

# AGENDA

## CABINET MEETING



Date: Wednesday 19 December 2012  
Time: 6.30 pm  
Venue: Town Hall, High Street,  
Maidstone

Membership:

Councillors Garland (Chairman), Greer, Hotson,  
Paine, Mrs Ring and J.A. Wilson

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1. Apologies for Absence
2. Urgent Items
3. Notification of Visiting Members
4. Disclosures by Members and Officers
5. Disclosures of lobbying
6. To consider whether any items should be taken in private because of the possible disclosure of exempt information
7. Minutes of the Meeting held on 21 November 2012

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**Continued Over/:**

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**Issued on 11 December 2012**

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact JANET BARNES on 01622 602242**. To find out more about the work of the Cabinet, please visit [www.maidstone.gov.uk](http://www.maidstone.gov.uk)

**Alison Broom, Chief Executive, Maidstone Borough Council,  
Maidstone House, King Street, Maidstone Kent ME15 6JQ**

## **KEY DECISION REPORTS**

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| 8.  | Report of the Chief Executive - Refresh of the Strategic Plan 2013-14                                   | 4 - 39    |
| 9.  | Report of the Assistant Director of Environment and Regulatory Services - The Community Right to Bid    | 40 - 91   |
| 10. | Report of the Head of Business Improvement - Refresh of the Improvement Plan for 2013-16                | 92 - 114  |
| 11. | Report of the Head of Finance and Customer Services - Council Tax 2013/14 - Collection Fund Adjustments | 115 - 119 |
| 12. | Report of Corporate Leadership Team - Budget Strategy 2013-14 Onwards - Corporate Fees & Charges Review | 120 - 149 |
| 13. | Report of Corporate Leadership Team - Budget Strategy 2013-14 Onwards                                   | 150 - 174 |

## **NON-KEY DECISION REPORTS**

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| 14. | Reference from the Audit Committee - Property Investment Governance Arrangements             | 175 - 182 |
| 15. | Report of the Head of Democratic Services - Cabinet Meeting Dates - Municipal Year 2013-2014 | 183 - 185 |

## **MAIDSTONE BOROUGH COUNCIL**

### **CABINET**

#### **MINUTES OF THE MEETING HELD ON 21 NOVEMBER 2012**

**Present:**            **Councillor Garland (Chairman), and  
Councillors Greer, Hotson, Paine and J.A. Wilson**

94.    APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Mrs Ring.

95.    URGENT ITEMS

There were no urgent items.

96.    NOTIFICATION OF VISITING MEMBERS

There were no Visiting Members.

97.    DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

98.    DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

99.    EXEMPT ITEMS

RESOLVED: That the items on the Agenda be taken in public as proposed.

100.   MINUTES

RESOLVED: That the Minutes of the Meetings held on 12 September and 2 October 2012 be approved as a correct record and signed.

101.   LOCAL COUNCIL TAX DISCOUNT SCHEME

The Cabinet considered the report of the Director of Regeneration and Communities regarding the approval of a local council tax discount scheme following the withdrawal of the current national council tax benefit scheme from April 2013.

RESOLVED TO RECOMMEND TO COUNCIL:

1.    That a local council tax discount scheme be adopted which introduces the following changes:-

- An 8.5% reduction in the rate of council tax benefit applicable to all working age households during 2013-14, whilst otherwise maintaining the structure of the current national scheme.
  - A 13% reduction in the rate of council tax benefit applicable to all working age households during 2014-15 & 2015-16, subject to the future demand and grant received for the scheme.
  - Removal of the 10% council tax discount awarded to owners of second homes from 1<sup>st</sup> April 2013.
  - A reduction in the period of exemption for vacant properties (class C) from 6 months to 1 month from 1<sup>st</sup> April 2013.
2. That the Director of Regeneration and Communities, in consultation with the Cabinet Member for Corporate Services, be given delegated authority to make such changes as are necessary to maintain the operational effectiveness and viability of the scheme between 2013/14 and 2015/16.
  3. That a substantive review of the scheme is undertaken in 2015/16, with any recommended changes to the scheme presented to Cabinet for implementation from 2016-17.

#### 102. CORE STRATEGY PROGRAMME

##### DECISION MADE:

1. That the Core Strategy programme be rescheduled to take account of the need to review the evidence base for the Core Strategy including the housing and employment targets and the Council's 5-year housing land supply.
2. That Officers be authorised to start work on a new Strategic Housing Market Assessment, a Strategic Housing Land Availability Assessment and a Strategic Economic Development Land Availability Assessment.

To view full details of this decision, please click here:-

<http://meetings.maidstone.gov.uk/mgIssueHistoryHome.aspx?IIId=17813&PlanId=199>

#### 103. SECOND QUARTER REVENUE & CAPITAL MONITORING

##### DECISION MADE:

1. That the satisfactory revenue position at the end of the second quarter 2012/13 be noted.
2. That the proposals for slippage and re-profiling in the capital programme to 2013/14 be agreed.

3. That the detail on the collection fund, general fund balances and treasury management activity be noted.
4. That the respective Cabinet Members receive individual reports regarding the variances highlighted in the report of the Head of Finance & Customer Services as at the end of Quarter 3.

To view full details of this decision, please click here:-

<http://meetings.maidstone.gov.uk/mgIssueHistoryHome.aspx?IIId=14709&PlanId=199>

104. MID YEAR STRATEGIC PLAN PERFORMANCE REPORT

The Cabinet considered the report of the Head of Change and Scrutiny regarding progress made in the year to date against the Strategic Plan 2011-15 actions and progress made in the second quarter of 2012/13 for the authority's key performance indicators.

RESOLVED: That the report be noted.

105. DURATION OF MEETING

6.00 p.m. to 7.20 p.m.

# Agenda Item 8

## **MAIDSTONE BOROUGH COUNCIL**

### **CABINET**

**19 DECEMBER 2012**

### **REPORT OF THE CHIEF EXECUTIVE**

**Report prepared by Angela Woodhouse**

#### **1. REFRESH OF THE STRATEGIC PLAN 2013-14**

##### 1.1 Issue for Decision

1.1.1 To agree the refreshed Strategic Plan for 2013-14 for consultation.

##### 1.2 Recommendation of the Chief Executive

###### 1.2.1 That Cabinet :

- (a) Approves the 2013-14 refresh of the Strategic Plan for consultation and consideration by Corporate Services Overview and Scrutiny Committee; and
- (b) That the performance measures and targets in the plan be updated and reported as part of the annual performance management cycle at the end of the financial year.

##### 1.3 Reasons for Recommendation

1.3.1 In September 2012 the Cabinet agreed that the Strategic Plan for 2011-15 be retained and refreshed rather than a new plan being produced. The 2012-13 refresh of the Strategic Plan focused on developing and aligning the council's priorities to what matters most for the Maidstone Community and resulted in the Outcomes being increased from 6 to 7. The refresh for 2013-14 is focused on updating the action plans for the outcomes.

1.3.2 The Sustainable Community Strategy sets out a vision for Maidstone which can be distilled into great opportunity, great place and great people. This also reflects the Council's three priorities to have a growing economy, be a decent place to live and achieve corporate and customer excellence. During the past year the council has put in place a programme of employee engagement to engage all staff with the council's priorities in order to achieve the outcomes set out in the strategic plan.

1.3.3 The Council will continue to face tough economic challenges over the forthcoming years, the priorities and outcomes identified in the Strategic Plan are aligned with the Council's Medium Term Financial Strategy. The service planning process then allows these objectives to be translated into actions for each team in the Council. Financial resources distributed by central government to local government for 2012/13 will be further reduced. There will also be changes in funding mechanisms, for example the move from rate support grant to localisation of business rates which introduces uncertainty and increases risk for the Council. Changes to the arrangement for council tax benefits discount also increase uncertainty and risk for the Council. The Chancellor's Autumn Statement set out that Local Authorities will be exempt from the 1% reduction on Departmental Resource Budgets in 2013-2014. However there will be a 2% reduction in funding for Local Authorities in 2014-2015. As a District Council it is likely that the funding cut in real terms will be significantly more than 2%. A budget strategy report is also included on the Cabinet Agenda.

1.3.4 The refreshed Strategic Plan 2013-14 attached at Appendix A, includes:

- Changes to the national context section in light of the implementation of the Localism Act and other changes such as the introduction of the National Planning Policy Framework.
- Updates to the local context section as a result of the resident survey.
- Revised dates and updated actions for the action plans relating to each outcome where appropriate.

The performance targets and measures will be reviewed and updated at the end of the year as part of the annual performance management cycle.

1.3.5 An update on the 26 Strategic Plan Actions was given as part of the mid-year review of performance in November 2012. The majority of actions are on track with progress across all outcomes. Following publication of the mid year update the timetable for Local Development Framework and associated documents has slipped. An update on the timetable was provided for Cabinet and Scrutiny in November 2012 These are currently shown in the plan as dates to be confirmed. The following progress can be reported:

- The Core Strategy has been out to public consultation.
- The Economic Development Strategy has been reviewed.
- A revised Housing Allocation Strategy has been agreed for consultation.
- A new waste contract has been procured jointly for Maidstone, Ashford and Swale and integrated with waste

disposal arrangements procured by Kent County Council, to take effect in summer 2013.

- A democratic Engagement action plan has been agreed and is being progressed.
- A new correspondence recording and management IT system has been purchased and the complaint handling module has been rolled out.
- The Customer Centricity project, which is reviewing how the Council interacts with our customers, has completed its first phase and potential changes are currently the subject of consultation with the public and councillors.
- Investors in People benchmark assessment has been undertaken; which identified five key actions focussed on engagement, learning and development and support for managers.
- The appointment of a business champion and investment in commercial opportunities.

#### 1.4 Alternative Action and why not Recommended

1.4.1 Cabinet could decide not to refresh the Strategic Plan. However, this would lead to out of date information being publicly available and make it difficult for officers to maintain the 'golden thread'. The Council also needs to be able to demonstrate how it is reacting to changes in the local and national context.

1.4.2 Cabinet could request the development of a new plan. However, this is not recommended as the development of a new plan would require additional resources and there is a risk it would not be produced in time for the new financial year. There is not a demonstrable need for a radical re-think of the Council's priorities and strategic direction as our focus remains on economic development as a number one priority for the residents of Maidstone.

#### 1.5 Impact on Corporate Objectives

1.5.1 The Strategic Plan sets the Council's strategic direction and corporate priorities up until 2015. Service plans flow from the Strategic plan into the appraisal setting process to ensure there is a golden thread from priority setting to action, so we can systematically work towards our goals and opportunities.

#### 1.6 Risk Management

1.6.1 The risks associated with the Strategic Plan are set out in the Council's Strategic Risk Register which is in the process of being updated,



1.7 Other Implications

1.7.1 The Strategic Plan has a range of implications which are discussed in this report.

1.	Financial	x
(c)	Staffing	
(d)	Legal	
(e)	Equality Impact Needs Assessment	
(f)	Environmental/Sustainable Development	
(g)	Community Safety	
(h)	Human Rights Act	
(i)	Procurement	
(j)	Asset Management	

1.7.2 The Medium Term Financial Strategy and Strategic Plan are developed in conjunction with each other to ensure that priorities and resources are considered together.

1.8 Relevant Documents

1.8.1 Appendices

Appendix A – Refreshed Strategic Plan (with tracked changes to show update)

1.8.2 Background Documents

**IS THIS A KEY DECISION REPORT?**

Yes

No

If yes, when did it first appear in the plan of forthcoming decisions?

November 2012

This is a Key Decision because: It affects all wards

Wards/Parishes affected: All

## **From the Leader**

Over the next four years the council will have to work harder than ever before to meet the needs of Maidstone residents, as we confront the financial challenges arising from the coalition government's determination to reduce Britain's annual deficit. The Strategic Plan and the Medium Term Financial Strategy are Maidstone's approach to responding to community needs and living in the new financial and political culture of local government.

To deliver our savings targets we will need to change the way in which services are delivered. We will continue to prioritise activities which will deliver our priorities.

The financial position of the council is strong however. We have balances of around £3.6, which is substantially more than our requirement to maintain balances of 10% of the annual budget. We have a deliverable and sustainable capital programme for the implementation of the Council's three flagship projects – the High Street, museum and Mote Park. All three will bring about substantial positive change to Maidstone.

In order to provide focus to our efforts we have identified three priorities for the Council:

1. For Maidstone to have a growing economy.
2. For Maidstone to be a decent place to live.
3. Corporate & Customer Excellence.

By focusing on three priorities we can establish a clear direction of travel for this Council. This is especially important in the current financial climate.

Having now established a joint partnership with KCC and MBC, through the new Maidstone locality Board, there will be greater opportunities to work collaboratively using public money, together with the resources of the private and third sectors, to achieve even greater improvements for Maidstone residents.

During the lifetime of this Strategic Plan we have demonstrated the Council's commitment to economic prosperity by investment in and completion of three flagship schemes: mote Park, the Museum East Wing and Jubilee Square. All three are bringing substantial change to Maidstone as a place. For the next two years of the plan we will continue improvements to the public realm , the high street and commence work to secure infrastructure for future growth.

## **Introduction from the Chief Executive**

Maidstone borough has many attractive urban and rural places, a relatively robust economy and diverse communities. With both a rich heritage and an ambition for growth we want to make the best of our past and the future to support people, strengthen the economy and develop the public realm to build vibrancy and prosperity.

Our Strategic Plan for 2011-15 focuses on three strategic priorities and seven key outcomes. We are striving to achieve these in circumstances of economic recession and significant change. These have an impact on the Council and the daily lives of every resident and business in the borough. We have consulted widely on this plan, to focus on what matters most to Maidstone.

We cannot make our vision a reality without working with our partners. The past few years have seen many successes from working closely with public, private, voluntary and community sector partners from the borough and across Kent.

As a community leader, we must strive even harder to harness the energy, support and commitment of our partners to overcome the challenges ahead. We must support our partners where we can and challenge them where necessary. Our Community Strategy sets a bold and challenging vision for the borough and we must play a leading role in the Maidstone Locality Board to turn that vision into reality.

To bring this plan to fruition we must be open about the design of services and who delivers them. In this plan we have described seven principles for how we do things at Maidstone. We will equip our staff with the skills, knowledge and technology to make these a reality.

Among the challenges ahead is to interpret localism in a way that enables local people and their Councillors to take charge of how their neighbourhoods develop. This will focus our resources and efforts on those issues that matter most to the community.

We must also strive for continuous improvement in the services used by Maidstone people and businesses. The improvements for Maidstone set out in this plan will ensure that our Council does what our communities need in the most efficient and effective way. Delivery against our strategy is reviewed bi-annually and the strategy itself is reviewed annually to make sure we adapt to changes in our environment.

Maidstone is an ambitious place and we are an ambitious Council. There will always be new challenges and competing priorities. This is what makes our Council and what we do so exciting and fulfilling. We will need to make difficult decisions about how we prioritise and deploy our resources. In doing so we must remember to put our customers and our communities first, improving efficiency, promoting innovation and striving for continuous improvement.

Your community is our priority.

## **National Context**

### **New Political Leadership**

Britain has been going through a state of change having just come out of a recession and entering a new political environment. The general election in May 2010 resulted in a hung parliament and a subsequent coalition government forming between the Conservative and Liberal Democrat Parties. The coalition government has stated their top priority is cutting Britain's budget deficit, "with the main burden of deficit reduction borne by reduced spending rather than increased taxes".

In May 2010, the Government published 'The Coalition: our programme for government' which outlined the key policy areas, with an emphasis on 'freedom, fairness and responsibility' creating the Big Society and giving citizens, communities and local government a central role in enabling a new approach to sustainable, low carbon economic growth.

### **Localism Act**

The Localism Act is designed to enable many of these changes. It received Royal Assent in November 2011 and came into effect in April 2012. The Act introduces new freedoms and flexibilities for local government, and new rights and powers for communities and individuals.

The Act gives councils a general power of competence, whereby as long as an activity is not unlawful, they are empowered to carry it out if they wish. It increases the flexibility of councils to structure themselves in the way they think best. The Act also increases local control over housing decisions and business tax rates.

Community groups and social enterprise organisations are encouraged to take an active role, and are given the right to bid to deliver public services themselves. Local people are also given greater influence over council taxes, community assets and planning decisions. Councils will need to be transparent about their policies on pay.

As a result of the Act the Council has since 2011, introduced policies on community right to challenge and community right to buy. In the spirit of Localism the Council has introduced the U project; a fun way for people to learn new skills and meet more people in their community. We are also working with Voluntary Action Maidstone to develop a website to connect businesses and voluntary organisations.

### **Comprehensive spending review**

In October 2010, the Government presented its Comprehensive Spending Review (CSR) which determined the spending budgets until 2014-15.

For local government this means a reduction in funding by an average of 28% over the four year life of this plan, with larger savings having to be achieved in the first year. The Council has developed a corporate improvement plan with an identified programme of reviews and improvements. Maidstone Borough Council has started a programme of reviews, to consider how services are delivered and the potential impact of these changes in policy on other services and cost. The Autumn statement 2012 sets out further cuts for local authorities, these cuts combined with changes to council tax benefit discounts in 2013 will increase risk and uncertainty for the Council.

### **Local Enterprise Partnerships**

Local Enterprise Partnerships (LEPs) are local partnerships between local authorities and businesses. The Government's aim is that LEPs will play a central role in determining local economic priorities and undertaking activities to drive economic

growth and the creation of local jobs. Maidstone is committed to playing a full role in the Kent, Essex and East Sussex Partnership to ensure the Borough and its businesses benefit from regeneration opportunities.

### **Transport and Infrastructure**

The Department for Transport grant to local authorities has been reduced by 28%. However, the Government sees transport as a key enabler of growth nationally and in the regions, stating that for every pound spent on Highways Agency schemes, on average £6 of benefits are achieved and in many cases, there are higher returns for local authority schemes. Following the Comprehensive Spending Review the Government committed to a £1.5 billion programme of major local authority transport schemes. 41 transport schemes have been approved and evidence is being gathered for a decision on a further four, with a total investment so far of £1.4 billion, partly from Department for Transport contributions and partly from local funding. The Chancellor's Autumn Statement 2012 revealed that a major emphasis in the budget will be switching spending in the public sector from departmental resource budgets to investment in capital projects. Projects include funding for schemes to alleviate bottle necks, funding for cycling infrastructure.

### **Transparency and Inspection**

The Government sees Local Authorities as having a crucial role to play in ensuring that services are efficient and effective, offer good value for money and deliver what people want. The Government announced the abolition of the Comprehensive Area Assessment (CAA) with immediate effect from 25 June 2010, with the intention of clearing the burden of assessment from local authorities. Alongside the reduction in inspection, councils will be moving to increased transparency in the data held by publicising more information such as spending, contracts and tenders above £500.

### **Planning and Housing**

The Localism Act will allow for the opportunity for local people to plan for new development within the strategic framework provided by the Council's Core Strategy. The Community Right to Build will allow a development to go ahead where there is overwhelming community support. Regional Planning Strategies will soon be abolished and decision making on matters such as housing and general planning policy are now made by local Councils in the Core Strategy and related documents. The Government has introduced 'The National Planning Policy Framework.' This replaced all existing central government planning guidance (i.e. PPS, PPGs, Circulars etc) but, more fundamentally, seeks to introduce a presumption in favour of sustainable development.

## Local Context

### Maidstone the place

Maidstone is an exceptionally green Borough with a number of parks, the largest of which is Mote Park, which is Grade II on the English Heritage Register of Historic Parks and home to thriving rugby and cricket clubs. There are numerous smaller parks and squares within the town and villages which have benefited from a major playground and sports facility investment programme in recent years. We recognise the importance of maintaining a quality environment for residents including our heritage and conservation areas. The attractive countryside offers high quality landscape and biodiversity and a wide range of informal recreation opportunities.

Maidstone has an extensive further education campus (Mid Kent College) and a higher education offer with both the University for the Creative Arts and Mid Kent College seeking to increase their range of courses and facilities. Mid Kent College is widening the range of courses and facilities it provides as part of a £23 million redevelopment of Maidstone's Oakwood Park Campus. This major project commenced in 2012/13 and the College is one of just a handful of UK further education colleges currently investing in a major capital scheme. Over the next three years the University for Creative Arts will be expanding the broadcast media courses being delivered at Maidstone Studios.

Transport links are generally good although rail travel could still be improved. 2011 saw the introduction of High Speed services from the Maidstone west to St. Pancras. Rail journey times to London from some of the smaller rural towns (Staplehurst and Marden) are as low as 40 minutes. The Borough is well served by the motorway network with the M20 and M2 both providing links to the M25 and the Channel Ports. The international high speed railway stations at Ebbsfleet (15 mins) and Ashford (25 mins) are also extremely accessible. The Council is pleased that an extension to the Thameslink network is being proposed to provide a direct link to London from Maidstone. With regard to travelling in and around the Borough by car, congestion is an issue particularly at peak time in the town centre. The bus transport network serving Maidstone town is relatively strong whilst rural transport presents distinct challenges. Road safety is a concern for Maidstone, with the poorest record in Kent. Following a scrutiny review of road safety, the Council will be supporting the Safer Maidstone Partnership in taking initiatives forward to address this issue.

The Council carried out extensive consultation when developing the Sustainable Community Strategy for Maidstone 2009-2020. Residents were asked to identify what was good and bad about living in the Borough as well as their dream for Maidstone. The top three positive comments related to Maidstone included shopping, parks and the river. Other positive comments related to cleanliness, the countryside and nightlife. The top three negative comments related to traffic congestion, public transport and the quality of roads. The top three dreams for Maidstone residents related to resolving transport issues, improving the river and an improved theatre/concert facility.

In the 2008 Place Survey, the top five factors identified by residents as making an area a great place to live were level of crime, health services, clean streets, affordable decent housing and education provision. The Place Survey also asked what factors required most improvement: road and pavement repairs and the levels of congestion came out top closely followed by activities for teenagers and public transport. As a Council, we have little control over many of these factors. We will however seek to influence outcomes in these areas through working with

our partners and residents.

Maidstone's Local Strategic Partnership carried out work in 2010 looking at how public money is spent locally. It has identified that £602 million has been spent in Maidstone in 2010 by various bodies including Kent County Council, Maidstone Borough Council, Kent Police and the local Primary Care Trust. Just over 35% of the money is spent on health and social wellbeing, nearly 17% is spent on education and 15% on housing.

In November 2011, the Maidstone Local Strategic Partnership (LSP) was replaced by the Maidstone Locality Board, which draws together local public services for greater effectiveness and efficiency to oversee and shape the local delivery of services. The key difference between the LSP and Locality Board will result in a greater input from county and district councillors, but with representation from the wider public sector, including Kent Police, Kent Fire and Rescue Service, NHS, the voluntary and community sector and the business community. The first formal meeting of the Maidstone Locality Board was held on 20 January 2012. The Board has agreed three priorities for Maidstone:

- Community Budgets
- Tackling Worklessness and Poverty
- Local Environment Improvements

## **The People of Maidstone**

Maidstone has a growing population, and in common with the rest of the UK, a population that is aging. Maidstone has a lower level of ethnic minority residents compared to the rest of the UK, with Africans, Chinese and Indians being the largest non white ethnic groups living in the borough. The 2011 census revealed that Maidstone not only has the largest population of all the Kent districts it is also the area which grew the most in terms of population between 2001 and 2011 increasing by 16,300 people (11.7%). It is thought that migration alongside the fact that people are living longer is the reason behind this increase.

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The council carried out a Resident Satisfaction Survey in December 2011- January 2012, which asked local residents to give their opinions about the local area. The survey showed a high level of satisfaction with living in the local area, with eight in ten people satisfied with the Maidstone area as a place to live, as well as a similar statistic for the amount of people who said that they agreed with the statement that they felt like they belonged to the local area. People who had a sense of belonging to the local area were more likely to be satisfied with the area as a place to live. This points to a strong sense of community in the local area, however a significantly higher amount of people are satisfied with their local area and felt that they belonged to their local area in rural rather than urban areas within the Borough.



The borough has a low benefit claimant rate with Jobseekers Allowance, Income Support and Incapacity Benefit levels lower than both the national average and the Kent County Council area average. Due to Maidstone's aging population the State Pension claimant rate is higher than the national average and Kent County Council area average.

Residents living in the Borough have relatively high wages (although many higher earners commute out of the Borough to achieve these). Maidstone came out as the top destination for business in the 2010 study of locations for business in Kent.

## Key Facts

### Economy:

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- Relative to other districts, the size of the economy in Maidstone is above the national median, with an economic scale score of 105.66. By comparison, the Kent & Medway score is 126.54 and the national average is 100.
- The average gross weekly earnings of those working in Maidstone are average, with the district ranking in the middle 20% of districts nationally. Average gross weekly earnings in Maidstone are £423, compared with £448 in Kent & Medway and £493 nationally.
- Gross value added (GVA) per head in Maidstone is average, with the area ranking in the middle 20% of districts nationally. GVA per head in Maidstone is £42, compared with £45 in Kent & Medway and £46 nationally.
- Maidstone has a large sized employment base, with the area ranking in the top 40% of districts nationally. It accounted for 0.26% of all employees in Great Britain.
- The share of national GVA in Maidstone is high by national standards, with the area ranking in the top 40% of districts nationally. It accounted for 0.24% of all GVA in Great Britain.
- Between 2010 and 2011, the total number of employees in Maidstone changed by 0.5%. This reflects a relatively weak level of economic growth by national standards, placing Maidstone in the bottom 40% of districts nationally.

The Economic Development Strategy has been refreshed in 2012 and will be implemented in 2013, the plan focuses on the Council's strategic priorities including supporting existing businesses, supporting residents into employment and enhancing skills, regenerating the town centre and attracting and retaining investment.

## About the Council

The Council has a strong record of improvement based on previous inspection results as an excellent rated Council. We are now looking at how we improve residents' satisfaction with the Council, as we turn our attention outwards to residents rather than up to central government.

When the Council conducted the Place Survey in 2008, 44% of respondents said they were very or fairly satisfied with the way the Council runs things. This was just below the national average of 45%. 32% strongly or tended to agree that the Council provides value for money. The resident survey conducted from December 2011 to January 2012 showed a significant improvement in resident satisfaction with 63% of respondents indicating they were satisfied with the way the Council runs things. The Council is looking to continue to improve resident satisfaction and increase value for money as a priority going forward.

During the 2012-13 refresh of the Strategic Plan, residents were consulted on the budget to find out what mattered most to them. Residents were asked for suggestions for savings, to consider the importance of seven statutory services which are not a high priority, and to consider levels of customer service. The results were factored into the Cabinet's prioritisation of spending and services. Licensing, Building Control and Environmental and Regulatory Services are all areas where budget strategy has had some focus for 2012-13 onwards. The council will be introducing automated telephone answering system for switchboard calls and has reviewed the opening hours of the Gateway as part of a customer service project. More detail is reported on this in the prioritisation section of the plan.

## The services we deliver

- Housing
- Benefits including housing and Council Tax
- Spatial Planning and Development Management
- Council tax and non-domestic rates collection
- Waste collection
- Electoral registration
- Local land charges
- Food and safety
- Environmental enforcement
- Building control
- Museum
- Theatre
- Crematorium and cemetery
- Leisure centre
- Parks and open spaces
- Street cleaning
- Abandoned vehicles

- Community safety
- Arts and sports
- Parking Services
- Licensing
- Economic development

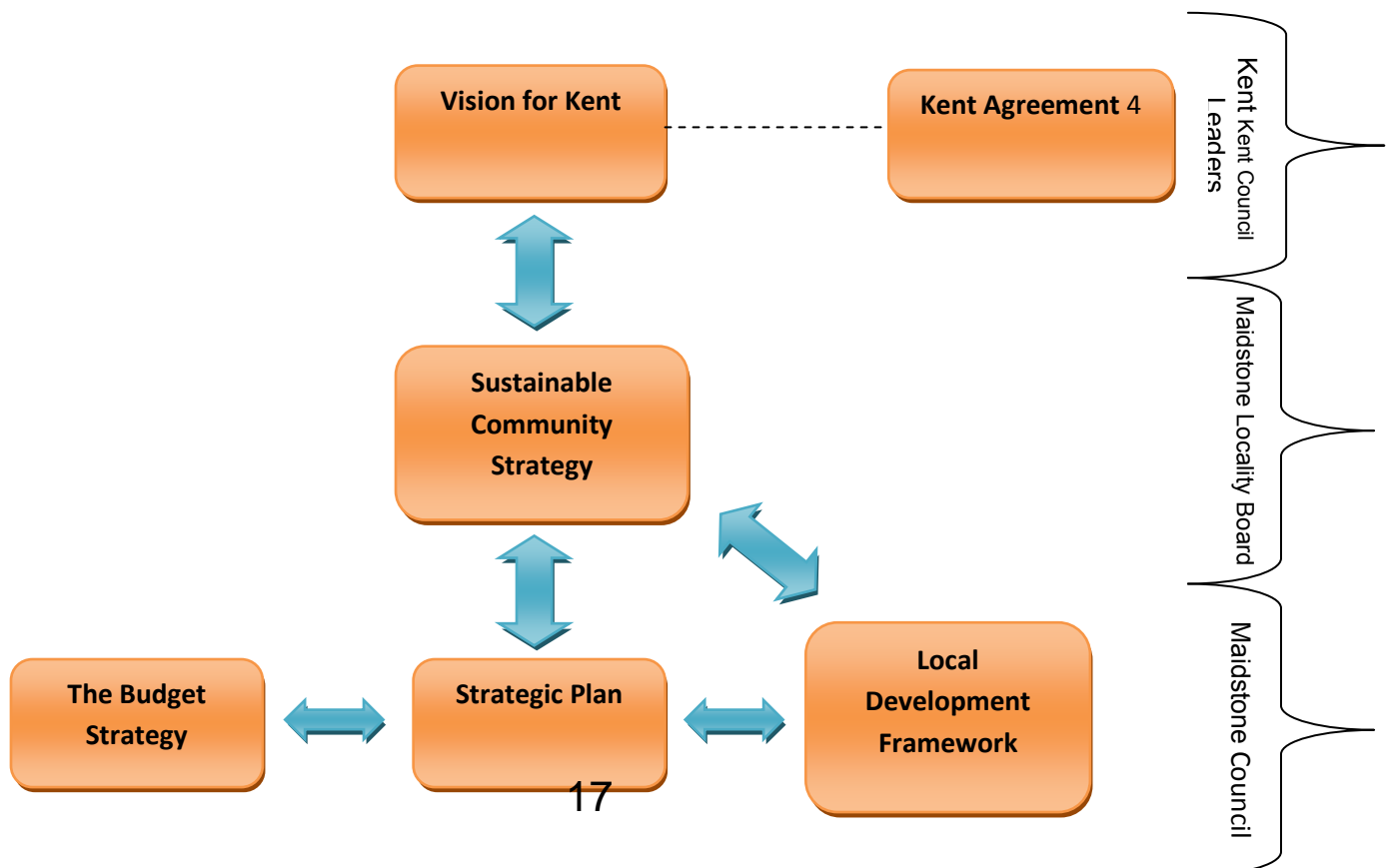
### How the Council works

The Council has 55 Councillors who are elected by thirds. Since May 2008, the Conservative party has held the majority of seats on the Council. The Council appoints a Leader who appoints the Cabinet; the Cabinet makes key decisions on Council services, which must be in line with the overall policy and budget framework set by the Council. Each Cabinet Member has their own portfolio area which they make decisions on. Matters that concern two or more portfolios are generally dealt with by the whole Cabinet, which meets monthly.

The Cabinet is held to account by Overview and Scrutiny committees. These committees ensure the decisions of the Cabinet are properly monitored and examine the Council's policies, services and expenditure. They also carry out investigations and research into relevant topics and make recommendations to Cabinet based on their findings to inform and shape the policy of the Council.

The Council also operates several Committees who take regulatory decisions including Licensing and Planning. These are an integral part of the Council's operation. The Council also has an Audit Committee and a Standards Committee in place which act as checks and balances on the Council and its services to ensure we adhere to our high standards of corporate governance.

### Strategy map - how we work with others



## **Our Vision, Priorities and Outcomes for Maidstone**

The Council is committed to and shares the vision for Maidstone, identified in the Sustainable Community Strategy 2009-2020:

"We want Maidstone Borough to be a vibrant, prosperous 21st century urban and rural community at the heart of Kent, where its distinctive character is enhanced to create a safe, healthy, excellent environment with high quality education and employment where all people can realise their aspirations."

The essence of this can be described in six words- Great opportunity, great place, great people.

The Council has three priorities and seven outcomes for Maidstone from 2011-15. These outcomes have been defined to show which areas the Council will concentrate on, taking into account the needs of the Borough and the budget reductions the Council has to find. The Council will continue to use its influence wherever possible to encourage partners to invest in Maidstone in both the priority and non priority areas.

### **Priorities**

#### **1. For Maidstone to have a growing economy**

In essence, Maidstone will be a good place to work and do business. The economy will continue to grow with a wide range of employment and business opportunities.

##### **Outcomes by 2015:**

- a transport network that supports the local economy, with a focus on the delivery of an integrated transport strategy in conjunction with Kent County Council and other stakeholders.
- a growing economy with rising employment, catering for a range of skill sets to meet the demands of the local economy, with a focus on the following areas;
  - Creating the right planning environment
  - Developing key infrastructure
  - Business expansion
  - Inward investment
  - Developing stronger business relationships
  - Tackling worklessness

#### **2. For Maidstone to be a decent place to live**

Maidstone already has a clean, attractive and well designed and built environment. We wish to maintain this and ensure that proper respect is paid to its diverse and valuable assets so that Maidstone is a place where people want to live. We will continue to support our most vulnerable residents and seek to reduce the different forms of deprivation across the Borough in both urban and rural areas.

##### **Outcomes by 2015**

- Decent, affordable housing in the right places across a range of tenures, with a focus on
  - Developing sustainable communities
  - Increasing choice and improving the quality of life for vulnerable people
  - Improving existing homes
  - Improving access to housing and working to prevent homelessness and rough sleeping in Maidstone
- Continues to be a clean and attractive environment for people who live in and visit the borough by;
  - Implementing new waste management arrangements
  - Implementing a new cleansing model
  - Reducing the Council's energy consumption
  - Implementing an Air Quality Action Plan
- Residents are not disadvantaged because of where they live or who they are, vulnerable people are assisted and the level of deprivation is reduced, focussing on two key areas; early intervention work with young children and their families to tackle disadvantage and undertaking work to help families who have multiple needs.

### 3. Corporate and Customer Excellence

The Council will have a productive workforce with people in the right place at the right time, delivering cost effective services. Services will be affordable, delivered on time and to agreed standards in an accessible way.

#### **Outcomes by 2015**

- Customer focused services that residents are satisfied with
- Effective, cost efficient services are delivered across the borough

## Delivering Priorities and Outcomes

**Outcome: By 2015 Maidstone has a transport network that supports the local economy**

### Why it matters for Maidstone

Transport plays an important role in supporting economic development and creating opportunities for growth. Businesses need an effective and well connected transport system to access the town and to connect with London, other centres in Kent, the southeast and internationally in order to thrive. Residents need to be able to get to places directly and quickly. We recognise that to do this we need to work closely with transport authorities and operators including business leaders, Kent County Council and the Highways Agency. We also seek to have an improved rail network for residents and business and will continue to lobby and work with partners to achieve this ambition. We recognise that the transport network has to be effective across the Borough and will be a key component in supporting our rural areas and ensuring our rural economies prosper.

Public consultation consistently reveals transport as a major concern. For example, that carried out for the Sustainable Community Strategy showed that a large

proportion of Maidstone's local people view the transport system and particularly the accessibility of public transport, as inadequate. Links are generally good although rail travel could still be improved with journeys to London mostly taking over an hour and none of the main stations having full disabled access. There are proposals to put in place a new train line direct to the City and to other London destinations, which we will support. In 2011 a fast link from Maidstone West to London was introduced and the Council will seek to encourage use and see the service continued. The Borough is well served by the motorway network with multiple accesses to the M20 and M2 both providing links to the M25 and the Channel Ports. In terms of town centre congestion, during the morning peak time it takes 3 minutes and 28 seconds to drive one mile. Peak congestion is a problem and projected to get worse, the town is also vulnerable to 'operation stack'. There is a park and ride scheme which serves the town centre.

What we plan to do	Milestones	Ownership
Deliver an integrated transport strategy (alongside the Core Strategy) in partnership with the transport authorities and operators which will result in joint working to improve and develop an effective and integrated transport network to meet future needs	<b>TBC</b> Develop Integrated Transport Strategy alongside the Core Strategy <b>TBC</b> - Milestones as set out in the Integrated Transport Strategy	The Council & Partners
Implement an infrastructure delivery plan with partners utilising available funding including S106/CIL, new homes bonus, Local Transport Plan 3, other grant funding and potentially tax incremental financing	<b>TBC</b> - Develop Infrastructure Delivery Plan <b>TBC</b> - Milestones as set out in the Infrastructure Delivery Plan	The Council, KCC and partners
Create and deliver a Local Development Framework including a Core Strategy and related documents that create good conditions for prosperity whilst still providing balance with environmental protection.	<b>TBC</b> - Core Strategy adopted	The Council

Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
Percentage of parking spaces used (NEW)	Annual	67%	66%	64%	62%	60%
Percentage change in bus usage on services from Maidstone	Annual	5,916,605	Contextual – partner data			

depot (NEW)						
Average journey time per mile for key routes (Congestion)	Annual	3.28	Contextual – partner data			
Number of Park and Ride transactions	Quarterly	442,318	450,000	455,000	460,000	465,000
Income from pay and display car parks per parking space (NEW)	Quarterly	£1,191.04	£1,115.37	Will be set as part of the budget process each year		

**Outcome: By 2015 Maidstone has a growing economy with rising employment, catering for a range of skill sets to meet the demands of the local economy.**

### Why it matters for Maidstone

As a Borough we want Maidstone to be a place where the conditions are in place for businesses to flourish. The Council is committed to growth that is sustainable and will create the conditions which enable local businesses to start up, expand and attract new business to the borough. We will also support business growth and development across the Borough through our planning policies and land allocation including the management of the green and blue infrastructure network. Our Development Management service will ensure the relevant Council services provide an effective pre-application service and will process planning applications in a cost effective and timely manner. Maidstone also has significant rural business economies our Local Development Framework will include the rural areas.

Maidstone has the largest economy of all Kent Districts and Boroughs. More people commute into the Borough each day than commute out. The Borough is an economic hub providing employment for a large part of Kent. However, despite its natural location advantages, Maidstone's growth rate was the 4th lowest in Kent between 1998 and 2008 and behind the South East and Great Britain averages. It is a diverse economy with reliance on town services, 30% of businesses are located in the rural area. Moreover much of this employment growth has been public sector employment. Whilst around 10,000 jobs were created in the service sector during this period, the Borough lost over 3,000 jobs in manufacturing. Neighbouring areas have been able to provide a greater choice and range of employment sites in both quality and quantum and in some cases at more competitive prices. If the planned cuts in public sector expenditure of 30% result in jobs losses in the sector in the same proportion, nearly 6,000 people who work in Maidstone could lose their jobs. We also have a low wage local economy and the national changes to education and skills development will impact on our residents and employment. We will be seeking to address these local issues through our land allocations, planning policy and work with the education and skill sector.

