

# CABINET MEETING

Date: Wednesday 14 February 2024  
Time: 5.00 pm  
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Burton (Chairman), Cooper, Garten, Parfitt-Reid, Perry and Russell

*The Chairman will assume that all Members will read the reports before attending the meeting. Officers are asked to assume the same when introducing reports.*

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## AGENDA

Page No.

1. Apologies for Absence
2. Urgent Items
3. Notification of Visiting Members
4. Disclosures by Members or Officers
5. Disclosures of Lobbying
6. To consider whether any items should be considered in private due to the possible disclosure of exempt information
7. Minutes of the Meeting held on 7 February 2024 - To Follow
8. Presentation of Petitions (if any)
9. Questions from Local Residents to the Leader or Individual Cabinet Member (as appropriate)
10. Questions from Members to the Leader or Individual Cabinet Member (as appropriate)
11. Matters Referred to the Cabinet for Reconsideration (if any)
12. Issues Arising from Overview and Scrutiny (if any)
13. Matters Referred to the Cabinet by another Committee (if any)
14. Any Matter Relating to a Serious Service Failure or Nuisance (if any)

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**Issued on Tuesday 6 February 2024**

**Continued Over/:**

*Alison Broom*

**Alison Broom, Chief Executive**

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|--|---------|
| 15. Receipt of Written Representations from Members of the Council<br>(if any) |         |
| 16. Cabinet Forward Plan   | 1 - 14  |
| 17. Revenues and Benefits Shared Service Business Case Report                  | 15 - 64 |

## **PART II**

**To move that the public be excluded for the items set out in Part II of the Agenda because of the likely disclosure of exempt information for the reasons specified having applied the Public Interest Test.**

### **Head of Schedule 12 A and Brief Description**

- |  |                                |         |
|--|--------------------------------|---------|
| 18. Exempt Appendix 2 to Item 17 - Revenues and Benefits Shared Service Business Case Report | 3 – Financial/Business Affairs | 65 - 73 |
|--|--------------------------------|---------|

## **INFORMATION FOR THE PUBLIC**

In order to ask a question at this meeting, please call **01622 602899** or email [committee@maidstone.gov.uk](mailto:committee@maidstone.gov.uk) by 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Monday 12 February 2024). You will need to provide the full text in writing.

If your question is accepted, you will be provided with instructions as to how you can access the meeting.

In order to make a statement in relation to an item on the agenda, please call **01622 602899** or email [committee@maidstone.gov.uk](mailto:committee@maidstone.gov.uk) by 4 p.m. one clear working day before the meeting (i.e. by 4 p.m. on Monday 12 February 2024). You will need to tell us which agenda item you wish to speak on.

If you require this information in an alternative format please contact us, call **01622 602899** or email [committee@maidstone.gov.uk](mailto:committee@maidstone.gov.uk).

To find out more about the work of the Committee, please visit the [Council's Website](#).

# MAIDSTONE BOROUGH COUNCIL FORWARD PLAN FOR THE FOUR MONTH PERIOD 1 JANUARY 2024 TO 30 APRIL 2024

This Forward Plan sets out the details of the key and non-key decisions which the Cabinet or Cabinet Members expect to take during the next four-month period.

A Key Decision is defined as one which:

1. Results in the Council incurring expenditure, or making savings, of more than £250,000; or
2. Is significant in terms of its effects on communities living or working in an area comprising two or more Wards in the Borough

The current Cabinet Members are:

→	 <b>Councillor David Burton</b> Leader of the Council <a href="mailto:DavidBurton@maidstone.gov.uk">DavidBurton@maidstone.gov.uk</a> 07590 229910	 <b>Councillor Paul Cooper</b> Deputy Leader and Cabinet Member for Planning, Infrastructure and Economic Development <a href="mailto:PaulCooper@Maidstone.gov.uk">PaulCooper@Maidstone.gov.uk</a> 01622 244070	 <b>Councillor John Perry</b> Cabinet Member for Corporate Services <a href="mailto:JohnPerry@Maidstone.gov.uk">JohnPerry@Maidstone.gov.uk</a> 07770 734741
	 <b>Councillor Claudine Russell</b> Cabinet Member for Communities, Leisure and Arts <a href="mailto:ClaudineRussell@Maidstone.gov.uk">ClaudineRussell@Maidstone.gov.uk</a>	 <b>Councillor Patrik Garten</b> Cabinet Member for Environmental Services <a href="mailto:PatrikGarten@Maidstone.gov.uk">PatrikGarten@Maidstone.gov.uk</a> 01622 807907	 <b>Councillor Lottie Parfitt-Reid</b> Cabinet Member for Housing and Health <a href="mailto:LottieParfittReid@Maidstone.gov.uk">LottieParfittReid@Maidstone.gov.uk</a> 07919 360000

Anyone wishing to make representations about any of the matters listed below may do so by contacting the relevant officer listed against each decision, within the time period indicated.

Under the Access to Information Procedure Rules set out in the Council's Constitution, a Key Decision or a Part II decision may not be taken, unless it has been published on the forward plan for 28 days or it is classified as urgent:

The law and the Council's Constitution provide for urgent key and part II decisions to be made, even though they have not been included in the Forward Plan.

Copies of the Council's constitution, forward plan, reports and decisions may be inspected at Maidstone House, King Street, Maidstone, ME15 6JQ or accessed from the [Council's website](#).

Members of the public are welcome to attend meetings of the Cabinet which are normally held at the Town Hall, High St, Maidstone, ME14 1SY. The dates and times of the meetings are published on the [Council's Website](#), or you may contact the Democratic Services Team on telephone number **01622 602899** for further details.

**David Burton**  
**Leader of the Council**

<b>Details of the Decision to be taken</b>	<b>Decision to be taken by</b>	<b>Relevant Cabinet Member</b>	<b>Expected Date of Decision</b>	<b>Key</b>	<b>Exempt</b>	<b>Proposed Consultees / Method of Consultation</b>	<b>Documents to be considered by Decision taker</b>	<b>Representations may be made to the following officer by the date stated</b>
Staplehurst Conservation Appraisal and Management Plan	Cabinet Member for Planning, Infrastructure and Economic Development	Cabinet Member for Planning, Infrastructure and Economic Development	Not before 10 Jan 2024	No	No	Planning, Infrastructure and Economic Development Policy Advisory Committee 10 Jan 24	Staplehurst Conservation Appraisal and Management Plan	<b>Janice Gooch</b>  JaniceGooch@Maidstone.gov.uk
1,000 Homes Update  This report provides a review of the progress made towards achieving the delivery of the Council's various housing development programmes	Cabinet	Cabinet Member for Housing and Health	24 Jan 2024	No	No Open	Housing, Health and Environment Policy Advisory Committee 16 Jan 2024	1,000 Homes Update	<b>William Cornall</b>  Director of Regeneration & Place  williamcornall@maidstone.gov.uk
Archbishops' palace agreement for lease looking for agreement to move forward with a potential tenant for the palace	Cabinet	Cabinet Member for Corporate Services.	24 Jan 2024	Yes	No Part exempt	Corporate Services Policy Advisory Committee 17 Jan 2024  Overview and Scrutiny Committee 23 Jan 2024	Archbishops palace agreement for lease	<b>Deborah Turner</b>  deborahturner@maidstone.gov.uk

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<p>Council Tax Base 2024/25 and Collection Fund Adjustment.</p> <p>Report setting what the 24/25 C/tax base and collection fund. Used to set the amount of Council Tax and is a statutory requirement.</p>	Cabinet	Cabinet Member for Corporate Services.	24 Jan 2024	Yes	No Open	Corporate Services Policy Advisory Committee 17 Jan 2024	Council Tax Base 2024/25 and Collection Fund Adjustment.	<p><b>Adrian Lovegrove</b></p> <p>Head of Finance</p> <p>adrianlovegrove@maidstone.gov.uk</p>
Cobtree Manor Estate Financial Position Report	Cobtree Manor Estate Charity Committee	Cabinet Member for Communities, Leisure and Arts	24 Jan 2024	Yes	No Open	Cobtree Manor Estate Charity Committee 24 Jan 2024	Cobtree Manor Estate Financial Position Report	<p><b>Paul Holland</b></p> <p>paulholland@maidstone.gov.uk</p>
<p>Maidstone Leisure Centre - Leisure Services Contract</p> <p>A report on the Leisure Services Contract for the council's leisure facilities</p>	Cabinet	Cabinet Member for Communities, Leisure and Arts	24 Jan 2024	Yes	No Part exempt	Communities, Leisure and Arts Policy Advisory Committee 9 Jan 2024	Maidstone Leisure Centre	<p><b>Mike Evans</b></p> <p>MikeEvans@Maidstone.gov.uk</p>

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<p>Medium Term Financial Strategy 2024 to 2029 - Capital Programme</p> <p>Detail of the 10 year capital programme for inclusion in the budget for 2024/25 onwards.</p> <p>5</p>	Cabinet	Cabinet Member for Corporate Services.	24 Jan 2024	Yes	No Open	<p>Communities, Leisure and Arts Policy Advisory Committee 9 Jan 2024</p> <p>Planning, Infrastructure and Economic Development Policy Advisory Committee 10 Jan 2024</p> <p>Housing, Health and Environment Policy Advisory Committee 16 Jan 2024</p> <p>Corporate Services Policy Advisory Committee 17 Jan 2024</p> <p>Overview and Scrutiny Committee 23 Jan 2024</p>	<p>Medium Term Financial Strategy 2024 to 2029 - Capital Programme</p>	<p><b>Paul Holland,</b> <b>Adrian Lovegrove</b></p> <p>Head of Finance</p> <p>paulholland@maidstone.gov.uk, adrianlovegrove@maidstone.gov.uk</p>

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<p>Provision of Wheeled Bins</p> <p>Summary of the policy for charging for replacement and new wheeled bins and review of recent developments to the policy.</p>	Cabinet	Cabinet Member for Environmental Services	24 Jan 2024	No	No Open	Housing, Health and Environment Policy Advisory Committee 16 Jan 2024	Provision of Wheeled Bins	<p><b>Jennifer Stevens</b></p> <p>Head of Environmental Services &amp; Public Realm</p> <p>jenniferstevens@maidstone.gov.uk</p>
<p>River Medway Basin Task Force</p> <p>To provide information to Cabinet about the costs and benefits of setting up a River Medway Basin Task Force for consideration so that Cabinet can decide if they want to set up a Task Force</p>	Cabinet	Cabinet Member for Planning, Infrastructure and Economic Development	24 Jan 2024	No	No Open		River Medway Basin Task Force	<p><b>Karen Britton</b></p> <p>karenbritton@maidstone.gov.uk</p>
<p>Maidstone Local Bus Focus Group</p> <p>A report on the options to for the successor to the Maidstone Quality Bus Partnership.</p>	Cabinet Member for Planning, Infrastructure and Economic Development	Cabinet Member for Planning, Infrastructure and Economic Development	30 Jan 2024	Yes	No	Planning, Infrastructure and Economic Development Policy Advisory Committee 29 Jan 2024	Maidstone Local Bus Focus Group	<p><b>Tom Gilbert</b></p> <p>tomgilbert@maidstone.gov.uk</p>

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		nt						
<p>Shared Revenues and Benefits Service - Consideration of expansion</p> <p>Report for the approval of Swale Borough Council joining the Mid Kent Revenues and Benefits Service</p>	Cabinet	Cabinet Member for Corporate Services.	Not before 5 Feb 2024	No	No Part exempt	<p>Corporate Services Policy Advisory Committee 5 Feb 2024</p> <p>Consultation with the Revenues and Benefits staff</p>	<p>Shared Revenues and Benefits Service - Consideration of expansion</p>	<p><b>Zoe Kent</b></p> <p>Interim Head of Revenues &amp; Benefits</p> <p>zoekent@swale.gov.uk</p>
1,000 Affordable Homes Programme - Scheme Re-Approvals	Cabinet	Cabinet Member for Housing and Health	7 Feb 2024	No	No Open	Housing, Health and Environment Policy Advisory Committee 30 Jan 2024	1,000 Affordable Homes Programme - Scheme Re-Approvals	<p><b>William Cornall</b></p> <p>Director of Regeneration &amp; Place</p> <p>williamcornall@maidstone.gov.uk</p>
Biodiversity and Climate Change Action Plan Update	Cabinet	Cabinet Member for Corporate Services.	7 Feb 2024	No	No Open	Planning, Infrastructure and Economic Development Policy Advisory Committee 29 Jan 2024	Biodiversity and Climate Change Action Plan Update	<p><b>James Wilderspin</b></p> <p>Biodiversity and Climate Change Manager</p> <p>jameswilderspin@maidstone.gov.uk</p>

