

MAIDSTONE BOROUGH COUNCIL

CORPORATE SERVICES POLICY ADVISORY COMMITTEE

MINUTES OF THE MEETING HELD ON WEDNESDAY 18 JANUARY 2023

Attendees:

Committee Members:	Councillors Brice (Chairman), Mrs Gooch, Brindle, Cannon, Cooke, Cox, Harper and English
Lead Members:	Councillor Perry (Lead Member for Corporate Services)
Visiting Members:	Councillors Cleator and Newton

80. APOLOGIES FOR ABSENCE

Apologies had been received from Councillors Hinder and Khadka.

It was noted that Councillor Gooch would arrive during the course of the meeting due to a pre-existing commitment.

81. NOTIFICATION OF SUBSTITUTE MEMBERS

Councillor English was present as Substitute for Councillor Khadka.

82. URGENT ITEMS

The Chairman stated that there was an urgent update to Item 8 – Minutes of the Meeting held on 14 December 2022, as the minutes had been circulated separately on 11 January 2023, after having been marked as 'to follow' on the agenda.

83. NOTIFICATION OF VISITING MEMBERS

Councillors Cleator and Newton were in attendance as Visiting Members for Item 13 – Provision of Cycle Ramp Off Church Road Otham.

Councillor Cleator was also in attendance for Item 16 – Medium Term Financial Strategy and Savings Proposals 2023/24 (CS PAC).

84. DISCLOSURES BY MEMBERS AND OFFICERS

Councillor Harper disclosed that he was the Chairman of the Maidstone Cycle Campaign Forum (MCCF) in relation to Item 13 – Provision of Cycle Ramp Off Church Road Otham. Councillor Harper stated that he had not been involved in any of the discussions had by the MCCF on the matter.

Councillor English stated that he was a Member of the MCCF in relation to Item 13 – Provision of Cycle Ramp Off Church Road Otham but had not been involved in any of the discussions had by the MCCF on the matter.

85. DISCLOSURES OF LOBBYING

Councillors Brice, Cooke, Cox, English and Harper had been lobbied on Item 13 – Provision of Cycle Ramp Off Church Road Otham.

86. EXEMPT ITEMS

RESOLVED: That all items be taken in public as proposed.

87. MINUTES OF THE MEETING HELD ON 14 DECEMBER 2022

RESOLVED: That the Minutes of the Meeting held on 14 December 2022 be approved as a correct record and signed.

88. PRESENTATION OF PETITIONS

There were no petitions.

89. QUESTION AND ANSWER SESSION FOR LOCAL RESIDENTS

There were no questions from Local Residents.

90. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from Members to the Chairman.

91. FORWARD PLAN RELATING TO THE COMMITTEE'S TERMS OF REFERENCE

RESOLVED: That the Forward Plan be noted.

92. PROVISION OF CYCLE RAMP OFF CHURCH ROAD OTHAM

The report was introduced by the Lead Member for Corporate Services, with reference made to the planning permission given by the Inspector for the Church Road, Otham site and the condition for the provision of an off-site cycle ramp and link-way. The recommended option was for the Executive to be recommended to approve the provision of the cycle ramp and link way, as rejecting the proposal would not be in the Council's interests.

During the debate, it was felt that further assurances were needed to ensure that the development of the cycle ramp and linkway occurred appropriately and within the parameters of the imposed condition.

In response, the Head of Property and Leisure confirmed that the Council would retain a good level of control over the cycle ramp and linkways development, as a licence agreement would be agreed between the Council and Bellway. The agreement would include the feedback mechanisms and information on the specifications and standards of the development. Bellway would be required to give prior notice before commencing works on the cycle ramp and linkway, and an estimated timeline for construction. This would ensure that the Council was forewarned of the development. The £40,000 commuted sum to be received by the Council was standard practice for the proposal, with the Parks and Open Spaces having confirmed that the fee would allow for the sites' maintenance

across the next 10-12 years. The installation of the cycle ramp and link way would reduce the Council's liabilities, as it would include a new surface and the removal of steps.

The Committee expressed support for the proposal, as it was felt that it would provide additional facilities for the local community as a mitigating impact to the development.

RESOLVED: That the Executive be recommended to approve the provision of a cycle ramp and link way.

Note: Councillor Cannon joined the meeting at 6.40 p.m. and had no disclosures of interest or lobbying to declare.

93. STRATEGIC PLAN REFRESH 2023-28

The Lead Member for Corporate Services introduced the report, stating that the Strategic Plan had been agreed in 2018 and was due to be refreshed. The proposed refresh took account of the post-pandemic environment and the financial uncertainties being faced, amongst other things. The high quality of the document was strongly emphasised, with attention drawn to the refreshed areas of focus contained within Appendix A to the report.