What we plan to do	Milestones	Ownership
Create and deliver a Local Development Framework documents including a Core Strategy with the policies and land allocations that will create the right conditions for economic development*	<b>TBC</b> - Core Strategy adopted	The Council
Implement the updated Economic Development Strategy and Regeneration Statement and deliver actions to support the Council's priorities.	<b>2013– 2015</b> Milestones in accordance with the updated Economic Development Strategy and regeneration statement	The Council
Assist businesses who want to develop or locate to the Borough through: our pre-application planning advice service, a new role of business champion to encourage new business and support existing businesses and ensuring that the planning committee continues to be effective in supporting the Council's priorities	<b>Ongoing</b>  <b>April 2011- August 2011</b> - Review the operation of the planning committee - completed <b>2011-12</b> Introduce a training schedule for Members and officers Completed  Completed	The Council
Review Park Wood Industrial Estate and implement a strategy for its regeneration	<b>November 2010</b> - Strategy review <b>2011-2015</b> Implement strategy actions	The Council and relevant partners
Work with partners through the worklessness forum to assist people into training and employment	2013-14 – Implement Milestones set by the Maidstone Locality Board	The Council and relevant partners

\* The local development framework and core strategy set out the Council's planning policies for the Borough, as well as where it wishes to see housing and commercial development

Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
Number of business enquiries to Locate in Maidstone (NEW)	Quarterly	100	120	130	140	150



Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
Percentage of commercial planning applications completed within statutory timescales (NEW)	Quarterly	89%	89.5%	90%	90.5%	91%
Percentage of people claiming Job Seekers Allowance (KPI 006)	Quarterly	2.4%	2.4%≤	2.4%<	2.3%<	2.3%<
Percentage of vacant units within the town centre (NEW)	Annual	13.25%	12.25%	11.50%	10.75%	10%
Percentage of economically active people in Maidstone	Annual	80.10%	80.00%	80.20%	80.30%	80.40%
Value of business rateable floor space (NEW)	Annual	£140,001,901	£141,401,920	1% increase year on year		
Supply of business rateable floor space (NEW)	Annual	4414	4458	1% increase year on year		
a) Percentage of major business planning applications taking up pre-application advice	Bi-annual	93.75%	94.00%	94.50%	95.00%	95.50%
b) Percentage of those taking pre-application advice where the applications were approved (NEW)				82%	84%	86%
Gap between median wage of employee (residents) and the median wage of employees (workplace) (salary differences)	Annual	£82.50	£82.50	>£80.00	>£80.00	<£80.00

Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
16- 18 year olds not in employment, education or training (NEW)	Annual					

**Outcome: By 2015 Maidstone has decent, affordable housing in the right places across a range of tenures**

### Why it matters for Maidstone

We want Maidstone to be a place where people enjoy living and a key part of this will be having access to affordable and decent housing. We understand that good housing promotes educational attainment, better health outcomes and employment opportunities. The provision of choice and affordability in housing for the citizens of Maidstone, including rural communities, which meets their needs and aspirations are addressed within this outcome. Decent means housing that meets residents' needs in terms of availability and size as well as meeting the national decent homes standard.

In terms of affordable housing, we are referring to a range of tenure that includes socially rented, intermediate or affordable rent and a variety of shared ownership products. Maidstone Borough Council works to ensure that all new developments of 15 homes or over contain at least 40% affordable housing, which in 2009/10 led to 399 affordable homes becoming available. Due to Council intervention, 83 empty private sector homes were brought back into use or demolished - the majority being let to households from our housing list. We also have a role to play in improving the quality of private housing through grants for improvements to insulation and heating. The Council has completed a Strategic Housing Market Assessment to help us build the right kind of homes in the right places.

Housing in Maidstone town has traditionally been considered relatively affordable compared to the south east average, but this is not the case in rural Maidstone and for those on average or low incomes. The recent recession has resulted in an increase in home repossession and homelessness generally has risen across the UK. Whilst Maidstone has seen a rise in the numbers of households requiring temporary accommodation provided under the homelessness legislation this remains comparably low compared to the other Boroughs in Kent and a significantly lower level than the worst affected areas in England. Maidstone continues to perform above targets for homelessness prevention and is seeking to find new ways of encouraging people to seek housing advice at an earlier stage than when the crisis point of homelessness is reached.

What we plan to do	Milestones	Ownership
New Housing: Enable the delivery of a range of high quality homes that are desirable and affordable to all sections of the community	<b>2011-2015</b> Implement Housing Strategy	The Council

Existing Housing: Ensure our existing housing is suitable and able to meet future challenges; providing sought after homes now and into the future	<b>2011-2015</b> Implement Housing Strategy	The Council
Homelessness & vulnerable groups: Commission and provide services with partners that meet identified needs, reduce inequalities, are responsive and timely, promote stable, strong communities, self-reliance and encourage positive aspirations	<b>2011-2015</b> Implement Housing Strategy <b>2013</b> – Implement the new Allocation Scheme	The Council

Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
Percentage of residential planning applications processed within statutory timescales (NEW)	Quarterly	85%	85.5%	86%	86.5%	87%
Percentage of planning applications determined within statutory timescales a) Majors	Quarterly	86.36%	86.50%	87.00%	87.50%	88%
Percentage of planning applications determined within statutory timescales b) Minors	Quarterly	84.79%	85.00%	85.50%	86.00%	86.00%
Percentage of planning applications determined within statutory timescales c) Others	Quarterly	95.09%	95.50%	96.00%	96.50%	97.00%
Number of households prevented from becoming homeless	Quarterly	567	400	400	350	350

Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
through intervention						
The Council provides help for all households presenting as homeless and will use the appropriate means to resolve the situation. It should be noted that intervention is not an appropriate option in all cases. It is expected that the performance of this indicator will improve as the economy recovers from the recession.						
Average time taken to process and notify applicants on housing register	Quarterly		4 weeks	4 weeks	3.5 weeks	3.5 weeks
Number of residents participating in Neighbourhood Planning as a percentage of the ward population	Annual	11.6%	15%	20%	25%	30%
Number of affordable homes delivered	Quarterly	228	100	Targets for future years will be agreed as part of the budget process.		
Number of homes occupied by vulnerable people made decent	Quarterly	302	150	Beyond 2012 the Council will no longer have the funds to carry out the survey that informs this body of work.		
Percentage of new homes built on previously developed land	Annual	78%	60%	60%	50%	50%
The targets for this indicator have been profiled to take into account the reducing amount and type of previously developed land.						
Average grant per MBC funded affordable home unit (NEW)	Annual		Less than £60,000			

**Outcome: By 2015 Maidstone continues to be a clean and attractive environment for people who live in and visit the Borough**

### Why it matters for Maidstone

Maidstone is an exceptionally green Borough with a number of well maintained parks and open spaces. As Maidstone will continue to be a place for development the

challenge will be to continue to maintain and enhance our 41 conservation areas. Work is being undertaken to make the Borough more attractive, such as the Mote Park improvement project and the Museum East wing project. An attractive environment means a well built and designed environment: under the outcome related to the economy we have committed to an effective planning process to ensure we have a well designed environment.

Cleanliness has improved across the Borough and CO<sup>2</sup> emissions have been decreasing. We are committed to increasing social responsibility to ensure the new development is of high quality and the Borough's varied and valued landscape and heritage assets are respected and the environment remains clean and attractive. We want Maidstone to continue to be a place where people enjoy living and would choose to live. As stated in the earlier section on the economy, we will also be encouraging green business in Maidstone. As a Council we will lead with our carbon management programme: over the next four years we will be seeking to reduce carbon emissions from Council buildings and vehicles.

What we plan to do	Milestones	Ownership
Deliver focused enforcement activity to ensure high impact on the cleanliness of the Borough	<b>April 2012</b> - Area Based Enforcement being implemented Completed	The Council
Work with partners to ensure that all areas of the Borough are clean and well-maintained	<b>April 2012</b> - Deep Cleaning Programme in place ongoing	The Council and Partners
Continually develop street cleaning operations to ensure Maidstone is a clean and tidy Borough	<b>August 2013</b> –Introduce mechanical cleaning operaton as part of joint waste an street cleaning contract  <b>Ongoing</b> – work with partners to ensure that all areas of the Brough are clean and well maintained	
Ensure provision of timely specialist advice and services on heritage and landscape design to protect and enhance Maidstone's environment	<b>Ongoing</b> - Provide quality pre-application advice services for heritage and landscape design	The Council
Deliver the Carbon Management Plan to ensure that the Council reduces it's carbon footprint by 3% per annum	<b>Ongoing</b> - Reduce carbon emissions across the Borough and improve air quality <b>Ongoing</b> - Reduce the Council's carbon footprint and improve the use of other natural resources whilst ensuring the Council is planning to adapt to Climate Change	The Council with others

Maximise our leisure and cultural offer to enhance the quality of life for our residents whilst attracting visitors, new residents and businesses	<b>March 2012</b> - Completed the redevelopment of the Museum's East Wing <b>June 2013</b> - Complete a review of play areas and produce a strategy for future provision <b>June 2012</b> - Completed Mote Park regeneration project capital works	The Council
New waste contract	<b>Summer 2013</b> -New Waste Contract in place	The Council

Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
Percentage of waste recycled (NI 192)	Quarterly	32.62%	43%	45%	48%	50%
Percentage of fly-tipping reports responded to within 1 working day (NEW)	Quarterly		95%	95%	95%	95%
Although there is no baseline currently for this indicator the service manager has set a performance standard that he would like the team to achieve.						
Cost of maintaining the Borough's parks & green spaces per hectare (NEW)	Annual	£7,008	Targets for future years will be agreed as part of the budget process.			
Cost of waste collection (per household)	Annual	£54.58	<£59	<£59	<£57	<£57
Cost of street cleaning per head of population (NEW)	Annual	£10.38	£10.50	Targets for future years will be agreed as part of the budget process.		
Percentage reductions in CO <sub>2</sub> emissions from local authority operations (tonnes)	Annual	5247 (2009)	-3%	-3%	-3%	-3%
The target for this indicator has been set as a 3% reduction year on year as set out in the Carbon Management Plan.						
Residual waste per household						

**Outcome: By 2015 residents in Maidstone are not disadvantaged because of where they live or who they are, vulnerable people are assisted and the level of deprivation is reduced**

**Why it matters for Maidstone**

This outcome refers not only to our deprived areas but those individuals who are most vulnerable wherever they are in the Borough including our rural communities. National policies on welfare reform and public sector budget cuts will have an impact for our deprived areas and our most vulnerable residents. Our economic and housing strategies that feature under other outcomes will be crucial to achieving this outcome. This will not be an easy area to address as 11% of Maidstone’s population live in areas considered to be in the 20% most deprived in the country. Our rural areas also contain households suffering deprivation. These areas have lower standards of health and lower life expectancy than average. The disadvantaged wards have the highest numbers of young people not in education, employment or training and significantly higher numbers of youth offenders.

Following an internal review on the issue of disadvantage and having regard to the findings of the Marmot Review the Cabinet has determined to tackle disadvantage in the long-term through improving early years’ development. This will be achieved through giving every child the best possible start in life; maximising their capabilities; and creating fair employment and good work for all, the result of which will be to break the cycle of deprivation and disadvantage. This cannot be achieved overnight but the positive gains will have generational benefits. The Marmot Review concluded that effective local delivery requires residents to be involved in the decisions that affect them. Local authorities are best placed to enable and co-ordinate this approach by empowering individuals and local communities.

We will continue the work on Planning for Real in our deprived areas to engage communities in identifying and resolving local issues and problems and helping others to help themselves.

As community leaders, we will convene resources to reduce the number of young people not in education, employment or training and reduce the number of adults out of work. We will seek to do this through working with local businesses and supporting social enterprise start ups. We will be working to prevent disadvantage and will seek to participate in a pilot with KCC to address the needs of complex families in our Borough.

What we plan to do	Milestones	Ownership
Reduce inequalities within communities through preventative action	<p><b>April 2012 – March 2016</b> Pilot completed with KCC on complex families</p> <p><b>April 2012-16</b> - Deliver Community Development Strategy milestones</p>	In Partnership
Promote active citizenship – to facilitate and support increased involvement by local people in decision making and involvement in their neighbourhoods	<b>April 2012</b> - Locality Boards in place	The Council, KCC and Partners

Review the Park Wood Planning for Real activity to inform further work and activities supporting communities in identifying and meeting their needs, opportunities, rights and responsibilities	<b>2011-2016</b> - Neighbourhood Action Plans in place for Park Wood, Shepway North, Shepway South, Tovil and Mangravet	The Council and Partners
Increase targeted support for families with children aged 0-3, particularly the most vulnerable and deprived	<b>December 2015-</b> developed robust partnerships to support and improve early years development and services	The Council, KCC and partners

Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
Number of residents participating in Neighbourhood Planning as a percentage of the ward population	Annual	11.6%	15%	20%	25%	30%
Average time taken to process new benefit claims and changes of circumstances (NI 181)	Quarterly	7.66 days	15 days	15 days	10 days	10 days
In setting the above target at 15 days we have worked on the basis that the focus going forward will be on reducing cost of delivery, whilst maintaining the level of service expected by customers and allowing for some short term impact on performance during the shared service implementation. This is supported by the BTP review of the service which looked specifically at processing times to establish whether it was a driver for satisfaction and concluded that within certain boundaries, it was quality of service as opposed to speed of assessment that was key.						
Achievement gap between those eligible for free school meals and their peers	Annual					
% change in number of first time entrants to the youth justice system	Annual					

**Outcome: By 2015 the Council will ensure that cost effective, efficient services are delivered across the borough**

### Why it matters for Maidstone



This outcome is related to ensuring that services received by residents are delivered in the best way to ensure that the most value is received for every pound spent. We will deliver fewer services directly ourselves and commission and enable more, through social enterprise, public and employee run services.

The Council provides many different services which are used by different types of people. It is essential to ensure that people can access services they need in a way that suits them and provides value for money. We recognise that the internet provides the only way people can access our services and get information at any time of day and on any day of the year. Therefore, we are improving the Maidstone Borough Council website to make sure information is clear and have as many services as possible online. Using the Council website also provides good value for money: it costs least for people to get information, apply for things and make payments online (about £0.32 per visit to the website), a little more if people telephone the Council (about 1.86 per phone call) and most for people to visit the Gateway (about £ 9.66 per visit). As we know that not everyone can or wants to get information or services online, we will continue to provide high quality telephone and face to face services.

In 2012 the Council carried out a review to identify the optimum customer service model looking at how people prefer to access our services and find out information. The research work has been significant identifying what is in place now and how we perform; consulting with residents, businesses and staff and visiting and talking with other authorities looking at how they work. From this work a range of improvements have been identified, once the recommendations for improvement have been agreed a programme of improvement will be implemented.

What we plan to do	Milestones	Ownership
Seek out and implement new ways of delivering services that are not our core business, such as the Theatre and the Museum	<b>March 2012</b> – Plans in place for cost neutral Museum and Theatre service	The Council
Progress the shared services programme for those services that it is practical to do so and savings can be achieved	<b>April 2011 – March 2015</b> - progress shared services	The Council and Partners
Undertake a programme of business improvement service reviews to ensure services are customer focused and delivered efficiently and effectively	<b>April 2011- March 2015</b> - Undertake programme of reviews as per the Corporate Improvement Plan	The Council

Ensure that the authority has a productive, proactive and flexible workforce	<p><b>April 2013</b> - Produce and implement a Workforce Plan incorporating a skills audit for current resources and a plan to develop the workforce for future needs</p> <p><b>March 2015</b> - Gain Investors in People Gold</p> <p><b>2011-2015</b> - Manage the change initiatives through a strategic approach to organisation development in line with Strategic Plan milestones</p>	The Council
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Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
Percentage of business rates collected	Quarterly	97.03%	97.00%	97.00%	97.00%	97.00%
Percentage of Council tax collected	Quarterly	98.70%	98.70%	98.70%	98.70%	98.70%
Savings delivered through reviews (Value for Money)	Quarterly	£491,750	Contextual			
Value of fraud identified (housing benefits)	Quarterly	£1,190,546	£500,000	£500,000	N/A	N/A
Future targets have been set to take into account previous two years' performance which totals £1.7 million.						

**Outcome: By 2015 the Council will ensure that services are customer focused and residents are satisfied with them**

This outcome is related to ensuring that residents are satisfied with the services they receive and the way the Council spends money. We will conduct regular satisfaction surveys and carry out regular consultation with residents, using the information gathered to inform service design.

We will be changing the role of the Council to ensure that our services have a positive impact on the lives of people who live and work in the Borough. As a Council, we will seek to enable residents, encourage responsibility and grow our communities.

What we plan to do	Milestones	Ownership
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Ensure we use performance management data, customer satisfaction and customer feedback to improve services	<b>February 2012</b> - Introduce a new correspondence system and use complaints and compliments to inform service delivery and improvements <b>Ongoing</b> - Cabinet & Scrutiny to monitor performance quarterly <b>Ongoing</b> - Ensure there are robust audit and overview and scrutiny arrangements in place	The Council
Review the way we interact with our customers	<b>April 2012-September 2012</b> Conduct review	The Council
Implement improvements in customer service delivery as recommended in the Customer Centricity Review	<b>April 2013- March 2015</b> Undertake programme of customer service delivery improvements	

Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
Satisfaction with the way the Council runs things (biennial survey)	Biennial	44%	46%		48%	
Satisfaction with Council's recycling service (biennial survey)	Biennial	51.3%	55%		57%	
Satisfactions with Council's refuse collection service (biennial survey)	Biennial	85.5%	85%		85%	
Satisfaction with Council's parks and open spaces (biennial survey)	Biennial	73%	75%		77%	
Satisfaction with street cleansing	Biennial		60%		62%	

Indicator	Frequency	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
(biennial survey)						
Satisfaction with the Leisure Centre (biennial survey)	Biennial		60%		62%	

## Service Principles – How we will design our services

1. Residents and businesses are the starting point for services; every service must be considered from the perspective of the citizen and delivered at the lowest possible level – a bottom-up approach.
2. We will enable service delivery and seek to commission services rather than deliver them ourselves wherever appropriate.
3. We will work with partners where there are economies of scale and to identify common solutions and shared services.
4. Services must achieve our priorities.
5. We will manage our services so no-one is disadvantaged because of where they live.
6. We will concentrate on delivering our core services, whilst recognising that there are areas we need to influence and work with others on to bring about change.
7. We will work together as one Council and with our partners to deliver change and manage expectation.

## Values - How we will deliver our services

The Council has developed and agreed six core values which will define how we deliver our services:

- Superb customer service – It is important to understand that everything we do impacts on our customers, both internal and external. We will listen to and understand their needs, then take action to provide the right service in a professional manner.
- Teamwork - working together to achieve our objectives and goals in away that utilises the talents and creativity of everyone within our organisation.
- Responsibility for delivering on our promises
  - being focussed on the Council’s vision and priorities. Leadership and management that respond and take the organisation through change.
- Integrity and high standards of corporate governance – being transparent and accountable. Having the courage to act on our convictions to build trust and honesty within the organisation. Working with our partners and customers to create a feeling of openness and transparency in all that we do.
- Value for money – taking care and weighing up our options, aiming to get maximum effect for every penny of public money we spend. Promoting ownership to ensure that all of us feel responsible for providing value for money in all that we do and making suggestions for improvements.

- Equality within a diverse organisation - valuing our differences for the enrichment and betterment of our working environment. Having the courage to question our own reactions and mindset in order to be open to new ideas and concepts.

## How we have prioritised and funded services

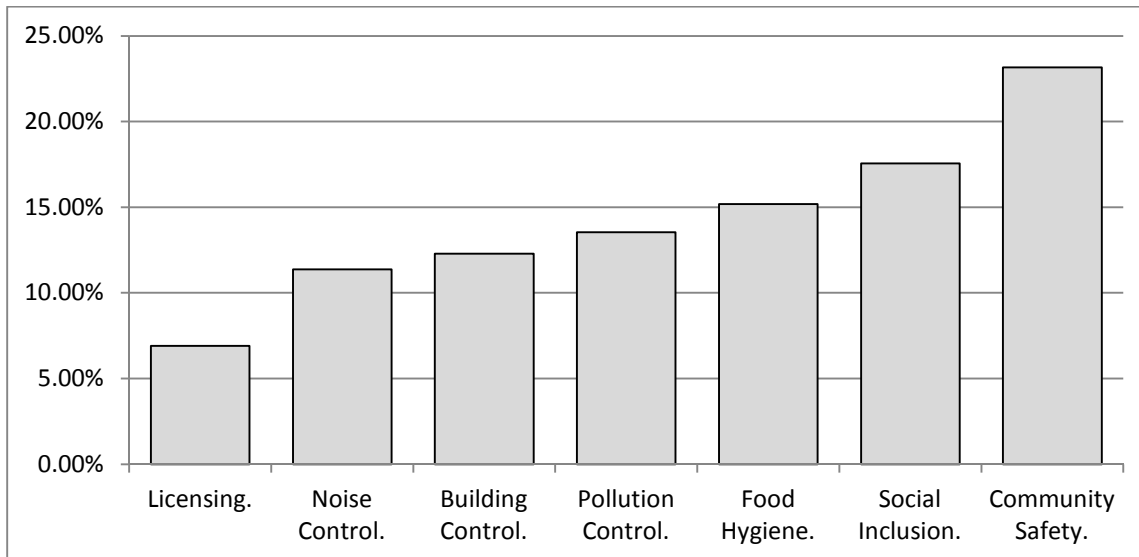
The Council has to make £4.7m of savings between 2011 and 2015. In order to identify savings, the Council has focused on the delivery of core services which meet our priorities and asked the public to determine what matters to them in relation to the Council's discretionary services.

The Cabinet, as a first stage in determining budgets, prioritised the Council's front line services into low, medium and high, by identifying which services would best achieve their priorities through a paired analysis. A paired analysis is where each service is compared in a pair with every other service and one is chosen above the other as being more important in achieving the Council's priorities. Services were ranked from 1 to 12 and then as high, medium or low.

Revenue	High	Medium	Low
<b>Invest</b>	Economic Development		
<b>Maintain</b>	Parking and Transport Housing		Environmental Health
<b>Reduce</b>	Planning and Building Control	Community Safety Waste Collection and Recycling Community Development Recreation, Sport and Open Spaces	Culture and Heritage Tourism Street Cleansing

Once Cabinet had carried out this exercise, they reviewed the services to determine which should receive investment, which should be maintained and where investment should be reduced. It should be noted that maintaining services will not necessarily mean maintaining the cost of the service. Also, where the service has been identified for reduction, this refers to the cost of the service. For example, it was identified that for the planning service the service level should be maintained but the service should be more efficient and costs reduced. The prioritising of services was followed up with meetings between senior managers and the Cabinet and, where appropriate, the shadow Cabinet to identify how savings could be made in accordance with the prioritisation. As a consequence, the Council is now reviewing how we deliver our cultural services and considering alternative options to reduce costs and deliver the services that residents want and need.

The public were consulted with regard to a range of services categorised as low priority in the table above where there is a statutory requirement for the Council to provide the service. This consultation complements the consultation carried out last year into discretionary services. The three services rated by the public as lowest priority were Licensing, Noise Control and Building Control. As a consequence of the public consultation, the Council will be reviewing our budgets for these areas.

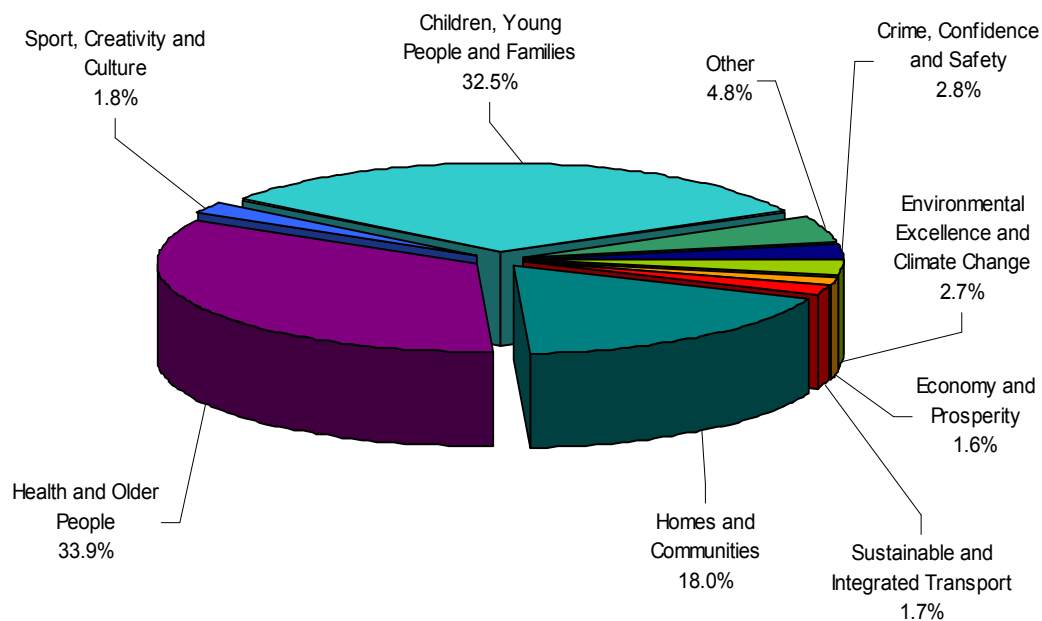


During the consultation the public were also asked their views on a series of potential changes to customer service provision and as a result of these initial responses the Council will review opening hours of the Gateway and options for an automated switchboard. The Council has already taken action that will reduce management costs and will take further action to reduce staffing costs in the future years of this strategic plan. This will include reviewing the back office functions to make savings which will include shared services.

### **Working in Partnership: How Resources are Spent in Maidstone**

The Council has taken part in the [a](#) study of how resources are allocated locally.

The study used data from different public bodies and agents in Maidstone to find out where money is spent locally by those bodies and what it is spent on. Information was submitted by a variety of agencies including the Council, KCC, Kent Police, the PCT and the Homes and Community Agency. Golding Homes, the local NHS trust and Kent Fire and Rescue’s spending is not included in the data. It is estimated that £611 million was spent by the public sector across the Maidstone borough in 2009-10, equating to £ 4,062 being spent per person. The biggest area of spending locally is on health and older people, followed closely by children, young people and families.



### Performance Management – Doing what we say we will

We are committed to being open and transparent and we will publish performance data on our website so that we are accountable to the public.

Furthermore, the Council’s performance will be managed by the Corporate Management Team and Cabinet as well as held to account through overview and scrutiny. We have sought to review and reduce the number of performance indicators we use to measure and monitor success and target performance. The last performance plan contained 162 indicators covering 6 priorities and 22 key objectives. For the period 2011-15, we propose to use 60 indicators to measure performance.

Indicators have been outlined for each outcome so we can measure and monitor our success.

### Risk Management

The Council has reviewed the outcomes we hope to achieve by 2015 to identify any risks to those outcomes. Six strategic risks have been identified. Action plans to mitigate these risks will be put in place and reported to Management Team and Cabinet. Strategic risks and actions will be linked to the Council’s service delivery plans. The actions set out to achieve each outcome in this plan will also be a key part of the risk mitigation. The performance on these will be reported regularly through our performance management processes to Management Team, Cabinet and Scrutiny.

## Glossary

**Local Development Framework (LDF) including the Core Strategy** – The Local Development Framework documents including the Core Strategy set out the Council's planning policies for the Borough, as well as where it wishes to see housing and commercial development.

**Local Strategic Partnership (LSP)** – the LSP is a group of private and public organisations in Maidstone who work together to deliver the Sustainable Community Strategy.

**Neighbourhood Planning** – In the Plan we refer to the Park Wood Planning for Real activity and Neighbourhood Plans. Neighbourhood Action Plans have been developed across the UK to address local issues and improve the quality of life for residents. They are plans developed with and by our communities to identify and address local issues.

**Performance Indicators** – These are set out in the strategic plan as a means of measuring the Council's progress and performance against our outcomes.

**Social Return on Investment** – This is a means by which we can measure and account for a much broader concept of value. It incorporates social, environmental and economic costs and benefits into decision making, providing a fuller picture of how value is created or lost.

**Sustainable Community Strategy (SCS)** – The Local Government Act 2000 placed a duty on every local authority to prepare a community strategy "for promoting or improving the economic, social and environmental well-being of their area and contributing to the achievement of sustainable development in the United Kingdom." The SCS is the overarching community plan for the area.



## **Customer care and engagement**

We want to ensure that you can access our services easily and in a way which suits you. We also know it is important that you are able to tell us how we can improve our services. To help us to do this we carry out regular customer satisfaction reviews and where we can, make improvements that you have asked for.

We have a customer care policy that tells you what standards you can expect from us and a corporate complaints system so that you can tell us when we get things wrong. We always try to get things right first time, but when this does not happen we make sure we learn lessons to improve customer service in the future.

For a number of years, the Council has helped parish councils to develop parish plans that have led to improved services and facilities for rural residents. Last year the Council and its partners worked with over 600 residents in Park Wood to develop a pilot urban Neighbourhood Action Plan. New projects to help unemployed people back into work and provide more activities for young people as well as campaigns to tackle litter and dog mess have come out of this. The Council intends to fully evaluate the project before rolling it out to other priority urban wards.

We will be holding various consultation events through the year where you can come and give us your views on the issues that affect you.

These will be advertised on our website [www.maidstone.gov.uk](http://www.maidstone.gov.uk)

# Agenda Item 9

## **MAIDSTONE BOROUGH COUNCIL**

### **CABINET**

**19 DECEMBER 2012**

### **REPORT OF THE ASSISTANT DIRECTOR OF ENVIRONMENT AND REGULATORY SERVICES**

**Report prepared by David Tibbit**

#### **1. THE COMMUNITY RIGHT TO BID**

##### 1.1 Issue for Decision

1.1.1 To consider the Council's approach to implementing the new Community Right to Bid legislation.

##### 1.2 Recommendation of the Assistant Director of Environment & Regulatory Services

1.2.1 That Cabinet adopts the procedures and agrees the delegations set out in the main body of the report to ensure a resilient approach to the requirements of the Community Right to Bid.

##### 1.3 Reasons for Recommendation

###### Background

1.3.1 The Community Empowerment chapters of the Localism Act offer new opportunities for local people and groups to bid to run services and protect assets they feel are important to their communities. The Act is a central plank of the Government's drive towards decentralisation.

1.3.2 The Act was passed in November 2011, and regulations for the Community Right to Bid came into force on 21 September 2012 and guidance published by the Department for Communities and Local Government in October 2012.

1.3.3 Briefly, the Community Right to Bid gives local voluntary or community bodies or parish councils the right to nominate an asset to be included in a list of assets of community value. The local authority must consider the request. If accepted, the asset remains on the list for five years. If the owner wants to sell the asset during that period, a moratorium period is triggered during which the asset cannot be

sold. This is intended to give community groups the time to develop a proposal and raise the capital to bid for the property. A fuller description of the regulations is included in Appendix A.

- 1.3.4 By determining the Council's approach to implementing the provisions of the Act, Cabinet can ensure that its procedures are compliant and resilient and help ensure that residents and groups are clear as to the procedures involved.

#### Recommended Approach

- 1.3.5 The DCLG has published a "Non-statutory advice note for local authorities" to accompany and explain the actual regulations. Whilst the advice note, and the regulations, describe in some detail the procedures and timetables required, there are some matters left to the discretion of the Local Authority. These are principally the format and content of the lists and where they are published, by whom nominations and appeals are dealt with, the processes for dealing with them, and some matters of timescale.

- 1.3.6 The following approach is recommended:

1. The advice note, as attached Appendix B, and a pro-forma for submitting nominations, as attached Appendix C, are published within the "Community and Living" section of the web site under a Community Right to Bid link.
2. An e-mail address [righttobid@maidstone.gov.uk](mailto:righttobid@maidstone.gov.uk) is created to receive nominations which are then validated and managed by Facilities Management.
3. Lists of assets of community value successfully and unsuccessfully nominated are created and published on the web-site in the Community and Living section, and managed by Facilities Management with the headings as listed in attached Appendix D.
4. Nominations are considered by an officer working group comprising one representative each from Corporate Property, Planning and Community Partnerships, with the final decision being taken by the Assistant Director of Environment & Regulatory Services in consultation with the Cabinet Member for Corporate Services.
5. Reviews of decisions to list, requested by the owner, are considered by the Director for Change, Planning and the Environment.

- 6. Decisions and results of reviews of decisions to list, notifications of moratorium periods etc are given in writing to all the specified interests by Facilities Management.
- 7. Amendments, additions and updating of the lists are managed by Facilities Management.
- 8. Compensation claims submitted by the owner as a result of listing are considered and dealt with by the Property & Procurement Manager.
- 9. Reviews of compensation claims are considered and dealt with by the Assistant Director of Environment & Regulatory Services.

1.3.7 A clearly defined framework in which to apply the provisions of the legislation and standard templates for submissions, validation etc will enable the whole process to be managed efficiently and effectively.

1.4 Alternative Action and why not Recommended

1.4.1 The Council is obliged to implement procedures to deal with the legislation. Taking no action is not an option. Alternatives to the method of implementation, and the officers involved, could be considered, but those recommended are robust and realistic.

1.5 Impact on Corporate Objectives

1.5.1 A successful implementation of the legislation will help the viability of sustainable communities and enable the residents of Maidstone to receive services which are delivered on time and to agreed standards in an accessible way.

1.6 Risk Management

1.6.1 It is difficult at this stage to assess the community's response to the legislation and its effect on the Council's operations. A proper framework of procedures and document templates will enable the Council to deal with nominations, and subsequent appeals, within the requirements and timescales of the legislation.

1.7 Other Implications

- 1. Financial
- 2. Staffing
- 3. Legal

X
X

4.	Equality Impact Needs Assessment	X
5.	Environmental/Sustainable Development	X
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	
9.	Asset Management	X

1.7.1 Financial - The financial implications will depend to a large extent on the number of nominations received. DCLG have carried out an impact assessment covering the cost of setting up the procedures, dealing with nominations and paying compensation to affected owners. As a result the Council, in common with all district councils, has received a new burdens payment of £4,873.00 from DCLG. Further payments are expected in 2013 and 2014.

1.7.2 Financial - DCLG will meet the costs of compensation claims totalling over £20,000 per year.

1.7.3 Legal - An application to the Land Registry for a restriction on the Land Register of a successfully nominated asset will be required. An application for cancellation of the restriction will also be required when the asset is removed from the list.

1.7.4 Equality Impact Needs Assessment – The proposal will have no adverse impact on any part of the community.

1.7.5 Environmental/Sustainable development - Empowering communities to run local community assets is a major element of the development of sustainable communities.

1.7.6 Asset Management – The Council is not permitted to nominate its own assets, but it is possible that some of them, for example, its community halls, may be nominated by a local group.

## 1.8 Relevant Documents

### 1.8.1 Appendices

Appendix A – Summary of the Community Right to Bid

Appendix B – Non-statutory advice note for local authorities

Appendix C – Pro-forma for submitting nominations

Appendix D – Headings for list of successful and unsuccessful nominations

1.8.2 Background Documents  
None

**IS THIS A KEY DECISION REPORT?**

Yes

X

No

If yes, when did it first appear in the Forward Plan?

4 October 2012

This is a Key Decision because: it affects Wards and Parishes

.....

Wards/Parishes affected: All.....

.....

## **APPENDIX A**

### **COMMUNITY RIGHT TO BID (ASSETS OF COMMUNITY VALUE)**

#### **Introduction**

In neighbourhoods across the country there are buildings and amenities that are integral to the communities that use them. This could be a village shop, a pub, a community centre or a library. Many provide a base from which to deliver public services to the local community. The closure or sale of such buildings and amenities can create lasting damage in communities and threaten the provision of services. The Right to Bid offers greater opportunity for communities to keep such buildings in public use and ensure they remain a social hub for the community.

Previously, when local amenities have been threatened with sale or closure, community groups have taken them over. However, they have faced significant challenges and have often needed more time to organise a bid and raise money than the private enterprises bidding against them.

The Localism Act introduces a Community Right to Bid (Assets of Community Value) which aims to ensure that buildings and amenities can be kept in public use and remain an integral part of community life.

#### **How will it work?**

A voluntary or community organisations or parish council can nominate an asset to be included in a 'list of assets of community value'.

The local authority is then required to include the asset on the list. If the owner of a listed asset then wants to sell the asset a "moratorium period" will be triggered during which the asset cannot be sold. This is intended to allow community groups time to develop a proposal and raise the required capital to bid for the property when it comes onto the open market at the end of that period.

#### **What is the procedure?**

The local authority will determine the format of the list, any modifications made to any of the entries on the list and any removal of an entry from the list.

A nomination must come from a voluntary or community body, such as a parish council, a neighbourhood forum, or a charity. The body must have a local connection, for example, their activities are wholly or partly concerned with the local authority's area. Parish Councils may also nominate assets in a

neighbouring parish council or unparished area. Local authorities cannot list land on their own initiative. Nominated assets may be owned by anybody, including the local authority and the Crown.

The local authority will then have eight weeks to determine whether the asset has been properly nominated and meets the definitions in the regulations, If so, the asset is placed on the list and all the relevant parties are informed. This includes placing the asset on the local land charges register and, if the land is registered, applying for a restriction on the Land Register.

If the owner objects to their property being placed on the list, they have a right to request an internal review by the council. If the owner remains in disagreement after the review, they have a right of appeal to an independent Tribunal.

If the nomination is unsuccessful, the local authority must place it on a list of assets nominated but not listed. If an owner is successful in their appeal against listing at internal review or Tribunal then the asset must be moved to the list of unsuccessful nominations.

If land is included in the list of assets of community value it will remain on that list for five years, unless disposed of, or there has been a successful appeal against listing or when the local authority decides that the asset is no longer of community value.

### **What is land of “community value”?**

A building or piece of land has community value if:

- Actual current use of the land or building that is not an ancillary use furthers the social wellbeing or social interests of the local community, and
- It is realistic to think that there can continue to be such use which will further the social wellbeing or social interests of the local community, whether or not in the same way
- It also includes land or building which has, in the recent past, furthered the social wellbeing or social interests of the local community, and which it is realistic to consider will do so again during the next five years.

Exemptions from listing include residential premises, and associated gardens and outbuildings; land licensed for use as a residential caravan site and operational land of statutory undertakers.



## **What is the “moratorium period”?**

Once an asset has been listed nothing further will happen unless and until the owner decides to dispose of it.

Unless an exemption applies, the owner will only be able to dispose of the asset after a moratorium period has expired.

There are two moratorium periods to note, both of which start from the date the owner of the asset notifies the local authority of their intention to sell the asset:

- ‘Interim moratorium period’ – this is a six week period during which a community group wishing to bid for the asset must notify the local authority that they wish to be considered as a potential bidder. If this does not happen the owner can proceed to a sale.
- ‘Full moratorium period’ - this applies if a community group does make a request during the interim period, and lasts for six months during which the community group can develop their proposal and raise the capital required to bid for the asset.

After the moratorium period, either six weeks if there has been no community interest, or the full six months, the owner is free to sell to whoever they choose and at whatever price. No further moratorium period will apply for the remainder of a protected period lasting eighteen months.