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∞						<p>Housing, Health and Environment Policy Advisory Committee 30 Jan 2024</p> <p>Corporate Services Policy Advisory Committee 5 Feb 2024</p> <p>Communities, Leisure and Arts Policy Advisory Committee 6 Feb 2024</p>		
<p>Enter into demolition contract</p> <p>Enter into demolition contract following tender to demolish the buildings at the former Royal Mail Sorting office site and Cantium House</p>	Cabinet	Cabinet Member for Housing and Health	7 Feb 2024	Yes	No Open	<p>Housing, Health and Environment Policy Advisory Committee 30 Jan 2024</p> <p>Previously been to PAC on 21st September 2021 to acquire Cantium house and submit planning application.</p>	Enter into demolition contract	<p><b>Philip Morris</b></p> <p>philipmorris@maidstone.gov.uk</p>

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<p>Medium Term Financial Strategy 2024 to 2029 - Funding Settlement and Final Saving Proposals</p> <p>Details of the proposed budget for 2024/25. Revenue budget including savings and updates on government financial settlements and <del>CP</del> tax increases. Capital programme for 2024/2029</p>	Cabinet	Cabinet Member for Corporate Services	7 Feb 2024	Yes	No Open	Corporate Services Policy Advisory Committee 5 Feb 2024	Medium Term Financial Strategy 2024 to 2029 - Funding Settlement and Final Saving Proposals	<p><b>Mark Green, Adrian Lovegrove</b> Director of Finance, Resources &amp; Business Improvement, Head of Finance</p> <p>markgreen@maidstone.gov.uk</p> <p>adrianlovegrove@maidstone.gov.uk</p>
<p>1000 Homes Programme - Individual Scheme Updates</p> <p>Report seeking approval to enter into works contracts for the 5 sites acquired as part of the 1000 affordable homes programme.</p> <p>(Property Acquisition 1000 affordable Homes Programme)</p>	Cabinet	Cabinet Member for Housing and Health	7 Feb 2024	Yes	No Part exempt	<p>Housing, Health and Environment Policy Advisory Committee 30 Jan 2024</p> <p>Previous reports for site acquisitions have been to HHE committee.</p>	Property Acquisition 1000 affordable Homes Programme	<p><b>Philip Morris</b></p> <p>philipmorris@maidstone.gov.uk</p>

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<p>Over-arching Conservation Management Plan</p> <p>The over-arching Conservation Area Management Plan has been drafted to address concerns that there was limited guidance on conservation areas that do not have either a conservation area appraisal or management plan.</p>	Cabinet Member for Planning, Infrastructure and Economic Development	Cabinet Member for Planning, Infrastructure and Economic Development	Not before 6 Mar 2024	Yes	No	Planning, Infrastructure and Economic Development Policy Advisory Committee 6 Mar 2024	Over-arching Conservation Management Plan	<p><b>Janice Gooch</b></p> <p>JaniceGooch@Maidstone.gov.uk</p>
Town Centre Greening and Lighting UK Shared Prosperity Fund	Leader of the Council	Leader of the Council	Before 15 Mar 2024	Yes	No	Planning, Infrastructure and Economic Development Policy Advisory Committee 6 Mar 2024	Town Centre Greening and Lighting UK Shared Prosperity Fund	<p><b>Katie Exon, Jennifer Stevens</b></p> <p>Head of Property and Leisure, Head of Environmental Services &amp; Public Realm</p> <p>katieexon@maidstone.gov.uk, jenniferstevens@maidstone.gov.uk</p>



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Report on the 1st round of CIL bidding and revised prospectus for the 2nd round of bidding with timetable/programme		Development				6 Mar 2024	and Programme	carolewilliams@maidstone.gov.uk
Elephant House  A report on the Elephant House at Cobtree Manor Park  12	Cobtree Manor Estate Charity Committee	The Leader of the Council	20 Mar 2024	No	No Part exempt	Cobtree Manor Estate Charity Committee 20 Mar 2024	Elephant House	<b>Mike Evans</b>  MikeEvans@Maidstone.gov.uk
Homelessness and Rough Sleeping Strategy 2024-2029 - Initial priorities and feedback  Delivering the new strategic priorities for the Council in relation to homelessness and rough sleeping. A review of the themes and priorities for the Council.	Cabinet	Cabinet Member for Housing and Health	20 Mar 2024	Yes	No Open	Housing, Health and Environment Policy Advisory Committee 12 Mar 2024	Homelessness and Rough Sleeping Strategy 2024-2029 - Initial priorities and feedback	<b>Hannah Gaston</b>  hannahgaston@maidstone.gov.uk

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<p>Key Performance Indicators</p> <p>Key performance indicators are reviewed annually. This report proposes the KPIs for the period 2024/25.</p> <p>13</p>	Cabinet	Leader of the Council	20 Mar 2024	No	No Open	<p>Housing, Health and Environment Policy Advisory Committee 30 Jan 2024</p> <p>Communities, Leisure and Arts Policy Advisory Committee 6 Feb 2024</p> <p>Corporate Services Policy Advisory Committee 5 Feb 2024</p> <p>Planning, Infrastructure and Economic Development Policy Advisory Committee 6 Mar 2024</p>	Key Performance Indicators	<p><b>Carly Benville, Anna Collier</b></p> <p>carlybenville@maidstone.gov.uk, annacollier@maidstone.gov.uk</p>
Parish Charter Review Review of Parish Charter	Cabinet	Cabinet Member for Communities, Leisure and Arts	20 Mar 2024	No	No Open	Communities, Leisure and Arts Policy Advisory Committee 5 Mar 2024	Parish Charter Review	<p><b>Orla Sweeney</b></p> <p>orlasweeney@maidstone.gov.uk</p>

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Preventing Financial Exclusion	Cabinet	Cabinet Member for Communities, Leisure and Arts	20 Mar 2024	No	No Open	Communities, Leisure and Arts Policy Advisory Committee 5 Mar 2024	Preventing Financial Exclusion	<b>Anna Collier, Orla Sweeney</b>  annacollier@maidstone.gov.uk, orlasweeney@maidstone.gov.uk

**CABINET**

**14 February 2024**

## Revenues and Benefits Shared Service Business Case Report

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
Corporate Services Policy Advisory Committee	5 February 2024
Cabinet	14 February 2024

<b>Will this be a Key Decision?</b>	Yes
<b>Urgency</b>	Not Applicable
<b>Final Decision-Maker</b>	Cabinet
<b>Lead Head of Service</b>	Georgia Hawkes, Director of Mid Kent Shared services
<b>Lead Officer and Report Author</b>	Zoe Kent, Interim Head of Revenues and Benefits
<b>Classification</b>	Public report with private appendix  <i>Partially Exempt from Disclosure – Appendix II exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended): Information relating to the financial or business affairs of any particular person including the authority holding that information.</i>
<b>Wards affected</b>	All wards

### **Executive Summary**

In 2021 as part of a review of services a proposal was put forward for the Swale Revenues and Benefits team to join the Mid Kent shared service. This report provides an update on the work carried out to align the services and the options to be considered by Cabinet. This report will be reviewed by the Corporate Services Policy Advisory Committee.

### **Purpose of Report**

To seek approval for officers to expand the shared service arrangement for delivery of the Revenues and Benefits function across Maidstone, Swale and Tunbridge Wells Borough Councils.

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**This report makes the following recommendations to the Cabinet:**

1. To agree to expand the Mid Kent Revenues and Benefits partnership to include Swale Borough Council.
2. That delegation is awarded to the Director of Finance, Resources and Business Improvement to make the appropriate arrangements in line with the business case and sign the shared service collaboration agreement.

# Revenues and Benefits Shared Service Business Case Report

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, they will support the Council's overall achievement of its aims as set out in section 3.	Zoe Kent, Interim Head of Revenues and Benefits
<b>Cross Cutting Objectives</b>	The report recommendations support the achievement of the 'Deprivation and Social Mobility is improved' cross cutting objective by ensuring the Revenues and Benefits Service is able to provide a high-quality service to all residents including those suffering hardship.	Zoe Kent, Interim Head of Revenues and Benefits
<b>Risk Management</b>	The shared service business case has considered the risks of Swale joining the Revenues and Benefits service. Each option is included in the risk assessment table 7 of the business case. Option 2 is considered a high risk so therefore not recommended	Zoe Kent, Interim Head of Revenues and Benefits
<b>Financial</b>	The proposals set out in the report are projected to generate net revenue budget savings for Maidstone Borough Council of £39,000 in year one, rising to an an ongoing annual saving of £112,000 by year five. Furthermore, the proposal to expand the Revenue and Benefits shared service offers the opportunity for greater resilience, more capacity to carry out project work and to deliver performance and quality initiatives, and greater capacity to respond to future changes including changes in legislation.	Mark Green, Section 151 Officer
<b>Staffing</b>	There will be Staffing implications and these are set out in section 3 Accepting the recommendations will include savings that may put staff at risk of redundancy. The proposals within this report and the business case have considered the risk of redundancies.	Zoe Kent, Interim Head of Revenues and Benefits

<b>Legal</b>	<p>The Council has the power under the Local Government Act 1972 and other enabling powers to enter into shared arrangements for the provision of this service. Any resulting partnership arrangement will be made pursuant to Section 113 of the Local Government Act 1972, which allows a local authority to place any of its officers, who consent to the arrangement, at the disposal of another local authority on such terms as may be agreed between the parties.</p> <p>A collaboration agreement will be approved by Mid Kent Legal if the shared service is approved.</p>	Team Leader (Contentious and Corporate Governance)
<b>Information Governance</b>	<ul style="list-style-type: none"> <li>The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes.</li> </ul>	Information Governance Team – Lauren McNichol
<b>Equalities</b>	<ul style="list-style-type: none"> <li>We recognise the recommendations may have varying impacts on different communities within Maidstone. Therefore will carry out an equalities impact assessment during the first year of the restructure.</li> </ul>	Policy & Information Manager
<b>Public Health</b>	<p>We recognise that the recommendations will not negatively impact on population health or that of individuals.</p>	Zoe Kent, Interim Head of Revenues and Benefits
<b>Crime and Disorder</b>	<p>There are no implications to Crime and Disorder</p>	Zoe Kent, Interim Head of Revenues and Benefits
<b>Procurement</b>	<p>No new services are being procured as part of the business case</p>	Zoe Kent, Interim Head of Revenues and Benefits
<b>Biodiversity and Climate Change</b>	<p>The implications of this report on biodiversity and climate change have been considered and are;</p> <ul style="list-style-type: none"> <li>There are no implications on biodiversity and climate change.</li> </ul>	Zoe Kent, Interim Head of Revenues and Benefits

## **2. INTRODUCTION AND BACKGROUND**

- 2.1 The Revenues and Benefits service is one of the largest services provided by district councils and given its transactional nature one that is suited to shared service/partnership working.
- 2.2 This is evidenced through the existing successful shared service arrangements between Maidstone and Tunbridge Wells Borough Council and similar arrangements across Kent, including Dartford and Sevenoaks and Canterbury, Dover and Thanet.
- 2.3 In addition to maintaining strong performance in relation to its core services, e.g. processing new Housing Benefit and Council Tax Reduction Scheme claims in 15.7 days, the Mid Kent Services (MKS) Revenues and Benefits Partnership has demonstrated that through its flexibility, scale and ability to draw across partner resources it could also deliver combined services across a range of new schemes through the pandemic such as the Test and Trace Support Scheme and Business Grant Scheme.
- 2.4 Earlier work for the existing shared service confirmed the potential for financial savings, performance improvements and opportunities to enhance the overall resilience of the service with the detailed business case (approved in October 2010).
- 2.5 Whilst the decision was taken by Swale Borough Council (SBC) not to progress the Revenues and Benefits shared service at that time, in August 2021 a new proposal was taken to the Mid Kent shared service board to extend the Revenues and Benefits shared service to include SBC. In January 2022 the proposal was reviewed by the three councils, and it was agreed that SBC would make a number of changes before the business case was brought back to the Mid Kent shared service board. This included providing an immediate shared management of both SBC and MKS Revenues and Benefits and if approved combine both services after a period of 18-24 months to allow for:
  - a) the implementation of a new simplified banded CTR scheme within SBC
  - b) the implementation of a common document imaging system across both services
  - c) the transfer of customer enquiries from SBC Revenues and Benefits to the corporate Customer Services; and
  - d) the adoption of common processes and procedures across both sites.
- 2.6 A number of factors have been considered as part of the business case.
  - Service Resilience – The retirement of key officers across both teams. A combined team is better able to manage peaks in demand and support specialist functions.
  - The introduction of Universal Credit and withdrawal of the housing Benefit scheme, which district councils have administered since 1987, represents a further risk to the resilience of the service with the administration grant and staffing for Housing Benefit services currently cross subsidising the administration of Council Tax Support due to their combined assessment.

