

AGENDA

CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE MEETING



Overview and Scrutiny

Date: Tuesday 7 August 2012

Time: 6.30 pm

Venue: Town Hall, High Street,
Maidstone

Membership:

Councillors: Mrs Gooch (Chairman), Yates, English,
Mrs Gibson, Mrs Grigg, Hogg, Pickett,
Moss and Mrs Stockell

Page No.

1. **The Committee to consider whether all items on the agenda should be web-cast.**
2. **Apologies.**
3. **Notification of Substitute Members.**
4. **Notification of Visiting Members.**

Continued Over/:

Issued on 30 JULY 2012

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Alison Broom

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

5. Disclosures by Members and Officers:	
a) Disclosures of interest.	
b) Disclosures of lobbying.	
c) Disclosures of whipping.	
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 12 June 2012.	1 - 4
8. Annual Performance Plan	5 - 24
Interviews with:	
• Clare Wood, Performance and Scrutiny Officer; and	
• Steve Goulette, Assistant Director of Environment & Regulatory Services; and	
9. Cabinet Priorities for the 2012-13 Municipal Year	25 - 33
Interview with the Leader of the Council and the Cabinet.	
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14. Future Work Programme and Forward Plan of Key Decisions	103 - 112

MAIDSTONE BOROUGH COUNCIL

MINUTES OF THE CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE MEETING HELD ON TUESDAY 12 JUNE 2012

PRESENT: Councillor Mrs Gooch (Chairman)
Councillors Burton, Yates, English, Mrs Gibson,
Mrs Grigg, Hogg and Pickett

11. The Committee to consider whether all items on the agenda should be web-cast.

It was resolved that all items be webcast.

12. Apologies.

Apologies were received from Councillor Mrs Stockell.

13. Notification of Substitute Members.

Councillor Burton substituted for Councillor Mrs Stockell.

14. Notification of Visiting Members.

Councillor Vizzard attended as a Visiting Member with an interest in item 8 on the agenda, Asset Management Plan – 2012-15.

15. Disclosures by Members and Officers:

Councillors Moss and Yates declared an interest in item 8, Asset Management Plan – 2012-15 by virtue of their roles as trustee of Maidstone Leisure Centre and involvement with the Friends of Mote Park respectively.

16. To consider whether any items should be taken in private because of the possible disclosure of exempt information.

It was agreed that all items be taken in public as proposed.

17. Minutes of the Meeting held on 22 May 2012.

It was resolved that the minutes of the meeting held on 22 May 2012 be agreed as a correct record of the meeting and duly signed.

18. Asset Management Plan 2012-15.

The Chairman welcomed David Tibbit, Property and Procurement Manager and Councillor Eric Hotson, Cabinet Member for Corporate Services to the

meeting. Mr Tibbit introduced the Asset Management Plan 2012-15, an update on the Plan published in 2010. He explained that it set out how the Council would manage its property for the next three years. Its focus was to build on recent investment. The key actions of the Asset Management Plan were:

- Maidstone House – Letting the vacant 1st floor area, improving energy consumption and implementing closer control of environmental conditions;
- Town Hall – Letting the vacant entrance foyer, increasing the usage of the remaining areas and carrying out external redecoration and repairs;
- King Street multi-storey car park – Securing a short term tenant and establishing a plan for the longer term future of the site;
- Chillington House – Relocating residual functions to the Museum and progressing a subsequent freehold or leasehold disposal of the building;
- Park Wood Industrial Estate – Implementation of a proactive management plan; and
- Community Assets – Transfer of Beechwood Hall, Fant Hall and Heather House to local community groups and exploration of the opportunity of further asset transfers.

The Officer highlighted two recent amendments to the document. The first was the date of the lease break clause for Maidstone House. This had been amended from 2015 to October 2016 (page 18, 6.3.7) and the second was a change to the wording which referenced 'the integrated parking strategy.' This now read 'an integrated parking strategy (page 21, 6.8.1). Members felt that the ambiguity of the reference to the implementation of an integrated parking strategy which was still under development was conflicting with the detail given later in the document (page 26, 8.3) on regeneration which referenced car parks.

The Committee considered the Council's empty properties: the future use of the Town Hall and the decision to relocate the Tourist Information Centre (TIC) to the Museum and King Street Car Park. The Cabinet Member explained that the Town Hall would be utilised as part of Jubilee Square and Officers were tasked with increasing its usage. The decision to move the TIC was a staffing issue. With regards to King Street Car Park, Members were informed that this matter was being considered. It would cost a significant amount to ensure safety standards were met to keep the car park in use but it did provide the Council with an income. Agents were engaged to let the empty shop premises and it was advertised nationally. Associated issues highlighted to the Committee was the cost of business rates to the Council when a property remained empty and the depressed property market which could prevent the Council disposing of properties that no longer had a revenue use to the authority.

Members were happy that possibilities were being explored with regards to King Street car park but felt that a definite process should be defined within the plan for dealing with empty properties and this should include

larger sites of amenity land and that a specific reference is made with regard to the current outlook and options for King Street Car Park.

The Committee considered the Council's role as a developer and opportunities for site assembly to increase land ownership and create opportunities for redevelopment. Members were informed that the Council had land to utilise but lacked capital injection at present. Members felt that the Council had an important role to play in shaping Maidstone and cited its involvement in Fremlin Walk as evidence of this. It was felt that the Council's role in development activities should be clearly defined in the Asset Management Plan.

Members recommended a few minor changes to the document for accuracy and ease of reading:

- That the reference to the Housing Trust was amended to read 'Golding Homes';
- That the table on page 31 of the plan (10.7) was amended to include a key to explain the ratings used; and
- That the document's appendices include a diagram that illustrates the Asset Management Plan's links to other Council strategies.

It was also felt that it would be beneficial to have a map available of the Council's assets. The Cabinet Member agreed to investigate the plausibility of this task with the Geographical Information Systems team (GIS).

It was resolved that:

- a) The Cabinet Member consider and define the process for dealing with empty properties and larger sites of amenity land;
- b) The following amendments are made to the Asset Management Plan as agreed:
 - The reference to the Housing Trust is amended to read 'Golding Homes';
 - The table on page 31 of the plan (10.7) is amended to include a key to explain the ratings used; and
 - The document's appendices include a diagram that illustrates the Asset Management Plan's links to other Council strategies.
- c) The Asset Management Plan clarifies and confirms that Maidstone Borough Council is willing and able to act as a developer where this furthers its strategic objectives and the aims of the Asset Management Plan; and
- d) There is clarification within the plan on the apparent conflict between what is written at 6.8.1, bullet point two, (The implementation of an integrated parking strategy, in conjunction with the Local Development Framework, that considers Town Centre Car parks and on-street parking, the Park and Ride service, the associated revenue costs, car park income and congestion relief and carbon dioxide reduction) and 8.3 which details key areas for regeneration including car parks.

19. Capital Programme Review

The Committee considered the scope for its review topic 'The Capital Programme'. It was agreed that the methodology for deciding the Capital Programme should be the starting point of the review as a means of evaluating the process.

The Committee considered the Council's assets and the acquisition of land and property and it was felt that the Capital Programme should include ambitious schemes. It was therefore decided that the second area to consider was the way in which this could be funded in the future. Members discussed types of borrowing and other innovative ways of working with the Council's finance and assets.

It was agreed that initial research should be undertaken on best practice at other local authorities. The Chief Executive, the Leader and the Head of Finance and Customer Services were identified as key witnesses for a first meeting.

The Committee appointed Councillors Moss, English, Grigg, Yates, Gibson and Gooch as members of the Working Group.

It was resolved that:

- a) The Scrutiny Officer prepare the draft scoping document and circulate it to members of the Working Group; and
- b) A meeting be arranged by the Scrutiny Officer with the Chief Executive, the Leader and the Head of Finance and Customer Services.

20. Future Work Programme and Forward Plan of Key Decisions

The Committee considered its future work programme and the provisional agenda items for its next meeting on 7 August 2012. It was agreed that all items should remain on the agenda for the next meeting. The Chairman brought to the Committee's attention a recommendation made by the Standards Committee regarding a review into Codes of Conduct. It was noted that this would be the responsibility of the Corporate Services Overview and Scrutiny Committee to undertake.

It was resolved that the following items should be the focus of the August meeting:

- Interview with the Leader and Cabinet (individual updates on the strategic direction for the Council for each portfolio holder);
- Annual Performance Plan;
- Quarter 4 Complaints Report ; and
- Annual Complaints Report.

21. Duration of Meeting

6.30 p.m. to 8.40 p.m.

MAIDSTONE BOROUGH COUNCIL

CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE

7 AUGUST 2012

REPORT OF HEAD OF CHANGE & SCRUTINY

Report prepared by Clare Wood

1. ANNUAL PERFORMANCE REPORT

1.1 Issue for Decision

1.1.1 To consider the draft out-turns for the 2011/12 Key Performance Indicators (KPIs).

1.2 Recommendation of Head of Change & Scrutiny

1.2.1 It is recommended that the Committee:

- a) Note the Performance Out-turns for 2011-15 at Appendix A; and
- b) Consider if any further action is required.

1.3 Performance Out-turns 2011/12

1.3.1 Since 2009 Cabinet have received quarterly monitoring reports with year to date information. This level of detail is now included in the annual performance report to allow trends and fluctuations in data to be seen.

1.3.2 There were 58 key performance indicators (KPIs) agreed in the Strategic Plan 2011-15 for 2011/12, overall 63% of KPIs achieved the annual target set and for 57% of indicators performance improved. In 2010/11 66% of the targets were met and 54% of indicators had improved.

1.3.3 In terms of the Strategic Plan Outcomes, performance has been strong for the clean and attractive place to live and residents are not disadvantaged outcomes but weaker for the outcome a growing economy with rising unemployment. It is clear that the economic climate and service changes have impacted on performance, for example, there have been lower numbers of planning applications received and more people presenting as homeless. It is good to see

that despite the economic situation the Council has maintained performance and continued to ensure outcomes are achieved particularly in the area of residents and disadvantage.

1.4 Performance Summary

1.4.1 Performance Against Target for Outcomes

Performance against target	On Target	Missed target (within 10%)	Target not achieved	N/A ²	Total
Transport Network	2 (50%)	2 (50%)	0	1	5
Growing Economy	6 (50%)	3 (25%)	3 (25%)	1	13
Decent Affordable Housing	4 (50%)	3 (38%)	1 (12%)	3	11
Clean & Attractive Environment	7 (88%)	1 (12%)	0	3	11
Residents are not disadvantaged	7 (88%)	1 (12%)	0	0	8
Value for Services residents satisfied with	5 (56%)	3 (33%)	1 (11%)	1	10
Total	31 (63%)	13 (27%)	5 (10%)	9	58

1.4.2 Direction of Travel

Direction of Travel	Improved	Declined	N/A ²	Total
Transport Network	0	3 (100%)	2	5
Growing Economy	4 (40%)	6 (60%)	3	13
Decent Affordable Housing	2 (29%)	5 (71%)	4	11
Clean & Attractive Environment	6 (75%)	2 (25%)	3	11
Residents are not disadvantaged	6 (86%)	1 (14%)	1	8
Value for Services residents satisfied with	7 (78%)	2 (22%)	1	10
Total	25 (57%)	19 (43%)	14	58

Strong Performance

1.4.3 The number of vacant units in the town centre has reduced (LVE 003); this demonstrates that Maidstone is still considered a good place to work and shop. Supporting this is an increase in bus usage (PKG 008) and an increase in the income from pay and display car parks (PKG 002). The Locate in Maidstone website received 6195 enquires from companies and individuals about moving to Maidstone.

1.4.4 The Council is making good progress in relation to decent and affordable housing; delivering 284 affordable homes (HSG 001) and making 205 homes occupied by vulnerable people decent (HSG 002) in

² Indicators rated N/A are not included in percentage see page 3 of the Appendix A for a full key to understanding how performance has been rated.

* Provisional Out-turn – data to be confirmed

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2011/12. In addition, 92.33%* of all new homes were built on previously developed land (SPT 004).

- 1.4.5 The cleanliness of Maidstone has improved during 2011/12, with a reduction in the percentage of litter and detritus. Last year the Council rolled out area based cleaning which is prioritised according to need, which may have contributed to this improvement. The Council has achieved the 2012/13 target for recycling a year early with an annual out-turn of 45%, this puts the authority in the upper median compared to all English authorities. The amount of residual waste has also reduced significantly by 150kg per household.
- 1.4.6 The Council carried out a resident's satisfaction survey in December 2011 in order to learn more about what our residents thought of the Council, their priorities and Maidstone as a place to live. Overall satisfaction with the way the Council runs things, gathered through the resident's survey has improved significantly. Performance jumped from 44% in 2009 to 63%, with age groups 18-34 and 75+ being the most satisfied. The results of the survey also showed that residents continue to be satisfied with the doorstep recycling facilities provided (WCN 003) with satisfaction increasing from 51% in 2009 to 78% for 2012. It should be noted that respondents from rural areas were more satisfied with the doorstep recycling service than respondents from urban area.
- 1.4.7 The borough's parks and open spaces are thriving with increased satisfaction of 78% (PKS 002). The improvements to Mote Park also appear to be going down well as end of year data shows that there has been a 16% increase in footfall at Mote Park compared to 2010/11.

Areas where targets were not achieved

- 1.4.8 In April it was announced that the UK is now back in recession, with no growth there are very few jobs being created, which has meant that the target for reducing the number of people claiming job seekers allowance has not been achieved, despite this Maidstone is performing better than the national average of 4.9% and is 5th out the Kent authorities.
- 1.4.9 Another measure that provides a picture of economic health is the supply of ready to occupy completions (LVE 006), which shows that office space has been lost and the overall value of business ratable space has reduced. However; the High Street regeneration project is due to be completed in June 2012 and already there has been interest shown by businesses, this alongside the fact that there were fewer

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* Provisional Out-turn – data to be confirmed

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vacant retail units in 2011/12 than 2010/11 demonstrates that Maidstone is still considered a good place to visit and shop.

1.4.10 The percentage of residential planning applications processed within timeframe did not achieve the annual target and performance has declined from 2010/11. Overall performance within development control remains high (with 90% of all planning applications determined within time) by national standards, a point picked up in the recent Peer Group Review. Specific issues relate to Parish call-ins of items to the Planning Committee, resilience/specific performance issues and the need for s106 Agreements for residential developments of 10 and over. With the exception of the parish council point, these issues are planned to be addressed this business year.

1.4.11 The Council carried out a resident's satisfaction survey in December 2011 in order to ascertain a public assessment of satisfaction with the Council and how we run our services. The methodology of this survey was based on the Place Survey so that previous results would be comparable. However; despite an increase in satisfaction with the Leisure Centre the annual target was not achieved. This is disappointing as alternative data sources show that there has been an increase in memberships and user satisfaction. When the survey is repeated in 2013 the direction of travel will be clearer for this indicator.

1.5 Alternative Action and why not Recommended

1.5.1 Previously the Local Authority had a duty to produce a Best Value Performance Plan setting out the annual out-turns for all performance indicators and targets for the next three years. In 2009 this duty was removed it is still considered best practice to produce an annual performance report as well as set and publish targets for the next three years.

1.6 Impact on Corporate Objectives

1.6.1 The Key Performance Indicators are part of the Council's overarching Strategic Plan 2011-15 and play an important role in the achievement of corporate objectives. Other Performance Indicators cover a wide range of service and priority areas for example waste and recycling, customer contact, planning and costs.

1.7 Risk Management

1.7.1 The production of a robust performance plan contributes to minimising risks, good data quality and improving use of resources.

² Indicators rated N/A are not included in percentage see page 3 of the Appendix A for a full key to understanding how performance has been rated.

* Provisional Out-turn – data to be confirmed

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1.8 Other Implications

1.8.1

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

Financial

1.8.2 The financial implications of any proposed changes are also identified and taken into account in the Council's budget setting process with issues highlighted as part of the budget monitoring reporting process.

Staffing

1.8.3 Having a clear set of measures enables staff outcomes/objectives to be set and effective action plans to be put in place.

Environmental/Sustainable Development, Community Safety and Procurement

1.8.4 The performance indicators cover and are used to monitor a number of priority areas.

1.9 Relevant Documents

- Strategic Plan 2011-15
- Annual Performance Report 2010/11

1.9.1 Appendices

² Indicators rated N/A are not included in percentage see page 3 of the Appendix A for a full key to understanding how performance has been rated.