During the debate, several members of the Committee highlighted the corrections required to Appendix A to the report, including merging the current area relating to encouraging 'pride in our borough' as part of the Thriving Place priority with the proposed area of focus at point 4.3 and removal of the 'TA' abbreviation within the proposed areas of focus at point 4.2.

The Committee felt that further emphasis should be placed on ensuring that the 1000 Affordable Homes had affordable running costs, whilst promoting Biodiversity and Climate Change, with specific reference was made to the financial difficulties currently being experienced by many residents. In response, the Director of Strategy, Insight and Governance reiterated the importance given by the Executive to promoting and considering Biodiversity and Climate Change as part of the decision-making process.

The Committee expressed support for the proposed areas of focus and the Strategic Plan generally in guiding the Council's actions.

RESOLVED: That the Executive be recommended to approve the refreshed areas of focus as outlined within Appendix A to the report, subject to

- a. The document's formatting being amended in accordance with the comments made; and
- b. The inclusion of the following wording within point 4.4 to read:

'Urgent identification and delivery of 1000 affordable homes to ensure availability of good quality housing for Maidstone's residents, *to be sustainable in both financial and ecological terms*'.

94. COUNCIL TAX BASE 2023/24 AND COLLECTION FUND ADJUSTMENT.

The Lead Member for Corporate Services introduced the report and stated that the Council Tax Base and Collection Fund Adjustment were reviewed annually. Specific reference was made to point 3.4 of the report, which set out the calculations applicable to the Council Tax Base for 2023/24 and demonstrated the just under two-percent increased growth in the tax base. The growth in homes within the Maidstone borough was highlighted, alongside appendix 2 and 3 to the report.

In response to questions, the Director of Finance, Resources and Business Improvement stated that the Council had collected a higher amount of Council Tax across the 2022/23 financial year than expected, causing a surplus to be brought forward to the 2023/24 financial year. The surplus would be a one-off source of additional funding, with the collection fund adjustment arising out of business rates to be calculated and included within the report presented to the Committee at its next meeting. The predicted non-collection allowance had been based on the information available to the Council; if the figure was estimated too cautiously, this would impact the finances of the Council Tax preceptors that received the majority of the Council Tax collected, such as Kent County Council. Residents were encouraged to apply for Council Tax Support when eligible.

In response to further questions, the Director of Finance, Resources and Business Improvement confirmed that an empty home premium could be applied to the Council Tax charged to property owners as an incentive to ensure that any vacant properties were made suitable for occupation. The full Council Tax rate could then be applied if the building remained vacant whilst suitable for occupation. The number of households entitled to a single adult household discount was based on the data available to the Council.

Several Members of the Committee expressed concern at the number of vacant properties outlined in Appendix 1 to the report. It was felt that further information should be provided on the contributing factors to the properties' vacancies and the utilisation of those properties. As the utilisation of housing would relate to the Lead Member for Housing and Health's portfolio, the Communities, Housing and Environment Policy Advisory Committee would be requested to review the matter.

RESOLVED:

1. That given the number of empty properties noted at the Corporate Services Policy Advisory Committee Meeting of 18 January 2023, the Communities, Housing and Policy Advisory Committee be requested to ask the Executive for a report with any further information as to the nature of any unoccupied properties and their future utilisation;

That the Executive be recommended to approve that:

2. Pursuant to this report and in accordance with the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this authority as its Council Tax Base for the year 2023-24 will be 67,161.69;
3. In accordance with the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this Authority as the

Council Tax Base for each parish area for the year 2023-24 will be as identified in Appendix 2 to the report; and

4. The 2022-23 Council Tax projection and proposed distribution detailed I Appendix 3 to the report, be agreed.

Note: Councillor Gooch joined the meeting at 7.19 p.m. and had no disclosures of interest or lobbying to declare.

95. MEDIUM TERM FINANCIAL STRATEGY AND SAVING PROPOSALS 2023/24 (CS PAC)

The Lead Member for Corporate Services introduced the report and stated that the budget setting process had begun in November 2022, with the intention of identifying £2.5 million in savings for 2023/24. Since then, the Chancellor's Autumn Statement and Local Government Finance Settlement had been released. From the latter, the Council Tax Referendum Limit had been increased to 3%, alongside the provision of the Funding Guarantee for Local Authorities; the latter was based on the Council's core spending power and provided additional funding.

The Lead Member for Corporate Services stated that the Medium-Term Financial Strategy (MTFS) had been drafted with the assumption that council tax would be increased up to the 3% limit. A variety of financial scenarios had been modelled as part of the process, with specific attention given to the high-inflation scenario. Over £1 million in savings had been identified for the 2023/24 financial year, with emphasis given to the fact that the MTFS covered a five-year period. The next few years were likely to be challenging for the Council financially, although the Council was likely to achieve a balanced budget for 2023/24. The importance of taking a prudent approach to the Council's finances was highlighted.