- Financial Imperative – All partners have identified the need for financial savings to maintain a balanced budget and combining services provides an opportunity to reduce management, staffing and ICT costs whilst protecting the service delivered to residents.
- New ways of working – with an increasing number of staff working remotely and already sharing some core systems, a combined service would now be able to operate with minimal disruption to staff working arrangements and with no impact on each partner’s local economy.
- ICT – Whilst the partners already share a common IT system for Revenues and Benefits (Capita) they have used different document management systems. Swale have now moved to NEC, so all systems are aligned.

2.7 The timetable for the business case being considered and being moved forward (if approved by the three councils) is shown in table 1. All three councils will need to approve SBC joining the partnership for it to be agreed.

Table 1

<b>Decision Process</b>	<b>By end of:</b>
Tunbridge Wells - Finance and Governance Advisory Board	23 January 2024
Swale – Decision by Policy and Resources Committee	31 January 2024
Maidstone – Corporate Services Policy Advisory Committee	5 February 2024
Decision by Maidstone & Tunbridge Wells Cabinets	14 February 2024

2.8 Three options have been considered within the business case. Option one – no change, option two – considering externalising services, option three – as the agreed changes have been carried out by SBC and there is a financial case providing savings, SBC join the Mid Kent Revenues and Benefits Partnership.

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### **3. AVAILABLE OPTIONS**

- 3.1 Option one – do nothing – Whilst the MKS shared service and Swale Revenues and Benefits service could continue, this option is not recommended because in their current form the services would struggle to make any material reduction in costs without threatening the service provided to residents. Resilience within the service would remain a risk particularly for Swale BC given the current reliance on a small number of key officers within the service. There are also a significant number of officers within the Mid Kent team that are likely to retire soon. A new Mid Kent Head of Revenues and Benefits would need to be recruited.
- 3.2 Option two - Outsourcing the service – A separate exercise could be undertaken to test the current market in terms of costs and quality of service, this option is not recommended because the exercise undertaken in 2010 demonstrated no financial benefit beyond that possible through a

shared service arrangement. With a shared service arrangement held at the time to provide greater flexibility and control for partner authorities. The East Kent Services Revenues and Benefits team was outsourced and is being brought back in-house due to the provider withdrawing from the market. This is added risk that is likely to bring additional costs to the authorities.

- 3.3 Option three – Expanded shared service – SBC has brought in the changes that were requested by the Mid Kent board in December 2021. This has aligned the services and reduced the costs of SBC joining the partnership. Tables 14 to 18 within the business case provide details of the possible savings from a three-way partnership. As there is already a shared management arrangement in place and a shared fraud team and enforcement service partnership this should mitigate any risks.

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#### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 The preferred option is option three. This option will bring savings as shown in exempt appendix 2, to the partners over a period of five years. It allows for further automation of processes over this period to cover the reduction in staffing numbers in years three to five which will come from natural wastage rather than redundancies. There are redundancies and pension costs in year one of the proposed expansion of the shared service, this is due to the restructuring of the management of the service.
- 4.2 This option allows for the expansion of the business rates teams and business support teams across Mid Kent and SBC. This ensures there is resilience for all the partners in areas where there are fewer staff carrying out roles, which brings high risks due to the amount collected in Business Rates and paid out as Housing Benefit.

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#### **5. RISK**

- 5.1 The risks of all options are included in table 7 and part 18 of the business case. The Mid Kent Audit team review all risks within one risk assessment for both MKS and Swale Revenues and Benefits. This has meant that risks across all three authorities are considered at the same time both individually for each authority and as a partnership for example with shared IT.
- 5.2 If Swale joining the Mid Kent Revenues and Benefits partnership is approved the risk assessment will be reviewed and updated regularly to ensure that costs, performance and any risks are reviewed and managed appropriately.
- 5.3 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. That consideration is shown in appendix 1 part 18 within the business case risk assessment. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the policy.

## **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 The Corporate Services Policy Advisory Committee considered this report on 5 February 2024 and recommended that the Cabinet approve the recommendations.
- 6.2 If option three is approved by each council and SBC join the Mid Kent Revenues and Benefits Partnership a consultation will be carried out with the Mid Kent and Swale Revenues and Benefit staff and the unions.
- 

## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 A consultation will be carried out with the staff and unions. The Head of Mid Kent Revenues and Benefits will be appointed and will put in place a structure after, the staff consultation and the TUPE arrangements to move Swale staff to the Mid Kent Revenues and Benefits service employee (Maidstone Borough Council).
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## **8. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix 1: Proposed extension of the Mid Kent Revenues and Benefits Service Business Case
  - Appendix 2: Exempt: Business Case Financial Information - Restricted
-

# Appendix 1 - Business Case (2024)

## Combining Mid Kent Services Revenues and Benefits Service with Swale Borough Council Revenues and Benefits Service

## Contents

1.	Background to the existing service provisions and the original business case (2021)..	3
2.	Option 4 - Progress .....	5
3.	Key Statistics .....	6
4.	Current Key Performance Indicators .....	7
5.	Staffing Structures .....	8
6.	Existing Partnership arrangements affecting the Revenues and Benefits Services ....	10
7.	IT provision.....	10
8.	Customer service provision.....	11
9.	Issues for the current services .....	12
10.	Productivity comparison .....	12
11.	Future changes affecting any decisions.....	14
12.	Options for change.....	18
13.	RECOMMENDED APPROACH .....	27
14.	Propose Governance model .....	32
15.	IT requirements.....	33
16.	IT and Administrative efficiencies.....	34
17.	Proposed timescales for implementation. ....	35
18.	Risk Analysis .....	36
19.	Financial implications.....	40
20.	Staffing implications .....	40
21.	Budgetary implications .....	41
22.	Corporate implications .....	41
23.	Equality Impact Assessment .....	41

## **1. Background to the existing service provisions and the original business case (2021)**

- 1.1 The Mid Kent Improvement Partnership (MKIP) was formed in 2008 and involves Maidstone Borough Council, Swale Borough Council and Tunbridge Wells Borough Council.
- 1.2 In effect, MKIP represents an agreement to improve service delivery and reduce service costs for residents across Mid-Kent. The services delivered through the partnership are called Mid-Kent Services (MKS).
- 1.3 The partnership has been designed to be flexible enough to meet the needs of each authority. This means that some shared services and projects have involved only two authorities whereas others include all three authorities within Mid Kent. In the case of Audit services, MKS also partners with Ashford Borough Council.
- 1.4 There are currently ten areas of shared service in the partnership namely:
- Environmental Health (Maidstone, Swale and Tunbridge Wells)
  - Audit (Ashford, Maidstone, Swale and Tunbridge Wells)
  - Human Resources (Maidstone and Swale)
  - ICT (Maidstone, Swale and Tunbridge Wells)
  - Legal (Maidstone, Swale and Tunbridge Wells)
  - Local Land Charges (Maidstone, Swale and Tunbridge Wells)
  - Mid-Kent Enforcement Service (Maidstone, Swale and Tunbridge Wells)
  - Planning Support (Maidstone and Swale)
  - Fraud and Compliance (Maidstone, Swale and Tunbridge Wells)
  - Revenues and Benefits (Maidstone and Tunbridge Wells)
  - Shared Head of Revenues and Benefits (Maidstone, Swale and Tunbridge Wells)

### **Mid Kent Services Revenues and Benefits Partnership (MKS)**

- 1.5 The Mid Kent Services Revenues and Benefits Partnership (MKS) was created in 2011 following agreement in 2010 by Maidstone Borough Council and Tunbridge Wells Borough Council to create a shared service.
- 1.6 The initial proposal was to combine the services from three Councils (Maidstone Borough Council, Swale Borough Council and Tunbridge Wells Borough Council). However, Swale Borough Council withdrew from this particular partnership at this time as savings could be made internally. In addition, at the time, location of the administration centre in Maidstone was a factor for staff. With the advent of extensive remote working, which has increased since the COVID-19 pandemic, this is much less of an issue.
- 1.7 The MKS partnership has developed since its creation and successfully administers services for both of the original Councils.

## Swale Borough Council (SBC)

- 1.8 The Revenues and Benefits Service within Swale Borough Council is traditional in nature. Whilst the main services are operated solely on behalf of the Borough Council, it already works in partnership with Mid Kent Services for the provision of Fraud investigation and the Enforcement for Council Tax and Non-Domestic Rating.

### Services currently administered within both Revenues and Benefits Services

- 1.9 The Revenues and Benefits service is one of the largest service provisions provided by any authority and consists primarily of the following areas of Local Taxation and Benefits:
- The administration, collection, and recovery of Council Tax.
  - The administration, collection, and recovery of National Non-Domestic Rates (Business rates).
  - The administration and assessment of Housing Benefit on behalf of the Department for Work and Pensions.
  - The administration and assessment of Council Tax Reduction; and
  - The collection of Housing Benefit overpayments.
- 1.10 In addition to the above, the services are responsible for undertaking customer enquiries either via the telephone, face to face or online albeit that there are differences in approach as outlined later within this business case.

### The original Business Case (2021)

- 1.11 The original business case was developed by officers during 2021 and four options were presented to all three Councils as follows:
- (a) **OPTION 1** - No change.
  - (b) **OPTION 2** - Market testing with a view to externalising the services.
  - (c) **OPTION 3** – Immediately combining the current MKS Revenues and Benefits Service with the existing SBC Revenues and Benefits service; or
  - (d) **OPTION 4**  
To provide an immediate shared management of both MKS and SBC until such time as a decision is made on the business case to combine the services:
    - (a) the implementation of a new simplified banded CTR scheme within SBC.
    - (b) the implementation of a common document imaging system across both services.
    - (c) the transfer of customer enquiries from SBC Revenues and Benefits staff to the corporate Customer Services team; and
    - (d) the adoption of common processes and procedures across both sites.
- 1.12 A decision was made to adopt **Option 4** and work has progressed since that time to prepare for the full combination of the services.

- 1.13 This new business case reviews the work already undertaken to prepare for the merge of the services and makes recommendations for future service delivery.

## **2. Option 4 - Progress**

- 2.1 The following section provides details of the work undertaken in relation to the original Option 4 and in particular gives an assessment of the progress to date.

### **To provide an immediate shared management of both MKS and SBC**

- 2.2 In line with the recommendation, the Revenues and Benefits Manager for SBC was appointed Revenues and Benefits Manager SBC/Interim Head of Revenues & Benefits – Mid Kent Services.
- 2.3 The appointment was effective from 4th January 2022 and effectively both services (SBC and MKS) are now under an interim single service lead.