* Provisional Out-turn – data to be confirmed

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- Appendix A - Annual Performance Report 2011/12

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:
.....

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Introduction

Welcome to Maidstone Borough Council's Annual Performance Report. This is a technical document that sets out how we have performed over 2011/12.

During 2011/12 we have reviewed our priorities. The council now has three priorities and seven outcomes that we are aiming to deliver.

Details on priorities and outcomes are set out in the Strategic Plan 2011-2015 for further information or a copy of the plan please use the contact detail in the links section on page 35 of this document.

By managing our performance we are able to:

- Identify poor performance early and take necessary action to remedy this;
- Learn from past performance and use it as a driver for success; and
- Ensure that resources are allocated to the achievement of our priorities.

Maidstone Borough Council

Our Priorities

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

Outcomes by 2015:

 - A growing economy with rising employment, catering for a range of skill sets to meet the demands of the local economy.
 - A transport network that supports the local economy.
- 2. For Maidstone to be a decent place to live**


Outcomes by 2015:

 - Decent, affordable housing in the right places across a range of tenures.
 - Continues to be a clean and attractive environment for people who live in and visit the Borough.
 - Residents are not disadvantaged because of where they live or who they are, vulnerable people are assisted and the level of deprivation is reduced.
- 3. Corporate and Customer Excellence**

Outcomes by 2015:

 - Services are customer focused and residents are satisfied with them.
 - Effective, cost efficient services are delivered across the borough.

www.maidstone.gov.uk



Performance 2011/12

Progress against targets is monitored through the performance framework. The Chief Executive, Directors, service managers and partnership leads are responsible for accuracy, reliability and timeliness of data in relation to their targets. Robust data is the essential ingredient for reliable performance and financial management information to support strategic decision making and planning.

Overall performance against target has declined marginally from 2010/11 where 66% of all targets were achieved compared to 63% of targets being achieved for 2011/12. In relation to direction of travel the results are slightly better than last year, increasing from 54% of all indicator improved in 2010/11 to 57% for 2011/12. In 2009/10 75% of all KPIs achieved their annual target and 58% had improved.

Performance Summary

Performance against target	On Target	Missed target (within 10%)	Target not achieved	N/A *	Total
Transport Network	2 (50%)	2 (50%)	0	1	5
Growing Economy	6 (50%)	3 (25%)	3 (25%)	1	13
Decent Affordable Housing	4 (50%)	3 (38%)	1 (12%)	3	11
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Total	31 (63%)	13 (27%)	5 (10%)	9	58

Direction of Travel	Improved	Declined	N/A*	Total
Transport Network	0	3 (100%)	2	5
Growing Economy	4 (40%)	6 (60%)	3	13
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Value for Services residents satisfied with	7 (78%)	2 (22%)	1	10
Total	25 (57%)	19 (43%)	14	58

* Indicators rated N/A are not included in percentage see page 3 of the Appendix A for a full key to understanding how performance has been rated.

Understanding Performance Tables

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	DoT	Annual Status
						Value	Target				

This is the performance measure.

Quarterly Data reported throughout the year. Includes quarter 4 data and targets.

Direction of Travel (DoT) shows change compared to the previous year please see keys to symbols below.

The unique reference number.





Results for previous year so that comparisons can be made.






Values and Targets for the financial year 2011/12.

The status symbol shows if the target has been achieved please see keys to symbols below.

Key to performance ratings













Performance indicators are judged in two ways; firstly on whether performance has improved, been sustained or declined, compared to the same period in the previous year for example, 2011/12 annual out-turns will be compared against 2010/11 annual out-turns. This is known as Direction of Travel. Where there is no previous data no assessment of Direction of Travel can be made. The second way in which performance is assessed looks at whether an indicator has achieved the target set and is known as PI status. Some indicators will show an asterisk (*) after the figure, these are provisional out-turns that are awaiting confirmation.

Direction of Travel	
	Performance has improved
	Performance has not changed / been sustained
	Performance has declined
	No previous performance to judge against

PI Status	
	Target not achieved
	Target missed (within 10%)
	Target met
	No target to measure performance against
	Data Only/Contextual

Actual Performance 2010/11

















This section of the report details out-turns for Key Performance Indicators which were set against the outcomes in the Strategic Plan 2011-15.

For Maidstone to have a growing economy												
Outcome 1: A transport network that supports the local economy												
PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status
						Value	Target					
PKG 007	Number of onboard Park & Ride bus transactions	442,318	102,093	104,571	121,960	100,278	108,000	428,902	450,000	Jeff Kitson		
	The continued effect of the economy downturn and the high availability of car parking, within the town centre from both Council, and privately operated car parks have resulted in a reduction in bus transactions. The Transport & Parking Services Manager has been looking at ways to improve efficiency to meet budgeted income whilst working with Arriva to investigate ways in which to improve transaction levels.											
PKC 001	Average journey time per mile during the morning peak	3.36	Not measured for Quarters						Sarah Robson			
PKG 001	Percentage of parking spaces used (P&D)	67.00%	Not measured for Quarters				63.00%	66.00%	Jeff Kitson			
	Although the percentage of parking spaces used has reduced slightly, income levels have remained on target. Parking Services will continue to monitor the level of spaces used to ensure that income levels are maintained. A review of pricing will establish the competitiveness of Council car parks to ensure that facilities continue to offer good value for money.											
PKG 008	Percentage change in bus usage on services from Maidstone depot		Not measured for Quarters				2.24%	0.50%	Jeff Kitson			
PKG 002	Income from pay and display car parks per space (rounded to nearest £)	£1,191	£254.62	£273.53	£304.39	£288.63	£284.24	£1,121	£1,115	Jeff Kitson		

Annual KPI Out-turns 2011/12












Appendix A

Outcome 2: A growing economy with rising employment, catering for a range of the skill sets to meet the demands of the local economy

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status
						Value	Target					
LVE 002	Percentage of people claiming Job Seekers Allowance	2.4%	2.5%	2.5%	2.6%	2.7%	2.4%	2.7%	2.4%	John Foster		
Nationally the economy continues to show stagnated growth but Maidstone remains below the Kent and South East averages for Job Seeker Allowance claimants.												
LVE 003	Percentage of vacant retail units in town centre	13.25%	Not measured for Quarters					9.24%	12.25%	John Foster		
LVE 005	Percentage of economically active people in Maidstone	80.10%	Not measured for Quarters					84.10%	80.00%	John Foster		
LVE 001	Number of visits to locate in Maidstone website	1431	1257	1524	1983	1250	6195	5000	John Foster			
DCV 001	Percentage of commercial planning applications completed within statutory timescales	89%	100%	100%	86.67%	88.24%	89.50%	88.89%	89.50%	Rob Jarman		
The target for this indicator has been marginally missed. There were 36 commercial planning applications received during 2011/12, of these 32 were processed within the timeframe. To achieve the target the team would have had to of processed 1 more application within the timeframe.												
LVE 006	a) Supply of ready to occupy completions- Office (m ³)	-97m ² (2009/10)	Not measured for Quarters <i>Please note due to availability of data these figures are report 1 year in arrears.</i>					-2283 (2010/11)	0	John Foster		
	b) Supply of ready to occupy completions- Industrial (m ³)	7748m ² (2009/10)						555 (2010/11)	2000	John Foster		
	c) Supply of ready to occupy completions- Logistics (m ³)	-10362m ² (2009/10)						741 (2010/11)	0	John Foster		
From the summary figures it might be inferred that employment space is being lost in the office and industrial sectors across the Borough. This is not the case in all applications. Annual Monitoring Report compiled by Planning Policy has been reviewed and the main losses are due to two or three applications. These applications resulted in the use within these properties changing but still remaining employment generating; they were however reclassified as sui generis or educational for												

Annual KPI Out-turns 2011/12

Appendix A

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status	
						Value	Target						
	example and therefore recorded as a loss of B class employment. The National Planning Policy Framework encourages local authorities to consider a wider range of employment uses other than just the B classes when promoting sustainable economic development.												
R&B 002	Value of business rateable floor space	£140,001,901	Not measured for Quarters						£139,904,131	£141,401,920	Steve McGinnes		
	Although the supply of business rateable floor space has increased its value has declined, this is reflective of the current economic state and in particular the decline of High Streets.												
R&B 003	Supply of business rateable floor space	4414.00	Not measured for Quarters						4581.00	4458.00	Steve McGinnes		
DEV 002a	Percentage of major business planning applications having pre-application discussions	93.75%	N/A	80%	N/A	95%	94%	90%	94%	Rob Jarman			
	The performance for the second half of 2011/12 was 95% with the year performance 90%. Unfortunately, this was slightly below the overall target of 94% although the second half of the year performance was very good and almost clawed back the 80% H1 performance. This should be helped by proposed advertising in the upcoming year.												
DCV 002b	Percentage of those taking pre-applications advice where the application was then approved (Major Business Apps)		Not measured for Quarters						100.00%	80.00%	Rob Jarman		
R&B 001	Cost of revenues and benefits service (per household)		Not measured for Quarters						£38.48		Steve McGinnes		
	With the service now operating in partnership, work is still being undertaken to finalise the combined end of year operating cost and apportionment between the two partners.												

Annual KPI Out-turns 2011/12

Appendix A







For Maidstone to be a decent place to live

Outcome 3. Decent, affordable housing in the right places across a range of tenures

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status	
						Value	Target						
SPT 004	New homes built on previously developed land (BV 106)	77.81%	Not measured for Quarters						92.33%*	60.00%	Rob Jarman		
HSG 001	Number of affordable homes delivered (gross)	228	36	28	20	200	25	284	100	John Littlemore			
HSG 002	Number of homes occupied by vulnerable people made decent	302	40	106	49	10	54	205	150	John Littlemore			
HSG 003	Average grant per MCB funded affordable home unit		Not measured for Quarters						£8210.00	£60000.00	John Littlemore		
DCV 007	Cost of planning per application		Not measured for Quarters						£209		Rob Jarman		
SPT 003a	Percentage of residential planning applications granted in the Urban area		52.78%	51.85%	59.46%	70.37%		58.27%		Sue Whiteside			
SPT 003b	Percentage of residential planning applications granted in the Rural area		47.22%	48.15%	40.54%	29.63%		41.73%		Sue Whiteside			
DCV 003	Percentage of residential planning applications processed within statutory timescales	85%	73.17%	82.98%	71.74%	71.74%	85.50%	75.00%	85.50%	Rob Jarman			
	This missed the target by a significant margin but performance overall was still high (90% of all applications determined in time 2011/12) by national standards, a point picked up in the recent Peer Group Review. Specific issues relate to Parish call-ins to Planning Committee, resilience/specific performance issues and the need for s106 Agreements for residential developments of 10 and over. With the exception of the parish council point, these issues are planned to be addressed this business year.												

Annual KPI Out-turns 2011/12

Appendix A

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status
						Value	Target					
DCV 004	Processing of planning applications: Major applications (NI 157a)	86.36%	88.89%	75.00%	92.86%	63.64%	86.50%	81.82%	86.50%	Rob Jarman		
	The reasons given for missing this target is due to the committee process, the process of Section 106 agreements and the relatively low number of major applications determined. The 11 in Q4 was the lowest for 11/12. Also the target of 86.5%, up from 77% in 10/11 is a very high standard to achieve for majors given that the previous Government target for Planning Delivery Grant was 70%.											
DCV 005	Processing of planning applications: Minor applications (NI 157b)	84.79%	88.46%	88.46%	76.84%	85.11%	85.00%	84.35%	85.00%	Rob Jarman		
	This indicator has marginally missed the annual target and performance is down marginally from the previous year. However, there were slightly less applications received in 2011/12 than in 2010/11 which will impact slightly on the overall percentages, incidentally 54 minor applications went out of time during 2011/12, the same number were out of time in 2010/11. Therefore if the level of applications received had remained static or increased the target would have been achieved.											
DCV 006	Processing of planning applications: Other applications (NI 157c)	95.09%	96.21%	92.36%	91.97%	93.87%	95.50%	93.53%	95.50%	Rob Jarman		
	The year performance for the determination of Other applications was 93.53% whereas the target was 95.50%, an out-turn in excess of 93% whilst determining over 1100 applications of this type remains a good level of performance.											

Annual KPI Out-turns 2011/12

Outcome 4. Continue to be a clean and attractive environment for people who live in and visit the borough

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status	
						Value	Target						
WC N 002	Cost of household waste collection	£54.58	Not measured for Quarters						£55.96	£61.00	Jonathan Scott	↓	✓
CMP 001	Co2 reduction from local authority operations (NI 185)	8.6%	Not measured for Quarters						-7.63%*	-3%	John Foster	↑	✓
	This out-turn is still subject to final checks however the early indication is positive. Notable areas of improvement include a 42.88% reduction in gas usage at Maidstone House. This is partially down to a warmer winter, but also due to an increased use of the biomass boiler in this reporting period. The electricity usage at Maidstone House also reduced by 4.43%. At the Town Hall gas usage decreased by 49.47% and the electricity usage by 11.75%. There was a 13.70% reduction in emissions from the fuel used by the Waste Collection Service during 2011/12 and 7.98% reduction in diesel usage and a 16.66% reduction in petrol usage by Maidstone Borough Services.												
WDC N 001	Percentage of household waste sent for reuse, recycling and composting (NI 192)	32.20%	45.58%	47.15%	44.62%	43.16%	43.00%	45.13%	43.00%	Jennifer Gosling	↑	✓	
DEP 001	The percentage of relevant land and highways that is assessed as having deposits of litter that fall below an acceptable level (NI 195a)	2.00%	Not measured for Quarters						1.70%	1.96%	Jonathan Scott	↑	✓
DEP 002	The percentage of relevant land and highways that is assessed as having deposits of detritus that fall below an acceptable level (NI 195b)	6.00%	Not measured for Quarters						5.28%	5.90%	Jonathan Scott	↑	✓
MUS /LVE 001	Visits or uses of the museum per 1,000 population	722.5	159.7	215.5	149.8	177	174	702	725	John Foster	↓	⚠	
	The annual target of 725 was missed by 23. This was largely the result of poor performance in the first quarter (in quarters 2-4 the target was over achieved). The poor performance over the first part of the year was expected as half the Museum was still closed for the building work to renovate and												

Annual KPI Out-turns 2011/12













Appendix A

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status
						Value	Target					
	extend the Museum's east wing. In addition, due to staff restructuring completed in July 2011, the Museum had no officer dedicated to education and events programming which undoubtedly led to a fall off in visitor numbers. Since the partial reopening of the east wing in October 2011 visitor usage has increased. In March and April 2012 substantial increases have been recorded this is reflected in the target for 2012/13.											
PKS 001	Cost of maintaining the Borough's parks and green spaces per head of population		Not measured for Quarters					£12.89		Jason Taylor		
DCV 013	Number of listed building consents granted		Not measured for Quarters					121		Rob Jarman		
HLD 002	Number of Tree Preservation Orders granted	16	8	4	5	2		19		Deanne Cunningham		
DEP 003	Cost of street cleansing per head of population	£10.38	Not measured for Quarters					£10*	£11	Jonathan Scott		
20	*The provisional end of year figures report that the street cleaning service was delivered within budget for 2011/12. The under spend was predominantly driven by vehicle recharges and employee costs, both of which were below budget for the year.											
DEP 007	Percentage of fly-tipping reports responded to within one working day		99.10%	99.14%	99.66%	99.17%	95.00%	99.24%	95.00%	Jonathan Scott		

Annual KPI Out-turns 2011/12





Corporate & Customer Excellence

Outcome 5. 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

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status	
						Value	Target						
R&B 004	Time taken to process Housing Benefit/Council Tax Benefit new claims and change events (NI 181)	7.66	11.75	11.04	8.00	5.87	15.00	9.16	15.00	Steve McGinnes			
LVE 007	Gap between median wage of employees (resident) and median wage of employees (Workplace)	£82.50	Not measured for Quarters						£73.40	£100.00	John Foster		
HSG 005	Number of households prevented from becoming homeless through the intervention of housing advice	567	235	218	117	38	100	608	400	John Littlemore			
CDP 001	Number of individual volunteers registered with Voluntary Action Maidstone (VAM)	3,367	Not measured for Quarters						4,008	3,600	Sarah Robson		
HSG 004	Average time taken to process and notify applicants on the housing register (days)		0.3	1.7	0.3	0.5	20.0	3.5	20.0	John Littlemore			
INT 001	Percentage of the borough covered by broadband (2mb and faster)	56.65%	Not measured for Quarters						64.94%	60.00%	Dave Lindsay		

Annual KPI Out-turns 2011/12

Appendix A

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status	
						Value	Target						
CDP 002	Number of volunteer organisations registered with Voluntary Action Maidstone (VAM)	115	Not measured for Quarters						356	120	Sarah Robson		
CDP 003	Percentage of residents participating in neighbourhood planning as a percentage of the ward population	11.60%	Not measured for Quarters						14.89%	15.00%	Sarah Robson		
	Neighbourhood planning is progressing; the target was only narrowly missed. The neighbourhood planning work during 2011/12 included working with partners and residents to support community engagement programmes – therefore, the Borough Council’s resident engagement in Park Wood has reduced, but engagement through partners and new community groups, e.g. Parents is the Word has increased as they develop their own streams of community engagement work.												