## **Are there exemptions from the moratorium period?**

There is a comprehensive list of exemptions from the moratorium period. The main ones are:

- § Disposals which are gifts
- § Disposals in accordance with the will of the deceased owner or under the intestacy rules, or in order to raise money for matters connected with the administration of the estate
- § Disposals between family members
- Sale of land on which a business is carried on, together with the sale of that business as a going concern.

The full list of exemptions is published in the regulations.

## **Will compensation be payable?**

All owners, other than public authorities, will be entitled to claim compensation for loss or expense incurred as a result of listing and complying with any of the procedures required by the scheme.

The claim should be made to the local authority in writing within 13 weeks of the end of the interim or full moratorium period or from the date when the land ceased to be listed. The burden of proof for any claim will rest with the owner.

The local authority must consider the claim and is required to give written reasons for its decision. No time limit is given for responding to the claim. The owner has a right to an internal review of a compensation decision by the local authority. If the owner disagrees with the decision he may appeal to an independent Tribunal.

### **How will the scheme be enforced?**

Compliance will be encouraged by requiring local authorities to inform owners and other interested parties that an asset has been listed, to enter the listing on the local land charges register and, in the case of registered land, apply for a restriction on the Land Register.

Owners will be encouraged to comply as non-compliant sales will be void, meaning that the change of ownership hasn't taken place.



Department for  
Communities and  
Local Government

# Community Right to Bid: Non-statutory advice note for local authorities

Part 5 Chapter 3 of the Localism Act 2011 and the Assets of  
Community Regulations 2012

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# Ministerial foreword



From local pubs and shops to village halls and community centres, the past decade has seen many communities lose local amenities and buildings that are of great importance to them. As a result they find themselves bereft of the assets that can help to contribute to the development of vibrant and active communities. However on a more positive note, the past decade has also seen a significant rise in communities becoming more active and joining together to save and take over assets which are significant for them.

Part 5 Chapter 3 of the Localism Act, and the Assets of Community Value (England) Regulations, which together deliver the Community Right to Bid, aim to encourage more of this type of community-focused, locally-led action by providing an important tool to help communities looking to take over and run local assets. The scheme will give communities the opportunity to identify assets of community value and have them listed and, when they are put up for sale, more time to raise finance and prepare to bid for them.

This scheme requires an excellent understanding of the needs of the local community. As such local authorities will have a pivotal role in implementing the Community Right to Bid, working with local communities to decide on asset listing, ensuring asset owners understand the consequences of listing, enforcing the Moratorium period and in taking decisions as part of any appeals process

This advice note, which has non-statutory status, is aimed at helping local authorities to implement the scheme so that they can work with their communities to protect the buildings and amenities which are of great local significance to the places where people live and work.

A handwritten signature in black ink, appearing to read 'Don Foster', written over a horizontal line.

**The Rt Hon Don Foster MP**

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# Section 1

## Introduction and scope of advice

- 1.1 The Localism Act (“the Act”) was enacted on 15 November 2011<sup>1</sup>, and the Assets of Community Value provisions in Part 5 Chapter 3 were commenced for England at the same time as the Regulations made under those provisions came into force, both on 21 September 2012.
- 1.2 The status of this advice note is non-statutory and applies only to England.
- 1.3 A glossary of terms is at Annex A at the end of this guidance.

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<sup>1</sup> <http://www.legislation.gov.uk/ukpga/2011/20/part/5/chapter/3/enacted>

## Section 2

### Outline of how the scheme works

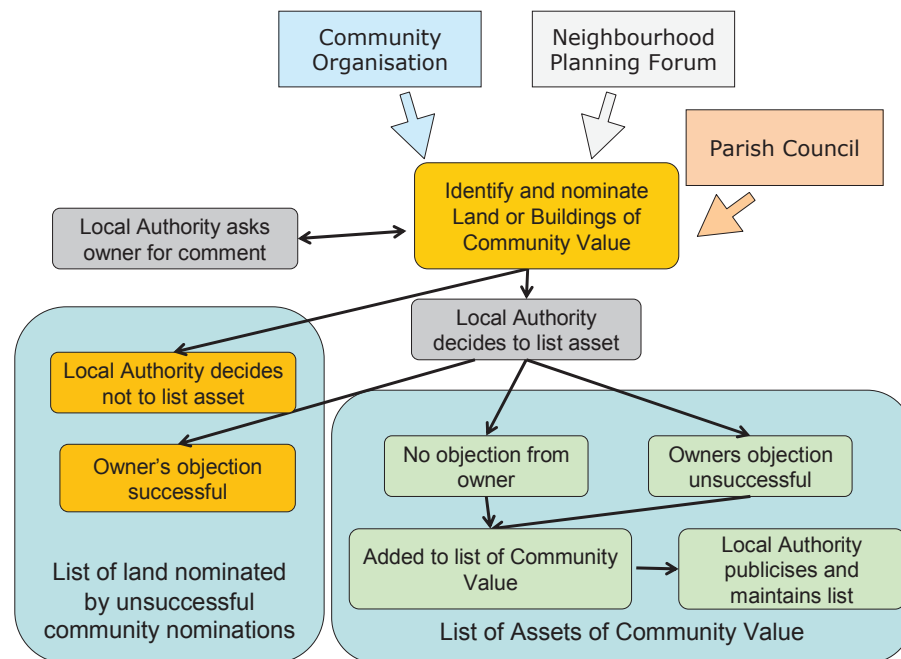
- 2.1 The provisions give local groups a right to nominate a building or other land for listing by the local authority as an asset of community value. It can be listed if a principal (“non-ancillary”) use of the asset furthers (or has recently furthered) their community’s social well-being or social interests (which include cultural, sporting or recreational interests) and is likely to do so in the future. When a listed asset is to be sold, local community groups will in many cases have a fairer chance to make a bid to buy it on the open market.
- 2.2 The Assets of Community Value legislation places requirements on the following local authorities in England:
- (a) a district council,
  - (b) a county council for an area for which there are no district councils,
  - (c) a London borough council,
  - (d) the Common Council of the City of London, or
  - (e) the Council of the Isles of Scilly.
- 2.3 The scheme has two main parts: nominating and listing assets and the moratorium.

### Nominating an asset

- 2.4 It is open to parishes and community organisations, including neighbourhood forums (as constituted under section 61F of the Town and Country Planning Act 1990, added to that Act by the Localism Act) to nominate local assets to their local authority, to be included on the list of assets of community value. Nominated assets may be owned by anybody, including the local authority and the Crown.
- 2.5 A neighbouring parish council can nominate an asset. Where the land is in a parish area, this means a parish which shares a border with it; or if an asset is in an unparished local authority area, so that there is no immediately adjoining parish council within the same local authority area, a parish council that borders the local authority could nominate an asset.



- 2.6 The local authority will then have 8 weeks to make a judgement about whether the asset meets the definition set out in section 88 of the Act or whether it falls into one of the excluded categories, including residential property, set out in Schedule 1 to the Regulations.
- 2.7 If the nominated asset is properly nominated, is in the local authority's area, meets the definition, and is not excluded, the local authority must list it and inform all specified parties (including the parish council). They must also place the asset on the local land charges register and, if the land is registered, apply for a restriction on the Land Register in Form QQ (for details see below under Enforcement).
- 2.8 If the owner objects to their property being placed on the List, they will have a right to an internal review by the council of the decision to list. The details of this process are set out below. If the owner remains in disagreement with the listing after the internal review they have a right of appeal to an independent Tribunal.
- 2.9 If the local authority do not agree that the asset nominated meets the section 88 definition, or it is in one of the excluded categories, they must place it on a list of assets nominated but not listed. If an owner is successful in their appeal against listing at internal review or Tribunal stage then the asset must also be moved to the list of unsuccessful nominations. It is for the local authority to decide how long they hold unsuccessful nominations on this list. The intention of this is to ensure transparency and to avoid multiple nomination of an asset that does not meet the definition.

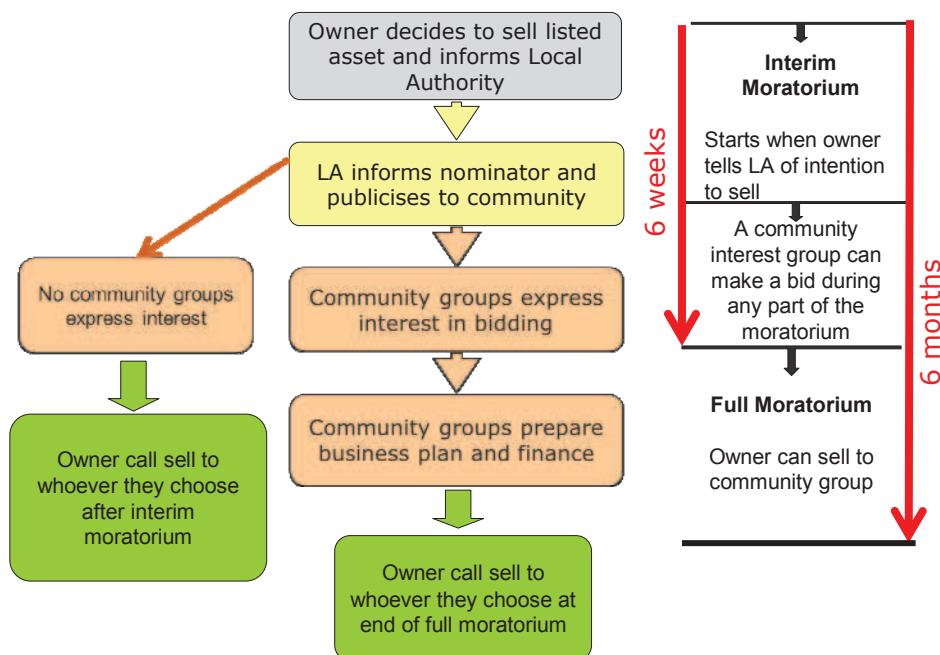


## Moratorium

- 2.10 Once an asset has been listed nothing further will happen unless and until the owner decides to dispose of it, either through a freehold sale, or the grant or assignment of a qualifying lease (i.e. originally granted for at least twenty-five years).
- 2.11 Unless an exemption applies, the owner will only be able to dispose of the asset after a specified window has expired.
- 2.12 The first part of this window is a 6 week interim period, which will apply in all cases, from the point the owner notifies the local authority. This will allow community interest groups to make a written request to be treated as a potential bidder. If none do so in this period, the owner is free to sell their asset at the end of the 6 weeks.
- 2.13 If a community interest group as defined in regulation 12 of the Regulations (referring to the bodies in paragraph (1) (d) to (g) of regulation 5) does make a request during this interim period, then the full 6 month moratorium (again from the point the owner notifies the local authority) will operate. During this period the owner may continue to market and negotiate sales, but may not exchange contracts (or enter into a binding contract to do so later). There is one exception. The owner may sell to a community interest group during the moratorium period.
- 2.14 After the moratorium period – either the 6 weeks if there has been no community interest, or the full 6 months – the owner is free to sell to **whomever they choose and at whatever price**, and no further moratorium will apply for the remainder of a protected period lasting 18 months (running from the same start date of when the owner notified the local authority of wishing to sell). The process and lengths of the moratorium periods are contained in section 95 of the Act<sup>2</sup>.

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<sup>2</sup> <http://www.legislation.gov.uk/ukpga/2011/20/section/95/enacted>



2.15 Not all proposed sales have to be notified to the local authority however. A range of disposals will be exempted from the provisions. A number are set out in section 95(5) of the Act, and others are in the Regulations. The full list of exemptions is given in Annex A.

## Compensation

2.16 The scheme recognises that these provisions may have some financial impact on owners and provides a compensation scheme for private property owners. This will not be available to public bodies. The local authority will be responsible for administering the compensation scheme, including assessing and determining compensation awards. Owners and former owners will have rights of review and appeal regarding the authority’s compensation decisions (see Section 10).

## Enforcement

2.17 The scheme provides for various mechanisms to encourage compliance by requiring local authorities to:

- Inform owners and other interested parties that an asset has been listed
- enter on the local land charges register the fact that an asset has been listed; and

- in the case of registered land, apply for a restriction on the Land register.

2.18 Additionally, to give a strong incentive to owners to comply with the scheme, non-compliant sales will be void (ineffective), meaning that the change of ownership has not taken place (regardless of whether it has erroneously been registered on the Land Register - which would have to be rectified once the fact that the sale was void was discovered). However this penalty will not apply if the owner was unaware through no fault of their own that the land was listed when it was sold.

## What the provisions do not do

2.19 These provisions do **not** restrict in any way who the owner of a listed asset can sell their property to, or at what price. They also do **not** confer a right of first refusal to community interest groups (unlike the Scottish scheme).<sup>3</sup>

2.20 The provisions do not place any restriction on what an owner can do with their property, once listed, so long as it remains in their ownership. This is because it is planning policy that determines permitted uses for particular sites. However the fact that the site is listed may affect planning decisions - it is open to the Local Planning Authority to decide whether listing as an asset of community value is a material consideration if an application for change of use is submitted, considering all the circumstances of the case.

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<sup>3</sup> <http://www.scotland.gov.uk/Topics/farmingrural/Rural/rural-land/right-to-buy/Community>

## Section 3

### List of assets of community value

- 3.1 In addition to the list of assets, local authorities are required to maintain a list of assets nominated unsuccessfully by community nomination. The local authority may remove land from this second list whenever it considers would be appropriate. Local authorities must publish both lists; it is up to them to decide how they publish them, but they must make them available for free inspection by any person and must provide a free copy of either to anyone who asks for it (but are not required to provide more than one free copy of each). The two lists may be combined into one document if the local authority wishes. The list of unsuccessful nominations must include reasons for the land not being listed.
- 3.2 It is up to local authorities to decide on the detailed contents and layout of the lists and when to modify them, except for the following requirements.
- 3.3 Local authorities are required to add to the list of assets, as soon as practicable:
- a) that a notification by the owner of intention to dispose of the land has been received by the local authority and the date this was received
  - b) in all cases under (a), the end dates of the interim and full moratorium periods and the protected period
  - c) where relevant, that the full moratorium has been triggered
  - d) where (c) applies, the identity of the community interest group that triggered the full moratorium
- 3.4 Local authorities are required to remove an asset from the List, as soon as practicable:
- a) after a relevant disposal (other than an exempt disposal)
  - b) when an appeal against a listing has been successful
  - c) when they form the opinion that the land or building is no longer of community value
  - d) or no later than 5 years from the date of entry on the list.

## Land which may, and may not, be listed as an asset of community value

3.5 If a local authority receives a valid nomination, it must determine whether the land or building nominated meets the definition of an asset of community value as set out in section 88 of the Act. A building or other land in a local authority's area is land of community value if in the opinion of the authority —

- (a) an actual current use of the building or other land that is not an ancillary use furthers the social wellbeing or social interests of the local community, and;
- (b) it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community.

(Section 88(1) Localism Act 2011)

Section 88(2) of the Act extends this definition to land which has furthered the social wellbeing or social interests of the local community in the recent past, and which it is realistic to consider will do so again during the next five years.

3.6 There are some categories of assets that are excluded from listing. The principal one is residential property. This includes gardens, outbuildings and other associated land, including land that it is reasonable to consider as part of the land with the residence where it is separated from it only by a road, railway line, river or canal where they are in the same ownership as the associated residence. Details of this are set out in paragraphs 1 and 2 of Schedule 1 to the Regulations. "The same ownership" includes ownership by different trusts of land settled by the same settlor, as well as literally the same individual owner.

3.7 There is an exception to this general exclusion of residential property from listing. This is where an asset which could otherwise be listed contains integral residential quarters, such as accommodation as part of a pub or a caretaker's flat.

3.8 There are two further categories of assets excluded from listing:

- (a) Land licensed for use as a residential caravan site (and some types of residential caravan site which do not need a licence), in paragraph 3 of Schedule 1 to the Regulations.

(b) Operational land of statutory undertakers as defined in section 263 of the Town and Country Planning Act 1990, in paragraph 4 of Schedule 1 to the Regulations.

# Section 4

## Who may nominate

4.1 Local authorities cannot list land on their own initiative - it must be nominated. For a local group to be able to nominate land it will have to demonstrate that its activities are wholly or partly concerned with the local authority area where the asset sits or with a neighbouring authority (an authority which shares a boundary with the authority in which the asset is located).

4.2 The voluntary or community bodies which may make community nominations are set out below:

**Parish Councils.** This may be for an asset in its own area, or in the neighbouring parish council.

**Neighbouring Parish Councils.** If the parish council borders an unparished area, then they may nominate an asset within that neighbouring local authority.

**Unincorporated groups.** Nominations can be accepted from any unincorporated group with membership of at least 21 local people who appear on the electoral roll within the local authority, or a neighbouring local authority. This will for instance enable nomination by a local group formed to try to save an asset, but which has not yet reached the stage of acquiring a formal charitable or corporate structure.

**Neighbourhood forums.** The procedure for becoming a neighbourhood forum is set out in section 61F of the Town and Country Planning Act 1990, added by the Localism Act 2011. There can only be one neighbourhood forum for an area. Existing community groups, civic societies and others can put themselves forward to be a 'neighbourhood forum'. Prospective neighbourhood forums need to ensure they meet the conditions for designation set out in the legislation, for example a forum should have an open membership policy and seek to draw its membership from across the neighbourhood area and from different sections of the local community.

**Community interest groups with a local connection.** These must have one or more of the following structures:

- a) A charity
- b) A community interest company
- c) A company limited by guarantee that is non profit distributing



d) An industrial and provident society that is non-profit distributing (these groups will be renamed as community benefit societies by the Co-operative and Community Benefit Societies and Credit Unions Act 2010 when it comes into force)

- 4.3 In this context, non-profit distributing means that any surplus is not distributed to its members but is wholly or partly applied to the local authority area where the asset is based or to a neighbouring authority area.

# Section 5

## Contents of a nomination

- 5.1 A nomination must include the following information for the local authority to consider:
- I. A description of the nominated land including its proposed boundaries. These boundaries do not have to be the same as ownership boundaries, for instance as shown on the Land Registry plan if the land is registered; nor is it necessary for all parts of the nominated site to be in the same ownership.
  - II. Any information the nominator has about the freeholders, leaseholders and current occupants of the site.
  - III. The reasons for nominating the asset, explaining why the nominator believes the asset meets the definition in the Act.
  - IV. The nominator's eligibility to make the nomination.
- 5.2 Local authorities may wish to consider having a named point of contact for community groups to send their nominations to.
- 5.3 Community nominations may be made at any time, including after an asset has been put onto the market. However no restrictions on sale arise from nomination - it is only listing which brings the statutory provisions into play.

## Section 6

### Procedure when considering listing

- 6.1 The local authority is required to make a decision in response to a nomination within 8 weeks of receiving the nomination.
- 6.2 The local authority must take all practicable steps to inform the following if an asset has been nominated:
- a parish council (if any) in which the land lies (or partly lies),
  - the owner as defined in section 107 of the Localism Act. This definition ensures that only one level of legal proprietary rights will qualify as ownership for the Act. In summary this is the freeholder or, if the asset is leased, the leaseholder with the lease most distant from the freehold which when granted had at least 25 years to run. So if there are a number of leases the leaseholder with a qualifying lease or sub-lease most distant from the freeholder is the owner for the purposes of these provisions.
  - all others with a legal estate, i.e. if the owner is not the freeholder then the holder of the freehold estate, and any other leaseholder apart from the owner; and
  - any lawful occupant (which could include a licensee).
- 6.3 When an asset is added to or removed from the list, the local authority must inform the owner, the occupier of the land if not the owner, and the successful community nominator of the asset. This is set out in section 91(2) of the Localism Act.<sup>4</sup>
- 6.4 Local authorities must also inform any freeholders and leaseholders of the asset who are not the owners, together with the parish council the land lies in (or partly lies in), that an asset has been added to, or removed from, the list. (See regulation 9 of the Regulations)
- 6.5 A local authority which is not able to give notice to any of these people in the usual way – for instance due to lack of names or addresses – can take reasonable alternative steps to bring the notice to a person's attention. This could include, for instance, a notice attached to the property. (See section 91(2) of the Act)

<sup>4</sup> <http://www.legislation.gov.uk/ukpga/2011/20/section/91/enacted>

# Section 7

## **Procedure to be followed for listing review**

- 7.1 If an asset has been included on the List, an owner has the right to request the local authority to review its decision, under section 92 of the Act. The deadline for the owner to request this review is set out in paragraph 1 of Schedule 2 to the Regulations: it is 8 weeks from the date written notice of listing was given (or from the date that alternative steps were completed to bring listing to the owner's attention) or a longer period allowed by the authority in writing. The property will remain listed while the review is carried out.
- 7.2 Basic procedural rules for the review are set out in Schedule 2 to the Regulations. It must be conducted by an officer of appropriate seniority, who did not take part in the decision to list. The owner may appoint a representative and the local authority will be required to provide all relevant documents to the representative.
- 7.3 The owner and/or their representative may make representations to the reviewer orally and/or in writing. The authority must complete their review within 8 weeks, unless a longer period has been agreed in writing.
- 7.4 The owner and authority will bear their own costs of the review.
- 7.5 If the owner is not satisfied with the outcome of the internal review they have the right to appeal to the First-Tier Tribunal against the local authority's review decision. The written response following the internal review should inform the owner of their right to an independent appeal. The owner making the appeal can be either the same owner who requested the review, or - if the property has been sold in the meantime - the new owner.

## Section 8

### Appeal against a listing review

- 8.1 An owner's appeal against a local authority listing review must be made to the General Regulatory Chamber of the First-Tier Tribunal. The deadline for appealing is specified in the procedural rules of that Chamber as 28 days from the date on which notice of the decision appealed against was sent to the owner. Appeals may be both on points of law and on findings of fact. The property will remain listed during the appeal process.
- 8.2 Owners should send the appeal in writing to the First-Tier Tribunal at:
- Tribunal Clerk,  
Community Right to Bid Appeals  
HM Courts & Tribunals  
First-tier Tribunal (General Regulatory Chamber)  
P.O. Box 9300  
Leicester, LE1 8DJ
- 8.3 Owners may also send an appeal to the First-Tier Tribunal by email at: [GRC.CommunityRights@hmcts.gsi.gov.uk](mailto:GRC.CommunityRights@hmcts.gsi.gov.uk)

# Section 9

## Moratorium

- 9.1 The moratorium requirements, as set out in section 95 of the Act, apply only to relevant disposals. “Relevant disposal” is defined in section 96. It means a transfer of the freehold or grant or assignment of a qualifying lease which gives vacant possession of the buildings and other land in question. However they will not apply to all relevant disposals, as some types of relevant disposal are exempt. These exemptions are partly in the Act and partly in the Regulations; the full combined list is set out in Annex A below. The moratorium provisions apply only to disposals, so for example if a building listed as an asset of community value is to be demolished without being sold, the moratorium rules in section 95 do not apply.
- 9.2 An owner of a listed site may not make a relevant disposal of their asset during the 6 week interim moratorium period (unless it falls within one of the exemptions or is to a community interest group). This interim moratorium runs from the date the local authority receives notification from the owner of their intention to dispose of their listed asset
- 9.3 Once the local authority has been notified of the intent to dispose, they are required to update the list to show the owner’s intention to dispose and to give the interim and full moratorium end dates, and the end date of the protected period. The nominating community group must be informed. The local authority must also publicise all of these matters in the neighbourhood of the asset in question. It is for the local authority to determine how they do this.
- 9.4 During the interim moratorium period a community interest group may request in writing to be treated as a potential bidder for the asset; this will bring the full moratorium period into force. The community interest group does not have to provide any evidence of intention or financial resources to make such a bid. A community interest group must have one or more of the following structures:
- (a) A charity
  - (b) A community interest company
  - (c) A company limited by guarantee that is non profit distributing
  - (d) An industrial and provident society that is non profit distributing
- (these groups will be renamed as community benefit societies by the

Co-operative and Community Benefit Societies and Credit Unions Act 2010 when the relevant provisions come into force)

- 9.5 Once a local community interest group makes a written request to the local authority during the interim moratorium period to be treated as a potential bidder, the owner may not dispose of their asset during the full 6 month moratorium (except as permitted). The local authority must as soon as practicable let the owner know that this request has been received (section 98 of the Act).
- 9.6 There is one type of disposal that may be made during a moratorium. An owner may sell during the interim or full moratorium period to a local community interest group – i.e. one which either did, or would have been eligible to, trigger the full moratorium.
- 9.7 There are a number of types of disposals which are exempt from the moratorium requirements, as set out in section 95(5) of the Act and in Schedule 3 to the Regulations. The full list of exemptions is set out in Annex A.

# Section 10

## Compensation

- 10.1 Private owners may claim compensation for loss and expense incurred through the asset being listed or previously listed. The Regulations specifically provide that this will include a claim arising from a period of delay in entering into a binding agreement to sell which is wholly caused by the interim or full moratorium period; or for legal expenses incurred in a successful appeal to the Tribunal.
- 10.2 The time limit for making a compensation claim is specified in Schedule 2 to the Regulations as whichever is earlier of 13 weeks from the end of the interim or full moratorium period (as appropriate) or from the date when the land ceases to be listed. The assumption is that most claims for compensation will arise from a moratorium period being applied; however the wording allows for claims for loss or expense arising simply as a result of the land being listed.
- 10.3 Claims must be made in writing, state the amount of compensation sought and provide supporting evidence. The burden of proving the claim falls on the owner.
- 10.4 The local authority must consider the claim and is required to give written reasons for its decision. No time limit is specified for responding to the claim. The reason for this is that it may take the authority some time to assemble all the necessary evidence; however once it has all the facts the authority should reach a decision as quickly as is practicable.
- 10.5 The compensation scheme does not extend to public authorities and bodies. These are defined as:
- Government departments, authorities and other bodies to which section 6 of the National Audit Act 1983 applies;
  - bodies which receive the majority of their funding from public sources which may be examined by the Comptroller and Auditor General under section 7 of the National Audit Act 1983; and,
  - local authorities and other public authorities and bodies that are required to be audited under section 2 of the Audit Commission Act 1998



10.6 As with other costs incurred by local authorities in meeting the requirements placed on them, we have reflected the estimated costs of compensation within the new burdens funding. The compensation elements of new burdens funding are estimated on the basis of 40 successful claims for compensation across all administering local authorities over a year.

10.7 In addition to the amount included within the new burdens assessment, the Government will meet costs of compensation payments of over £20k of compensation costs in a financial year. This could occur through a local authority paying out over £20k in one financial year either on one large claim or as a combined total on a number of smaller claims.

10.8 Local authorities can write into the department with a request for financial support providing evidence of the compensation costs incurred either in writing to:

Albert Joyce,  
Community Assets Team,  
5/A4 Eland House,  
Bressenden Place  
London  
SW1E 5DU

or by email at: [righttobid@communities.gsi.gov.uk](mailto:righttobid@communities.gsi.gov.uk)

10.9 New Burdens payments will be processed and made available to all administering local authorities in England (as set in section 106 of the Localism Act) on 15 October. We will write to local authority finance officers to inform them about the payment. The department will also notify local authorities in the same way for the periods April 2013 and April 2014.

# Section 11

## **Internal review of compensation decision**

- 11.1 The Regulations provide that an owner who is not satisfied with the local authority's response to the compensation claim may request a review by the local authority of its compensation decisions. Schedule 2 to the Regulations provides that the owner must make the request within a period of 8 weeks, beginning on the date on which the local authority provides the owner with written notification of the decision. The local authority may allow longer for a review request to be made.
- 11.2 The local authority must review their decision, and notify the owner of the result within 8 weeks of receiving the request, with reasons. The procedure for the review, in Schedule 2 to the Regulations, is the same as for the local authority's review of a listing decision.

## **Independent Appeal**

- 11.3 An owner may appeal to a Tribunal against the local authority's review decisions on compensation. As with listing appeals, the deadline for the appeal is in the Tribunal Rules – 28 days from receiving the local authority's decision on the compensation review. Only the owner – or former owner – who requested the review may appeal against the review decision (i.e. unlike with listing appeals, a new owner who bought the land following a request for a review may not appeal against the compensation review decision).
- 11.4 As with listing appeals, the current position is that the appeal will be to the General Regulatory Chamber of the First-tier Tribunal.

# Section 12

## Enforcement

- 12.1 The Regulations introduce a clear penalty for non compliance, and measures to minimise the chance of a disposal not being compliant with the scheme. These will be achieved partly by amendment to the Land Registration Rules 2003.
- 12.2 Local authorities are required to add that an asset has been listed to the local land charges register. This will ensure that all prospective new owners will be aware that an asset has been listed, since local land charges apply to both registered and unregistered land.
- 12.3 Local authorities are required to notify the owner that their asset has been listed and inform them of the implications. Owners are required to inform local authorities that the land has been entered on the Land Register as a result of an application for first registration, and also to inform the local authority if they have become the new owner of listed land (together with giving their name and address details) .
- 12.4 Amendments to the Land Registration Rules 2003 have been made to add further safeguards against non-compliance. Local authorities are required to apply to the Land Registry for entry of a restriction on the Land Register when they list a building or other land as an Asset of Community Value, or, if necessary, where the owner of the listed asset has changed. This restriction will be in a form of wording newly added to Schedule 4 to the Rules, as Form QQ. This is “No transfer or lease is to be registered without a certificate signed by a conveyancer that the transfer or lease did not contravene section 95(1) of the Localism Act 2011“. An owner of previously unregistered listed land, who applies to the Land Registry for first registration (or a mortgagee who applies for first registration on behalf of the owner), is required at the same time to apply for a restriction against their own title. The local authority is also required to apply to the Land Registry for cancellation of the restriction when it removes an asset from its list.
- 12.5 When a listed asset is disposed of, and a new owner applies to the Land Registry to register a change of ownership of a listed asset, they will therefore need to provide the Land Registry with a certificate from a conveyancer that the disposal (and any previous disposals if this is the first registration) did not contravene section 95(1) of the Localism Act (the moratorium requirements).

# Annex A

## Exemptions

With regard to the following exemptions (with the exception of the first), the local authority will usually not know that the disposal is taking place, because an owner who is confident that the transfer they contemplate will be exempt will not need to notify the authority of intention to sell under section 95(2) of the Act. In some cases an owner may not be sure whether they are going to succeed in making an exempt disposal or not – for instance if they wish to sell the land together with a business sold as a going concern – and may notify the authority as a precaution. In that situation, if they were successful in arranging an exempt disposal, they could enter into a binding contract during the moratorium period. There is no requirement in the legislation that in such circumstances the owner has to explain to the local authority that the disposal is exempt. However it would be helpful for them to do so, and authorities might want to include advice to this effect in any explanation they send to owners about how the moratorium rules work.

The full list of exemptions is as follows. The first is in a different category to the remainder, in that the moratorium rules will have been triggered by notification from the owner, but the sale will be able to take place during the moratorium. Categories (b) to (j) are in section 95(5) of the Act, and (k) to (y) are in Schedule 3 to the Regulations. Item (f) – part-listed land – is partly defined in the Act, and partly in the Regulations.

- a. disposal to a local community interest group, which can be made during a moratorium period (interim or full) – see regulation 13(1)
- b. disposals which are gifts (including transfer for no payment to trustees by way of settlement upon trusts)
- c. disposals by personal representatives in accordance with the will of the deceased owner or under intestacy rules
- d. disposal by personal representatives of the deceased owner in order to raise money for matters connected with administration of the estate
- e. disposals between family members (“family member” is defined in section 95(7) of the Act as the owner’s spouse or partner and descendants of grandparents – which includes the owner’s own parents, but not the grandparents)
- f. part-listed land – i.e. sale of a site only part of which has been listed – where it meets the requirements set out in the Regulations (see concluding paragraph for details)

- g. sale of land on which a business is carried on, together with sale of that business as a going concern (in such circumstances there would normally be payment separately for the business as a going concern, e.g. the value of equipment, stock and goodwill)
- h. disposals occasioned by somebody becoming or ceasing to be a trustee
- i. disposal by trustees in connection with the trust, as specified
- j. a disposal occasioned by a person becoming or ceasing to be a partner in a partnership
- k. transfers made in pursuance of a court order
- l. transfers (not in pursuance of a court order) as part of a separation agreement between spouses or civil partners (or ex ditto) including agreements for care of dependent children
- m. a transfer (not in pursuance of a court order) for the purposes of any enactment relating to incapacity, with “incapacity” being widely defined to include physical and mental impairment and any interference with capacity to deal with financial and property matters
- n. a disposal made in pursuance of a legally enforceable requirement that it should be made to a specific person, including disposals required under planning obligation agreements; and in the case of an option to buy, nomination right, pre-emption right or right of first refusal only if the agreement was entered into before the land was listed (and in this context it should be noted that an option etc entered into *after* the land is listed would count as a relevant disposal under section 96(4) of the Act)
- o. disposals of a description which brings them within the Crichton Down rules (where the land was acquired by compulsory purchase but is no longer needed, and the disposal is by way of return to the original owner or their descendants) – see DCLG Circular 06/04 “Compulsory Purchase and the Crichton Down Rules”:  
<http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918885.pdf>
- p. sale by a lender under a power of sale (i.e. where the land was security for a loan)
- q. disposal of land under bankruptcy or other insolvency proceedings – the wording is “insolvency proceedings as defined by Rule 13.7 of the Insolvency Rules 1986”, which gives a very wide definition of insolvency proceedings
- r. compulsory purchase disposals (see the wide definition of “statutory compulsory purchase” in regulation 1, which includes disposals by a purchaser deemed to acquire the land compulsorily under a statutory blight notice, and also disposals by agreement where a compulsory power could be used)

- s. the grant of a agricultural tenancy to a successor on the death or retirement of the current tenant pursuant to Part 4 of the Agricultural Holdings Act 1986
- t. transfers between connected companies in a group of companies (using the definition of “group undertaking” in section 1161(5) of the Companies Act 2006, modified to restrict “undertaking” to a body corporate)
- u. disposals of part-listed land – this is the second part of the definition, the other part being in the Act – section 95(5)(e)<sup>5</sup>. See final paragraph below for details.
- v. disposals of closed Church of England churches under Part 6 of the Mission and Pastoral Measure 2011: the lengthy process in Part 6 of the Measure involves public consultation, and at the end of it the building will either be sold or leased for an agreed purpose, or demolished, or transferred to the Churches Conservation Trust for preservation – following which outcomes it will once more be possible to list the building and land if appropriate.
- w. disposals by any owner for the purpose of continuing health service provision on the land (in accordance with section 1(1) of the National Health Service Act 2006)
- x. a disposal of land to be held for the purpose of a school (excluding independent schools), further education institution or 16 to 19 Academy
- y. disposal of land subject to a statutory requirement regarding the making of the disposal, where that requirement could not be observed if the Assets moratorium rules were complied with.

## Details regarding part-listed land and land with a residence

Similar rules apply for determining how much land constitutes land with a residence (for exclusion from listing in Schedule 1 to the Regulations) and how much land constitutes a single site for qualifying as a part-listed site (as an exempt disposal in Schedule 3 to the Regulations). In order to ensure that the same rules apply to registered and unregistered land, the approach taken has not been based on title. Instead, it is necessary to look at whether the site in question is one coherent parcel of land all owned by a single owner, so

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<sup>5</sup> the disposal is a part-listed disposal of a description specified in regulations made by the appropriate authority, and for this purpose “part-listed disposal” means a disposal of an estate in land –

- (1) part of which is land included in a local authority’s list of assets of community value, and
- (2) part of which is land not included in any local authority’s list of assets of community value.

that it is possible to reach one part from another without crossing land owned by somebody else. However there are two qualifications to be taken into account:

- Firstly, “a single owner” has an expanded meaning covering more than simply the same person or joint owners. It includes also trustees of different trusts of land which was settled by the same settlor – see definition of “single owner” in regulation 1.
- Secondly, where it would otherwise be reasonable to regard the land as one coherent parcel, the fact that it is crossed by a road, railway, canal or river in other ownership is to be ignored.

# Annex B

## Glossary

<i>Asset</i>	A building or other land
<i>The Community Right to Bid</i>	The name by which the Assets of Community Value scheme is commonly known.
<i>Land of community value</i>	Building or other land whose main (i.e. “non-ancillary”) use furthers the social wellbeing or social interests of the local community, or has recently done so, and is likely to do so in the future. See section 88 of the Act.
<i>List of assets of community value</i>	A list maintained by a local authority of land in its area of community value. See section 87 of the Act.
<i>Voluntary or community body</i>	A group which can nominate land, so long as it has a local connection with the land. See regulation 5.
<i>Local connection</i>	The requirement that a group’s activities and use of any profits (where relevant) must be concerned with the local authority area or a neighbouring authority area. In the case of a parish council, the requirement is that it must share a border with the relevant area in which the asset lies. See regulation 4.
<i>Relevant disposal</i>	The transfer of the freehold, or the grant or assignment of a lease originally granted for at least 25 years, giving vacant possession to the new owner. See section 96 of the Act.



*Exempt disposal*

A relevant disposal for which the land owner does not have to observe section 95(1) of the Act. There are two sorts of exempt disposal:

- one where the owner does notify the local authority of intention to sell, so that the moratorium applies, but can sell during the moratorium to a community interest group;
- fully exempt disposals where the owner can simply go ahead without notifying the local authority at all. These are set out in section 95(5) of the Act and Schedule 3 to the Regulations.

*Moratorium period*

A period of time during which the owner of listed land cannot make a non-exempt relevant disposal, other than to a voluntary or community body. There are two moratorium periods (see section 95(6) of the Act), both running from the same start date (when the owner notifies the local authority of an intention to sell):

- the interim moratorium - 6 weeks;
- the full moratorium - 6 months.

*Protected period*

A period of 18 months (running from the date the owner notified the local authority of an intention to sell). Once any moratorium period has finished, the same owner can sell during the remainder of the protected period without having to comply with the section 95 requirements again.

*Listing review*

A review by a local authority at the request of the owner of their decision to list a building or other land as an asset of community value. See section 92 of the Act, and for procedure on the review Schedule 2 to the Regulations.

<i>Compensation review</i>	<p>A review by a local authority at the request of the owner of their decision in response to a claim for compensation for loss or expense caused by listing their building or other land as an asset of community value. See section 99 of the Act, regulation 16, and for procedure on the review Schedule 2 to the Regulations.</p>
<i>Conveyancer</i>	<p>The owner of listed, or formerly listed, land will in some circumstances have to provide a certificate by a conveyancer that a disposal has not contravened section 95(1) of the Act. “Conveyancer” in this context has the meaning given in rule 217A of the Land Registration Rules 2003, including a solicitor, a barrister, and a licensed conveyancer.</p>
<i>The Act</i>	<p>The Localism Act 2011</p>
<i>Community interest group</i>	<p>A group which, for land with which it has a local connection, may –</p> <ul style="list-style-type: none"><li>○ ask to be treated as a potential bidder for listed land which the owner wishes to sell, thus triggering the full moratorium of 6 months</li><li>○ buy listed land during the moratorium period</li><li>○ nominate land for listing (since the requirements for a voluntary or community body include the requirements for a community interest group).</li></ul> <p>It must be a charity or community interest company, or a non-profit distributing industrial and provident society or company limited by guarantee.</p> <p>See sections 89 and 95, and regulations 5 and 12.</p>
<i>Nomination</i>	<p>A request to the relevant local authority that land be entered on its list of assets of community value, containing the information specified in regulation 6. See also section 89 of the Act.</p>

(Note that although the Act allows for a possible distinction between community nominations and other nominations, the regulations provide only for community nominations – therefore all nominations will be community nominations.)

