions of the principal walls defining and within the moated core (some of which poke through the garden surface) and to 'ground truth' the geophysical survey results in the open land north of Philp's excavation, to achieve at least an outline ground plan of the principal structures in the 16th century.
 - Similar targeted investigation to understand the form and age of the geophysical anomaly here interpreted as the potential site of the little gatehouse and the stables.
 - Investigation of the nature and significance of the building by the north reservoir (2.6.10 above), to clarify its significance (or otherwise).
- 4.6.8. From collating existing knowledge and clarifying the layout of the palace, a research agenda should emerge. One specific question that has arisen in the area about which our understanding is more developed than most relates to the outer court: Are the lodgings against the west outer court range of the gallery contemporary with it or an addition before 1537?

Recommendation 18: A research strategy for Oxford Palace in its contexts should be developed, following collation and assessment of the available evidence, topographic, archaeological and documentary, and based on modern, accurate site survey

If the vacant north range structures are to be brought back into use

4.6.9. Recording during the repair of the north-west tower,¹²² and subsequent metric survey of the tower and gatehouse in detail (and the block between in outline) has already clarified both the detailed form of these parts of the north-west range and revealed a much more complex 16th and 17th century building history than had previously been realised. However, the whole standing structure has much more to reveal, and areas of further investigation can be outlined:

- If the owners and tenants are agreeable, a systematic internal and external inspection of the three cottages, especially to record any historic features surviving internally
- If the tower and gatehouse buildings are to be adapted to new uses:
 - detailed investigation and recording of the standing fabric before and during the works, to inform detailed design and to amplify and correct the model of their evolution, using the survey drawings and rectified photographs now available as a base;
 - Excavation within the buildings (and probably the former gate passage) to clarify historic levels and construction, and the uses of the areas prior to their construction (especially whether there is any clear evidence of an approach from the north prior to the building of the gatehouse);
 - If extension of the north-west tower is envisaged, prior area excavation of the space between the tower and the (modern) stream, fully to understand the probably early 17th century extension in this area (and which would probably answer the academic question about the western lodgings, posed above);
 - Prior excavation/ watching brief on any associated service trenches or other ground disturbance associated with the works.

Recommendation 19: If the vacant north-west range buildings are to be brought into new or different uses, further detailed investigation of the fabric and the archaeological deposits that would be affected should be undertaken, both to inform the design and to maximise the information revealed and recorded during the project. The results should be published.

¹²² Austin 2016

Agenda Item 6

Otford Palace Conservation Statement

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TREASURY MANAGEMENT ANNUAL REPORT 2017/18

Finance Advisory Committee - 4 September 2018

Report of the: Chief Finance Officer

Status: For recommendation to Cabinet

Also considered by: Cabinet - 13 September 2018

Key Decision: No

Executive Summary: This report provides the customary review of investment and borrowing activity during 2017/18 as required by the Council's Financial Procedure Rules. The report outlines the strategy adopted during the year, shows the position of the investment and debt portfolios at the beginning and the end of the year and gives details of how the investment fund performed in comparison with previous years and against various benchmarks.

This report supports the Key Aim of Effective Management of Council Resources.

Portfolio Holder Cllr. John Scholey

Contact Officer Roy Parsons, Principal Accountant, Ext. 7204

Recommendation to Finance Advisory Committee: That Cabinet be asked to approve the Treasury Management Annual Report for 2017/18.

Recommendation to Cabinet: That the Treasury Management Annual Report for 2017/18 be approved.

Reason for recommendation: As required by both the Council's Financial Procedure Rules and the CIPFA Code, an annual report of treasury management activity is to be presented to Members for approval.

Background

- 1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2017/18. This report meets the requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

Agenda Item 7

- 2 During 2017/18 the minimum reporting requirements were that the Council should receive the following reports:
 - an annual treasury strategy in advance of the year (Council 21/2/2017)
 - a mid year (minimum) treasury update report (Finance Advisory Committee 14/11/2017, Cabinet 7/12/2017)
 - an annual review following the end of the year describing the activity compared to the strategy (this report)
- 3 In addition, regular reports on progress were presented to the Finance Advisory Committee. The Council's treasury management advisers, Link Asset Services, also provided monthly reviews of our investment performance which were forwarded to Members.
- 4 The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members.
- 5 This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to treasury management reports before they were reported to the full Council.

Introduction

- 6 This **annual treasury report** covers:
 - (a) The Council's treasury position at the beginning and end of the financial year;
 - (b) the economy and interest rates;
 - (c) investment strategy for 2017/18;
 - (d) borrowing requirement and debt;
 - (e) borrowing rates in 2017/18;
 - (f) borrowing outturn 2017/18;
 - (g) investment rates in 2017/18;
 - (h) investment outturn for 2017/18 and performance;
 - (i) compliance with treasury management limits and prudential indicators; and
 - (j) other issues (including an update on the Municipal Bonds Agency).

Treasury position at the beginning and end of the financial year

- 7 The Council's treasury position at the beginning and end of the financial year was as follows:

	31/3/17 Principal (£000)	Rate Return (%)	Average Life (Years)	31/3/18 Principal (£000)	Rate Return (%)	Average Life (Years)
Total debt	-	-	-	5,250	2.66	29.5
Capital Financing Requirement (CFR)	9,642	-	-	13,807	-	-
Over/(under) borrowing	(9,642)	-	-	(8,557)	-	-
Total investments	29,320	0.54	-	30,960	0.39	-
Net debt/ (investments)	(29,320)	-	-	(25,710)	-	-

- 8 The investment portfolio at the beginning and end of the financial year appears at Appendix A, whilst an analysis by maturity and repayment due dates appears at Appendix B.

The economy and interest rates

- 9 During the calendar year of 2017, there was a major shift in expectations in financial markets in terms of how soon Bank Rate would start on a rising trend. After the UK economy surprised on the upside with strong growth in the second half of 2016, growth in 2017 was disappointingly weak in the first half of the year which meant that growth was the slowest for the first half of any year since 2012. The main reason for this was the sharp increase in inflation caused by the devaluation of sterling after the EU referendum, feeding increases into the cost of imports into the economy. This caused a reduction in consumer disposable income and spending power as inflation exceeded average wage increases. Consequently, the services sector of the economy, accounting for around 75% of GDP, saw weak growth as consumers responded by cutting back on their expenditure.
- 10 However, growth did pick up modestly in the second half of 2017. Consequently, market expectations during the autumn, rose significantly

Agenda Item 7

that the Bank of England's Monetary Policy Committee (MPC) would be heading in the direction of imminently raising Bank Rate. The minutes of the MPC meeting of 14 September indicated that the MPC was likely to raise Bank Rate very soon. The 2 November MPC quarterly Inflation Report meeting duly delivered by raising Bank Rate from 0.25% to 0.50%.

- 11 The 8 February MPC meeting minutes then revealed another sharp hardening in MPC warnings on a more imminent and faster pace of increases in Bank Rate than had previously been expected.
- 12 Market expectations for increases in Bank Rate, therefore, shifted considerably during the second half of 2017/18 and resulted in investment rates from 3 - 12 months increasing sharply during the spring quarter. A further increase in Bank Rate to 0.75% was delivered on 2 August 2018.
- 13 Public Works Loan Board (PWLB) borrowing rates increased correspondingly to the above developments with the shorter term rates increasing more sharply than longer term rates. In addition, UK gilts have moved in a relatively narrow band this year, (within 25 bps for much of the year), compared to US treasuries. During the second half of the year, there was a noticeable trend in treasury yields being on a rising trend with the US Federal Reserve raising rates by 0.25% in June, December and March, making six increases in all from the floor. The effect of these three increases was greater in shorter terms, around 5 year, rather than longer term yields.
- 14 The major UK landmark event of the year was the inconclusive result of the general election on 8 June. However, this had relatively little impact on financial markets.

Investment strategy for 2017/18

- 15 The expectation for interest rates within the treasury management strategy for 2017/18 anticipated that Bank Rate would not start rising from 0.25% until quarter 2, 2019 and then only increase once more before March 2020. There would also be gradual rises in medium and longer term fixed borrowing rates during 2017/18 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.
- 16 During 2017/18, longer term PWLB rates were volatile but with little overall direction, whereas shorter term PWLB rates were on a rising trend during the second half of the year.

The borrowing requirement and debt

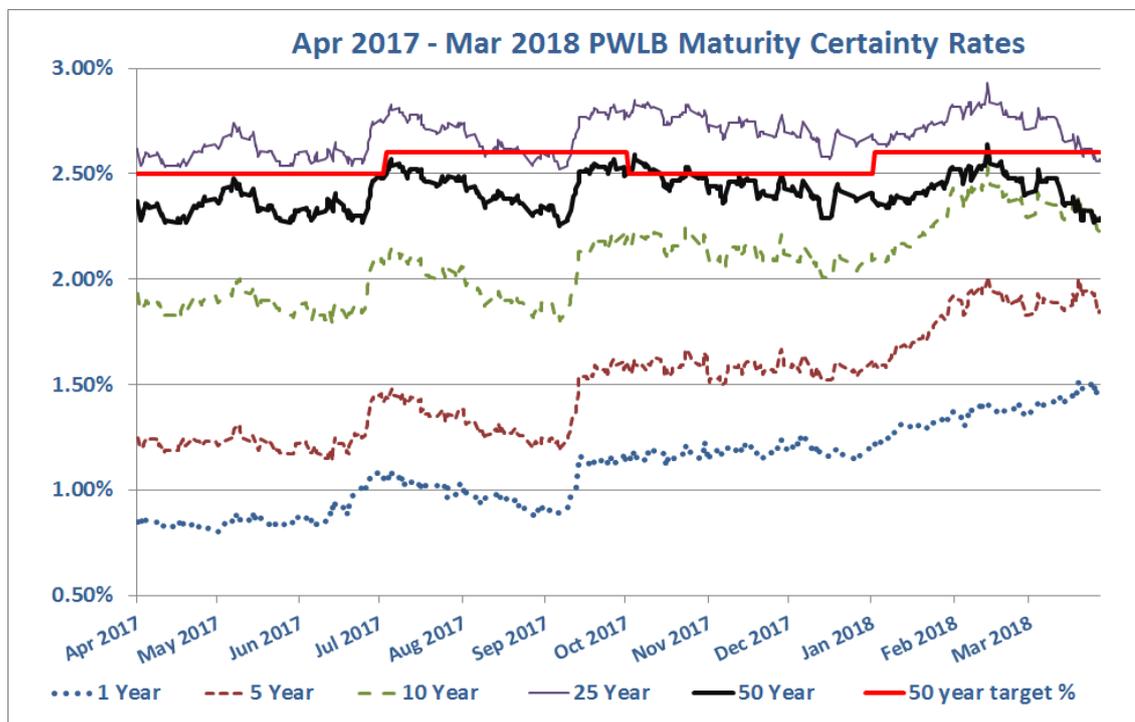
- 17 The Council’s underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR) and is shown in the following table:

	31/3/17 Actual (£000)	31/3/18 Actual (£000)
CFR General Fund	9,642	13,807
Total CFR	9,642	13,807

Borrowing rates 2017/18

PWLB certainty maturity borrowing rates

- 18 As depicted in the graph below, PWLB 25 and 50 year rates have been volatile during the year with little consistent trend. However, shorter rates were on a rising trend during the second half of the year and reached peaks in February / March. During the year, the 50 year PWLB target (certainty) rate for new long term borrowing was 2.50% in quarters 1 and 3 and 2.60% in quarters 2 and 4. The graph for PWLB rates shows, for a selection of maturity periods, the average borrowing rates, the high and low points in rates, spreads and individual rates at the start and the end of the financial year.



Borrowing outturn for 2017/18

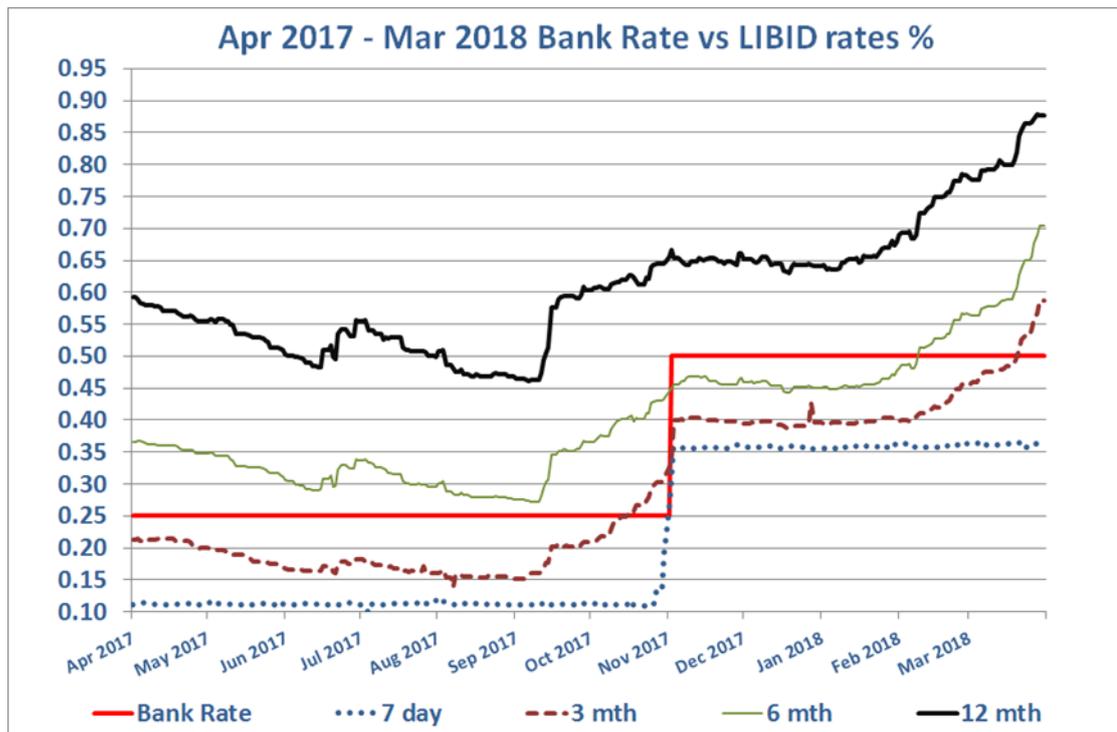
19 The following loan was taken during the year:

Lender	Principal	Type	Interest Rate	Maturity
PWLB	£5.25m	Fixed interest rate - Annuity	2.66%	3/11/2040

20 There were no repayments or rescheduling of debt during 2017/18.

Investment rates in 2017/18

21 Investment rates for 3 months and longer have been on a rising trend during the second half of the year in the expectation of Bank Rate increasing from its floor of 0.25%, and reached a peak at the end of March. Bank Rate was duly raised from 0.25% to 0.50% on 2/11/17 and remained at that level for the rest of the year. However, further increases are expected over the next few years. Deposit rates continued into the start of 2017/18 at previous depressed levels due, in part, to a large tranche of cheap financing being made available under the Term Funding Scheme to the banking sector by the Bank of England; this facility ended on 28/2/18.



Investment outturn for 2017/18 and performance

- 22 The Council's investment policy is governed by Ministry of Housing Communities and Local Government (MHCLG) guidance, which has been implemented in the annual investment strategy approved by the Council on 21 February 2017. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc).
- 23 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
- 24 Appendix C shows the performance of the fund during 2017/18 both in table and graphical form. The table shows the average percentage return on the fund, both monthly and for the whole year and compares them with the average 7-day and 3-month London Interbank Bid (LIBID) rates. The average return achieved by each broker is only a very basic measure of performance, because returns will depend on the number and length of each investment he/she is asked to carry out. If a particular broker is only asked to place short term investments, he/she may well not achieve the same overall rate as a broker who predominantly handles longer term investments for us.
- 25 The graph shows actual monthly receipts for 2015/16, 2016/17 and 2017/18 plus budgeted monthly receipts for 2017/18. The monthly interest budget has been profiled in line with the previous year's monthly weighted average principal.
- 26 Over the course of the year interest receipts amounted to £168,400 compared with a budget of £157,000.
- 27 In 2017/18 the average return on the Council's investments was roughly in line with that of our neighbouring authorities. Our overall rate of return was 0.39% compared with 0.67% for Tonbridge & Malling Borough Council and 0.45% for Gravesham Borough Council. It should be noted that investment returns are notoriously difficult to compare as they have often been compiled on a different basis (for example, whether or not interest has been compounded, whether or not cashflow generated balances have been included, whether or not externally managed funds have been included and whether or not the figures are net of borrowings).
- 28 Our treasury management advisers recommend the 3-month LIBID figure as a benchmark. This reflects a more realistic neutral investment position for core investments with a medium term horizon and a rate which is more stable with less fluctuation caused by market liquidity. Historically, this rate has been slightly higher than the 7-day rate and therefore more challenging a comparator, but one which does not necessitate a significantly increased level of risk. The figures calculated by our advisers for these two benchmarks are as follows:
- 7-day LIBID uncompounded 0.2145%

Agenda Item 7

- 3-month LIBID uncompounded 0.2861%

Compliance with treasury management limits and prudential indicators

- 29 The Council operates to approved prudential indicators for treasury management as contained in the Treasury Management Strategy Statement (TMSS). The TMSS for 2017/18 was part of the annual treasury strategy reported to Council on 21 February 2017. The approved limits exist to regulate short-term borrowing for operational cash flow fluctuations, as well as long-term borrowing for financing capital investments. Additionally, the limits aim to mitigate against fluctuations in interest rates.
- 30 The Council's treasury management limits and indicators for 2017/18 are compared with the outturn position and previous year's outturn position in Appendix D.

Other issues

Update on the Municipal Bonds Agency

- 31 During 2014/15, the Council invested £50,000 to become an equity shareholder in the Local Capital Finance Company, which was set up by the Local Government Association under the name of the Municipal Bonds Agency (MBA). This was a 'Policy Investment' and does not form part of the treasury management strategy. The purpose of the agency is to facilitate borrowing by local authorities at rates that are expected to be more competitive than those of the Public Works Loan Board (PWLB). There are 56 shareholder councils.
- 32 The primary focus of the agency has been delivering its first debt financing and has engaged with numerous authorities with regard to their debt finance requirements. The agency has received a strong confidential credit rating and has had its "Framework Agreement" approved by at least 21 councils, who can now avail themselves of borrowing from the agency.
- 33 The agency is still preparing for its initial debt offering and related financing to local authorities and this process has taken longer than originally anticipated. Accordingly, the Board of Directors implemented a series of measures to reduce the cost base during the last year.
- 34 The Local Government Association (LGA), having been instrumental in the establishment of the MBA and as its largest shareholder, with retained powers, has provided the Board of Directors with a letter of comfort confirming it will stand behind the agency. The LGA has offered its ongoing support in promoting the agency and ensuring its business continuity going forward. The support has been offered for a period of 10 years from 18/1/2018 and the Board has no reason to believe that it might be withdrawn. Hence the Board view the agency as a going concern in their latest set of accounts.

Revised CIPFA Codes

- 35 In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued a revised Treasury Management Code and Cross Sectoral Guidance Notes, and a revised Prudential Code.
- 36 A particular focus of these revised codes was how to deal with local authority investments which are not treasury type investments e.g. by investing in purchasing property in order to generate income for the Authority at a much higher level than can be attained by treasury investments. One recommendation was that local authorities should produce a new report to members to give a high level summary of the overall capital strategy and to enable members to see how the cash resources of the Authority have been apportioned between treasury and non-treasury investments. Officers will report to members when the implications of these new codes have been assessed as to the likely impact on this Authority.

Markets in Financial Instruments Directive II (MiFID II)

- 37 The EU set the date of 3 January 2018 for the introduction of regulations under MiFID II. These regulations govern the relationship that financial institutions conducting lending and borrowing transactions will have with local authorities from that date. This has had little effect on this Authority apart from having to fill in forms sent by each institution dealing with this Authority and for each type of investment instrument we use, apart from for cash deposits with banks and building societies.

Key Implications

Financial

- 38 The management of the Council's investment portfolio and cash-flow generated balances plays an important part in the financial planning of the authority. The security of its capital and liquidity of its investments is of paramount importance.

Legal Implications and Risk Assessment Statement

- 39 Under Section 151 of the Local Government Act 1972, the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management.
- 40 This annual review report fulfils the requirements of The Chartered Institute of Public Finance & Accountancy's Code of Practice on Treasury Management 2009.
- 41 Treasury management has two main risks :

Agenda Item 7

- Fluctuations in interest rates can result in a reduction in income from investments; and
- A counterparty to which the Council has lent money fails to repay the loan at the required time.

42 Consideration of risk is integral in our approach to treasury management. However, this particular report has no specific risk implications as it is not proposing any new actions, but merely reporting performance over the last year.

Equality Assessment

43 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.

Conclusions

44 The overall return on the Council's investments was above budget in 2017/18 by approximately £11,400 and the percentage return exceeded the recognised benchmarks.

45 The economic situation both globally and within the Eurozone remains volatile, and this will have consequences for the UK economy. Treasury management in the past financial year was conducted against this background and with a cautious investment approach.