Specific attention was drawn to the Funding Guarantee, which was assumed to be a one-off source of funding; £300,000 had been allocated to strategic planning for the 2023/24 financial year with an assumption that the remainder would be used to support the Affordable Homes Programme. The Committee were asked for its views on using some of the Funding Guarantee, to increase the 5% staff pay increase budgeted for within the budget planning process, without making further savings.

The Director of Finance, Resources and Business Improvement stated that the final settlement would be negotiated and decided by the Head of Paid Service, with Member involvement in the decision being restricted to the allocation of the funds for employee remuneration. The matter would be considered by the Committee in a report due to be presented at its next meeting.

Several Members of the Committee expressed support in principle for an increase in staff salary, with a range of contributing factors referenced including appreciation for the Council's staff, encouraging retention and the high cost of recruitment. However, the importance of ensuring that any increase provided was sustainable across future years was reiterated following discussion on the use of one-off funding to support an increase, as otherwise this could contribute to the Council's future financial pressures. The importance of ensuring services continued to be provided was highlighted. A variety of options were suggested, including higher increases for staff on lower pay grades. Reference was made to the difficulties of improving staff remuneration whilst increasing council tax. The

Director of Finance, Resources and Business Improvement stated that any proposed increase in staff pay would be carried forward each year as part of the Council's budget.

In response to questions, the Director of Finance, Resources and Business Improvement stated that the Communities, Housing and Environment Policy Advisory Committee would be presented with a progress report on the Affordable Homes Scheme in the near future. The report would provide greater detail on the subsidy required per unit, and the scheme's finances generally. If the funding from the Funding Guarantee for the Affordable Homes Programme was reduced, the Executive would need to consider generating additional savings to ensure that the Council had a sustainable budget.

In response to further questions, the Director of Finance, Resources and Business Improvement stated that in achieving a balanced budget, the Council included growth in business rates above the baseline figure, as it was known that there would be an increase in the business rates above this level. The projected £20,000 green travel saving was deliverable as the number of travel claims had reduced given home working.

The Committee expressed support for the proposed MTFS and Savings proposals 2023/24 as detailed in the report.

RESOLVED:

That the following be noted:

1. The proposed revenue budget proposals for services within the remit of the other Policy Advisory Committees as set out in Appendix B to the report;

The Executive be recommended to

1. Approve the revenue budget proposals as set out in Appendix A to the report; and
2. Approve an hourly rate of £258 for legal services.

96. MEDIUM TERM FINANCIAL STRATEGY – CAPITAL PROGRAMME

The Lead Member for Corporate Services introduced the report, which outlined the framework for the proposed Capital Programme over the next five years and had been produced in accordance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Prudential Code. Each of the programme's projects would be subject to an appraisal, to ensure its viability.

In response to questions, the Director of Finance, Resources and Business Improvement stated that the £1.5 million in funding allocated for Lockmeadow was for ongoing investment as required, with the example given being any works required to secure tenants to available units, with the rental income generated to be used in recuperating the costs of the works. The funding set aside for the Heathlands development was subject to the site being allocated as part of the ongoing Local Plan Review, with the funding for the project to be reviewed annually as part of the Capital Programme.

In response to further questions, the Director of Finance, Resources and Business Improvement explained that the £5.3 million allocated for Biodiversity and Climate Change was for a variety of projects, including making Council owned buildings more energy efficient. The Infrastructure Delivery funding would be used to support capital schemes where possible through the Infrastructure Delivery Plan, as part of the Council's Local Plan, with an example given being the additional funding being allocated to support Kent County Council in implementing improvement to Junction 7 of the M20. The Director of Finance, Resources and Business Improvement would inform the Committee of the number of units with Granada House outside of the meeting.

The Committee were informed that the funding allocated within the programme was not for specific projects, but rather to have the framework and funding available to progress with and implement the Capital schemes as required across the next five-year period. The Lead Member for Corporate Services reiterated the importance of ensuring that the Council's finances were sustainable.

The Committee expressed support for the proposed capital programme, however several Members of the Committee felt that it would be beneficial for more detailed information to be provided, to assist in the programme's review. The individual projects would be subject to review by the relevant Policy Advisory Committee prior the projects progression.

RESOLVED: That the Executive be recommended to

1. Agree the Capital Strategy Principles set out in paragraph 2.6 of the report;
2. Agree the Capital Funding Projection set out in Appendix 2 to the report;
3. Agree the Capital Programme 2023/24 onwards as set out Appendix 3 to the report; and
4. Note that in agreeing recommendations 2 and 3, the Executive will set a prudential borrowing limit of £193.6 million over the period of the programme which will be recommended to Council as part of the Treasury Management Strategy 2023/24

97. DURATION OF MEETING

6.30 p.m. to 9.15 p.m.

Note: The Committee adjourned between 7.41 p.m. to 7.51 p.m.