*Local authority*

In England, a district council, county council for an area with no district councils, London borough council, the Common Council of the City of London, or the Council of the Isles of Scilly. See section 106 of the Act.

*Restriction on the Land Register*

An entry on the register preventing dealing with the land until the requisite condition has been complied with – in this case set out in Form QQ to be added to Schedule 4 to the Land Registration Rules 2003:

No transfer or lease is to be registered without a certificate signed by a conveyancer that the transfer or lease did not contravene section 95(1) of the Localism Act 2011.

*Ineffective transfer of land*

A purported disposal of land which in fact does not have any effect – ownership of the land remains with the original owner.

**Community Right to Bid**

**Assets of Community Value Nomination form**

**Part A - About the group making the nomination**

**A1. Organisation's name and address**

Name of organisation:

Address including post code:

**A2. Contact details**

Name:

Position in organisation:

Address including postcode:

Daytime telephone number:

Email address:

Fax number:

**A3. Type of organisation**

Description	Please tick all that apply	Registration number (if applicable)
Town or Parish council		
Body designated as a neighbourhood forum under the Town and Country Planning Act		
Unincorporated bodies with at least 21 individual members and which does not distribute any surplus it makes to its members		
Charity		
Company limited by guarantee which does not distribute any surplus it makes to its members		
Industrial and provident society which does not distribute any surplus it makes to its members		
Community interest company		
Other – please detail		

**A4. Local Connection**

For groups other than town and parish councils, please confirm and provide evidence (see A7) that the group is wholly or partly concerned with the area covered by Maidstone Borough Council or a neighbouring local authority area

**A5. Distribution of surplus funds**

For groups other than town and parish councils, please confirm and provide evidence (see A7) that any surplus made by the group is wholly or partly applied for the benefit of the area covered by Maidstone Borough Council or a neighbouring local authority area

**A6. Membership of unincorporated bodies**

For unincorporated bodies please confirm that at least 21 members are included on Maidstone Borough Council's register of electors and provide their names and addresses below

**A7. Your organisation**

Please provide a copy of the following as relevant to your organisation	Please tick documents provided
Memorandum of Association	
Articles of Association	
Companies House return	
Trust Deed	
Constitution / Terms of reference	
Standing Orders	
Interest Statement for Community Interest Company	

**Part B - About the asset being nomination for inclusion in the list of assets of community value**

**B1. Name and address of asset being nominated**

Name:

Address including post code:

**B2. Maps and drawings**

Please provide information which helps to clarify the exact location and extent of the asset being nominated. This could include:

- Where the land is registered, the Land Registry Title Information document and map with boundaries clearly marked in red (less than one month old). Provision of Land Registry information is not essential but it may help us to reach a decision on the nomination more quickly.
- a written description with ordinance survey location, and explaining where the boundaries lie, the approximate size and location of any building/s on the land and details of any roads bordering the site
- a drawing or sketch map with boundaries clearly marked in red – websites which might help you in plotting boundaries include: <http://maps.google.co.uk/> and <http://www.bing.com/maps>

**B2. Current use of asset**

What is the current main use of the asset?

Do you consider that the **current** and **main** use of the asset furthers the social wellbeing or cultural, recreational or sporting interests of the local community?

<b>Yes</b>		<b>No</b>	
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If yes, please provide explain how it does so. If not, go to B3

Over what period is this main use of the asset anticipated to continue?

Does the local community have legal and authorised use of the land or property?



**B3. Questions for assets not currently used for community benefit**

If the main use of the asset does not currently further the social wellbeing or cultural, recreational or sporting interests of the local community, did it do so at some stage in the recent past?

<b>Yes</b>		<b>No</b>	
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Please provide details of how the asset was used in the past and dates of this usage.

How do you anticipate that the asset would return to furthering the social wellbeing or cultural, recreational or sporting interests of the local community?

When do you consider that the asset could realistically return to furthering the social wellbeing or cultural, recreational or sporting interests of the local community?

**B4. Optional information to help us consider the nomination** (it is not essential to answer these questions but they reflect part of the criteria we which will be used to consider the nomination. Any information you can supply will help to speed up this process.

Is the asset used wholly or partly as a residence? Please provide details.

Is the asset covered by the Caravan Sites and Control of Development Act 1960? Please provide details.

Is the asset defined as operational land under section 263 of the Town and Country planning Act 1990, owned by statutory undertakers such as utility companies? Please provide details.

**B5. Further information**

Please provide any further information to support why you feel that Maidstone Borough Council should conclude that the asset is of 'community value'

**B6. Owner and occupier details** (Please provide all information available to you)

	Name	Address	Please delete as appropriate
Owner/s			Current/ Last known/ Not known/ Not applicable
Lawful occupiers			Current/ Last known/ Not known/ Not applicable
Holder/s of freehold estate (if not the owner)			Current/ Last known/ Not known/ Not applicable
Holder/s of any leasehold estate			Current/ Last known/ Not known/ Not applicable

APPENDIX C

**By signing your name here (if submitting by post) or typing it (if submitting electronically) you are confirming that the contents of this form are correct, to the best of your knowledge.**

Name:

Title:

Signature:

Date:

**Please send your completed form to:**

**Community Right to Bid,  
Facilities Management,  
Maidstone Borough Council,  
Maidstone House,  
King Street,  
Maidstone,  
Kent  
ME15 6JQ**

**Email: [righttobid@maidstone.gov.uk](mailto:righttobid@maidstone.gov.uk)**

**COMMUNITY RIGHT TO BID: ASSETS OF COMMUNITY VALUE  
INFORMATION TO BE PUBLISHED**

<b>LIST OF ASSETS OF COMMUNITY VALUE</b>	<b>LIST OF ASSETS UNSUCCESSFULLY NOMINATED</b>
Date of nomination Description of asset Address and postcode Name of nominating organisation Address and postcode Reason for nomination Date listed Date listing expires Date disposal notice received Date of expiry of initial moratorium period Date expression of interest received Name of community interest organisation Date of expiry of full moratorium period Date of end of protected period Date of disposal	Date of nomination Description of asset Address and postcode Name of nominating organisation Address and postcode Reason for unsuccessful nomination Date listed as unsuccessful Date listing expires

# Agenda Item 10

## **MAIDSTONE BOROUGH COUNCIL**

### **CABINET**

**19 DECEMBER 2012**

### **REPORT OF HEAD OF BUSINESS IMPROVEMENT**

**Report prepared by Georgia Hawkes**

#### **1. REFRESH OF THE IMPROVEMENT PLAN FOR 2013-16**

##### 1.1 Issue for Decision

1.1.1 To consider the Council's improvement journey detailed in the draft Improvement Plan 2013-16 (Appendix A).

##### 1.2 Recommendation of Head of Business Improvement

1.2.1 That Cabinet approve the draft Improvement Plan 2013-16 (Appendix A) for consultation with Overview & Scrutiny.

1.2.2 That Cabinet note the progress made on the key services and projects for improvement April – October 2012 (Appendix B).

##### 1.3 Reasons for Recommendation

1.3.1 The Council has set the priorities and outcomes for the borough of Maidstone in its Strategic Plan. The Medium Term Financial Strategy (MTFS) sets out what will be spent and where savings will be made. In order to deliver the priority outcomes and the savings required, a number of key pieces of work and projects will be carried out. These are detailed in the draft Improvement Plan 2013-16, which ensures the improvement work is aligned with the Strategic Plan and the MTFS and looks at the work required to 2016.

1.3.2 The Improvement Plan 2012-15 was adopted in February 2012. As the objectives and the workstreams of the Improvement Plan remain sound and much of the work detailed in the previous version of the Improvement Plan is ongoing, there has not been much change to the

draft Improvement Plan for 2013-16. Appendix A shows anything that has been deleted in this new refresh of the Improvement Plan as crossed through and anything that has been added is in italics. The main changes are:

- Corporate support, Environmental Health and Economic Development have been added to the priority services for improvement
- Parking Transport Management has become Integrated Transport Strategy
- The emphasis of improvement for Planning has become sharing the Planning Support function with local authority partners
- Management & Admin recharges review has been removed from the priority projects list as it has been completed
- Appendix 1 of the Improvement Plan has been updated to show the more detailed actions planned for 2013/14
- Appendix 2 of the Improvement Plan sets out the plans for the different phases of work to be carried out for each of the priority services and projects

1.3.3 Good progress has been made on most of the priority services and projects from April – October 2012 compared to the plans for 2012/13 set out in the Improvement Plan 2012-15. This is shown in Appendix B. Some highlights are:

- Completion of the procurement of the new waste and recycling contract, which will produce significant savings
- Customer centricity review almost completed – good information has been gained on who our customers are and why they transact with the Council in different ways. Recommendations are being formulated on how we can improve our customer service delivery model and engage with residents better
- New website being designed which is managed by Customer Services; beta version to be launched for public testing in January 2013
- Progression of the ICT shared service with Swale and Tunbridge Wells borough councils which is expected to 'go live' in April 2013
- Tenders to outsource the work of the Hazlitt Arts Centre are being evaluated and a recommendation for future delivery will be made this financial year
- Peer review of Planning completed and recommendations being implemented

1.3.4 The draft Improvement Plan has three objectives:

1. A reduction in net cost, through making savings or increased income
2. Improving or maintaining quality: ensuring we deliver excellent services, which means delivering what is promised to agreed standards
3. Identifying and responding to opportunities aligned with the Strategic Plan

1.3.5 The four corporate workstreams (1-4) and enablers (5-7) of the draft plan are:

1. Incremental improvement
2. Asset management
3. Transformation
4. External challenge
5. Organisational culture
6. Good information and knowledge management
7. Councillor assurance

1.3.6 The priority services and projects for improvement have also been identified in the draft Improvement Plan, based on priorities in the Strategic Plan, our current knowledge of any external or internal opportunities and potential for improvement and/or reduction in net cost. These are as follows:

- Waste and Recycling
- ICT
- Hazlitt Arts Centre
- Planning
- Revenues and Benefits
- Housing
- Corporate Support
- Environmental Health
- Finance
- Building Control
- Economic Development
- Customer Service delivery
- Integrated Transport Strategy
- Cross-organisational collaboration
- Future use of Town Hall
- Major assets review
- Community asset transfer
- More proactive use of Covalent



- Corporate peer review
- Other shared services and Mid Kent Improvement Partnership (MKIP) work

#### 1.3.7 Our main priorities for 2013/14 are:

- Waste and Recycling – implementing new household waste and recycling contract and launching new commercial waste service
- Customer services delivery – implementing improvements in customer service delivery recommended in the customer centricity review
- ICT – Embedding new shared service structure and consolidating ICT systems across the partnership in Planning and Environmental Health
- Hazlitt – implementing the preferred option for delivery
- Planning – progressing shared Planning Support with our MKIP partners
- Economic Development – adopting the Regeneration and Economic Development Plan and put in place the necessary skills and resources to deliver the plan
- Revenues & Benefits – implementing the Local Council Tax Delivery Scheme and responding to the anticipated issues this scheme plus welfare reform changes will cause
- Corporate Support – investigating commercialisation of Print Services and the viability of sharing our Corporate Support service with other local authority partners
- Environmental Health – investigate and implement (if agreed) sharing the service with MKIP partners
- Building Control – investigating commercial options and implementing the agreed option
- Integrated Transport Strategy – adopting our Integrated Transport Strategy (ITS)
- Major assets review – replacing the existing King Street car park with a new surface level car park
- Corporate peer review – completing this and beginning to implement any recommendations
- Future use of Town Hall – review options and make recommendations

1.3.8 Compiling a draft Improvement Plan allows the key workstreams to be brought together and monitored. A working group made up of officers responsible for each of the workstreams and enablers, the Chief

Executive and the Leader make up a monitoring group to ensure the plan progresses and benefits are delivered:

- Leader – provides political leadership and councillor assurance (as defined in the draft Improvement Plan)
- Chief Executive - accountable for delivery of Improvement Plan
- Assistant Director of Environmental & Regulatory Services – responsible for Asset management workstream
- Head of Change & Scrutiny – responsible for Incremental improvement and External challenge workstreams
- Head of Business Improvement – responsible for Transformation workstream and Good information and knowledge management enabler
- Head of HR – responsible for Organisational culture enabler
- Head of ICT – responsible for Use of technology, which is not a workstream or an enabler but a critical tool for improvement
- Head of Finance & Customer Services – essential to ensure that any improvement work is aligned with the MTFS

1.3.9 It is recommended that the Plan continues to be updated annually and progress is reported to Cabinet on a six-monthly basis.

#### 1.4 Alternative Action and why not Recommended

1.4.1 Cabinet could decide not to agree the draft Improvement Plan for consultation with Overview & Scrutiny. This is not recommended as the draft Improvement Plan is essential for allowing oversight of a number of different pieces of work across the organisation. It is aligned with the Strategic Plan and MTFS and it is recommended that it is consulted on in the same way as these documents.

1.4.2 Cabinet could decide to alter the draft Improvement Plan 2013-16 more fundamentally from the Plan for 2012-15. This is not recommended as it is felt that the few changes already incorporated are sufficient to ensure the Improvement Plan is relevant for the next three years.

#### 1.5 Impact on Corporate Objectives

1.5.1 The draft Improvement Plan 2013-16 contains projects that will have a positive effect on all the priorities and outcomes for Maidstone set out in the Strategic Plan. However, the priority that it aligns with most is Corporate and Customer Excellence, outcome "the Council will continue to have value for money services that residents are satisfied

with”, because of the objectives in the Improvement Plan of reducing net cost whilst improving or maintaining quality.

## 1.6 Risk Management

1.6.1 The draft Improvement Plan and associated governance minimises the risk that important projects will not be undertaken or will not deliver and that new opportunities are missed.

1.6.2 There is still a risk that the Council does not have the resources, both in terms of staff time or money to undertake the projects envisaged in the draft Improvement Plan. However, the plan minimises the risk that effort will be put into pieces of work that are not deemed to be a priority and will allow corporate resources to be devoted to the priorities stated in the draft Improvement Plan.

## 1.7 Other Implications

### 1.7.1

1.	Financial	X
2.	Staffing	X
3.	Legal	X
4.	Equality Impact Needs Assessment	
5.	Environmental/Sustainable Development	
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	X
9.	Asset Management	X

### **Financial and staffing**

1.7.2 An objective of the draft plan is to reduce net cost. This could be by reducing cost, including possibly reducing numbers of staff, or by increasing income, which would have an effect on the work that staff carry out.

### **Legal**

1.7.3 A number of the projects are likely to require legal advice and support.

**Procurement and asset management**

1.7.4 Asset management is a workstream in the draft Improvement Plan and procurement is an important tool in achieving improvement.

1.8 Relevant Documents

1.8.1 Appendices

Appendix A – Improvement Plan 2012-15 (also contains appendices 1 and 2)

Appendix B – Progress made on priority workstreams and projects

1.8.2 Background Documents

Improvement Plan 2012-15

**IS THIS A KEY DECISION REPORT?**

Yes

No

If yes, when did it first appear in the Forward Plan?

November 2012.....

This is a Key Decision because: It is a corporate plan.....

.....

Wards/Parishes affected: .....

.....

## **Improvement Plan 2013-16**

Maidstone Borough Council has been recognised under previous inspection regimes as providing good quality value for money services. However, we want to be even better, offering the services that people want for a cost they think is good value. *In 2010* the Government announced its plans to reduce public spending by 25% and reduce the national deficit. **The Council has to save around £2.9m over the next three years,** which is a substantial reduction in the budget we have to spend on providing services for local people, at the same time that the number of potentially vulnerable people requiring some of those services, like housing advice and Housing and Council Tax Benefit, is increasing.

The Strategic Plan details the priorities and priority outcomes for Maidstone until 2015 and how these will be delivered. The Medium Term Financial Strategy (MTFS) sets out what the Council will spend and when and where savings will be made. In order to deliver the Strategic Plan and MTFS the Council is undertaking various pieces of work and projects to improve value for money and quality of customer service, and this must be aligned with the Council's strategic objectives and Medium Term Financial Plan. This improvement work makes up the building blocks that will make Maidstone a better council.

This plan explains the key workstreams for the Council's improvement journey, the drivers for improvement as well as priority services and projects for improvement. It will allow work to be planned, sufficiently supported and monitored to ensure savings needs and the improvements required for the Council to meet its priority outcomes are delivered.

### Objectives

It is important that the Council delivers services that are value for money and that residents are satisfied with. We must make savings and maximise income where we can but also be flexible enough to take opportunities as they arise, including those that come from external influences like changes in legislation. Therefore, the objectives of the improvement journey are:

1. A reduction in net cost, through making savings or increased income
2. Improving or maintaining quality: ensuring we deliver excellent services, which means delivering what is promised to agreed standards
3. Identifying and responding to opportunities aligned with the Strategic Plan

### Improvement workstreams

The Council's Improvement Plan is corporate and involves a number of different workstreams, which are owned by different officers in the organisation. Those workstreams identified as most important are:

- 1. Incremental improvement** (Head of Change and Scrutiny) – making good use of performance and financial information and good business planning, *including responding to recent recommendations from an Internal Audit review of performance management*, to enable service managers to make small changes to enable continuous improvement in the services their teams provide.
- 2. Asset management** (Asst Director of Environmental & Regulatory Services) – making the best use of what we have in terms of buildings and land and management of our use of water, gas, electricity and petrol/diesel. It is important we know what assets we keep and what we want to sell or transfer to others, and that we actually dispose of those assets we no longer require. This is essential in terms of providing capital income and ensuring services are delivered to residents in the best way. This may mean that we transfer assets to others, including community groups, to enable them to deliver more services in the future. It may also mean that we look to make savings by sharing accommodation with other organisations.
- 3. Transformation** (Head of Business Improvement) – larger changes to ensure key outcomes are delivered effectively and efficiently. Making good use of unit cost information and benchmarking to consider different ways of delivering services, for example using shared services to gain economies of scale and increase resilience, and using business improvement techniques to improve processes. This includes working with other organisations and residents to deliver shared goals as well as different teams within the Council working together better. We may also work with public service providers and local people to redesign services and pool budgets through Community Budgets. More internal and/or external support to make these improvements may be required.
- 4. External challenge** (Head of Change & Scrutiny) – using information and challenge from residents and critical friends to improve services. This includes complaints information, feedback from local people, peer reviews, nationally driven change like the welfare reform changes and Overview & Scrutiny reviews.

These workstreams and the whole Improvement Plan are underpinned by the following enablers:

- **Organisational culture** (Head of HR) – creating an organisational culture where there is permission to experiment and time to learn and where all officers and members are engaged and are able to give their feedback and ideas. Improving collaboration between different parts of the organisation, ensuring that change is well managed and there is the capacity and capability to deliver the required outcomes.
- **Good information and knowledge management** (Head of Business Improvement) – *modernising our information governance and systems architecture to ensure we make more efficient, secure and smart use of*

information we gather about our customers. *In addition*, making use of other customer insight, like Mosaic Public Sector, to create and deliver messages that people hear and understand and which cause them to make positive changes in behaviour.

- **Councillor assurance** – leadership and involvement of elected members in shaping, implementing and monitoring the progress and outcomes of policies and projects.

Other important tools for improvement are:

- Procurement
- Use of technology

#### Priority services and projects for improvement

In order to ensure we can deliver our priority outcomes in the Strategic Plan and savings in the MTFS it is important to make changes in the following service areas. The list of service areas below is in order of priority for improvement, from highest priority to lowest. These improvements may be to deliver savings, improve the quality of a service or respond to an opportunity that may arise.

**1. Waste & Recycling** – ~~procuring~~ *implementing* a new waste contract with other Kent authorities, working to achieve the target of 50% recycling by 2015 *and launching our commercial waste service*

**2. ICT** – sharing our ICT service with local authority partners

**3. Hazlitt Arts Centre** – ~~investigating options for governance and implementing the chosen option~~ *for delivery* to ensure value for money

~~**Parking Transport Management** – completing our Transport Strategy and implementing this~~

**4. Planning** – ~~developing the synergy between Planning and Economic Development to improve the prosperity of the borough, and being ready to respond to any change in legislation that would allow us to set our own planning fees~~ *and sharing the Planning Support function with local authority partners*

**5. Economic Development** – *ensuring we have clear deliverable priorities for achieving growth through economic development and regeneration by adopting a Regeneration and Economic Development Plan and putting in place the resources and skills required to deliver this*

**6. Revenues and Benefits** – embedding the shared service, preparing for the national welfare reforms and exploring different ways of delivering the service for the future

- 7. Housing** – ensuring we can respond to the increased need for homelessness services, preventing homelessness wherever possible, enabling the provision of more housing and ensuring that there is a supply of decent, affordable and accessible housing, including in the private rented sector
- 8. Corporate Support** – *investigating whether our Print services could be a viable commercial service and/or whether our Corporate Support services could be shared with local authority partners*
- 9. Environmental Health** – *creating resilience in the expertise required by sharing the service with our local authority partners*
- 10. Finance** – building a service that supports the Council make informed strategic financial management decisions, manage and control budgets and commit and measure resources and investigating how this service could be delivered in the future
- 11. Building Control** – re-designing the service, diversifying work to undertake more trading rather than statutory work and looking to both public and private sector partners to investigate and develop a model for delivery for the future

*(This table has been superseded by the chart shown at appendix 2)*

The following table shows our top priorities for the next three years:

2012/13	2013/14	2014/15
Waste & Recycling	Waste & Recycling	Customer Services delivery
Customer Services delivery	Customer Services delivery	Revenues & Benefits
Revenues & Benefits	ICT	Housing
ICT	Revenues & Benefits	Building Control
Hazlitt Arts Centre	Housing	
Planning	Finance	
Parking Transport Management		

As well as work in particular service areas there are a number of other important projects that need to be undertaken in each of the improvement workstreams:

- **Customer services delivery** (including Gateway, Contact Centre and Corporate Support) – becoming more customer-centric, engaging better with our residents and designing, *adopting and delivering* a *our new* sustainable model of customer services delivery for the long term



- **Integrated Transport Strategy** – *adopting our Integrated Transport Strategy and delivering this to ensure the infrastructure is in place to support the development proposed by the Core Strategy and to address some existing traffic congestion issues*
- **Cross organisational collaboration**– exploring and establishing new ways of commissioning and delivering services with other agencies and organisations to improve outcomes, increase efficiencies and reduce cost. To review and revise existing governance and funding arrangements including pooled budgets to maximise the use of resources in service delivery
- **Future Use of the Town Hall** – looking at the future use of the Town Hall, including the former Tourist Information Centre facility at the front of the building, with a view to maximising the income potential from the building. Exploring potential uses including both commercial and community use to achieve the best rate of return and usage whilst not competing with local businesses
- **Major assets review** - reviewing the Council’s assets as part of the Asset Management Plan, which seeks *and expanding our commercial property portfolio* to ensure that the Council’s property portfolio is managed in a way to support *the delivery of* the Council’s 3 key priorities. *Major sites such as King Street and Medway Street are being considered for a joint vehicle arrangement with other Kent authorities. King Street car park, Medway Street car park and Park Wood industrial estate are key assets. King Street car park will be demolished and a surface level car park constructed, whilst we seek opportunities for redevelopment of the site. Medway Street is a major revenue provider and any development will need to reflect this. The current market will not provide the returns necessary but this will continue to be reviewed.* We will work with the tenants of Park Wood industrial estate to invest in and improve the estate, which generates considerable income for the Council, mostly through ground rents
- **Community asset transfer** - establishing an effective mechanism and approach for supporting the transfer of community assets where this is appropriate, demonstrating value for money and maximising their use
- ~~**Management & Admin recharges review**~~ – establishing and implementing a simplified, transparent time and cost efficient recharges model that supports informed decision making at all levels of the organisation and enables effective assessment of alternative service delivery models
- **Corporate peer review** - a peer challenge involves officers and members from other authorities acting as critical friends, making recommendations on where we could do things better. We are going to use this method to look at our corporate governance and take advice on any improvements we can make

- **More proactive use of Covalent** – embedding the use of Covalent, our performance management software system, so that managers and key officers in the organisation use it to effectively monitor performance, service delivery and risk
- **Other shared services and Mid Kent Improvement Partnership (MKIP) work** – working with partners, in particular our MKIP local authority partners, to establish closer working arrangements and partnerships in more services.

This is how the priority services and projects for improvement fit in with the 4 improvement workstreams:

Asset management	Incremental improvement	Transformation	External challenge
Future use of Town Hall  Community asset transfer  Major assets review: <ul style="list-style-type: none"> <li>• King Street</li> <li>• Medway Street</li> <li>• Park Wood</li> </ul> <i>Integrated Transport Strategy</i>	More proactive use of Covalent  Management & Admin recharges review  <i>Economic Development</i>	Customer services delivery  Waste & Recycling  ICT  Finance  Housing  <i>Corporate Support</i>  <i>Environmental Health</i>  Other shared services and Mid Kent Improvement Partnership work  Cross organisational collaboration	Revenues & Benefits  Planning  Parking Transport management  Hazlitt Arts Centre  Building Control  Corporate peer review

*Appendix 2 shows when we plan to carry out this work over the next three years.*

More detail on the work to be undertaken on the priority service areas in the Transformation and External challenge workstreams is in Appendix 1.

Governance and Monitoring

The Cabinet own the Council's improvement journey and the Chief Executive is ultimately accountable for delivery of the Improvement Plan. Political leadership is provided by the Leader and the Cabinet. A head of service is responsible for each of the workstreams and enablers that make up the improvement journey detailed above. The Leader, Chief Executive and the appropriate heads of service make up a group that will monitor progress against plan to ensure that any as yet unknown opportunities that would provide greater benefit than the work already planned are not missed and that the services and projects for improvement are re-prioritised as necessary as a result.

This plan will be updated annually to the same corporate planning timetable as the Strategic Plan and MTFs. A progress report will be compiled and sent to Cabinet 6 months after the adoption of the Improvement journeyPlan.

DRAFT

**Future plans for priority service areas in Transformation and External challenge workstreams**

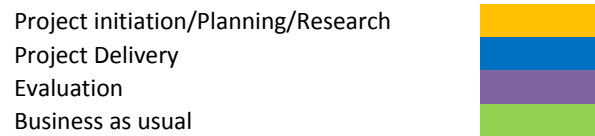
<b><u>Service area</u></b>	<b><u>Longer term</u></b>	<b><u>Medium term-2014-16</u></b>	<b><u>2013/14</u></b>
Waste & Recycling	<ul style="list-style-type: none"> <li>• Recycling 50%+</li> <li>• New open book waste contract</li> <li>• Refresh strategy in 2015</li> <li>• <i>Work with SE7 groups of local authorities on maximising the value of waste as a resource</i></li> </ul>	<ul style="list-style-type: none"> <li>• Review staff structures</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Implement new contract</i></li> <li>• <i>Maximise recycling over 50% will be achieved</i></li> <li>• <i>More processes on-line</i></li> <li>• <i>Implement the commercial waste contract</i></li> </ul>
Customer Services delivery (including Contact Centre, Gateway & Corporate Support)	<ul style="list-style-type: none"> <li>• Reduced cost of provision</li> <li>• Greater range of partner provision</li> </ul>	<ul style="list-style-type: none"> <li>• Reflect effect of welfare reforms</li> <li>• <i>Make best use of Gateway building</i></li> <li>• <i>Investigate possible models of customer service delivery across MKIP partners</i></li> <li>• Reflect effect of waste contract</li> <li>• Determine use of break clause in Gateway contract in 2 years</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Begin to implement improvements towards our new model of customer service delivery</i></li> <li>• <i>Agree customer charter and customer care policy following customer centricity review</i></li> <li>• <i>Implement online forms development or forms package following go live of website</i></li> <li>• <i>Select other voice activated call assistants if effective</i></li> <li>• <i>Improve Gateway offer to attract paying partners</i></li> </ul>
ICT	<ul style="list-style-type: none"> <li>• <i>Fully integrated ICT partnership</i></li> <li>• <i>Reduce data centres from 3 to 2</i></li> <li>• <i>Real time replication back up solution in place to off site data centres</i></li> <li>• <i>Review operational ICT shared service and consider new models for</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>At least 5 service based applications consolidated and moved into the MBC data centre.</i></li> <li>• <i>Consolidated telephony across all partners</i></li> <li>• <i>Master data management strategy in place</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>ICT Audit function to be streamlined across all partners</i></li> <li>• <i>Finance, Planning and Environmental Health systems to be consolidated</i></li> <li>• <i>Procure new shared helpdesk software</i></li> <li>• <i>Collaborative Mobile phone and Multi function device contracts awarded</i></li> <li>• <i>Complete Information audits across 3 partners</i></li> <li>• <i>Agree and introduce Cloud Strategy</i></li> </ul>

	<i>delivery</i>		<ul style="list-style-type: none"> <li>• Agree and introduce Desktop strategy</li> <li>• Good systems architecture to ensure efficient and secure use of data</li> </ul>
Hazlitt Arts Centre	<ul style="list-style-type: none"> <li>• Vibrant theatre that people want to go to</li> <li>• Cut subsidy by 50%+</li> <li>• Increased community participation and involvement</li> </ul>	<ul style="list-style-type: none"> <li>• Different governance structure – 2013/14</li> <li>• Run more like a business</li> <li>• Link to Museum on education</li> </ul>	<ul style="list-style-type: none"> <li>• According to preferred option put in place performance monitoring arrangements</li> <li>• If the tender process is not successful it will be necessary to increase revenue and reduce cost as set in the Operational Review</li> </ul>
107 Planning	<ul style="list-style-type: none"> <li>• <i>Explore other opportunities of sharing expert advice</i></li> <li>• Making sure vision including leisure and business opportunities is delivered in a sensitive way</li> <li>• Effects of Local Development Framework – less planning enforcement – so could move resources to deal with increased levels of development</li> <li>• Skills development – more negotiation and selling</li> </ul>	<ul style="list-style-type: none"> <li>• Any procurement and other efficiency actions as identified by the Planning Support shared service manager</li> </ul>	<ul style="list-style-type: none"> <li>• Procure and implement new ICT system</li> <li>• Shared Planning Support Services (if agreed) – shared service manager to be appointed, structure and processes to be implemented</li> </ul>
<i>Economic Development</i>	<ul style="list-style-type: none"> <li>• <i>Delivery of Regeneration and Economic Development Plan</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Delivery of Regeneration and Economic Development Plan</i></li> <li>• <i>Report on progress</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Adopt the Regeneration and Economic Development Plan and begin to deliver actions</i></li> <li>• <i>Review skills and resources required to deliver the plan</i></li> </ul>

			<ul style="list-style-type: none"> <li>• <i>Explore options for lower priority projects for economic development to be delivered by other services</i></li> </ul>
<i>Integrated Transport Strategy (ITS)</i>	<ul style="list-style-type: none"> <li>• <i>Delivery of the ITS</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Agree any addendum to the ITS that might be required</i></li> <li>• <i>Delivery of the ITS</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Adopt Integrated Transport Strategy (ITS)</i></li> <li>• <i>Further review of P&amp;R operation to determine strategy for new bus contract</i></li> </ul>
Revenues & Benefits	<ul style="list-style-type: none"> <li>• Develop wider shared service or pursue commercial opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Restructure and change through welfare reform</li> <li>• Decide if we take the saving or use the capacity for income generation</li> <li>• Determine <i>and tackle any</i> effect of Council Tax reforms e.g. possible reduced collection rate</li> <li>• Opportunities through business rate reforms</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Responding to the anticipated issues in collection through the Local Council Tax Delivery Scheme and changes to empty properties</i></li> <li>• <i>Working with key partners to provide residents affected by welfare reform changes with money and debt advice</i></li> <li>• <i>Reviewing the staffing and structure of the revenues and benefits service to reflect the changing role</i></li> </ul>
108 Housing	<ul style="list-style-type: none"> <li>• Quality housing that people want and is accessible to the whole community</li> <li>• Affordable housing delivered to strategy – challenges in achieving this</li> <li>• Good private sector market with choice</li> <li>• Good housing advice that prevents homelessness</li> </ul>	<ul style="list-style-type: none"> <li>• Welfare reforms – manage effects on private sector</li> <li>• Improved working with registered providers and private sector landlords</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Implement new allocation scheme &amp; monitor impact</i></li> <li>• <i>Draft and consult on new Homelessness Strategy</i></li> <li>• <i>Develop a new Affordable Housing supplementary planning document to support the Core Strategy</i></li> <li>• <i>Review the Housing Strategy following adoption of the Core Strategy</i></li> <li>• <i>Develop services to respond to the unintended consequences of welfare reform</i></li> <li>• <i>Implement the revised Empty Homes Strategy</i></li> <li>• <i>Ensure the new Home Improvement Agency service meets the needs of vulnerable households</i></li> </ul>

			<ul style="list-style-type: none"> <li>• <i>Bring forward opportunities for the Council's new investment initiative</i></li> <li>• <i>Identify &amp; purchase a suitable for use as emergency temporary accommodation</i></li> <li>• <i>Adopt new grant policy for housing assistance programme</i></li> </ul>
<i>Corporate Support</i>		<ul style="list-style-type: none"> <li>• <i>Implementation and embedding of any changes in working practices</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Investigate working with Maidstone Prison on Printing</i></li> <li>• <i>Embed savings and other benefits from the print and post room solution</i></li> <li>• <i>Investigate viability of Print Room commercialisation</i></li> <li>• <i>Investigate the possibility of providing services for other partners</i></li> </ul>
<i>Environmental Health</i>		<ul style="list-style-type: none"> <li>• <i>Shared service and new working practices embedded</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Decision made on sharing the service with local authority partners</i></li> <li>• <i>New staff structure introduced</i></li> </ul>
601 Finance	<ul style="list-style-type: none"> <li>• Support the business make informed decisions, manage budgets, commit and measure resources</li> <li>• Investigate model of delivery</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Embed the single</i> ICT system across Mid Kent Improvement Partnership</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Complete work on shared service proposal and implement MKIP decision</i></li> <li>• <i>Improvement to work on statement of accounts through up-skilling staff</i></li> <li>• <i>Improvements to support for commercialisation through staff training and development</i></li> <li>• <i>Implementation of credit card module and roll out of greater use of credit cards for small purchases</i></li> </ul>
Building Control	<ul style="list-style-type: none"> <li>• Model of delivery – trading arm doing work on behalf of private companies</li> </ul>	<ul style="list-style-type: none"> <li>• Diversify work – less statutory, more trading account</li> <li>• Develop and take advantage of <i>commercial or</i> partnership opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Implement way forward – consider commercial opportunities</i></li> <li>• <i>Continue to break even</i></li> <li>• <i>Channel shift completed</i></li> </ul>

Service/project	2013/14	2014/15	2015/16
Waste & Recycling (new waste contract)			
Waste & Recycling (commercial waste)			
Customer Services delivery			
ICT			
Integrated Transport Strategy			
Hazlitt Arts Centre			
Planning			
Revenues and Benefits			
Housing			
Finance			
Economic Development			
Environmental Health			
Building Control			
Cross-organisational collaboration			
Future use of Town Hall			
Major assets review - King Street			
Major assets review - Park Wood			
Major assets review - Medway Street			
Community asset transfer			
Corporate peer review			
More proactive use of Covalent			
Other shared services			
Corporate Support			





**Progress made on priority workstreams and projects****Priority workstreams**

	<b>Planned work for 2012/13</b>	<b>Progress April – October 2012</b>
Waste & Recycling	<ul style="list-style-type: none"> <li>• Undertake tender process</li> <li>• Clarify how bulky collections etc will work</li> <li>• Clarify role of contractors</li> <li>• Use of ICT for monitoring performance/contract</li> <li>• Strategy alignment with Kent County Council (KCC)</li> <li>• Maximise recycling rates to maximise KCC funding</li> <li>• Moving processes on-line (next 6 months)</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement completed, significant savings produced</li> <li>• ICT a key part of contract monitoring</li> <li>• Bulky and garden waste arrangements agreed</li> <li>• Strategy aligned with KCC (November)</li> <li>• Processes on-line for new contract</li> </ul>
Customer services delivery	<ul style="list-style-type: none"> <li>• Customer centricity review</li> <li>• New website</li> <li>• Ownership of website and resources – one service for customer contacts</li> <li>• Voice recognition software – automated switchboard</li> <li>• More work on Electronic Document and Record Management System (EDRMS) project and effects of moving towards this e.g. increased work</li> </ul>	<ul style="list-style-type: none"> <li>• Customer centricity review almost complete and recommendations on a new model of customer service delivery and engaging better with our residents are being developed</li> <li>• Good progress on new website which is now managed by Customer Services. Beta version to be published for internal view in December and for public testing in January 2013</li> <li>• Automated switchboard has been procured and installed, implementation is ongoing.</li> <li>• Corporate Support – Principle of Print/Post solution agreed with CLT. Specification for printers, Multi-functional devices (MFDs) and software being prepared, for tendering in November/December.</li> </ul>
ICT	<ul style="list-style-type: none"> <li>• Preparing business case and vision/10 yr strategy for April 2012/13</li> <li>• Phase 1 – moving kit to Maidstone</li> <li>• Phase 2 – Move virtual services to MKIP cloud</li> <li>• Start phase 3</li> <li>• Quick wins in consolidation, single systems and joint working e.g. new website Maidstone and Tunbridge Wells councils</li> </ul>	<ul style="list-style-type: none"> <li>• Approval to deliver a shared ICT service agreed April 2012</li> <li>• 10 year strategy agreed April 2012</li> <li>• Joint head of service appointed August 2012</li> <li>• Governance arrangements, structure, staffing, objectives and finance agreed Nov 2012</li> <li>• New service expected to 'go live' 1<sup>st</sup> April 2013</li> <li>• Work continues on the centralised email (exchange) for MKIP partner staff, expected to launch Feb 2013</li> </ul>