Appendices:

Appendix A - Investment portfolio at start and end of financial year

Appendix B - Analysis of investment portfolio by maturity and repayment due dates

Appendix C - Investment performance in 2017/18

Appendix D - Prudential and treasury indicators

Background Papers:

[Treasury Management Strategy for 2017/18 - Council 21 February 2017](#)

Adrian Rowbotham
Chief Finance Officer

SEVENOAKS DISTRICT COUNCIL

List of Investments as at:- 31-Mar-17

Reference	Name	Rating	Country	Group	Amount	Start Date	Comm Rate	End Date	Curr Rate	Terms	Broker
	Santander UK plc (Business Reserve A/C)	A	U.K.	Santander	0	01-Apr-99			0.40000%	Variable	Direct
	Santander UK plc (Money Market A/C)	A	U.K.	Santander	0	09-Oct-06			0.40000%	Variable	Direct
	Clydesdale Bank plc (30 Day Notice Corporate A/C)	A	U.K.	NAB	0	10-Sep-10			0.40000%	Variable	Direct
	Barclays Bank plc (Business Premium A/C)	A	U.K.		1,320,000	01-Oct-11			0.05000%	Variable	Direct
	Barclays Bank plc (Flexible IBCA)	A	U.K.		0	01-Jun-14			0.45000%	Variable	Direct
	National Westminster Bank plc (Liquidity Select)	BBB+	U.K.	RBS	0	07-Oct-11			0.01000%	Variable	Direct
	National Westminster Bank plc (95 Day Notice)	BBB+	U.K.	RBS	0	24-May-13			0.10000%	Variable	Direct
	Svenska Handelsbanken AB (Deposit A/C)	AA-	Sweden		1,000,000	23-Jul-14			0.15000%	Variable	Direct
	Svenska Handelsbanken AB (35 Day Notice A/C)	AA-	Sweden		2,000,000	01-Sep-16			0.25000%	Variable	Direct
	Standard Life Liquidity Fund (Money Market Fund)	AAA	U.K.		2,500,000	11-May-12				Variable	Direct
	Insight Liquidity Fund (Money Market Fund)	AAA	U.K.		1,000,000	11-May-12				Variable	Direct
	BlackRock Liquidity Fund (Money Market Fund)	AAA	U.K.		1,500,000	13-Oct-16				Variable	Direct
IP1341	Bank of Scotland plc	A+	U.K.	Lloyds/HBOS	1,000,000	09-Feb-17	0.60000%	09-Aug-17		6 Months	Direct
IP1342	Bank of Scotland plc	A+	U.K.	Lloyds/HBOS	1,000,000	20-Feb-17	0.60000%	21-Aug-17		6 Months	Direct
IP1331	Coventry Building Society	A	U.K.		2,000,000	17-Nov-16	0.27000%	17-May-17		6 Months	Tradition
IP1338	Coventry Building Society	A	U.K.		1,000,000	16-Jan-17	0.28000%	18-Apr-17		3 Months	R P Martin
IP1340	Leeds Building Society	A-	U.K.		1,000,000	25-Jan-17	0.43000%	25-Jul-17		6 Months	R P Martin
IP1322	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	05-Oct-16	0.65000%	05-Apr-17		6 Months	Direct
IP1327	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	26-Oct-16	0.65000%	26-Apr-17		6 Months	Direct
IP1328	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	03-Nov-16	0.65000%	03-May-17		6 Months	Direct
IP1329	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	04-Nov-16	0.60000%	04-May-17		6 Months	Direct
IP1332	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	28-Nov-16	0.60000%	30-May-17		6 Months	Direct
IP1335	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	04-Jan-17	0.60000%	04-Jul-17		6 Months	Direct
IP1343	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	2,000,000	29-Mar-17	0.55000%	29-Sep-17		6 Months	Direct
IP1326	Nationwide Building Society	A	U.K.		1,000,000	17-Oct-16	0.42000%	18-Apr-17		6 Months	R P Martin
IP1337	Nationwide Building Society	A	U.K.		1,000,000	11-Jan-17	0.42000%	11-Jul-17		6 Months	Tradition
IP1232	Royal Bank of Scotland plc	BBB+	U.K.	RBS	3,000,000	15-Apr-15	1.21000%	18-Apr-17		2 Years	R P Martin
IP1316	Thurrock Borough Council		U.K.		1,000,000	28-Oct-16	0.30000%	28-Apr-17		6 Months	R P Martin

Total Invested

29,320,000

Other Loan
Sevenoaks Leisure Limited

250,000

29-Apr-08

7.00000%

31-Mar-18

10 Years

Direct

SEVENOAKS DISTRICT COUNCIL

List of Investments as at:- 31-Mar-18

Reference	Name	Rating	Country	Group	Amount	Start Date	Comm Rate	End Date	Curr Rate	Terms	Broker	
	Barclays Bank plc (Business Premium A/C)	A	U.K.		860,000	01-Oct-11			0.30000%	Variable	Direct	
	National Westminster Bank plc (Liquidity Select)	BBB+	U.K.	RBS	0	07-Oct-11			0.01000%	Variable	Direct	
	National Westminster Bank plc (95 Day Notice)	BBB+	U.K.	RBS	0	24-May-13			0.10000%	Variable	Direct	
	Svenska Handelsbanken AB (Deposit A/C)	AA-	Sweden		0	23-Jul-14			0.20000%	Variable	Direct	
	Svenska Handelsbanken AB (35 Day Notice A/C)	AA-	Sweden		3,000,000	01-Sep-16			0.30000%	Variable	Direct	
	Standard Life Liquidity Fund (Money Market Fund)	AAA	U.K.		500,000	11-May-12				Variable	Direct	
	Insight Liquidity Fund (Money Market Fund)	AAA	U.K.		100,000	11-May-12				Variable	Direct	
	BlackRock Liquidity Fund (Money Market Fund)	AAA	U.K.		500,000	13-Oct-16				Variable	Direct	
IP1357	Bank of Scotland plc	A+	U.K.	Lloyds/HBOS	1,000,000	09-Aug-17	0.45000%		0.70000%	95 Day Notice	Direct	
IP1377	Birmingham City Council		U.K.		1,000,000	31-Jan-18	0.46000%	30-Apr-18		3 Months	R P Martin	
IP1369	Blackpool Borough Council		U.K.		2,000,000	24-Nov-17	0.50000%	24-May-18		6 Months	R P Martin	
IP1364	Conwy County Borough Council		U.K.		2,000,000	31-Oct-17	0.43000%	30-Apr-18		6 Months	R P Martin	
IP1362	Coventry Building Society	A	U.K.		2,000,000	18-Oct-17	0.45000%	18-Apr-18		6 Months	R P Martin	
IP1378	Leeds Building Society	A-	U.K.		2,000,000	29-Mar-18	0.65000%	06-Jul-18		99 Days	Tradition	
IP1361	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	05-Oct-17	0.36000%	05-Apr-18		6 Months	Direct	
IP1365	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	2,000,000	03-Nov-17	0.65000%	03-May-18		6 Months	Direct	
IP1366	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	06-Nov-17	0.65000%	08-May-18		6 Months	Direct	
IP1373	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	30-Nov-17	0.65000%	31-May-18		6 Months	Direct	
IP1374	Lloyds Bank plc	A+	U.K.	Lloyds/HBOS	1,000,000	05-Jan-18	0.70000%		0.70000%	95 Day Notice	Direct	
IP1372	Nationwide Building Society	A+	U.K.		2,000,000	17-Nov-17	0.48000%	17-May-18		6 Months	Tradition	
IP1371	Santander UK plc	A	U.K.		2,000,000	15-Nov-17	0.53000%	15-May-18		6 Months	Tradition	
IP1375	Santander UK plc	A	U.K.		1,000,000	11-Jan-18	0.48000%	11-Apr-18		3 Months	Tradition	
IP1367	Thurrock Borough Council		U.K.		3,000,000	06-Nov-17	0.50000%	08-May-18		6 Months	R P Martin	
IP1368	Thurrock Borough Council		U.K.		2,000,000	16-Nov-17	0.50000%	16-May-18		6 Months	R P Martin	
Total Invested					30,960,000							
Other Loans												
	Sevenoaks Leisure Limited				250,000	29-Apr-08	7.00000%	31-Mar-18		10 Years	Direct	
	Sevenoaks Leisure Limited				600,000	27-Nov-17	6.00000%	30-Jul-27		10 Years	Direct	

Appendix B

SEVENOAKS DISTRICT COUNCIL
ANALYSIS OF INVESTMENT POOL FUND 31.3.2018

MATURITY PROFILE (BY VALUE)

BASED ON PERIOD OF INVESTMENT AT COMMENCEMENT DATE

MATURITY PERIOD	BANKS £'000	B.SOCS £'000	MMFS £'000	OTHER LAs £'000	TOTAL £'000
NOTICE MONEY	5,860	-	1,100	-	6,960
UP TO 1 MONTH	-	-	-	-	-
1 TO 3 MONTHS	1,000	-	-	1,000	2,000
3 TO 6 MONTHS	7,000	6,000	-	9,000	22,000
6 MONTHS TO 1 YEAR	-	-	-	-	-
OVER 1 YEAR	-	-	-	-	-
	13,860	6,000	1,100	10,000	30,960

MATURITY PROFILE (PERCENTAGE OF TOTAL FUND)

BASED ON PERIOD OF INVESTMENT AT COMMENCEMENT DATE

MATURITY PERIOD	BANKS %	B.SOCS %	MMFS %	OTHER LAs %	TOTAL %
NOTICE MONEY	18.9	-	3.6	-	22.5
UP TO 1 MONTH	-	-	-	-	-
1 TO 3 MONTHS	3.2	-	-	3.2	6.4
3 TO 6 MONTHS	22.6	19.4	-	29.1	71.1
6 MONTHS TO 1 YEAR	-	-	-	-	-
OVER 1 YEAR	-	-	-	-	-
	44.7	19.4	3.6	32.3	100.0

PROFILE OF REPAYMENTS DUE

	VALUE £'000	% TOTAL FUND
NOTICE MONEY	6,960	22.5
DUE WITHIN ONE MONTH	7,000	22.6
DUE WITHIN TWO MONTHS	15,000	48.4
DUE WITHIN THREE MONTHS	-	-
DUE WITHIN SIX MONTHS	2,000	6.5
DUE WITHIN ONE YEAR	-	-
DUE AFTER ONE YEAR	-	-
	30,960	100.0

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Appendix C

TOTAL INTEREST ON FUND 2017/2018

Broker/Institution	Apr-17			May-17			Jun-17		
	W.A.P	Interest Due	Ave Rate	W.A.P	Interest Due	Ave Rate	W.A.P	Interest Due	Ave Rate
Handelsbanken (Deposit A/C)	82,191.78	123.29	0.1500%	84,931.51	127.40	0.1500%	82,191.78	123.29	0.1500%
Handelsbanken (35 Day Notice)	164,383.56	410.96	0.2500%	169,863.01	424.81	0.2501%	164,383.56	410.96	0.2500%
Standard Life (Money Market Fund)	393,150.68	1,052.93	0.2678%	417,808.22	1,053.47	0.2521%	405,479.45	981.75	0.2421%
Insight (Money Market Fund)	169,863.01	301.15	0.1773%	113,698.63	189.63	0.1668%	197,260.27	305.94	0.1551%
BlackRock (Money Market Fund)	282,191.78	622.66	0.2207%	272,602.74	557.08	0.2044%	284,931.51	572.92	0.2011%
Tradition	246,575.34	953.42	0.3867%	347,945.21	1,348.49	0.3876%	410,958.90	1,594.52	0.3880%
RP Martin	493,150.68	3,036.99	0.6158%	594,520.55	2,471.51	0.4157%	575,342.47	2,391.78	0.4157%
Sterling	0.00	0.00	0.0000%	0.00	0.00	0.0000%	0.00	0.00	0.0000%
Direct dealing	821,917.81	4,887.67	0.5947%	849,315.07	4,847.95	0.5708%	821,917.81	4,643.84	0.5650%
Fund Average	2,653,424.66	11,389.07	0.4292%	2,850,684.93	11,020.34	0.3866%	2,942,465.75	11,024.99	0.3747%
Other Interest		0.00			0.00			157.32	
7 Day LIBID			0.2000%			0.2000%			0.2000%
3 Month LIBID			0.3200%			0.3200%			0.3200%

Broker/Institution	Jul-17			Aug-17			Sep-17		
	W.A.P	Interest Due	Ave Rate	W.A.P	Interest Due	Ave Rate	W.A.P	Interest Due	Ave Rate
Handelsbanken (Deposit A/C)	84,931.51	127.40	0.1500%	84,931.51	127.40	0.1500%	82,191.78	123.29	0.1500%
Handelsbanken (35 Day Notice)	169,863.01	424.66	0.2500%	169,863.01	424.81	0.2501%	164,383.56	410.96	0.2500%
Standard Life (Money Market Fund)	424,657.53	1,006.95	0.2371%	424,657.53	941.15	0.2216%	410,958.90	850.47	0.2069%
Insight (Money Market Fund)	254,794.52	381.52	0.1497%	335,616.44	515.45	0.1536%	295,890.41	417.98	0.1413%
BlackRock (Money Market Fund)	369,863.01	731.89	0.1979%	420,547.95	774.31	0.1841%	356,164.38	599.89	0.1684%
Tradition	424,657.53	1,618.90	0.3812%	424,657.53	1,605.21	0.3780%	575,342.47	2,128.77	0.3700%
RP Martin	594,520.55	2,458.08	0.4135%	594,520.55	2,412.05	0.4057%	575,342.47	2,334.25	0.4057%
Sterling	0.00	0.00	0.0000%	0.00	0.00	0.0000%	0.00	0.00	0.0000%
Direct dealing	849,315.07	4,683.56	0.5515%	849,315.07	4,479.96	0.5275%	821,917.81	4,179.18	0.5085%
Fund Average	3,172,602.74	11,432.96	0.3604%	3,304,109.59	11,280.34	0.3414%	3,282,191.78	11,044.78	0.3365%
Other Interest		2,373.14			0.00			144.77	
7 Day LIBID			0.1410%			0.1119%			0.1101%
3 Month LIBID			0.2323%			0.1819%			0.1799%

Broker/Institution	Oct-17			Nov-17			Dec-17		
	W.A.P	Interest Due	Ave Rate	W.A.P	Interest Due	Ave Rate	W.A.P	Interest Due	Ave Rate
Handelsbanken (Deposit A/C)	84,931.51	127.40	0.1500%	82,191.78	123.29	0.1500%	13,698.63	20.55	0.1500%
Handelsbanken (35 Day Notice)	169,863.01	424.66	0.2500%	164,383.56	411.16	0.2501%	241,095.89	709.59	0.2943%
Standard Life (Money Market Fund)	424,657.53	846.28	0.1993%	410,958.90	1,296.78	0.3155%	424,657.53	1,493.99	0.3518%
Insight (Money Market Fund)	193,150.68	280.99	0.1455%	265,753.42	738.00	0.2777%	211,232.88	611.21	0.2894%
BlackRock (Money Market Fund)	387,123.29	551.49	0.1425%	363,287.67	970.87	0.2672%	319,726.03	978.52	0.3060%
Tradition	679,452.05	2,496.99	0.3675%	815,068.49	3,332.47	0.4089%	891,780.82	3,877.12	0.4348%
RP Martin	594,520.55	2,421.37	0.4073%	819,178.08	3,701.37	0.4518%	1,019,178.08	4,773.15	0.4683%
Sterling	0.00	0.00	0.0000%	0.00	0.00	0.0000%	0.00	0.00	0.0000%
Direct dealing	849,315.07	3,640.00	0.4286%	821,917.81	3,959.46	0.4817%	849,315.07	4,238.08	0.4990%
Fund Average	3,383,013.70	10,789.17	0.3189%	3,742,739.73	14,533.39	0.3883%	3,970,684.93	16,702.21	0.4206%
Other Interest		2,493.02			0.00			446.14	
7 Day LIBID			0.1100%			0.1253%			0.1529%
3 Month LIBID			0.1816%			0.2007%			0.2255%

Broker/Institution	Jan-18			Feb-18			Mar-18		
	W.A.P	Interest Due	Ave Rate	W.A.P	Interest Due	Ave Rate	W.A.P	Interest Due	Ave Rate
Handelsbanken (Deposit A/C)	0.00	0.00	0.0000%	0.00	0.00	0.0000%	0.00	0.00	0.0000%
Handelsbanken (35 Day Notice)	254,794.52	764.38	0.3000%	230,136.99	715.29	0.3108%	254,794.52	764.38	0.3000%
Standard Life (Money Market Fund)	424,657.53	1,635.83	0.3852%	383,561.64	1,599.98	0.4171%	301,369.86	1,335.00	0.4430%
Insight (Money Market Fund)	329,863.01	1,076.66	0.3264%	182,191.78	663.90	0.3644%	89,041.10	337.70	0.3793%
BlackRock (Money Market Fund)	348,493.15	1,202.95	0.3452%	141,917.81	526.15	0.3707%	42,465.75	164.45	0.3873%
Tradition	891,780.82	3,940.41	0.4419%	716,438.36	3,185.62	0.4446%	531,506.85	2,546.58	0.4791%
RP Martin	1,002,739.73	4,716.71	0.4704%	920,547.95	4,387.95	0.4767%	1,019,178.08	4,858.08	0.4767%
Sterling	0.00	0.00	0.0000%	0.00	0.00	0.0000%	0.00	0.00	0.0000%
Direct dealing	890,410.96	4,680.26	0.5256%	745,205.48	4,094.25	0.5494%	747,945.21	4,255.34	0.5689%
Fund Average	4,142,739.73	18,017.21	0.4349%	3,320,000.00	15,173.13	0.4570%	2,986,301.37	14,261.53	0.4776%
Other Interest		2,493.02			0.00			3,590.52	
7 Day LIBID			0.1752%			0.1939%			0.2068%
3 Month LIBID			0.2416%			0.2586%			0.2745%

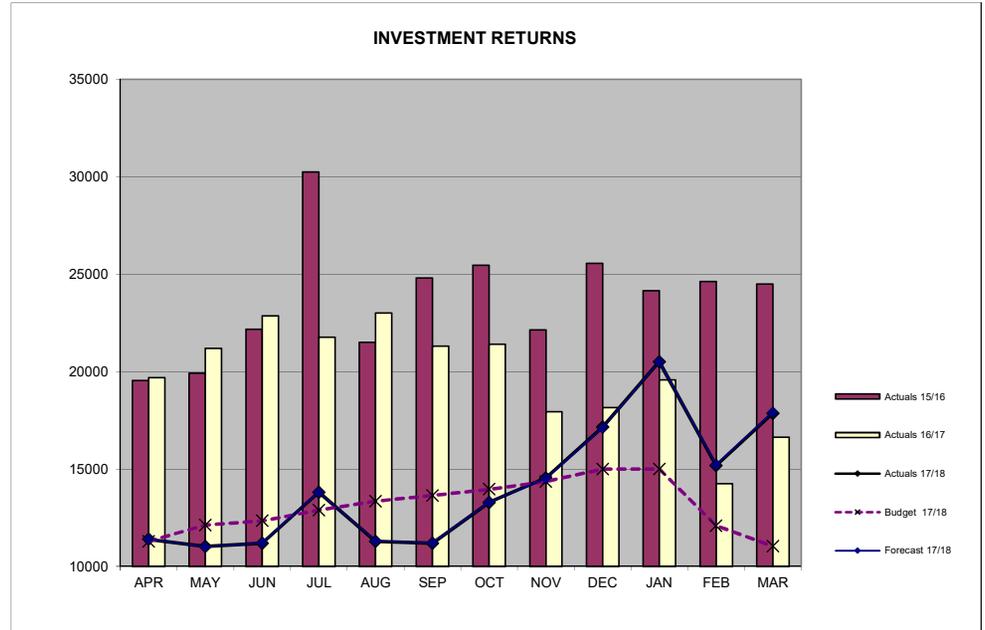
Broker/Institution	Cumulative Totals		
	W.A.P	Interest Due	Ave Rate
Handelsbanken (Deposit A/C)	682,191.78	1,023.29	0.1500%
Handelsbanken (35 Day Notice)	2,317,808.22	6,296.62	0.2717%
Standard Life (Money Market Fund)	4,846,575.34	14,094.58	0.2908%
Insight (Money Market Fund)	2,638,356.16	5,820.13	0.2206%
BlackRock (Money Market Fund)	3,589,315.07	8,253.18	0.2299%
Tradition	6,956,164.38	28,628.49	0.4116%
RP Martin	8,802,739.73	39,963.29	0.4540%
Sterling	0.00	0.00	0.0000%
Direct dealing	9,917,808.22	52,589.55	0.5303%
Fund Average	39,750,958.90	156,669.13	0.3941%
Other Interest		11,697.93	
7 Day LIBID			0.1606%
3 Month LIBID			0.2447%

N.B.
These are the gross interest receipts rather than the interest remaining in the General Fund

INVESTMENT RETURNS

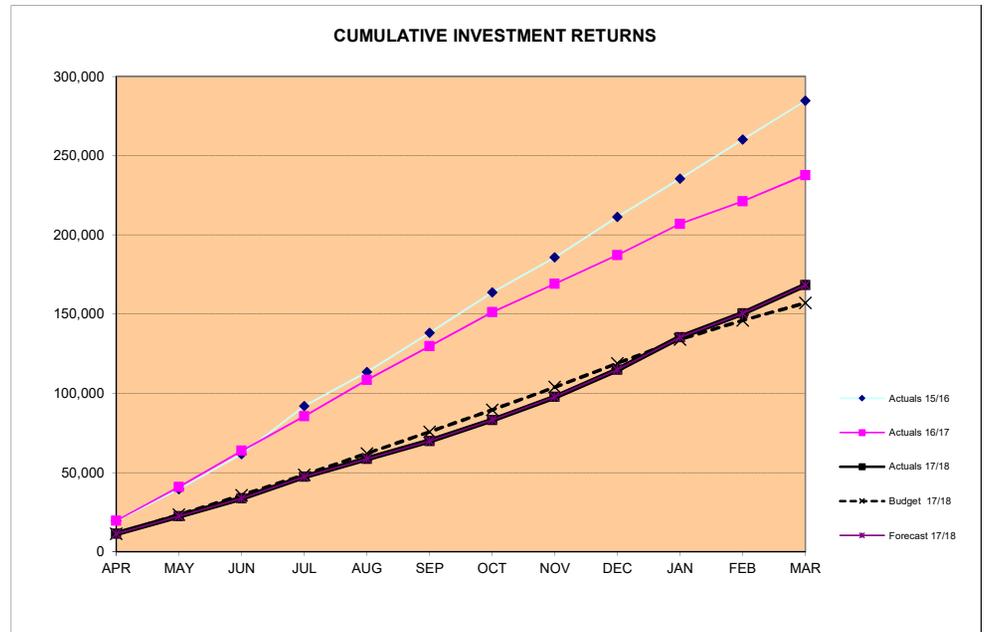
INVESTMENT RETURNS

	Actuals 15/16	Actuals 16/17	Actuals 17/18	Budget 17/18	Variance	Forecast 17/18
APR	19,545	19,679	11,389	11,284	105	11,400
MAY	19,918	21,188	11,020	12,112	-1,092	11,000
JUN	22,172	22,859	11,182	12,338	-1,156	11,200
JUL	30,253	21,769	13,806	12,881	925	13,800
AUG	21,508	23,005	11,280	13,345	-2,065	11,300
SEP	24,802	21,312	11,190	13,641	-2,451	11,200
OCT	25,452	21,399	13,282	13,956	-674	13,300
NOV	22,143	17,942	14,533	14,353	180	14,500
DEC	25,549	18,150	17,148	14,990	2,158	17,100
JAN	24,147	19,573	20,510	14,988	5,522	20,500
FEB	24,616	14,244	15,173	12,081	3,092	15,200
MAR	24,495	16,626	17,852	11,031	6,821	17,900
TOTAL	284,600	237,746	168,365	157,000	11,365	168,400



INVESTMENT RETURNS (CUMULATIVE)

	Actuals 15/16	Actuals 16/17	Actuals 17/18	Budget 17/18	Variance	Forecast 17/18
APR	19,545	19,679	11,389	11,284	105	11,400
MAY	39,463	40,867	22,409	23,396	-987	22,400
JUN	61,635	63,726	33,591	35,734	-2,143	33,600
JUL	91,888	85,495	47,397	48,615	-1,218	47,400
AUG	113,396	108,500	58,677	61,960	-3,283	58,700
SEP	138,198	129,812	69,867	75,601	-5,734	69,900
OCT	163,650	151,211	83,149	89,557	-6,408	83,200
NOV	185,793	169,153	97,682	103,910	-6,228	97,700
DEC	211,342	187,303	114,830	118,900	-4,070	114,800
JAN	235,489	206,876	135,340	133,888	1,452	135,300
FEB	260,105	221,120	150,513	145,969	4,544	150,500
MAR	284,600	237,746	168,365	157,000	11,365	168,400



BUDGET FOR 2017/18 157,000
 FORECAST OUTTURN 168,400

CODE:- YHAA 96900

N.B.
 These are the gross interest receipts rather than
 the interest remaining in the General Fund

Fund Average 0.3941%
 7 Day LIBID 0.1606%
 3 Month LIBID 0.2447%

Prudential and Treasury Indicators

During 2017/18, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2016/17 Actual (£000)	2017/18 Budget (£000)	2017/18 Actual (£000)
Capital expenditure	17,239	6,873	10,600
Capital Financing Requirement (CFR)	9,642	8,179	13,807
External debt	-	-	5,250
Investments - Longer than 1 year	3,000	-	-
Investments - Under 1 year	26,320	-	30,960
Total investments	29,320	29,101	30,960
Net borrowing / (investments)	(29,320)	(29,101)	(25,710)

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2017/18) plus the estimates of any additional capital financing requirement for the current (2018/19) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs in 2017/18.