### **The implementation of a new simplified banded CTR scheme within SBC**

- 2.4 A project was undertaken at the beginning of 2022 to replace the existing Council Tax Reduction scheme within Swale Borough Council with a modern, more efficient Income - banded scheme with effect from 1st April 2023.
- 2.5 After extensive work the new scheme was approved by full Council of SBC and was successfully implemented with effect from 1st April 2023. As with all schemes, there will be a period of adjustment for both staff and customers. However, the timely introduction of the scheme in line with the original business case means that the authority will not be disadvantaged by having to administer an 'old fashioned' means tested scheme that was based on the previous Council Tax Benefit approach.
- 2.6 The new scheme is less reactive, works effectively with Universal Credit and is easy to understand by both customers and staff.

### **The implementation of a common document imaging system across both services.**

- 2.7 In March 2022 the Swale Cabinet approved that the Swale Revenues and Benefits team would move to the Information@work document management system to align with Mid Kent services document system.
- 2.8 Since then, the Swale Business Support manager has been working with the two companies to ensure that the data that is transferred is compatible with the new document management system. This has taken time due to the differences in the two systems and the large amount of data that will be transferred.
- 2.9 The first samples of data have been transferred and testing is currently being carried out to ensure that the data is accurate. The Swale teams are being trained on using

the Information@work document management system. It is hoped that the system will be live by the end of 2023.

### The transfer of customer enquiries from SBC Revenues and Benefits staff to the corporate Customer Services

2.10 Over the last year a project team has been in place to manage the move of customer facing contact within the Revenues and Benefits team to the Swale Customer Service team. The project team has worked to ensure the appropriate number of staff members are moved to cover the 40,000 calls that are received annually. In July 2023 a consultation was carried out with the Swale Revenues and Benefits team. Training has been carried out and the new team moved over to the corporate Customer Services from 1 November 2023.

## 3. Key Statistics

Table 1 - statistics

Area	Mid Kent Services (MKS)	Swale (SBC)
<b>Council Tax</b>		
Number of Chargeable Dwellings	129,153	66,290
Telephone enquiries	52,130	30,790
Property Inspections	2,461	1,150
Reminders issued (2022/23)	35,442	13,441
Final Notices issued (2022/23)	14,823	646
Summonses issued (2022/23)	6,690	1,764
<b>Non-Domestic Rates</b>		
Number of Hereditaments	9,421	4,950
Telephone enquiries	2,390	*not recorded
Property Inspections	1,470	830
<b>Housing Benefit</b>		
Live claims	7,746	4,615
<b>Council Tax Reduction</b>		
Live Claims	15,188	9,734
<b>Housing Benefit &amp; CTR incoming work</b>		
New claims	5,550	2,395
Changes in circumstance	89,830	86,231
Public enquiries (HB/CTR)	*not recorded	834 (includes CT)
Telephone enquiries (HB/CTR)	14,357	9,497
<b>Incoming Documentation (all areas)</b>	<b>124,994</b>	<b>51,450 (excluding NDR)</b>

## 4. Current Key Performance Indicators

Table 2 – Key performance indicators (shown per Council)

Area	2022/23	2023/24 (October 2023)
<b>Council Tax (in year)</b>	%	%
Maidstone	96.76	63.89
Tunbridge Wells	97.50	65.27
Swale	95.30	64.48
National Average – Shire Districts	97.2%	
<b>Non-Domestic Rates (in year)</b>	%	%
Maidstone	97.65	67.15
Tunbridge Wells	98.22	66.50
Swale	98.18	65.62
National Average – Shire Districts	97.5%	
<b>Housing Benefit &amp; CTR (New Claims) *</b>	<b>No. of days to process (2022/23)</b>	<b>2023/24 (October 2023)</b>
Maidstone	16.71	13.91
Tunbridge Wells	17.16	14.88
Swale	19.55	16.41
National Average – All (Quarter 4 2022/23)	19.33	
<b>Housing Benefit &amp; CTR (Changes in Circumstance) *</b>	<b>No. of days to process</b>	<b>2023/24 (October 2023)</b>
Maidstone	2.51	4.08
Tunbridge Wells	2.59	3.36
Swale	8.81	7.86
National Average – All (Quarter 4 2022/23)	3.66	

\* It should be noted that the performance figures shown for SBC for 2022/23 are **before** the change to the new income-banded Council Tax Reduction scheme which came into effect from 1st April 2023. The figures for 2023/24 include the automation that has been brought in at SBC in line with MKS, these figures should improve further once the change of staff to the Swale customer services team has bedded in.

- 4.1 In addition to the statistics previously reported in the last business case, the following additional Housing Benefit statistics are shown to reflect the relative complexity of the Housing Benefit caseload between each of the authorities.
- 4.2 Broadly all new working age applicants for Housing Benefit are now directed to DWP Universal Credit and the only new claims received are from the following persons:
- applicants who are either single and of pension age, or where both members of a couple are of pension age
  - working age applicants who reside in specified accommodation (where care support or supervision are provided); and
  - working age applicants who are homeless and where the authority has a duty to provide temporary accommodation.

4.3 It will be appreciated that in the case of (b) and (c), the complexity of the claims requires significant additional work in order to determine both the circumstances, the eligibility of the applicant and any entitlement. These claims take considerably more time to process than an average claim and therefore the Housing Benefit processing statistics will need to be considered taking this information into account.

**Table 3 - Additional Housing Benefit and Council Tax Reduction caseload details**

Caseloads October 2023	Mid Kent Services (MKS)	Swale (SBC)
<b>Housing Benefit Caseload</b>	<b>7,746</b>	<b>4,615</b>
Pensioners	3,644	2,253
Working Age (legacy)	4,102	2,362
Specified Accommodation (Exempt, Managed, Refuges etc)	780	217
Temporary Accommodation	301	367
<b>Council Tax Reduction Caseload</b>	<b>15,188</b>	<b>9,734</b>
Working Age	10,179	6,095
Pensioners	5,009	3,639

## 5. Staffing Structures

5.1 The services (MKS and SBC) currently have the following staffing structures:

**Table 4 – Current staffing structures**

	MKS current	Swale current	Total
<b>Head of Revenues &amp; Benefits</b>	1	1	2
<b>Benefits Manager</b>	1	1	2
Benefits Team Leader/supervisor	2	0.73	2.73
Benefits Senior Officer	1	0	1
Benefit Officers	12.54	10.08	22.62
Benefits Ass / Pre-assess	1	3	4
<b>Revenues Manager</b>	1	1	2
Council Tax Team Leader/supervisor	2	1	3
Council Tax Senior Officer	1	0	1
Council Tax Officers	10.27	10.12	20.39
Council Tax Assistants	2	0	2
NDR Team Leader	1	0	1
NDR Senior Officer	0	1	1
NDR Officers	2	0	2
Senior Property Inspector	1	0	1

Property Inspectors	1	1	2
Systems and Support Manager	1	1	2
Systems Officer		0.6	0.6
Support Team Leader	0	1	1
Appeals/DHP/EHP/Subsidy	2.92	1	3.92
Overpayments Officers	1	1.3	2.3
Financial Inclusion Officer	1	0	1
Project Officer	1	0	1
Business Support Officer	1	0	1
<b>Total</b>	<b>47.73</b>	<b>34.83</b>	<b>82.56</b>

- 5.2 In both services (MKS & SBC), administration of services is undertaken either:
- Internally by employed staff
  - externally by a company / on demand service etc; or
  - by agency staff - not directly employed by the services / authority.

5.3 This breakdown in service provision is shown for comparison in Table 5 below:

**Table 5 - Provision of administration**

	<b>Customer Services (for R&amp;B areas)</b>	<b>Mail / Scanning / Post administration</b>	<b>Council Tax Billing</b>	<b>Council Tax Recovery</b>	<b>NDR Billing</b>	<b>NDR Recovery</b>	<b>Enforcement (agents)</b>
<b>MKS</b>	Carried out in house within the Maidstone Customer services team and the Tunbridge Wells Contact Centre	Carried out by Maidstone Print Room	In house	In house	In house	In house	In house MKS & External
<b>SBC</b>	Previously within Swale Revs and Bens moved to Swale Customer services from 1 November 2023	Carried out currently by Swale Revs and Bens admin roles and the Swale print room	In house	In house	In house	In house	In house MKS & External

	<b>Property Inspections</b>	<b>Benefits / CTR administration</b>	<b>Benefit overpayment recovery</b>	<b>IT Support (user side)</b>	<b>Subsidy/Forms / Govt Returns/ statistics etc</b>	<b>Fraud investigation</b>	<b>Financial Reconciliations</b>
<b>MKS</b>	In house	In house	In house	In house	In house	In house	Maidstone - in house Tunbridge Wells - within TW Finance team
<b>SBC</b>	In house	In house	In house	In house	In house	In house	Finance Team

- 5.4 The above information needs to be taken into account when determining both the base line costs of each service and also for productivity comparison purposes.

## **6. Existing Partnership arrangements affecting the Revenues and Benefits Services**

- 6.1 Currently both MKS and SBC already have partnership arrangements in place to provide the following elements of the Revenues and Benefits service:

### **Joint Senior Management**

- 6.2 As outlined previously, the Interim Head of Service is responsible for both MKS and SBC Revenues and Benefits Services and reports directly to SBC and as Interim Head of Service to the Director of Mid Kent Services.

### **Mid Kent Enforcement Service**

- 6.3 The partnership provides enforcement services to Maidstone Borough Council, Swale Borough Council and Tunbridge Wells Borough Council. This area of the partnership is responsible for enforcement of debts in respect of outstanding Council Tax and Non-Domestic Rates for all three authorities. The service is also responsible for enforcement in other areas such as parking.

### **Mid Kent Fraud and Compliance**

- 6.4 The partnership (which is partly funded by Kent County Council) is responsible for fraud and compliance work. It was created in 2016 when the responsibility for the investigation of Housing Benefit moved to the Department for Work and Pensions. The partnership currently undertakes work in the following areas:
- New Homes Bonus
  - Implementation of penalties through non-compliance by taxpayers
  - Review and compliance of small business rates relief
  - Single Person Discount compliance; and
  - Verifying whether premises should be subject to Business Rates or Council Tax.

## **7. IT provision**

- 7.1 IT Support for all three Councils is provided by Mid Kent ICT Services. This was created in April 2013 from the former ICT teams at Maidstone, Swale and Tunbridge Wells Borough Councils. It inherited the equipment and systems from the component local authorities and took on responsibility for on-going, maintenance, security, and hardware refreshes. It also provides and supports the core business systems for the three councils and a number of shared services.
- 7.2 Core software systems are at the heart of all Revenues and Benefits Services and both MKS and SBC extensively use the Capita Academy Software Systems for:

- Council Tax
- Non-Domestic Rating
- Housing Benefit; and
- Council Tax Reduction.

- 7.3 All of the above have been procured from the supplier jointly by MKS and SBC and are currently operated and maintained under a single contract agreement.
- 7.4 As outlined within Section 2, as part of the adopted **Option 4** it was agreed that MKS and SBC would move to process all documentation using the Northgate Information@Work system.
- 7.5 This project has been commenced and both services will be using a single supplier for document imaging and processing by the end of 2023. Clearly any efficiencies will only take effect when both services are fully merged. However, it will provide ongoing savings when compared with running dual systems.

## 8. Customer service provision

- 8.1 Customer access to the services is vital so that taxpayers, ratepayers and applicants for Housing Benefit and Council Tax Reduction can make enquiries and provide any necessary information to the Councils.
- 8.2 Whilst both services receive a high level of enquiries per annum (see Table 1), the majority of contact with the customers is via telephone. The number of actual personal visits to Council offices is reducing year on year and not surprisingly electronic / online contact is becoming the preferred method of providing information to all of the Councils. The COVID-19 crisis in 2020 and 2021 accelerated the need for remote customer access.
- 8.3 Prior to the last Business Case and the decision to adopt OPTION 4, the provision of telephone and public enquiries for both MKS and SBC services was different. In the case of MKS, customer access is dealt with corporately by Customer Services staff who do not form part of the Revenues and Benefits Service. A recharge is made for that service.
- 8.4 In the case of SBC, all public enquiries relating to Council Tax, Non-Domestic Rating and Benefits were undertaken by staff from within the Revenues and Benefits service.
- 8.5 The project to transfer all public enquiries from the SBC Revenues and Benefits service to the corporate customer services provision was completed at the end of October 2023. The transfer of calls to the Customer Services team commenced from 1<sup>st</sup> November 2023. Continued monitoring and management of this transfer will be in place until the team has bedded in.