**APPENDIX B**

Hazlitt Arts Centre	<ul style="list-style-type: none"> <li>• Planning and implementing different governance structure</li> <li>• Work to make Hazlitt financially ready - maximising savings and income</li> <li>• New governance means asset management and support structure issues</li> </ul>	<ul style="list-style-type: none"> <li>• Cost savings as set out in the Review are being implemented</li> <li>• The Freedoms and Flexibilities so as to reduce cost have been developed and now need to be implemented</li> <li>• Tender responses have been received and are being evaluated</li> </ul>
Planning	<ul style="list-style-type: none"> <li>• Investigate options for improvement of processing and delivery of planning support e.g. shared</li> <li>• Channel shift to website</li> <li>• Restructure to include Spatial Policy, plus support for those in management roles</li> <li>• Investigation of Management &amp; Admin recharges</li> <li>• Consider options for service e.g. gold plated</li> <li>• Efficiency work e.g. Business Improvement process improvement</li> <li>• Participating in and responding to peer review</li> </ul>	<ul style="list-style-type: none"> <li>• Much work has taken place on the sharing of Planning Support Services with Swale BC and Tunbridge Wells BC</li> <li>• The Planning Portal is continually being updated</li> <li>• Work on the restructure is coming to an end</li> <li>• Recharges has been investigated and changes to the format have been agreed</li> <li>• Fast tracking applications without an up to date Development Plan is too risky</li> <li>• Business improvement is ongoing. Recently, for example, the Contact Centre now administer pre-applications</li> <li>• The Peer Group Review work has been completed</li> </ul>
 Parking Transport Management	<ul style="list-style-type: none"> <li>• Transport Strategy –models considered and delivery set up including Park and Ride issues</li> <li>• Consolidate parking partnership</li> <li>• Investigate other ways to pay e.g. mobile phone</li> <li>• Channel shift on-line (into medium term)</li> </ul>	<ul style="list-style-type: none"> <li>• Draft Integrated Transport Strategy produced and consultation undertaken</li> <li>• Parking partnership performing well</li> <li>• Changes to P&amp;R introduced to make savings</li> <li>• Re-launch of service in the new year</li> </ul>
Revenues & Benefits	<ul style="list-style-type: none"> <li>• Efficiency work e.g. channel shift and reducing avoidable contact – building capacity to sell</li> <li>• Planning to manage welfare reforms – need to have Council Tax benefit structure in place by April 2013</li> </ul>	<ul style="list-style-type: none"> <li>• Pilot undertaken with Liberata to test scope to trade with other councils. Report to be drafted for Corporate Leadership Team.</li> <li>• Modelling for Local Council Tax Delivery Scheme and consultation completed. Scheme agreed in principle to go forward for decision by full council.</li> <li>• Modelling of Universal Credit impact ongoing.</li> </ul>
Housing	<ul style="list-style-type: none"> <li>• Review policies and priorities</li> <li>• Business Improvement process review – Private Sector Housing then Housing Options</li> <li>• Review tenancy strategy, homelessness strategy, empty homes approach, affordable housing programme</li> </ul>	<ul style="list-style-type: none"> <li>• New Allocation Scheme going through consultation and on target for adoption in December 2012</li> <li>• Tenancy Strategy adopted</li> <li>• Officers fully engaged in the Welfare Reform working Group at MBC and through Kent Housing Group</li> </ul>

## APPENDIX B

	<ul style="list-style-type: none"> <li>Understand, respond to and begin prevention of increased homelessness</li> <li>Decide how to respond to increased legal challenges</li> <li>Review use of local Bed &amp; Breakfast accommodation</li> <li>Review housing assistance grants</li> <li>Decide on home improvement agency approach</li> <li>Consider threat to Disabled Facilities Grant funding – internal and external</li> <li>Plan approach for tackling disadvantage with early years (into medium and long term)</li> </ul>	<ul style="list-style-type: none"> <li>On target to deliver 200+ new affordable homes by March 2013</li> <li>Homelessness increasing but use of TA has reduced over the previous 6 months</li> <li>Revised Empty Homes Strategy going through consultation process</li> <li>Implementing the action plan for Private sector housing improvements to service</li> </ul>
Finance	<ul style="list-style-type: none"> <li>Restructure to work towards long term better support for business</li> <li>Decide and implement approach to recharges</li> <li>Develop use of Agresso (payments and invoice system) for more things e.g. for Direct Debits</li> </ul>	<ul style="list-style-type: none"> <li>Restructure partly complete. Delay due to development of shared service proposal that may influence the final structure.</li> <li>Recharges have been amended and will be used from the Revised Estimate 2012/13</li> <li>Direct Debit delayed due to staffing levels. Project will commence January 2013</li> </ul>
Building Control	<ul style="list-style-type: none"> <li>Break even</li> <li>Staff restructure</li> <li>Channel shift on-line</li> </ul>	<ul style="list-style-type: none"> <li>Business modelling in hand</li> <li>Break even being achieved</li> <li>Diversification continuing</li> <li>Way forward to be agreed</li> </ul>

### Priority projects

	<b>Progress April – October 2012</b>
Cross organisational collaboration	<ul style="list-style-type: none"> <li>Projects relating to Welfare Reform, Troubled Families and employment related support underway</li> <li>Each project has a project team from across the organisation to ensure effective input and collaboration on shared actions</li> <li>Project plans have been produced for each project with workstream leads updated at project team meetings</li> <li>Outcomes and actions are monitored and reported</li> </ul>
Future use of the Town Hall	<ul style="list-style-type: none"> <li>Awaiting outcome of Overview &amp; Scrutiny review of the Visitor Economy Business Unit (VEBU)</li> </ul>
Major assets review	<ul style="list-style-type: none"> <li>King Street car park – Cabinet have agreed to demolition and construction of a surface level car park, whilst seeking opportunities for redevelopment of the site</li> <li>Medway Street – No action</li> </ul>

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	<ul style="list-style-type: none"> <li>• Park Wood – Cabinet have agreed a strategy of active management. Meetings have already been held with major tenants</li> </ul>
Community asset transfer	<ul style="list-style-type: none"> <li>• Cabinet Member report drafted setting out proposals for each community hall, decision due in December. Cabinet approval for Community right to challenge, process being implemented</li> <li>• Community right to bid report drafted for Cabinet decision</li> <li>• Asset review to be undertaken to identify land and other assets for transfer during 2013/14.</li> </ul>
Management & Admin (M&A) recharges review	<ul style="list-style-type: none"> <li>• Completed changes to simplify M&amp;A where requested</li> <li>• Management accounts reporting design complete</li> <li>• Staff introductions to new report style to be rolled out</li> </ul>
Corporate peer review	<ul style="list-style-type: none"> <li>• The Council is scheduled to have corporate peer review by the Local Government Association (LGA) in autumn 2013</li> <li>• A peer review is currently being organised by the HR team of Health and Safety</li> <li>• There will be a peer review of the licensing function in 2013 working with the LGA as part of their new offer</li> </ul>
More proactive use of Covalent	<ul style="list-style-type: none"> <li>• Service planning has been changed to make it a continuous process through covalent rather than an annual activity. Managers have been encouraged to take ownership of service plan actions and have been given control over deadlines and target dates for service plan actions.</li> <li>• Covalent will now be used by the scrutiny team to track recommendations and responses across the organisation</li> <li>• Equality Objectives have now been added to Covalent</li> <li>• In 2013 we will be uploading policy and strategy documents to monitor when they need refreshing and maintain a better knowledge centrally</li> </ul>
Other shared services and Mid Kent Improvement Partnership (MKIP) work	<ul style="list-style-type: none"> <li>• Interim reports on MKIP Environmental Health and Planning Support were brought to the MKIP Board in September and the Planning Support business case will be considered in December. The aim is to have a decision on whether to form shared services for both areas in by March 2013</li> <li>• The MKIP Programme Manager will start work looking at the feasibility of a separate MKIP organisation which aims to report back to the MKIP Board, providing a clearer steer on the future of MKIP, by June 2013</li> </ul>

## **MAIDSTONE BOROUGH COUNCIL**

### **CABINET**

**19 DECEMBER 2012**

#### **REPORT OF HEAD OF FINANCE & CUSTOMER SERVICES**

**Report prepared by Paul Riley  
Head of Finance & Customer Services**

#### **1. COUNCIL TAX 2013/14 – COLLECTION FUND ADJUSTMENTS**

##### **1.1 Issue for Decision**

1.1.1 This report details the anticipated balance on the Collection Fund as at 31 March 2013 relating to the collection of local taxation. The distribution of balances to precepting authorities is an important part of their budget calculation and a decision at this time enables timely advice to those authorities. It also enables timely consideration in relation to the Council's own budget strategy.

##### **1.2 Recommendation of the Head of Finance and Customer Services**

1.2.1 That Cabinet agree the projection detailed in this report and as a result agree the distribution of the surplus as set out in paragraph 1.3.7 as follows:

<b>Preceptor</b>	<b>£</b>
Maidstone Borough Council	32,033
Kent County Council	139,431
Kent Police Authority	18,463
Kent and Medway Towns Fire Authority	9,033
<b>Amount Distributed</b>	<b>198,960</b>

##### **1.3 Reasons for Recommendation**

1.3.1 Members will be aware that this Council is required to maintain a Collection Fund which accounts for all local tax payments. The income into the Fund is used to pay the precepts to Kent County Council, Kent Police Authority, Kent Fire Authority and the equivalent requirement of this Council (which includes Parish Precepts).

1.3.2 For the proper maintenance of the Collection Fund it is necessary to assess, on an annual basis, the likely balance on the Collection Fund as

at 31 March of each year. Any balance, either positive or negative, must be taken into account in the following financial year. However, the balance on the fund, under the statutory conditions relating to Council Tax, does not become a credit or charge on this Council solely but needs to be split proportionately between Kent County Council, Kent Police Authority, Kent Fire and Rescue Authority and this Authority on the basis of the demand or precept in the current financial year.

- 1.3.3 The current situation regarding Council Tax in 2012/13 is projected to 31<sup>st</sup> March 2013 in **APPENDIX A**. This Appendix details the precepts and demands on the Fund. These total £91,178,935.
- 1.3.4 **APPENDIX A** also details the latest situation regarding Council Tax bills dispatched, incorporating exemptions and discounts. Total income is now anticipated to be £91,224,430; therefore a surplus of £45,495 is anticipated for 2012/13. The Collection Fund has produced this surplus due to the continuing increase in properties on the valuation list although this is at a reducing rate reflecting the current economic climate. The impact of this is reflected in the tax base report considered by General Purposes Committee on 19 December 2012. The projection also includes an allowance for properties that will come on to the valuation list up to March 2013.
- 1.3.5 The actual Council Tax surplus, as at 31 March 2012, was £153,465. The predicted outturn at this time last year was less than £1,000 and a value of zero was taken into account in setting the Council Tax in 2012/13. Therefore, there is a balance of £153,465 resulting from the under distribution in this year. This balance must be distributed during 2013/14.
- 1.3.6 In total, **APPENDIX A** estimates that there will be a net surplus on the Collection Fund for 2012/13 of £198,960.
- 1.3.7 In line with the Local Government Finance Act 1992 it is necessary to declare the distribution of any surplus or deficit on the Collection Fund and for this reason it is recommended that the surplus be distributed in line with the table below which apportions the surplus in line with the preceptors share of the Council Tax as set out in Appendix A.

<b>Preceptor</b>	<b>£</b>
Maidstone Borough Council	32,033
Kent County Council	139,431
Kent Police Authority	18,463
Kent and Medway Towns Fire Authority	9,033
<b>Amount Distributed</b>	<b>198,960</b>

1.4 Alternative Action and why not Recommended

- 1.4.1 It is a statutory requirement that any adjustment be calculated annually and Cabinet could not choose to ignore this decision.
- 1.4.2 Cabinet could vary the figures used in the estimate provided at **APPENDIX A** however they are based on data from the Council Tax system and projections developed from past experience and known factors. They represent a reasonable estimate of the situation.
- 1.4.3 Should Cabinet chose to vary the data and distribute a different surplus or deficit this would affect the balance on the Collection Fund and the cash flow of the Council.

1.5 Impact on Corporate Objectives

- 1.5.1 The results of this decision affects the overall budget strategy process and therefore the pressure on Council Tax in creating a balanced budget.

1.6 Risk Management

- 1.6.1 The calculation of the balance on the Collection Fund at 31 March 2013 could be incorrect and a significant deficit could arise. This would be recouped from the various preceptors and the Council in 2014/15. In the period between, the deficit would affect the Council’s cash flow.
- 1.6.2 Monthly monitoring of collection rates and the growth seen in the tax base over recent years all enable the Council to mitigate this risk.

1.7 Other Implications

1.7.1

1. Financial	X
2. Staffing	
3. Legal	
4. Equality Impact Needs Assessment	
5. Environmental/Sustainable Development	
6. Community Safety	
7. Human Rights Act	

- 8. Procurement
- 9. Asset Management


1.7.2 The distribution of the surplus will mean that the 2013/14 budget will benefit from the receipt of this Council's £32,033 share of the surplus.

1.8 Relevant Documents

1.8.1 Appendices

Appendix A – Collection Fund projection to 31 March 2013.

<b><u>IS THIS A KEY DECISION REPORT?</u></b>	
Yes	<input checked="" type="checkbox"/>
No	<input type="checkbox"/>
If yes, when did it first appear in the Forward Plan?	
.....	
This is a Key Decision because: .....	
.....	
Wards/Parishes affected: .....	
.....	



**APPENDIX A**

**MAIDSTONE BOROUGH COUNCIL**

**CABINET**

**19 DECEMBER 2012**

**COLLECTION FUND 2012/13 - COUNCIL TAX ADJUSTMENT**

	<b>£</b>	<b>Approx %</b>
<b><u>DEMANDS ON THE FUND</u></b>		
Maidstone Borough Council budget requireme	14,678,365	16.10
Kent County Council	63,899,178	70.08
Kent Police Authority	8,457,441	9.28
Kent and Medway Towns Fire Authourity	4,143,951	4.54
Council Tax requirement	<u>91,178,935</u>	<u>100.00</u>
<b><u>DEBIT RAISED</u></b>		
Charges raised	101,767,095	
Less Disabled Relief	67,034	
Discounts	7,340,852	
Exemptions	<u>2,629,779</u>	
	91,729,430	
Less Provision for bad and doubtful debts	<u>505,000</u>	
Projected Council Tax Income	<u>91,224,430</u>	
<b><u>PROJECTED SURPLUS FOR THE YEAR</u></b>	<b><u>45,495</u></b>	

<b><u>UTILISATION OF FUND BALANCE</u></b>	<b>£</b>
Actual Surplus at 31 March 2012	153,465
Less anticipated surplus - (2011/12 Estimate)	<u>0</u>
	153,465
Add Projected Surplus 2012/13	45,495
Projected Surplus at 31 March 2013	<u>198,960</u>

# Agenda Item 12

## MAIDSTONE BOROUGH COUNCIL

### CABINET

19 DECEMBER 2012

### REPORT OF CORPORATE LEADERSHIP TEAM

Report prepared by Paul Riley  
Head of Finance & Customer Services

#### **1. BUDGET STRATEGY 2013/14 ONWARDS – CORPORATE FEES AND CHARGES REVIEW**

##### 1.1 Issue for Decision

1.1.1 To set the appropriate level of fees and charges for 2013/14 for services where the Council raises income by charging the user of a service and where the setting of the fee to be charged is discretionary.

1.1.2 The Council has adopted a policy on the setting of fees and charges to ensure that a rational approach is used that takes account of all factors and creates a result that supports the priorities set out in the strategic plan.

##### 1.2 Recommendation of Corporate Leadership Team

1.2.1 That the Cabinet approves the increases in fees and charges proposed by this report and set out in detail in **APPENDIX A**.

1.2.2 That the Cabinet approves the proposed changes to the budgets for fees and charges that occur as a consequence of the revision in fees and charges. The approved sum, as set out in paragraph 1.3.8 of the report, to then be a budget strategy saving for 2013/14.

##### 1.3 Reasons for Recommendation

1.3.1 The Council adopted a Corporate Fees and Charges Policy in May 2009. The Policy sets out the approach that the Council requires in setting fees and charges, promotes consistency across the authority and is focused on the strategic aims of the authority.

- 1.3.2 The Policy covers fees and charges that are set at the discretion of the Council. It does not relate to services where the Council is prohibited from charging, e.g. collection of household waste or services where the charge is currently determined by Central Government e.g. planning application fees. Consideration of any known changes to such fees and charges and any consequence to the budget strategy are included in the considerations in this report.
- 1.3.3 The headline objective of the Policy is that fees and charges are set at the maximum level after taking into account conscious decisions on the subsidy level for individual services, concessions, impact of changes on users and any impact on the delivery of the Strategic Plan. Therefore, there is a presumption that charges will be levied for a service unless justified by strategic consideration or legal constraints.
- 1.3.4 The Policy also proposes that a review of all fees and charges will occur annually in line with the development of the Medium Term Financial Strategy. The review of fees and charges should consider the following factors:
- a) The Council's vision, objectives and values, and how they relate to the specific services involved;
  - b) The level of subsidy currently involved and, hypothetically, the impact of eliminating that subsidy on the level of fees and charges, users and social impact;
  - c) The actual or potential impact of any competition in terms of price or quality;
  - d) Trends in user demand including the forecasted effect of prices changes on customers;
  - e) Customer survey results;
  - f) Impact on users of proposals both directly and in terms of delivery of the Council's objectives;
  - g) Financial constraints including inflationary pressure and service budget targets;
  - h) The implications arising from developments such as an investment made in service;

- i) The corporate impact of Council wide pressures to increase fees and charges in other service areas;
- j) Alternative charging structures that could be more effective;
- k) Proposals for targeting promotions during the year and the evaluation of any that took place in previous periods.

1.3.5 During the work on the budget strategy for 2012/13 the Cabinet tasked officers with completing a corporate review of all fees and charges and this was completed in December 2011. This report repeats that process for 2013/14 as requested by the Cabinet in July 2012.

1.3.6 The work completed last December created an average increase of 2.05% in the budgeted income from fees and charges for the current year. However, the Cabinet will be aware from the second quarter's budget monitoring report that income levels achieved in the first half of 2012/13 are below the midyear target. At September 2012 the shortfall in income was £0.12m and the predicted outturn was £0.2m as set out in the table at paragraph 1.3.8 below.

1.3.7 The detailed results of the review carried out this year are set out in **APPENDIX A** and the approval of Cabinet is sought to the amended fees and charges and the proposed income budgets for 2013/14.

1.3.8 The table below shows the 2012/13 budget and predicted outturn for income from the different fees and charges, the proposed budget increase that can be achieved from each proposal and the percentage increase in budget and proposes a level of budgeted income for 2013/14. The table is sub-divided by the effect any increase can have on the budget strategy.

Service Charge Type	2012/13 Original Estimate	2012/13 Projected Outturn	2013/14 Proposed Increase	Proposed Increase %	2013/14 Estimate
Community Development	20,990	20,990	400	1.91%	21,390
Cemetery	116,450	118,000	2,500	2.15%	118,950
Crematorium	1,039,050	1,039,050	23,650	2.28%	1,062,700
Licences	122,240	122,240	0	0.00%	122,240
Hackney and Private Hire Drivers Licences	40,250	40,250	0	0.00%	40,250
Licensing Statutory	130,000	130,000	1,320	1.02%	131,320
Recycling & Refuse Collection Total	576,830	600,000	0	0.00%	576,830
Conservation	21,470	15,000	0	0.00%	21,470
HMO Licensing	2,380	2,380	0	0.00%	2,380
Town Hall	2,150	2,150	0	0.00%	2,150
Parking Services	2,808,370	2,750,000	35,000	1.25%	2,843,370
<b>SUPPORT TO BUDGET STRATEGY</b>	<b>4,880,180</b>	<b>4,840,060</b>	<b>62,870</b>	<b>1.29%</b>	<b>4,943,050</b>
Environmental Enforcement	193,920	220,000	0	0.00%	193,920
Development Control-Planning	757,160	802,000	110,000	14.53%	867,160
<b>STATUTORY CHARGES</b>	<b>951,080</b>	<b>1,022,000</b>	<b>110,000</b>	<b>11.57%</b>	<b>1,061,080</b>
Building Control	404,770	360,000	0	0.00%	404,770
Development Control-Land Charges	253,750	253,750	0	0.00%	253,750
<b>OBLIGATION TO BREAK EVEN</b>	<b>658,520</b>	<b>613,750</b>	<b>0</b>	<b>0.00%</b>	<b>658,520</b>
Hazlitt Arts Centre	142,000	142,000	0	0.00%	142,000
Parks and Open Spaces	74,600	50,000	0	0.00%	74,600
Street Naming & Numbering	29,000	27,000	0	0.00%	29,000
<b>PRE-SET TARGETS EXIST</b>	<b>245,600</b>	<b>219,000</b>	<b>0</b>	<b>0.00%</b>	<b>245,600</b>
Environmental Health	17,180	16,000	0	0.00%	17,180
Market	209,840	170,000	0	0.00%	209,840
Museum	61,590	52,000	0	0.00%	61,590
Park and Ride	568,756	460,000	0	0.00%	568,756
<b>CURRENT BUDGET IN SHORTFALL</b>	<b>857,366</b>	<b>698,000</b>	<b>0</b>	<b>0.00%</b>	<b>857,366</b>
<b>Total</b>	<b>7,592,746</b>	<b>7,392,810</b>	<b>172,870</b>	<b>2.28%</b>	<b>7,765,616</b>

1.3.9 The level of increase in fees and charges budgets for 2013/14 set out in the table at paragraph 1.3.8 reflects consideration of the effect of increasing the charges, such as elasticity of demand and creating movement of users to competitors or ceasing to use a service.

1.3.10 A number of services have either not proposed an increase or, where they have, the increase has not resulted in an increased budget. The reasoning behind these actions are all in line with the Council's policy on setting fees and charges that has been outlined earlier in this report.

1.3.11 Each service has been considered separately and in all cases the policy has been followed. A brief explanation of the consideration officers have given to significant issues are given in the following paragraphs.

- 1.4 Fees & Charges Supporting Budget Strategy (increase available to count as a saving)
- 1.4.1 On average there was an increase of 2.98% in these fees in 2012/13. As mentioned earlier in this report the current income expectations are not being achieved at the mid point of the year and the year end prediction is a 2.6% shortfall across all fees and charges.
- 1.4.2 The fees and charges policy identifies current performance as a factor for consideration when setting future fees and charges. Officers have considered this factor in setting the proposed fees and the result is an average increase of 1.29%.
- 1.4.3 Specific issues that the Cabinet should note are:
- a) Recycling & Refuse Collection is showing an increase in income generated in the current year. Longer term the consequences of this additional income will form part of the service changes following the commencement of the new service contract. At this time a separate income target of £50,000 has been set as part of the budget strategy without an increase in fee and it would be a duplication of the increase to include it in this report.
  - b) The Licensing Service is influenced by a number of fees and charges that are either statutorily controlled or set to break even. The service has considered increases where appropriate and will report to the Licensing Committee to seek approval to these fees. The expected increase is £1,320 but the service has generated income slightly above target in the last two years. As these are minor surpluses and the service is provided in partnership with other authorities in Kent it is felt prudent not to increase these targets outside of the partnership arrangement.
- 1.5 Statutory Charges
- 1.5.1 These charges are set in accordance with regulation. The environmental enforcement penalty charge is already set at the maximum. The Development Control charges have been increased by an average of 15% from November 2012 by Central Government and the increase is reflected here as an estimated increase in income of £0.11m
- 1.6 Obligation to Break Even
- 1.6.1 Both Building Control and Land Charges have a statutory obligation to break even. Both services will consider any necessary increase following budget setting and, if necessary, report this to the respective Cabinet Member.

- 1.7 Any increase set will not benefit the budget strategy as it will be set to maintain a break even cost of service.
- 1.8 Pre-Set Targets
- 1.8.1 These services have pre-set obligations and at this time no increases are proposed that will have an additional effect on income budgets.
- 1.9 Current Budget Shortfall
- 1.9.1 These services are currently reporting difficulty in generating income and any increase in fees proposed is designed to support current targets. In all cases managers are developing or implementing action plans following the identification of the concerns through the normal budget and performance monitoring processes in 2012/13.
- 1.10 Alternative Action and why not Recommended
- 1.10.1 The Cabinet could consider these proposals as individual Cabinet Members, as has happened in the past. This is not recommended as the consideration of the full range of fees and charges in this way enables the impact of all charges to be considered together. This gives the Cabinet the ability to assess the impact of changes on individual customers. The consideration of fees and charges in this way removes the need to set a generic target for increases as part of the budget strategy. This is in line with the approved policy on fees and charges.
- 1.10.2 The Cabinet could agree different increases to those proposed. Officers have considered all aspects of the policy in developing these proposals and they are in line with the factors set out earlier in this report.
- 1.11 Impact on Corporate Objectives
- 1.11.1 Increases in fees and charges can have a significant impact on the Council's objectives. The use of the policy as a guide to assessing an appropriate level of increase means that the most appropriate levels are proposed in this report.
- 1.11.2 The direct charging of a fee for a service reduces the level of subsidy required by all Council Tax payers and ensures a greater element of the cost is obtained from the service users where this approach is appropriate.
- 1.12 Risk Management
- 1.12.1 The major risk is that the proposed increases do not deliver the increased income expected. This expectation will form part of the budget strategy for 2013/14. If the income does not reach the levels

expected within the budget the Council will have to take corrective action to balance the budget.

1.12.2 This risk is faced by service managers every year and where the income generated is not sufficient to reach the budget corrective action is taken. In such cases the quarterly budget monitoring reports received by Cabinet will highlight any variances to Cabinet. In addition the constitution requires significant variances from income targets to be reported to the relevant Cabinet Member along with proposals to rectify any problems created.

1.13 Other Implications

1.13.1

1.	Financial	X
2.	Staffing	
3.	Legal	X
4.	Equality Impact Needs Assessment	X
5.	Environmental/Sustainable Development	
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	
9.	Asset Management	

1.13.2 **Financial** – the proposals in this report will provide £172,870 towards the requirements of the budget strategy 2013/14 onwards that is reported elsewhere on this agenda.

1.13.3 **Legal** - a number of the fees and charges made for services by the Council are set so as to provide a service at cost. These services are set up as trading accounts to ensure that the cost of service is clearly related to the charge made. In other cases the fee is set by statute and the Council must charge the set fee. In both cases the proposals in this report meet the Council’s obligations.

1.13.4 The fee or charge for a service, to be collectable through legal action in circumstances where a customer defaults must be clearly defensible. Adherence to the policy on setting fees and charges provides Cabinet with some assurance that appropriate factors have been considered in setting these charges.



1.14 Equality Impact Assessment

1.14.1 The objective of the review of fees and charges in this corporate way, including a focus on the factors required by the corporate policy minimizes the opportunity for unintended disadvantage to be created. The overview granted to Cabinet by this single report also reduces the possibility of an unintentional focus on a single group by multiple separate decisions.

1.15 Relevant Documents

1.15.1 Appendices

a) Appendix A – Schedule of all fees and charges by service.

1.15.2 Background Documents

**IS THIS A KEY DECISION REPORT?**

Yes

No

If yes, when did it first appear in the Forward Plan?

**September 2012**

This is a Key Decision because:

**A budget Strategy report**

Wards/Parishes affected:

**All**

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
<b>AC20</b>	<b>Community Development</b>									
	<b>Hotfoot Summer/Easter</b>		18,223	20,990				400	21,390	
	Price per Week for 1 Child				26.56	27.10	2.02%			
	Price per Week for 2 Children				53.13	54.25	2.12%			
	Price per Week for 3 Children				65.01	66.40	2.13%			
	Price per Week Concession for 1 Child				15.94	16.25	1.96%			
	Price per Week Concession for 2 Children				30.51	31.15	2.10%			
	Price per Week Concession for 3 Children				38.24	39.05	2.12%			
					229.39	234.20	2.10%			
	<b>Community Development Total</b>		<b>18,223</b>	<b>20,990</b>				<b>400</b>	<b>21,390</b>	
<b>CA10</b>	<b>Cemetery</b>									
<b>1.</b>	<b>Purchase of Exclusive Right of Burial</b>		44,940	52,000				2,500	54,500	Increase in budget reflects realistic income level and new charges as appropriate
<b>(a)</b>	<b>Resident Fees</b>									
	General Section				700.00	750.00	7.14%			This cost is for a 30 year lease.
	Class: Lawn				700.00	750.00	7.14%			
	Class: Vault				POA	POA				
	Class: Cremated remains burial plot				400.00	420.00	5.00%			
	Deed of grant				40.00	45.00	12.50%			Admin fee
	Transfer of Exclusive Rights				75.00	80.00	6.67%			Admin fee
	Grave Selection Fee				0.00	50.00				Charge to be made for personal selection of plot - where BSO'S time involved
<b>(b)</b>	<b>Non Resident Fees</b>									
	General Section				1,400.00	1,500.00	7.14%			
	Class: Lawn				1,400.00	1,500.00	7.14%			
	Class: Vault				POA	POA				
	Class: Cremated remains burial plot				800.00	840.00	5.00%			
	Stillborn to 4 years				80.00	80.00	0.00%			Fee for non residents - does not include purchase of Exclusive Rights
	5 to 15 years				150.00	150.00	0.00%			
	Deed of grant				40.00	45.00	12.50%			Admin fee
	Transfer of Exclusive Rights				75.00	80.00	6.67%			Admin fee
	Grave Selection Fee				0.00	50.00				Charge to be made for personal selection of plot - where BSO'S time involved
<b>2.</b>	<b>Interment Fees</b>		50,078	46,250				0	46,250	
	Stillborn to 4 years				No charge	No charge				
	5 to 15 years (15 years, 364 days)				250.00	260.00	4.00%			
	16 years and over (16 years and 1 day)				500.00	525.00	5.00%			
	Double				600.00	630.00	5.00%			
	Treble				800.00	850.00	6.25%			
	Cremated remains				200.00	210.00	5.00%			
	Interment in existing vault and interment/excavation new vault				POA	POA				
	Ashes casket (to purchase)				47.00	50.00	6.38%			
	Ashes urn (to purchase)				32.00	35.00	9.38%			
	Unpurchased grave				400.00	420.00	5.00%			Charge for 'state contract' funerals - residents only
	Excavation of non standard grave (additional charge to above)				110.00	115.00	4.55%			
	Exhumation of cremated remains				210.00	220.00	4.76%			Reflects Admin work involved as well as actual exhumation
	Exhumation of buried remains				POA	POA				
<b>3.</b>	<b>Other charges</b>									
	Use of chapel and organ							0		Chapel closed
	Witness Fee				40.00	45.00	12.50%			Reflects BSO's time and mileage travelling to Cem
	Hardwood seat with Stone Effect plaque									
	New Seat	*			POA	POA				Cost + 20%
	New Base	*			POA	POA				Cost + 20%
	Stone Effect Plaque	*			54.00	57.00	5.56%			
	Plot rental - 5 years				213.00	224.00	5.16%			
<b>4.</b>	<b>Monuments</b>		9,402	18,200				0	18,200	
	Headstone				90.00	95.00	5.56%	0		
	Kerbstone				90.00	95.00	5.56%	0		
	Indicator stone				35.00	37.00	5.71%	0		
	Cremated remains memorial				90.00	95.00	5.56%	0		
	Tablet 12" x 12"				90.00	95.00	5.56%	0		
	Vase				90.00	95.00	5.56%	0		
	Additional inscription				90.00	95.00	5.56%	0		
	Any other monument				90.00	95.00	5.56%	0		
	Memorial inspection re-instatement (standard)				120.00	126.00	5.00%	0		
	Lawn Grave foundation - by MBS				45.00	48.00	6.67%			To reflect current labour costs

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
5.	<b>Search fees</b>									
	1-5 years				0.00	10.00			)	
	6-10 years				0.00	10.00			)	General searches to be priced at £10, however, should the request be particularly involved or urgent then it is suggested that the £35.00 charge be made.
	Over 10 years				0.00	10.00			)	
	Personal search (by appointment)				35.00	35.00	0.00%		)	
6.	<b>Maintenance</b>									
	Heather-5 years*				140.00	147.00	5.00%			
	renewal - 5 years*				117.00	123.00	5.13%			
	Rose bush-10 years*				155.00	163.00	5.16%			
	renewal 5 years*				140.00	147.00	5.00%			
	Miniature rose-10 years*				125.00	131.00	4.80%			
	renewal 5 years*				120.00	126.00	5.00%			
	Earthing				50.00	53.00	6.00%			
	Turfing				50.00	53.00	6.00%			
	<b>Cemetery Total</b>		<b>104,420</b>	<b>116,450</b>				<b>2,500</b>	<b>118,950</b>	Proposed increases reflect that cemetery is a heavily subsidised service.
<b>CA20</b>	<b>Crematorium</b>									
1.	<b>Cremations</b>		826,554	872,590				23,650	896,240	
	Service charges									
	Medical Referee's Fee				22.00	23.00	4.55%			£20 fee set by relevant professional body. £3 to cover mileage
	Non viable foetus and stillborn				no charge	no charge				
	Less than 5 years				93.00	95.00	2.15%			
	5 to 15 years 364 days				106.00	109.00	2.83%			
	Adult				510.00	520.00	1.96%			
	Adult - commital slot 9.00 A.M. (includes Environmental surcharge, Medical Referee fee & Cremation Carton)				0.00	480.00	New			Inflation increase Currently there is not a 9.00 slot and the 9.30 A.M. service slot is unpopular and has very limited uptake
	Adult - reduced cremation slot 9.30 A.M. (includes Environmental surcharge, Medical Referee fee & Cremation Carton)				0.00	550.00	New			To encourage increased usage and offer a lower cost option to customers it is proposed that the fees for the 9 a.m. & 9.30 a.m. services be offered at a lower charge than the more popular times later in the day. Please note that these charges are inclusive of Environmental surcharge, Medical Referee fee & Cremation Carton. This approach is consistent with some other crematoria in Kent.
	Environmental Surcharge				57.00	58.00	1.75%			
	Cremation of body parts				92.00	94.00	2.17%			Double ceremony slots effectively eliminate potential fee generation from the days capacity - this increase better reflects the income lost by offering a double ceremony
	Use of chapel (additional item)				97.00	150.00	54.64%			
	Use of chapel organ				8.00	8.00	0.00%			Extensive selection of music for services is currently available from the Wesley music system which is flexible and can be expanded at any time. Personally supplied C.D's need to be downloaded to this system, generally at short notice, if the selection has not been previously notified - charge to cover admin costs and to try and deter the use of cd's
	Use of personal C.D. at Ceremony				0.00	10.00	New			
	Witness fee				35.00	36.00	2.86%			
	Saturday morning supplement fee				280.00	300.00	7.14%			Charge reflects cost for staff premium rates + high utility costs
	Service over-run fee					From 50.00	New			Services that over-run can severely affect the days schedule - proposed charges to be levied on Funeral Directors who fail to control length of services
	Containers for cremated remains									
	Polytainer / Cremation carton	*			15.00	15.00	0.00%			
	Urn	*			32.00	33.00	3.13%			
	Casket	*			47.00	49.00	4.26%			
	Baby urn	*			12.50	12.50	0.00%			
	Other related services									
	Forwarding of cremated remains									This service is now carried out by the Funeral Director
	Temporary deposit of remains (per month)				7.00	10.00	42.86%			Fee increased to act as a deterrent to leaving the ashes in storage at the Crematorium for long periods
	Exhumation of cremated remains				185.00	190.00	2.70%			
	Disposal from other crematoriums				54.00	55.00	1.85%			
	Burial in individual plot				37.00	45.00	21.62%			Admin cost to find vacant or family burial plot



## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
3.	<u>Search fees</u>									
	1-5 years				0.00	10.00				
	6-10 years				0.00	10.00				General searches can be carried out currently at no charge, however, should the request be particularly involved or urgent then it is suggested that the £35.00 charge be made.
	Over 10 years				0.00	10.00				
	Personal search (by appointment)				35.00	35.00	0.00%			
	<b>Crematorium Total</b>		<b>998,772</b>	<b>1,039,050</b>				<b>23,650</b>	<b>1,062,700</b>	
<b>CL00/CL01/C</b>	<b>Licences</b>									
	<u>Animal Boarding - C200/C201/C202/C204</u>		12,209	12,590				0	12,590	<b>These charges are approved by the licensing committee</b> No increase in the fees as the whole fee structure is under review. The results of that review will be reported to Licensing Committee in January.
	Cats only - up to 30				115.00	115.00	0.00%			
	Cats only - 31+				265.00	265.00	0.00%			
	Dogs only - up to 50				330.00	330.00	0.00%			
	Dogs only - 51+				510.00	510.00	0.00%			
	Cats and Dogs - up to 50				265.00	265.00	0.00%			
	Cats and Dogs - 51 - 90				395.00	395.00	0.00%			
	Cats and Dogs - 91 - 125				510.00	510.00	0.00%			
	Cats and Dogs - 126+				605.00	605.00	0.00%			
	Performing Animals				150.00	150.00	0.00%			
	Dangerous Wild Animals				435.00	435.00	0.00%			
	Zoo (plus deposit of £2,150)				550.00	550.00	0.00%			
	Breeding of Dogs - up to 5				265.00	265.00	0.00%			
	Breeding of Dogs - 6 - 10				395.00	395.00	0.00%			
	Breeding of Dogs - 11 - 15				510.00	510.00	0.00%			
	Breeding of Dogs - 16 - 20				645.00	645.00	0.00%			
	Pet Shops				395.00	395.00	0.00%			
	Additional Licences				80.00	80.00	0.00%			
	Horse Riding Establishments - up to and including 10 horses				530.00	530.00	0.00%			
	Horse Riding Establishments - 11 horses and above				750.00	750.00	0.00%			
	<u>Tattooing, Electrolysis, Acupuncture &amp; Earpiercing - C205</u>		760	570				0	570	No increase in the fees as the whole fee structure is under review. The results of that review will be reported to Licensing Committee in the January.
	Registrations				290.00	290.00	0.00%			
	<u>Sex Establishments - F124</u>		4,000	2,260				0	2,260	No increase in these fees as only recently set and the first year of operation has not been completed to assess whether the fees reflect the cost of the service.
	New Application				4,000.00	4,000.00	0.00%			
	Renewal				2,000.00	2,000.00	0.00%			
	Transfer				2,000.00	2,000.00	0.00%			
	<u>Pleasure Boats</u>		135	290	126.00	126.00	0.00%		290	
	<u>Rowing Boat, small motorised boat &amp; pedalo</u>				25.00	25.00	0.00%			
	<u>Street Trading - C207 &amp; C208</u>		8,697	9,040	385.00	385.00	0.00%	0	9,040	The fees for Street trading meets the cost of the service in respect of the granting of a licence but losses are made because if unsuccessful the Council has to give back the fee.
	<u>Farmers Markets</u>									
	Up to and including 12 events				30.00	30.00	0.00%			
	13 - 23 events				185.00	185.00	0.00%			
	24 or more events				370.00	370.00	0.00%			
	<u>River Festival</u>									
	New Consent Holders				210.00	210.00	0.00%			
	Existing Consent Holders				30.00	30.00	0.00%			

DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
<b>Taxi Fees &amp; Charges</b>										
Hackney Carriage Compliance and Licence Fee - F101			15,158	16,620	259.00	259.00	0.00%	0	16,620	No increase as new fee structure only just in place and needs to bed in. Additionally the fee structure is currently meeting the cost of the service.
Private Hire Compliance and Licence Fee - F102			70,005	67,030	256.00	256.00	0.00%	0	67,030	
Operators Licences - F105			15,451	13,020				0	13,020	
Operators Licence - 1 Vehicle Licenced					63.00	63.00	0.00%			This fee has been adjusted to reflect the current fee charge otherwise the comment is as above
Operators Licence - 2 Vehicles Licenced					120.00	126.00	5.00%			
Operators Licence - 3 Vehicles Licenced					180.00	189.00	5.00%			
Operators Licence - 4 Vehicles Licenced					240.00	252.00	5.00%			
Operators Licence - 5 Vehicles Licenced					300.00	315.00	5.00%			
Operators Licence - 6 Vehicles Licenced					360.00	378.00	5.00%			
Operators Licence - 7 Vehicles Licenced					420.00	441.00	5.00%			
Operators Licence - 8 Vehicles Licenced					480.00	504.00	5.00%			
Operators Licence - 9 Vehicles Licenced					540.00	567.00	5.00%			
Operators Licence -10 Vehicles Licenced					600.00	630.00	5.00%			
Operators Licence -11 Vehicles Licenced					660.00	693.00	5.00%			
Operators Licence - 12 Vehicles Licenced					720.00	756.00	5.00%			
Operators Licence - 13 Vehicles Licenced					780.00	819.00	5.00%			
Operators Licence - 14 Vehicles Licenced					840.00	882.00	5.00%			
Operators Licence - 15 Vehicles Licenced					900.00	945.00	5.00%			
Operators Licence - 16 Vehicles Licenced					960.00	1,008.00	5.00%			
Operators Licence - 17 Vehicles Licenced					1,020.00	1,071.00	5.00%			
Operators Licence - 18 Vehicles Licenced					1,080.00	1,134.00	5.00%			
Operators Licence - 19 Vehicles Licenced					1,140.00	1,197.00	5.00%			
Operators Licence - 20 Vehicles Licenced					1,200.00	1,260.00	5.00%			
Operators Licence - 21 Vehicles Licenced					1,260.00	1,323.00	5.00%			
Operators Licence - 22 Vehicles Licenced					1,320.00	1,386.00	5.00%			
Operators Licence - 23 Vehicles Licenced					1,380.00	1,449.00	5.00%			
Operators Licence - 24 Vehicles Licenced					1,440.00	1,512.00	5.00%			
Operators Licence - 25 Vehicles Licenced					1,500.00	1,575.00	5.00%			
Operators Licence - 26 Vehicles Licenced					1,560.00	1,638.00	5.00%			
Operators Licence - 27 Vehicles Licenced					1,620.00	1,701.00	5.00%			
Operators Licence - 28 Vehicles Licenced					1,680.00	1,764.00	5.00%			
Operators Licence - 29 Vehicles Licenced					1,740.00	1,827.00	5.00%			
Operators Licence - 30 Vehicles Licenced					1,800.00	1,890.00	5.00%			
Operators Licence - 31 Vehicles Licenced					1,860.00	1,953.00	5.00%			
Operators Licence - 32 Vehicles Licenced					1,920.00	2,016.00	5.00%			
Operators Licence - 33 Vehicles Licenced					1,980.00	2,079.00	5.00%			
Operators Licence - 34 Vehicles Licenced					2,040.00	2,142.00	5.00%			
Operators Licence - 35 Vehicles Licenced					2,100.00	2,205.00	5.00%			
Operators Licence - 36 Vehicles Licenced					2,160.00	2,268.00	5.00%			
Operators Licence - 37 Vehicles Licenced					2,220.00	2,331.00	5.00%			
Operators Licence - 38 Vehicles Licenced					2,280.00	2,394.00	5.00%			
Operators Licence - 39 Vehicles Licenced					2,340.00	2,457.00	5.00%			
Operators Licence - 40 Vehicles Licenced					2,400.00	2,520.00	5.00%			
Operators Licence - 41 Vehicles Licenced					2,460.00	2,583.00	5.00%			
Plate Charge			0	380				0	380	
Transfer on Testing			580	440	37.00	37.00	0.00%	0	440	
<b>Discretionary Licence Total</b>			<b>126,995</b>	<b>122,240</b>				<b>0</b>	<b>122,240</b>	
<b>CL90 Hackney Carriage and Private Hire Drivers Licences</b>										
Hackney Carriage and Private Hire Drivers Licences - F103 & F104			41,326	40,250				0	40,250	No increase as new fee structure only just in place and needs to bed in. Additionally the fee structure is currently meeting the cost of the service.
1 Year licence New					165.00	165.00	0.00%			
1 Year Licence Renewal					83.00	83.00	0.00%			
3 Year licence New					265.00	265.00	0.00%			
3 Year licence Renewal					199.00	199.00	0.00%			
Dual 1 Year Licence New					329.00	329.00	0.00%			
Dual 1 Year licence Renewal					125.00	125.00	0.00%			
Dual 3 year licence New					463.00	463.00	0.00%			
Dual 3 year licence Renewal					300.00	300.00	0.00%			
			<b>41,326</b>	<b>40,250</b>				<b>0</b>	<b>40,250</b>	

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## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
CL01	Licensing Statutory		138,984	130,000				1,320	131,320	
	<b>Licensing Act 2003 Fee Levels</b>									
	<b>New Application and Variation Fees</b>									
	Band A				100.00	100.00	0.00%			These fees are statutory and cannot be changed.
	Band B				190.00	190.00	0.00%			
	Band C				315.00	315.00	0.00%			
	Band D				450.00	450.00	0.00%			
	Band D*				900.00	900.00	0.00%			
	Band E				635.00	635.00	0.00%			
	Band E*				1,905.00	1,905.00	0.00%			
	<b>Annual Charge</b>									
	Band A				70.00	70.00	0.00%			
	Band B				180.00	180.00	0.00%			
	Band C				295.00	295.00	0.00%			
	Band D				320.00	320.00	0.00%			
	Band D*				640.00	640.00	0.00%			
	Band E				350.00	350.00	0.00%			
	Band E*				1,050.00	1,050.00	0.00%			
	<b>Exceptionally Large Events</b>									
	5,000 to 9,999				1,000.00	1,000.00	0.00%			
	10,000 to 14,999				2,000.00	2,000.00	0.00%			
	15,000 to 19,999				4,000.00	4,000.00	0.00%			
	20,000 to 29,999				8,000.00	8,000.00	0.00%			
	30,000 to 39,999				16,000.00	16,000.00	0.00%			
	40,000 to 49,999				24,000.00	24,000.00	0.00%			
	50,000 to 59,999				32,000.00	32,000.00	0.00%			
	60,000 to 69,999				40,000.00	40,000.00	0.00%			
	70,000 to 79,999				48,000.00	48,000.00	0.00%			
	80,000 to 89,999				56,000.00	56,000.00	0.00%			
	90,000 and over				64,000.00	64,000.00	0.00%			
	<b>Other fees</b>									
	Application for a grant or renewal of personal licence				37.00	37.00	0.00%			
	Temporary event notice				21.00	21.00	0.00%			
	Theft, loss, etc. of premises licence or summary				10.50	10.50	0.00%			
	Application for a provisional statement where premises being built, etc.				315.00	315.00	0.00%			
	Notification of change of name or address				10.50	10.50	0.00%			
	Application to vary licence to specify individual as premises supervisor				23.00	23.00	0.00%			
	Application for transfer of premises licence				23.00	23.00	0.00%			
	Interim authority notice following death etc. of licence holder				23.00	23.00	0.00%			
	Theft, loss etc. of certificate or summary				10.50	10.50	0.00%			
	Notification of change of name or alteration of rules of club				10.50	10.50	0.00%			
	Change of relevant registered address of club				10.50	10.50	0.00%			
	Theft, loss etc. of temporary event notice				10.50	10.50	0.00%			
	Theft, loss etc. of personal licence				10.50	10.50	0.00%			
	Duty to notify change of name or address				10.50	10.50	0.00%			
	Right of freeholder etc. to be notified of licensing matters				21.00	21.00	0.00%			

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

		*									
	Fees and Charges April 2013 - March 2014	Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate		Comments
	<b>Gambling Fees</b>										
	<b>Premises type</b>										
	New Small Casino New Application				6,395.00	6,715.00	5.00%				It will be recommended to Licensing that these fees are increased in line with these figures which are 5% higher or rounded up to the nearest 5.
	New Small Casino Annual Fee				3,750.00	3,940.00	5.07%				
	New Small Casino Application to Transfer				2,400.00	2,520.00	5.00%				
	New Small Casino Application for Reinstatement				1,580.00	1,660.00	5.06%				
	New Small Casino Application for Provisional Statement				1,350.00	1,420.00	5.19%				
	New Small Casino Licence Application (Provisional Statement Holders)				6,395.00	6,715.00	5.00%				
	New Small Casino Copy of Licence				2,240.00	2,335.00	4.24%				
	New Small Casino Notification of Change				20.00	21.00	5.00%				
	New Large Casino New Application				40.00	42.00	5.00%				
	New Large Casino Annual Fee				7,730.00	8,120.00	5.05%				
	New Large Casino Application to Vary				7,500.00	7,875.00	5.00%				
	New Large Casino Application to Transfer				3,260.00	3,425.00	5.06%				
	New Large Casino Application for Reinstatement				1,840.00	1935	5.16%				
	New Large Casino Application for Provisional Statement				2,050.00	2105	2.68%				
	New Large Casino Licence Application (Provisional Statement Holders)				7,630.00	8015	5.05%				
	New Large Casino Copy of Licence				3,850.00	4045	5.06%				
	New Large Casino Notification of Change				20.00	21	5.00%				
	Regional Casino New Application				40.00	42	5.00%				
	Regional Casino Annual Fee				12,175.00	12785	5.01%				
	Regional Casino Application to Vary				11,250.00	11815	5.02%				
	Regional Casino Application to Transfer				5,400.00	5670	5.00%				
	Regional Casino Application for Reinstatement				4,050.00	4255	5.06%				
	Regional Casino Application for Provisional Statement				4,050.00	4255	5.06%				
	Regional Casino Licence Application (Provisional Statement Holders)				11,975.00	12575	5.01%				
	Regional Casino Copy of Licence				6,050.00	6355	5.04%				
	Regional Casino Notification of Change				20.00	21	5.00%				
	Bingo Club New Application				40.00	42	5.00%				
	Bingo Club Annual Fee				2,305.00	2420	4.99%				
	Bingo Club Application to Vary				750.00	790	5.33%				
	Bingo Club Application to Transfer				1,600.00	1680	5.00%				
	Bingo Club Application for Reinstatement				995.00	1045	5.03%				
	Bingo Club Application for Provisional Statement				995.00	1045	5.03%				
	Bingo Club Licence Application (Provisional Statement Holders)				2,306.00	2425	5.16%				
	Bingo Club Copy of Licence				910.00	960	5.49%				
	Bingo Club Notification of Change				20.00	21	5.00%				
	Betting Premises (excluding Tracks) New Application				40.00	42	5.00%				
	Betting Premises (excluding Tracks) Annual Fee				2,305.00	2420	4.99%				
	Betting Premises (excluding Tracks) Application to Vary				450.00	475	5.56%				
	Betting Premises (excluding Tracks) Application to Transfer				1,370.00	1440	5.11%				
	Betting Premises (excluding Tracks) Application for Reinstatement				995.00	1045	5.03%				
	Betting Premises (excluding Tracks) Application for Provisional Statement				995.00	1045	5.03%				
	Betting Premises (excluding Tracks) Licence Application (Provisional Statement Holders)				2,306.00	2425	5.16%				
	Betting Premises (excluding Tracks) Copy of Licence				910.00	960	5.49%				
	Betting Premises (excluding Tracks) Notification of Change				20.00	21	5.00%				
	Tracks New Application				40.00	42	5.00%				
	Tracks Annual Fee				1,790.00	1880	5.03%				
	Tracks Application to Vary				750.00	790	5.33%				
	Tracks Application to Transfer				1,190.00	1250	5.04%				
	Tracks Application for Reinstatement				900.00	945	5.00%				
	Tracks Application for Provisional Statement				900.00	945	5.00%				
	Tracks Licence Application (Provisional Statement Holders)				1,790.00	1880	5.03%				
	Tracks Copy of Licence				910.00	945	3.85%				
	Tracks Notification of Change				20.00	21	5.00%				
	Family Entertainment Centres New Application				40.00	42	5.00%				
	Family Entertainment Centres Annual Fee				1,790.00	1880	5.03%				
	Family Entertainment Centres Application to Vary				560.00	590	5.36%				
	Family Entertainment Centres Application to Transfer				880.00	925	5.11%				
	Family Entertainment Centres Application for Reinstatement				900.00	945	5.00%				
	Family Entertainment Centres Application for Provisional Statement				900.00	945	5.00%				
	Family Entertainment Centres Licence Application (Provisional Statement Holders)				1,790.00	1880	5.03%				
	Family Entertainment Centres Copy of Licence				810.00	855	5.56%				
	Family Entertainment Centres Notification of Change				20.00	21	5.00%				
	Adult Gaming Centre New Application				40.00	42	5.00%				
	Adult Gaming Centre Annual Fee				1,790.00	1880	5.03%				
	Adult Gaming Centre Application to Vary				750.00	790	5.33%				
	Adult Gaming Centre Application to Transfer				880.00	925	5.11%				
	Adult Gaming Centre Application for Reinstatement				995.00	1045	5.03%				
	Adult Gaming Centre Application for Reinstatement				995.00	1045	5.03%				



## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	*											
<b>Fees and Charges April 2013 - March 2014</b>	<b>Includes VAT</b>	<b>2011 - 12 Actuals</b>	<b>2012-13 Estimate</b>	<b>Current 2012 - 13 Charges</b>	<b>Proposed 2013- 14 Charges</b>	<b>% Change</b>	<b>2013- 14 + / - Income</b>	<b>2013 - 14 Estimate</b>	<b>Comments</b>			
Adult Gaming Centre Application for Provisional Statement				1,790.00	1880	5.03%						
Adult Gaming Centre Licence Application (Provisional Statement Holders)				910.00	960	5.49%						
Adult Gaming Centre Copy of Licence				20.00	21	5.00%						
Adult Gaming Centre Notification of Change				40.00	42	5.00%						
<b>Permits</b>												
FEC Gaming Machine Application Fee				300.00	300.00	0.00%						
FEC Gaming Machine Renewal Fee				300.00	300.00	0.00%						
FEC Gaming Machine Transitional Application Fee				100.00	100.00	0.00%						
FEC Gaming Machine Change of Name				25.00	25.00	0.00%						
FEC Gaming Machine Copy of Permit				15.00	15.00	0.00%						
Prize Gaming Application Fee				300.00	300.00	0.00%						
Prize Gaming Renewal Fee				300.00	300.00	0.00%						
Prize Gaming Transitional Application Fee				100.00	100.00	0.00%						
Prize Gaming Change of Name				25.00	25.00	0.00%						
Prize Gaming Copy of Permit				15.00	15.00	0.00%						
Alcohol Licences Premises – Notification of 2 or less machines Application Fee				50.00	50.00	0.00%						
Alcohol Licences Premises – More than 2 machines Application Fee				150.00	150.00	0.00%						
Alcohol Licences Premises – More than 2 machines Annual Fee				50.00	50.00	0.00%						
Alcohol Licences Premises – More than 2 machines Transitional Application Fee				100.00	100.00	0.00%						
Alcohol Licences Premises – More than 2 machines Change of Name				25.00	25.00	0.00%						
Alcohol Licences Premises – More than 2 machines Copy of Permit				15.00	15.00	0.00%						
Alcohol Licences Premises – More than 2 machines Variation				100.00	100.00	0.00%						
Alcohol Licences Premises – More than 2 machines Transfer				25.00	25.00	0.00%						
Club Gaming Permit Application Fee				200.00	200.00	0.00%						
Club Gaming Permit Annual Fee				50.00	50.00	0.00%						
Club Gaming Permit Renewal Fee				200.00	200.00	0.00%						
Club Gaming Permit Transitional Application Fee				100.00	100.00	0.00%						
Club Gaming Permit Copy of Permit				15.00	15.00	0.00%						
Club Gaming Permit Variation				100.00	100.00	0.00%						
Club Gaming Machine Permit Application Fee				200.00	200.00	0.00%						
Club Gaming Machine Permit Annual Fee				50.00	50.00	0.00%						
Club Gaming Machine Permit Renewal Fee				200.00	200.00	0.00%						
Club Gaming Machine Permit Transitional Application Fee				100.00	100.00	0.00%						
Club Gaming Machine Permit Copy of Permit				15.00	15.00	0.00%						
Club Gaming Machine Permit Variation				100.00	100.00	0.00%						
Club Fast-track for Gaming Permit or Gaming Machine Permit Application Fee				100.00	100.00	0.00%						
Club Fast-track for Gaming Permit or Gaming Machine Permit Annual Fee				50.00	50.00	0.00%						
Club Fast-track for Gaming Permit or Gaming Machine Permit Renewal Fee				200.00	200.00	0.00%						
Club Fast-track for Gaming Permit or Gaming Machine Permit Copy of Permit				15.00	15.00	0.00%						
Club Fast-track for Gaming Permit or Gaming Machine Permit Variation				100.00	100.00	0.00%						
<b>Miscellaneous</b>												
Small Society Lottery Registration Application Fee				40.00	40.00	0.00%						
Small Society Lottery Registration Annual Fee				20.00	20.00	0.00%						
Temporary Use Notice Application Fee				375.00	375.00	0.00%						
<b>Licensing Statutory Total</b>		<b>138,984</b>	<b>130,000</b>				<b>1,320</b>	<b>131,320</b>				

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
<b>CR10/CW10</b>	<b>Recycling &amp; Refuse Collection Total</b>									
	<b>Bulky Collection</b>		54,672	68,000					68,000	
	1-6 items				23.00	23.00	0.00%			Proposal to maintain current level from April however implement change in August 2013 at the start of the new Mid Kent Joint Waste Contract as the prices are intended to be set across the three partnership authorities.
	7-12 items				35.00	35.00	0.00%			
	13-18 items				45.00	45.00	0.00%			
	<b>Garden Waste Service</b>					0.00				
	Compostable sacks - retailer		156,800	158,450	3.05	3.05	0.00%		158,450	no longer applicable
	Compostable sacks - resident		22,427	34,680	3.50	30.00	n/a		34,680	for annual subscription only where applicable - set at same price as 240 litre bin hire
	140 litre bin hire				27.00	27.00	0.00%			new addition - price to be reviewed at part of new waste contract - see below
										Proposal to maintain current level from April however implement change in August 2013 at the start of the new Mid Kent Joint Waste Contract as the prices are intended to be set across the three partnership authorities.
	240 litre bin hire		341,610	315,700	30.00	30.00	0.00%		315,700	
	<b>Recycling &amp; Refuse Collection Total</b>		<b>575,509</b>	<b>576,830</b>					<b>0</b>	<b>576,830</b>
										<b>Note: no changes to base income budgets will be made until the detail of the new KWP contract is known - budgets will be re-aligned generally at that time.</b>
<b>EE20</b>	<b>Conservation</b>									
	<b>Written Advice</b>		51	11,370	30.00	30.00	0.00%		11,370	
	<b>High Hedges</b>		350	2,500	350.00	350.00	0.00%		2,500	
	<b>Heritage Advice</b>		3,345	5,000					5,000	
	Site Visit/Meeting				100.00	100.00	0.00%			
	<b>Landscape Advice</b>		1,989	2,600					2,600	
	TPO/CA householder site visit/meeting (less than 5 trees)				30.00	30.00	0.00%			
	TPO/CA householder site visit/meeting (more than 5 trees)				60.00	60.00	0.00%			
	Other site visit/meeting				100.00	100.00	0.00%			
	<b>Conservation Total</b>		<b>5,735</b>	<b>21,470</b>					<b>0</b>	<b>21,470</b>

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
PL10	<b>HMO Licensing</b>									NOTE: The duration of most HMO licenses is 5 years . The next period that will see a significant amount of revenue generated by this activity will be 2016-2017, but, due to the cyclical nature of the licenece no amendment to the base budget can be made.
	<b>1 Mandatory HMO Licensing</b>									
	<b>1.1 Initial Licence Fees</b>									
	<b>Landlord Accreditation Status</b>		20,425	2,380				0	2380	(These fees are applicable on first application for a licence, or where a licence has been revoked or has lapsed for whatever reason.)
	Accredited landlord on application				450.00	450.00	0.00%			
	Non-accredited landlord				500.00	500.00	0.00%			
	<b>1.2 Renewal Licence Fees</b>									
	<b>Landlord Accreditation Status</b>									(These fees are applicable on application for a licence renewal, where a licence remains in force at the time of the application.)
	Accredited landlord on application				450.00	450.00	0.00%			
	Non-accredited landlord				500.00	500.00	0.00%			
	<b>1.3 Variation application licence fees applicable</b>									
	<b>Proposed Licence Variation</b>									
	Change of address details of any existing licence holder, manager, owner, mortgagor, freeholder, leaseholder etc				0.00	0.00				(These fees are applicable on application for a licence variation, where a licence remains in force at the time of the application.)
	Change of mortgagor, owner, freeholder, and leaseholder (unless they are also the licence holder or manager)				0.00	0.00				
	Reduction in the number of maximum occupiers for licensing purposes				0.00	0.00				
	Variation of licence instigated by the council				0.00	0.00				
	Increase in the number of habitable rooms				0.00	0.00				Initial licence application fee applicable less fee paid on application to be varied (minimum £100.00)
	Increase in the number of maximum occupiers for licensing				0.00	0.00				Initial licence application fee applicable less fee paid on application to be varied (minimum £100.00)
	Change of use of HMO, e.g. from bedsits to shared house				0.00	0.00				Initial licence application fee applicable less fee paid on application to be varied (minimum £100.00)
	Change in room sizes of HMO				100.00	100.00	0.00%	0	0	No budget, this type of charge is rarely made.
	Change in amenity provision				100.00	100.00	0.00%	0	0	No budget, this type of charge is rarely made.
	<b>1.4 Other licence fees applicable</b>									
	<b>Action</b>									
	Revocation of licence				0.00	0.00		0	0	
	Application to licence following revocation of licence				0.00	0.00		0	0	Initial application fee
	Application refused by the council				0.00	0.00		0	0	Initial application fee with no refund
	Application withdrawn by the applicant				0.00	0.00		0	0	Initial application fee with no refund
	Application made in error				0.00	0.00		0	0	No fee, and a refund will be made
	Properties that cease to be licensable during the licensing process				0.00	0.00		0	0	Initial application fee with no refund
	Application received following the expiry of a Temporary Exemption									
	Notice (TEN) made by the council				0.00	0.00		0	0	Additional charge for non-compliance with the TEN (£100.00) in addition to initial licence fee
	Enforcement action under Part 1 of the Housing Act 2004 relating to a licensed HMO				0.00	0.00		0	0	No reduction in the charge for taking enforcement action (These fees are applicable as appropriate in relation to the service of enforcement notices, and taking enforcement action under the Housing Act 2004.)
	<b>2 Charge for enforcement under S49 of the Housing Act 2004</b>									
	<b>Enforcement Action</b>									
	Service of Improvement Notice under s11 and/or s12				375.00	375.00	0.00%	0	0	No budget, this type of charge is rarely made.
	Service of Prohibition Order under s20 and/or s21				375.00	375.00	0.00%	0	0	No budget, this type of charge is rarely made.
	Service of Hazard Awareness Notice under s28 and/or s29				0.00	0.00		0	0	
	Taking Emergency Remedial Action under s40				0.00	0.00		0	0	Cost of works plus administration fee of 15% (minimum £100)
	Making of Emergency Prohibition Order under s43				375.00	375.00	0.00%	0	0	No budget, this type of charge is rarely made.
	Suspension of notices detailed above				0.00	0.00		0	0	No change in above fees
	<b>Immigration - housing inspection and accommodation</b>									
	<b>3 certificates</b>									
	Fee for inspection				100.00	100.00	0.00%	0	0	No budget, this type of charge is rarely made.
	<b>HMO Licensing Total</b>		<b>20,425</b>	<b>2,380</b>				<b>0</b>	<b>2,380</b>	
TA10	<b>Town Hall</b>									These charges are currently under review with the intention that a completely new fee structure is submitted to the Cabinet Member for Corporate Services in October/November.
	<b>Town Hall Lettings</b>		2408	2,150				0	2,150	
	<b>Town Hall Total</b>		<b>2,408</b>	<b>2,150</b>				<b>0</b>	<b>2,150</b>	

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## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
<b>RC10/RC11/ Parking Services</b>										
Business Permits		*	7,926	12,710	100.00	100.00	0.00%		12,710	
Residents Permits		*	82,025	130,440	25.00	25.00	0.00%		130,440	Maximum of two residents permits, third (Visitors Permit) is £50
Visitors Permits		*	90,725	58,240	25.00	25.00	0.00%		58,240	Maximum of one per property
3rd Permit [resident / visitor parking]		*			50.00	50.00	0.00%			Applied to 3rd permit where applicable
Replacement Permits		*	2,646	780	10.00	10.00	0.00%		780	(For lost Permits)
Carers Permits - Organisation		*	1,325	1,290	20.00	20.00	0.00%		1,290	
Carers Permits - Individuals		*			0.00	0.00	0.00%			Currently not charged
Work Permits		*			20.00	20.00	0.00%			Free for the first two weeks
Waivers [max 1 day]		*			20.00	10.00	-50.00%			Incorporated into dispensation process and charges
Waivers [max 1 week]		*			20.00	30.00	50.00%			Incorporated into dispensation process and charges
Waivers [max 3 months]		*			20.00	50.00	150.00%			Incorporated into dispensation process and charges
Dispensations [max 1 day]		*	3,664	2,560	10.00	10.00	0.00%		2,560	
Dispensations [max 1 week]		*			50.00	30.00	-40.00%			Revised period of dispensation
Dispensations [max 3 months]		*			50.00	50.00	0.00%			Revised period of dispensation
Dispensations Over 1 Day		*			50.00	0.00	-100.00%			Discontinued
Dispensations 10 or more additional per vehicle		*			5.00	0.00	-100.00%			Discontinued
Cones/ Suspension administration Fee		*			60.00	60.00	0.00%			(Plus any bay charges for P&D)
PCN Low - Statutory		*	811,392	846,470	50.00	50.00	0.00%		846,470	Discounted by 50% if paid within 14 days
PCN High - Statutory		*			70.00	70.00	0.00%			Discounted by 50% if paid within 14 days
<b>Season Tickets</b>			84,380	93,670					93,670	
3 Month 5 days Mon - Fri		*			230.00	230.00	0.00%			
3 Month 6 days Mon - Sat		*			280.00	280.00	0.00%			
6 Month 5 days Mon - Fri		*			405.00	405.00	0.00%			
6 Month 6 days Mon - Sat		*			500.00	500.00	0.00%			
12 Month 5 days Mon - Fri		*			710.00	710.00	0.00%			
12 Month 6 days Mon - Sat		*			860.00	860.00	0.00%			
<b>PAY AND DISPLAY</b>										
<b>On Street</b>			201,366	171,880					171,880	
30 mins					0.60	0.60	0.00%			
1 hr					1.00	1.00	0.00%			
1.5 hr					1.50	1.50	0.00%			
2 hr					2.00	2.00	0.00%			
3 hr					2.10	3.00	42.86%			James Whatman Way Only
4 hr					2.70	4.00	48.15%			James Whatman Way Only
<b>Off street</b>			1,441,619	1,490,330				35,000	1,525,330	Includes Lockmeadow (£70k increase less £35k for abolishing the long stay at Lockmeadow)
<b>Medway St</b>										
30 mins		*			0.50	0.50	0.00%			
1 hr		*			0.70	0.90	28.57%			
3 hr		*			1.80	2.00	11.11%			
4 hr		*			2.70	3.00	11.11%			
<b>Brewer Street [E]</b>										
30 mins		*			0.50	0.50	0.00%			
1 hr		*			0.70	0.90	28.57%			
3 hr		*			1.80	2.00	11.11%			
4 hr		*			2.70	3.00	11.11%			
<b>Wheeler Street</b>										
30 mins		*			0.50	0.50	0.00%			
1 hr		*			0.70	0.90	28.57%			
3 hr		*			1.80	2.00	11.11%			
4 hr		*			2.70	3.00	11.11%			
<b>Palace Avenue</b>										
3 hr		*			1.80	2.00	11.11%			
4 hr		*			2.70	3.00	11.11%			
<b>Mote Road</b>										
1 hr		*			0.70	0.90	28.57%			
3 hr		*			1.80	2.00	11.11%			
4 hr		*			2.70	3.00	11.11%			
<b>Mill Street</b>										
1 hr		*			0.70	0.90	28.57%			
3 hr		*			1.80	2.00	11.11%			
4 hr		*			2.70	3.00	11.11%			
<b>Long Stay</b>										
<b>Barker Road</b>										
1 hr		*			0.70	0.90	28.57%			
3 hr		*			1.80	2.00	11.11%			
4 hr		*			2.70	3.00	11.11%			
5 hr		*			5.00	4.50	-10.00%			
Over 5 hours		*			5.00	6.00	20.00%			

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
	<b>Brooks Place</b>									
	1 hr	*			0.70	0.90	28.57%			
	3 hr	*			1.80	2.00	11.11%			
	4 hr	*			2.70	3.00	11.11%			
	5 hr	*			5.00	4.50	-10.00%			
	Over 5 hours	*			5.00	6.00	20.00%			
	<b>Brunswick Street</b>									
	1 hr	*			0.70	0.90	28.57%			
	3 hr	*			1.80	2.00	11.11%			
	4 hr	*			2.70	3.00	11.11%			
	5 hr	*			5.00	4.50	-10.00%			
	Over 5 hours	*			5.00	6.00	20.00%			
	<b>College Road</b>									
	1 hr	*			0.70	0.90	28.57%			
	3 hr	*			1.80	2.00	11.11%			
	4 hr	*			2.70	3.00	11.11%			
	5 hr	*			5.00	4.50	-10.00%			
	Over 5 hours	*			5.00	6.00	20.00%			
	<b>Lucerne Street</b>									
	1 hr	*			0.70	0.90	28.57%			
	3 hr	*			1.80	2.00	11.11%			
	4 hr	*			2.70	3.00	11.11%			
	5 hr	*			5.00	4.50	-10.00%			
	Over 5 hours	*			5.00	6.00	20.00%			
	<b>Sittingbourne Road</b>									
	1 hr	*			0.70	0.90	28.57%			
	3 hr	*			1.80	2.00	11.11%			
	4 hr	*			2.70	3.00	11.11%			
	5 hr	*			5.00	4.50	-10.00%			
	Over 5 hours	*			5.00	6.00	20.00%			
	<b>Union Street [E]</b>									
	1 hr	*			0.70	0.90	28.57%			
	3 hr	*			1.80	2.00	11.11%			
	4 hr	*			2.70	3.00	11.11%			
	5 hr	*			5.00	4.50	-10.00%			
	Over 5 hours	*			5.00	6.00	20.00%			
	<b>Union Street [W]</b>									
	1 hr	*			0.70	0.90	28.57%			
	3 hr	*			1.80	2.00	11.11%			
	4 hr	*			2.70	3.00	11.11%			
	5 hr	*			5.00	4.50	-10.00%			
	Over 5 hours	*			5.00	6.00	20.00%			
	<b>Well Road</b>									
	1 hr	*			0.70	0.90	28.57%			
	3 hr	*			1.80	2.00	11.11%			
	4 hr	*			2.70	3.00	11.11%			
	5 hr	*			5.00	4.50	-10.00%			
	Over 5 hours	*			5.00	6.00	20.00%			
	<b>Multi Storey</b>									
	<b>King Street</b>									
	1 hr	*			0.50	0.90	80.00%			
	2 hr	*			1.30	0.00	-100.00%			2 hour tariff discontinued
	3 hr	*			1.50	2.00	33.33%			
	4 hr	*			2.00	3.00	50.00%			
	5 hr	*			2.50	4.50	80.00%			
	Over 5 hours	*			5.50	6.00	9.09%			
	<b>Lockmeadow</b>									
	1 Hour -	*			0.80	0.80	0.00%			
	1 - 4 hours	*			1.60	1.60	0.00%			
	Over 4 hours	*			4.60	0.00	-100.00%			Long stay tariff discontinued
	<b>Parking Services Total</b>		<b>2,727,069</b>	<b>2,808,370</b>				<b>35,000</b>	<b>2,843,370</b>	

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

		*									
	Fees and Charges April 2013 - March 2014	Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate		Comments
CL22/CL10	<b>Environmental Enforcement</b>										
	Fixed Penalty Fines-Litter		243,400	187,500	75.00	75.00	0.00%		187,500		
	Fixed Penalty Fines-Other		500	2,520					2,520		
	Dog Control Order (Fouling)				75.00	75.00	0.00%				Set to default amount by Cabinet member report 2012
	Dog Control Order (Exclusion)				75.00	75.00	0.00%				Set to default amount by Cabinet member report 2012
	Failure to comply with a street litter control notice				100.00	100.00	0.00%				Set to default amount by Cabinet member report 2005
	Failure to comply with a litter clearing notice				110.00	110.00	0.00%				Set to default amount by Cabinet member report 2005
	Failure to produce waste documents				300.00	300.00	0.00%				Set to default amount by Cabinet member report 2005
	Failure to produce authority to transport waste				300.00	300.00	0.00%				Set to default amount by Cabinet member report 2005
	Unauthorised distribution of free printed matter				75.00	75.00	0.00%				Set to default amount by Cabinet member report 2005
	Fly Posting				80.00	80.00	0.00%				Set to default amount by Cabinet member report 2005
	Abandonment of a vehicle				200.00	200.00	0.00%				Set to default amount by Cabinet member report 2005
	Repairing vehicles on a road				100.00	100.00	0.00%				Set to default amount by Cabinet member report 2005
	Graffiti				75.00	75.00	0.00%				Set to default amount by Cabinet member report 2005
	Failure to comply with a waste receptacles notice				100.00	100.00	0.00%				Set to default amount by Cabinet member report 2005
	Smoking in a smoke free place				50.00	50.00	0.00%				Discounted to £30 for early payment- Set by central government
	Failure to display no smoking signs				200.00	200.00	0.00%				Discounted to £200 for early payment, Set by central government
	<b>Stray dog charges</b>		4,305	3,900					3,900		
	Collection charge (office hours)				40.00	40.00	0.00%				Includes statutory fee of £25
	Collection charge (out of office hours)				60.00	60.00	0.00%				Includes statutory fee of £25
	Collection charge (out of office hours (after midnight))				70.00	70.00	0.00%				Includes statutory fee of £25
	<b>Pest Control charges</b>										<b>Set by tender/contract - whilst fee levels are set by M.B.C. the income remains with Contractor under the terms of the contract - MBC receives % of turnover only</b>
	Hourly charge for treatments carried out on industrial and commercial properties				63.50	"Call for quote"					Flexible to allow competition in bidding for contracts
	For treatments outside of normal office hours				96.00	96.00	0.00%				
	Charge per visit for the treatment of wasps nests carried out on domestic properties				45.50	45.50	0.00%				Per visit charge (Wasp nest requiring treatment using a ladder/tower scaffold will require a survey as a surcharge may be applied)
	Additional nests treatment				8.00	8.00	0.00%				Additional nests treated on same visit
	Charge per visit for the treatment of rat and mouse nests carried out on domestic premises				45.00	45.00	0.00%				For mandatory two visits
	Minimum charge for the treatment of ants carried out on domestic premises				23.50	23.50	0.00%				Per visit charge
	Minimum charge (including up to six rooms) for the treatment of fleas, bedbugs and other household pests carried out on a domestic premises				55.00	55.00	0.00%				Subsequent minimum charge will apply for further treatments after a period of 14 days has elapsed
	For each additional room (up to four rooms additional)				10.00	10.00	0.00%				As above
	Documentation charge added to charges above where it is necessary to send an invoice for payment.				29.50	29.50	0.00%				
	<b>Environmental Enforcement Total</b>		<b>248,205</b>	<b>193,920</b>				<b>0</b>	<b>193,920</b>		

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## DETAILED FEES AND CHARGES ANALYSIS 2013/14

		*										
	<b>Fees and Charges April 2013 - March 2014</b>	<b>Includes VAT</b>	<b>2011 - 12 Actuals</b>	<b>2012-13 Estimate</b>	<b>Current 2012 - 13 Charges</b>	<b>Proposed 2013- 14 Charges</b>	<b>% Change</b>	<b>2013- 14 + / - Income</b>	<b>2013 - 14 Estimate</b>		<b>Comments</b>	
	Gross floor space to be created by the development				70.00	70.00	0.00%					
	Gross floor space to be created by the development				335.00	335.00	0.00%					
	Gross floor space to be created by the development More than 540m <sup>2</sup> but not more than 4,215m <sup>2</sup>				335.00	335.00	0.00%					
	Gross floor space to be created by the development More than 4,215m <sup>2</sup>				16,665.00	16,665.00	0.00%					
	<b>Full Applications</b> (and First Submissions of Reserved Matters) continued...											
	<b>Erection of glasshouses</b> (on land used for the purposes of agriculture)											
	Gross floor space to be created by the development Not more than 465m <sup>2</sup>				70.00	70.00	0.00%					
	Gross floor space to be created by the development More than 465m <sup>2</sup>				1,870.00	1,870.00	0.00%					
	<b>Erection/alterations/replacement of plant and machinery</b>											
	Site area Not more than 5 hectares				335.00	335.00	0.00%					
	Site area More than 5 hectares				16,665.00	16,665.00	0.00%					
	<b>Applications other than Building Works</b>											
	<b>Car parks, service roads or other accesses For existing uses</b>				170.00	170.00	0.00%					
	<b>Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)</b>											
	Site area Not more than 15 hectares				170.00	170.00	0.00%					
	Site area More than 15 hectares				25,415.00	25,415.00	0.00%					
	<b>Operations connected with exploratory drilling for oil or natural gas</b>											
	Site area Not more than 7.5 hectares				335.00	335.00	0.00%					
	Site area More than 7.5 hectares				25,100.00	25,100.00	0.00%					
	<b>Other operations (winning and working of minerals)</b>											
	Site area Not more than 15 hectares				170.00	170.00	0.00%					
	Site area More than 15 hectares				25,415.00	25,415.00	0.00%					
	Other operations (not coming within any of the above categories) Any site area				170.00	170.00	0.00%					
	<b>Lawful Development Certificate</b>											
	LDC - Existing Use - in breach of a planning condition											
	LDC - Existing Use LDC - lawful not to comply with a particular condition				170.00	170.00	0.00%					
	LDC - Proposed Use											
	<b>Prior Approval</b>											
	Agricultural and Forestry buildings & operations or demolition of buildings				70.00	70.00	0.00%					
	Telecommunications Code Systems Operators				335.00	335.00	0.00%					
	<b>Reserved Matters</b>											
	Application for approval of reserved matters following outline approval				335.00	335.00	0.00%					
	<b>Approval/Variation/discharge of condition</b>											
	Application for removal or variation of a condition following grant of planning permission				170.00	170.00	0.00%					
	Request for confirmation that one or more planning conditions have been complied with request				25.00	25.00	0.00%					
	<b>Change of Use</b> of a building to use as one or more separate dwelling houses, or other cases											
	Number of dwellings not more than 50				335.00	335.00	0.00%					
	Number of dwellings More than 50				16,665.00	16,665.00	0.00%					
	<b>Other Changes of Use</b> of a building or land				335.00	335.00	0.00%					