The authorised limit - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2017/18 the Council has maintained gross borrowing within its authorised limit.

The operational boundary - the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2017/18 (£000)
Authorised limit	20,000
Maximum gross borrowing position	5,250
Operational boundary	20,000
Average gross borrowing position	5,250
Financing costs as a proportion of net revenue stream	0.57%

Overall treasury position at 31 March 2018

	31 March 2017 Principal (£000)	Rate/ Return %	Average Life (yrs)	31 March 2018 Principal (£000)	Rate/ Return %	Average Life (yrs)
Fixed rate funding:						
-PWLB	-			5,250	2.66	29.5
-Market	-			-		
Variable rate funding:						
-PWLB	-			-		
-Market	-			-		
Total debt	-	-		5,250	2.66%	29.5
CFR	9,642			13,807		
Over / (under) borrowing	(9,642)			(8,557)		
Total investments	29,320	0.54		30,960	0.39	
Net debt / (investments)	(29,320)			(25,710)		

Maturity structure of debt portfolio

	31 March 2017 Actual (£000)	2017/18 original limits (£000)	31 March 2018 Actual (£000)
Under 12 months	-	-	-
12 months and within 24 months	-	-	-
24 months and within 5 years	-	-	-
5 years and within 10 years	-	-	-
10 years and within 20 years	-	-	-
20 years and within 30 years	-	-	5,250
30 years and within 40 years	-	-	-
40 years and within 50 years	-	-	-

Exposure to fixed and variable interest rates

	31 March 2017 Actual £000	31 March 2018 Actual £000
Fixed rate (based on net debt / investments)	(20,000)	(18,750)
Variable rate (based on net debt / investments)	(9,320)	(6,960)

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FINANCIAL PERFORMANCE INDICATORS 2018/19 - TO THE END OF JULY 2018

Finance Advisory Committee - 4 SEPTEMBER 2018

Report of Chief Finance Officer

Status: For Consideration

Key Decision: No

This report supports the Key Aim of Effective Management of Council Resources

Portfolio Holder Cllr Scholey

Contact Officer Alan Mitchell Ext. 7483

Recommendation to Finance Advisory Committee: That the report be noted.

Reason for recommendation: This recommendation supports the sound control of the Councils finances.

Introduction and Background

- 1 This report presents figures on ten internally set performance indicators covering activities that support information provided in the regular financial monitoring statements.
- 2 Information is provided on targets for the financial year, and figures for the previous year are given for comparison.
- 3 Use of these indicators assists management in highlighting areas where performance has an impact on the financial outturn for the authority.

Key Implications

Financial

There are no financial implications arising from this report

Legal Implications and Risk Assessment Statement.

Under section 151 of the Local Government Act 1972, the section 151 officer has statutory duties in relation to the financial administration and stewardship of the authority.

Agenda Item 8

Equality Assessment

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.

Conclusions

That Members note the report.

Appendices

Appendix A - Performance Indicators - July 2018
(Tables)

Appendix B - Performance Indicators - July 2018
(Graphs)

Background Papers:

None

Adrian Rowbotham
Chief Finance Officer

Finance Advisory Committee Finance Performance Indicators 2018/19
as at end July 2018

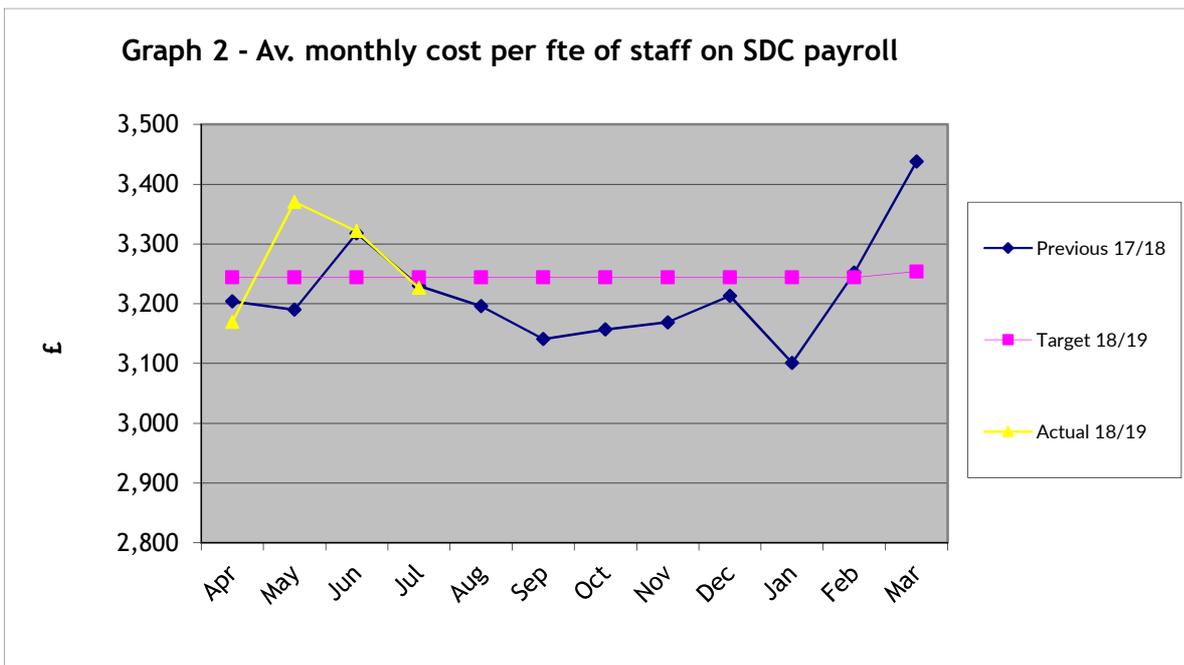
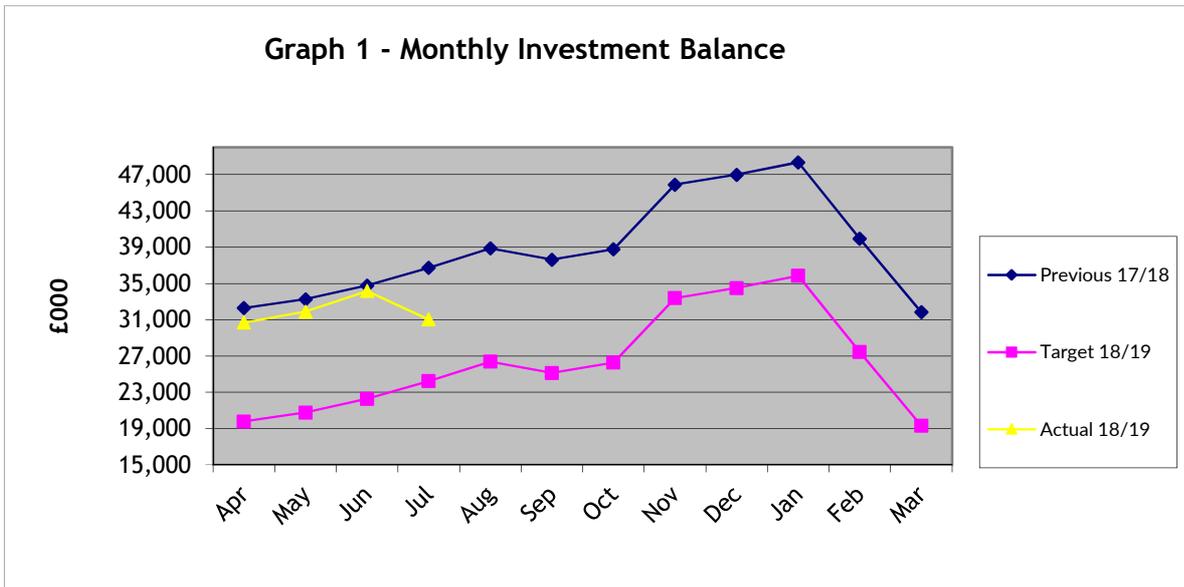
Appendix A

Indicator	Target	Actual	Variance	Variance (%)	Notes	Graph
Monthly investment balance (£000)	24,225	31,024	6,799	28.1%	Indicator represents total investments at month end. Investment balances saw a decline during July 18 following the payment of contractors in relation to capital schemes - Hotel on the Sennocke Car Park site and works to Buckhurst 2. Investment balances still exceed budgeted levels.	1
Average monthly cost per employee (£)	3,245	3,272	27	0.8%	Target is annual pay budget divided by budget FTEs.	2
Average monthly salary cost SDC (£000)	1,229	1,205	(24)	(2.0)%	This indicator refers to directly employed staff only; the costs of agency staff paid on invoices are excluded.	-
Number of employees (Full Time Equivalent (FTE))	396.04	368.92	(27.1)	(6.8)%	Target reflects budgeted FTEs. As at the end of July there were 27.12 FTE vacancies; some posts are temporarily vacant to meet the requirement for the vacancy budget, some are covered by agency staff and others are vacant pending recruitment.	3
Council Tax % collected for 2018/19	39.7	39.7	-	-	LPIFS 19. Monthly cumulative figures.	-
NNDR % collected for 2018/19	40.1	40.1	-	-	LPIFS 20. Monthly cumulative figures.	-
Council Tax payers % on direct debit	72.0	81.4	9.4	13.1%	LPIFS 8 - % on direct debit.	4
Investment return % - fund average	0.60	0.58	(0.02)	(3.3)%	Cumulative return on investments. Target is budget assumption.	5
Investment return % - 3 month LIBID		0.55				
Investment return % - 7 day LIBID		0.36				

Indicator	Target	Actual	Variance	Variance (%)	Notes	Graph
Sundry debtors: debts over 21 days (£000)	50	46	(4.0)	(8.0)%	21 days is taken as the base as the first reminder is issued after 3 wks. Total debts exclude items on 'indefinite hold', e.g. debtors in administration or where the service has asked to defer follow up action whilst they make further investigations. The total amount of debts raised in the past 12 months was £3.134m. Debts over 21 days represents 1.47% of the debts raised in the past 12 months (ie 98.53% collected within terms).	6
Sundry debtors: debts over 61 days (£000)	30	32	2.0	6.7 %	61 days is when the third reminder is issued. The total amount of debts raised in the past 12 months was £3.134m. Debts still unpaid after 61 days represents 1.02% of the debts raised in the past 12 months (ie 98.98% collected).	7

Finance Advisory Committee Finance Performance Indicators 2018/19
as at end July 2018

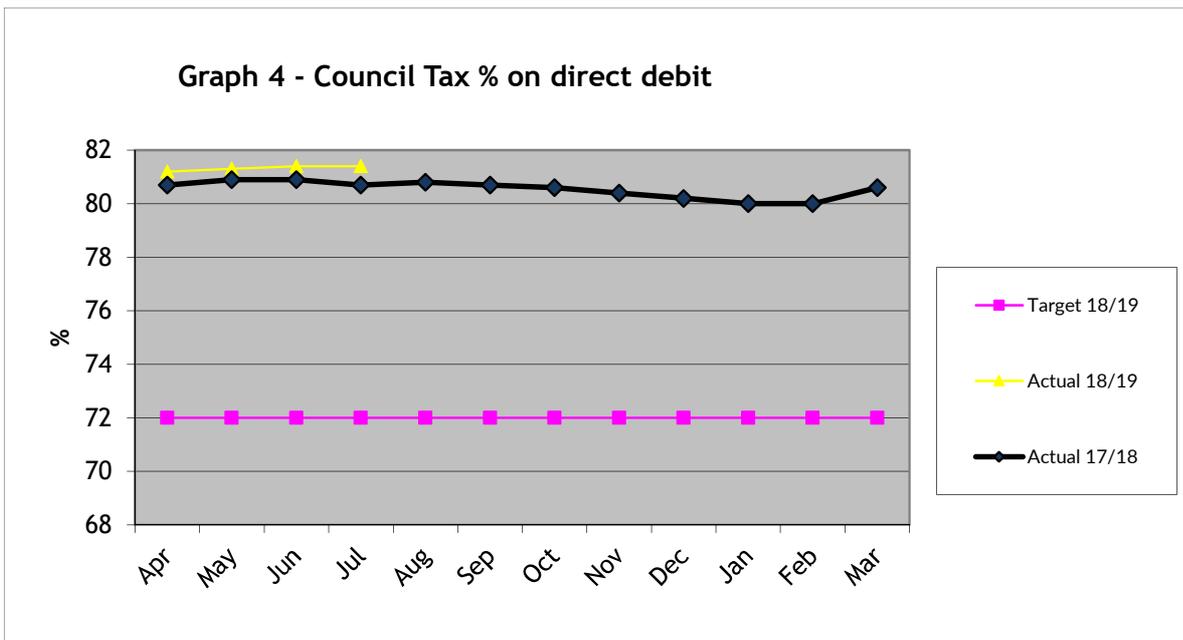
Appendix B



Agenda Item 8

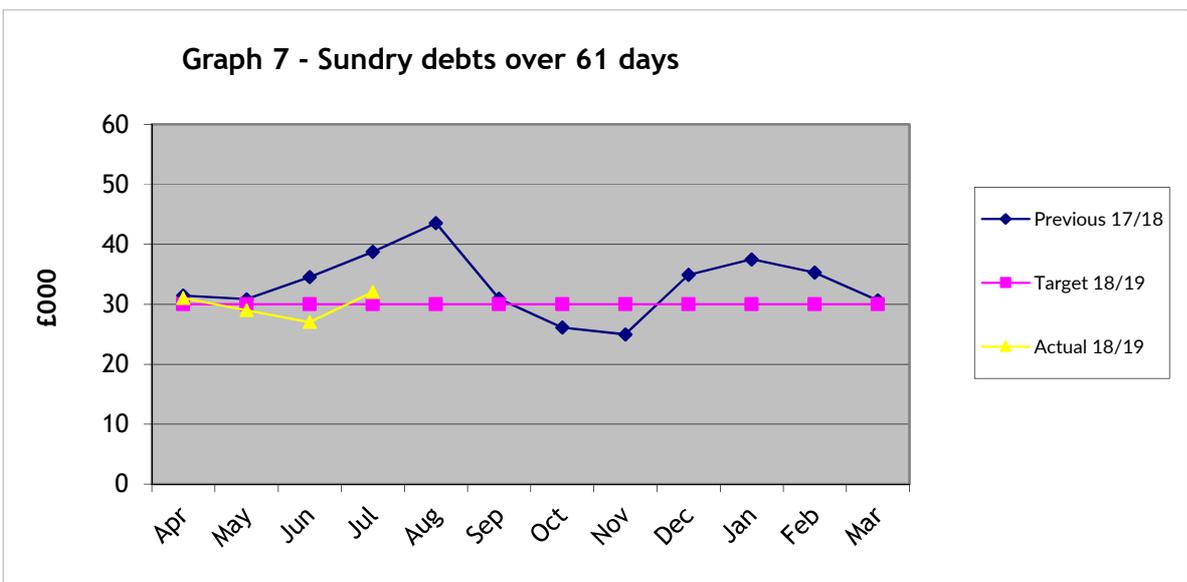
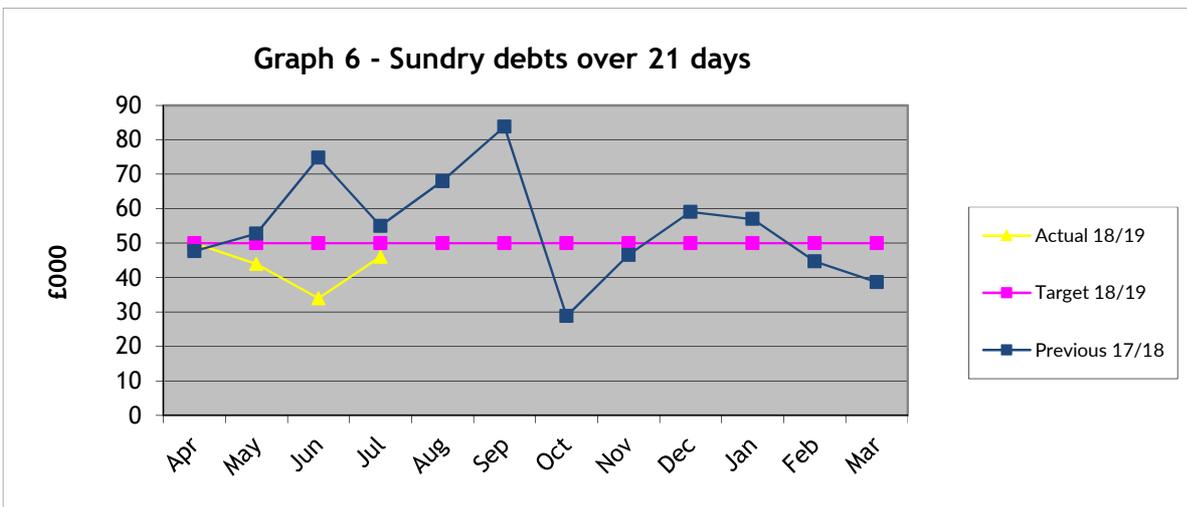
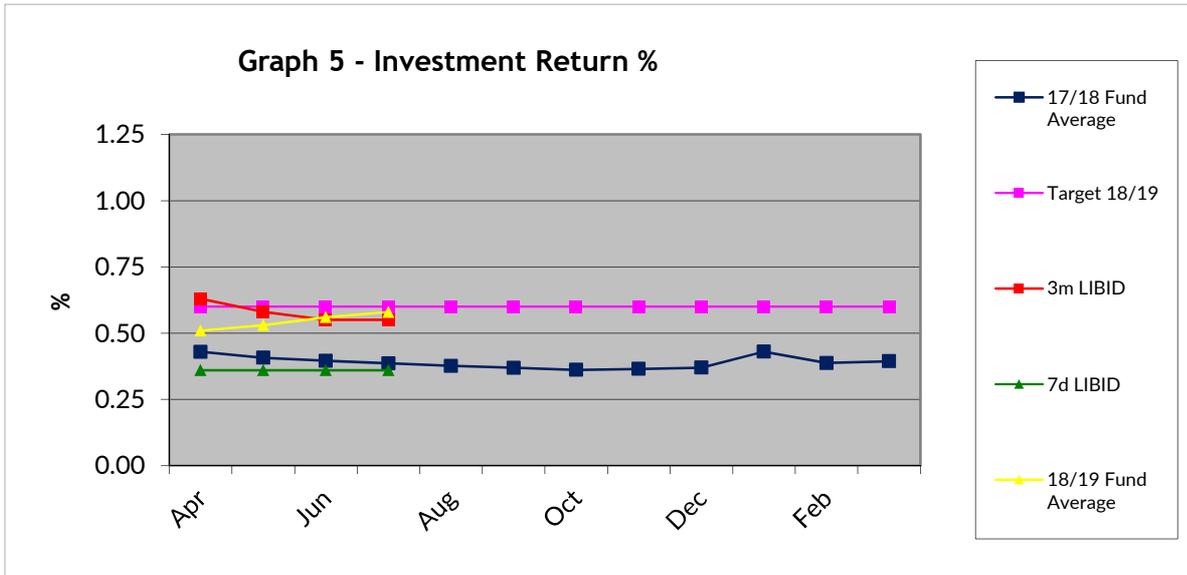
Finance Advisory Committee Finance Performance Indicators 2018/19
as at end July 2018

Appendix B



Finance Advisory Committee Finance Performance Indicators 2018/19
as at end July 2018

Appendix B



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FINANCIAL RESULTS 2018/19 - TO THE END OF JULY 2018

Finance Advisory Committee - 4 September 2018

Report of Chief Finance Officer
Status: For consideration
Also considered by: Cabinet - 13 September 2018
Key Decision: No

This report supports the Key Aim of Effective Management of Council Resources

Portfolio Holder Cllr. Scholey
Contact Officer(s) Alan Mitchell Ext. 7483
Adrian Rowbotham Ext. 7153

Recommendation to Finance Advisory Committee: That the report be noted, and any comments forwarded to Cabinet.

Recommendation to Cabinet: Cabinet considers any comments from Finance Advisory Committee and notes the report

Reason for recommendation: Sound financial governance of the Council.

Overall Financial Position

1. The year-end position is currently forecast to be an unfavourable variance of £20,000; this represents just over 0.01% of our net service expenditure budget totalling £14,687,000.

Year to Date - Areas of Note

2. Pay costs – the expenditure to date on staff costs is £258,000 below budget. There are currently vacancies within the majority of service areas; the largest salary underspends are being reported within Planning Services and Environmental & Operational Services. The impact of the larger salary variances are included within the Chief Officer commentaries.
3. Income – the Council receives a number of different income streams to help balance the budget; section 8 of the monitoring pack provides details in relation to the main streams. At the end of July, income is ahead of profile in Car Parks,

Agenda Item 9

On-street Parking and Building Control. The level of on-street parking income has seen a slight increase, as large scale works are carried out in the car parks. Land Charges and Planning Fee income is currently lower than anticipated; Chief Officers are aware of risks and have provided further details in their commentaries.