Annual KPI Out-turns 2011/12

Outcome 6. The Council will continue to have and demonstrate value for money services that residents are satisfied with

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status
						Value	Target					
R&B 005	Percentage of Non-domestic Rates Collected (BV 010)	97.03%	34.26%	61.63%	87.44%	100.40%	97.00%	97.39%	97.00%	Steve McGinnes		
R&B 006	Percentage of Council Tax collected (BV 009)	98.70%	30.10%	58.70%	87.30%	98.30%	98.70%	98.30%	98.70%	Steve McGinnes		
	Whilst a robust approach has been taken to enforcing unpaid council tax and above average collection achieved when benchmarked with other districts within the County, the in year collection rate has been adversely affected by the current economic climate. Unpaid balances are carried forward and action continued until the sums are recovered in full.											
PKS 002	Satisfaction with Council's parks and open spaces (Residents Survey)	73% (2009 Place Survey)	Not measured for Quarters					76%	75%	Jason Taylor		
MCN 003	Satisfaction with doorstep recycling service (Residents Survey)	51%(2009 Place Survey)	Not measured for Quarters					78%	55%	Jonathan Scott		
WCN 004	Satisfaction with refuse collection (Residents Survey)	85.5% (2009 Place Survey)	Not measured for Quarters					82%	85%	Jonathan Scott		
	The Council carried out a resident's survey this year based on the Place Survey methodology. Although the methodology was the same the questionnaire itself was shorter and did not include any references Kent County Council and was carried out slightly later in the year – all of which could have an impact on satisfaction levels. Since the Place Survey was carried out food waste collection have been introduced which have helped us achieve our targeted recycling rate but during the roll out of this scheme there were some disruptions to collections which may have impacted on residents satisfaction. When the survey is repeated in 2013 the direction of travel for this indicator will be clearer.											
COM 001	Satisfaction with the way the Council runs things (Residents Survey)	44% (2009 Place Survey)	Not measured for Quarters					63%	46%	Roger Adley		

Annual KPI Out-turns 2011/12

Appendix A

PI Ref	Indicator Description	2010/11 Out-turn	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12		2011/12 Out-turn	Annual Target	Responsible Officer	DoT	Annual Status	
						Value	Target						
R&B 007	Value of fraud identified by the fraud partnership	£1,190,546	£260,524	£232,331	£387,636	£285,254	£125,000	£1,165,746	£500,000.00	Steve McGinnes			
BIM 001	Savings delivered through reviews		£000	£213,250	£184,000	£000		£397,250		Georgia Hawkes			
DEP 004	Satisfaction with street cleansing (Residents Survey)	59.5% (2009 Place Survey)	Not measured for Quarters						56.00%	60.00%	Jonathan Scott		
	<p>The Council carried out a resident's survey this year based on the Place Survey methodology. Although the methodology was the same the questionnaire itself was shorter and did not include any references Kent County Council and was carried out slightly later in the year – all of which could have an impact on satisfaction levels. Since the Place Survey was carried out area based cleaning has been introduced and the level of litter and detritus has reduced. However; area based cleaning is prioritised according to need, therefore some areas are being done less frequently and this reduction in visibility in some areas may have impacted on residents satisfaction. When the survey is repeated in 2013 the direction of travel for this indicator will be clearer.</p>												
PKS 003	Satisfaction with the Leisure Centre (residents survey)	42.5% (2009 Place Survey)	Not measured for Quarters						53.00%	60.00%	Jason Taylor		
	<p>The Council carried out a resident's survey this year based on the Place Survey methodology. Although the methodology was the same the questionnaire itself was shorter and did not include any references Kent County Council and was carried out slightly later in the year – all of which could have an impact on satisfaction levels. It is disappointing that despite significant investment and an increase in memberships that satisfaction has dropped however; when the survey is repeated in 2013 the direction of travel for this indicator will be clearer.</p>												

If you require any information about performance management at Maidstone or have any comments or queries about this document please write to the Policy and Performance Team, Maidstone House, King Street, Maidstone, ME15 6JQ. You can also call the office on 01622 602491 or email policyandperformance@maidstone.gov.uk

Maidstone Borough Council

Corporate Services Overview & Scrutiny Committee

Tuesday 7 August 2012

The Leader and Cabinet Priorities for the Municipal Year 2012-13

Report of: Overview & Scrutiny Officer

1. Introduction

- 1.1 Corporate Services Overview and Scrutiny has an overarching role within the Overview and Scrutiny structure which includes sole responsibility for Cabinet Scrutiny.
- 1.2 The Leader of Maidstone Borough Council for the 2012/13 Municipal Year is Councillor Chris Garland. His Cabinet comprise of Councillor Malcolm Greer, Cabinet Member for Economic and Commercial Development, Councillor Marion Ring, Cabinet Member for the Environment, Councillor Eric Hotson, Cabinet Member for Corporate Services, Councillor John A. Wilson, Cabinet Member for Community and Leisure Services and Councillor Stephen Paine, Cabinet Member for Planning, Transport and Development.

2. Recommendation

- 2.1 The Committee are advised to consider the verbal updates from the Leader and members of the Cabinet, their portfolios and any schemes of work they deem significant for the coming year.
- 2.2 The Corporate Services Overview and Scrutiny Committee are solely responsible for holding the Leader and Cabinet to account. Issues that the Committee consider priority areas should remain foremost in its mind when considering the Forward Plan of Key Decisions and they should look to include reports, as applicable, in its future work programme.

3. Reasons for Recommendation

- 3.1 The Corporate Services Overview and Scrutiny Committee are responsible for holding the Leader and Cabinet to account.
- 3.2 The areas of responsibility for each Member of the Cabinet are detailed at **Appendix A**.
- 3.3 Each Cabinet Member's role is given a strategic overview under the heading 'Strategic Planning' followed by a detailed list of their areas of responsibility under 'Performance Management'. The final heading 'External Affairs & Partnerships' defines the role from and

external point of view, clarifying the relations with partners and stakeholders that are being maintained and developed. The Cabinet Member for the Environment has an additional area of responsibility detailed in Appendix A which is explained under the heading 'Climate Change & Sustainability' and is specific to the role.

- 3.4 The Committee may wish to explore the remit of the additional Cabinet post of Cabinet Member for Planning, Transport and Development for the 2012-13 Municipal Year with the Leader and the reasons for this appointment.

4. Impact on Corporate Objectives

- 4.1 The Committee will consider reports that deliver against all the Council priorities:
- 'For Maidstone to have a growing economy', 'For Maidstone to be a decent place to live', and 'Corporate and Customer Excellence'.
- 4.2 The Strategic Plan sets the Council's key objectives for the medium term and has a range of objectives which support the delivery of the Council's priorities. Actions to deliver these key objectives may therefore include work that the Committee will consider over the next year.

Area of Responsibility.

The Leader of the Council (Councillor Chris Garland)

To lead the Council and the Cabinet including taking responsibility for the discharge of any executive function not delegated to another individual or body. To provide political leadership for the authority including:

- Being a figurehead for the Council
- Providing leadership in building a political consensus around council policies
- Working with others in building a vision for the Council and community
- Providing strong, clear leadership in the co-ordination of policies, strategies and service delivery

Specifically to have responsibility for:

Strategic Planning and Policy Development – to oversee the development, review and implementation of the Council's

- Sustainable Communities Strategy, Strategic Plan and all other policy framework documents and to ensure that they interrelate and reflect agreed Council priorities
- Medium Term Financial Strategy including Capital Investment Strategy and Community Budget
- Communications strategy
- Corporate Improvement Plan

Performance Management – responsibility for:

- Ensuring appropriate performance management arrangements are established and maintained
- Reviewing performance and ensuring appropriate action is identified and executed to remedy performance issues
- Ensuring that the Cabinet Members are delivering priorities within their own portfolio responsibilities.
- Ensuring that the Council achieves its promises in terms of service quality standards and that services are resilient and provide value for money.
- Ensuring that excellent standards of governance and conduct are achieved throughout the business of the Council

External Affairs and Partnerships

- To act as an ambassador for the Council and its activities amongst external advisory and interest groups.
- To act as an advocate for the Council in pressing for changes in national policy

- Represent the Council and its interests in regional and national bodies as appropriate including the Kent Forum
- To be responsible for the Council's role in partnerships including leading the Council's contribution to the Maidstone Locality Board and Mid Kent Improvement Partnership and supporting other partnerships and organisations including Voluntary Action Maidstone and Town Centre Management

Cabinet Member for Economic and Commercial Development (Councillor Malcolm Greer)

To take the lead within the Cabinet for ensuring that the Council delivers its strategic objective for Maidstone to have a growing economy with a range of employment and business opportunities

Strategic Planning - to oversee the development, review and implementation of the Council's:

- Economic Development Strategy
- Regeneration Statement
- Commercial Services Development

Performance Management - to ensure excellent standards of performance and improvement with respect to the Council's services for:

- Economic Development
- The Visitor Economy including the Hazlitt Arts Centre, Maidstone museums, tourism, the Kent Conference Bureau and Maidstone market.
- Capital projects and programmes relevant to the portfolio including regeneration and public realm improvement schemes

Climate Change and Sustainability

- To oversee the Council's contribution to securing sustainable construction with respect to development in the borough.

External Affairs and Partnerships

- To represent the Council on all relevant partnerships
- To foster close links with the business community and develop partnerships to achieve the outcomes identified in the economic development strategy and regeneration statement
- To foster close links with skills and education providers and with organisations encouraging the visitor economy
- To take responsibility for relationships with funders including Kent County Council and the Heritage Lottery Fund, service delivery partners including the Chamber of

Commerce, Locate in Kent, education and skills providers, voluntary and community groups

Cabinet Member for Corporate Services (Councillor Eric Hotson)

To take the lead within the Cabinet for ensuring that the Council delivers Corporate and Customer Excellence specifically ensuring that the Council has a productive workforce and that services are affordable.

Strategic Planning - to oversee the development, review and implementation of the Council's:

People Strategy and workforce development plan including health and safety and equalities policies

- Information Strategy
- Risk Management Strategy
- Procurement Strategy
- Asset Management Strategy
- Democratic Engagement Strategy
- Emergency and Business Continuity Plans

Performance Management - to ensure excellent standards of performance and improvement with respect to the Council's services for:

- Customer service
- Corporate finance including regular budget monitoring
- Legal advice
- Information Technology
- Council Tax and Housing Benefit
- Democratic Services including electoral services and member services
- Property Services
- Procurement

And ensure that the Council meets its objectives and obligations under the Data Protection, Freedom of Information and Regulation of Investigatory Powers Act.

External Affairs and Partnerships

- To represent the Council on all relevant partnerships

- To take responsibility for relationships with funding advisors

Cabinet Member for Planning, Transport and Development (Councillor Stephen Paine)

To take the lead within the Cabinet for ensuring that the Council delivers its strategic objectives for Maidstone to be a decent place to live and have a growing economy including a transport network that supports the economy.

Strategic Planning – in liaison with the Leader of the Council to oversee the development, review and implementation of the Council's:

- Spatial planning strategy including the Local Development Framework and other spatial planning documents including Development Plan Documents, Development Management policies and development briefs
- Integrated Transport Strategy Infrastructure Delivery Plan

Performance Management - to ensure excellent standards of performance and improvement with respect to the Council's services for:

- Development Management including planning enforcement and land charges
- Spatial Planning
- Landscape
- Conservation
- Building Control
- Parking Management and Enforcement
- Park and Ride service and the development of public transport initiatives
- Local (District) Highways functions
- Capital projects and programmes relevant to the portfolio

External Affairs and Partnerships

- To represent the Council on all relevant partnerships
- To foster close links with key stakeholders including parish councils, the Developers' Forum, English Heritage and transport interest groups
- To take responsibility for relationships with funders including Kent County Council, Highways Agency

Cabinet Member for the Environment (Councillor Marion Ring)

To take the lead within the Cabinet for ensuring that the Council delivers its strategic objective for Maidstone to be a decent place to live and in particular that the borough continues to have a clean and attractive environment.

Strategic Planning - to oversee the development, review and implementation of the Council's:

- Waste Management Strategy
- Public Health Strategies
- Air Quality Management Strategy
- Contaminated Land Strategy
- Private Water Management
- Climate change Framework
- Licensing Strategy and policies
- Carbon Management Plan
- Local Biodiversity Action Plan

Performance Management - to ensure excellent standards of performance and improvement with respect to the Council's services for:

- Waste minimisation and recycling
- Waste collection including collaboration with the waste disposal authority (KCC)
- Cleansing services
- Environmental Health services
- Licensing
- Bereavement i.e. services provided from the cemetery and crematorium
- Capital projects and programmes relevant to the portfolio
- Cobtree Golf Course

Climate Change and Sustainability

- To be the Lead Cabinet Member for Climate Change.
- To ensure that the Council, the non-executive Committees, Cabinet and Cabinet Members are aware of sustainability issues when formulating policy.
- To make recommendations to Council on sustainability issues arising from Council policies, and promote proposals to be adopted as Council Policy.

External Affairs and Partnerships

- To represent the Council on all relevant partnerships including the Kent Waste Partnership
- To take responsibility for relationships with funders including Kent County Council and WRAP, service delivery partners including contractors, voluntary and community groups

Cabinet Member for Community and Leisure Services (Councillor John A Wilson)

To take the lead within the Cabinet for ensuring that the Council delivers its strategic objectives with respect to Maidstone as a decent place to live and customer excellence particularly that residents are not disadvantaged because of where they live or who they are, vulnerable people are assisted and the level of deprivation is reduced.

Strategic Planning - to oversee the development, review and implementation of the Council's:

- Housing Strategy
- Community Development Strategy
- Community Safety Strategy
- Safety In Action
- Parks and Open Spaces Strategy
- Compact with the Voluntary and Community Sectors
- Contribution to relevant Community Health strategies and plans

Performance Management - to ensure excellent standards of performance and improvement with respect to the Council's services for:

- Strategic housing management in consultation with the Strategic Housing Board
- Community Safety in consultation with the Safer Maidstone Partnership
- Community development including oversight of neighbourhood planning
- Parks, open spaces and allotments including grounds maintenance
- Leisure activities including sporting and recreational based activities and including services provided via the Maidstone Leisure Centre
- Community engagement
- Allocation and monitoring of grants
- Capital projects and programmes relevant to the portfolio including environmental improvement schemes

External Affairs and Partnerships

- To represent the Council on all relevant partnerships including the Local Children's Trust
- To take responsibility for external relationships with parish councils including the parish services scheme
- To take responsibility for relationships with funders including the Homes and Community Agency, service delivery partners including housing providers, voluntary and community groups and trusts including the Maidstone Leisure Trust
- To be responsible for all aspects of Community Engagement

Agenda Item 10

MAIDSTONE BOROUGH COUNCIL

CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE

7TH AUGUST 2012

REPORT OF THE HEAD OF CHANGE AND SCRUTINY

Report prepared by Catherine Negus

1. REVIEW OF COMPLAINTS 2011-2012

1.1 Issue for Decision

1.1.1 To consider the Council's performance in dealing with complaints for the period 1st April 2011 to 31st March 2012.

1.2 Recommendation of the Head of Change and Scrutiny

1.2.1 That the Committee notes the performance in relation to complaints and agrees action as appropriate.

1.2.2 That a corporate policy regarding the use of voicemail be agreed by SLT in order to reduce the potential for complaints about lack of contact or time taken to respond by officers, which has been a trend in some services (see 1.5.2.1).