## 9. Issues for the current services

- 9.1 Both services (MKS and SBC) are facing a number of issues which will need to be taken into account irrespective of any suggested change in delivery approach. These are as follows:

### Mid Kent (MKS)

- 9.2 Since 2011 a significant amount of time has been taken to ensure that processes align within Maidstone and Tunbridge Wells.
- 9.3 Staff are all on Maidstone contracts and all staff work on both Maidstone and Tunbridge Wells work. The IT systems are combined so there is no changing between systems when working on a case from either authority.
- 9.4 A number of staff have been employed through agencies and on fixed term contracts. It is expected that these contracts will be ended under the new structure proposed if Swale joins the partnership. It should be noted that, if the shared service to include Swale does not go ahead, at least two permanent posts may need to be added to the Mid Kent Revenues and Benefits team structure within 5 years.

### Swale

- 9.5 Since April 2022 time has been spent on changing the Council Tax Reduction scheme to an income-banded scheme, changing the document management system, and moving the phone calls from the Revenues and Benefits service to Customer Services.
- 9.6 The new income- banded scheme commenced in April 2023 and time was then spent on bringing in the automation, this went live in August 2023. The statistics for the Swale Housing Benefit team have shown significant improvement and are expected to improve further before the end of the financial year.
- 9.7 It should be noted that there is also a difference in the management of Government grant schemes between the three authorities. In 2022 and 2023 the energy rebate schemes were managed within the MKS Fraud and Compliance team for Maidstone. Tunbridge Wells managed the scheme themselves with help from the Mid Kent Fraud and Compliance team. In Swale the 2022 Energy Rebate scheme was managed within the Council Tax team which meant no recovery action was carried out until September 2022. This is the reason why there is a significantly lower number of recovery documents issued.

## 10. Productivity comparison

- 10.1 Through the creation of the original and this revised business case, it has been identified that productivity of staff will be key irrespective of the option chosen.

Revenues and Benefits service areas are highly decision based rather than transactional, and as such the measurement of productivity can, in some circumstances be subjective.

- 10.2 For the purposes of this revised business case, a comparison has been made of staff numbers in relation to caseloads generally. This is not the most ideal method of comparison, but the only fair method given that each service works differently and records incoming work and documentation in significantly different ways. This approach is currently used for budgeting purposes within the MKS authorities.

**Table 6 Productivity comparison – Staffing vs Caseload**

**MKS**

Area	Caseload	Staff	Ratio
Housing Benefit	7,746	13.5	574
CTR	15,273	13.5	1,131
Council Tax	129,153	15	8,610
Business Rates	9,421	2	4,710

**SBC**

Area	Caseload	Staff	Ratio
Housing Benefit	4,615	9	513
CTR	9,734	9	1,082
Council Tax	66,290	8	8,286
Business Rates	4,950	1	4950

Comparison	MKS	SBC	Difference (MKS /SBC)
Housing Benefit	574	513	60 (MKS)
CTR	878	811	49 (MKS)
Council Tax	8,610	8,286	324 (MKS)
Business Rates	4,710	4950	240 (SBC)

- 10.3 From the above there are some productivity differences which are minor in nature and have no overall effect on the business case. The following should be noted:
- (a) Housing Benefit
    - (i) MKS has remained relatively static; and
    - (ii) SBC has increased since the last business case (403 to 513)
  - (b) Council Tax Reduction
    - (i) MKS has remained relatively static; and
    - (ii) SBC has increased slightly since the last business case due partly to the introduction of the new income banded CTR scheme (729 to 811)
  - (c) Council Tax
    - (i) MKS has increased since the last business case (7,310 to 8,610); and
    - (ii) SBC has increased significantly (21%) since the last business case (6,832 to 8,286)

(d) Non Domestic Rating

- (i) The MKS and SBC productivity is similar. There is effectively one officer per authority. MKS has a team leader who also manages the Business Improvement Districts for each authority; and
- (ii) The resilience of business rates would be improved by Swale joining the partnership, as it is such a small team.

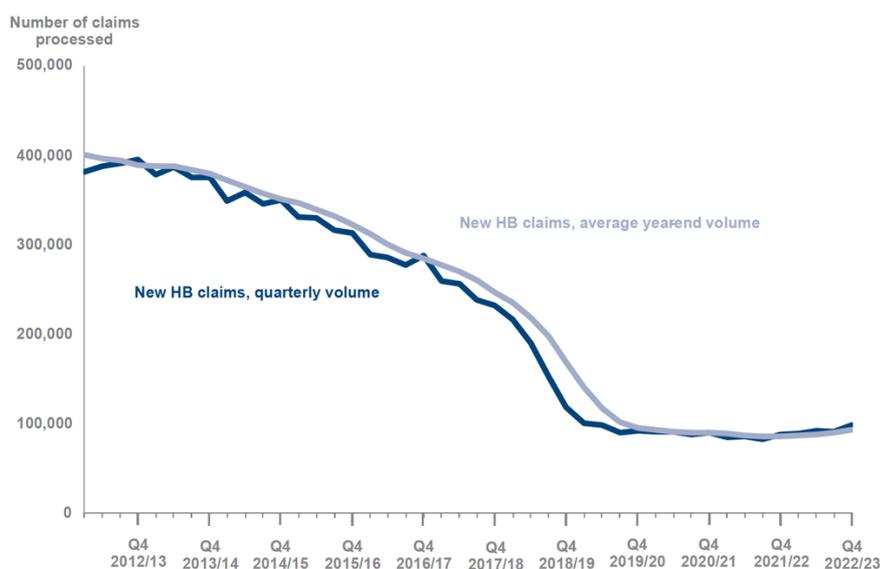
## 11. Future changes affecting any decisions.

11.1 The services covered within Revenues and Benefits are fast moving and subject to constant change both at a national and local level. Since 2013, the provision of all of the above services has changed significantly (and continues) to change. When considering any option for future service provision, it is important therefore that the business case takes into account changes in the administration of Housing Benefit, Council Tax, Council Tax Reduction and Non-Domestic Rating. The following paragraphs outline the known changes to each part of the service.

### Housing Benefit – new claims

11.2 Housing Benefit for working age applicants has, since 2013 been slowly replaced by Universal Credit which is administered by the Department for Work and Pensions. The number of new Housing Benefit claims nationally has reduced significantly (from 400k claims per year in 2013 to a current level of 99K).

**Diagram 1 – HB New Claims volume**



11.3 This has been reflected in the reduction in number of new claims received by all of the Councils’ services over that period. However, the level is not expected to reduce

further as Housing Benefit will continue to be claimed by pension age applicants, those applicants that live in specified (supported accommodation) and homeless applicants.

11.4 Diagram 1 above clearly shows that the workload of authorities in respect of new Housing Benefit claims has plateaued and in fact is slightly increasing, and this will need to be considered in the design of any new service provision.

11.5 The caseload of each of the services is shown in Table 1 (Live Claims).

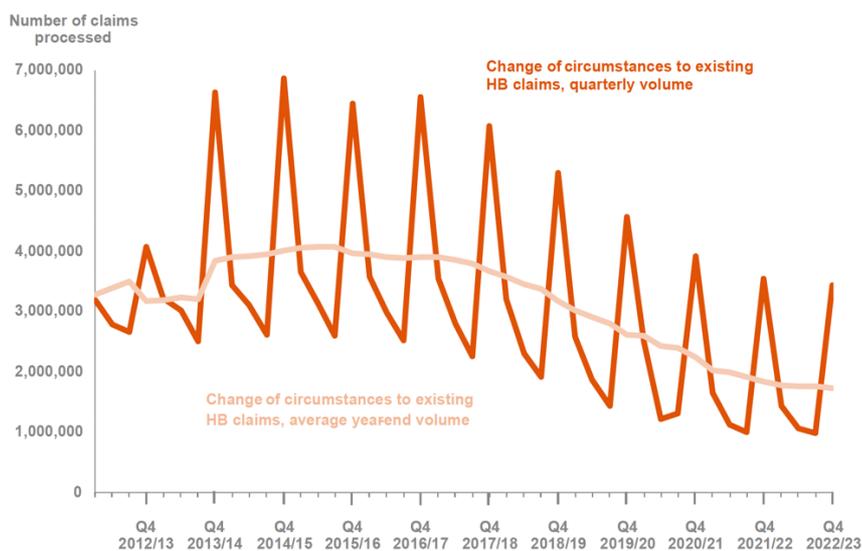
**Housing Benefit – changes in circumstances**

11.6 It should be noted that the volume of changes in circumstances affecting claims has however only reduced by 40% since 2013 despite the greater reduction in new claims.

11.7 Diagram 2 shows that the overall level of changes nationally. The reason for this is that the methods of identifying changes in circumstances have become more sophisticated over time with proportionally more changes per application being identified automatically by extensive data matching, and direct notification of changes by the DWP and HMRC.

11.8 It is expected that the current level of changes for Housing Benefit received by both MKS, and SBC will not fall below the current level and, with the introduction of further initiatives by the DWP such as the extension of the Housing Benefit Accuracy Award Initiative (HBAA) the number of changes in circumstance are likely to increase.

**Diagram 2 – HB Changes in Circumstances volumes**



11.9 At the present time 97% of all working within Housing Benefits relates to changes in circumstances.

## **Housing Benefit - introduction of the Supported Housing (Regulatory Oversight) Act 2023**

- 11.10 The introduction of the Supported Housing (Regulatory Oversight) Act 2023 will significantly change the approach and administration of Exempt Accommodation cases.
- 11.11 Government, in passing this legislation to place a new duty on Councils to:
- require local authorities in England to review supported housing in their areas and develop strategies in order to ensure that the accommodation is fit for purpose and that the costs (which are in the main met by Housing Benefit) are controlled;
  - give the Secretary of State power to introduce national support standards which will need to be taken into account when determining benefit
  - give local authorities power to create local licensing schemes for exempt accommodation; and
  - give the Secretary of State an option to introduce a new planning Use-Class for exempt accommodation.
- 11.12 Claims for Housing Benefit in exempt accommodation are complex at best and require specialist staff knowledge. The implementation of the new legislation will require staff to work closely with other departments including the County Council. The new duties will place additional delays on the processing of such benefit claims which, given the relatively small number of total new claims received will affect overall performance and place additional burdens on staff.

## **Housing Benefit - DWP future initiatives**

- 11.13 With the current Housing Benefit Accuracy Award (HBAA) coming to an end, the DWP is expected to require each authority to undertake additional full case reviews (FCR). This will add to the overall workload of any Benefit service.

## **Council Tax**

- 11.14 The administration of Council Tax has remained relatively stable over a number of years and, whilst there is always discussion at Government level as to its suitability as a modern tax, there are no plans known to date to undertake a fundamental review.
- 11.15 The main changes over the next three to five years will be as follows:
- the introduction of 100% empty homes premiums from a one-year period (current two years) - effective from 1st April 2024 (subject to Council agreement)
  - the introduction of 100% second homes premium - effective from 1st April 2025 (subject to Council approval)
  - the introduction of the Enforcement Conduct Board to set good practice and oversee complaints against enforcement agents; and
  - potential changes to the processes allowed for the recovery of the tax including the move to more supportive measures and the tailoring of actions to individual taxpayer's circumstances.

11.16 A key priority for any Revenues and Benefits Services (including MKS and SBC) will continue to be both the expansion of the tax base, collection of the tax as well as compliance to ensure that any discounts, exemptions, reliefs, and reductions are only awarded when the correct circumstances exist.

### **Non-Domestic Rating**

11.17 Business rates have continued to be a major source of income for authorities through the Business Rates Retention system (introduced in 2013). However, since the COVID-19 crisis, the pressures of businesses generally have been considerable leading to Government providing a high level of reliefs. Currently over 60% of businesses pay either no rates or have a significantly reduced bill to pay.