4. Investment Returns – the return to date on the investments held by the Council has resulted in a favourable position being reported, with interest received to date totalling £70,000 compared to a budget of £46,000. For noting, the Bank of England base rate was increased by 0.25% to 0.75% on 2nd August 2018; this may further impact on investment returns going forward.
5. New Homes Bonus – the Council is due to receive £1,320,000 New Homes Bonus during 2018/19; as per the 10 year financial plan, this income will not be applied to fund the provision of services, instead it will be transferred to the Financial Plan Reserve to support the 10-year budget including ‘invest to save’ initiatives and support for the Property Investment Strategy.
6. Retained Business Rates – the Council is part of the 2018/19 Kent 100% Business Rates Retention pilot. An income expectation of £2.7m forms part of the budget; any receipts over and above this amount will be transferred to the Budget Stabilisation Reserve. Regular monitoring takes place, with any outturn amendments feeding into the outturn forecasts.

Year End Forecast

7. The year-end forecast position is an unfavourable variance of £20,000.

Net Service Expenditure - Favourable variances

8. The Council is providing Parking Enforcement to Tandridge District Council, as part of a contractual agreement; additional income totalling £35,000 has been forecast in relation to this arrangement.
9. Various underspends across Environmental & Operational Services support functions has resulted in a favourable variance of £52,000 being forecast; this is as a result of salary savings and savings on postage, phones, equipment and other minor expenditure areas.

Net Service Expenditure - Unfavourable variances

10. Business Rates have been paid for properties in Swanley that are being held for future development and this has given rise to an unfavourable variance of £35,000.

11. Anticipated lower levels of income from sale of glass and paper has contributed to an adverse variance forecast within the Refuse Collection service, totalling £72,000.
12. Savings/income from moving to internal enforcement agents for local tax recovery has not fully been realised, as arrangements have not been in place for the full year; this has contributed to an adverse variance of £27,000 being forecast within the Local Tax service.

Other Variances

13. Retained Business Rates – following the quarter 1 business rates pilot monitoring position, the Council are anticipating additional business rates receipts totalling £250,000. A corresponding transfer to the Budget Stabilisation Reserve has been forecast, to enable funds to be utilised in future years.
14. Interest Receipts – current levels of investment returns has resulted in £24,000 additional income being forecast.

Future Issues and Risk areas

15. Chief Officers have considered the future issues and risk areas for their services and the impacts these may have on the Council's finances as follows:
 - There is the possibility of spend on property feasibility studies which may be capitalised if the project is feasible and taken forward. This is monitored carefully during the year.
 - Land Charges income remains challenging versus the budgeted amount, currently under review.
 - Expenditure to be incurred in replacing a utility block at Hever Road Travellers Site following a fire; to be recovered from insurance (as confirmed by Loss Adjuster).
 - The full service of Universal Credit, seeing the transfer of new claims to Universal Credit, will commence from November 2018. Migration for existing claims will be phased after this date; however, pensioner cases will be retained. Regular liaison meetings are taking place between DBC/SDC managers and DWP partnership managers.
 - There remains the risk that planning decisions and enforcement action will be challenged, either at appeal or through the Courts, and we have received an indication of significant appeal costs in Swanley. Final costs therefore remain uncertain.
 - Planning application fee income is uncertain and will be monitored closely.
 - Staff turnover, in Planning, remains high and recruiting to vacant posts continue to be difficult.

Agenda Item 9

16. The impact on financial markets, externally funded projects and rates of inflation following the results of the EU Referendum in June 2016 is being monitored and addressed as part of the Council's risk management process.

Key Implications

Financial

The financial implications are set out elsewhere in this report.

Legal Implications and Risk Assessment Statement.

Under section 151 of the Local Government Act 1972, the Section 151 officer has statutory duties in relation to the financial administration and stewardship of the authority.

Detailed budget monitoring is completed on a monthly basis where all variances are explained. Future risk items are also identified.

Equality Assessment

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.

Appendices

Appendix 1 - July Budget Monitoring
(Commentaries)

Appendix 2 - July Budget Monitoring (Tables)

Background Papers:

None

Adrian Rowbotham

Chief Finance Officer

Budget Monitoring for July 2018

Contents

- 1 Commentaries
- 2 Overall Summary
- 3 Overall Summary by Service
- 4 Cumulative Salary Monitoring
- 5 Direct Services Trading accounts
- 6 Investment Income
- 7 Staffing Statistics
- 8 Income Graphs

BUDGET MONITORING - Strategic Commentary - As at 31st July 2018

Overall Financial Position

1. The year-end position is currently forecast to be an unfavourable variance of £20,000; this represents just over 0.01% of our net service expenditure budget totalling £14,687,000.

Year to Date - Areas of Note

2. Pay costs – the expenditure to date on staff costs is £258,000 below budget. There are currently vacancies within the majority of service areas; the largest salary underspends are being reported within Planning Services and Environmental & Operational Services. The impact of the larger salary variances are included within the Chief Officer commentaries.
3. Income – the Council receives a number of different income streams to help balance the budget; section 8 of the monitoring pack provides details in relation to the main streams. At the end of July, income is ahead of profile in Car Parks, On-street Parking and Building Control. The level of on-street parking income has seen a slight increase, as large scale works are carried out in the car parks. Land Charges and Planning Fee income is currently lower than anticipated; Chief Officers are aware of risks and have provided further details in their commentaries.
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5. New Homes Bonus – the Council is due to receive £1,320,000 New Homes Bonus during 2018/19; as per the 10 year financial plan, this income will not be applied to fund the provision of services, instead it will be transferred to the Budget Stabilisation Reserve to be utilised as future needs arise.
6. Retained Business Rates – the Council is part of the 18/19 Kent 100% Business Rates Retention pilot. An income expectation of £2,700,000 forms part of the 18/19 budget; any receipts over and above this amount will be transferred to the Budget Stabilisation Reserve. Regular monitoring takes place, with any outturn amendments feeding into the outturn forecasts.

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 - Planning application fee income is uncertain and will be monitored closely.
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16. The impact on financial markets, externally funded projects and rates of inflation following the results of the EU Referendum in June 2016 is being monitored and addressed as part of the Council's risk management process.

Contacts:

Adrian Rowbotham	Chief Finance Officer	ext 7153
Alan Mitchell	Head of Finance	ext 7483

Communities and Business – July 2018 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
Community Safety	13		Spend ahead of profile relating to beginning of year expenditure and costs including Lizzie Yarnold victory bus tour. Spend will be back on target by September 2018.
Economic Development Property	22		This is due to contractor costs involved in feasibility work in the lead up to capital schemes. This will be allocated to projects where possible or charged to companies where appropriate.
Housing Energy Retraining Options (HERO)	20		All HERO Officers currently being charged to this code but some of the income is in the Flexible Homelessness Support Fund and will be drawn down.
One You – Your Home Project	(21)		External funding received in advance. Will be zero at year end.
PCT Initiatives	(21)		This is external funding received in advance. Will be zero at year end.

Future Issues/Risk Areas

<p>There is the possibility of spend on property feasibility studies which may capitalised if the project is feasible and taken forward. This is monitored carefully during the year.</p>

Lesley Bowles
Chief Officer Communities and Business
August 2018

Corporate Services – July 2018 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
Asset Maintenance IT	(36)		Spend as per 10-year asset maintenance plan – surplus to IT Asset Maintenance reserve at year end as agreed
Elections	14		The Electoral Claims Unit had yet to pay the remainder of the costs for the Parliamentary General Election in July 2017. The accounts have been settled in August and the final payment has now been received.
Register of Electors	(27)		Current underspend due to vacant posts with two new staff recently appointed.
Land Charges	13		Currently underachieving on income. This area is subject to review and a report will be coming to members at a future committee.
Administrative Expenses – Human Resources	31		Current overspend due to external legal costs.
Support – Human Resources	22		Current overspend due to external legal costs.

Future Issues/Risk Areas

Land Charges – Income remains challenging versus the budgeted amount, currently under review.

Jim Carrington-West
Chief Officer – Corporate Services
August 2018

Environmental and Operational Services – July 2018 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
Asset Maintenance Argyle Road	(30)		Expenditure currently below profile. It is anticipated that full budget will be needed in this year.
Asset Maintenance Leisure	13		Works carried out to all leisure facilities but particularly White Oak and Sevenoaks Leisure Centre.
Car Parks	40		Although income £15,000 above profile, rent for new Bligh's car park paid up to September and rates paid for temporary site of Morewood Close for temporary parking whilst Buckhurst 2 being developed.
Car Parking – On Street	(46)		Income £71,000 above profile. Expenditure to support parking schemes.
Estates Management Buildings	20	35	NNDR paid for meeting point building in Swanley. Rates will continue to be due on this empty building until it is demolished. Rental income received ahead of profile.
Housing Premises	13		Invoices to be raised re sewage treatment charges.
Licensing Regime	(12)		Fee income ahead of profile.
Markets	(13)		Rent not paid yet for Swanley Market site.
Parking Enforcement – Tandridge DC	(13)	(35)	Income received from contract for enforcement activity on Tandridge DC's car parks.

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
Refuse Collection	41	72	Income less than profile on recycled material, particularly glass. Transition grant from KCC for Sainsbury's recycling banks credits now ended. Q1 - Recycling credits profiled but not yet received.
Support - Central Offices	(31)	(10)	Expenditure below profile on Maintenance to Argyle Road building and utility costs. Rental income received ahead of profile.
Support - General Admin	(23)	(32)	Savings on salaries due to vacancy and on postage, and scanning equipment.
Support - Direct Services	(9)	(10)	Savings on internal printing, mobile phones and training (to be delivered later in the year).
Direct Services - Trading Accounts	(76)		Income £68,000 above profile. Expenditure £8,000 below profile. Surplus £191,000 against a profiled surplus of £115,000.

Future Issues/Risk Areas

Expenditure to be incurred in replacing a utility block at Hever Road Travellers Site following a fire. To be recovered from Insurance (confirmed by Loss Adjuster).

Richard Wilson
Chief Officer Environmental & Operational Services
August 2018

Finance – July 2018 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
Corporate Management	40		Costs for project support ahead of budget profile, however within expected overall cost parameters.
Corporate – Other	24		From the savings the Council is able to derive from vacant posts, it is anticipated that the corporate savings target will be met by the year end.
Dartford Partnership Hub (SDC costs)	(88)		DWP grants received during the year; unspent grants will be carried forward to utilise in future years. Salary underspends due to a number of vacant posts within the Partnership.
Equalities Legislation	(19)	(19)	The Council no longer belongs to the West Kent Equalities arrangement, as services are provided in-house.
Local Tax	(6)	27	New enforcement arrangements have not been in place for the full year, impacting on income expectations.

Future Issues/Risk Areas

The full service of Universal Credit, seeing the transfer of new claims to Universal Credit, will commence from November 2018. Migration for existing claims will be phased after this date; however, pensioner cases will be retained. Regular liaison meetings are taking place between DBC/SDC managers and DWP partnership managers.

Adrian Rowbotham
Chief Finance Officer
August 2018

Planning – July 2018 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
Administrative Expenses – Planning Services	15		Recruitment costs. Pending the possible re-allocation in line with advertised post.
Planning – Development Management	(22)		This is an underspend on salaries, partly offset by an underachievement on planning fee income.
Planning Enforcement	(14)		This is an underspend on Salaries as a result of the vacant team leader post
Planning Policy	(50)		This relates to an underspend on Salaries due to the vacancies, including the Strategic Planning Manager post. The new post holder starts in September.

Future Issues/Risk Areas

There remains the risk that planning decisions and enforcement action will be challenged, either at appeal or through the Courts, and we have received an indication of significant appeal costs in Swanley. Final costs therefore remain uncertain.
 Application fee income is uncertain and will be monitored closely.
 Staff turnover remains high and recruiting to vacant posts continues to be difficult.

Richard Morris
Chief Planning Officer
August 2018

Investment Property – July 2018 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
Investment Properties	30		Due to rent free period on Ground floor Suffolk House not in line with profiled budget. This will be partly offset by reduced rates.

Future Issues/Risk Areas

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Lesley Bowles
 Chief Officer Communities and Business
 August 2018

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*Draft as at the end of July
(Period 201904)*

Y-T-D Actual £'000	Annual Budget £'000	Annual Forecast (including Accruals) £'000	Annual Variance £'000	Annual Variance %	
Communities & Business	724	1,532	1,532	0	0.0
Corporate Services	1,081	2,925	2,925	0	0.0
Environmental & Operational Services	1,300	4,785	4,814	29	0.6
Financial Services	1,417	4,550	4,565	15	0.3
Planning Services	359	1,282	1,282	0	0.0
	4,881	15,074	15,119	44	0.3
<i>Adjustments to Reconcile to amount to be met from reserves</i>					
Direct Services Trading Account	(191)	(144)	(144)	0	0.0
Capital Charges outside the General Fund	(20)	(60)	(60)	0	0.0
Support Services outside the General Fund	(61)	(183)	(183)	0	0.0
NET SERVICE EXPENDITURE	4,609	14,687	14,732	44	0.3
Revenue Support Grant and New Homes Bonus	(440)	(1,320)	(1,320)	0	0.0
Retained Business Rates	(900)	(2,700)	(2,950)	(250)	(9.3)
Council Tax	(3,473)	(10,420)	(10,420)	0	(0.0)
Contribution from Collection Fund	(85)	(255)	(255)	0	0.0
<u>Summary excluding Investment Income</u>	(290)	(8)	(214)	(206)	2,692.8
Investment Property Income	(342)	(735)	(735)	0	0.0
Interest Receipts	(70)	(130)	(154)	(24)	0.0
OVERALL TOTAL	(702)	(873)	(1,103)	(230)	26.4
Planned Appropriation to/(from) Reserves	291	873	873	0	
Other Reserve Movements	0	0	250	250	
Supplementary Estimates	0	0	0	0	
(Surplus)/Deficit	(411)	0	20	20	

3. Services by Chief Officer

*Draft as at the end of July
(Period 201904)*

Communities and Business SDC Funded

Administrative Expenses - Communities & Business	5	26	26	-
Administrative Expenses - Housing	1	-	-	-
All Weather Pitch	(2)	(5)	(5)	-
Community Development Service Provisions	-	(6)	(6)	-
Community Safety	76	187	187	-
Economic Development	25	57	57	-
Economic Development Property	132	277	277	-
Grants to Organisations	161	183	183	-
Health Improvements	14	44	44	-
Housing Initiatives	24	53	53	-
Homeless	64	142	142	-
Homelessness Funding	12	-	-	-
Housing	155	214	214	-
Homelessness Prevention	4	-	-	-
Housing Energy Retraining Options (HERO)	45	36	36	-
Leader Programme	2	5	5	-
Leisure Contract	15	175	175	-
Leisure Development	10	20	20	-
The Community Plan	16	55	55	-
Tourism	15	31	31	-
West Kent Partnership	(17)	-	-	-
Youth	17	36	36	-
Total Communities & Business (SDC Funded)	775	1,532	1,532	-

Y-T-D	Annual	Annual	Forecast
Actual	Budget	Forecast	Annual
£'000	£'000	(including	Variance
		Accruals)	£'000
		£'000	
5	26	26	-
1	-	-	-
(2)	(5)	(5)	-
-	(6)	(6)	-
76	187	187	-
25	57	57	-
132	277	277	-
161	183	183	-
14	44	44	-
24	53	53	-
64	142	142	-
12	-	-	-
155	214	214	-
4	-	-	-
45	36	36	-
2	5	5	-
15	175	175	-
10	20	20	-
16	55	55	-
15	31	31	-
(17)	-	-	-
17	36	36	-
775	1,532	1,532	-

*Draft as at the end of July
(Period 201904)*

Communities and Business Externally Funded

Choosing Health WK PCT	(3)	-	-	-
Community Sports Activation Fund	6	-	-	-
Dementia Area Project - Run Walk Push	(3)	-	-	-
Dunton Green Projects - S106	15	-	-	-
One You - Your Home Project	(21)	-	-	-
Partnership - Home Office	(19)	-	-	-
PCT Health Checks	(0)	-	-	-
PCT Initiatives	(14)	-	-	-
Repair & Renew Flood Support Scheme	-	-	-	-
Sport Satellite Clubs	(1)	-	-	-
Sportivate Inclusive Archery Project	(0)	-	-	-
Troubled Families Project	(2)	-	-	-
West Kent Enterprise Advisor Network	5	-	-	-
West Kent Kick Start	(8)	-	-	-
West Kent Partnership Business Support	(8)	-	-	-
Total Communities & Business (Ext Funded)	(51)	-	-	-

Total Communities & Business

Y-T-D	Annual	Annual	Forecast
Actual	Budget	Forecast	Annual
£'000	£'000	(including	Variance
		Accruals)	
		£'000	£'000
(3)	-	-	-
6	-	-	-
(3)	-	-	-
15	-	-	-
(21)	-	-	-
(19)	-	-	-
(0)	-	-	-
(14)	-	-	-
-	-	-	-
(1)	-	-	-
(0)	-	-	-
(2)	-	-	-
5	-	-	-
(8)	-	-	-
(8)	-	-	-
(51)	-	-	-
724	1,532	1,532	-

*Draft as at the end of July
(Period 201904)*

Corporate Services

Asset Maintenance IT
Civic Expenses
Democratic Services
Elections
Register of Electors
Administrative Expenses - Corporate Services
Land Charges
Street Naming
Administrative Expenses - Legal and Democratic
Administrative Expenses - Human Resources
Support - Contact Centre
Support - General Admin
Support - IT
Support - Legal Function
Support - Local Offices
Support - Nursery
Support - Human Resources
Corporate Projects
Total Corporate Services

Y-T-D	Annual	Annual	Forecast
Actual	Budget	Forecast (including Accruals)	Annual Variance
£'000	£'000	£'000	£'000
56	277	277	-
15	16	16	-
50	143	143	-
50	129	129	-
19	234	234	-
4	25	25	-
(21)	(99)	(99)	-
(7)	5	5	-
37	51	51	-
33	5	5	-
149	445	445	-
18	33	33	-
441	1,058	1,058	-
67	206	206	-
25	31	31	-
1	-	-	-
115	270	270	-
29	95	95	-
1,081	2,925	2,925	-

*Draft as at the end of July
(Period 201904)*

Environment and Operational

	Y-T-D Actual £'000	Annual Budget £'000	Annual Forecast (including Accruals) £'000	Forecast Annual Variance £'000
Air Quality (Ext Funded)	-	-	-	-
Asset Maintenance Argyle Road	6	108	108	-
Asset Maintenance CCTV	0	17	17	-
Asset Maintenance Countryside	-	8	8	-
Asset Maintenance Other Corporate Properties	9	48	48	-
Asset Maintenance Direct Services	4	39	39	-
Asset Maintenance Hever Road	20	38	38	-
Asset Maintenance Leisure	72	178	178	-
Asset Maintenance Playgrounds	6	8	8	-
Asset Maintenance Support & Salaries	15	83	83	-
Asset Maintenance Sewage Treatment Plants	-	8	8	-
Asset Maintenance Public Toilets	-	7	7	-
Bus Station	3	17	17	-
Car Parks	(551)	(1,916)	(1,916)	-
Car Parking - On Street	(211)	(495)	(495)	-
CCTV	120	258	258	-
Civil Protection	15	47	47	-
Dartford Environmental Hub (SDC Costs)	-	-	-	-
EH Commercial	1	279	279	-
EH Animal Control	6	1	1	-
EH Environmental Protection	9	386	386	-

*Draft as at the end of July
(Period 201904)*

Environment and Operational cont.

	Y-T-D Actual £'000	Annual Budget £'000	Annual Forecast (including Accruals) £'000	Forecast Annual Variance £'000
Emergency	22	66	66	-
Energy Efficiency	7	29	29	-
Estates Management - Buildings	48	(18)	17	35
Estates Management - Grounds	34	113	113	-
Gypsy Sites	(4)	(26)	(17)	9
Disabled Facilities Grant Administration	(6)	(20)	(20)	-
Housing Premises	4	1	1	-
Kent Resource Partnership	(266)	-	-	-
Licensing Partnership Hub (Trading)	(14)	-	-	-
Licensing Partnership Members	(0)	-	-	-
Licensing Regime	16	3	3	-
Markets	(74)	(182)	(182)	-
Parking Enforcement - Tandridge DC	(10)	-	(35)	(35)
Parks and Recreation Grounds	36	116	116	-
Parks - Greensand Commons Project	(5)	-	-	-
Parks - Rural	31	114	114	-
Private Sector Housing	76	198	198	-
Private Sector Housing Maintenance Operatives	0	-	-	-
Public Transport Support	-	0	0	-
Refuse Collection	947	2,683	2,755	72
Administrative Expenses - Direct Services	0	-	-	-
Administrative Expenses - Health	1	12	12	-
Administrative Expenses - Licensing	0	10	10	-
Administrative Expenses - Property	0	4	4	-
Administrative Expenses - Transport	2	8	8	-
Street Cleansing	469	1,415	1,415	-

**Draft as at the end of July
(Period 201904)**

Environment and Operational cont.