1.3 Reasons for Recommendation

1.3.1 In order to ensure that complaints are being answered within corporate timescales and to a high standard it is important that a monitoring mechanism is in place. Through proper analysis, complaints can be used not only to measure dissatisfaction but as an improvement tool.

1.3.2 A breakdown of the Stage 1 complaints closed during this year, including timeliness and category, is included at Appendix A. During the year the Council received a total of 408 stage 1 complaints of which 365 (89%) were answered within 10 working days. This is lower than the 90% recorded in 2010-2011 and 96% in 2009-10.

1.3.3 The services with the highest number of complaints (30+) were:

Service	Complaints
Development Management	85
Waste Services	83
Environmental Enforcement	56
Housing options/PSH	47
Revenues	30

1.3.4 The services with a performance below the Council's average for answering complaints within 10 days were:

Service	Number of complaints	% answered on time
Community Partnerships	1	0%
Community Safety	1	0%
Complaints	2	0%
Hazlitt Theatre	1	0%
Museum	1	0%
Housing options/PSH	47	60%
Revenues	30	70%
Benefits	11	73%
Democratic Services	6	83%
Parks and Leisure	8	88%

1.3.5 There were a total of 47 Stage 2 complaints this year, of which 41 (87%) were closed on time. This is an improvement from 75% on time last year. In every quarter the largest number of Stage 2 complaints related to Development Management, often including complaints from people who were unhappy with planning decisions.

1.3.6 A breakdown of complaints survey responses received during the year is included at Appendix B. During the year 318 complaints satisfaction surveys were sent out and 118 (37%) were returned. 32% of respondents were satisfied with the handling of their complaint. 51% were not satisfied. 16% were either 'neither satisfied nor dissatisfied' or gave an unclear answer. The services which had at least ten returns with the lower percentage of satisfied survey respondents than the Council as a whole were:

Service	Number of survey returns	%Satisfied
Housing options/PSH	10	0%
Development Management	23	22%

1.4 The Principal Planning Officer is of the view that as complaints from aggrieved residents will not alter the decision made on planning applications, in many cases no response will satisfy the complainant. Any further details provided about why customers were dissatisfied will be collated during the next year.

1.5 Actions taken in 2011-12

1.5.1 *Complaint response times and action taken*

- 1.5.1.1 There has been variation in the Housing department's performance in responding to complaints on time. This improved from 67% to 86% in Q2 when a specific officer was allocated to deal with complaints. It then deteriorated to 20% in Q3 when the officer went on long-term sick leave. Executive support was provided to help deal with complaints and 67% were responded to on time in Q4. The Head of Housing and Community Safety believes many complaints should be reclassified as 'appeals' in order to be dealt with by the most efficient route. By statute, 40 days are allowed for dealing with appeals due to their complexity (see 1.5.2.4).
- 1.5.1.2 The Revenues service began the year with a very low on-time response rate of 54%; this improved when complaints began to be sent directly to the Revenues Manager. The on-time response rate has currently stabilised around 75%, though this is not yet ideal.
- 1.5.1.3 The poor percentage of on-time responses for Community Partnerships, Community Safety, the Hazlitt Theatre, the Museum, Democratic Services, and Parks and Leisure was in each case due to only one overdue complaint response. There were 2 complaints about the way other complaints were handled, one from a persistent complainant. Benefits had three overdue complaints but all three were in Q4, meaning a decline from 100% in Q1-3 to 25% in Q4. The responding officer believes this may have been due to problems accessing the complaints system when he was working at Tunbridge Wells leading to the complaints being responded to on time but closed late on the system. This was the case for one of the complaints and not the case for a second; it is not possible to ascertain what happened in the third case as the response letter has not been uploaded to Anite.
- 1.5.1.4 Details were sought from the Waste Manager as to how Waste Services' consistently good complaints management performance is achieved. She stated that she deals with all complaints personally, immediately ensuring that they are investigated by our contractor and monitoring officer, then responding as soon as this is done. The department also has a standard response to complaints about policy, which is tailored to the specific issues of complainants. This approach has been recommended to managers of departments with high rates of complaints and unsatisfactory on-time response rates.

1.5.2 *Trends and action taken*

- 1.5.2.1 The Head of Planning has commented that the number of complaints about Development Management (85) reflects the high profile of the service, including the high volume of planning applications. Furthermore, a more disciplined, efficient stance has been taken recently whereby 'dialogue' letters about planning decisions are re-

categorised as complaints. The largest number of complaints (28) was about service. Many of the 27 complaints about policy were from people who are unhappy about planning decisions. In Q2 and Q3 there were also many (15) complaints about the time taken to deal with issues, many of which were combined with complaints about the lack of contact from officers. The Head of Planning observes that most objectors wish to discuss their concerns; however, this must be balanced with the need to get on with determining applications. However, it is recognised that, on occasion, planning officers could be more prompt in returning calls so general training is taking place in order to address this issue. As this issue was also raised during the Peer Review of the service and has been noticed internally as a problem with various departments, it is recommended that SLT agree a corporate policy regarding the use of voicemail. This might include voicemail recordings giving callers an accurate expectation of when they will receive a response. It is suggested that Development Management consider whether there is a better way to manage incoming calls without disrupting the core work of officers, for example having one officer on duty to take incoming calls.

1.5.2.2 Waste Services received a high number of complaints (83) due to the fact that it serves every resident of the Borough (over 1.8 million collections were made in Q4 alone). The vast majority of complaints (59) were about service issues - such as missed bins (or failure to return to collect missed bins). However, many of these complaints were unsubstantiated as there was often a valid reason for non-collection. Procedures were put in place to prevent problems in Q2 with the supply of garden sacks from recurring: stock is now monitored weekly and there is a reserve of sacks with the manufacturer. A lower limit has been put in place to ensure sufficient time to replenish stocks. The service received 4 complaints about the policy of non-collection of garden waste over Christmas, 2 of which were about insufficient notice given. The garden service has been suspended over Christmas for the past few years and this is advertised through the annual recycling calendar. It is believed that the complaints this year were due to the unseasonal weather resulting in higher than expected garden waste production.

1.5.2.3 Environmental Enforcement received the third highest number of complaints (56). Many of these (21) were about staff, which is unusual among Council services in Maidstone. Of these a large proportion was about litter enforcement staff and many complaints about litter policy also criticized the attitude of staff. In all of these cases but one, the complaint respondent viewed video footage and was satisfied that staff had behaved in a polite and professional manner. There were also 14 complaints about policy, of which again a large number were about the litter fines (including e.g. lack of discount for early payment).

- 1.5.2.4 Whilst Housing drew a high number of complaints (47), particularly about 'service' (20), this could be due to the frustration of applicants not being able to access housing. The Council is experiencing a noticeable increase in demand for social housing as a result of the prevailing economy, particularly for larger family accommodation. The Head of Housing and Community Services believes many such complaints should be reclassified as 'appeals' – for example, where people complain about the number of points they have been allocated rather than about administrative errors or the policy for points allocation. The new IT system will hopefully make this easier. The Q4 report recommends that the Housing service develop criteria for classifying communications as complaints or appeals (See 1.5.1.1 above).
- 1.5.2.5 Revenues received 30 complaints, of which 18 were about service. Failures in the way the withdrawal of Council tax payment slips was implemented were noted and will be taken into consideration in future policy decisions.
- 1.5.2.6 Although there were five complaints about Parking staff in Q2, the Parking Services manager was satisfied that these were unrelated and did not highlight any training issues. These related to the contracted civil enforcement staff and not Council staff.
- 1.5.3 Equality implications: Cases of potential discrimination have been examined and most found to be without grounds. In one case in Q3 a complainant stated that a parking officer had asked a disabled person to get out of a vehicle. Procedures were clarified with APCOA. In Q4 one person complained because when a bus departed late and hence after 9.30am, elderly people with free passes were still not allowed to board and had to catch a busy later bus. The bus company was reminded of the need to ensure that the timetable and conditions for boarding are properly applied. There have been some allegations that litter enforcement officers target vulnerable people (such as lone women or the elderly), but investigation by the Environmental Enforcement team showed that the majority of fines are issued to males and to the age group 20-29.
- 1.5.4 Community safety implications: Action has been taken to prevent a repetition of two cases in Q3 where letters were sent erroneously to the ex-partners of customers. In Q4 a lady tripped on temporary road surfacing during high street works – this complaint was passed to the contractor. The complaints handler is following up with the contractor to find out what action was taken.
- 1.5.5 Where a customer raised issues on their satisfaction survey response these were followed up to ensure that the Council had done as much as possible to resolve the complaint.

- 1.5.6 There have been repeated problems with the quality of information recorded about complaints. The Q4 report recommends that a set of reminders be included in the Core Brief about good practice in complaints recording and also management, such as ensuring that a response is coordinated between different departments in the first instance, and that if a second complaint is received it is dealt with under Stage 2 if the service believes the issue has been answered.
- 1.5.7 A new complaints policy was approved. This is easier to understand than the old policy and was opened to public consultation.
- 1.5.8 The current Complaints IT software is not functioning properly. The Corporate Services Overview and Scrutiny Committee on 6th March 2012 recommended that the implementation of the new complaints/correspondence system be reviewed and completed using project management principles. Since then, the new correspondence system has been installed on site and the system is being integrated with the Council's address database (LLPG) to ensure accurate address data and customer identification. All the Complaints and Freedom of Information reports from existing systems will be replicated, and any further reporting requirements will be identified and developed. An extensive training exercise is underway to ensure all users of the system will be fully competent by the time it goes live.
- 1.5.9 Given that using the new IT system will make it unnecessary for the officer monitoring complaints to check and classify each record individually, directors have requested that they be involved in quality checking complaints responses and records in future. 25% of complaint responses will be checked by directors once the new system is in place. This procedure will be reviewed after six months.
- 1.5.10 The annual report from the Ombudsman (see Appendix C) shows that 35 enquiries and complaints were received by the Ombudsman, of which 29 were forwarded to their investigative team, of which 17 were investigated. In 11 of these cases there was not enough evidence of a fault, or no injustice found. In the final 6 cases, the injustice was remedied during enquiries. In the covering letter, the Ombudsman commented, 'I am pleased to say that I have no concerns about your authority's response times and there are no issues arising from the complaints that I want to bring to your attention.'

1.6 Future plans

- 1.6.1 The system will initially go live in June for Complaints and Freedom of Information requests, then subsequently for Environmental Impact Requests, Data Protection subject access requests, compliments, MP letters and Parish Council letters.

1.6.2 The Policy and Performance team will be reviewing the vexatious complaints policy before the end of the year.

1.6.3 The theatre-style customer care training developed with the Hazlitt will be rolled out. The Human Resources department is producing an outline of new customer care training for the Museum, and those sessions which have already been piloted will be run first. Training in writing friendly complaints responses is being included as one of this year's training needs.

1.7 Impact on Corporate Objectives

1.7.1 Customer service is a core value and one of the Council's priorities is Corporate and Customer Excellence. Management of complaints is critical to the success of this objective.

1.8 Risk Management

1.8.1 Failure to manage complaints represents both a financial and reputational risk to the Council. Regular reports are produced for CLT and also presented to the Corporate Services Overview and Scrutiny Committee and the Standards Committee. Monitoring is carried out by the Policy and Performance Manager.

1.9 Other Implications

1.9.1

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

1.9.2 A total of £900 was paid in compensation in 2011/12.

Quarter	Department	Amount	Reason
Q1	Housing	£50	Recommendation of Ombudsman due to poor communication
Q1	Housing	£150	Recommendation of Ombudsman due to poor communication
Q2	Council Tax	£250	Recommendation of Ombudsman due to non-payment of benefit followed by delay and misleading information, meaning the Council eventually paid benefit 18 months late
Q4	Housing	£450	Compensation for failure to issue a customer with a decision letter as required by Section 184 of Housing Act 1996

2 Appendices

Appendix A – 2011-12 Complaints Timeliness and Categorisation

Appendix B – 2011-12 Complaints Handling Satisfaction Data

IS THIS A KEY DECISION REPORT?

Yes

X

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

.....

This is a Key Decision because:

.....

Wards/Parishes affected:

.....

Appendix A – 2011-12 Complaints Timeliness and Categorisation

Service	Total	% Answered on time	Lack of contact	Time taken	Policy	Discrimination	Service	Staff
Benefits	11	73%	2	0	0	0	6	3
Bereavement Services	5	100%	0	0	0	0	4	1
Building Control	3	100%	0	0	0	0	0	3
Chief Executive's Secretariat	1	100%	0	1	0	0	0	0
Cleansing	1	100%	0	0	1	0	0	0
Communications	1	100%	0	0	1	0	0	0
Community Development/Partnerships	1	0%	0	0	0	0	1	0
Community Safety	1	0%	0	0	0	1	0	0
Complaints	2	0%	0	0	0	0	1	1
Customer Services	17	94%	0	0	1	1	8	7
Democratic Services	6	83%	1	0	1	0	4	0
Development Management	85	98%	11	15	27	0	28	10
Economic Development	3	100%	0	0	2	0	1	0
Environmental Enforcement	56	100%	1	1	18	1	14	21
Environmental Health	1	100%	0	0	0	0	0	1
Facilities	1	100%	0	0	0	0	1	0
Grounds Maintenance	7	100%	0	1	1	0	4	1
Hazlitt Theatre	1	0%	0	0	0	0	1	0
Housing options/PSH	47	60%	7	1	8	4	20	7
IT Support	1	100%	0	0	0	0	1	0
Museum	1	0%	1	0	0	0	0	0
Other (was sorted into other categories in Q3 and Q4)	1	100%	0	0	0	0	1	0
Parking	27	96%	1	0	5	1	11	9
Parks and leisure	8	88%	2	0	0	1	5	0
Property, Procurement and Projects	1	100%	0	1	0	0	0	0
Public Toilets	3	100%	0	0	2	0	1	0
Revenues	30	70%	2	0	8	0	18	2
Spatial Planning	3	100%	2	0	1	0	0	0
Waste Collection	83	100%	5	0	12	0	59	7
TOTALS	408	89%	35	20	88	9	189	73

Appendix B – 2011-12 Complaints Handling Satisfaction Data

Service	Number of responses	Satisfied	Neither	Not satisfied	Unclear
Benefits	4	25%	25%	50%	0%
Bereavement Services	3	0%	33%	67%	0%
Building Control	3	0%	0%	100%	0%
Cleansing	1	0%	100%	0%	0%
Community Partnerships	1	0%	0%	100%	0%
Customer Services	7	29%	0%	71%	0%
Democratic Services	1	0%	0%	100%	0%
Development Management	23	22%	17%	61%	0%
Economic Development	1	100%	0%	0%	0%
Environmental Enforcement	8	0%	0%	100%	0%
Grounds Maintenance	3	33%	0%	33%	33%
Housing options/PSH	10	0%	10%	90%	0%
IT Support	1	100%	0%	0%	0%
Museum	1	0%	100%	0%	0%
Other (was sorted into other categories in Q3 and Q4)	1	100%	0%	0%	0%
Parking	11	73%	0%	27%	0%
Parks and Leisure	3	100%	0%	0%	0%
Property, Procurement and Projects	1	0%	0%	100%	0%
Public Toilets	1	100%	0%	0%	0%
Revenues	6	17%	50%	33%	0%
Spatial Planning	2	50%	0%	50%	0%
Waste Collection	26	46%	23%	31%	0%
TOTAL	118	32%	15%	52%	1%

LGO advice team

Enquiries and complaints received	Benefits & Tax	Corporate & Other Services	Environmental Services & Public Protection & Regulation	Highways & Transport	Housing	Planning & Development	Total
Advice given	0	0	2	0	0	4	6
Premature complaints	1	0	3	0	1	3	8
Forwarded to Investigative team (resubmitted)	1	1	0	0	1	0	3
Forwarded to Investigative team (new)	2	1	1	1	3	10	18
Total	4	2	6	1	5	17	35

Investigative team - Decisions

Not investigated			Investigated			Report	Total
No power to investigate	No reason to use exceptional power to investigate	Investigation not justified & Other	Not enough evidence of fault	No or minor injustice & Other	Injustice remedied during enquiries		
2	3	7	10	1	6	0	29

	No of first enquiries	Avg no of days to respond
Response times to first enquiries	8	27.8

Agenda Item 11

MAIDSTONE BOROUGH COUNCIL

CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE

7TH AUGUST 2012

REPORT OF THE HEAD OF CHANGE AND SCRUTINY

Report prepared by Catherine Negus

1. REVIEW OF COMPLAINTS JANUARY – MARCH 2012

1.1 Issue for Decision

1.1.1 To consider the Council's performance in dealing with complaints during January – March 2012.

1.2 Recommendation of the Policy and Performance Manager

1.2.1 That CLT notes the performance in relation to complaints and agrees action as appropriate.

1.2.2 That the Housing Service develops criteria for determining whether a communication should be classified as a complaint or an appeal (see 1.3.3.1 and 1.3.4.2).