11.18 Government is currently introducing a number of new initiatives through the new Non Domestic Rating Act including:

- the introduction of three yearly revaluations
- greater duties to be placed on ratepayers to provide information to the Valuation Office Agency (VOA)
- the introduction of new reliefs (in addition to the extensive number of reliefs) such as improvement relief and a revised transitional relief scheme
- the full revision of discretionary rate relief (which will require all authorities to reconsider the granting of discretionary relief)
- changing the basis of completion notices; and
- the introduction of anti-avoidance legislation to assist Councils in maximising the rate base.

11.19 It will be essential for both services to have sufficient resource to undertake all of the changes.

11.20 To ensure that performance targets continue to be met with reducing staffing numbers, further automation will be considered in all teams. This will be balanced against the support that is needed for vulnerable customers.

### **New initiatives including Emergency Grants and Cost of Living support.**

11.21 Both MKS and SBC Revenues and Benefits Services allocated significant resource during 2020 and 2021 to COVID-19 related schemes such as business grants and Test and Trace self-isolation payments. The trend for Central Government to use Local Government to deliver assistance has continued in 2022 and 2023 with cost-of-living payments, household support fund and Council Tax Hardship / Support funds.

11.22 The Revenues and Benefits Service is now seen as a 'first responder' in any crisis. It will therefore be necessary to consider this when determining any future service provision.

## 12. Options for change

12.1 The purpose of this revised business case is to consider the future service provision for the MKS and SBC Revenues and Benefits services. Whilst there are a number of potential options, realistically there are three viable approaches:

**OPTION 1** - No change, namely, to continue with separate services

- (a) with separate management; **or**
- (b) with shared management (as at present)

**OPTION 2** - Market testing with a view to externalising the service

**OPTION 3** – Combining the current MKS Revenues and Benefits Service with the existing SBC Revenues and Benefits Service into a single operation.

12.2 The following sections explain each of the options and provides:

- an explanation and summary of each option
- the potential advantages and disadvantages of each option; and
- the likely identifiable risks.

### **OPTION 1 - No change**

12.3 Notwithstanding the recommendations from the previous business case, an option available to both MKS and SBC would be to leave both services in place as they are today.

12.4 The ‘as is’ option leaves the existing Revenues and Benefits services in place with MKS continuing to administer the services for Maidstone and Tunbridge Wells and SBC continuing to administer its own Revenues and Benefits Services.

12.5 This approach could be adopted with either a separate or shared management provision although the former would clearly add costs to both services.

### **OPTION 2 - Market testing with a view to externalising the service.**

12.6 An alternative to combining the MKS with SBC Revenues and Benefits Services could be to outsource either or both services to the private sector or to engage with another local authority (or local authority partnership).

### **OPTION 3 – Combining the current MKS Revenues and Benefits Service with the existing Swale Revenues and Benefits service.**

12.7 This option continues the approach recommended in the previous business case by aligning and subsequently combining the Revenues and Benefits partnership operated by MKS with SBC Revenues and Benefits service.

12.8 This option would be in line with OPTION 3 of the previous business case.

12.9 Combination of services would be in line with the approach already operated in other areas of the MKIP where all three Councils are involved.

## High Level assessment of each option.

12.10 Building on the above, a 'high level' assessment of each of the option's ability to deliver all three Council's requirements is as follows:

**Table 7 - Options analysis**

	<b>OPTION 1 - No change</b>	<b>OPTION 2 - Market testing with a view to externalising the service</b>	<b>OPTION 3 Combination of the current MKS Revenues and Benefits Service with the existing SBC Revenues and Benefits service</b>
<b>General description / comments</b>	<p>This option would leave the current services 'as is'.</p> <p>For the purposes of this revised business case, we have assumed that all other service elements (such as the current Fraud and Enforcement partnerships) would remain in place. Likewise, the provision of IT.</p> <p>The approach could either continue with a shared management function or have separate management teams. In the case of the latter this would reverse the recommendation made in the previous business case and incur additional costs to both services.</p>	<p>Externalisation of Revenues and Benefits Services has been popular especially during the 1990s.</p> <p>Large public sector companies have been involved in the externalisation of a number of services both small and large.</p> <p>Over the last 10 years, the number of outsourced services has reduced significantly due to either large private sector companies withdrawing from the marketplace or local authorities deciding that an 'in house' or LA partnership provision is the preferred approach.</p> <p>Locally all externalised Revenues and Benefits services have been returned to local authority control. An example would be the East Kent Partnership which had been externalised to CIVICA. This has now reverted to local authority control due to the general reluctance of the contractor to continue with the service and the relatively high cost due to the changing nature of the services.</p>	<p>This option would allow for both MKS and SBC Revenues and Benefits Services to combine into a single unit delivering a complete service for all three Councils.</p> <p>This would be in line with the recommendation (OPTION 3) of the previous business case.</p>
<b>Political acceptance</b>	<p>The 'as is' option could be accepted by all participating Councils given that it would</p>	<p>Market testing and particularly the outsourcing of the service to an external provider is often contentious.</p>	<p>There is a history of effective partnership working with the existing MKS Revenues and Benefits Service having a history of strong performance.</p>

42

	<b>OPTION 1 - No change</b>	<b>OPTION 2 - Market testing with a view to externalising the service</b>	<b>OPTION 3 Combination of the current MKS Revenues and Benefits Service with the existing SBC Revenues and Benefits service</b>
<b>Note: Partners retain political control under all options as sovereign Councils.</b>	leave the current service provision under current political control.	<p>This becomes more prevalent if service delivery is moved from each of the Councils' areas to central processing sites elsewhere.</p> <p>The political acceptance of this approach would be questioned given the view of external providers to wind down existing contracts.</p>	The work undertaken by SBC to align its operational approach and the adoption of common operating systems facilitates a straightforward move to a combined service.
<b>Effect on Service Provision</b>	<p><b>MKS</b> Mid Kent Services, being larger in scope has greater ability to adapt to the new demands placed on the service, however, there would be difficulty in generating any additional cost savings due to economies of scale.</p> <p><b>SBC</b> It is recognised that there would be difficulty in achieving any economies of scale.</p>	<p><b>MKS &amp; SBC</b> Any move to fully externalise the services would place a significant risk on the delivery of the services.</p> <p>In the case of SBC, the externalisation of the service would inevitably mean that large parts, if not all the service would be relocated to other pre-established service delivery sites around the country.</p>	<p><b>MKS &amp; SBC</b> Given the already close working relationship of the two services, combined with the fact that partnership working already exists in a number of areas such as IT, enforcement and fraud, the risk to service provision is reduced.</p> <p>The approach has been significantly <b>de-risked</b> with the alignment undertaken by SBC and the appointment of an Interim shared Head of Service.</p>
<b>Savings / Value for Money</b>	<p><b>MKS &amp; SBC</b> In both cases, the ability to generate further savings for their respective Councils is limited.</p> <p>This is particularly relevant in the case of SBC given its size.</p>	<p><b>MKS &amp; SBC</b> Externalisation may initially deliver some savings.</p> <p>Externalisation can be an advantage where there is a need for significant investment due to out of date IT or the need to obtain / refurbish new buildings.</p> <p>This is not the case with either MKS or SBC.</p>	<p>The combination of both sets of services could result in savings primarily due to the reduction in management and staffing costs.</p> <p>Some additional savings will also be obtained through the ability of a larger service to negotiate reduced prices with suppliers.</p> <p>The option maximises the opportunity to benefit from economies of scale and benefits from an existing track</p>

	<b>OPTION 1 - No change</b>	<b>OPTION 2 - Market testing with a view to externalising the service</b>	<b>OPTION 3 Combination of the current MKS Revenues and Benefits Service with the existing SBC Revenues and Benefits service</b>
	Both Revenues and Benefits services have, to date, delivered savings for their respective authorities.	<p>Experience has also shown that in a service environment such as Revenues and Benefits, where there are significant legislative changes, having a fixed long-term contract is restrictive.</p> <p>In these cases, any initial savings achieved are reduced by the need to amend contracts and change the service to meet any new requirements.</p>	record of working together and delivering savings from sharing.
<b>Collaboration Agreement</b>	Not applicable.	Not applicable.	The creation of an acceptable collaboration agreement is key for this option. Significant focus will be placed on the share of savings, particularly in the short term with the majority being achieved by a reduction in staff.

44

	<b>OPTION 1 - No change</b>	<b>OPTION 2 - Market testing with a view to externalising the service</b>	<b>OPTION 3 Combination of the current MKS Revenues and Benefits Service with the existing SBC Revenues and Benefits service</b>
<b>Performance and quality of service provision</b>	<p><b>MKS &amp; SBC</b> Both MKS and SBC deliver high quality services.</p> <p>Both services have recovered well from the COVID-19 crisis and have maintained performance despite new duties being placed on the services by Central Government to address the cost-of-living crisis.</p> <p><b>SBC</b> The service has improved its performance whilst at the same time undertaking significant projects (as outlined earlier) in order to align the service with the MKS approach.</p>	<p>There is no evidence that the externalisation of either service would improve performance or quality of the service.</p> <p>The move to a fully externalised service would inevitably result in a reduction in performance and quality in the short and medium term.</p>	<p>The combination of these two services should not result in any reduction in performance or service quality in the mid to long term.</p> <p>When combined, the increased service size will allow for sufficient resource to be allocated to projects as well as performance and quality initiatives.</p>
<b>Productivity</b>	<p><b>MKS &amp; SBC</b> In general, there should always be a move to increase productivity.</p> <p><b>SBC</b> Now that all proposed changes to the service provision have been made (the introduction of a new Council Tax Reduction Scheme; the move to new document management software and public enquiries being undertaken corporately), there will be a need for a</p>	<p>The productivity of staff under this option would be the responsibility of an external provider.</p> <p>Should this option be chosen, it will be essential for the sovereign Councils to ensure that all outputs are met in line with any contractual agreement.</p>	<p>It will be essential to ensure that the combination of all the service does not result in a reduction in productivity across the board albeit that the risks have been minimised through the alignment process.</p>

	<b>OPTION 1 - No change</b>	<b>OPTION 2 - Market testing with a view to externalising the service</b>	<b>OPTION 3 Combination of the current MKS Revenues and Benefits Service with the existing SBC Revenues and Benefits service</b>
	period of consolidation and gradual improvement in productivity.		
49 <b>Resilience</b>	<p><b>MKS</b> In the case of MKS, the size of the service provision does allow for significant resilience although (as with SBC) the age profile of key members of staff are such that the service will, in the next few years, face challenges in respect of staff leaving and the need to recruit.</p> <p><b>SBC</b> It has been identified that the age profile of key members of staff are such that the service will, in the next few years, face challenges in respect of staff leaving and the need to recruit.</p>	<p>Externalisation of any of the services could potentially increase resilience.</p> <p>This is largely dependent on the supplier selected but the general lack of suitable Revenues and Benefits staff affects both public and private providers.</p>	<p>A major advantage of this option is that the combined service will provide resilience to change.</p> <p>The new service would be of the size of a large unitary or metropolitan authority.</p> <p>Sharing technology and staff resources across partner Councils will maximise the potential to increase resilience.</p>

	<b>OPTION 1 - No change</b>	<b>OPTION 2 - Market testing with a view to externalising the service</b>	<b>OPTION 3 Combination of the current MKS Revenues and Benefits Service with the existing SBC Revenues and Benefits service</b>
	The loss of experience will inevitably lead to reduce ability of the service to continue to provide the level of service required by the Council.		
<b>Ability to deliver change / Future Proofing</b>	<p><b>MKS</b> The large size of the service does allow it to, not only have sufficient resource for day-to-day service provision, but also gives some level of flexibility and the ability to deliver change.</p> <p><b>SBC</b> Whilst the service is currently able to successfully deliver day to day requirements, fundamental changes to the nature of the services will place significant strain on the ability of the service to both deliver change as well as maintain performance.</p>	<p>Externalisation to large providers will provide economies of scale and also allow for sufficient available resource to enable change.</p> <p>A key issue however is that, where there are nationwide changes or changes in legislation, providers can struggle to make changes or, as importantly, require changes in contract terms / price to allow for those changes to be made.</p>	Combined with increased resilience, the option would allow significant future proofing for all three authorities.
<b>Business Complexity</b>	<p><b>MKS and SBC</b> This option is not complex.</p> <p>The existing services would remain in place and remaining 'as is' would be considered a straightforward option.</p>	<p>Externalisation of the services would be complex.</p> <p>Existing business support and back-office functions would change and there would be a requirement for Councils to establish a client function to oversee any contracted service provision.</p>	Given that both services already share key back-office services and use common IT, further sharing will simplify the overall operating model and fully integrate with the Mid Kent Services ethos.