Support - Central Offices
 Support - Central Offices - Facilities
 Support - General Admin
 Support - Health and Safety
 Support - Direct Services
 Support - Procurement
 Support - Property Function
 Sevenoaks Switch and Save
 Taxis
 Public Conveniences

Total Environmental and Operational Services

Y-T-D Actual £'000	Annual Budget £'000	Annual Forecast (including Accruals) £'000	Forecast Annual Variance £'000
278	450	440	(10)
85	290	290	-
55	234	202	(32)
3	17	17	-
9	58	48	(10)
-	6	6	-
18	48	48	-
(0)	-	-	-
(11)	(11)	(11)	-
22	46	46	-
1,300	4,785	4,814	29

*Draft as at the end of July
(Period 201904)*

Finance

Action and Development	-	7	7	-
Benefits Admin	(250)	174	181	7
Benefits Grants	158	(25)	(25)	-
Consultation and Surveys	-	4	4	-
Corporate Management	323	995	995	-
Corporate - Other	-	209	209	-
Dartford Partnership Hub (SDC costs)	696	-	-	-
Equalities Legislation	-	19	-	(19)
External Communications	47	192	192	-
Housing Advances	1	1	1	0
Local Tax	(403)	(21)	6	27
Members	147	428	428	-
Misc. Finance	583	1,734	1,734	-
Performance Improvement	7	(1)	(1)	-
Administrative Expenses - Chief Executive	6	30	30	-
Administrative Expenses - Finance	9	33	33	-
Administrative Expenses - Transformation and Strategy	0	5	5	-
Support - Counter Fraud	(42)	52	52	-
Support - Audit Function	(12)	170	170	-
Support - Exchequer and Procurement	41	103	103	-
Support - Finance Function	72	218	218	-
Support - General Admin	(2)	111	111	-
Treasury Management	34	114	114	-
Total Finance	1,417	4,550	4,565	15

Y-T-D	Annual	Annual	Forecast
Actual	Budget	Forecast	Annual
£'000	£'000	(including Accruals)	Variance
£'000	£'000	£'000	£'000
-	7	7	-
(250)	174	181	7
158	(25)	(25)	-
-	4	4	-
323	995	995	-
-	209	209	-
696	-	-	-
-	19	-	(19)
47	192	192	-
1	1	1	0
(403)	(21)	6	27
147	428	428	-
583	1,734	1,734	-
7	(1)	(1)	-
6	30	30	-
9	33	33	-
0	5	5	-
(42)	52	52	-
(12)	170	170	-
41	103	103	-
72	218	218	-
(2)	111	111	-
34	114	114	-
1,417	4,550	4,565	15

*Draft as at the end of July
(Period 201904)*

Planning Services

Administrative Expenses - Planning Services	27	44	44	-
Community Housing Fund	4	-	-	-
Conservation	32	91	91	-
LDF Expenditure	9	-	-	-
Planning - Appeals	55	202	202	-
Planning - CIL Administration	-	(49)	(49)	-
Planning - Counter	(0)	-	-	-
Planning - Development Management	53	214	214	-
Planning - Enforcement	80	283	283	-
Planning Policy	137	598	598	-
Building Control Discretionary Work	-	-	-	-
Building Control Partnership Members	(0)	-	-	-
Building Control Partnership Hub (SDC Costs)	-	-	-	-
Building Control	(40)	(113)	(113)	-
Dangerous Structures	1	3	3	-
Administrative Expenses - Building Control	3	11	11	-

Total Planning Services

Y-T-D Actual £'000	Annual Budget £'000	Annual Forecast (including Accruals) £'000	Forecast Annual Variance £'000
27	44	44	-
4	-	-	-
32	91	91	-
9	-	-	-
55	202	202	-
-	(49)	(49)	-
(0)	-	-	-
53	214	214	-
80	283	283	-
137	598	598	-
-	-	-	-
(0)	-	-	-
-	-	-	-
(40)	(113)	(113)	-
1	3	3	-
3	11	11	-
359	1,282	1,282	-

4. Cumulative Salary Monitoring

*Draft as at the end of July
(Period 201904)*

Communities and Business

Corporate Services

Environmental & Operational Services:

- Emergency Planning & Property

- Environmental Health

- Licensing

- Operational Services

- Parking

Financial Services

Planning Services

- Planning

- Building Control

Sub Total

Council Wide - Vacant Posts

Staff Recruitment and Retention

TOTAL SDC Funded Salary Costs

Externally Funded & Funded from other sources (gross figures).
Overspendings here are matched by external funding and represent additional resources secured for the Council since the budget was set.

Communities and Business Ext. Funded

Environmental & Operational Services Ext Funded

TOTAL All Salary Costs

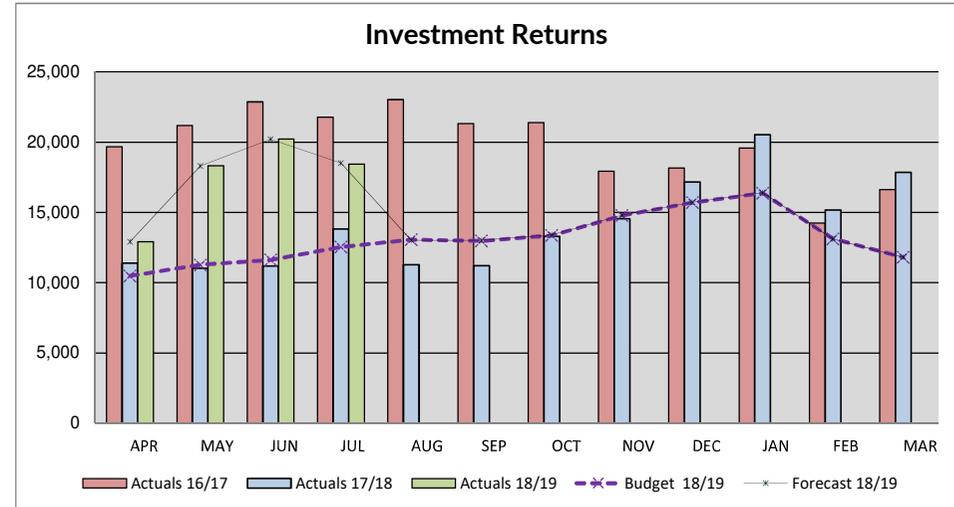
Y-T-D Actual £'000	Y-T-D Budget £'000	Y-T-D Variance £'000	Y-T-D Variance %	Annual Budget £'000	Annual Forecast £'000	Annual Variance £'000	Annual Variance %
306	334	(28)	(8)	1,002	1,002	0	-
803	784	19	2	2,322	2,322	0	-
1,877	1,993	(116)	(6)	6,005	5,927	(78)	(1)
246	258	(12)	(5)	775	765	(10)	(1)
198	215	(17)	(8)	645	645	0	-
110	125	(15)	(12)	374	374	0	-
1,188	1,254	(66)	(5)	3,790	3,722	(68)	(2)
135	140	(5)	(4)	421	421	0	-
884	925	(41)	(4)	2,776	2,776	0	-
736	851	(116)	(14)	2,556	2,556	0	-
630	745	(115)	(15)	2,235	2,235	0	-
106	107	(1)	(1)	321	321	0	-
4,606	4,888	(282)	(6)	14,661	14,583	(78)	(1)
0	(24)	24	100	(69)	(69)	0	-
0	0	0	-	71	71	0	-
4,606	4,864	(258)	(5)	14,664	14,586	(78)	(1)
171	171	(1)	(0)	514	514	0	-
57	56	0	1	169	169	0	-
227	228	(0)	(0)	683	683	0	-
4,834	5,092	(258)	(5)	15,347	15,269	(78)	(1)

5 Direct Services
Jul-18

2018-19 Jul-18	PERIOD				YEAR-TO-DATE				ANNUAL			Y-T-D NET VARIANCE			ANNUAL NET VARIANCE		
	Budget	Actual	Actual / Budget	Variance	Budget	Actual	Actual / Budget	Variance	Budget	Forecast	Variance	Net Budget by Service	Net Actual by Service	Variance by Service	Net Budget by Service	Net Actual by Service	Variance by Service
	£'000	£'000	%	£'000	£'000	£'000	%	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income																	
Refuse	(212)	(215)	(1.3)	(3)	(852)	(856)	(0.5)	(5)	(2558)	(2558)	0	1	5	5	(1)	(1)	0
CDSU	(8)	(8)	(1.0)	0	(33)	(33)	(0.1)	0	(101)	(101)	0	6	5	(1)	19	19	0
Street & Toilet Cleaning	(110)	(109)	1.0	1	(447)	(451)	(1.0)	(4)	(1347)	(1347)	0	(10)		10	(36)	(36)	0
Trade	(32)	(29)	8.4	3	(193)	(180)	6.6	13	(465)	(465)	0	(55)	(55)	(1)	(49)	(49)	0
Workshop	(55)	(72)	(30.0)	(17)	(221)	(239)	(8.1)	(18)	(662)	(662)	0	0	(11)	(11)	(1)	(1)	0
Green Waste	(47)	(44)	5.3	2	(217)	(260)	(20.1)	(44)	(535)	(535)	0	(50)	(88)	(38)	(19)	(19)	0
Cesspools	(20)	(18)	5.8	1	(78)	(79)	(0.8)	(1)	(235)	(235)	0	(10)	(17)	(8)	(29)	(29)	0
Pest Control	(12)	(14)	(21.5)	(2)	(23)	(29)	(23.7)	(5)	(88)	(88)	0	7	2	(4)	0	0	0
Grounds	(15)	(15)	0.0	0	(59)	(59)	0.0	0	(180)	(180)	0	(5)	(11)	(6)	(18)	(18)	0
Fleet	(76)	(79)	(3.0)	(2)	(306)	(312)	(2.1)	(6)	(917)	(917)	0	0	(14)	(14)	0	0	0
Depot	(22)	(22)	(0.4)	0	(96)	(94)	2.2	2	(292)	(292)	0	4	(1)	(6)	0	0	0
Emergency	(5)	(5)	0.0	0	(18)	(18)	0.0	0	(55)	(55)	0	(3)	(6)	(3)	(9)	(9)	0
Total Income	(614)	(631)	(2.7)	(17)	(2543)	(2611)	(2.7)	(68)	(7436)	(7436)		(115)	(191)	(76)	(145)	(145)	
Expenditure																	
Refuse	213,107	225	5.6	12	852	862	1.1	9	2,557	2,557	0						
CDSU	9,939	11	11.6	1	40	38	(3.4)	(1)	119	119	0						
Street & Toilet Cleaning	109,227	115	5.1	6	437	451	3.3	14	1,311	1,311	0						
Trade	34,624	31	(11.4)	(4)	138	125	(9.6)	(13)	415	415	0						
Workshop	55,059	57	3.7	2	220	227	3.2	7	661	661	0						
Green Waste	48,432	61	26.9	13	167	172	3.4	6	516	516	0						
Cesspools	17,167	15	(11.5)	(2)	69	62	(10.0)	(7)	206	206	0						
Pest Control	7,350	7	(3.4)	0	30	31	4.0	1	88	88	0						
Grounds	13,497	12	(14.4)	(2)	54	48	(10.7)	(6)	162	162	0						
Fleet	76,424	73	(4.3)	(3)	306	298	(2.4)	(7)	917	917	0						
Depot	22,890	17	(24.4)	(6)	100	92	(7.7)	(8)	292	292	0						
Emergency	3,795	2	(42.5)	(2)	15	12	(21.2)	(3)	46	46	0						
Total Expenditure	612	626	2.4	15	2428	2420	(0.3)	(8)	7291	7291	0						
Net	(2)	(4)	(0.3)	(2)	(115)	(191)	(3.0)	(76)	(145)	(145)							

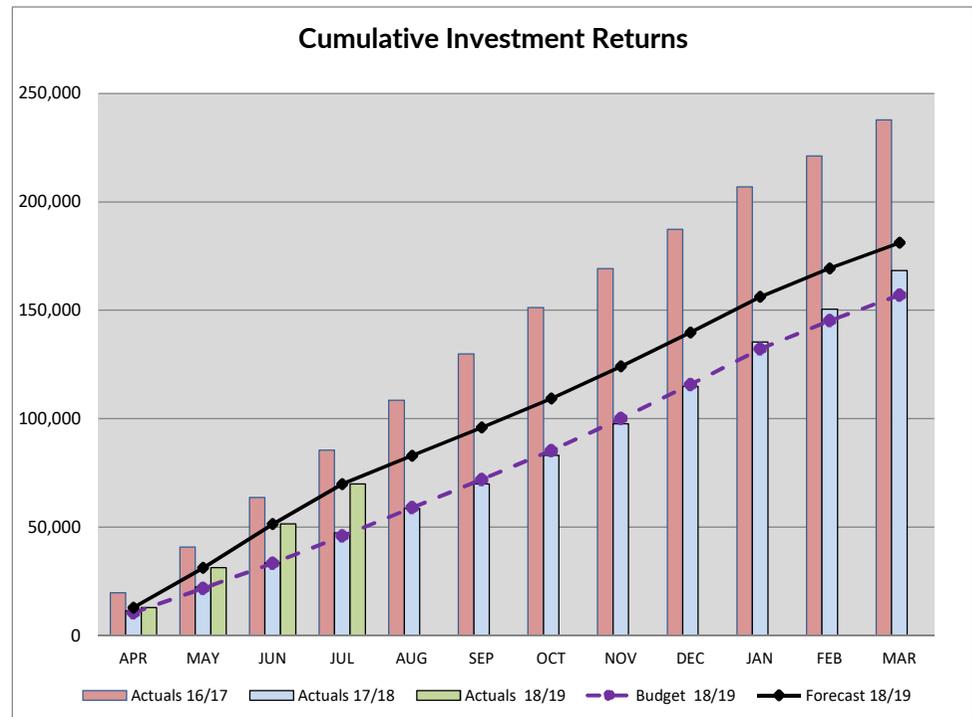
6 Investment Returns

	Actuals 16/17	Actuals 17/18	Actuals 18/19	Budget 18/19	Variance	Forecast 18/19
APR	19,679	11,389	12927	10,480	2,447	12,900
MAY	21,188	11,020	18323	11,259	7,064	18,300
JUN	22,859	11,182	20233	11,622	8,611	20,200
JUL	21,769	13,806	18443	12,530	5,913	18,500
AUG	23,005	11,280		13,050		13,000
SEP	21,312	11,190		12,963		13,000
OCT	21,399	13,282		13,361		13,400
NOV	17,942	14,533		14,782		14,800
DEC	18,150	17,148		15,683		15,700
JAN	19,573	20,510		16,362		16,400
FEB	14,244	15,173		13,113		13,100
MAR	16,626	17,852		11,795		11,800
	237,746	168,365	69,926	157,000	24,035	181,100



INVESTMENT RETURNS (CUMULATIVE)

	Actuals 16/17	Actuals 17/18	Actuals 18/19	Budget 18/19	Variance	Forecast 18/19
APR	19,679	11,389	12927	10,480	2,447	12,900
MAY	40,867	22,409	31250	21,739	9,511	31,200
JUN	63,726	33,591	51483	33,361	18,122	51,400
JUL	85,495	47,397	69926	45,891	24,035	69,900
AUG	108,500	58,677		58,941		82,900
SEP	129,812	69,867		71,904		95,900
OCT	151,211	83,149		85,265		109,300
NOV	169,153	97,682		100,047		124,100
DEC	187,303	114,830		115,730		139,800
JAN	206,876	135,340		132,092		156,200
FEB	221,120	150,513		145,205		169,300
MAR	237,746	168,365		157,000		181,100



BUDGET FOR 2018/19 157,000
 FORECAST OUTTURN 181,100

CODE:- **YHAA 96900**

N.B.

These are the gross interest receipts rather than the interest remaining in the General Fund

Fund Average 0.5797%
 7 Day LIBID 0.3600%
 3 Month LIBID 0.5529%

STAFFING STATISTICS JULY 2018

	BUDGET FTE	STAFF FTE	AGENCY STAFF	CASUAL FTE	TOTAL	COMMENTS	JUNE TOTALS
1. Communities and Business	20.35	23.77	0.00	0.81	24.58		25.47
2. Corporate Services <i>Contact Centre, HR, Secretarial, Legal, Democratic Service, Elections</i>	60.88	61.97	0.00	0.00	61.97		62.74
3. Environmental & Operational Services	168.02	154.62	21.16	1.68	177.46		177.62
<i>3a. Environmental Health</i>	12.57	11.14	1.00	0.00	12.14		12.14
<i>3b. Licensing</i>	10.81	8.18	0.00	0.23	8.41		8.41
<i>3c & 3d Operational Services + CCTV</i>	112.16	103.88	20.16	1.45	125.49		125.65
<i>3e. Parking & Amenity Services</i>	12.00	11.00	0.00	0.00	11.00		11.00
<i>3f. Property Services</i>	20.48	20.42	0.00	0.00	20.42		20.42
4. Finance <i>Finance, Revenues & Benefits, Transformation & Strategy, & Chief Executive</i>	69.81	62.89	3.00	0.22	66.11		68.12
5a. Planning	51.98	46.66	0.00	0.00	46.66		45.66
<i>5b. Building Control</i>	7.00	7.00	0.00	0.00	7.00		6.00
SUB TOTAL	378.04	356.91	24.16	2.71	383.78		385.61
EXTERNALLY FUNDED POSTS							
7. Communities and Business	14.5	8.51	0.00	0	8.51		7.51
8. Operational Services	2	2	0.00	0	2		2
9. Property Services	1.50	1.50	0.00	0.00	1.50		1.50
SUB TOTAL	18.00	12.01	0.00	0.00	12.01		11.01
TOTAL	396.04	368.92	24.16	2.71	395.79		396.62
Number of staff paid in July 2018: 401 permanent, 11 casuals							

8 Income Graphs Summary

Comparison of
17/18 and
18/19, where
brackets show
increased
income

**MANAGER'S
PROFILED
BUDGET**

Variance,
where brackets
are favourable

**ANNUAL
BUDGET
2018/19**

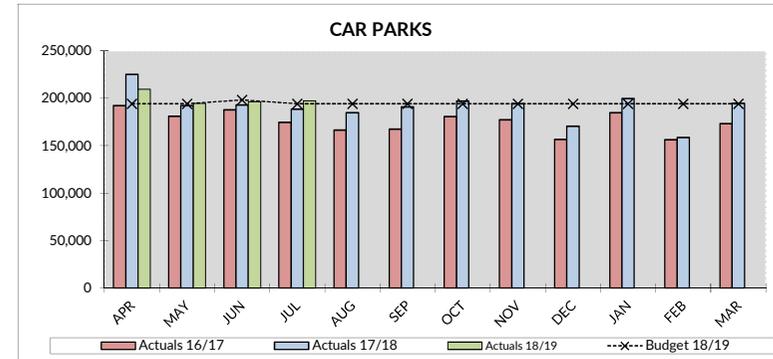
**Annual
Forecast**

	ACTUAL		MANAGER'S PROFILED BUDGET	Variance, where brackets are favourable	ANNUAL BUDGET 2018/19	Annual Forecast
CAR PARKS	797,260	1,389	780,814	(16,445)	2,334,443	2,334,443
ON-STREET PARKING	400,009	(25,340)	328,657	(71,352)	985,970	985,970
LAND CHARGES	52,572	4,821	68,337	15,765	205,010	205,010
BUILDING CONTROL	159,460	13,114	151,906	(7,554)	455,717	455,717
DEVELOPMENT MANAGEMENT	288,577	48,362	308,086	19,509	945,275	945,275
	1,697,877	42,345	1,637,799	(60,077)	4,926,415	4,926,415

CAR PARKS (HWCARP)

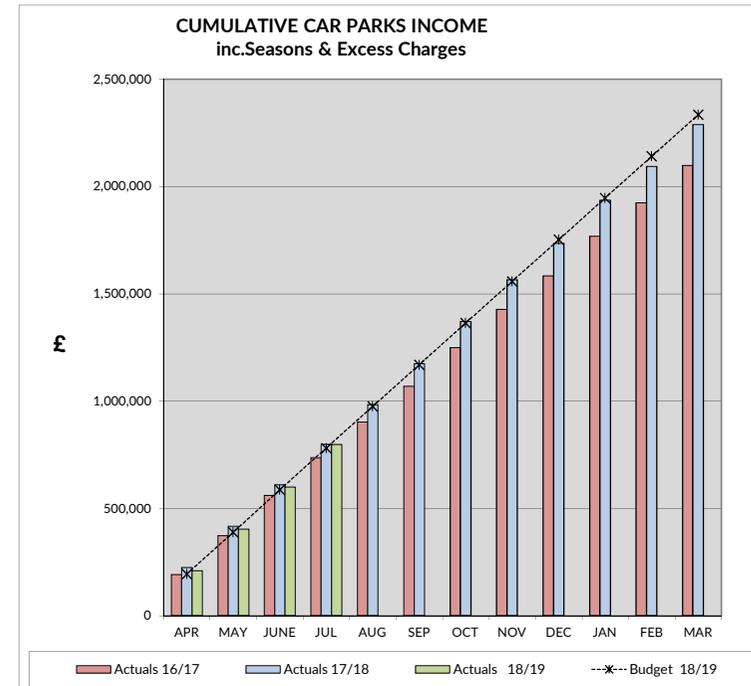
	Actuals 16/17	Actuals 17/18	Actuals 18/19	Increase / decrease from 17/18 to 18/19	Budget 18/19	Variance (Budget-Actuals)	Manager's Forecast
1 APR	192,138	225,193	209,387	15,805	194,204	(15,183)	
2 MAY	180,922	192,331	194,451	(2,120)	194,204	(247)	
3 JUN	187,891	192,806	196,119	(3,314)	198,204	2,084	
4 JUL	174,736	188,319	197,302	(8,983)	194,204	(3,099)	
5 AUG	166,394	184,778			194,204		
6 SEP	167,317	190,794			194,204		
7 OCT	180,519	196,832			194,204		
8 NOV	177,353	194,124			194,204		
9 DEC	156,462	170,661			194,204		
10 JAN	184,609	199,732			194,204		
11 FEB	156,173	158,761			194,204		
12 MAR	173,095	194,523			194,204		
TOTAL	2,097,610	2,288,853	797,260	1,389	2,334,443	(16,445)	2,334,443

NOTE: Budget Profiles to be reviewed



CAR PARKS (CUMULATIVE)

	Actuals 16/17	Actuals 17/18	Actuals 18/19	Cumulative increase / decrease from 17/18 to 18/19	Budget 18/19	Variance (Column g-e)	Manager's Forecast
APR	192,138	225,193	209,387	15,805	194,204	(15,183)	
MAY	373,060	417,523	403,838	13,685	388,407	(15,431)	
JUNE	560,951	610,329	599,957	10,372	586,611	(13,347)	
JUL	735,687	798,648	797,260	1,389	780,814	(16,445)	
AUG	902,081	983,426			975,018		
SEP	1,069,398	1,174,220			1,169,221		
OCT	1,249,917	1,371,052			1,363,425		
NOV	1,427,271	1,565,176			1,557,629		
DEC	1,583,733	1,735,836			1,751,832		
JAN	1,768,342	1,935,568			1,946,036		
FEB	1,924,515	2,094,330			2,140,239		
MAR	2,097,610	2,288,853			2,334,443		2,334,443



Page 161

Jul-18

HWCARP

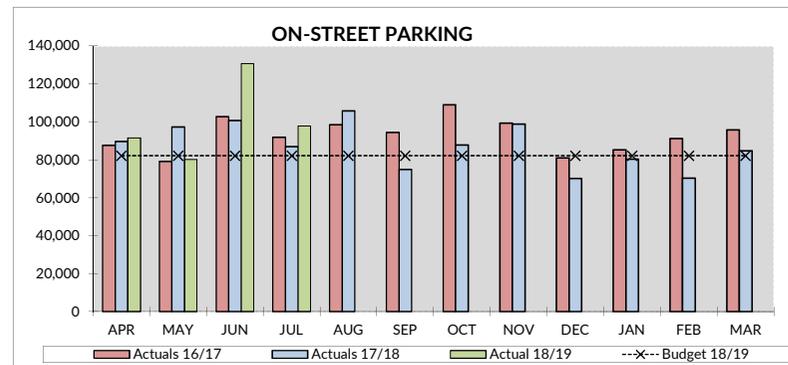
	Actual (Cumulative)	Budget	(Monthly)	
DAY TICKETS	3300	662,165	653,186	175,022
EXCESS / PENALTY CHARGES	***1/**3	(169)		(27)
SEASON TICKETS	***2	-		
SEASON TICKET CAR PARK	3310	128,024	121,474	20,773
OTHER (inc.Res.Pkg)	***9	26	2,154	-
WAIVERS	3404	2,360		1,530
RENT	94500	4,854	4,000	5
Business Permits	3406 / 3408			
TOTAL		797,260	780,814	197,302