1.2.3 That a set of reminders about good practice in complaints management and recording is produced by the Policy and Performance team and circulated to staff in the internal Core Brief communication (see 1.3.6.1, 1.3.6.2, 1.3.7, 1.3.10 and 1.3.11).

1.3 Reasons for Recommendation

1.3.1 In order to ensure that complaints are being dealt with effectively and within corporate timescales it is important that a monitoring mechanism is in place.

1.3.2 Details of the complaints received broken down by service area, timeliness and category can be found at Appendix A. Complaints have been categorised, but many complaints will be about more than one element (e.g. both policy and staff attitude).

1.3.3 During the period January – March 2012, 96 Stage 1 complaints were closed, of which 84 (88%) were responded to in time. This is an improvement from 86% in the previous quarter. Of the complaints responded to outside the target time six related to Housing, three to Benefits, and one each to the Museum,

Revenues, and Development Management. In the case of one Housing complaint, the delay was due to the need to talk in person with the customer to obtain further details.

1.3.3.1 Since the last quarter there has been an improvement in Housing's performance from 22% to 67% on time because of help from Executive Support. The Head of Housing and Community Services is of the view that many complaints should be reclassified as 'appeals' in order to be dealt with by the most efficient route. The Council's Allocation Scheme allows 8 weeks for reviews relating solely to the Housing Register; regulations governing homelessness permit 56 days (see 1.3.4.2 below).

1.3.4 The services with the highest number of complaints were:

- Waste Services – 23
- Housing Options/PSH – 18
- Environmental Enforcement – 13
- Development Management – 13

1.3.4.1 Waste Services received the highest number of complaints due to the fact that it serves every resident of the Borough (over 1.8 million collections were made in Q4). The service received 4 complaints about the policy of non-collection of garden waste over Christmas, 2 of which were about insufficient notice given. This policy has been in place for the past few years and is advertised through the recycling calendar. It is believed that the complaints this year were due to higher than expected garden waste created by the weather. There were 17 complaints about service. 11 of these were about alleged missed bins or non-collections, 6 of which were about genuine misses (i.e. not due to snow, access issues or bin placement).

1.3.4.2 Housing Options/PSH received 9 complaints about service but in most cases the root problem seems to be frustration with the time taken to be granted accommodation given the high demand for social housing at present. The Head of Housing and Community Services is of the view that many such complaints should be reclassified as 'appeals' – for example, where people complain about the number of points they have been allocated rather than about administrative errors or the policy for points allocation. The new IT system will hopefully make this easier. It is recommended that the Housing Service develop criteria for correctly classifying communications as complaints or appeals (see 1.3.3.1 above).

1.3.4.3 Environmental Enforcement received 5 complaints about policy, 4 of which were about the littering fine policy, including the lack of discount for early payment. 3 people complained primarily about the behaviour of litter enforcement staff but all 4 of the complaints

about litter fines policy also mentioned this. The complaint respondent checked video footage and was satisfied that the behaviour of officers was polite and professional. There were 5 complaints about service but the issues raised were all different and one was from a vexatious complainant.

- 1.3.4.4 Development Management received 7 complaints about policy but most of these were from people who were unhappy with planning decisions.
- 1.3.5 8 Stage 2 complaints were processed in this quarter. Of these, 4 related to Development Control, 2 to Housing Options/PSH, and 1 each to Customer Services, and Parking. 7 (88%) were answered on time. This is a slight decrease from 90% in the previous quarter.
- 1.3.6 A breakdown of complaints satisfaction surveys can be found at Appendix B. 73 surveys were sent out and 26 (36%) have been returned. 8 (31%) of the 26 respondents were very satisfied or satisfied, which is an increase from 29% last quarter. 6 were neither satisfied nor dissatisfied. 12 were dissatisfied or very dissatisfied.
 - 1.3.6.1 Of the 12 dissatisfied or very dissatisfied respondents, two said their complaint was not understood. From notes taken when one of these customers phoned to make her complaint it appears that the response did answer all the issues raised. This cannot be addressed further unless a Stage 2 complaint is raised giving further details. The other customer stated that he will be taking the issue further.
 - 1.3.6.2 One person who was neither satisfied nor dissatisfied also said his complaint (to Development Management) was not understood, and gave details. The Council's response did answer some of these issues, but not concerns about asbestos. The Head of Planning states that this was not covered because asbestos is not a planning matter. The customer wrote that he 'will have to accept the response' so a Stage 2 response is not appropriate. However, complaint holders should remember that if a complaint includes an element relevant to another department, it is their responsibility to coordinate a response that answers all elements.
 - 1.3.6.3 Of the 12 dissatisfied or very dissatisfied respondents, two said their complaint was not responded to within ten days, but records state otherwise. However, one of these respondents wrote, 'Took 3 months and that too because I wrote 2 emails. Not fully understanding the reasons'. It appears that the earlier email was dealt with as a simple enquiry rather than a complaint, and that

there was indeed some delay in responding. When the complaint was received, both an email and a complaints response were sent to the customer answering the query. The email apologised for, but did not explain, the delay. Complaint holders should remember that dealing with the original query or issue does not always answer a subsequent complaint, for example about the time taken to deal with an issue or staff attitude.

- 1.3.6.4 Of the 12 dissatisfied or very dissatisfied respondents, three further people said the Council had not kept them informed of the progress of their complaint. However, records show that all three of these complaints were answered within ten days.
- 1.3.6.5 Some other survey respondents also wrote comments:
- Two people stated that the complaint is now being taken further.
 - Two people described the email response as 'generic' and/or anonymous, but on reviewing the responses this does not seem a fair description.
 - Two people who were dissatisfied said that nothing had happened to rectify the situation and it had gone on too long. However, the complaint response made clear that the problem (an empty boarded up building) was outside the power of the Council and unlikely to be against planning law.
 - One customer said that he has written again about the issue, but has not received a response. However, records show that the problem has been addressed and a response was sent to the customer – possibly after the survey was completed.
- 1.3.7 A further complaint was not handled according to the Complaints policy. A customer complained about one of the Gateway housing staff, though he had himself become abusive and been ejected by police. The service responded to the customer's complaint with assurance that the staff member had undergone customer service training, but he then replied immediately saying the response was not adequate (saying that the staff member having undergone training does not mean he will always put it into practice). This complaint should have been dealt with by the Head of Service. This email was not responded to as the Housing Services Manager believed no new points had been raised (an assessment with which, in the circumstances, the Head of Housing and Community Services agrees). However, the email should have been either responded to or dealt with as a Stage 2, or alternatively the manager could have written to the customer if the email was itself deemed abusive or vexatious.

- 1.3.8 Community safety implications: Action was taken last quarter to prevent a repetition of two cases where letters were sent erroneously to the ex-partners of customers. One complainant alleged that this had occurred this quarter but investigation found no evidence of this. There was also a complaint when a lady tripped on temporary road surfacing during high street works – this was passed to the contractor. The complaints handler is following up with the contractor to find out what action was taken.
- 1.3.9 Four complaints were primarily about alleged discrimination:
- One person stated that the only reason she could see for her daughter not having been granted housing for so long was 'discrimination', though no detail was given. However, the response explained some confusion about the bidding system and that the delay is due to current high demand in the housing system.
 - One complainant alleged racism by a housing officer but no evidence was found for this.
 - One person complained because when a bus departed late and hence after 9.30am, elderly people with free passes were still not allowed to board and had to catch a busy later bus. The bus company has been reminded of the need to ensure that the timetable and conditions for boarding are properly applied.
 - One person complained that having bought a day fishing pass, he and his friend were unable to access the lake as the area accessible to disabled people had been fenced off during works. The response emphasises that the area was fenced off to everyone due to the presence of dangerous machinery – the resultant temporary loss of access to the disabled was therefore unavoidable - and that the angling club should have notified him on selling the pass.
- 1.3.9.1 Another customer complaining mainly about policy speculated that litter officers deliberately targeted a lone woman rather than groups of 'large' men she saw dropping litter, because she was more vulnerable. It was stated in the response that 'in every case where [dropping and leaving litter has] been witnessed by an authorised officer, the presumption will be to prosecute or issue a Fixed Penalty Notice (FPN).' Accusations that women and the elderly are targeted have arisen before, so the Environmental Enforcement team was asked to ascertain whether this is the case. It was found that in fact the largest number of FPNs are issued to 20-29 year olds, and significantly more to men than women. Between 1st April 2011 and 21st June 2012 the FPNs issued were as follows:

Age group	Number of FPNs issued to group	% of FPNs issued to group
19 and under	443	8.66
20-29	1819	35.54
30-39	979	19.13
40-49	842	16.45
50-59	532	10.39
60-69	208	4.06
70-79	59	1.15
80-89	8	0.16
90-99	2	0.04
Not known	226	4.42
Gender	Number of FPNs issued to gender	% of FPNs issued to gender
Female	2062	40.29
Male	3052	59.63
Not known	4	0.08

- 1.3.9.2 In five other cases people complained primarily about poor service but mentioned that they had needed help due to disability.
- 1.3.10 Last quarter, officers were reminded to ensure that the relevant box was ticked on the Complaints system if there was a discriminatory element to the complaint. Of the five complaints about discrimination, two had a box ticked. As complaints will not be checked individually once the new IT system is in place, officers will need to ensure these boxes are ticked where relevant so that they are marked for checking.
- 1.3.11 It has been noted several times that many complaints records are incomplete, which causes problems in analysis and when complainants refer back to earlier communications. Reminders to improve this have been included in core briefs. Where Q4 complaints records were incomplete or insufficiently detailed, the complaint holder was asked to improve them. In two cases the relevant manager felt the details held were sufficient but staff have been reminded to include as much detail as possible when complaints are closed by phone (e.g. instead of 'error explained', detail the explanation for the error). Three records for this quarter are still, however, incomplete.

1.4 Alternative Action and why not Recommended

1.4.1 The Council could choose not to monitor complaints handling but this would impact severely on the Council's ability to use complaints as a business improvement tool.

1.5 Impact on Corporate Objectives

1.5.1 Customer service is a core value and one of the Council's priorities is Corporate and Customer Excellence. Management of complaints is critical to the success of this objective.

1.6 Risk Management

1.6.1 Failure to manage complaints in a robust fashion represents a service, financial and reputational risk to the Council. Regular reports are produced for CLT and also presented to the Corporate Services Overview and Scrutiny Committee. Monitoring is carried out by the Senior Corporate Policy Officer.

1.7 Other Implications

1.7.1

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

The Council paid £450 in compensation for failure to issue a customer with a decision letter as required by Section 184 of the Housing Act 1996.

1.8 Appendices

Appendix A – 2011-12 Q4 Stage 1 Complaints Timeliness and Categorisation

Appendix B – 2011-12 Q4 Complaints Satisfaction Surveys

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:

.....

Appendix A – 2011-12 Q4 Stage 1 Complaints Timeliness and Categorisation

	Total	On time	Late	% on time	Lack of contact	Time taken	Policy	Discrimination	Service	Staff
Benefits	4	1	3	25%	0	0	0	0	2	2
Bereavement Services	1	1	0	100%	0	0	0	0	1	0
Customer Services	3	3	0	100%	0	0	0	0	2	1
Development Management	13	12	1	92%	2	0	7	0	4	0
Economic Development	2	2	0	100%	0	0	1	0	1	0
Environmental Enforcement	13	13	0	100%	0	0	5	0	5	3
Grounds Maintenance	2	2	0	100%	0	0	0	0	1	1
Housing options/PSH	18	12	6	67%	3	0	1	2	9	3
Museum	1	0	1	0%	1	0	0	0	0	0
Parking	6	6	0	100%	0	0	0	1	3	2
Parks and Leisure	3	3	0	100%	0	0	0	1	2	0
Property, Procurement and Projects	1	1	0	100%	0	1	0	0	0	0
Revenues	4	3	1	75%	0	0	0	0	4	0
Spatial Planning	2	2	0	100%	2	0	0	0	0	0
Waste Services	23	23	0	100%	0	0	5	0	17	1
TOTAL	96	84	12	88%	8	1	19	4	51	13

Appendix B – 2011-12 Q4 Complaints Satisfaction Surveys

	total responses	very satisfied	satisfied	neither satisfied nor dissatisfied	dissatisfied	very dissatisfied
Customer Services	1	0	0	0	0	1
Development Management	8	1	0	2	1	4
Housing options/PSH	3	0	0	1	1	1
Museum	1	0	0	1	0	0
Parking	2	0	1	0	0	1
Parks and leisure	2	0	2	0	0	0
Property, Procurement and Projects	1	0	0	0	0	1
Spatial Planning	1	0	1	0	0	0
Waste Collection	7	2	1	2	2	0
TOTAL	26	3	5	6	4	8
	100%	31%		23%	46%	

Agenda Item 12

MAIDSTONE BOROUGH COUNCIL

CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE

7 AUGUST 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 allows cabinet to review the medium term financial strategy (MTFS) for 2013/14 onwards along with developments and emerging issues that will affect the revenue budget for 2013/14. This report seeks Cabinet's view on draft assumptions that will be used to set the MTFS for planning purposes and for consultation.

1.1.2 The draft assumptions for the MTFS are considered in the context of the strategic plan both current as it will be revised during the budget strategy process.

1.2 Recommendation for Corporate Services Overview and Scrutiny Committee

1.2.1 That the Committee consider the report and recommendations made to Cabinet and make recommendations as appropriate.

1.3 Recommendation of Corporate Leadership Team

1.3.1 That Cabinet selects, for planning purposes, the strategic revenue projection that gives the appropriate outcome and agrees any necessary amendments to the projection.

1.3.2 That Cabinet gives an initial view on the level of Council Tax increase to be used for planning purposes. The three strategic revenue projections given at Appendix A all assume 2.5%.

1.4 Background

- 1.4.1 Due to the complex nature of the two issues, this year the MTFS is initially being reported to Cabinet in two separate reports. One on the capital programme and one on the revenue budget. Both reports are on the same agenda.

- 1.4.2 The MTFS currently approved by Council is a five year rolling strategy that is reviewed and updated annually as a key element of the development of the budget. The strategy sets out the revenue and capital spending plans of the Council and states the criteria by which decisions in relation to the development of the annual budget are to be made. This report reviews the strategy specifically in relation to the revenue budget and considers options for the development of the five year strategy.
- 1.4.3 Since the approval of the current MTFS at Council on 29th February 2012 there has been substantial work carried out surrounding the key issues facing the Council in the immediate and medium term future. Along with briefing and training sessions for members, working groups with a Kent wide focus have considered subjects as diverse as the localisation of council tax benefit and business rates to sharing best practice on savings strategies. This report brings together the current situation regarding these issues so that Cabinet can consider initial assumptions to be used for future planning.
- 1.4.4 The Council's MTFS and its Strategic plan are both closely aligned. This enables the Council to obtain maximum benefit from both strategies. The detailed actions required to achieve the key priorities set out in the strategic plan are contained within the Council's service plans. Achievement of these actions requires resources to be available at specific budget head level. At the level of this budget strategy, the links with the strategic plan require the assurance that the Council reaches a balanced budget and funding is available for priority service areas.
- 1.4.5 This report firstly considers the context in which the MTFS for 2013/14 onwards is being developed. It then considers each major element of the strategic revenue projection in relation to any known developments or emerging issues that may possibly require amendment to the projection or the strategy.
- 1.5 Background
- 1.5.1 Attached at **Appendix A** is the budget summary for 2012/13. This was agreed at Council on 29th February 2012 but has been reconfigured to show the current Cabinet structure. The 2012/13 budget was developed from the work on the MTFS during 2011/12 and forms the base point for the consideration of possible amendments detailed in this report.