47

	<b>OPTION 1 - No change</b>	<b>OPTION 2 - Market testing with a view to externalising the service</b>	<b>OPTION 3 Combination of the current MKS Revenues and Benefits Service with the existing SBC Revenues and Benefits service</b>	
<b>Effect on other services</b>	No effect generally. However, any reduction in collection performance will result in pressure on the collection funds of the authorities.	<p>Externalisation of the Revenues and Benefits Service would have a significant effect on both support services provided to the current services as well having a detrimental effect on partnerships that are already in place.</p> <p>Any external partner would want to provide their own HR, Legal, IT and enforcement services.</p> <p>All of the Councils would be required to provide a client function to oversee any contract.</p>	The effect on other services will be minimal given the level of partnership working already in place.	
<b>Overall risk of OPTION</b>	<b>MEDIUM</b>	<b>HIGH</b>	<b>LOW</b>	<b>MEDIUM</b>

## 13. RECOMMENDED APPROACH

- 13.1 There is significant merit in adopting **OPTION 3** which basically allows for the combination of Mid Kent Revenues and Benefits Services with Swale Revenues and Benefits Services. It is a progression from the previous business case. Clearly the timing of the merge would need to be agreed and the combination undertaken in such a way as to minimise the effect on both services.
- 13.2 The option is **low /medium risk** provided that the overall performance of the combined service is at least at the level currently being achieved by MKS. Likewise, the risk is low provided all of the partner authorities understand that the year 1 implementation costs mean that significant savings will only be achieved after the initial implementation period of 12 months.
- 13.3 Should no agreement be reached; the option would not be viable at all. Likewise, should the performance of the larger combined service fall, the option becomes a medium-high risk for the existing MKS authorities.
- 13.4 Notwithstanding the above, the eventual combined service will achieve significant financial savings whilst at the same time providing increased resilience.
- 13.5 The option should be considered as a 'natural fit' with the other services that are already shared between Maidstone, Swale and Tunbridge Wells. It will provide significant additional resilience to both Revenues and Benefits Services and enable the combined service to be future proofed and able to deal with any of the proposed legislative changes.
- 13.6 The key benefits that will be achieved through the full combination of the services will be:
- **Financial Benefits** – after the initial implementation period of 12 months, annual staff savings across the three authorities
  - **Increased Resilience** – a larger pool of staff which is able to manage the peaks and troughs in service demand and provide cover for specialist roles that are currently vulnerable areas within the service
  - **Service Improvement** – including the ability to share the cost and skills needed to drive out further savings in areas such as channel migration, staff training and procurement of services
  - **Value for money** – the ability to demonstrate that the services are high in quality and performance but with the ability to deliver maximum economies of scale; and
  - **Potential expansion** – either through the inclusion of other services within the larger partnership or by enabling services to be provided to other authorities remotely.

## Implementation

13.7 A proposed implementation plan / timescale has been included within Section 17 of the business case. The approach is to have three distinct stages:

- Stage 1 – Initial Implementation
- Stage 2 – Combining the services; and
- Stage 3 – Full implementation and normal running.

13.8 An outline of each proposed stage is detailed below.

### Stage 1 Initial Implementation

13.9 This initial stage will consist of the creation of an implementation team led by the Head of Revenues Benefits Service who will be assimilated from the current interim role. The implementation team will be supported by external support, legal and HR. The Head of Revenues and Benefits will be responsible for the delivery of the combined MKS and SBC services and lead the project team, with support through the initial stages of the merger.

13.10 The eventual combination of the services allows for the amalgamation of the two services, but also provides an excellent opportunity to relook at the service in future years when the majority of the working age caseload will move to Universal Credit.

### Stage 2 Combining the Services

13.11 Stage 2 (the bulk of the work) will largely be the combining of the two services into a single operating unit. During this stage, staff will be recruited into the new staffing structure, managers and team leaders will undertake their new responsibilities and will continue the alignment of processes and procedures across the whole of the service taking best practices into account at all times.

13.12 This stage will also be key in the training and re-training of staff to enable maximum flexibility and to enable all post holders to undertake existing and new duties.

### Stage 3 Full merge

13.13 The full combination of both services is projected to be approximately 18 months after final agreement. This is achievable due to the already close working relationship of the two services (MKS and SBC) and the preparatory work completed by SBC.

13.14 Once integrated, there will be a planned reduction in staffing complement over a further 4-year period to achieve the desired levels.

### Changes to the staffing requirement and the alignment of services

13.15 Both services are similar in structure, so combining them will mean there will be significant areas of duplication, this gives an opportunity to reduce the number of officers doing the same job, which will allow for staff savings to accrue.

13.16 The following table shows the current total staffing contingent based on post levels:

**Table 8 – Total Staffing FTE (both services)**

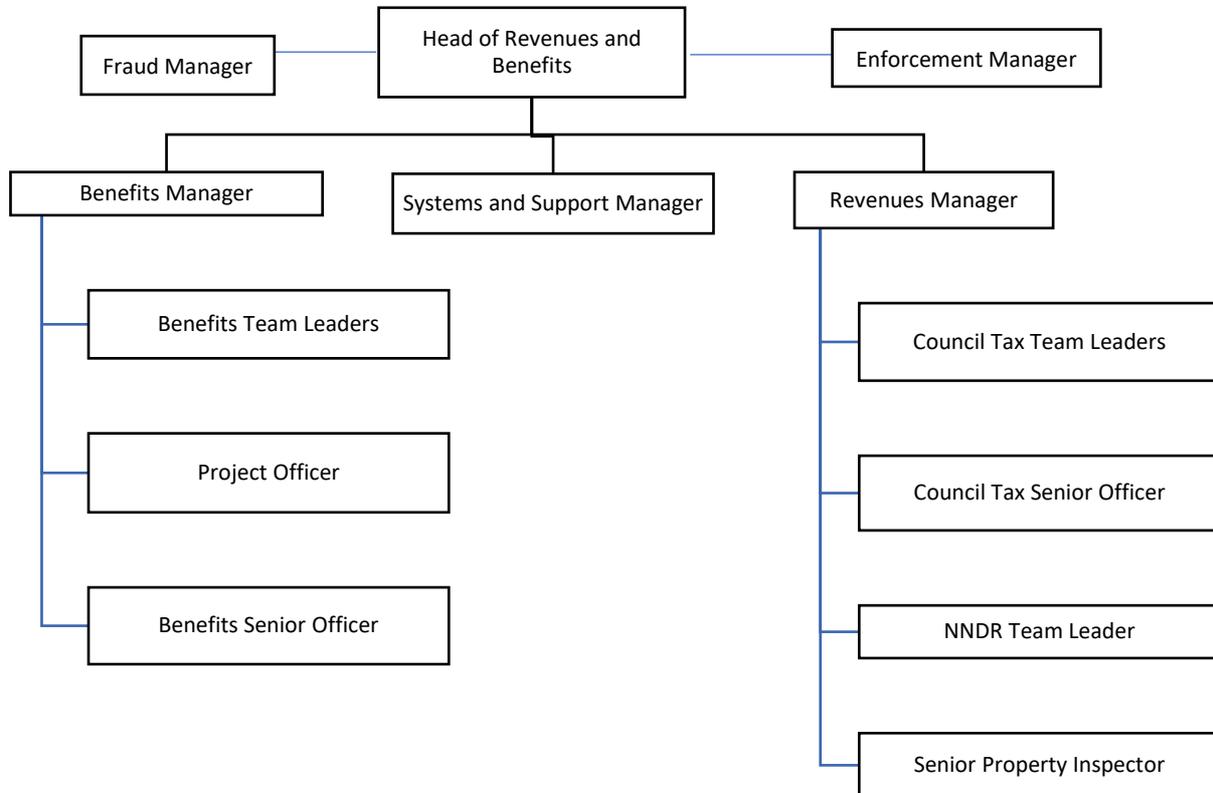
	MKS current	Swale current	Total
<b>Head of Revenues &amp; Benefits</b>	1	1	2
<b>Benefits Manager</b>	1	1	2
Benefits Team Leader/supervisor	2	0.73	2.73
Benefits Senior Officer	1	0	1
Benefit Officers	12.54	10.08	22.62
Benefits Ass / Pre-assess	1	3	4
<b>Revenues Manager</b>	1	1	2
Council Tax Team Leader/supervisor	2	1	3
Council Tax Senior Officer	1	0	1
Council Tax Officers	10.27	10.12	20.39
Council Tax Assistants	2	0	2
NDR Team Leader	1	0	1
NDR Senior Officer	0	1	1
NDR Officers	2	0	2
Senior Property Inspector	1	0	1
Property Inspectors	1	1	2
Systems and Support Manager	1	1	2
Systems Officer	0	0.6	0.6
Support Team Leader	0	1	1
Appeals/DHP/EHP/Subsidy	2.92	1	3.92
Overpayments Officers	1	1.3	2.3

Financial Inclusion Officer	1	0	1
Project Officer	1	0	1
Business Support Officer	1	0	1
Total	47.73	34.83	82.56

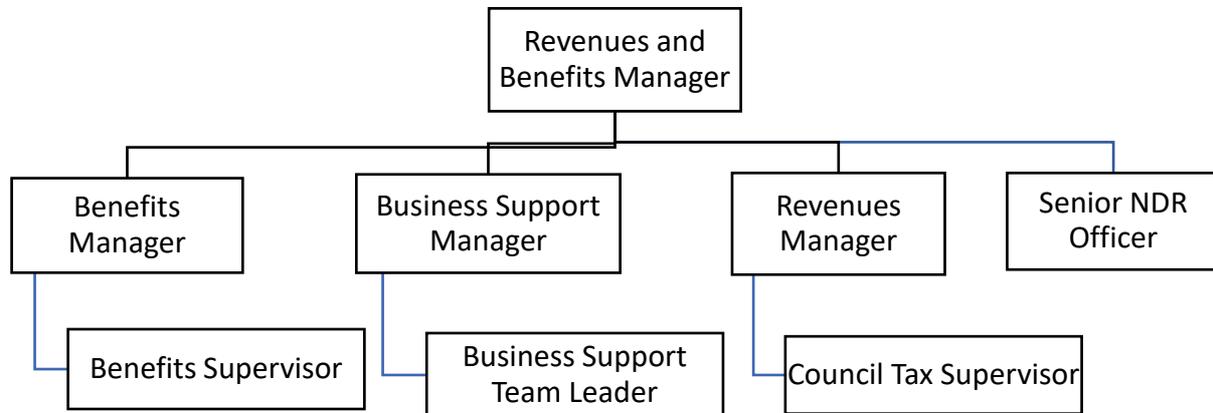
### Current Management Structure

13.17 The current management structure of the services is shown in Chart 1 and Chart 2 below:

**Chart 1  
Mid Kent Current Management Structure**



**Chart 2  
Swale Current Management Structure**



**Proposed Staffing Requirement**

13.18 Details of the proposed structure are provided within Appendix 2.

13.19 Details of savings to be achieved are provided within Appendix 2.

**Staff Terms and Conditions**

13.20 Both MKS and Swale staff have different terms and conditions. However, this will not prevent the merge of the services. Swale staff will be offered the chance to move to a Maidstone 37-hour contract, for those who are not moved onto new contracts as part of the selection processes for new roles.

**Performance Standards**

13.21 It will be essential that the new service is able to deliver high performance through the implementation stage as well as, of course, when it is fully established. The following table provides the targets for performance in both revenues and benefits expected by all of the authorities.