Agenda Item 9

ON-STREET PARKING (HWDCRIM / HWENFORC)

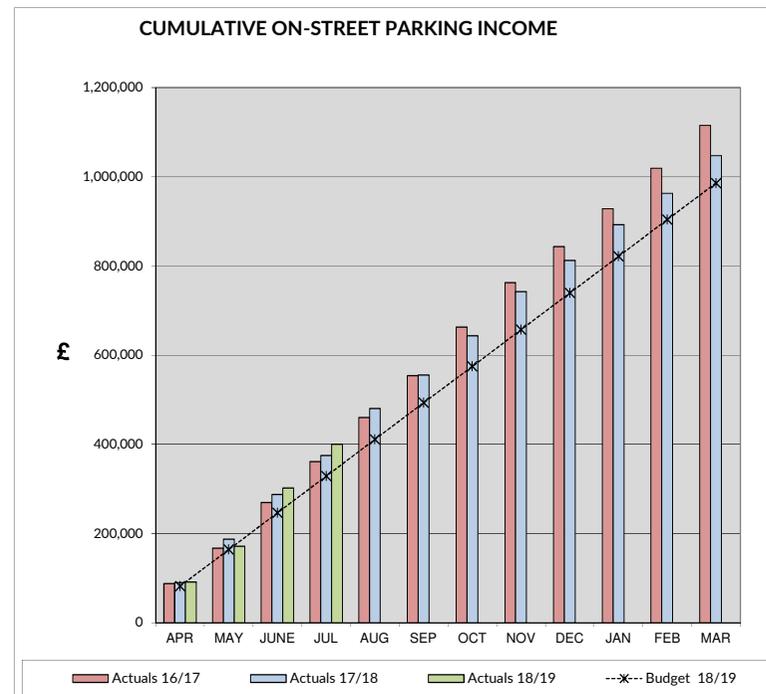
	Actuals 16/17	Actuals 17/18	Actual 18/19	Increase / decrease from 17/18 to 18/19	Budget 18/19	Variance (Budget-Actuals)	Manager's Forecast
1 APR	87,604	89,694	91,515	(1,821)	82,164	(9,351)	
2 MAY	79,069	97,250	80,099	17,151	82,164	2,066	
3 JUN	102,773	100,738	130,688	(29,950)	82,164	(48,524)	
4 JUL	91,824	86,987	97,708	(10,720)	82,164	(15,543)	
5 AUG	98,529	105,737			82,164		
6 SEP	94,326	74,972			82,164		
7 OCT	109,009	87,843			82,164		
8 NOV	99,267	98,849			82,164		
9 DEC	80,925	70,137			82,164		
10 JAN	85,252	80,326			82,164		
11 FEB	91,161	70,259			82,164		
12 MAR	95,761	84,739			82,164		
TOTAL	1,115,500	1,047,530	400,009	(25,340)	985,970	(71,352)	985,970

Note: Budget profiles still subject to review



ON-STREET PARKING (CUMULATIVE)

	Actuals 16/17	Actuals 17/18	Actuals 18/19	Cumulative increase / decrease from 17/18 to 18/19	Budget 18/19	Variance (Column G-E)	Manager's Forecast
APR	87,604	89,694	91,515	(1,821)	82,164	(9,351)	
MAY	166,673	186,944	171,613	15,330	164,328	(7,285)	
JUNE	269,446	287,681	302,302	(14,620)	246,493	(55,809)	
JUL	361,270	374,669	400,009	(25,340)	328,657	(71,352)	
AUG	459,799	480,406			410,821		
SEP	554,125	555,378			492,985		
OCT	663,134	643,221			575,149		
NOV	762,401	742,070			657,313		
DEC	843,326	812,207			739,478		
JAN	928,579	892,532			821,642		
FEB	1,019,739	962,791			903,806		
MAR	1,115,500	1,047,530			985,970		985,970



Page 162

Jul-18

HWDCRIM / HWENFORC

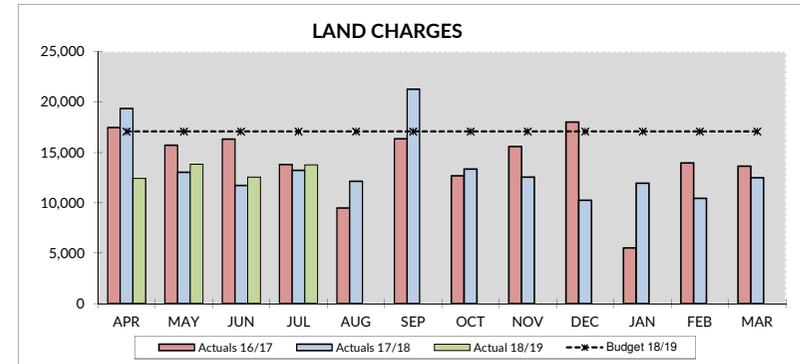
	Actual (Cumulative)	Budget	(Monthly)
PENALTY NOTICES & EXCESS CH/3403/**1	110,014	109,807	30,051
WAIVERS	3404	53,078	1,498
RESIDENTS PERMITS	3406	26,831	7,292
ON STREET PARKING	3300	192,024	53,938
BUSINESS PERMITS	3408	17,784	4,651
Driveway Access Protection Lines	3405	278	278
OTHER	9999		
TOTAL	400,009	328,657	97,708

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* all payments made via third party system are coded here

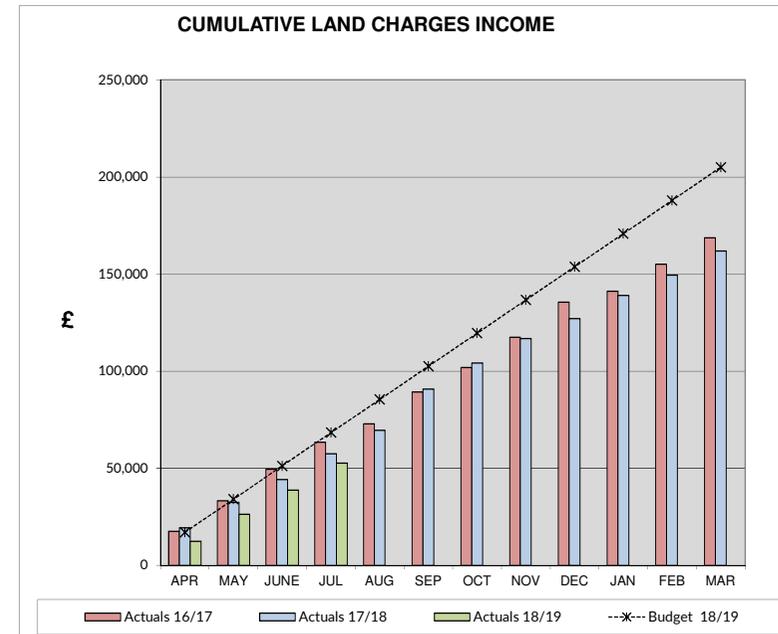
LAND CHARGES (LPLNDCH)

	Actuals 16/17	Actuals 17/18	Actual 18/19	Increase / decrease from 17/18	Budget 18/19	Variance (Budget-Actuals)	Manager's Forecast
1 APR	17,492	19,382	12,416	6,966	17,084	4,668	17,084
2 MAY	15,735	13,025	13,827	(802)	17,084	3,257	17,084
3 JUN	16,316	11,742	12,546	(804)	17,084	4,538	17,084
4 JUL	13,810	13,243	13,782	(539)	17,084	3,302	17,084
5 AUG	9,491	12,132			17,084		17,084
6 SEP	16,375	21,283			17,084		17,084
7 OCT	12,685	13,360			17,084		17,084
8 NOV	15,606	12,568			17,084		17,084
9 DEC	18,035	10,270			17,084		17,084
10 JAN	5,530	11,950			17,084		17,084
11 FEB	13,966	10,438			17,084		17,084
12 MAR	13,637	12,485			17,084		17,084
TOTAL	168,677	161,879	52,572	4,821	205,010	15,765	205,010



LAND CHARGES (CUMULATIVE)

	Actuals 16/17	Actuals 17/18	Actuals 18/19	Cumulative increase / decrease from 17/18	Budget 18/19	Variance (Column G-E)	Manager's Forecast
APR	17,492	19,382	12,416	6,966	17,084	4,668	17,084
MAY	33,227	32,408	26,244	6,164	34,168	7,925	34,168
JUNE	49,543	44,149	38,789	5,360	51,253	12,463	51,253
JUL	63,353	57,393	52,572	4,821	68,337	15,765	68,337
AUG	72,844	69,525			85,421		85,421
SEP	89,219	90,808			102,505		102,505
OCT	101,904	104,167			119,589		119,589
NOV	117,510	116,735			136,673		136,673
DEC	135,545	127,005			153,758		153,758
JAN	141,074	138,955			170,842		170,842
FEB	155,040	149,394			187,926		187,926
MAR	168,677	161,879			205,010		205,010



Jul-18

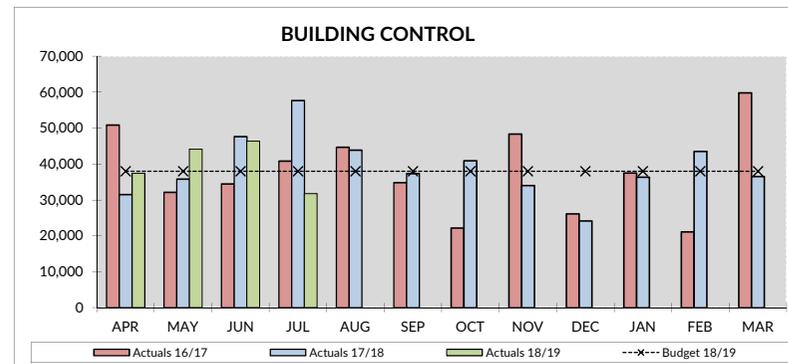
LPLNDCH

Searches Received - Paper
Searches Received - Electronic
Searches Received - Personal

	Received (Month)	Percentage (Month)	Percentage (Month 18/19)	(Cumulative)
£105	40	16%	15%	161
£86	106	42%	41%	439
£0	108	43%	44%	473
TOTAL	254	100%	100.0%	1,073

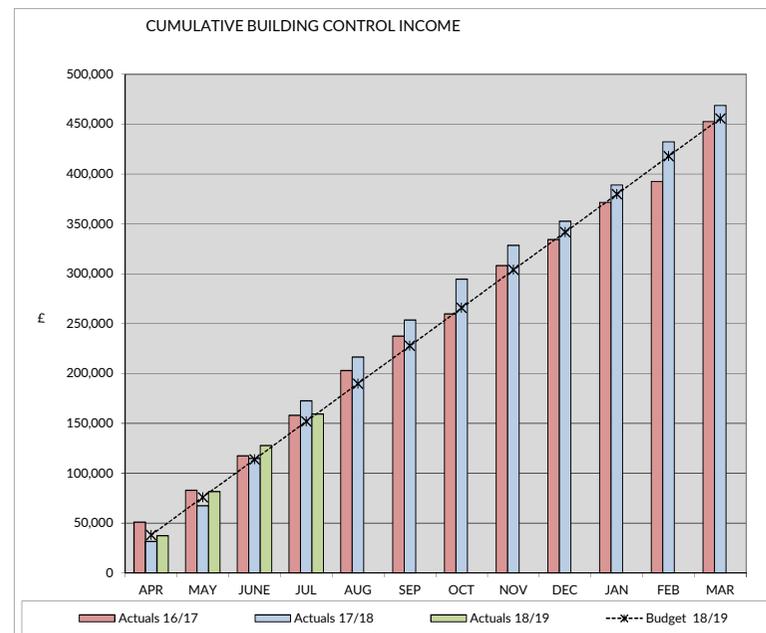
BUILDING CONTROL (DVBCFEE)

	Actuals 16/17	Actuals 17/18	Actuals 18/19	Increase / decrease from 17/18 to 18/19	Budget 18/19	Variance (Budget-Actuals)	Manager's Forecast
1 APR	50,783	31,511	37,342	(5,831)	37,976	634	
2 MAY	32,063	35,809	44,099	(8,289)	37,976	(6,122)	
3 JUN	34,453	47,602	46,293	1,309	37,976	(8,317)	
4 JUL	40,829	57,651	31,725	25,926	37,976	6,251	
5 AUG	44,666	43,832			37,976		
6 SEP	34,775	37,255			37,976		
7 OCT	22,194	40,902			37,976		
8 NOV	48,342	33,940			37,976		
9 DEC	26,113	24,156			37,976		
10 JAN	37,436	36,291			37,976		
11 FEB	21,118	43,486			37,976		
12 MAR	59,778	36,473			37,976		
TOTAL	452,549	468,910	159,460	13,114	455,717	(7,554)	455,717



BUILDING CONTROL (CUMULATIVE)

	Actuals 16/17	Actuals 17/18	Actuals 18/19	Cumulative increase / decrease from 17/18 to 18/19	Budget 18/19	Variance (Column g-e)	Manager's Forecast
APR	50,783	31,511	37,342	(5,831)	37,976	634	
MAY	82,846	67,320	81,441	(14,121)	75,953	(5,488)	
JUNE	117,299	114,923	127,734	(12,812)	113,929	(13,805)	
JUL	158,128	172,574	159,460	13,114	151,906	(7,554)	
AUG	202,794	216,406			189,882		
SEP	237,569	253,661			227,859		
OCT	259,763	294,563			265,835		
NOV	308,105	328,503			303,811		
DEC	334,218	352,660			341,788		
JAN	371,654	388,951			379,764		
FEB	392,772	432,437			417,741		
MAR	452,549	468,910			455,717		455,717



Jul-18

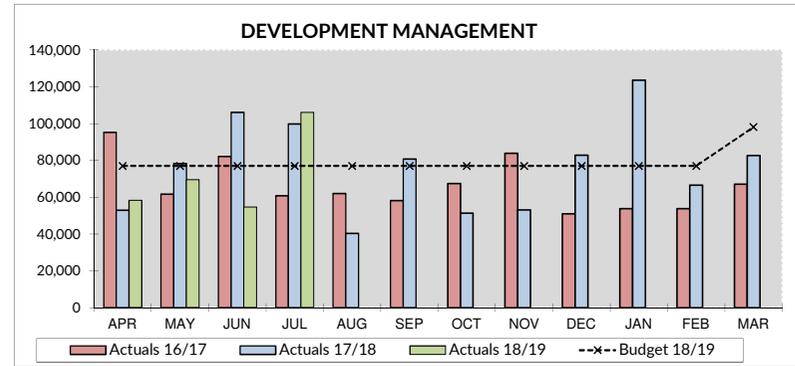
DVBCFEE

	Actual (Cumulative)	Budget	(Monthly)
Plan Fee	3066	92,841	26,904
Inspection Fee	3067	59,065	4,821
Other	9999		
TOTAL	159,460	151,906	31,725

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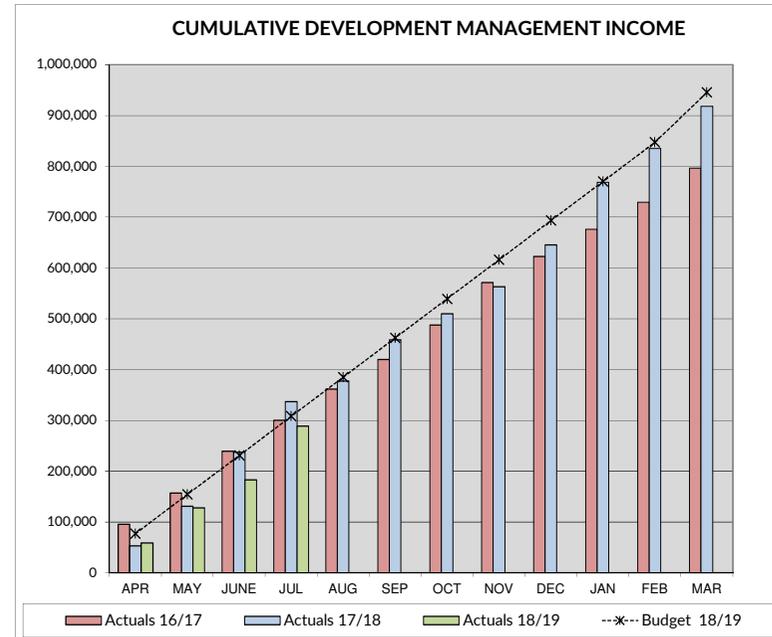
DEVELOPMENT MANAGEMENT (DVDEVCT)

	Actuals 16/17	Actuals 17/18	Actuals 18/19	Increase / decrease from 17/18 to 18/19	Budget 18/19	Variance (Budget-Actuals)	Manager's Forecast
1 APR	95,276	52,884	58,404	-5,521	77,022	18,618	
2 MAY	61,633	78,250	69,455	8,796	77,022	7,567	
3 JUN	82,100	106,124	54,668	51,456	77,022	22,354	
4 JUL	60,712	99,681	106,051	-6,369	77,022	(29,029)	
5 AUG	61,967	40,402			77,022		
6 SEP	58,088	80,747			77,022		
7 OCT	67,514	51,400			77,022		
8 NOV	83,870	53,057			77,022		
9 DEC	51,041	82,753			77,022		
10 JAN	53,719	123,499			77,022		
11 FEB	53,755	66,539			77,022		
12 MAR	67,084	82,682			98,039		
TOTAL	796,759	918,017	288,577	48,362	945,275	19,509	945,275



DEVELOPMENT MANAGEMENT (CUMULATIVE)

	Actuals 16/17	Actuals 17/18	Actuals 18/19	Cumulative increase / decrease from 17/18 to 18/19	Budget 18/19	Variance (Column G-E)	Manager's Forecast
APR	95,276	52,884	58,404	42,393	77,022	18,618	
MAY	156,909	131,134	127,859	25,775	154,043	26,184	
JUNE	239,009	237,257	182,526	1,752	231,065	48,538	
JUL	299,721	336,939	288,577	(37,218)	308,086	19,509	
AUG	361,688	377,340			385,108		
SEP	419,776	458,087			462,129		
OCT	487,290	509,487			539,151		
NOV	571,160	562,544			616,172		
DEC	622,201	645,297			693,194		
JAN	675,919	768,796			770,215		
FEB	729,675	835,335			847,237		
MAR	796,759	918,017			945,275		945,275



Jul-18

DVDEVCT

	Actual (Cumulative)	Budget	(Monthly)	
Planning Application Fees	3009	253,687	272,772	96,151
Other	9999	4,273	2,740	2,380
Pre-application Fees	94301	27,917	28,870	7,220
Monitoring Fees	94302	2,700	3,704	300
TOTAL	288,577	308,086	106,051	

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FINANCIAL PROSPECTS AND BUDGET STRATEGY 2019/20 AND BEYOND

Finance Advisory Committee - 4 September 2018

Report of	Chief Finance Officer
Status	For Decision
Also considered by	Cabinet - 13 September 2018
Key Decision	No

Executive Summary:

This Financial Prospects Report is the first report of the Council’s budget setting process for 2019/20 onwards. It sets out the financial pressures the Council is likely to face in the coming years and suggests an appropriate strategy, utilising the 10-year budget framework first adopted in 2011/12, to ensure the Council remains financially stable over the long term.

Informed by the latest information from Government and discussions with the Portfolio Holder, the report proposes that the Council continues to set a revenue budget that assumes no direct funding from Government through the Revenue Support Grant or New Homes Bonus. This will result in the Council continuing to be financially self-sufficient, an ambition set out in its Corporate Plan.

To achieve this aim and to ensure a balanced budget position over the next 10-year period, whilst also increasing the Council’s ability to be sustainable beyond that time, a net savings requirement of £100,000 per annum is currently included. This will need to be achieved by new savings and additional income whilst also having to offset any new growth items. Growth and savings proposals will be presented to the Advisory Committees and their recommendations will be included in the Budget Update report to Cabinet on 6 December 2018.

Portfolio Holder	Cllr. John Scholey
Contact Officer(s)	Adrian Rowbotham, Ext. 7153 Alan Mitchell, Ext. 7483

Recommendation to Finance Advisory Committee:

Advise Cabinet with views on the ten-year financial planning approach and principles set out in the report.

Recommendation to Cabinet:

- (a) That subject to the views of the Finance Advisory Committee, endorse the ten-year financial planning approach and principles set out in this report;
- (b) request Advisory Committees to review the Service Dashboards and advise Cabinet of possible growth and savings options;
- (c) request officers to continue to review the assumptions in this report and report back to Cabinet on 6 December 2018.

Introduction and Background

- 1 The Council's financial strategy over the past fourteen years has worked towards increasing financial sustainability and it has been successful through the use of a number of strategies including:
 - implementing efficiency initiatives;
 - significantly reducing the back office function;
 - improved value for money;
 - maximising external income;
 - the movement of resources away from low priority services; and
 - an emphasis on statutory rather than non-statutory services.
- 2 Over this period, the Council has focused on delivering high quality services based on Members' priorities and consultation with residents and stakeholders. In financial terms, the adoption of this strategy has to date allowed the Council to move away from its reliance on general fund reserves.
- 3 Using the data sources available to the Council, this report sets out a budget over the 10-year period but recognises that it is likely that more accurate data will become available in future months and current assumptions may need to be updated.
- 4 In setting its budget for 2011/12 onwards, the Council recognised the need to address both the short-term reduction in Government funding as well as the longer-term need to reduce its reliance on reserves. The outcome was a 10-year budget, together with a four-year savings plan, that ensured the Council's finances were placed on a stable footing but that also allowed for flexibility between budget years.
- 5 With the Revenue Support Grant provided by Government ceasing from 2017/18 it is important that the council remains financially self-sufficient by having a balanced economy and a financial strategy that is focused on local solutions. These solutions include:
 - continuing to deliver financial savings and service efficiencies;

- growing the council tax base; and
 - generating more income.
- 6 The intention of this report is to enable Members to give consideration to the pressures likely to be faced by the Council and put in place a long-term solution that ensures service reductions are minimised. This report sets out the high level approach and principles but a report to Cabinet on 6 December 2018 will provide further budget details along with analysis of the areas the Cabinet has requested officers to consider in assisting the balancing of the budget, as well as feedback from advisory committees on service dashboards for 2019/20 onwards.