1.5.2 Also attached for further information are the following:

- **Appendix B** – The MTFs for 2012/13 onwards;
- **Appendix C** – The statement of balances projected to March 2013

1.6 The Local Context

1.6.1 The outturn position for 2012/13 was reported to Cabinet in May 2012. The report showed a net under-spend against budget of £1.1m, after allowance for carry forward requests approved by Cabinet at that time. The total under-spend was £4.65m and a breakdown of the sum into its component parts is given in the table below.

	£,000
Capital Support	2,304
Grants and Contributions	549
Carry Forwards	687
Net underspend	1,113
Total Underspend	4,653

1.6.2 Available balances, as set out in Appendix C, are at least £2.9m above the level of working balances set by Cabinet. At its meeting in May 2012 Cabinet requested that officers report back on options to utilise the £1.1m added to balances at the end of 2011/12. Proposals put forward by officers are being assessed for their links to the Council's strategic priorities and will be reported to a future Cabinet meeting.

1.6.3 At this time it is appropriate to mention a link between the proposals for the use of balances, this MTFs report and the capital programme report elsewhere on this agenda. One option Cabinet may wish to consider in relation to use of the additional balances is to set aside funds for the implementation of commercial development activity. This could ensure initial borrowing costs are covered while start up schemes are given the opportunity to generate the expected benefits or it could be used as research and development funding for proposals that require professional advice not available internally. A more detailed assessment will be incorporated, if necessary, in any report back to Cabinet arising from the recommendations in the capital programme report elsewhere on this agenda.

- 1.6.4 The budget set out at Appendix A for 2012/13 is, as a result of the work carried out in 2011/12, a balanced budget. Monitoring of the savings set out in the strategy for 2012/13 shows that there are only small variations to those planned and these have all been resolved by management action. This means the budget remains balanced and affordable.
- 1.6.5 In considering the MTFS in earlier years Cabinet has already identified actions to save £0.6m during 2013/14 and work is already progressing to identify further savings. As an enhancement to the work on the strategy, this year the analysis of savings proposals will include an individual rating as to the risk of non-delivery. This will enable Cabinet to take a broader view on the level of savings targeted allowing the strategy to account for potential non-delivery. This revision is essential given the current economic climate and the financial expectations as set out in the next section of this report.
- 1.6.6 These local factors contribute to a very stable base on which to build the 2013/14 budget.

1.7 The National Context

- 1.7.1 Since 2010/11 the Council's MTFS has been considered within the framework of the government spending review of October 2010. Public sector spending reductions form a major part of that review and are central to the government's objective of removing the structural deficit. The initial reductions in grant aid to local government formed a major part of that reduction and it was expected that the year 2013/14 would see much smaller reductions in resources at a local level.
- 1.7.2 Since that time the government has progressed with some of its localisation plans culminating in two further significant changes from 1st April 2013. These are:
- The localisation of business rates and, for this Council at least, the end of formula grant; and
 - The change of council tax benefit into a local discount as part of the wider universal credit reforms.

Although these changes will take effect from 1st April 2013 much of the information in relation to the level of resources arising from these changes await clarification from central government.

- 1.7.3 To date the effect on the economy of the Government's plan has not been as significant as expected. The economy has proven resistant to the efforts and international economic problems have increased pressure on the UK economy. Tabulated below are the economic indicators of growth and national debt for the past five years.

	2008	2009	2010	2011	2012 (current)
Growth	3.5%	-3.6%	1.5%	0.7%	-0.2%
National Debt	£614.4bn	£796.9bn	£909.0bn	£921.3bn	£1,013.4bn

- 1.7.4 A range of other indices have a direct effect upon the MTFs and are useful for consideration at this point. Tabulated below are the RPI (Retail Price Index), CPI (Consumer Price Index), the base rate and the LIBOR (London Inter-Bank Offered Rate) over a similar period.

	Mar 2009	Mar 2010	Mar 2011	Mar 2012	May 2012 Current
RPI	-0.4%	4.4%	5.3%	3.6%	3.1%
CPI	2.9%	3.4%	4.1%	3.5%	2.8%
Base Rate	0.5%	0.5%	0.5%	0.5%	0.5%
LIBOR 1mth	0.533%	0.237%	0.253%	0.241%	0.243%

- 1.7.5 As previously stated the government is in consultation with local government over localising business rates and local powers to grant council tax discounts that will replace centrally funded benefits. The current situation regarding each is considered later in this report.

1.8 The Strategic Revenue Projection

- 1.8.1 The strategic revenue projection is a model used annually by Cabinet to concisely project the effect of major local and national priorities on the future revenue budget of the Council. In the past Cabinet has used, at this early stage, a document that models three outcomes: the currently expected outcome; the worst case; and the best case. This enables cabinet to consider the currently expected outcome, recommended by this report, against alternatives.
- 1.8.2 All three models use predictions regarding factors such as inflation rates and the consequences of local and national initiatives on the future revenue budget of the Council. The most significant factors are discussed individually later in this report.
- 1.8.3 The three strategic revenue projections are given at **Appendix D**. Cabinet may wish to select one as the future planning tool or modify any of the three to meet their favoured assumptions. There is a significant amount of detail in each of the three models created by the assumptions. They are set out in detail in **Appendix E**. Where specific values are quoted in this report they relate to the values

calculated in the "currently expected" model unless otherwise stated.

1.8.4 It is recommended that Cabinet adopt the "currently expected" model as the planning tool used for consultation and future MTFS planning.

1.9 Significant Assumptions in the Strategic Revenue Projection

- Inflation Indices

1.9.1 These are considered in detail for their effect on the subjective elements of the revenue account. The budget for 2012/13 has been divided between employee costs, energy costs, business rates, contractual commitments and other running costs. For each subjective element the appropriate index and rate have been discussed with services managers. In the case of employee costs a new, simplified grade structure was introduced for 2012/13 and the index reflects the cost of expected increments within that new structure.

- Welfare Reform

1.9.2 The major consequence of welfare reform is the localisation of council tax benefit as a discount. A separate report on this agenda details the work to produce an affordable scheme and prepare for its administration. The main assumptions in this SRP are that the scheme recommended in the full report elsewhere on this agenda will be agreed. This scheme provides reasonable assurance that additional costs will be supported by the major preceptors and not become a burden on this Council.

1.9.3 That report and the MTFS assumptions are based upon the latest guidance from central government. The guidance suggests that the DCLG forecasts a significant reduction in benefit claimants and has calculated future grant payments on that basis. This is contrary to the Council's experience and the Council has reported its concerns to the DCLG through the Local Government Association. The strategic revenue projections have been developed assuming that this specific loss, should claimants numbers not reduce as the DCLG expects, will not be reimbursed by major preceptors under the Kent wide agreement. The strategic revenue projection reports and increased budget pressure of £0.2m from this additional loss.

- 1.9.4 Another element of welfare reform is a move to universal credit. This will begin to affect Council services during 2013/14. The most likely effect is that administration costs of the localised council tax discount scheme will increase due to the reduction in service levels as claimants pass on to universal credit from housing benefit. This will actually occur over a period of four years from 2013 to 2017. The cost is assumed to affect the Council in 2014/15.
- Council Tax Freeze Grant
- 1.9.5 The grant given to those authorities that froze their council tax in 2012/13 was a one year grant and will end in 2013/14. In addition the four year grant given for the freeze in 2011/12 was expected to end in 2015/16. The consultation on localisation of business rates made it clear that this grant will be integrated into the baseline for retained business rates and will not be received separately after 1st April 2013. This means that the Council must provide for non-receipt of both council tax freeze grants in 2013/14.
- King Street Car Park
- 1.9.6 Provision was made in 2012/13 for the lost rental from the ground floor retail unit at the car park but further consideration is now being given through the capital programme to essential major works on the property. Whatever works are carried out can be expected to have a direct impact on revenue income from the site and provision is made here for the loss of up to £0.2m.
- Local Development Framework
- 1.9.7 As work on the core strategy progresses it has become possible to more accurately assess the resources required to complete the task. This assessment and operational changes to the work required have enabled a reduction in the resources required of £0.08m from the £0.13m previously assumed.
- Income from Services
- 1.9.8 In general the income from service activity forms part of the net revenue budget and is treated separately from Council Tax and Business Rate income. For 2012/13 Cabinet considered all fees and charges within a single report enabling decisions based on a corporate strategy that met the priorities set in the strategic plan and enabled Cabinet to consider possible increase in light of the cumulative impact on single families through a knowledge of all proposed changes at the same time.

1.9.9 It is intended to provide the same single review of fees and charges for 2013/14. Completed in this way, the increase in fees and charges is not included in the strategic revenue projection but is reported in the savings proposals at a later date.

- Localised Business Rates

1.9.10 The strategic revenue projection includes assumptions regarding the expected level of income that the Council will be permitted to retain from the collection of business rates. The assumptions are derived from work completed on behalf of the Council by the consultants LG Futures.

1.9.11 In the latest feedback from government there are signs of a relaxation of some of the issues raised previously with Cabinet. The major risk of non-collection has now been shared with central government by the proposed use of proportionate rather than absolute shares. The actual value of shares and the effect of top slicing other resources from retained business rates are likely to remain unclear until the third quarter of 2012/13.

1.9.12 The Government has recently announced its intention to complete a further spending review in 2014. Given the current economic climate and the government's previously announced plans, modelling by the Local Government Association suggests that the reductions facing the public sector will be as severe if not worse than those announced after the spending review in 2010. It is therefore possible that within the lifetime of the current MTFS there will be further significant reduction in resources derived from taxation. It has been assumed at this time that the expected additional loss and the effect of business rates growth in the borough will have a neutral effect on the local share of business rates.

- Council Tax

1.9.13 The level of council tax is affected by two factors. These are changes in the property base within the borough and increases in the charge set by the Council. For 2013/14 the changes to the property base will be significant as this is the process by which the local council tax discount will replace the council tax benefit scheme. By reducing the claimants' liability rather than paying the tax due on their behalf.

1.9.14 All three strategic revenue projections set out in Appendix D include a 2.5% council tax increase, an assumed 0.5% increase in the tax base and an assumed 2.4% increase in benefit caseload.

1.9.15 A 2.5% increase in the level of council tax for this Council is £5.56 per annum for a band D tax payer. This would increase the current band D council tax from £222.39 to £227.95. The council tax raised by the increase is not directly comparable to the council tax raised for 2012/13 because of the previously discussed council tax discount. However the additional resource due to the council is estimated to be in the region of £0.16m

1.10 Savings & Efficiency

1.10.1 The strategic revenue projections identify the predicted levels of resource available to the Council and the additional budget pressures facing the Council for each year of the MTFS. From this information the level of savings and efficiency required to create a balanced budget can be deduced.

1.10.2 The three versions of the strategic revenue projection attached as Appendix D produce the savings tabulated below

	2013/14	2014/15	2015/16	2016/17	2017/18
	£,000	£,000	£,000	£,000	£,000
Worst Case	2,227	1,362	1,370	1,219	709
Expected	2,035	976	982	866	431
Best Case	1,748	849	107	358	67
Savings Proposals	(608)	(335)			

1.10.3 The work completed on the MTFS in previous years means that some proposals already exist to achieve the required savings for 2013/14 and 2014/15. Based on the figures from the expected model and allowing for the savings already proposed there is still a need to identify savings and efficiencies as follows:

Year	Saving
	£,000
2013/14	1,427
2014/15	641
2015/16	982
2016/17	866
2017/18	431
	4,347

1.10.4 A number of initiatives can assist the Council in identifying actions that will achieve these revised targets, such as:

- The corporate improvement plan;
- Proposals around income generation as part of the commercial development proposals;
- A review of major contracts;
- Ongoing reviews of new ways of working and staff structures.

1.11 Consultation

1.11.1 Budget consultation is a formal and necessary element of the budget strategy process. It allows residents, customers, business and other stakeholders to provide feedback and opinion to Cabinet on the developing strategy.

1.11.2 In recent years the budget consultation has proven to be a successful event providing general support for Cabinet's plans and feedback including proposals for further savings.

1.11.3 At this time the Head of Finance & Customer Services and the Head of Communications are assessing options for this years consultation exercise and will report those options to Cabinet in August 2012.

1.12 Alternative Action and why not Recommended

1.12.1 Cabinet could at this stage await the outcome of a number of the developments occurring this year. For example the details relating to business rates localisation and the new arrangements for council tax benefit will all be updated by the third quarter of 2012/13. It is however prudent to agree a revenue projection at this stage to enable planning for the required savings and for consultation.

1.12.2 With reference to the specific issues and assumptions within the report it is inevitable that Cabinet will need to take a view on each issue and assess their future impact on the Council. The three strategic revenue projections are developed to assist Cabinet with this issue. It is the intention of the report to initiate discussion and to provide Cabinet and interested members with the opportunity to raise issues and concerns for consideration as the MTFS develops.

1.13 Impact on Corporate Objectives

1.13.1 It is the purpose of the budget strategy to allocate resources to the key outcomes in the strategic plan, including the allocation of resources to other plans and strategies developed to achieve those outcomes. It is necessary for Cabinet to be satisfied that their key objectives are funded through this strategy.

1.14 Risk Management

1.14.1 Matching resources to key priorities in the context of the significant pressure on the Council's resources is a major strategic risk. The MTFS is strengthened and improved each year to improve its resilience and effectiveness. Recent developments include the corporate fees and charges report agree last year as a single view of all fees and charges to enable Cabinet to assess the cumulative effect on customers of all changes.

1.14.2 Specific budget risks and opportunities are identified in the main body of the report, especially the consideration of the factors in the strategic revenue projection. The selection of the most appropriate strategic revenue projection and the continued monitoring of the factors included will help mitigate these risks.

1.15 Other Implications

1.15.1

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

- 1.15.2 Financial - The budget strategy and the MTFs impact upon all activities of the Council. The future availability of resources to address specific issues is planned through this process. It is important that Cabinet gives consideration to the financial consequences, at service level, from the recommendations in this report.
- 1.15.3 Staffing - The process of developing the budget strategy will identify the level of resources available for staffing over the medium term.
- 1.15.4 EINA - The report sets out a policy that will have a positive impact as it will enhance the lives of all members of the community through the provision of resources to core services. In addition it will affect particular groups within the community. It will achieve this through the focus of resources into areas of need as identified in the Council's strategic priorities.
- 1.15.5 Asset Management - Resources available for asset management are affected by both the strategic revenue projection detail within this report and the capital programme set out elsewhere on this agenda.

1.16 Relevant Documents

1.16.1 Appendices

- Appendix A – Budget summary 2012/13
- Appendix B – Medium term financial strategy 2012/13
- Appendix C – Estimated balances as at 31st March 2013
- Appendix D – Strategic revenue projections
- Appendix E – Assumptions in the strategic revenue projections

1.16.2 Background Documents

- Strategic Plan 2012/13 Onwards
- Business Rates consultation
- Localisation of Council Tax Benefit DCLG guidance

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 it is a budget strategy report

Wards/Parishes affected: All

MAIDSTONE BOROUGH COUNCIL
BUDGET 2012/13
SUMMARY

SERVICES	2012/13 Original Estimate £
Leader of the Council	(13,970)
Community & Leisure Services	8,237,030
Corporate Services	1,041,400
Economic & Commercial Development	3,153,200
Environment	7,089,030
Planning Transport & developmen	2,258,350
TOTAL SERVICE SPENDING	21,765,040
General Underspend	(150,000)
NET SERVICE SPENDING	21,615,040
Contribution to (from) Balances	
- Planned - General	(100,000)
- Carry Forward	(1,572,250)
- Invest to Save	(2,840)
TOTAL CONTRIBUTION TO (FROM) BALANCES	(1,675,090)
BUDGET REQUIREMENT	19,939,950

BUDGET STRATEGY 2012/13 ONWARDS
MEDIUM TERM FINANCIAL STRATEGY 2012/13
ONWARDS

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1. **INTRODUCTION**

- 1.1 This financial strategy aims to support the Council's corporate objectives as identified in the strategic plan 2012 to 2017. Whilst achieving this, major issues relating to resources and facing the Council in the medium term will also be highlighted.
- 1.2 This strategy document sets out the revenue and capital spending plans of the Council at a high level. The success of these plans will depend upon the resources available to the Council, the approach taken to ensure that these resources are aligned over the medium term to reflect corporate objectives and the resources being controlled in a way that ensures long-term stability.
- 1.3 The approach of this strategy is to develop a four year plan with consideration of the impact of material issues on a fifth year. The current year's formula grant settlement, being the final year of the current system, required a number of assumptions about further years of the strategy and these have been based around the Spending Review 2010 data.
- 1.4 Although this document is developed for the medium term with an outlook from four to five years, the Council will review the strategy on an annual basis for the following period in order to reflect changes in circumstances which impact upon the strategy. This review will be completed to coincide with the annual review of the strategic plan. This will enable Members and Officers to ensure changes are appropriately reflected in both documents through links to the strategic plan key outcomes. Production of this document and the balanced budget it facilitates support the key outcomes of the strategic plan in their own right.
- 1.5 In addition the Council has consulted with a wide range of stakeholders and partners during the development period and give serious consideration to their views and responses.