## DETAILED FEES AND CHARGES ANALYSIS 2013/14

		*										
	Fees and Charges April 2013 - March 2014	Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate		Comments	
	<b>Advertising</b>											
	Relating to the business on the premises				95.00	95.00	0.00%					
	Advance signs which are not situated on or visible from the site, directing the public to a business				95.00	95.00	0.00%					
	Other advertisements				335.00	335.00	0.00%					
	<b>Application for a New Planning Permission to replace an Extant Planning Permission</b>											
	Applications in respect of major developments				500.00	500.00	0.00%					
	Applications in respect of householder developments				50.00	50.00	0.00%					
	Applications in respect of other developments				170.00	170.00	0.00%					
	<b>Application for a Non-material Amendment Following a Grant of Planning Permission</b>											
	Applications in respect of householder developments				25.00	25.00	0.00%					
	Applications in respect of other developments				170.00	170.00	0.00%					
	<b>Development Control Total</b>		<b>758,548</b>	<b>757,160</b>				<b>110,000</b>	<b>867,160</b>			
<b>EA10/EA30 Building Control</b>												
	Erection of a single dwelling house	*	373,524	404,770	790.00	790.00	0.00%	0	404,770		Building regulation charges are considered following the annual budget setting and come into force on 1st January. There is a requirement for the trading account to break even and all costs are included in the hourly rate used to calculate the charges needed to achieve this. Charges though are market sensitive therefore if costs increase in the trading account these are more likely to be met by savings elsewhere or new revenue streams.	
	Erection of 2 dwelling houses	*			1,180.00	1,180.00	0.00%					
	Garages up to 60m <sup>2</sup>	*			390.00	390.00	0.00%					
	Extensions up to 6m <sup>2</sup>	*			390.00	390.00	0.00%					
	Extensions over 6m <sup>2</sup> and up to 40m <sup>2</sup>	*			565.00	565.00	0.00%					
	Extensions over 40m <sup>2</sup> and up to 100m <sup>2</sup>	*			755.00	755.00	0.00%					
	Loft Conversions up to 40m <sup>2</sup>	*			575.00	575.00	0.00%					
	Loft Conversions over 40m <sup>2</sup> and up to 100m <sup>2</sup>	*			740.00	740.00	0.00%					
	Garage or Basement Conversion under 40m <sup>2</sup>	*			370.00	370.00	0.00%					
	Installation of single steel beam or lintel	*			230.00	230.00	0.00%					
	Installation of Boiler or Electrical works up to £10000	*			220.00	220.00	0.00%					
	Alterations up to the value of £1000	*			175.00	175.00	0.00%					
	Alterations from £1001 to £5000	*			300.00	300.00	0.00%					
	Alterations from £5001 to £10,000	*			390.00	390.00	0.00%					
	Alterations from £10,001 to £25,000	*			495.00	495.00	0.00%					
	Extensions over 6m <sup>2</sup> and up to 40m <sup>2</sup>	*			630.00	630.00	0.00%					
	Extensions over 40m <sup>2</sup> and up to 100m <sup>2</sup>	*			780.00	780.00	0.00%					
	Raised Storage Platform up to 50m <sup>2</sup>	*			520.00	520.00	0.00%					
	Shop Fitting up to 500m <sup>2</sup>	*			480.00	480.00	0.00%					
	Alterations from up to £5000	*			325.00	325.00	0.00%					
	Alterations from £5001 to £10,000	*			400.00	400.00	0.00%					
	Alterations from £10,001 to £25,000	*			530.00	530.00	0.00%					
	<b>Building Control Total</b>		<b>373,524</b>	<b>404,770</b>				<b>0</b>	<b>404,770</b>			

DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
LG10	<b>Development Control-Land Charges</b>		266,887	253,750				0	253,750	
	Search and Enquiries (LLC1 and CON29) - Paper Search				95.00	95.00	0.00%			
	Search and Enquiries (LLC1 and CON29) - Electronic Searches - NLIS				95.00	95.00	0.00%			
	Search only (LLC1 only) - Paper Search				35.00	35.00	0.00%			
	Search only (LLC1 only) - Electronic Search				35.00	35.00	0.00%			
	CON 29 Optional Enquiries (printed) each				15.00	15.00	0.00%			
	CON 29 Additional Enquiries each				20.00	20.00	0.00%			
	Additional Parcel of Land				10.00	10.00	0.00%			
	Personal Search Register only				0.00	0.00				
	<b>Refined Information</b>									
	<b>Question</b>									
	1.1 (a) - (e)				0.00	0.00				
	1.1 (f) - (h)				4.06	4.06	0.00%			
	1.2				0.00	0.00				
	2 (a)				0.00	0.00				
	2 (b) - (d)				3.83	3.83	0.00%			
	3.1				3.48	3.48	0.00%			
	3.2				3.83	3.83	0.00%			
	3.3 (a)				SOUTHERN WATER	SOUTHERN WATER				
	3.3 (b)				SOUTHERN WATER	SOUTHERN WATER				
	3.4 (a), (e), (f)				0.00	0.00				
	3.4 (b) - (d)				3.83	3.83	0.00%			
	3.5				3.83	3.83	0.00%			
	3.6 (a) - (l)				3.83	3.83	0.00%			
	3.7				11.42	11.42	0.00%			
	3.8				4.06	4.06	0.00%			
	3.9 (a) - (n)				3.48	3.48	0.00%			
	3.10 (a)				0.00	0.00				
	3.10 (b)				3.48	3.48	0.00%			
	3.11				3.83	3.83	0.00%			
	3.12 (a)				0.00	0.00				
	3.12 (b) (i)				3.52	3.52	0.00%			
	3.12 (b) (ii)				0.00	0.00				
	3.12 ©				3.52	3.52	0.00%			
	3.13				HPA	HPA				
	<b>Unrefined Information</b>									
	<b>Question</b>									
	1.1 (a) - (e)				0.00	0.00				
	1.1 (f) - (h)				3.25	3.25	0.00%			
	1.2				0.00	0.00				
	2 (a)				KCC	KCC				
	2 (b) - (d)				KCC	KCC				
	3.1				3.09	3.09	0.00%			
	3.2				KCC	KCC				
	3.3 (a)				SOUTHERN WATER	SOUTHERN WATER				
	3.3 (b)				SOUTHERN WATER	SOUTHERN WATER				
	3.4 (a), (e), (f)				KCC	KCC				
	3.4 (b) - (d)				KCC	KCC				
	3.5				KCC	KCC				
	3.6 (a) - (l)				KCC	KCC				
	3.7				5.64	5.64	0.00%			
	3.8				3.26	3.26	0.00%			
	3.9 (a) - (n)				3.09	3.09	0.00%			
	3.10 (a)				0.00	0.00				
	3.10 (b)				3.09	3.09	0.00%			
	3.11				2.88	2.88	0.00%			
	3.12 (a)				0.00	0.00				
	3.12 (b) (i)				3.10	3.10	0.00%			
	3.12 (b) (ii)				0.00	0.00				
	3.12 ©				3.10	3.10	0.00%			
	<b>Land Charges Total</b>		<b>266,887</b>	<b>253,750</b>				<b>0</b>	<b>253,750</b>	

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## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	*							2013- 14			
Fees and Charges April 2013 - March 2014	Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments		
<b>Disruption Fees for all all events (min charge)</b>											
This is the new proposed schedule of costs for events. The figures stated are considered a minimum. This has been produced following considerable research into what other similar venues charge and what we believe the market will pay. Also required is that these fees are negotiable by the Parks and Leisure Manger to enable M.B.C to maximise possible income											
Commercial and charity ticketed events - Mote Park					500.00+						" "
Free events - Mote Park					50+						" "
Commercial and charity ticketed events - All other Parks					250+						" "
Free events - All other Parks					50+						" "
<b>Fees per head all events (min charge)</b>											
Commercial (ticketed) Concerts					0.37						" "
Commercial (ticketed) Walks/runs/sporting					0.37						" "
Commercial (ticketed) Other					0.25						" "
Charity Fundraising (ticketed) Concerts					0.25						" "
Charity Fundraising (ticketed) Walks/runs/sporting					0.12						" "
Charity Fundraising (ticketed) Other					0.12						" "
Commercial (free event) Concerts					0.07						" "
Commercial (free event) walks/Runs/Sporting					No Charge						" "
Commercial (free event) Other					No Charge						" "
Charity Fundraising (free event) Concerts					0.07						" "
Charity Fundraising (free event) Walks/Runs/Sporting					No Charge						" "
Charity Fundraising (free event) Other					No Charge						" "
Not-for-profit (free event) Concerts					0.07						" "
Not-for-profit (free event) Walks/Runs/Sporting					No Charge						" "
Not-for-profit (free event) Other					No Charge						" "
<b>Filming companies - per day</b>											
- Mote Park	exempt			275.60	275.60	0.00%					
- Brenchley Gardens	exempt			185.50	185.50	0.00%					There has been very limited call for these events so it is not considered worthwhile to change this.
- others by negotiation	*										" "
<b>Commercial medical units - per day</b>											
Hot air ballooning (per flight/landing) - Private	exempt			68.90	75.00	8.85%					This figure has been rounded up but there was little income from this last year so will have minimal effect.

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

		*							2013- 14			
	Fees and Charges April 2013 - March 2014	Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	+ / - Income	2013 - 14 Estimate		Comments	
	<b>Golf-Pitch &amp; Putt and Putting</b>											
	Weekdays - Putting - per round - Adult	*			2.50	2.50	0.00%				Figures have been down for these services so it is considered counter productive to increase these fees	
	- Adult (Own Eqpt)	*			2.20	2.20	0.00%					" "
	- OAP/Junior	*			1.90	1.90	0.00%					" "
	- OAP/Junior (Own Eqpt)	*			1.70	1.70	0.00%					" "
	Weekends/Bank Hols - Putting - per round - Adult	*			2.70	2.70	0.00%					" "
	- Adult (Own Eqpt)	*			2.40	2.40	0.00%					" "
	- OAP/Junior	*			2.00	2.00	0.00%					" "
	- OAP/Junior (Own Eqpt)	*			1.80	1.80	0.00%					" "
	Weekdays - Pitch and Putt - per round - Adult	*			4.00	4.00	0.00%					" "
	- Adult (Own club/ball)	*			3.70	3.70	0.00%					" "
	- OAP/Junior	*			2.90	2.90	0.00%					" "
	- OAP/Junior (Own club/ball)	*			2.70	2.70	0.00%					" "
	Weekends/Bank Hols-Pitch and Putt-per round-Adult	*			4.20	4.20	0.00%					" "
	- Adult (Own club/ball)	*			3.90	3.90	0.00%					" "
	- OAP/Junior	*			3.10	3.10	0.00%					" "
	- OAP/Junior (Own club/ball)	*			2.90	2.90	0.00%					" "
	Weekdays - Family Tickets	*			11.70	11.70	0.00%					" "
	Family Tickets (Own Eqpt)	*			10.00	10.00	0.00%					" "
	Weekends/Bank Hols - Family Tickets	*			12.60	12.60	0.00%					" "
	Family Tickets (Own Eqpt)	*			11.00	11.00	0.00%					" "
	Ball deposit	*			1.00	1.00	0.00%					" "
	Equipment deposit - single player	*			10.00	10.00	0.00%					" "
	Equipment deposit - group	*			10.00	10.00	0.00%					" "
	<b>Mooring Fee</b>											
	PER VESSEL (20 feet length)											
	per Night	*			5.70	5.70	0.00%					" "
	per Week	*			30.00	30.00	0.00%					" "
	per Month	*			96.00	96.00	0.00%					" "
	per Quarter	*			240.00	240.00	0.00%					" "
	<b>Slipway Fee</b>											
	per Canoe/Dinghy	*			4.20	4.20	0.00%					" "
	other Craft	*			10.30	10.30	0.00%					" "
	<b>Parks and Open Spaces Total</b>		<b>45,200</b>	<b>74,600</b>					<b>0</b>	<b>74,600</b>		
<b>EA31</b>	<b>Street Naming &amp; Numbering</b>											
			0	29,000					0	29,000	The section have only just commenced charging for the Street naming & Numbering Service and can only cover the costs of providing the service and it is not proposed to amend charges at this point in time. Once there is a full 12 months data to assess, there will be a clearer view on whether scale of charges is appropriate - a full review will be made at this time.	
	Name change				25.00	25.00	0.00%					
	Addition of Name to numbered Property				25.00	25.00	0.00%					
	Amendment to Postal Address				25.00	25.00	0.00%					
	New Build - Individual Property				75.00	75.00	0.00%					
	Official Registration of Postal Address previously not Registered				50.00	50.00	0.00%					
	New Development - Fee per unit/flat				40.00	40.00	0.00%					
	Creation of New Street				100.00	100.00	0.00%					
	Renumbering of Development or Block of Flats - Fee per unit/flat				20.00	20.00	0.00%					
	<b>Street Naming &amp; Numbering Total</b>		<b>0</b>	<b>29,000</b>					<b>0</b>	<b>29,000</b>		
<b>CL20/CL30/C</b>	<b>Environmental Health</b>											
	Level 2 Food Hygiene Courses		1,859	4,610	61.95	61.95	0.00%		4,610		No increase planned - current fee considered sufficient. Income has been reduced by fewer people attending - this trend is set to continue	
	Voluntary Surrender of unsound food (certificate)				73.50	73.50	0.00%				No increase planned - rarely used, but important when necessary	
	Food Export certificate				121.80	121.80	0.00%				No increase planned - as above	
	Contaminated Land search fee		2,000	1,000	63.00	63.00	0.00%		1,000		No increase planned - fee considered sufficient for foreseeable future	
	Heavy Metal Monitoring		1,899	2,000	1,365.00	1,365.00	0.00%		2,000		No increase planned - as above	
	Private Water Risk Assessment				105.00	105.00	0.00%				No increase planned - these charges are only made as and when inspections are carried out andwhen considered appropriate	
	Private Water Sampling				105.00	105.00	0.00%				No increase planned - as above	
	Private water Authorisation				105.00	105.00	0.00%				No increase planned - as above	
	Private Water Investigation				105.00	105.00	0.00%				No increase planned - as above	
	Private Water Analysis				105.00	105.00	0.00%				No increase planned - as above	
	Statutory Fees for 48 Pollution Prevention Control Processes		9,997	9,570	10,000.00	10,000.00	0.00%		9,570		Sum of Various Statutory fees - values fixed, but general trend is downwards as fewer processes are now inspected and fall within the regulations	
	<b>Environmental Health Total</b>		<b>15,755</b>	<b>17,180</b>					<b>0</b>	<b>17,180</b>		

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
<b>EN10</b>	<b>Market</b>									
	<b>Deadstock Sales</b>									
	Mon, Tue & Fri charge per month - 1 April - 31 Dec	*	4,620	4,360	395.00	405.00	2.53%	0	4,360	Inflation increase
	Mon, Tue & Fri charge per month - 1 Jan - 31 Mar	*			395.00	405.00	2.53%			
	<b>Tuesday &amp; Saturday Market Pitches</b>		104,531	139,540				0	139,540	All pitch fees includes £1 towards the Market Traders Fund
	<b>Open Market</b>									Estimate not changed as current budget will not be attained
	Casual Rate (Min 10 feet) - 1 April - 31 Dec				32.00	32.00	0.00%			
	Casual Rate (Min 10 feet) - 1 Jan - 31 Mar				32.00	32.00	0.00%			
	<b>Regular Rate Market Square</b>									
	Up to 10 feet - 1 April - 31 Dec				24.25	24.75	2.06%			
	Up to 10 feet - 1 Jan - 31 Mar				17.00	17.50	2.94%			
	Undercroft Rate - 1 April - 31 Dec				25.25	25.75	1.98%			
	Undercroft Rate - 1 Jan - 31 Mar				18.00	18.50	2.78%			
	Per each additional 5 feet or part - 1 April - 31 Dec				11.35	11.70	3.08%			
	Per each additional 5 feet or part - 1 Jan - 31 Mar				7.65	8.00	4.58%			
	<b>Saturday Rate for 2 day Traders</b>									
	Up to 10 feet (2 day Trader) - 1 April - 31 Dec				23.20	23.75	2.37%			
	Up to 10 feet (2 day Trader) - 1 Jan - 31 Mar				15.65	16.00	2.24%			
	Per each additional 5 feet or part - 1 April - 31 Dec				10.80	11.25	4.17%			
	Per each additional 5 feet or part - 1 Jan - 31 Mar				7.65	8.00	4.58%			
	2nd Hand Dealers - Saturday only - 1 April - 31 Dec				16.00	17.00	6.25%			
	2nd Hand Dealers - Saturday only - 1 Jan - 31 Mar				16.00	17.00	6.25%			
	<b>Lettings-General</b>		77,180	65,940				0	65,940	
	<b>Hire of Agricultural Hall</b>									
	Standard Hire - per day - regular hire				370.00	380.00	2.70%			Regular hire - twice per month
	Standard Hire - per day - casual hire				475.00	485.00	2.11%			Casual hire - once per month
	<b>Local Community &amp; U16 Events</b>									
	Per Day				115.00	118.00	2.61%			
	Per hour - minimum 3 hours				17.00	17.50	2.94%			
	<b>Boot Fair</b>									
	10' - 1 table space - 1 April - 31 Dec				13.50	13.50	0.00%			
	10' - 1 table space - 1 Jan - 31 Mar				13.50	13.50	0.00%			
	20' - 2 table spaces - 1 April - 31 Dec				24.75	24.75	0.00%			
	20' - 2 table spaces - 1 Jan - 31 Mar				24.75	24.75	0.00%			
	30' - 3 table spaces - 1 April - 31 Dec				33.00	33.00	0.00%			
	30' - 3 table spaces - 1 Jan - 31 Mar				33.00	33.00	0.00%			
	<b>Commercial Hire</b>									
	Per half day ( maximum 8 hours )				520.00	535.00	2.88%			Market Manager to consider the commercial viability
	Per day ( over 8 hours )				995.00	1,020.00	2.51%			when confirming these charges to secure the booking
	Hire of chairs for events - per 100				46.00	47.00	2.17%			Charge pro rata
	<b>Market Total</b>		<b>186,330</b>	<b>209,840</b>				<b>0</b>	<b>209,840</b>	
<b>AA30</b>	<b>Museum</b>									
	<b>School visits</b>		10,111	15,000					15,000	15% discount for schools in MBC area - B105/B106
	First Hour				50.00	50.00	0.00%			
	Each Subsequent Hour				30.00	30.00	0.00%			
	Sessions with clay extra				8.00	8.00	0.00%			
	<b>Outreach to schools</b>									
	Half day				150.00	150.00	0.00%			
	Full day				225.00	225.00	0.00%			
	Children's holiday activities		4,040	40,540					40,540	Dependent on the activity
	<b>Room hire</b>									B103
	Brenchley Room - Per day				500.00	500.00	0.00%			
	Glass Room - Per half day				150.00	150.00	0.00%			
	Glass Room - Per day				275.00	275.00	0.00%			
	Library - Per half day				200.00	200.00	0.00%			
	Library - Per day				350.00	350.00	0.00%			
	<b>Events</b>		5,363	6,050					6,050	
	<b>Per Child</b>				2.50	2.50	0.00%			
	<b>Museum Total</b>		<b>19,513</b>	<b>61,590</b>				<b>0</b>	<b>61,590</b>	

## DETAILED FEES AND CHARGES ANALYSIS 2013/14

	Fees and Charges April 2013 - March 2014	* Includes VAT	2011 - 12 Actuals	2012-13 Estimate	Current 2012 - 13 Charges	Proposed 2013- 14 Charges	% Change	2013- 14 + / - Income	2013 - 14 Estimate	Comments
RE10	<b>Park and Ride</b>									
	<b>On Bus Charges</b>		403,290	453,186					453,186	Budget does not Includes Concessionary Travel income
	Peak Day Return (up to 9am inclusive, Mondays to Fridays)				2.50	2.50	0.00%			
	Off-Peak Day Return				1.50	1.50	0.00%			
	10 Single Trip Ticket - 10 singles				10.00	10.00	0.00%			
	<b>Season tickets</b>									
	Twelve-Week Season Ticket		88,608	115,570	100.00	100.00	0.00%		115,570	
	Annual Season Ticket				400.00	400.00	0.00%			
	<b>Park and Ride Total</b>		<b>491,898</b>	<b>568,756</b>				<b>0</b>	<b>568,756</b>	
	<b>GRAND TOTAL</b>		<b>7,279,028</b>	<b>7,592,746</b>				<b>172,870</b>	<b>7,765,616</b>	

# Agenda Item 13

## **MAIDSTONE BOROUGH COUNCIL**

### **CABINET**

**19 DECEMBER 2012**

### **REPORT OF CORPORATE LEADERSHIP TEAM**

**Report prepared by Paul Riley**  
**Head of Finance & Customer Services**

#### **1. BUDGET STRATEGY 2013-14 ONWARDS**

##### 1.1 Issue for Decision

1.1.1 This report is produced annually to update the Cabinet on the budget strategy following the provisional announcement of government grant. This year the government has made significant changes to local government finance and the provisional settlement figure, in the form of business rates retained rather than grant, will be provided later than usual. It is however essential that the Cabinet considers an update on other local and national factors that have an effect on the strategy and the strategic revenue projection.

1.1.2 This report also enables the Cabinet to consult the Overview and Scrutiny Committee on the current situation in relation to the budget strategy. Such consultation is a requirement of the Constitution.

##### 1.2 Recommendation of Corporate Leadership Team

1.2.1 That Cabinet agree the provisional allocation of the local council tax support funding as set out in Appendix A be notified to parish councils along with their tax base.

1.2.2 That Cabinet agree the revised strategic revenue projection at Appendix B which incorporates the changes outlined in sections 1.6 and 1.7

1.2.3 That Cabinet agree the proposed savings as set out in Appendix C.

1.2.4 That Cabinet consider, and amend if desired, the assumptions used in the development of the available resources as detailed



throughout the report.

- 1.2.5 That Cabinet agree to defer consideration of the use of the additional capital resources identified in paragraph 1.13.3 pending the final cost of the Museum East Wing project.

### 1.3 Background

- 1.3.1 On 25<sup>th</sup> July 2012 the Cabinet considered the initial budget strategy for 2013 onwards. At that time a strategic revenue projection (SRP) was agreed, including a provisional level of Council Tax as a planning and consultation tool. The agreed SRP included increases for inflation based on information provided by key officers and projection data from sources such as the office of budget responsibility. Cabinet chose to set no inflation increase for supplies and services budgets and instructed officers to produce a corporate fees and charges report proposing increases for all fees and charges in line with the Council's fees and charges policy.

- 1.3.2 The SRP, that was agreed, estimated resources at £18.8m and predicted expenditure including new budget pressures of £20.8m, leaving a need to find savings in 2013/14 of £2m. At that time a number of risks were considered by Cabinet and these were:

- a) The government's welfare reform plans;
- b) The outcome of the consultation on the retention of business rates;
- c) The localisation of council tax support;
- d) Council tax levels, including the effect of any Local Council Tax Support scheme finally agreed;
- e) The level of income achievement;
- f) A series of local pressures including health and safety risks, such as King Street Multi Storey Car Park, and the Local Development Framework.

- 1.3.3 The capital programme was considered in a separate report on the same agenda and at that time and it was agreed that:

- a) The capital strategy be amended to including the principle of prudential borrowing where this achieves commercial development;
- b) Officers should develop and present proposals that achieve the Council's objectives through commercial development;
- c) Resources would be provided to enhance the asset management programmes, to demolish King Street Car Park and to support the second phase of the High Street Regeneration project.

1.3.4 Funding of the current programme was provided and some additional resources identified and schemes were agreed according to the principles set out above. Long term funding remained an important issue, work on the infrastructure delivery plan was progressing and this would lead to the development of a community infrastructure levy charged on developments in the borough in addition the future of the New Homes Bonus payments remained at risk due to the continuing economic climate and threat of further austerity measures, and the risk remained that additional resources would not be sufficient to support a future programme. It was however identified that new homes bonus of at least £1.8m would be available next year.

1.3.5 Since the initial reports in July 2012 a number of the factors have changed and these are considered in this report. At this time the government has not announced the finance settlement and the report cannot therefore consider the provisional figures that will be provided in that announcement. The report does consider a set of figures calculated from the most recent announcements and consultation documents produced by Government.

#### 1.4 The Autumn Statement

1.4.1 The Autumn Statement is one of two major statements made by the Chancellor of the Exchequer each year. The other is the budget usually presented in March. The Chancellor presented the Autumn Statement to Parliament on 5<sup>th</sup> December 2012. This is later than in previous years and as a consequence has delayed the annual announcement by the Department for Communities and Local Government (DCLG) regarding local government finance.

1.4.2 The key messages in the Chancellor's statement for local government finance were that a spending review would occur as early as the first half of 2013 which would set the departmental spending plans for 2015/16 onwards. Also that further reductions in public sector spending were immediately required at 1% in 2013/14 and 2% in 2014/15. Only the 2014/15 reduction of 2% would directly affect local government.

1.4.3 Other issues were:

- a) The extension of the period of doubling of the small business rate relief by a further 12 months. The implications for business rates retention are not yet known;
- b) The exemption of all newly built commercial property (completed between October 2013 and September 2016)

from empty property rates for 18 months. The implications for the growth incentive of the business rates retention proposal are not yet known but could be significant;

- c) The provision of additional resources of up to £2bn into transport infrastructure, up to £600m into ultra-fast broadband in designated cities and over £1bn into education. The government intended that much of this resource would be channeled through the local enterprise partnerships and the Council's route to securing funding from these proposals for Maidstone would be through bids to the SELEP.
- d) Most welfare benefits would increase by 1% per annum over the next two years with state pension and disability benefit increases being greater.

1.4.4 The statement was linked to the latest office of budget responsibilities economic and fiscal outlook which was published to coincide with the Autumn Statement. This suggested that GDP would fall this year by 0.1% before growth commenced in 2013 at 1.2% per annum and rising to 2.7% per annum over the period to 2016. The forecast suggested that a further year of austerity measures would be required over those previously predicted as the Chancellor had revised his deficit reduction target date by one additional year to 2017/18.

1.4.5 The implications of this statement for future years are that further austerity measures will fall on local government with an additional 2% reduction in funding in 2014/15. The years beyond 2014/15 will be made clearer on the announcement of the findings of the spending review. At this time it is expected that the effects will be as severe as the reductions experienced as a consequence of the last spending review in 2010.

1.4.6 The implications for 2013/14 will, in the main, arise from the changes to the business rates retention scheme and will not be clear until the DCLG makes its funding announcement on 19<sup>th</sup> December. As this is the same day as the Cabinet meeting any clear and significant information will be presented at the meeting followed up by a full briefing if necessary.

## 1.5 Review of Current Performance

1.5.1 The current year's financial performance is reported to the Corporate Leadership Team and to the Cabinet on a quarterly basis. The first two quarterly reports show a reasonably stable under spend against profiled budget of just over £0.3m. The

predicted outturn for the year, as at the end of September 2012, was a £0.4m under spend comprised mainly of salary vacancies.

- 1.5.2 The capital programme as approved by the Council in March 2012 has been amended by the Cabinet's quarterly monitoring to allow scheme slippage into 2013/14. Additional schemes have been added to the programme to demolish King Street Multi Storey Car Park and to provide phase 2 of the High Street Regeneration project, these scheme were agreed by the Cabinet in July 2012 following the identification of funding.
- 1.5.3 The combined value of asset sales and other funding is currently above target by approximately £0.16m and the options this gives are dealt with later in this report.
- 1.5.4 The Cabinet has considered the use of balances this year and a series of proposals to utilise the significant under spend from 2011/12 have been considered by the Corporate Services Overview and Scrutiny Committee and with some minor changes will be submitted to the Leader of the Council for final approval prior to this Cabinet meeting. The maximum amount available from the 2011/12 under spend is approximately £1.1m and proposals to further the key priorities of the Council, totalling £0.83m, have been submitted for approval.

## 1.6 Review of Revenue Resources

### **Business Rates Retained**

- 1.6.1 As stated earlier in this report the DCLG will announce the finance settlement for this council on 19<sup>th</sup> December 2012 which will set the provisional the level of business rates retained by this council. This will be as a result of setting the business rates baseline, the values of the initial payment to central government, the county council and the fire authority and the level of tariff to be paid to the government. This will leave, by deduction, the value of business rates retained.
- 1.6.2 Based on the consultation data and other announcements from central government the current estimate is that the business rates retained will be the sum of the following elements:

	<b>£,000</b>	
Formula Funding	5,080	<i>Closest comparable figure to 2012/13 formula grant and indicative of a 10.3% reduction in funding</i>
2011/12 CT Freeze Grant	335	
Local Council Tax Support Funding (including parish share)	1,463	<i>A Year 1 transitional grant is also included</i>
Homelessness Prevention	101	
<b>Total business rates retained</b>	<b>6,979</b>	

- 1.6.3 The figures tabulated above include the funding of the government's proposed localisation of council tax support that will replace council tax benefit from 1st April 2012. At its meeting on 21st November 2012 the Cabinet approved the proposed scheme for recommendation to the Council on 12th December 2012 and this funding represents 90% of the government's predicted expenditure on council tax benefit, had the scheme continued in 2013/14.
- 1.6.4 Part of this element of the retained business rates relates to the benefit paid to claimants in parished areas and the proposed local scheme will affect parish precepts. The level of effect was considered by the General Purposes Group when it set the Tax Base for 2013/14. It is clear from the figures given in the government consultation documents that the value has been modelled at a district level and no national attempt has been made to model the effect at a parish level. The government has confirmed that it wishes to pass the funding to district councils and expects appropriate consideration of the funding of parish councils to be made. It has not legislated for the payment of this grant on to parishes.
- 1.6.5 Should the Council wish to pass on funding to parish councils a method that reflects the loss of income from the reduced ability to generate council tax would be equitable. If such a method is not used then parishes with relatively high levels of benefit claimants and low levels of precept could find themselves disproportionately disadvantaged. One such method, given the work completed to calculate the Tax Base for each parish, is to apportion the funding based upon the value of benefit currently claimed in each area, as any loss through reductions in council tax income will be proportionate to that value.
- 1.6.6 The Tax Base represents the number of taxable properties in an area expressed as a proportion of the Band D value. It enables the individual charge for each property to be calculated from the

precept value provided by each parish to the council. The calculation for 2013/14 includes an adjustment to allow for the discount now granted to previous benefit claimants through the new LCTS scheme and it is this calculation that gives an equitable method of distributing the funding.

1.6.7 In addition to using an equitable allocation method it is appropriate that all resources received by this Council should be distributed as a single value. The sums received have been calculated by central government on a block basis and the lowest level of area it considered is a district council. This means that the government's distribution is not based upon the transaction levels in each parished or non-parished area separately but for the borough council area as a whole. Added together the standard funding now rolled into retained business rates plus the first year transitional grant totals £1.463m and attached at **Appendix A** is a table that provides the necessary distribution of the total funding on the basis outlined above. The level of funding that would remain within the Council's own budget strategy is £1.38m. Consideration of how this resource does not fully finance the council's loss from the scheme is dealt with under the consideration of the resources available from council tax.

1.6.8 Using this figure to calculate this council's share of retained business rates gives the following estimate:

	<b>£,000</b>	
Formula Funding	5,080	<i>Closest comparable figure to 2012/13 formula grant and indicative of a 10.3% reduction in funding</i>
2011/12 CT Freeze Grant	335	
Local Council Tax Support Funding (excluding parish share)	1,379	<i>A Year 1 transitional grant is also included</i>
Homelessness Prevention	101	
<b>Total business rates retained</b>	<b>6,895</b>	

1.6.9 This estimate is the best available at this time and the Cabinet may wish to give consideration to the views of the Corporate Services Overview and Scrutiny Committee on the apportionment of the LCTS scheme funding to parishes before formal approval of the proposal however it would be necessary for parish councils to be given the provisional figures at this time so that they can continue to prepare their budget forecast for 2013/14 and set their local precepts.

## **Council Tax**

- 1.6.10 The Council's current council tax charge has remained stable at the 2010/11 level of £222.39 per annum for a band D property. Set against this stable tax level has been a council tax freeze grant claimed from central government for the two years of a 0% increase. In 2013/14 one of the two grants will cease and the other, as detailed earlier, will remain until 2015/16 but be included in the retained business rates income. Had the council raised the same level of resources from a council tax increase the reduction in resources would not occur and the additional income available to the Council in 2015/16 would be in the region of £0.67m. This would be sufficient to resource the budget pressures outstanding for 2014/15 as set out later in this report.
- 1.6.11 At the meeting on 25<sup>th</sup> July 2012 the Cabinet agreed a SRP for planning purposes that included an assumed 3% increase in council tax income. This represented a 2.5% increase in the council tax charge and a 0.5% increase in the tax base arising from new property.
- 1.6.12 Since that meeting the Government has announced support towards a further council tax freeze. This announcement offers a grant equivalent to a 1% increase for two years and reduces the level at which a council would be required to conduct a referendum over any proposed increase to 2%.
- 1.6.13 As the Cabinet are aware, from consideration of a 0% increase as part of the budget strategy over the previous two years, resources not gained through a council tax increase are only supported over the period during which the grant is payable. Considering the ten year period from 2011/12, when the first grant was accepted, the Council will have foregone approximately £8.8m in resources by 2020/21. This additional arrangement available from the Government for 2013/14 would, if accepted, mean a further level of resources foregone of £1.8m bringing the maximum foregone income to £1.3m per annum and in total £10.6m by 2020/21.
- 1.6.14 By the time of this meeting the General Purpose Group will have considered a tax base of 55155.1 which is approximately 10.3% lower than the tax base for 2012/13. This is due to the need to discount the tax base by the consequences of the LCTS scheme that commences on 1<sup>st</sup> April 2012. Excluding this discounting the underlying tax base has increased by 1.1%. The decision of the General Purpose Group will be reported verbally by officers at the Cabinet meeting as part of the discussion on this report.

- 1.6.15 Considered together the reduced tax base and a further freeze on council tax charge levels would generate £12.266m in 2013/14. An increase of 1.99% in the charge, just below the referendum level, would increase income by £0.244m and therefore generate a total of £12.510m in 2013/14. This would increase band D tax levels by £4.43 per annum to £226.82.
- 1.6.16 A decision on the level of council tax increase that the Cabinet would wish to recommend to the Council need not be taken at this time however the revised SRP given at **Appendix B** includes 1.99% increase to replace the 2.5% planning assumption to ensure it does not breach the referendum limit.
- 1.6.17 Elsewhere on this agenda the Cabinet has considered a report on the collection fund adjustment. The recommendation of that report is to distribute approximately £0.2m across the major preceptors and this council. The share calculated for this council is £32,000 and this can be added to the resources available from the council tax charge detailed above.
- 1.6.18 Combining the resources available to this council from the current estimated level of retained business rates, the council tax income and the collection fund adjustment would produce resources for the period of the revised SRP as tabled below. The Cabinet should note that the level of resources available from retained business rates given for years 2015/16 and beyond assume the effects of the spending review announced by the Chancellor. Although a projection is given, no actual detail is available to suggest the rate at which the resources available to this council will reduce or whether the reduction will be seen through the retained business rates or through another source of government funding.

	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000	2017/18 £,000
Retained Business Rates	6,895	6,404	5,589	5,170	4,782
Collection Fund Adjustment	32	0	0	0	0
Council Tax	12,510	12,822	13,139	13,464	13,795
<b>Available Resources</b>	<b>19,437</b>	<b>19,226</b>	<b>18,728</b>	<b>18,634</b>	<b>18,577</b>

## 1.7 Review of Strategic Projection

- 1.7.1 When the Cabinet agreed the SRP in July 2012 officers were set the task of continuing to review the budget pressures and identify additional savings to balance the budget. Since that time officers have reviewed all of the pressures outlined in the SRP and it is now proposed that the following amendments should be considered.



- a) **Lost income from regeneration** – this budget reflected the issues being considered for King Street Multi Storey Car Park and the possibility that the asset would be sold and revenue income lost. The decision of cabinet to demolish the car park and provide a surface level car park is estimated to be cost neutral in revenue terms and the budget is no longer required.
- b) **Local Development Framework** – following the decision on strategic sites within the core strategy, the profile of expenditure on the local development framework has been reassessed. It is now clear that while the same level of resources will be required overall, the timing of the funding need has slipped and the resources are now programmed as growth in 2014/15.
- c) **Safer Maidstone Partnership** – this provision was original made during the development of the 2011/12 strategy to offset against grant loss. Growth was approved in the 2012/13 budget strategy however the election of the Police and Crime Commissioner has required a reassessment of the appropriate timing for considering the use of the resource. It would at this time be prudent for the Council to remove the growth item and await the plans and strategies set out by the new commissioner to be published before reconsidering any further action. The council has funded a three year contribution to the domestic violence advise work being coordinated across Kent by the Kent Probation Service. A budget of £16,700 per annum was funded from the Leader’s contingency.
- d) **Growth provision** – this is an annual provision for growth outside of the specific items reported during the development of the annual budget. The resource available in 2012/13 remains an unallocated balance within the Leader’s portfolio and no bids for resources are expected in the remainder of 2012/13. With the full balance available from 2012/13 it is not necessary to resource a new balance in 2013/14.

1.7.2 In addition to the proposed reductions set out in the paragraph above there are two proposed increases in growth pressure and these are detailed below:

- a) **Pay and contractual commitments** – this growth item has seen an increase due to more accurate knowledge in relation to the indices that are used by each service. In general the office of Budget Responsibility has recently published amended growth and inflation rates. At this time it is not

proposed to further amend this item as the factors relate to general growth that budget managers will be expected to control rather than contractual growth.

- 1.7.3 These amendments, taken in conjunction with the revised assessment of resources available to the Council set a requirement to find savings in 2013/14 of £1.2m compared to the £2m requirement set out in the decision of cabinet in July 2012. The values for each year of the SRP are set out in the table below:

	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000	2017/18 £,000
Available Resources	19,437	19,226	18,728	18,634	18,577
Projected Requirement	20,563	20,608	19,890	19,488	19,218
<b>Savings Target</b>	<b>1,126</b>	<b>1,382</b>	<b>1,162</b>	<b>854</b>	<b>641</b>

- 1.7.4 The Corporate Services Overview and Scrutiny Committee has worked with officers and the Leader of the Council through a budget working group this year. Initial work has been to ensure that the working group is considering the budget strategy with a complete knowledge of the issues and a number of meetings, including briefings have occurred this year. When the committee considers the decisions of the Cabinet, in January 2013, the members of the group will ensure that the debate is informed in depth on the background issues facing the Council.

## 1.8 Review of Savings Proposals

- 1.8.1 Savings and efficiency data was not reported in detail to Cabinet in July 2012. The targets were set out and it was identified that some savings proposals existed, in the main these came from long term plans developed for the 2011/12 strategy. The report suggested that, set against a need to find £2m in savings, plans existed to save £0.6m.

- 1.8.2 As stated previously, the revised SRP at Appendix B shows a need to save £1.2m in 2013/14 and attached at **Appendix C** is a more detailed analysis of the previously identified savings and other proposals that have been developed by officers in discussion with Cabinet Members. The value of these proposals, set against the required need for savings in each of the five years considered by the revised SRP, are tabled below.

	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000	2017/18 £,000
Savings requirement in SRP	1,126	1,382	1,162	854	641
Savings proposals	1,126	788	220	140	0
<b>Savings still required</b>	<b>0</b>	<b>594</b>	<b>942</b>	<b>714</b>	<b>641</b>

1.8.3 The savings proposals set out at Appendix C include the values reported in the fees and charges report elsewhere on this agenda. If cabinet have approved the recommendations in that report the figures set out here are accurate, if Cabinet has amended the recommendation then the figures set out here will require amendment also.