**Table 9 Provisional performance targets (2024-2027)**

Area	2024/25	2025/26	2026/27	2027/28
<b>Council Tax (in year)</b>	%	%	%	%
Maidstone	96.76	96.80	96.80	96.80
Tunbridge Wells	97.50	97.50	97.50	97.50
Swale	95.50	95.50	95.50	95.50

Area	2024/25	2025/26	2026/27	2027/28
<b>Non-Domestic Rates (in year)</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Maidstone	97.65	97.75	97.75	97.75
Tunbridge Wells	98.22	98	98	98
Swale	97.65	97.75	97.75	97.75
<b>Housing Benefit &amp; CTR (New Claims)</b>	<b>No. of days to process</b>			
Maidstone	18.5	18.5	18.5	17.5
Tunbridge Wells	18.5	18.5	18.5	17.5
Swale	19	18.5	18.5	17.5
<b>Housing Benefit &amp; CTR (Changes in Circumstance)</b>	<b>No. of days to process</b>			
Maidstone	3.5	3.5	3.5	3.5
Tunbridge Wells	3.5	3.5	3.5	3.5
Swale	5	4.5	4	3.5

- 13.22 Due to the current cost of living crisis and increased interest rates the provisional collections for Council Tax and Business Rates have been set to maintain the current rates of collection. It is a difficult time for residents and both businesses alike, collection of Council Tax across Kent has been challenging and these targets are set to protect the finances of all partner authorities. In the case of Housing Benefit and Council Tax Reduction, the main objective of the partnership will be to maintain and improve new claims and change of circumstances processing times, whilst at the same time undertaking any Government initiatives such as the Housing Benefit Accuracy Award Initiative (HBAA).
- 13.23 Progress and performance will be reported regularly through existing monitoring reports within the three councils, to the Mid Kent Services Board, the Mid Kent Services Executive Board and the Shared Services Board.
- 13.24 Accuracy, speed and finance can be demonstrated by the targets set in the above tables.

## 14. Proposed Governance model

- 14.1 The proposed model for governance (detailed below) is consistent with the approach already approved by each of the Mid Kent partners (including all three Councils) and is currently in operation for all existing shared services.
- 14.2 It is important to note that decision making ultimately rests with each sovereign Council and is subject to the delegations and decision-making protocols set out within their constitution.

## **MKS Board**

14.3 The MKS Board, consisting of the Leader, one other member, and the Chief Executive of each of the three MKS councils, meets at least three times per year and has the following roles:

- to approve and own the MKS Programme
- to initiate shared service projects (consider the business case) and appoint project and shared service boards
- to set MKS objectives and direction
- to take decisions on specific project/service issues outside of the remit of the project and shared service boards
- to monitor MKS performance and finance and agree actions to resolve performance and finance issues; and
- to review these arrangements from time to time and make recommendations to the partners for improvement.

## **Executive Board**

14.4 The MKS Board is underpinned by the MKS Executive Board, consisting of the three Chief Executives, which meets quarterly to set direction for MKS.

## **Shared Service Board**

14.5 To ensure that MKS continues to represent to value for money the MKS Shared Services Board, consisting of the three S151 Officers, meets quarterly to review performance, delivery against budget and any shared investment required.

## **Collaboration Agreement**

14.6 Before commencement of the extended shared service, the collaboration agreement will be reviewed, to set out the terms of the shared service.

14.7 The support of the MKS Legal Partnership will be sought in formalising the agreement between partners.

## **15. IT requirements**

15.1 Moving to the fully combined service will, in effect, be straightforward given that the operating systems will remain as at present with the Capita Academy software being used as the main processing systems and documentation being processed using the Northgate Information@Work system. A major advantage is that this arrangement will be in line with the existing arrangements for both MKS and SBC who have jointly procured the operating systems and maintain a single contract with the existing supplier.

15.2 As all three authorities are sovereign, there will be a requirement to maintain separate databases for Council Tax (including Council Tax Reduction), Non-Domestic Rating and Housing Benefit. Likewise reporting to Government will be by individual authorities.

15.3 All partnerships (as opposed to actual combined authorities) are used to this, and the software is capable of meeting all requirements.

## **16. IT and Administrative efficiencies**

16.1 Improvements in service delivery and the reduction in administration will be made incrementally year on year. The priority of the combined service will be to drive improvements through the increased use of new technology.

16.2 This will be undertaken throughout the combining process initially at Stage 1 and fully at Stage 3.

## 17. Proposed timescales for implementation.

17.1 The following sections outline a suggested timeline for implementation. The final timetable will need to be agree with all three partner authorities. It should be noted that the timetable has been created taking into account the three 'stage' approach to the project proposed.

**Table 10 - Proposed Implementation timetable**

Action:	By end of:
Tunbridge Wells - Finance and Governance Advisory Board	23 January 2024
Swale – Decision by Policy and Resources Committee	31 January 2024
Maidstone – Corporate Services Policy Advisory Committee	5 February 2024
Decision by Maidstone & Tunbridge Wells Cabinets	14 February 2024
<b>Stage 1: Initial Implementation</b>	
1. Collaboration agreement approved and signed	February 2024
2. Initial all staff briefings	February 2024
3. Formal consultation 30 days with managers, team leaders & staff	February 2024
4. Close of consultation, review of comments and agreement on the structure	March 2024
5. Tupe of staff	April 2024
<b>Stage 2 - Combining the Services</b>	
6. Commencement of selection process - advertisement and recruitment to manager and team leader posts	April 2024
7. Appointment of managers and team leaders	April 2024
8. Selection process across officers and team	May 2024
9. Appointment of staff	May 2024
10. Combination of services	June 2024
<b>Stage 3 – Full alignment of both services and further automation and improvements</b>	
11. Alignment, automation, and improvements to be carried out	December 2025

## 18. Risk Analysis

18.1 The following section details the risks identify so far. This initial analysis will form the basis of the full risk register.

**Table 11 - Risk Analysis**

ID	Risk description	Likelihood of the risk occurring	Impact if the risk occurs	Mitigating action	Contingent action	Progress on actions
	<b>Stage 1</b>					
1	<b>Option 3</b> (the recommended option) is not accepted by partner authorities.	Medium	Medium	The risk will be medium in the short term but in the longer term this may increase to high risk for SBC due to the reasons already outlined.  More information to support the recommendation would continue to be provided to the partner authorities.	Existing services will continue unaffected in the short term.	
2	Failure to approve collaboration agreement.	Medium	High	Early involvement of Mid Kent Legal Services and continued engagement through the partner authorities, MKS Board, Exec Board and SSB.		
3	Timescale for project set up are insufficient.	Low	Medium	Extend timescale.	Flexibilities in the revised business case timescale allow for some slippage.	
4	Revised Business Case becomes obsolete or is undermined by external (Government) or internal changes.	Low	High	There is no ability to reduce the likelihood, but the project team will make sure early warning is given by reviewing business case on regular basis.	Initiate escalation procedure to all participating authorities.	

58

ID	Risk description	Likelihood of the risk occurring	Impact if the risk occurs	Mitigating action	Contingent action	Progress on actions
5	Failure to retain key project staff and support.	Medium	High	Essential that key project staff and support is identified immediately that option is agreed. Project staff / support to be appointed as soon as possible.		
6	Delays in creation and agreement of structure, Job Descriptions and Roles.	Low	Medium	Extend timescale.	Flexibilities already exist in business case timescale.	
7	Political change within one or more of the councils.	Medium	Medium	Reasons for the shared service to be explained in detail to the new administration. Decision likely to be made before the May 2024 elections. Collaboration agreement to be in place when the shared service starts.	New collaboration agreement will be used with the business case to show the reasoning behind the partnership.	
	<b>Stage 2</b>					
8	Failure or delays in the appointment of managers and team leaders.	Low	Low	The project would look to assimilate staff from existing services into the new roles with minimal disruption.		
9	Failure or delays in the appointment of staff to new posts.	Low	Low	The project would look to assimilate staff from existing services into the new roles with minimal disruption.		
10	Reduction in outputs for a significant period due to reduced productivity.	Medium	Medium	Imperative that the project team focus on a smooth transition to the new arrangement and that both performance and quality outputs are maintained.	Key targets to be set for all staff.	

ID	Risk description	Likelihood of the risk occurring	Impact if the risk occurs	Mitigating action	Contingent action	Progress on actions
11	Staff moving across from Swale BC on different terms and conditions, including a 34-hour week	High	Medium	Differences in terms and conditions between authorities are common and the partnership has dealt with similar issues in previous shared services, but there is a risk of staff dissatisfaction within the team. The project team includes HR representation and part of the implementation is a workstream to include communications with and team building with staff.	All existing staff will be offered the option to transfer to MBC terms and conditions. All new officers alongside any newly created roles as part of the merger will be employed on MBC contracts.	
12	Management risks within the new shared service	Low	Medium	The highest risk comes from the collection of Council Tax. In the new proposed combined staff structure, there are more managers within Revenues than in the current Swale or MKS structure. This strengthens the resilience of the Revenues section.		
	<b>Stage 3</b>					
13	Failure to align processes and procedures within timescale.	Low	Medium	Project would continue using existing processes until aligned.		
14	Failure to training of staff in all relevant areas.	Low	Medium	Project would continue using existing staff skills until all training undertaken.		

61

ID	Risk description	Likelihood of the risk occurring	Impact if the risk occurs	Mitigating action	Contingent action	Progress on actions
15	Unplanned work that must be accommodated.	Low	High	Document all assumptions made in planning and communicate to the Project Team. Where there is any change, this will be escalated to the partner authorities.		
16	Lack of communication, causing lack of clarity and confusion for staff.	Medium	Medium	A communication plan is to be created if the option is agreed and will form an essential part of the project.	Correct misunderstandings immediately to avoid any misinformation to staff.	
17	Scope creep.	Low	Low	Ensure alignment of any changes with the Business Case.		
18	Unresolved project issues not escalated in a timely manner.	Low	Medium	Hold regular project team meetings. Review the project plan and stakeholder engagement plan for potential areas of conflict.	When aware, the issues will immediately be escalated to Project Team.	
19	Added workload or time requirements because of new direction of partners, policy, or statute.	Low	Medium	No ability to reduce likelihood.	Where there is any change, this will be escalated to the partner authorities.	
20	Legal action delays or pauses project.	Low	Medium	Ensure all actions cleared through Legal.	This will be escalated to the Project Team who will notify Legal department. The project will follow instructions from Legal.	

## 19. Financial implications

- 19.1 The financial implications can be found in Appendix II, tables 14 to 16 show the current staffing costs of the service, the estimated costs of the proposed structure. The estimated savings by authority from years one to five and the maximum costs of setting up the service.

## 20. Staffing implications

- 20.1 The staffing implications can be found in Appendix II, There are 82.5 FTE employed within Revenues and Benefits across both sets of services, with a net reduction of 5.7 FTE (7%) planned through the implementation of the combined shared service. The majority of the initial staff savings will be at management level where some redundancies are expected. There has already been a reduction of 9.5 posts since the previous business case in 2021.
- 20.2 Whilst both services will need to hold vacant posts, it is anticipated that the remaining reduction in staffing will be achieved largely by natural wastage. If this is not possible then it may include a level of compulsory redundancy. Staff and unions will be consulted as part of the decision-making process and support sought from the HR team to minimise the number of redundancies and overall concerns of staff.

## 21. Budgetary implications

- 21.1 Budgetary implications are shown in Appendix II.

### Section 1. Existing Service Cost

- 21.2 Shown in Appendix II

### Section 2. Combining of Services

#### Option 2 Cost Implications

- 21.3 As outsourced Revenues and Benefits teams have reduced over recent years and some suppliers have withdrawn from the market, this was not considered to be a viable option and does not fit with the decision made in 2021 by the authorities to align processes and re-consider the business case for combining the MKS and SBC services, so no further work has been carried out to explore this option further and costings have not been provided.

#### Option 3 Staffing and Cost Implications

- 21.4 Shown in Appendix II

## **22. Corporate implications**

- 22.1 The implementation of the shared service supports each of the Councils' priorities to deliver high quality, efficient and effective services.

## **23. Equality Impact Assessment**

- 23.1 We are undertaking an equalities impact assessment to inform the decision-making process. The service will also undertake further equality impact assessment within the first year of operation to ensure that the service continues to meet the needs of all residents.



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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