Financial Self-Sufficiency

- 7 The Council's Corporate Plan, introduced in 2013, set out an ambition for the Council to become financially self-sufficient which was achieved in 2016/17. This means that the Council no longer requires direct funding from Government, through Revenue Support Grant or New Homes Bonus, to deliver its services.
- 8 This approach was adopted in response to the financial challenges the Country is faced with in bringing its public spending down to ensure it is able to live within its means. In practice this has seen Government funding to local authorities dramatically reduced since 2010/11 with Sevenoaks District Council receiving no Revenue Support Grant from 2017/8.
- 9 The decision to become financially self-sufficient is intended to give the Council greater control over its services, reducing the potential for decision making to be influenced by the level of funding provided by government to local authorities.
- 10 The Council's decision to seek to become financially self-sufficient was subject to scrutiny by the Local Government Association's Peer Challenge of the District Council during December 2013. In their closing letter to the Council, they concluded that they 'fully support that aspiration and given the existing and anticipated squeeze upon public finances this makes much sense'.
- 11 With the Council receiving no Revenue Support Grant from 2017/18 and New Homes Bonus reducing from 2018/19, this approach remains appropriate. The attached 10-year budget assumes no Revenue Support Grant or New Homes Bonus. Any funding received from these sources will be put into the Financial Plan Reserve which can be used to support the 10-year budget by funding invest to save initiatives and support for the Property Investment Strategy. One of the aims of the Property Investment Strategy is to achieve returns of 5%+ when not borrowing or in excess of 3% for schemes that include some external borrowing; therefore using funding for this purpose will result in additional year on year income that is not impacted by Government decisions.

Agenda Item 10

- 12 Cabinet are keen to remain financially self-sufficient and be ahead of the game. This will allow this Council to move ahead in the knowledge that this council has the financial resources to provide the services that the district's residents want into the future.

Financial Pressures 2019/20 to 2028/29

Overall Summary

- 13 In the medium term, the Council will have to progress its savings plan and maintain tight control over net expenditure in order to deliver its 10-year budget.
- 14 Looking at expenditure, inflation is running at 2.5% (CPI at July 2018).
- 15 The Local Government Finance Settlement for 2017/18 confirmed that this council was one of the 97% of councils that accepted the multi-year settlement that was offered. The grants included in this offer were:
- Revenue Support Grant - nil in 2017/18 to 2019/20.
 - Transitional Grant - £123,000 in 2017/18, nil in 2018/19 to 2019/20.
 - Rural Services Delivery Grant - nil in 2017/18 to 2019/20.
- 16 The Provisional Local Government Finance Settlement for 2019/20 is not likely to be announced by Government until late December. The grants listed above should not change in the settlement. The Ministry of Housing, Communities and Local Government (HMCLG) is currently undertaking a technical consultation which may lead to changes to New Homes Bonus and Business Rates Retention. New Homes Bonus is no longer used to fund the revenue budget so any change should not have an impact on the budget setting process. Any change to Business Rates Retention may impact on the budget setting process.
- 17 The 10-year budget attached at Appendix B shows a net savings requirement of £100,000 per annum to deliver a long term sustainable budget.
- 18 The paragraphs below set out the position in more detail and assess the impact on the current 10-year budget.

Income

- 19 Each year in the 10 year budget there is about a £4m gap between net service expenditure and Council Tax revenue. While it is reasonable to assume that inflation rates for these two items will generally be similar, inflationary changes of the items which we rely on to bridge the gap may be very different. In particular the council's receipts from Business Rates could be very variable. Members should be aware that significant changes to income assumptions may result in higher levels of savings being required.

- 20 **Government Support: Revenue Support Grant (RSG)** (nil received in 2018/19) - This formula based grant has significantly reduced over recent years as the emphasis of Government Support has changed, in fact this council received no RSG in 2017/18 and is not expected to receive any in future years. The attached 10-year budget assumes no RSG, if any amounts are received in future years they will be put into the Financial Plan Reserve to support the 10-year budget including 'invest to save' initiatives and support for the Property Investment Strategy.
- 21 **New Homes Bonus (NHB)** (£1.3m received in 2018/19 but not used to fund the revenue budget) - the Government started this new funding stream in 2011/12 with the intention that local authorities would be rewarded for new homes being built over a six-year period. The basis of NHB was changed with effect from 2017/18. Previously it was based on cumulative figures for 6 years but this was reduced to 5 years from 2017/18 and 4 years from 2018/19. In addition, NHB will only be received on tax base growth above 0.4% instead of on all growth (known as the deadweight).
- 22 In the same way as RSG, the attached 10-year budget assumes no NHB resulting in there being no reliance on this funding source to support the revenue budget. Any amounts received will be put into the Financial Plan reserve for the same purpose as noted above.

New Homes Bonus (estimated amounts based on 2018/19 settlement)

2018/19	£1.320m
2019/20	£1.152m

- 23 The MHCLG technical consultation suggests that the current 0.4% deadweight figure will increase resulting in less NHB being received and it is possible that NHB will be replaced by a different method to incentivise housing growth.
- 24 **Council Tax** (£10.4m) - The Government referendum limit has initially been set at 2% in recent years although it has been changed later in the process. In 2018/19 the referendum limit was increased to 3% (or £5 if higher) in line with inflation. Council agreed to increase Council Tax by 2.97% in 2018/19 but to retain the assumption in the 10-year budget at 2% for all later years.
- 25 The tax base increases each year due to the general increase in the number of residential properties and future developments as well as the continuing work to check the validity of Council Tax discounts awarded. The assumption going forward reflects the increases achieved in recent years and the ongoing work. The increased tax base results in additional Council Tax income which is assumed to be greater than the incremental cost of servicing the additional properties.
- 26 Officers will be reviewing the tax base for the 10-year period taking into account the latest information including the Local Plan.

Agenda Item 10

- 27 **Business Rates Retention** (£2.7m) - The basis for allocating Government Support from 2013/14 changed to the Business Rates Retention Scheme. This scheme initially allows billing authorities, such as this council, to keep 40% of Business Rates received. However tariffs and top ups are applied to ensure that the funding received by each local authority is not significantly different to pre 2013/14 amounts.
- 28 There has been a commitment from Government to introduce 100% Business Rates Retention since before the 2015 General Election. The MHCLG invited local authorities to participate in a pilot of Business Rates Retention in 2018/19 only. A Kent and Medway pilot bid was submitted including Sevenoaks, which was agreed by Cabinet on 12 October 2017.
- 29 The Kent and Medway pilot bid was one of ten successful bids. The assumption in the 10-year budget is that this Council retains £2.7m in 2018/19 (if the pilot bid had not been successful, only £2.1m would have been retained as the safety net level). The actual amount retained will depend on Business Rates collections levels across the county during the year.
- 30 The pilot is for one year only and MHCLG have now requested pilot bids for 2019/20 with a deadline of 25 September 2018. Kent and Medway are currently working on completing a bid for 2019/20 and Members will be updated as this progresses.
- 31 The Government has announced that 75% Business Rates Retention (rather than 100%) will not fully commence until 2020/21 when amounts will also be re-based.
- 32 The 2018/19 settlement continued to include an indicative 'tariff adjustment' amount of £1.083m in 2019/20. This is in effect a negative Revenue Support Grant. This is not included in the 10-year budget as it is expected to be part of the adjustments made when Business Rates retention is fully implemented. The MHCLG are currently carrying out a consultation including asking for comments on the 'tariff adjustment' which the Council will be responding to.
- 33 Due to the large number of business rates appeals being outstanding with the Valuation Office Agency (VOA) and the limited opportunities to increase the number of businesses in the district, the assumption in the 10-year budget from 2019/20 remains at the safety-net level, which is the amount of business rates the council is assured of retaining in the current scheme.

Business Rates Retention

2018/19	£2.700m (pilot assumption)
2019/20	£2.096m (safety net i.e. minimum amount)

- 34 Due to the uncertainty around Business Rates Retention, the increased amount in 2018/19 will be transferred to the Budget Stabilisation Reserve.
- 35 **Interest receipts** (£0.13m) - returns are continuing to be significantly lower than they were a few years ago due to low interest rates and the Council's Investment Strategy taking a low risk approach.
- 36 The interest receipts assumptions are currently £130,000 for 2018/19 and £250,000 for later years. The Bank of England Base Rate has recently increased from 0.5% to 0.75%, therefore the assumptions will be reviewed based on advice from our treasury advisors.
- 37 **Property Investment Strategy** - The strategy was approved by Council on 22 July 2014 with the intention of building on an approach of property based investment in order to deliver increased revenue income. This was set against a background of reducing Government Support and continued low rates of return through existing treasury management arrangements.
- 38 Five assets have been purchased to date at a cost of £18m and on 25 April 2017, Council agreed to set aside a further £25m for the Property Investment Strategy.

Property Investment Strategy income assumptions

2018/19	£0.735m
2019/20 - 2022/23	£1.185m per annum (includes hotel income)
2023/24	£1.285m
2024/25 - 2025/26	£1.329m per annum
2026/27 - 2027/28	£1.529m per annum

- 39 **Variable fees and charges** - The Council receives income in fees and charges from a number of sources. This includes (income figures are shown gross):
- Land Charges (£0.2m);
 - Development Management (£0.9m);
 - Building Control (£0.5m);
 - Car parks (£2.3m); and
 - On-street parking (£1.0m)
- 40 The first three are linked to some extent to activity in the housing market and remain variable.
- 41 The assumption is currently for a 2.5% increase for all years except for off-street car parking which is 3.5% for five years (2019/20 - 2023/24). The

Agenda Item 10

additional 1% for car parks is one of the funding streams for the development of Buckhurst 2 Car Park as agreed by Council on 22 November 2016.

- 42 **External Funding** - the Council has been very successful in securing external funding across a range of services, based on it delivering a wide range of innovative services to local residents, often in partnership with other agencies. The Council's officers continue to seek new opportunities for funding. As financial constraints are put on public services the funding available from health and other public bodies may reduce.
- 43 There remains some uncertainty regarding the LEADER Programme following the outcome of the EU Referendum however, LEADER groups have been advised that they still have the same budget as originally awarded but should aim to have all of their funds committed by March 2019 instead of December 2020. Government has also given a commitment to maintain cash support for farming at the same levels until the end of the current Parliament and intend to consult on their plans later in 2018.
- 44 **Shared working** - Various services have included savings from shared working in recent years budgets and this continues to be an area that is being investigated. The Council successfully works in partnership with other authorities in a number of areas, including Revenues, Benefits, Internal Audit and Counter Fraud, Finance, IT, Licensing, Building Control, CCTV and Environmental Health. The viability of continuing to share these services takes place in conjunction with our partners and any further proposals that come forward for shared working ideas will continue to be actively pursued if it is in this Council's best interests to do so.
- 45 **Use of reserves** - One of the principles of the Financial Strategy is to make more effective use of the remaining earmarked reserves. When this strategy was first used in 2011/12, it was agreed that the remaining balances in the Asset Maintenance and Superannuation Fund Deficit Reserves would be moved to a new Financial Plan Reserve and used over the initial 10-year budget period. The Budget Stabilisation Reserve was also set up at the same time to manage the fluctuations between years to ensure that an overall balanced budget remained for the 10-year period. This reserve has been increased by surpluses achieved on the revenue budget in recent years.

Expenditure

- 46 **Pay** costs total £15m. The national pay award for 2019/20 has been set at 2%.
- 47 The assumption in the attached 10-year budget is a 2% increase in all years.
- 48 Members previously agreed that a budget would be set aside to address the Council's recruitment and retention difficulties and challenges going forward.

- 49 ***Superannuation fund*** - the last pension fund triennial valuation, which was the third by the actuaries Barnett Waddingham, took place in November 2016.
- 50 The funding level has increased from 72% to 77% since the previous valuation in 2013 and the deficit recovery period for the fund has reduced from 20 years to 17 years. The 10-year budget includes the contribution amounts set by the actuaries to 2019/20 and includes an additional £200,000 from 2020/21 when the next triennial valuation will come in to effect. This amount will continue to be reviewed during the budget process if additional information becomes available.
- 51 ***Non-pay costs*** - the budget assumes non-pay costs will increase by an average of 2.25% in all years. In practice, items such as rates and energy costs often rise at a higher rate, so other non-pay items have been allowed a much lower inflation increase. Inflation is currently at 2.5% (CPI - July 2018).
- 52 ***Asset Maintenance*** - Any asset maintenance expenditure is funded by the revenue budget each year. Asset maintenance expenditure can fluctuate as the demand for programmed and ad hoc work varies across sites. It is recognised that expenditure is likely to increase over the next 10 years if the Council wishes to keep all of its properties open as they age.
- 53 Officers are currently carrying out a review of the asset maintenance requirements for council owned properties. The financial implications from this review will be included in this budget cycle and it is likely that costs will increase and therefore a growth item is expected to be presented during this budget process.
- 54 ***Welfare reform changes*** - Universal Credit commenced within the district in October 2015 but only in a very small way. The introduction of Full Service Universal Credit (FSUC) will commence in the district on 21 November 2018 will, as experienced in other FSUC areas, bring a number of challenges to both the administration of Council Tax Reduction and also the collection of Council Tax. On 12 July 2018 Cabinet agreed to consult on a new Council Tax Reduction scheme for 2019/20 that will aim to address these challenges.
- 55 ***Unavoidable service pressures*** - One of the lessons to be learnt from previous financial strategies is that there is always a likelihood of unavoidable service pressures and there needs to be a clear strategy for dealing with these. The model does not allow for unavoidable service pressures that could be significant. These will be identified in the Service Change Impact Assessments (SCIAs) that will be reported to the Advisory Committees between September and November.
- 56 These additional service pressures will where possible be absorbed within existing budgets however, there is some likelihood that some pressures will be difficult to absorb and Members will need to give these consideration as part of the budget process.

Agenda Item 10

- 57 ***Progress on the savings plan*** - 2019/20 will be the ninth year of using the 10-year budget. During this period, 157 savings items have been identified totalling £7.4m. The majority of these savings have already been achieved and Portfolio Holders, Chief Officers, Heads of Service and Service Managers have worked closely to deliver these savings.
- 58 The following table shows the differences between the 10-year budget agreed by Council on 20 February 2018 and the latest version set out in Appendix B.

10-Year Budget (total changes for the 10-year period)	£000
Base changes:	
Rolled on to 28/29 and base figures updated to 18/19 budget	475
Assumption changes:	
None	-
Total 10-year budget change gap/(surplus)	475

- 59 The above table shows increased costs of £475,000 over the 10-year period (or £47,000 on average per annum). However, the 2017/18 outturn surplus of £856,000 has been transferred to the Budget Stabilisation Reserve. At this stage, it is not proposed to change the £100,000 net savings/ additional income target for 2019/20 as further changes and additional growth are likely to be included within the assumptions as the budget setting process progresses.
- 60 When looking at prospects for year 11 onwards, there is still likely to be a need to take further actions as these years come into the rolling 10-year period.

Proposed Business and Financial Planning Strategy

- 61 In order to maintain a viable Council that continues to deliver on its main priorities and the services it provides to its residents, the Council has already adopted a Financial Strategy that embraces the following principles:
- A ten-year balanced budget;
 - Flexible use of the Budget Stabilisation Reserve;
 - More effective use of remaining earmarked reserves;
 - Structured use of capital receipts; and
 - The review and tighter management of inflationary pressures.

62 It is recommended that this strategy continues to be adopted.

Process and timetable

63 Members will note from the timetable set out in Appendix A that this report is being considered by the Finance Advisory Committee on 4 September 2018 and any comments will be considered along with this report at Cabinet on 13 September 2018.

64 All Advisory Committees will be presented with their Service Dashboards and Service Change Impact Assessments (SCIAs) between September and November when they will be asked for their views on growth and savings proposals for their areas. This part of the process ensures that all members have a role to play in the Governance of the council and the budget decision making process.

65 Training sessions on the budget process have been provided to Members in previous years to ensure they have an understanding of the process and relevant issues to allow them to play an active part in the budget setting process. If Members require refresher training, please contact Adrian Rowbotham, Chief Finance Officer.

66 Cabinet will receive a Budget Update report on 6 December 2018 taking into account any updated information and feedback from the Advisory Committees. Cabinet will agree its draft budget on 14 February 2019 and Full Council will consider the budget on 26 February 2019.

Consultation

67 Consultation requirements will be reviewed if any significant changes are proposed during the budget setting process.

Key Implications

Financial

All financial implications are covered elsewhere in this report.

Legal Implications and Risk Assessment Statement.

There are no legal implications.

An effective integrated policy and priority driven long-term financial and business process is required for the Council to deliver on its priorities and maintain a sustainable budget. It is also essential that continuous improvements are identified and implemented in order to take account of the changing climate within which the Council operates and to meet the expectations of both Government and the public on the quality of service demanded from this Council.

Agenda Item 10

The risks associated with the 10-year budget approach include uncertainty around the level of shortfall and the timing of key announcements such as future changes to Business Rate Retention. The risks will be mitigated by continuing to review assumptions and estimates, remaining financially self-sufficient and by updating Members throughout the process.

Equality Assessment

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.

Conclusions

The Strategic Financial and Business Planning process has ensured that the Council follows a logical and well considered process and approach in dealing with the many difficult financial challenges that it has faced. The 10-year budget has further improved this process and helped to ensure that the Council is well placed in dealing with more immediate and longer-term financial challenges.

By becoming financially self-sufficient at an early stage, this Council has become much more in control of its own destiny.

The attached 10-year budget shows that this Council can continue to be financially stable going into the future with a level of assurance that any council would aspire to.

This budget process will once again be a major financial challenge for a Council that already provides value for money services to a high standard. In making any budget proposals, Members will need to consider the impact on service quality and staff well-being, to ensure that these proposals lead to an achievable 10-year budget that supports the Council's aspirations for customer-focused services.

Appendices

Appendix A - Budget Timetable

Appendix B - 10-year Budget

Background Papers

None

Adrian Rowbotham

Chief Finance Officer

2019/20 Budget Setting Timetable

	Date	Committee
Stage 1		
Financial Prospects and Budget Strategy 2019/20 and Beyond	4 September	Finance AC
	13 September	Cabinet
↓		
Stage 2		
Review of Service Dashboards and Service Change Impact Assessments (SCIAs)	25 September	Economic & Comm. Dev. AC
	2 October	Planning AC
	4 October	Legal & Dem. Svs AC
	9 October	Direct & Trading AC
	30 October	Finance AC
	27 November	Housing & Health AC
	29 November	Policy & Performance AC
↓		
Stage 3		
Budget Update (incl. Service Change Impact Assessments (SCIAs), feedback from Advisory Committees)	6 December	Cabinet
↓		
Stage 4		
Budget Update (incl. Government Settlement information)	10 January	Cabinet
↓		
Stage 5		
<i>Budget Update and further review of Service Change Impact Assessments (if required)</i>	<i>January - February</i>	<i>Advisory Committees</i>
↓		
Stage 6		
Budget Setting Meeting (Recommendations to Council)	14 February	Cabinet
↓		
Stage 7		
Budget Setting Meeting (incl. Council Tax setting)	26 February	Council

Note: The Scrutiny Committee may 'call in' items concerning the budget setting process.

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	Plan 2018/19	Plan 2019/20	Plan 2020/21	Plan 2021/22	Plan 2022/23	Plan 2023/24	Plan 2024/25	Plan 2025/26	Plan 2026/27	Plan 2027/28	Plan 2028/29
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure											
Net Service Expenditure c/f	14,470	14,687	14,966	15,321	15,705	16,083	16,468	16,859	17,254	17,655	18,166
Inflation	732	560	653	470	478	485	491	496	501	510	517
Superannuation Fund deficit and staff recruitment & retention	0	0	100	0	0	0	0	0	0	0	0
Net savings (approved in previous years)	(427)	(186)	(232)	14	0	0	0	(1)	0	1	0
New growth	292	15	(51)	0							
New savings/Income	(380)	(110)	(115)	(100)	(100)	(100)	(100)	(100)	(100)	0	0
Net Service Expenditure b/f	14,687	14,966	15,321	15,705	16,083	16,468	16,859	17,254	17,655	18,166	18,683
Financing Sources											
Govt Support: Revenue Support Grant	0	0	0	0	0	0	0	0	0	0	0
New Homes Bonus	0	0	0	0	0	0	0	0	0	0	0
Council Tax	(10,420)	(10,816)	(11,157)	(11,508)	(11,869)	(12,239)	(12,619)	(13,010)	(13,411)	(13,798)	(14,196)
Business Rates Retention	(2,700)	(2,096)	(2,138)	(2,181)	(2,225)	(2,270)	(2,315)	(2,361)	(2,408)	(2,456)	(2,505)
Collection Fund Surplus	(255)	0	0	0	0	0	0	0	0	0	0
Interest Receipts	(130)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)
Property Investment Strategy Income	(735)	(1,185)	(1,185)	(1,185)	(1,185)	(1,285)	(1,329)	(1,329)	(1,529)	(1,529)	(1,529)
Contributions to/(from) Reserves	(14)	(353)	(353)	(353)	(179)	(179)	(635)	148	148	148	148
Total Financing	(14,254)	(14,700)	(15,083)	(15,477)	(15,708)	(16,223)	(17,148)	(16,802)	(17,450)	(17,885)	(18,332)
Budget Gap (surplus)/deficit	433	266	238	228	375	245	(289)	452	205	281	351
Contribution to/(from) Stabilisation Reserve	(433)	(266)	(238)	(228)	(375)	(245)	289	(452)	(205)	(281)	(351)
Unfunded Budget Gap (surplus)/deficit	0										

Assumptions	
Revenue Support Grant:	nil all years
Business Rates Retention:	Business Rates Retention pilot estimate in 18/19, safety-net in 19/20 plus 2% in later years
Council Tax:	2.97% in 18/19, 2% in later years
Council Tax Base:	Increase of 580 Band D equivalent properties per annum in 19/20 - 26/27, 480 from 27/28
Interest Receipts:	£130,000 in 18/19, £250,000 in later years
Property Investment Strategy:	£735,000 from 18/19, £1.185m from 19/20, £1.285m from 23/24, £1.329m from 24/25, £1.529m from 26/27 onwards. Sennocke Hotel income included from 2019/20.
Pay award:	2% in all years
Other costs:	2.25% in all years
Income:	2.5% in all years except for off-street car parks which are 3.5% from 19/20 -23/24.