2. REVENUE

2.1 Expenditure

2.1.1 The portfolio budgets in the full revenue estimates include detailed proposals for dealing with financial pressures and service demand, this financial strategy adopts a high-level review of the corporate objectives and budget pressures over the five-year period. This approach ensures a focus on factors that may influence the Council's stated aim to maintain working balances and ensure that they are used for specific and special activities and not to balance the budget. The financial projection assumes that the level of balances will be maintained, over the five year period, at or above the working level set annually by Cabinet.

2.1.2 Pay and price inflation:

The financial projection considers any allocation for pay increases on an annual basis. Any increase must allow for a staff pay award, incremental increases earned through competence appraisal and increases in employer contributions such as national insurance.

Other costs will need to consider a suitable inflation index balanced with the objectives of the strategy. Large elements of this cost will be tied to conditions of contracts which will specify the annual increase necessary, other costs will increase by the annual increase in an inflation index such as the retail price index or the consumer price index. The strategy may intentionally use levels of increase lower than these indices to enhance general efficiencies.

Table 1 below details the factors used for each year.

Inflation Indices	2012/13 %	2013/14 %	2014/15 %	2015/16 %	2016/17 %
Pay Inflation	0.0	1.0	1.0	2.0	2.0
Other Costs Inflation	0.0	0.0	0.0	0.0	0.0
Contractual Commitments	4.2	3.8	3.0	3.0	2.0
Business Rates Increases	5.2	4.8	3.5	3.5	3.0
Energy Increases	16.0	5.0	4.0	4.0	3.0
Growth in £,000	£410	£362	£415	£587	£521

[Table 1: Pay & price Indices]

2.1.3 Corporate objectives and key priorities:

In addition to these inflationary pressures the Council will develop and implement improvements to the corporate objectives identified in the strategic plan and, where significant, any local objectives identified in service plans. This may place additional pressure on the revenue budget.

The financial projection will also provide, where necessary, resources for national statutory responsibilities where these are to be provided locally.

Table 2 below identifies the links between the financial projection and key objectives.

Strategic Issues	2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000
Revenue support to Capital	150	150			
Changes to the Election Process		-80	180		
Council Tax Benefit Changes		160			
Transition to Universal Credit			150		
Local Development Framework	170	130			
Pay Restructure	160				
Economic Development	30	40			
Homelessness	60				
Service Agreements with Parishes			80		

[Table 2: Strategic Issues, links to other documents]

2.2 Funding

2.2.1 Resources available for the revenue budget are heavily constrained making the issue key to the financial planning process. The financial projection assumes that resources are maximised. The strategy identifies three separate categories of resource government grant, council tax and locally derived income from fees and charges. Where the financial projection includes the use of fixed term grant or other time limited income sources each portfolio is responsible for preparing and acting on suitable exit strategies at the end of the fixed term.

2.2.2 Government Grant:

The revenue support grant, also known as the formula grant, is expected to cease to exist in its current format from 2013/14. The government has confirmed the level of formula grant for 2012/13 and the value is as reported provisionally in January 2011.

The spending review published in October 2010 identified the maximum level of national resources available for each year up to 2014/15. It also identified plans to review formula grant commencing with the local retention of business rates in 2013/14. Whilst it is not yet clear what level of business rates will be retained by the Council, assumptions have been made that reflect the national reduction in resources available and the proposals outlined in the Government's consultation.

Other grants received from the government are similarly under threat from the effects of the governments strategy to reduce

public expenditure as it affects government departments. The strategy will assume future grant aid is likely to be at risk but only freezes such grants at their 2011/12 cash values unless further data is available. Table 4 identifies expected variances from this assumption.

2.2.3 Council Tax

The Council has a responsive approach to the level of Council tax and will set this at an appropriate level commensurate with the needs of the strategic plan. It has set a policy in recent years of an increase that avoids the threat of council tax capping but remains flexible on the level of that increase, thus focusing the strategy on its ability to set a balanced budget.

In 2011/12 the Council set a zero percent council tax increase and now receives council tax freeze grant that is equivalent to a 2.5% increase annually until 2015/16. The removal of this grant is provisioned in the strategy as can be seen in the strategic revenue projection.

The government has, for a second year, set an objective of a national council tax freeze. This has been formulated into this strategy at 2.5%. This year the government has offered a single year's grant.

2.2.4 Fees & Charges

The Council has a policy on the development of fees and charges that fall within its control. This policy ensures that an evaluation of market forces and links to the strategic plan or service plans are drivers of changes in price. This means that any increases in this funding source will be identified through each portfolio's detailed budget preparation work.

For 2012/13 all fees and charges made by the Council were considered by Cabinet and a range of increases were set in line with the policy statement. Although the increase in each charge was considered and set appropriately for its individual circumstance, the overall position created a 2% increase in expected income.

Table 3 below details the factors used for each resource type and Table 4 details the links between the financial projection and the major risk factors.

Strategic Issues	2012/13 %	2013/14 %	2014/15 %	2015/16 %	2016/17 %
Revenue Support Grant	-12.0	-13.6	-6.4	3.4	8.3
Fees & Charges	2.0	0.0	0.0	0.0	0.0
Council Tax	2.5	2.5	2.5	2.5	2.5

[Table 3: Resource and income indices]

Strategic Issues	2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000	2016/17 £,000
Benefit Administration Subsidy	40	40			
Safer Maidstone Partnership	30	30			
Council Tax Freeze Grant				335	
Income reduced by Regeneration Projects	100	200	200		

[Table 4: Strategic Issues, links to other documents]

3. CAPITAL

3.1 Programme

3.1.1 The strategy for the capital programme requires consideration of two issues, the scheme specifics and the overall programme.

3.1.2 The overall programme is considered in terms of the prudential borrowing principles of sustainability, affordability and prudence. The overall programme assessment also considers the relative priority of schemes as they enhance the provision of corporate or service based objectives.

3.1.3 The inclusion of specific capital schemes within the overall programme requires an assessment based on affordability in revenue and capital terms, including the whole life cost, deliverability in terms of ability to complete and risk assessment.

3.1.4 Prioritisation of schemes will occur in the following order:

- a) For statutory reasons;
- b) Fully or partly self funding schemes with focus on priority outcomes;
- c) Other schemes with focus on priority outcomes;
- d) Maintenance / Improvement of property portfolio not linked to priority outcomes;
- e) Other non priority schemes with a significant funding gearing.

3.1.5 The programme for the period 2011/12 to 2015/16 focuses on a series of key projects reflecting the strategic plan and a series of projects providing investment in the property assets. The detailed Capital Programme provides the link between the strategic plan key objectives and the current programme.

3.1.6 The capital programme is a four year programme and Table 5 below summarises the programme by portfolio and includes revised figures for the current year.

Portfolio	2011/12 £,000	2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000
Corporate Services	293	330	280	280	
Environment	126				
Community & Leisure	2,640	1,400	50	50	
Economic Development & Transport	4,587	2,896	1,688	1,490	
Grand Totals	7,646	4,626	2,018	1,820	0

[Table 5: Capital programme]

3.2 Funding

- 3.2.1 Since 2004 the Council has been debt free and the major funding for capital expenditure has come from capital receipts and government grant. The medium term financial strategy has, in the past, identified the time when such resources would reduce to the point where alternative funding would be required to support a continued programme of capital expenditure. The most recent strategy identifies that the most likely need for alternative funding will occur in 2015/16.
- 3.2.2 In recent years the Council has been in receipt of new homes bonus. At this time the future of this funding stream is uncertain. As a prudent use of this money the Council has supported its capital programme and not the short term deferral of financial savings required in the revenue budget.
- 3.2.3 Although commitment to a scheme is given by its inclusion in the programme, the strategy requires that funding is identified in advance of formal commencement of work. This assumption can be maintained up to the level of the Council's prudential borrowing limit as set in the Prudential Indicators. The quarterly monitoring of the capital programme enables Cabinet to take effective decisions based on current levels of funding before major projects commence.

Table 6 below identifies the current funding assumptions and the minimum risk of prudential borrowing need.

Portfolio	2011/12 £,000	2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000
Revenue Support	-3,322	-1,163	-1,568		-1,494
Use of Capital Receipts	-2,183	-1,400		-1,370	-430
Capital Grants and Contributions	-2,141	-2,063	-450	-450	-450
Grand Totals	-7,646	-4,626	-2,018	-1,820	-2,374

[Table 6: Capital financing, confirmed and assumed]

4. RESERVES

- 4.1 The Council holds a series of balances and reserves in order to provide financial stability and protection from unforeseen circumstances or events. In setting the level of these balances and reserves an assessment is made of the potential risks and opportunities that could reduce or enhance those balances.
- 4.2 All revenue balances at 1st April 2011 total £9.9m and it is estimated that this balance will be £4.7m by 1st April 2012. The major items reducing the balance are approved budget carry forwards of £2.8m from 2010/11 resources into 2011/12 for prior agreed purposes and support for the Local Development Framework and minor initiatives.
- 4.3 The balances comprise a general balance and a series of specific allocations the breakdown of these is given in Table 7 below.

Balances	01/04/2011 £,000	01/04/2012 £,000	01/04/2013 £,000
General Balance	7,117	3,341	3,241
Trading Account Surpluses	30	30	30
Asset Replacement	47	47	47
Invest to Save Initiatives	559	509	797
Local Development Framework	203	0	512
VAT Reclaim	1,977	897	0
Grand Totals	9,933	4,824	4,627

[Table 7: Revenue balances]

- 4.4 In addition to revenue reserves a small number of capital reserves exist due to the timing of expenditure in the Capital Programme.
- 4.5 Available capital receipts at 1st April 2011 total £1.5m and it is estimated that this balance will be used up during 2011/12.

5. Efficiency

- 5.1.1 The Council's strategic plan recognises corporate excellence as a priority, identifying value for money (vfm) services that residents are satisfied with, as a key outcome. This theme runs through service plans and by this the Council's approach to efficiency is integrated in to all decision making.
- 5.1.2 The Council has successfully achieved all its government set efficiency targets and will not cease to monitor and improve upon levels of efficiency both through improved service levels and reduced costs.
- 5.1.3 The Council uses a number of measures to identify locations to achieve efficiency and gauge success. These include:
- Annual best value reviews performed by officers and by members.
 - Kent wide benchmarking to measure unit cost and performance levels and compare these over time and across Kent.
 - Other benchmarking exercises undertaken by local managers to challenge service delivery in their own area.
 - The identification of efficiency targets that match the Council's need over the period of this medium term financial strategy.
- 5.1.4 Efficiency proposals are carefully measured for effect upon capacity, acceptable levels of service, quality standards, and the potential of shared service provision. All efficiency proposals consider the effect of fixed costs and the effect on the base financial standing of the Council and the opportunity for reinvestment of gains into priority services or toward achievement of corporate objectives.
- 5.1.5 The adoption of efficiency and VFM as part of this strategy helps to ensure that the financial projection will remain within available resources.
- 5.1.6 The financial projection identifies the need for savings to make a balanced budget, which must be considered in line with the development of efficiency savings. Table 8 below details the required saving for each year, based on the factors used in the financial projection, and the percentage of net revenue spend the given saving represents.

Strategic Projection	2011/12 £,000	2012/13 £,000	2013/14 £,000	2014/15 £,000	2015/16 £,000
Annual Savings Requirement	1,602	1,540	1,060	473	
Percentage / Net Revenue Spend	8.2	8.0	5.5	2.4	

[Table 8: Annual savings requirement]

5.1.7 The Council has required the savings target to be met in the medium term and at this time proposals are in place to provide efficiency and savings to meet the requirement through to 2014/15. The Council is continuing to develop long term proposals to ensure the future risk is mitigated at the earliest time.

6. **CONSULTATION**

- 6.1 The Council has a co-ordinated approach to consultation on the budget process. To this end a programme has been proposed that ensures the focus of annual consultations avoids the review of similar themes and builds a body of opinion.
- 6.2 The Council consults annually on this strategy and the proposed budget for the forthcoming year. The intention of the consultation is to both inform and be informed by local residents, businesses and stakeholders.
- 6.3 In recent years the consultation has considered the level of Council tax increase acceptable and the service areas where reductions should occur, the elasticity of demand for services provided by the Council with a related fee and for this strategy the consultation focused on the long term factors faced by the Council due to the current economic climate and the relative importance residents place on a range of discretionary services provided by the Council.

7. **RISK MANAGEMENT**

- 7.1 In outlining the resources available to the Council and the focus of those resources on the strategic priorities, this strategy must consider the barriers to achieving the resource levels assumed by the budget.
- 7.2 A full risk assessment of the strategy has been completed and forms part of the operational risk assessment of the services provided by the Head of Finance and Customer services.
- 7.3 Twelve major risk areas have been identified and action plans have been developed for each. The twelve areas are as follows:
 - a) The level of balances;
 - b) Inflation rates;
 - c) National strategy;
 - d) External grants and contributions;
 - e) Limitations on Council Tax increases;
 - f) Fees and charges;
 - g) Capital financing;
 - h) Horizon scanning;
 - i) Delivery of efficiency;
 - j) Pension fund changes;
 - k) Business rates retention.
 - l) Council Tax Benefit changes

MAIDSTONE BOROUGH COUNCIL

PROVISIONAL GENERAL FUND BALANCES

	PROVISIONALLY ALLOCATED						Overall Total £000
	Total General Fund £000	Trading Accounts £000	Asset Replacement £000	VAT Reclaim £,000	Invest to Save £000	LDF Fund £000	
Balance 31/03/2011	7,117	30	47	1,977	559	203	9,933
Use of 2010/11 carry forward in 2011/12	-2,850						-2,850
Use in 2011/12		95	40		10		145
Local Development Framework	-400					131	-269
Rural Busses	-46						-46
Shared Service Set-up Cost				-336			-336
Carbon Reduction Plans					-49		-49
Contribution to Capital Financing General				-1,541			-1,541
Theatre	-343						-343
Additional VAT Reimbursements				798			798
New Homes Bonus	146						146
Contribution to balances	4,558						4,558
Provisional Balance 31/03/2012	8,182	125	87	898	520	334	10,146
Use of 2011/12 carry forward in 2012/13	-3,540						-3,540
Use in 2012/13			40		-6		34
Localism Related Activity				-100			-100
Concurrent Functions Support	-100						-100
Local Development Framework						-334	-334
New Homes Bonus	34						34
Revenue funding from NHB	-180						-180
Estimated Future Balance	4,396	125	127	798	514	0	5,960

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

WORST CASE MODEL

2012/13 £,000		2013/14 £,000	2014/15 £,000	← Period Post CSR 2010 →		
				2015/16 £,000	2016/17 £,000	2017/18 £,000
AVAILABLE FINANCE						
6,481	RSG OR BUSINESS RATES	6,038	5,239	4,589	4,038	3,715
-778	RSG OR BUSINESS RATES (LOSS) / GAIN	-799	-315	-551	-323	-186
674	COUNCIL TAX FREEZE GRANT					
	COLLECTION FUND ADJUSTMENT					
13,563	COUNCIL TAX	12,359	12,680	13,010	13,348	13,695
	COUNCIL TAX DISCOUNT GRANT	1,065	1,065	1,065	1,065	1,065
	KCC SUPPORT	7	57	108		
19,940	TOTAL RESOURCES AVAILABLE	18,670	18,726	18,221	18,128	18,289
19,907	CURRENT SERVICE SPEND	19,940	18,670	18,726	18,221	18,128
INFLATION INCREASES						
410	PAY AND CONTRACTUAL COMMITMENTS	377	578	715	776	800
CONTRACTUAL COMMITMENTS						
	ELECTIONS	-80	80			-80
40	REDUCTION IN BENEFIT GRANT	40				
NATIONAL INITIATIVES						
	LOSS OF ADMINISTRATION GRANTS		330		200	
170	LOCAL DEVELOPMENT FRAMEWORK	50				
30	SAFER MAIDSTONE PARTNERSHIP	30				
LOCAL PRIORITIES						
150	CAPITAL RESOURCING	150				
100	LOST INCOME FROM REGENERATION	200	200			
160	PAY RATIONALISATION					
60	HOMELESSNESS INCREASED DEMAND					
30	ECONOMIC DEVELOPMENT	40				
	SERVICE ARRANGEMENTS WITH PARISHES		80			
MINOR INITIATIVES						
150	GROWTH PROVISION	150	150	150	150	150
21,207	TOTAL PREDICTED REQUIREMENT	20,897	20,088	19,591	19,347	18,998
1,267	ANNUAL SAVINGS TARGET	2,227	1,362	1,370	1,219	709