1.9 New Homes Bonus

1.9.1 Along with the finance settlement that is due to be announced on 19<sup>th</sup> December 2012, it is expected that the DCLG will also announce the allocation of New Homes Bonus for the forthcoming year. This is the third year of the programme and the Council should receive an amount equivalent to last year's payment plus the new sum specifically for housing growth during the period October 2011 to October 2012. As this calculation is based upon the tax base return made to government in October each year it is possible to predict the major element of the payment reasonably accurately.

1.9.2 To date the Council has utilised the resources from new homes bonus payments to support its priorities through regeneration. In the main resources have been directed to the capital programme with a small sum of approximately £0.2m being used for one off revenue projects. When cabinet considered the capital programme in July 2012 it agreed that a sum of £1.8m from the forthcoming new homes bonus payment be directed to the capital programme to finance the second phase of the High Street regeneration project.

1.9.3 Tabled below is the schedule of amounts received and expected along with the amount already utilised by the Council.

	2011/12 £,000	2012/13 £,000	2013/14 £,000
2011/12 Allocation	892	892	892
2012/13 Allocation		825	825
2012/13 Affordable Homes Premium		78	78
2013/14 Allocation			1,045
2013/14 Affordable Homes Premium			n/a
<b>Receipt</b>	<b>892</b>	<b>1,795</b>	<b>2,840</b>
Capital Financing	892	1,615	1,800
Revenue Financing		180	
<b>Balance remaining</b>	<b>0</b>	<b>0</b>	<b>1,040</b>

## 1.10 Capital Expenditure

- 1.10.1 The capital programme approved by Council in March 2012 has been modified by Cabinet following the July 2012 report that set out proposals to finance commercial activity, health and safety works (the demolition of King Street Car Park) and the enhancement of the Asset Management Programmes. The current programme and details of available funding are set out in **Appendix D**.
- 1.10.2 During the work in developing the strategy for 2012/13 resources were set aside for the funding of any over spend on the Museum East Wing project. This project is nearing completion of the negotiations about the final account and the level of resources that may be required will be known presently. At this time the resources set aside by Cabinet, although not expressly stated, remain within revenue balances in case of need.
- 1.10.3 At this time the capital programme ends in 2014/15. This issue has been previously considered by Cabinet but a significant number of factors need to be progressed before clarity regarding resources and priorities can be established. In terms of the programme there are three strands:
- a) The standard programme including strategic priority projects, housing grants and housing support;
  - b) The commercialisation proposals;
  - c) The infrastructure delivery plan.
- In terms of funding there are three key risks:
- a) The viability, long term, of the new homes bonus;
  - b) The acceptability and affordability of prudential borrowing;
  - c) The development of a viable community infrastructure levy.
- 1.10.4 Some of the work required to mitigate the risks or develop the necessary proposals are nearing completion but there is a significant risk of misalignment of priorities within the affordable capital programme if all matters are not resolved before the future programme is agreed.

## 1.11 Capital Financing

- 1.11.1 The funding of the capital programme as agreed by Council in March 2012 is secured, as detailed in the report considered by Cabinet in July 2012.

1.11.2 In addition the confirmation of the revised level of prudential borrowing by Council and the confirmation of the level of new homes bonus by the DCLG should both occur prior to the meeting of Cabinet. Subject to those confirmations the revised programme agreed by cabinet in July 2012 is supported by the required level of resources. Officers can update the cabinet of any unexpected developments and necessary changes to the considerations set out in this report at the meeting.

1.11.3 In addition to the figures provided previously there have been two minor receipts from Golding Homes from the sale of properties that the Council retains a contractual benefit from. These receipts increase receipts by a net sum of £0.16m and are not allocated to any schemes currently within the capital programme. Cabinet may wish to retain the receipts until the final cost of the Museum East Wing project is known and funding is agreed.

## 1.12 Balances

1.12.1 The current level of general fund balance is £4.4m plus provisionally allocated sums of another £1.5m. After allowing for the proposals considered informally by Cabinet Members and formally by the Leader of the Council and Corporate Services overview and Scrutiny, an unallocated general fund balance of £3.6m remains. A statement of balances is set out in **Appendix E** to this report that incorporates the use of balances to cover the value of bids submitted to the Leader of the Council for approval.

1.12.2 For 2012/13 the Council has set a minimum level of balances of £2m and the Cabinet have agreed to set a working balance of £2.3m below which it is not expected that the Cabinet will utilise balances. In November the Cabinet agreed to set aside the sum of £0.5m when considering a report on potential commercialisation, as a provision against possible scheme failure. This means that unallocated resources of £0.7m and provisionally allocated resources of £2m exist.

1.12.3 Earlier in this report consideration was given to the Chancellor of the Exchequers Autumn Statement and the Economic and Fiscal Outlook report of the Office of Budget Responsibility. Given the significant and detrimental factors facing local government, as set out in that section of this report, Cabinet should be mindful of the level of resources and the potential need that the Council may have for those resources to remain financially stable, before the current economic situation is resolved.

## 1.13 Consultation

- 1.13.1 During the period in which consultation on the budget strategy would normally occur the local council tax support scheme consultation was ongoing. In order to minimise potential confusion the budget consultation was delayed. Consultation must occur before the final consideration of the budget by the Cabinet in February 2013. The consultation has been designed in a format that will allow those who wish to respond a choice of responding direct through the website, by return of a questionnaire or in person when the consultation road show is in the Gateway.
- 1.13.2 Due to the considerable change in the method of central funding of local authorities this year through the retention of business rates and the national coverage that suggests that 50% of business rates will be retained by local authorities it is important that consultation and briefings occur with local business. This work will be undertaken through the business meetings held by the Economic Development Manager.
- 1.13.3 The results of all of this work will be incorporated into the report to the Cabinet in February 2013 to enable consideration of the responses prior to a recommendation to the Council.
- 1.14 Medium Term Financial Strategy and Strategic Plan
- 1.14.1 The Strategic Plan refresh is reported to Cabinet elsewhere on this agenda. It provides feedback on the achievement of the outcomes required to achieve the priorities of the Council and gives Cabinet an opportunity to consider update actions and outcomes. It is essential that cabinet consider the Strategic Plan and this budget strategy at the same time as the information provided by the budget strategy enables Cabinet to consider the resourcing available for achievement of the proposed outcomes and provides the opportunity for cabinet to amend either resourcing proposals or outcomes to balance plans and resources appropriately.
- 1.14.2 As the DCLG had not announced the finance settlement for 2013/14 at the time of writing this report the MTFS statement has not been updated and for that reason is not appended to this report.
- 1.15 Alternative Action and why not Recommended
- 1.15.1 The production of the budget is an element of the statutory process of setting the council tax each year. In addition the final document and budget is required to be robust and adequate under the Local government Act 2003 and the Chief Financial Officer is required to give a statement to that fact. On this basis the actions outlined in this report must be considered and a balanced budget

ultimately set by March 2013.

- 1.15.2 A number of the assumptions set out in this report remain uncertain and alternative options are possible. The main examples include:
- a) The level of business rates that may be retained by the Council. At this time the estimate is based on the most up to date information and is reasonably in line with national commentators' assumptions. By the time cabinet consider this report it may well be possible to update the meeting with the provisional settlement figures.
  - b) The calculation used to distribute the LCTS Scheme funding between the Council and the parishes. This proposal is based upon the value of the actual loss by each council and is considered to be the fairest methodology for all.
  - c) The indices used to calculate future inflation and contractual commitment. These indices have been recently updated and a revised set of assumptions could be developed, however the level of change likely to occur is not significant and it is proposed that current resources will be re-prioritised if the level of growth allowed is insufficient

#### 1.16 Impact on Corporate Objectives

- 1.16.1 The budget strategy and the resultant medium term financial strategy involve assessing the level of resources available for the delivery of the Council's key outcomes and is a means by which the Council directs financial resources. This report and the strategic plan report elsewhere on this agenda should be seen as complementary.

#### 1.17 Risk Management

- 1.17.1 The development of the budget strategy follows a process from previous years. The process comprehensively reviews the full budget and brings to these reports the significant issues that the review identifies as significant risks. The work is supported by the quarterly budget monitoring reports to Cabinet a review of the information contained in these reports is given in section 1.#. Material issues identified can result in changes to the SRP but in the main the reports give strength the ongoing assumptions made in the budget strategy each year.
- 1.17.2 All budget strategy reports are submitted to the Corporate Services Overview and Scrutiny Committee for consideration and their work provides a further level of review. During 2012/13 Corporate Services Overview and Scrutiny Committee proposed and set up a

working group on the budget which has met more frequently than the whole Committee to consider, in more detail, the information used in developing the strategy. This group reports back to the Committee and will provide strength to the debate in January when the Committee considers this report and Cabinet's decision.

- 1.17.3 Cabinet should note that the report for 2012/13 identified the factors affecting 2013/14 as major risks at that time. It is clear how significant these factors are by the very fact that the final information has been significantly delayed.
- 1.17.4 As part of the work on the MTFs a risk assessment at an operational level is produced. This risk assessment considers the main risk factors for each assumption used in developing the strategy and is submitted to Audit Committee each January for consideration. The views of the Audit Committee will be reported to the Cabinet at their meeting in February 2013.

1.18 Other Implications

1. Financial	X
2. Staffing	X
3. Legal	X
4. Equality Impact Needs Assessment	X
5. Environmental/Sustainable Development	
6. Community Safety	
7. Human Rights Act	
8. Procurement	
9. Asset Management	

- 1.18.1 The financial implications are all detailed in the body of the report.
- 1.18.2 The budget includes the resources necessary to fund staffing levels and pay increments. In addition the report contains proposals that may produce organisational change, following the appropriate consultation.



1.18.3 This report intends to provide Cabinet with proposals that will enable the Council to set a balanced budget and a Council Tax for 2013/14 as it is statutorily obliged to do.

1.18.4 The budget strategy process requires the careful alignment of resources to the priority outcomes identified in the strategic plan. The appropriate alignment of resources means that impact on vulnerable and protected groups is minimised. The appropriate allocation of resources will support vulnerable groups through such actions as those proposed under the corporate and customer excellence outcomes.

1.19 Relevant Documents

1.19.1 Appendices

Appendix A – Apportionment of LCTS Funding

Appendix B – Revised Strategic Revenue Projection 2013/14 Onwards

Appendix C – Savings Proposals 2013/14 Onwards

Appendix D - Capital Programme 2012/13 to 2017/18

Appendix E – Statement of General Fund Balance to 31<sup>st</sup> March 2014

**IS THIS A KEY DECISION REPORT?**

Yes

No

If yes, when did it first appear in the Forward Plan?

.....

This is a Key Decision because:

Budget Strategy Report

.....

Wards/Parishes affected:

All

.....

## **BUDGET STRATEGY 2013/14 ONWARDS**

### **APPORTIONMENT OF LCTS FUNDING**

<b>Parish</b>	<b>Adjustment to Tax Base</b>	<b>Government support Apportioned</b>
	<b>£</b>	<b>£</b>
Barming	866.34	816.41
Bearsted	4,905.61	4,622.86
Bicknor		0.00
Boughton Malherbe	136.77	128.89
Boughton Monchelsea	2,493.83	2,350.09
Boxley	3,188.48	3,004.70
Bredhurst	793.63	747.89
Broomfield & Kingswood	1,762.02	1,660.46
Chart Sutton	1,354.25	1,276.19
Collier Street	396.22	373.38
Coxheath	5,642.10	5,316.90
Detling	1,867.96	1,760.29
Downswood	1,725.69	1,626.22
East Sutton	92.04	86.73
Farleigh East	2,448.70	2,307.56
Farleigh West	1,056.98	996.06
Frinsted		0.00
Harrietsham	2,086.21	1,965.96
Headcorn	7,166.42	6,753.36
Hollingbourne	1,276.67	1,203.09
Hucking		0.00
Hunton	1,067.90	1,006.35
Langley	2,073.07	1,953.58
Leeds	2,929.29	2,760.45
Lenham	5,520.63	5,202.43
Linton	571.36	538.43
Loose	3,224.91	3,039.03
Marden	7,894.10	7,439.10
Nettlestead	1,456.63	1,372.67
Otham	754.18	710.71
Otterden		0.00
Staplehurst	6,456.39	6,084.26
Stockbury	1,194.85	1,125.98
Sutton Valence	1,943.50	1,831.48
Teston	1,383.03	1,303.31
Thurnham	324.61	305.90
Tovil	8,351.38	7,870.02
Ulcombe	643.80	606.69
Wichling		0.00
Wormshill		0.00
Yalding	4,824.95	4,546.85
Maidstone (Borough)	1,463,184.79	1,378,849.69
	<u>1,553,059.29</u>	<u>1,463,544.00</u>

**BUDGET STRATEGY 2013/14 ONWARDS  
DRAFT STRATEGIC REVENUE PROJECTION**

2012/13 £,000		2013/14 £,000	2014/15 £,000	←-----> <i>Period Post CSR 2010</i>		
				2015/16 £,000	2016/17 £,000	2017/18 £,000
<b>AVAILABLE FINANCE</b>						
6,481	RSG OR BUSINESS RATES	6,038	6,893	6,404	5,589	5,170
-778	RSG OR BUSINESS RATES (LOSS) / GAIN	-623	-453	-480	-419	-388
674	COUNCIL TAX FREEZE GRANT			-335		
	COUNCIL TAX DISCOUNT GRANT	1,379	-36			
	HOMELESSNESS PREVENTION GRANT	101				
		<u>6,895</u>	<u>6,404</u>	<u>5,589</u>	<u>5,170</u>	<u>4,782</u>
	COLLECTION FUND ADJUSTMENT	32				
13,563	COUNCIL TAX	12,510	12,772	13,038	13,311	13,589
	KCC TOP UP GRANT		50	101	153	206
<b>19,940</b>	<b>TOTAL RESOURCES AVAILABLE</b>	<b>19,437</b>	<b>19,226</b>	<b>18,728</b>	<b>18,634</b>	<b>18,577</b>
19,907	<b>CURRENT SERVICE SPEND</b>	19,940	19,437	19,226	18,728	18,634
<b>INFLATION INCREASES</b>						
410	PAY AND CONTRACTUAL COMMITMENTS	372	481	514	510	514
<b>CONTRACTUAL COMMITMENTS</b>						
	ELECTIONS	-80	80			-80
40	REDUCTION IN BENEFIT GRANT	40				
<b>NATIONAL INITIATIVES</b>						
	LOSS OF ADMINISTRATION GRANT		130		100	
170	LOCAL DEVELOPMENT FRAMEWORK		50			
30	SAFER MAIDSTONE PARTNERSHIP					
<b>LOCAL PRIORITIES</b>						
150	CAPITAL RESOURCING	150				
100	LOST INCOME FROM REGENERATION		200			
160	PAY RATIONALISATION					
60	HOMELESSNESS INCREASED DEMAND					
	HOMELESSNESS PREVENTION GRANT	101				
30	ECONOMIC DEVELOPMENT	40				
	SERVICE ARRANGEMENTS WITH PARISHES		80			
<b>MINOR INITIATIVES</b>						
150	GROWTH PROVISION		150	150	150	150
<b>21,207</b>	<b>TOTAL PREDICTED REQUIREMENT</b>	<b>20,563</b>	<b>20,608</b>	<b>19,890</b>	<b>19,488</b>	<b>19,218</b>
<b>1,267</b>	<b>ANNUAL SAVINGS TARGET</b>	<b>1,126</b>	<b>1,382</b>	<b>1,162</b>	<b>854</b>	<b>641</b>

**BUDGET STRATEGY 2013/14 ONWARDS****SAVINGS PROPOSALS**

<b>SERVICE</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income				
General income inflation	62,870	140,000	140,000	140,000
Green Bins (volume increase)	50,000			
National Planning fee increase	110,000			
Commercial Income - Depot	40,000			
Events - commercialisation	10,000	20,000		
<b>Income Sum</b>	<b>272,870</b>	<b>160,000</b>	<b>140,000</b>	<b>140,000</b>
Service				
Concurrent Functions review	100,000	80,000		
Hazlitt Theatre - outsource	100,000	80,000	80,000	
Small Budgets identified	21,000			
Finance - professional services	48,000	40,000		
New Waste Contract / Partnership	330,530	559,470		
Depot - service savings		40,000		
Post - Changes and Centralisation	25,000	25,000		
<b>Service Sum</b>	<b>624,530</b>	<b>824,470</b>	<b>80,000</b>	<b>0</b>
Structure				
Information Technology (MKIP)		47,950		
Employee terms & conditions (lease cars)	5,000	5,000		
Housing review	25,000			
Planning review	34,600			
Corporate Support review	14,000			
Chief Executives structural review	150,000	100,000		
<b>Structure Sum</b>	<b>228,600</b>	<b>152,950</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>	<b>1,126,000</b>	<b>1,137,420</b>	<b>220,000</b>	<b>140,000</b>
<b>SAVINGS TARGET</b>	<b>1,126,000</b>	<b>1,382,000</b>	<b>1,162,000</b>	<b>854,000</b>
<b>BALANCE REQUIRED</b>	<b>0</b>	<b>244,580</b>	<b>942,000</b>	<b>714,000</b>

## BUDGET STRATEGY 2013/14 ONWARDS

## DRAFT CAPITAL SUMMARY 2013/14 ONWARDS

## SUMMARY

CAPITAL PROGRAMME SUMMARY	Revised	Estimate	Estimate	Estimate	Estimate	Estimate
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	£	£	£	£	£	£
<b>EXPENDITURE</b>						
COMMUNITY & LEISURE	4,280,260	2,056,168	1,590,000	450,000	450,000	450,000
CORPORATE SERVICES	348,020	1,080,000	380,000	0	0	0
ECONOMIC & COMMERCIAL DEVELOPMENT	712,240	1,700,000	0	0	0	0
ENVIRONMENT	47,280	0	0	0	0	0
PLANNING, TRANSPORT & DEVELOPMENT	35,800	0	0	0	0	0
<b>GRAND TOTAL - ALL PORTFOLIOS</b>	<b>5,423,600</b>	<b>4,836,168</b>	<b>1,970,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>
<b>RESOURCES</b>						
REVENUE CONTRIBUTION	3,884,198	2,200,000	400,000	350,000	350,000	350,000
CAPITAL GRANTS	2,083,490	472,250	450,000	450,000	450,000	450,000
CAPITAL RECEIPTS	3,006,275	0	0	0	0	0
<b>GRAND TOTAL - ALL RESOURCES</b>	<b>8,973,963</b>	<b>2,672,250</b>	<b>850,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>

NET FUNDING	Revised	Estimate	Estimate	Estimate	Estimate	Estimate
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	£	£	£	£	£	£
Resources Available (Cummulative)	8,973,963	6,222,613	2,236,445	1,066,445	1,416,445	1,766,445
Resources Required	5,423,600	4,836,168	1,970,000	450,000	450,000	450,000
Balance Carried Forward	3,550,363	1,386,445	266,445	616,445	966,445	1,316,445

## BUDGET STRATEGY 2013/14 ONWARDS

## DRAFT CAPITAL SUMMARY 2013/14 ONWARDS

	Revised Estimate 2012/13 £	Estimate 2013/14 £	Estimate 2014/15 £	Estimate 2015/16 £	Estimate 2016/17 £	Estimate 2017/18 £
<b>COMMUNITY &amp; LEISURE</b>						
CCTV	238,510					
Cobtree Golf Course		6,950				
Continued Improvements to Play Areas	175,000	100,000	100,000			
Green Space Strategy	14,500					
Leisure Centre Roof	20,830					
Mote Park Regeneration	881,290	90,718				
Museum Carbon Management Scheme	40,000					
Small Scale Capital Works Programme	67,490					
Housing Grants	1,641,140	1,305,000	1,300,000	450,000	450,000	450,000
Support for Social Housing	1,151,500	408,500	190,000			
Gypsy Site Improvements	50,000	145,000				
<b>COMMUNITY &amp; LEISURE TOTAL</b>	<b>4,280,260</b>	<b>2,056,168</b>	<b>1,590,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>

	Revised Estimate 2012/13 £	Estimate 2013/14 £	Estimate 2014/15 £	Estimate 2015/16 £	Estimate 2016/17 £	Estimate 2017/18 £
<b>CORPORATE SERVICES</b>						
Asset Management / Corporate Property	164,920	200,000	200,000			
Software / PC Upgrade and Replacement	180,000	180,000	180,000			
Upgrade Amenity lighting	3,100					
High Priority Legislative / Health & Safety Projects		700,000				
<b>CORPORATE SERVICES TOTAL</b>	<b>348,020</b>	<b>1,080,000</b>	<b>380,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Revised Estimate 2012/13 £	Estimate 2013/14 £	Estimate 2014/15 £	Estimate 2015/16 £	Estimate 2016/17 £	Estimate 2017/18 £
<b>ECONOMIC &amp; COMMERCIAL DEVELOPMENT</b>						
High Street Regeneration Ph 1a & 1b	712,240					
High Street Regeneration Ph 2		1,700,000				
<b>ECONOMIC &amp; COMMERCIAL DEVELOPMENT</b>	<b>712,240</b>	<b>1,700,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Revised Estimate 2012/13 £	Estimate 2013/14 £	Estimate 2014/15 £	Estimate 2015/16 £	Estimate 2016/17 £	Estimate 2017/18 £
<b>ENVIRONMENT</b>						
Improvements to the Council's Car Parks	14,800					
King Street Multi-storey Car Park	8,580					
Land Drainage/Improvement to Ditches & Watercourses	23,900					
<b>ENVIRONMENT TOTAL</b>	<b>47,280</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Revised Estimate 2012/13 £	Estimate 2013/14 £	Estimate 2014/15 £	Estimate 2015/16 £	Estimate 2016/17 £	Estimate 2017/18 £
<b>PLANNING, TRANSPORT &amp; DEVELOPMENT</b>						
Planning Delivery	9,350					
Regeneration Schemes	26,450					
<b>PLANNING, TRANSPORT &amp; DEVELOPMENT TOTAL</b>	<b>35,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**BUDGET STRATEGY 2013/14 ONWARDS****STATEMENT OF GENERAL FUND BALANCES AT 31 MARCH 2014**

	Total General Fund	Trading Accounts	Asset Replacement	VAT Reclaim	Invest to Save	LDf	Grand Total
	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Balance as at 1st April 2012	<b>8,182</b>	<b>125</b>	<b>87</b>	<b>898</b>	<b>520</b>	<b>334</b>	<b>10,146</b>
2011/12 Carry Forward used in 2012/13	-3,540						<b>-3,540</b>
Annual transactions in 2012/13			40		-6		<b>34</b>
Localism funding				-100			<b>-100</b>
Concurrent Functions support	-100						<b>-100</b>
Local Development Framework						-334	<b>-334</b>
New Homes Bonus	34						<b>34</b>
Revenue funding from NHB	-180						<b>-180</b>
Use of 2011/12 under spend	-830						<b>-830</b>
Balance as at 31st March 2013	<b>3,566</b>	<b>125</b>	<b>127</b>	<b>798</b>	<b>514</b>	<b>0</b>	<b>5,130</b>
Annual transactions in 2013/14			40		40		<b>80</b>
Balance as at 31st March 2014	<b>3,566</b>	<b>125</b>	<b>167</b>	<b>798</b>	<b>554</b>	<b>0</b>	<b>5,210</b>



## **MAIDSTONE BOROUGH COUNCIL**

### **CABINET**

**19 DECEMBER 2012**

#### **REFERENCE FROM THE AUDIT COMMITTEE**

##### **PROPERTY INVESTMENT GOVERNANCE ARRANGEMENTS**

The Audit Committee, at its meeting held on 26 November 2012, considered the report of the Head of Finance and Customer Services setting out details of the activities of the Treasury Management function as at the midpoint of the 2012/13 financial year.

The report also addressed proposed amendments to the Treasury Management Strategy 2012/13 and the Prudential Indicators arising from the Cabinet's consideration of a report on investment opportunities, including the possible use of prudential borrowing to finance capital expenditure. A copy of the Record of Decision of the Cabinet is attached as Appendix A to this report together with details of the terms of reference of the Property Investment Cabinet Committee and the Members Advisory Panel relating to Property Investment.

The Committee noted the position with regard to the activities of the Treasury Management function as at 30 September 2012 and is recommending to the Council that the Treasury Management Strategy for 2012/13 be amended to include confirmation that up to £6m can be borrowed to support the Capital Programme and that the Prudential Indicators be amended to increase the Operational and Authorised Limits for External Debt by the additional £2m required. However, the Committee is seeking assurances that the property investment governance arrangements, as set out in the attached Appendix, are sound and that controls are in place to minimise the risks to the Council associated with this new area of activity. Specific concerns were raised as to whether it would be appropriate for Members of the Audit Committee to be Members of the Advisory Panel.

**RECOMMENDED: That the Cabinet consider and respond to the assurances sought by the Audit Committee in connection with the possible use of prudential borrowing to finance capital expenditure.**

**MAIDSTONE BOROUGH COUNCIL**

**RECORD OF DECISION OF THE CABINET**

Decision Made: 12 September 2012

**INVESTMENT OPPORTUNITY**

**Issue for Decision**

This report considers investment proposals for the council to help improve income and achieve the Council's priorities

**Decision Made**

1. That the three areas of investment be supported, subject to the controls set out in the report of the Assistant Director of Environment and Regulatory Services.
2. That a member advisory panel be established in accordance with the terms of reference set out in Appendix 2 to the report of the Assistant Director of Environment and Regulatory Services.
3. That a Cabinet Committee be established, in accordance with the terms set out in Appendix 2 to the report of the Assistant Director of Environment and Regulatory Services, to make decisions on possible acquisitions, having regard to the views of the members advisory panel. The committee to comprise of the Leader of the Council, the Cabinet Member for Economic and Commercial Development and the Cabinet Member for Corporate Services. The remaining Cabinet Members are able to be appointed as substitute members of the Committee.
4. That an agent or agents be appointed on a commission only basis, in accordance with the maximum sliding scale identified in Appendix 1 to the report of the Assistant Director of Environment and Regulatory Services, to bring forward potential acquisitions on a confidential basis.
5. That the Audit Committee and the Council be recommended to authorise prudential borrowing of up to £6million within the current financial year 2012/13 and to set aside a fund of £500,000 from balances to cover any potential scheme failure.

**Reasons for Decision**

The current economic climate is causing significant financial pressures on local authorities. Revenue provision through government grant is

reducing and will continue to reduce. In order to achieve the Council's strategic goals and indeed to maintain services, there is a need for the Council to be more business-like.

The Government is actively encouraging local authorities to use prudential borrowing to generate additional income, support improved sustainability and provide encouragement for businesses to invest and regenerate.

The Cabinet, at its meeting on 25 July, considered the Council's Capital Programme and in particular, the possibility of prudential borrowing. This confirmed that the Council has the power to borrow to finance capital expenditure, subject to the guidance set out in the Code of Practice published by the Chartered Institute of Public Finance and Accountancy. Compliance with the code is a statutory requirement. In summary, the key objectives of the Code are:

- To ensure within a clear framework that capital expenditure plans are affordable, prudent and sustainable;
- That treasury management decisions are taken in accordance with good professional practice;
- That local strategic planning, asset management planning and proper option appraisal are supported; and
- To provide a clear and transparent framework to ensure accountability.

If the Council were to consider prudential borrowing as a source of funding for the capital programme, it would be required to evidence that such funding is affordable, prudent and sustainable. Given the current economic circumstances and the expected future pressure on resources, borrowing would place additional pressure on the savings requirements of the Council. At this time, it would only be appropriate to consider borrowing where the overall benefit of the schemes within the programme outweighs the additional pressure on the general fund or the outcome is self-supporting.

The Cabinet resolved:-

- a) That the proposed amendments to the capital strategy including the prudential borrowing where this achieves commercial development, outlined in Section 1.5 of the report of the Corporate Leadership Team, be agreed.
- b) That officers develop and present proposals that achieve the Council's objectives through commercial development, as set out in Section 1.5 of the report.
- c) That the evaluation of resources available and scheme proposals as set out in paragraph 1.6.5. of the report, identifying the appropriate use of the resources available, be approved.

Section 1.5 of the Cabinet report identifies the possible use of prudential borrowing when the following criteria apply:

- a) Schemes (or proposals) are commercial in nature
- b) The outcome returns a financial benefit at least equal to the cost incurred by borrowing to fund the schemes.
- c) After covering the cost of funding, a further financial or non-financial benefit accrues to the Council that directly or indirectly supports the strategic plans policy outcomes.

The report of the Assistant Director of Environment and Regulatory Services considers three areas of prudential borrowing that will meet the guidelines of the CIPFA Code of Conduct and the criteria identified in the above decision of Cabinet on 25 July 2012.

### Property Portfolio

Most local authorities have property portfolios and this Council owns assets with a value around £79 million. The major asset owned by the Council is the Park Wood Industrial Estate which generates over £300k per annum to the Council.

Property investment opportunities can become available which would require prudential borrowing, but would generate surplus income to support the Council's strategic priorities. Such acquisitions would comply with the CIPFA code and the recent Cabinet report and must:-

- Have existing long-term good quality tenants
- Be in good condition with long term lease and suitable construction
- Make an annual rate of return beyond the capital repayment based on a maximum 50-year repayment.
- Be available at an affordable price to meet the requirements of best consideration.

Such property, including those outside the Borough but within the UK, do not often come to the open market and the Council, if it wishes to consider such acquisitions, will have to procure suitable professional advice.

In order to achieve the best opportunities for the Council, expert advice would be needed and the Council would appoint an agent or agents who would work on a commission only basis, to be based on a sliding scale according to the value of the acquisition. This was shown in Appendix 1 to the report of the Assistant Director of Environment and Regulatory Services. Such agents would bring forward suitable acquisitions on a confidential basis.

### Property Portfolio Governance

This is a new area of activity for the Council and the governance of such arrangements is critical to ensure the processes and responsibilities are

clear and transparent.

It is proposed that the Council establishes an informal members advisory panel to review the business cases brought forward and advise the decision makers. The proposed terms of reference of the panel were provided in Appendix 2 to the report of the Assistant Director of Environment and Regulatory Services.

It is also proposed that due to the *ad hoc* and sometimes urgent way that proposals are brought forward, that decisions are made by a committee of cabinet, the members of which, if needed, could meet quickly to consider an urgent proposition.

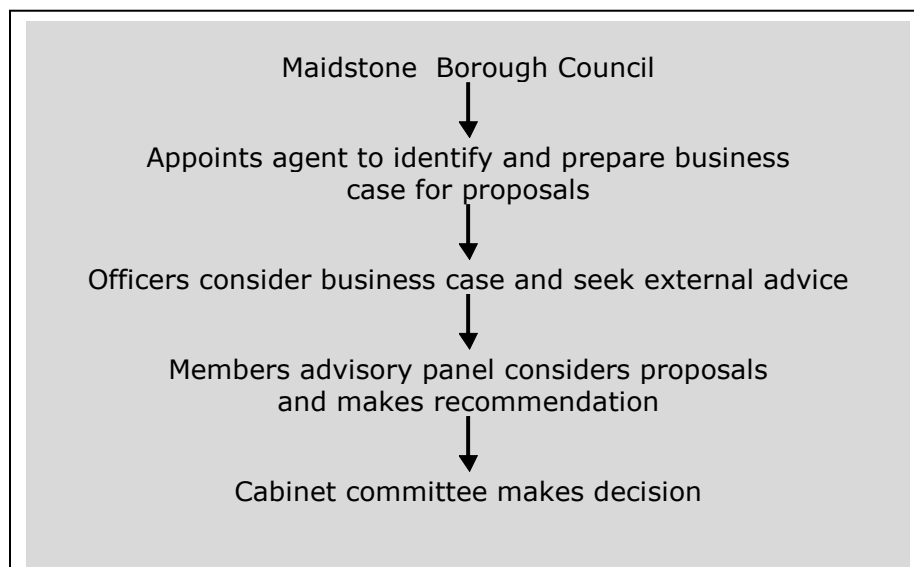
It was recommended that the committee would comprise of the Leader of the Council, Cabinet Member for Economic and Commercial Development and the Cabinet Member for Corporate Services. Substitute Cabinet members would be permitted. The terms of reference are also provided in Appendix 2 to the report of the Assistant Director of Environment and Regulatory Services.

It would be the agents' responsibility to ensure that all costs are identified in the detailed business case. In this way, the Council would bear no additional costs, its exposure being limited to pre-agreed commission for each transaction as it arises.

It would be the relevant officers, supported by the agents, responsibility to present prospective acquisitions to the members panel, supported by a full report to include third party valuation, financial assessment, title report, etc. In turn, any recommended proposals would be presented to the cabinet committee for approval.

Such reports and recommendations would be comprehensive and capable of enabling a decision to be made which meets the guidelines identified above. This is likely to include external independent advice regarding the elements of the business case.

A possible flow diagram is shown below:-



The appointment of an agent would need to meet the requirements of the Council's procurement policy

It is considered prudent that a limit on acquisitions be set each year in accordance with the Council's treasury management arrangements and that for the present year, 2012/13, this be set at £6million. This will need Audit Committee and full Council approval.

#### Derelict Residential Properties

The Government is encouraging Councils to use prudential borrowing to bring back derelict residential properties to habitable use. This could include long-term empty properties.

The Council's Housing service has already secured government funding to support the restoration of 10 properties but surveys have identified that there are in the region of 50 properties in the borough that are derelict and 500 that have been empty for more than two years.

In addition, the Council is facing, due to the current economic downturn, ever increasing costs to provide homeless individuals and families with temporary accommodation.

It was suggested that, if restored, these derelict and long-term empty properties could be used to provide that temporary accommodation, which would be cheaper than the current costs of bed and breakfast and provide a regular income to repay the purchase costs.

These acquisitions should be made through the Property Investment Governance arrangements identified above.

Again, all acquisitions will need to meet the CIPFA prudential code and guidelines established by Cabinet.

#### Strategic Property Investment

Given the current economic position, there may be certain circumstances where development, within the borough, is not progressing in a way that the "market" would enable without intervention. It could be that bringing forward that development would assist the Council in achieving its strategic objectives. An example might be where a significant number of new jobs would be created.

In order to see the development come forward, the Council may decide to intervene and provide financial or technical support. Each case would be subject to a detailed report by the appointed agent and a detailed business case in accordance with the Property Investment Governance arrangements identified above.

Again, all the criteria set out above would need to be met, although in such cases, the Council could accept a proposal which would only return

the original outlay and not necessarily provide an additional yield.

Possible Business Failure

It is inevitable that in investing in these properties, there are risks and possible failure, although unlikely given the controls, could occur. It is therefore proposed to establish a fund of £500k to cover any potential scheme failure. This is also relevant for the report on commercial opportunities, also on the Cabinet agenda.

These are the only circumstances in which the Council will consider prudential borrowing at the present time.

Other capital projects will have to be funded from surplus received and through other funding sources.

**Alternatives considered and why rejected**

The Cabinet could have decided not to agree to the options but this would prevent any possible activity from the potential venture.

The Cabinet could have decided to propose different governance arrangements but the arrangements suggested in the report of the Assistant Director of Environment and Regulatory Services provide for clear decision making and transparency.

**Background Papers**

The Prudential Code, published by the Chartered Institute of Public Finance and Accountancy.  
Report to cabinet on the capital programme July 2012

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: <b>21 September 2012</b>
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**Terms of Reference of the Members Advisory Panel relating to Property Investment**

- To consist of 6 members politically balanced (for 2012/13):  
3 Conservatives, 2 Liberal Democrat, 1 Independent
- To meet as necessary as proposals come forward
- To consider specific business cases for potential property investment, analyse the risks and possible value and either reject, request more information or recommend to the Cabinet Committee that the proposals be brought forward for decision.
- The panel must have specific regard to the Code of Practice published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the decision of Cabinet, relating to possible prudential borrowing agreed at its meeting on 25 July 2012.

**Terms of Reference of the Property Investment Cabinet Committee**

- To comprise three cabinet members who must be present:-
  - Leader of the Council
  - Cabinet Member for Economic and Commercial Development
  - Cabinet Member for Corporate Services
- Cabinet Members will be allowed to substitute
- To meet as necessary as proposals come forward
- To consider specific business cases for potential property investment and based on the view of the members advisory panel make the appropriate decision
- The committee must have specific regard to the Code of Practice published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the decision of Cabinet, relating to the possible borrowing agreed at its meeting on 25 July 2012.



## **MAIDSTONE BOROUGH COUNCIL**

### **CABINET**

**19 DECEMBER 2012**

### **REPORT OF THE HEAD OF DEMOCRATIC SERVICES**

**Report prepared by Janet Barnes**

#### **1. CABINET MEETING DATES – MUNICIPAL YEAR 2013-2014**

##### 1.1 Issue for Decision

1.1.1 To determine the dates of the Cabinet meetings for the municipal year 2013/14.

##### 1.2 Recommendation of the Head of Democratic Services

1.2.1 That the dates for the Cabinet meetings in the municipal year 2013/14, as set out below, be approved:-

15 May 2013  
12 June 2013  
10 July 2013  
14 August 2013  
11 September 2013  
9 October 2013  
13 November 2013  
18 December 2013  
15 January 2014  
12 February 2014  
9 March 2014  
9 April 2014

1.2.2 That Cabinet meetings continue to be held on the second Wednesday of every month at 6.30 pm, with the exception of the first meeting of the municipal year and the December meeting.

1.2.3 That a further Cabinet meeting be held on 14 May 2014 should the local elections be delayed to coincide with the European election.

##### 1.3 Reasons for Recommendation

1.3.1 The above dates for the Cabinet meetings follow the existing pattern of meetings on the second Wednesday in every month.

1.3.2 There are two slight adjustments to the existing pattern:-

- It was previously agreed that the first meeting of the Cabinet would be held at 6.30 pm on the day of the Annual Meeting of the Council so as not to clash with Planning Committee.
- The December meeting is on the third Wednesday (18 December 2013) to ensure the required financial information for the budget report is available.

1.3.3 The European elections are due to be held in June 2014, but the actual date and whether the local elections will be delayed to coincide with them has not yet been announced by the Secretary of State.

1.3.4 In anticipation of this, it is recommended that an extra meeting of Cabinet be held on 14 May 2014 should the local elections be delayed until June 2014.

#### 1.4 Alternative Action and why not Recommended

1.4.1 It is for the Cabinet to determine their own dates and times for their meetings.

#### 1.5 Impact on Corporate Objectives

1.5.1 Setting the dates of future Cabinet meetings at this time allows for advanced notice for the public and internal matters to be organised which helps towards our objective of Corporate and Customer excellence.

#### 1.6 Risk Management

1.6.1 There are no risks associated with this report.

#### 1.7 Other Implications

1.7.1

1. Financial
2. Staffing
3. Legal
4. Equality Impact Needs Assessment


- 5. Environmental/Sustainable Development
- 6. Community Safety
- 7. Human Rights Act
- 8. Procurement
- 9. Asset Management


1.8 Relevant Documents

1.8.1 Appendices

None

1.8.2 Background Documents

None

**IS THIS A KEY DECISION REPORT?**

Yes

No

If yes, when did it first appear in the Forward Plan?

.....

This is a Key Decision because: .....

.....

Wards/Parishes affected: .....

.....