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BUSINESS RATES RETENTION PILOT 2019/20

Finance Advisory Committee - 4 September 2018

Report of	Chief Finance Officer
Status	For Decision
Also considered by	Cabinet - 13 September 2018
Key Decision	No

Executive Summary:

Members will recall that this Council is participating in the Kent and Medway 100% Business Rates Retention Pilot scheme for 2018/19 following a successful bid.

The Ministry of Housing, Communities and Local Government (MHCLG) have now invited local authorities to participate in a pilot of 75% Business Rates Retention in 2019/20.

The submission deadline is 25 September 2018.

Portfolio Holder	Cllr. John Scholey
Contact Officer(s)	Adrian Rowbotham, Ext. 7153 Alan Mitchell, Ext. 7483

Recommendation to Finance Advisory Committee:

That the recommendation below to Cabinet, be endorsed.

Recommendation to Cabinet:

If a Kent and Medway pilot for 2019/20 is proposed, authority is delegated to the Finance Portfolio Holder, in consultation with the Leader, to decide whether this council should participate.

Introduction and Background

- 1 There has been a commitment from central government to introduce 100% Business Rates Retention since before the 2015 General Election. The former Department for Communities and Local Government (DCLG) invited local authorities to participate in a pilot of Business Rates Retention in 2018/19. A Kent and Medway pilot bid was submitted including this council, which was agreed by Cabinet on 12 October 2017.

Agenda Item 11

- 2 It was announced in the Local Government Finance Settlement that the Kent and Medway pilot bid was one of ten successful bids. This successful bid resulted in the Business Rates Retention amount in the 10-year budget for 2018/19 being increased from £2.15m (the safety net amount) to £2.7m based on the Kent-wide modelling exercise. The actual amount retained will depend on Business Rates collection levels across the county during the year but current forecasts estimate that this council will retain in excess of £2.7m.
- 3 As part of the 2018/19 pilot, it was agreed that 70% of the additional Business Rates retained would be allocated directly to local authorities and 30% would be put in to Housing and Commercial Growth Funds. One of these funds is the West Kent Cluster consisting of Tonbridge and Malling BC, Tunbridge Wells BC and Sevenoaks DC. Officers are working across the authorities to ensure that these funds are spent in the most beneficial way.
- 4 The Ministry of Housing, Communities and Local Government (MHCLG) has now invited local authorities to participate in a pilot of 75% Business Rates Retention in 2019/20.
- 5 Pilot areas that were successful in 2018/19 have been invited to apply as well as those areas that were not successful or did not apply. The MHCLG's prospectus is included at Appendix A.
- 6 The Kent Finance Officers Group have started work on a pilot bid that will ultimately be presented to the Kent Council Leaders Group ahead of the deadline for submission on 25 September 2018.

Rewards

- 7 The 2018/19 100% pilot is currently forecast to be very successful and deliver a clear financial benefit to the area as a whole in excess of the £24.7m estimated when the bid was constructed.
- 8 This benefit represents Business Rates income that would otherwise have gone to central government. This council currently collects £34m of Business Rates per annum.
- 9 The 2019/20 pilot is for 75% rather than 100% Business Rates Retention, as it is for 2018/19, therefore the rewards are expected to be less.
- 10 At this stage it is expected that it would still be beneficial to be in a pilot for 2019/20 but further modelling will be carried out prior to a decision being required.

Risks

- 11 Participation in a pilot involves bearing the cost of any negative growth amongst pool members, subject to an overall pilot safety net of 95% of baseline business rates income. The MHCLG has stated that there will not be

a 'no detriment' clause, therefore it would technically be possible for a local authority to retain less business rates than if they were not in a pilot.

Application Process

- 12 Time is of the essence, as an application must be submitted by 25 September. Discussions are continuing across the county and an update will be provided at the meeting.
- 13 Maidstone Borough Council administers the existing Business Rates pilot. In the interests of continuity, Maidstone have indicated that they are willing and able to take on the role as lead authority.

Key Implications

Financial

It is expected that being part of a Business Rates Pilot in 2018/19 will have significant financial benefits to this council. Even though a pilot in 2019/20 will be based on 75% Business Rates Retention rather than 100%, it is still expected that this will be beneficial to this council.

Further financial modelling will be carried out and considered before a decision is made to participate in a pilot for 2019/20.

Legal Implications and Risk Assessment Statement.

To be accepted as a pilot for 2019/20, agreement must be secured locally from all relevant authorities to be designated as a pilot for 2019/20 (in accordance with Part 9 of Schedule 7B to the Local Government Finance Act 1988) and to put in place local arrangements to pool their additional business rates income.

The risks are included in the body of the report.

Equality Assessment

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.

Conclusions

A Business Rates Retention Pilot is expected to be financially beneficial to the county as a whole. However, discussions will continue prior to any submission being made by the deadline of 25 September 2018.

It is therefore recommended that authority be delegated to the Finance Portfolio Holder, in consultation with the Leader, to decide whether it would be beneficial for this council to participate in the 2019/20 pilot.

Agenda Item 11

Appendices Appendix A - MHCLG Invitation to Pilot 75%
Business Rates Retention in 2019/20

Background Papers None

Adrian Rowbotham
Chief Finance Officer



Ministry of Housing,
Communities &
Local Government

Invitation to Local Authorities in England

to pilot 75% Business Rates Retention in 2019/20



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Contents

Section 1 – The purpose of these invitations	4
Background to current business rates pilots	5
Section 2 – The invitation to authorities to pilot	6
Terms of the invitation	6
Response to the invitation	8
Section 3 – The criteria for becoming a pilot	10
Section 4 – The authorities’ proposal to become a pilot	11
Membership details of proposed pilot	11
Bid details	11
Additional supporting evidence	12
Membership	12
Lead authority	12
Pooling arrangements if pilot bid is unsuccessful	12
Other information	12
Section 5 – The government’s handling of proposals	13
Section 6 – Submission of proposals	14
Section 7 – Conditions	15

Section 1 – The purpose of these invitations

- 1.1 The government is committed to continuing to give local authorities greater control over the money they raise locally. In December 2017, the government announced the aim of increasing the level of business rates retained by local government from the current 50% to the equivalent of 75% in April 2020.
- 1.2 In order to test increased business rates retention and to aid understanding of how we transition into a reformed business rates retention system in April 2020, the government is inviting local authorities in England to apply to become 75% business rates retention pilots in 2019/20. This will be focussed on the learning necessary for transition to the proposed new scheme in 2020/21, allowing the Government to test business rates retention at 75% in line with proposed level of retention for 2020/21 and resulting in a smoother transition to full implementation. Given the limited time before 2020/21, there are fewer issues we can usefully test in pilots. It is therefore likely that this pilot programme may be smaller than in 2018/19.
- 1.3 As part of the move towards a reformed business rates retention system in 2020/21, the government intends to devolve Revenue Support Grant (RSG), Rural Services Delivery Grant (RSDG), the Greater London Authority (GLA) Transport Grant and the Public Health Grant (PHG) to local government when the new system commences. The government also intends to use the intervening period to develop a set of measures that support a smooth transition of funding for public health services from grant funding to retained business rates.
- 1.4 To ensure that piloting in 2019/20 closely reflects the government's proposals to date for a reformed business rates retention system, authorities selected as pilots in 2019/20 will be expected to forego Revenue Support Grant (RSG) and Rural Services Delivery Grant (RSDG).
- 1.5 New 75% retention pilots in 2019/20 will provide the opportunity to test and gather information on the design of the new business rates retention system in preparation for 2020/21. The pilots will test authorities' administration, technical planning for implementation, and look at system maintenance; how the accounting, data collection and IT systems will work. They will also aid our understanding of how we transition into and operationalise the proposed 75% business rates retention system from 2020 onwards.
- 1.6 Collaboration between the government and local government has been central to the ongoing development of the business rates retention system and the reform of the local government finance system more widely. Piloting increased business rates retention will continue to form a key part of this collaboration and help design a system that truly delivers for the sector.

- 1.7 MHCLG are evaluating pilots during their operation and will continue to develop and share 'lessons learnt' from the implementation of increased business rates retention.

Background to current business rates pilots

- 1.8 On 1 April 2017 the government launched five initial 100% business rates retention pilots¹ in devolution deal areas. These pilots were continued into 2018/19. The government will continue to have separate discussions with the devolution deal areas about their pilot programme.
- 1.9 On 1 April 2017 we also transferred the responsibility for funding TfL investment grant to the Greater London Authority (GLA), increasing their share of business rates to 37%.
- 1.10 At the 2017 Autumn Budget it was confirmed that London would become a 100% business rates retention pilot for the duration of the 2018/19 financial year. The pilot comprises of the thirty-two London Boroughs, the City of London and the Greater London Authority. The government will continue to have separate discussions with London about their pilot programme.
- 1.11 At the provisional Local Government Finance Settlement in December 2017, the government announced a further ten 100% business rates retention pilots for the duration of the 2018/19 financial year in local authority areas across England². Whilst these pilots are set to end on 31 March 2019, we are inviting the areas involved to apply to become 75% business rates retention pilots in 2019/20.

¹ These pilots are in Greater Manchester, Liverpool City Region, the West Midlands, Cornwall and the West of England.

² These pilots are in Berkshire, Derbyshire, Devon, Gloucestershire, Kent, Leeds, Lincolnshire, Solent, Suffolk and Surrey.

Section 2 – The invitation to authorities to pilot

- 2.1 This invitation is addressed to all authorities in England, excluding those with ongoing business rates retention pilots in devolution deal areas and London, which are expected to have separate discussions with the department.
- 2.2 Other ongoing business rates retention pilots, set to operate for the duration of the 2018/19, will end on 31 March 2019. We are inviting these authorities, alongside other authorities in England, to make a proposal to pilot 75% business rates retention in 2019/20, should they wish to do so.
- 2.3 Applications from current pilot authorities will not be influenced by the success of those authorities in last year's application process. Authorities may reference their previous experiences of piloting increased business rates retention when writing their applications. However, all applications for the 2019/20 pilots, whether from piloting or non-piloting authorities, will be assessed on their merits and on an equal footing.

Terms of the invitation

- 2.4 The government is interested in exploring how 75% rates retention can operate across more than one authority to promote financial sustainability and to support coherent strategic decision-making across functional economic areas. Accordingly, the government would like to see authorities form pools (either on existing or revised boundaries) and, with agreement in place from all participating authorities, to apply jointly for pilot status. We would expect a proposed pool to comprise a county council and all of the associated district councils; a group of unitary authorities; or a two-tier area and adjoining unitaries, but it should extend across a functional economic area. Proposals will need to set out tier split arrangements of all precepting authorities, including Fire and Rescue authorities.
- 2.5 To be accepted as a pilot for 2019/20, agreement must be secured locally from all relevant authorities to be designated as a pool for 2019/20 (in accordance with Part 9 of Schedule 7B to the Local Government Finance Act 1988) and to put in place local arrangements to pool their additional business rates income.
- 2.6 We require bids to explain how the pilot will manage risk and reward at a strategic level. Bids should pay regard to the financial sustainability of all local authorities involved, as well as laying out how any potential growth in business

rates may be spent. The bid will also need to outline the governance arrangements for strategic decision making.

- 2.7 The government will use the 2019/20 pilots to deepen its understanding of how different local arrangements, including governance and information systems, work in relation to 75% business rates retention. As such, the government will seek to gather evidence from the pilots by conducting interviews with a sample of piloting authorities once the pilots are operational.
- 2.8 Participating authorities will be expected to work with MHCLG officials on the system design of the new business rates retention system and share additional data and information, as required. Pilot bids should clearly confirm the participating authorities' willingness to aid MHCLG officials in this work.
- 2.9 Authorities may propose new pooling arrangements should they wish to apply to become 75% business rates retention pilots in 2019/20. In two-tier areas, applications should propose a tier split.
- 2.10 The proposal will need to show that all participating authorities have agreed to become part of the suggested pool and share additional growth as outlined in the bid. The s.151 officer of each authority will need to sign off the proposal before its submission.
- 2.11 The value of grants devolved as part of business rates pilots will be taken into account when revised tariffs and top-ups for the piloting authorities are set up. This is to ensure that pilots are fiscally neutral against business rates baselines, and only benefit financially if actual revenues exceed baselines.
- 2.12 Pilot areas will be expected to operate under the arrangements that currently determine safety net payments for pools. In other words, each 'pool' will have a single safety net threshold determined on the basis of the pool's overall baseline funding level and business rates baseline. However, the pool's safety net threshold will be set at 95% of its baseline funding level, instead of 92.5%, to reflect the additional risk of 75% retention. Pilots will operate with a 'zero levy', as is the case for the current 2018/19 pilot areas.
- 2.13 As the pilots are testing the pooled authorities' approach to risk, the government has agreed that a 'no detriment' clause will not be applied to the 2019/20 pilots. Instead, selected areas will test a 95% safety net to reflect increased risk in the proposed increased business rates retention system. Applying a 'no detriment' clause to the pilots would not be reflective of the reformed business rates retention system that the government aims to introduce in 2020/21.

- 2.14 Given the timetable for pilot applications and the proximity to the finalisation of the local government finance settlement, all applications must outline, with agreement from all participating authorities, what pooling arrangements they would like to see if their application to become a pilot were unsuccessful. In addition, any authority which is part of a current pool but wishes to apply to become a pilot as part of a different pool, must inform the current pool of its intention prior to submitting its application to the department.
- 2.15 Alongside this prospectus we are publishing supplementary information on how pooling arrangements will be managed in line with applications to become pilots. Please consult this document for further information.
- 2.16 The government reserves the right to pilot a full range of options and so to create a single authority pilot if it is deemed useful as a result of our discussions with applicants. The government will not compel any authority to become a pilot that does not wish to, and we cannot designate a pool without explicit agreement from all participating local authorities.
- 2.17 We recognise that in some cases functional economic areas can extend beyond traditional administrative areas. Unless locally agreed otherwise, the government will assume that in the exceptional event that a district council successfully applies to become a business rates retention pilot as part of a pool to which its county council, or other major precepting authority does not belong, its major precepting authorities will continue to receive the same share of business rates from the district as they would have done under the current 50% business rates retention system if they are not part of a separate successful pilot. The separate 75% business rates pool, of which the district is a member, will therefore need to account for this when determining the pool's internal split for sharing business rates income.
- 2.18 Where a county and one, or more, of its districts are successful in applications for separate 75% business rates retention pilots, we would expect them to reach agreement about the share of business rates that the districts are to pay to the county. In the absence of such local agreement, the Secretary of State will determine the shares, considering proposals made in applications to the department on a case by case basis.

Response to the invitation

- 2.19 It is wholly at the discretion of authorities whether or not they choose to apply to the pilot scheme outlined above.

- 2.20 Any proposals for new pilots must be received by the Ministry of Housing, Communities and Local Government by midnight on Tuesday 25 September 2018.

- 2.21 It is expected that successful applications will be announced before or alongside the publication of the provisional Local Government Finance Settlement.

Section 3 – The criteria for becoming a pilot

- 3.1 The department will consider all applications to pilot 75% business rates retention that are received by the deadline at midnight on 25 September 2018 and conform to the scheme as outlined in Section 2.
- 3.2 Because of affordability constraints, it may be necessary to assess applications against selection criteria. In these circumstances, the following criteria will be considered:
 - a. Proposed pooling arrangements operate across a functional economic area;
 - b. Proposal demonstrates how pooled income from growth will be used across the pilot area to either boost further growth, promote financial sustainability or a combination of these;
 - c. Proposal sets out robust governance arrangements for strategic decision-making around the management of risk and reward and outlines how these support the participating authorities' proposed pooling arrangements.
- 3.3 If further assessment criteria are required, the government may select pilots in order to:
 - a. Achieve a wide geographical spread across England;
 - b. Achieve a pilot programme with a range of arrangements to be tested. This might include selecting pilots with different kinds of business rate bases, different pooling or governance arrangements as part of the pilot;
 - c. Achieve variation in the types of tier split arrangements that are being piloted in the case of two-tier areas.

Section 4 – The authorities’ proposal to become a pilot

- 4.1 Any proposal must be in accordance with the invitation and criteria outlined in Sections 2 and 3, and summarised in paragraph 5.2.
- 4.2 Proposals must address all questions in the 75% business rates retention pilot application form and clearly set out the following:

Membership details of proposed pilot

- a. Local authority membership of the proposed pool, explaining its business rates base and relevance to the economic geography of the area;
- b. Evidence (i.e. signature of each area’s s.151 officer) that each local authority in the proposed pool fully supports the application and the proposed pooling arrangements;
- c. The lead authority and contact details of the lead responsible official for matters relating to the application;
- d. The proposed position of all precepting authorities, including Fire and Rescue authorities.

Bid details

- e. Details of your bid should include a summary of governance arrangements, as well as agreement on how any additional business rates income is to be used across the pilot area; how risk is to be managed; and how residual benefits/liabilities would be dealt with once the pilot ends;
- f. An indication of how the pool will work together in the longer term;
- g. Proposals for sharing additional growth across the pilot area. We are interested in seeing how additional growth may be used to promote financial sustainability, as well as further growth through investment;
- h. Confirmation that all participating authorities are willing to work with MHCLG officials on the system design of the new business rates retention system and share additional data and information, as required.

Additional supporting evidence

- i. In relation to authorities in two-tier areas, applications should propose a tier split.

Membership

- 4.3 Authorities cannot apply to pilot 75% business rates retention as part of more than one application. Where authorities have two possible options, they must choose which pilot they wish to apply to participate in. We will reserve the right to refuse applications from authorities that have sent in multiple applications.
- 4.4 If existing pooling arrangements need to be reconfigured as a result of a pilot proposal, the department would expect to make the necessary determinations at the same time as confirming its agreement to the pilot arrangements. In the event that a pilot proposal is not accepted, the government will make 2019/20 pooling arrangements with the authorities concerned, taking into account their expressed preferences on their pilot application, as requested in paragraphs 2.14 and 5.6.

Lead authority

- 4.5 Participating pools will be treated as one entity by the department for the purposes of business rates retention and one calculation will be made regarding top-up/tariff and the safety net payment. Therefore, the pool must nominate a Lead Authority to receive payments from and make payments to the department on behalf of the entire pool. Any authority within the pool is eligible to fulfil this role. Applications must state which authority will be acting as the Lead Authority for the duration of the pilot.

Pooling arrangements if pilot bid is unsuccessful

- 4.6 The pilot bid will need to clearly outline, with agreement from all participating authorities, what pooling arrangements the authorities would like to see in case that the application to become a pilot was unsuccessful.

Other information

- 4.7 Authorities may include any further materials they see fit in support of their proposal. These should be included as an Annex to the main pilot application form.

Section 5 – The government’s handling of proposals

- 5.1 All proposals received on or before 25 September 2018 by the department will be carefully considered, and the results announced before or alongside the publication of the provisional Local Government Finance Settlement. After the announcement the department will support successful authorities in preparing for implementation.
- 5.2 The first assessment of proposals will ensure that all conform to the terms of the invitation (see Section 2).
- 5.3 If it is necessary for a selection to be made, for reasons of affordability, then the proposals will be subject to a further assessment against the criteria outlined in Section 3, 3.2.
- 5.4 If a third assessment is required, then proposals will be assessed against further criteria to ensure a variety of useful pilots are created, including those outlined in Section 3, 3.3.
- 5.5 The government may request further information in carrying out this assessment from the authorities submitting the proposal and from other persons and bodies that it deems appropriate.
- 5.6 Where information is not available the government reserves the right to make assumptions and estimates as it sees fit.

Section 6 – Submission of proposals

- 6.1 Any proposals for new pilots must be received by the Ministry of Housing, Communities and Local Government by the deadline at midnight on 25 September 2018. The Secretary of State may publish proposals in the Libraries of Parliament.
- 6.2 Proposals should be submitted to:
- Local Government Finance Reform Team
Ministry of Housing, Communities and Local Government
Fry Building
2 Marsham Street
Westminster
London
SW1P 4DF
Email: Businessratespilots@communities.gsi.gov.uk

Section 7 – Conditions

- 7.1 In designating a pool for 2019/20, the department will attach conditions to the designation in accordance with paragraph 35(1) of Schedule 7B to the Local Government Finance Act 1988. The department will appoint a lead authority to exercise the functions specified in other conditions attached to the designation, taking into consideration the suggestion made in the pool's application as stated at 5.5. above, and will require the authorities to take the steps set out in its application in the event that the pool is dissolved, as suggested at 5.2(f) above.
- 7.2 It also reserves the right to attach such other conditions as it sees fit, in accordance with paragraph 35(2) of Schedule 7B. If the department attaches conditions these are likely to be around the publication of information by the lead authority in the interests of transparency.
- 7.3 The department also reserves the right to modify, add or remove conditions at any point in the future, as becomes necessary.
- 7.4 The 2019/20 pilot programme will last for one year only in preparation for the full implementation of a reformed business rates retention system that the government aims to introduce on 1 April 2020 and does not prejudice the discussion the department will be continuing to have with Local Government on the future of the business rates retention system as a whole.

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Finance Advisory Committee Work Plan 2018/19 (as at 14/08/2018)

4 September 2018	30 November 2018	29 January 2019	26 March 2019	Summer 2019
<p>Treasury Management Annual Report 2017/18</p> <p>Financial Prospects and Budget Strategy 2019/20 Onwards</p> <p>Financial Performance Indicators 2018/19 - to the end of July 2018</p> <p>Financial Results 2018/19 - to the end of July 2018</p>	<p>Service Update - Finance</p> <p>Treasury Management Mid-Year Update 2018/19</p> <p>Budget 2019/20: Review of Service Dashboards and Service Change Impact Assessments (SCIAs)</p> <p>Financial Performance Indicators 2018/19 - to the end of September 2018</p> <p>Financial Results 2018/19 - to the end of September 2018</p>	<p>Discretionary Rate Relief</p> <p>Risks and Assumptions for Budget 2019/20</p> <p>Treasury Management Strategy 2019/20</p> <p>Capital Programme and Asset Maintenance 2019/20</p> <p>Financial Performance Indicators 2018/19 - to the end of November 2018</p> <p>Financial Results 2018/19 - to the end of November 2018</p> <p>Property Investment Strategy Update</p>	<p>Carry Forward Requests 2018/19</p> <p>Financial Performance Indicators 2018/19 - to the end of January 2019</p> <p>Financial Results 2018/19 - to the end of January 2019</p>	<p>Financial Performance Indicators 2018/19- to the end of March 2019</p> <p>Provisional Outturn 2018/19</p>

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