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

EXPECTED MODEL		←-----> <i>Period Post CSR 2010</i>				
		2013/14	2014/15	2015/16	2016/17	2017/18
2012/13		£,000	£,000	£,000	£,000	£,000
AVAILABLE FINANCE						
6,481	RSG OR BUSINESS RATES	6,038	5,239	4,589	4,222	3,884
-778	RSG OR BUSINESS RATES (LOSS) / GAIN	-799	-315	-367	-338	-194
674	COUNCIL TAX FREEZE GRANT					
	COLLECTION FUND ADJUSTMENT					
13,563	COUNCIL TAX	12,359	12,680	13,010	13,348	13,695
	COUNCIL TAX DISCOUNT GRANT	1,165	1,165	1,165	1,165	1,165
	KCC SUPPORT	7	57	108		
19,940	TOTAL RESOURCES AVAILABLE	18,770	18,826	18,505	18,397	18,550
19,907	CURRENT SERVICE SPEND	19,940	18,770	18,826	18,505	18,397
INFLATION INCREASES						
410	PAY AND CONTRACTUAL COMMITMENTS	285	392	511	508	514
CONTRACTUAL COMMITMENTS						
	ELECTIONS	-80	80			-80
40	REDUCTION IN BENEFIT GRANT	40				
NATIONAL INITIATIVES						
	LOSS OF ADMINISTRATION GRANTS		130		100	
170	LOCAL DEVELOPMENT FRAMEWORK	50				
30	SAFER MAIDSTONE PARTNERSHIP	30				
LOCAL PRIORITIES						
150	CAPITAL RESOURCING	150				
100	LOST INCOME FROM REGENERATION	200	200			
160	PAY RATIONALISATION					
60	HOMELESSNESS INCREASED DEMAND					
30	ECONOMIC DEVELOPMENT	40				
	SERVICE ARRANGEMENTS WITH PARISHES		80			
MINOR INITIATIVES						
150	GROWTH PROVISION	150	150	150	150	150
21,207	TOTAL PREDICTED REQUIREMENT	20,805	19,802	19,487	19,263	18,981
1,267	ANNUAL SAVINGS TARGET	2,035	976	982	866	431

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

BEST CASE MODEL

2012/13 £,000		2013/14 £,000	2014/15 £,000	←-----> <i>Period Post CSR 2010</i>		
				2015/16 £,000	2016/17 £,000	2017/18 £,000
AVAILABLE FINANCE						
6,481	RSG OR BUSINESS RATES	6,038	5,239	4,924	4,924	4,924
-778	RSG OR BUSINESS RATES (LOSS) / GAIN	-799	-315			
674	COUNCIL TAX FREEZE GRANT					
	COLLECTION FUND ADJUSTMENT					
13,563	COUNCIL TAX	12,359	12,680	13,010	13,348	13,695
	COUNCIL TAX DISCOUNT GRANT	1,365	1,365	1,365	1,365	1,365
	KCC SUPPORT	7	57	108		
19,940	TOTAL RESOURCES AVAILABLE	18,970	19,026	19,407	19,637	19,984
19,907	CURRENT SERVICE SPEND	19,940	18,970	19,026	19,407	19,637
INFLATION INCREASES						
410	PAY AND CONTRACTUAL COMMITMENTS	198	365	338	338	344
CONTRACTUAL COMMITMENTS						
	ELECTIONS	-80	80			-80
40	REDUCTION IN BENEFIT GRANT	40				
NATIONAL INITIATIVES						
	LOSS OF ADMINISTRATION GRANTS		30		100	
170	LOCAL DEVELOPMENT FRAMEWORK	50				
30	SAFER MAIDSTONE PARTNERSHIP	30				
LOCAL PRIORITIES						
150	CAPITAL RESOURCING	150				
100	LOST INCOME FROM REGENERATION	200	200			
160	PAY RATIONALISATION					
60	HOMELESSNESS INCREASED DEMAND					
30	ECONOMIC DEVELOPMENT	40				
	SERVICE ARRANGEMENTS WITH PARISHES		80			
MINOR INITIATIVES						
150	GROWTH PROVISION	150	150	150	150	150
21,207	TOTAL PREDICTED REQUIREMENT	20,718	19,875	19,514	19,995	20,051
1,267	ANNUAL SAVINGS TARGET	1,748	849	107	358	67

BUDGET STRATEGY 2013/14 ONWARDS

ASSUMPTIONS IN THE STRATEGIC REVENUE PROJECTION

	WORST					EXPECTED					BEST				
	2013/14	2014/15	2015/16	2016/17	2017/18	2013/14	2014/15	2015/16	2016/17	2017/18	2013/14	2014/15	2015/16	2016/17	2017/18
PAY OTHER	1.5	2	3	3	3	1	1	2	2	2	0.5	1	1	1	1
	Fast rise					Slow rise to government target CPI					Low inflation / government pressure				
ENERGY	5	5	5	5	5	5	4	4	3	2	3	3	3	2	2
	At expected for 2013/14 and remain high					At expected for 2013/14 and reducing to CPI					Low to reflect CPI immediately				
NNDR	4	4	3.5	4	4	3.1	3.1	3.1	3	3	3.1	3	3	3	3
	High, above current RPI					At current RPI with slow reduction					At current RPI with slow reduction				
CONTRACTUAL COMMITMENTS	3	3	2.5	3	3	2.8	2.8	2.1	2	2	2.8	2.5	2	2	2
	Above CPI and reasonably static					At CPI and reducing to target CPI					AT CPI redcing to target CPI faster				
OTHER RUNNING COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	None					None					None				
	WORST					EXPECTED					BEST				
BUSINESS RATES	2013/14	2014/15	2015/16	2016/17	2017/18	2013/14	2014/15	2015/16	2016/17	2017/18	2013/14	2014/15	2015/16	2016/17	2017/18
	Current loss as expected with a continued loss during the next CSR period					Current loss as expected with a continued loss during the next CSR period					Current loss as expected with a continued loss during the next CSR period				
COUNCIL TAX BENEFIT	Funding from central government assumes reductions in claimants of £0.3m not realised					Funding from central government assumes reductions in claimants of £0.2m not realised					Funding from central government assumes reductions in claimants of £0.3m not realised				
ADMINISTRATION GRANT	Grant loss a total of £0.53m over period of UC transition					Grant loss a total of £0.23m over period of UC transition					Grant loss a total of £0.13m over period of UC transition				
LOCAL DEVELOPMENT FRAMEWORK	Agreed funding level reduces by £0.08m					Agreed funding level reduces by £0.08m					Agreed funding level reduces by £0.08m				

MAIDSTONE BOROUGH COUNCIL

CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE

7 AUGUST 2012

REPORT OF CORPORATE LEADERSHIP TEAM

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

1. CAPITAL PROGRAMME 2012 TO 2016

1.1 Issue for Decision

1.1.1 To determine the strategy for developing the future Capital Programme for 2013/14 onwards as part of the consideration of the Medium Term Financial Strategy (MTFS) and to consider and approve the amount and allocation of capital resources for the delivery of the objectives of the strategic plan and other key strategies.

1.2 Recommendation for Corporate Services Overview and Scrutiny Committee

1.2.1 That the Committee consider the report and recommendations made to Cabinet and make recommendations as appropriate.

1.3 Recommendation of Corporate Leadership Team

1. 2.2 It is recommended that Cabinet

- a) Agrees the proposed amendments to the capital strategy including the principle of prudential borrowing where this achieves commercial development, as outlined in section 1.5;
- b) Request officers develop and present proposals that achieve the councils objectives through commercial development, as set out in section 1.5;
- c) Considers the evaluation of resources available and scheme proposals as set out in paragraph 1.6.6 and identifies the appropriate uses of the resources available.

1.4 Background

1.4.1 Due to the complex nature of the two issues, this year the initial consideration of the MTFs is being reported to Cabinet in two separate reports. One report on the capital programme and one on the revenue budget. Both reports are on the same agenda. This report reviews the strategy specifically in relation to the capital programme and considers options for the development of the capital programme for future years.

1.4.2 Although the capital programme is considered and reviewed quarterly by Cabinet, the last comprehensive review was in May 2009. At that time Cabinet amended both the programme and the criteria stated in the MTFs. The Cabinet decision for May 2009 details the main changes to the capital programme as:

- A reduction in annual capital funding for asset management programmes of £0.44m per annum, as given in the table below.

Programmes	Annual Sum Pre 2009 £,000	Current Annual Sum £,000
Sundry Corporate Properties	200	100
IT Systems Replacement	250	180
Small Scale Capital Works	70	0
Play Area Improvements	250	50
	770	330

- A reduction in the funding of the support for social housing. This was funded to deliver 450 new homes over the period of the programme.

1.4.3 Following the approval given by Cabinet a further review was carried out that focused on the various housing grants. This led to the funding for grants also being reduced over the period of the programme. At the same time the grants offered by the Council were focused on those able to most effectively reduce revenue pressures.

1.4.4 In the period since May 2009 Cabinet has considered and approved a number of further amendments in order to keep the programme and the resources in balance. The major changes approved by Cabinet are tabled below.

Pressures Identified	£m	Approved Changes	£m
Growth Point Grant	1.5	Use of NHB	2.5
Capital receipt timing	2.4	Use of Fleming VAT	1.5

Museum Contributions	1.4	High Street Phase 2	1.3
	5.3		5.3

1.4.5 Attached at **Appendix A** is the current capital programme. This was approved by Council on 29th February 2012 and amended by Cabinet following their consideration, in May 2012, of the Outturn for 2011/12. In 2012/13 two of the Council's three flagship schemes will report their final accounts with the third due early in 2013/14. The approved programme ends in 2014/15, which is in line with previous assumptions about available resources.

1.5 Maximising Capital Resources

1.5.1 The table below, for the current year and the following five year period of the MTFS, summarises the currently available funding and compares this to the currently approved programme, taken from Appendix A. The table includes the potential sale of 26 Tonbridge Road but makes no further assumptions about asset sales or about the use of future new homes bonus.

Total Resources	Estimate 2012/13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/16	Estimate 2016/17	Estimate 2017/18
	£,000	£,000	£,000	£,000	£,000	£,000
Estimated Spend	5,525	2,053	1,820	450	450	450
Resources						
Revenue Support	3,884	350	350	350	350	350
Grant / Contribution	2,084	472	450	450	450	450
Asset Sales / Receipts	3,006	550	0	0	0	0
Total Resources	8,974	1,372	800	800	800	800
Accumulating Balance	3,449	2,768	1,748	2,098	2,448	2,798

1.5.2 The last row of the table above shows the cumulative unused resources available to the programme at the end of each financial year. At the end of 2014/15 a balance of approximately £1.75m exists. As this is the lowest cumulative value in the table, it represents the maximum resources available for immediate use in the development of the programme. This assumes the receipt of £0.55m in 2013/14 from asset sales as identified in paragraph 1.4.1. If this receipt is not forthcoming, the available resources will be £1.2m. In addition, from 2015/16 onwards, the increase in resources available is equal to the accumulated annual revenue support.

1.5.3 In order to consider a programme for future years it is essential to consider all possible resource options. There are four major resource types available to fund any future capital programme,

these are: revenue support; grants and contributions from third parties; receipts from the sale of council assets; and prudential borrowing.

- Revenue Contributions

- 1.5.4 Over the last three years the Council has set aside resources for an annual revenue support budget of £0.35m. This represents 1.8% of the Council's net revenue budget, is funded within the base budget and is included in the table at 1.4.1. An increase in the level of support, although possible, would place additional pressure upon the revenue budget. The strategic revenue projection suggest savings of £3.5m already need to be found over the medium term, in order to deliver a balanced budget.
- 1.5.5 There are other sources of revenue support available to the Council and in recent years these sources have been used effectively to support the current programme. The two major sources are the general fund balance and new homes bonus.
- 1.5.6 The general fund balance has been utilised in previous years to make a £1.5m one-off contribution to the programme and occasionally for necessary contributions to achieve urgent or emergency works. It is estimated that the unallocated general fund balance will be £5.2m by 31st March 2013. Of this sum the minimum working balance set by Cabinet is £2.3m and the absolute minimum balance set by Council is £2m. This means that approximately £2.9m is available. As this is a revenue resource there are pressures arising from the revenue budget that may demand equal prominence when considering its use.
- 1.5.7 The government's new homes bonus scheme (NHB) has now been in operation for two years and the amounts received by the Council so far are £0.9m for 2010/11 and £1.8m for 2011/12. With the exception of £0.18m set aside for one-off projects, these resources have supported the capital programme. The Council can reasonably expect to receive a sum greater than £1.8m for 2012/13 reflecting the previous receipt plus a further bonus for new dwellings in 2012/13.
- 1.5.8 The £0.18m set aside from 2011/12 NHB for specific one-off projects includes £0.1m provisionally set aside for work on the play areas programme. This resource could be immediately introduced into the Capital programme at this time.
- 1.5.9 The risk relating to NHB in future years is the government's plans for a spending review in 2014. At that time the government may amend or remove the scheme in order to maintain progress in its

plan to reduce public sector spending. Although future NHB payments are possible, it would not be prudent to consider their use until the spending review or another announcement clarifies the position.

- Grants and Contributions

- 1.5.10 Recent schemes that have received support through grants and contributions include the Museum, Mote Park, and the High Street. Some government grants are annual sums, such as the disabled facilities grant, but the majority of sums are one-off and scheme specific.
- 1.5.11 Part of the developer contributions often received for new developments, commonly known as section 106 agreements, can be received for capital purposes although the specific use of the resource is defined in the s106 agreement. This funding source is regularly used for parks and open spaces expenditure. Under a scheme resulting from the Planning Act 2008 the Council intends to develop a community infrastructure levy that will partly replace s106 agreements. The Council is expecting to utilise this levy to fund the works set out in the infrastructure delivery plan.
- 1.5.12 The Council could increase its focus on the development of schemes that achieve funding from such sources and the MTFS currently identifies the level of external funding as one element in the prioritisation of schemes. It does not recommend that schemes should be developed to specifically achieve external funding because such an action could potentially focus schemes away from the Council's priorities and towards the objectives of the third party that is providing the support.

- Capital Receipts

- 1.5.13 Since the voluntary transfer of the housing stock in 2004, receipts from the sale of assets have been the main source of funding for the capital programme.
- 1.5.14 By 2008 the resources from the transfer had been fully utilised. Since that time, the council has sold surplus assets to provide support to the programme. Receipts in the current programme represent all major assets that have been identified as surplus with the exception of one asset which, although included in the programme, remains surplus to requirements and for sale.
- 1.5.15 Further asset sales are restricted by two key issues, the difficulty in obtaining best consideration for the asset during the recession and evidencing, in advance of sale, the greater benefit to be derived

from the proceeds of the sale when compared to current or alternative uses of the asset.

- Prudential Borrowing

1.5.16 When the Council received the proceeds of the voluntary transfer it made a decision to repay all debt, not just the debt related to the housing stock that had been sold. By doing this the Council became debt free and has remained debt free since that time.

1.5.17 The Council has the power to borrow to finance capital expenditure subject to the guidance set out in the Prudential Code. This code of practice is published by the Chartered Institute of Public Finance and Accountancy and covers the full range of capital planning not just potential borrowing. 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.

1.5.18 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.

- Resources Available

1.5.19 The review in this section of the report has identified the following resources that are, or will be available to the programme now or in the immediate future:

Resources Type	Availability	£m
Cash held	Immediate	1.2
Balances set aside for Play Areas	Immediate	0.1
NHB for 2012/13 (minimum)	By 01/04/2013	1.8

Future revenue support	2015 onwards	0.7
Total		3.8

The table excludes the value of the unsold asset set out in paragraph 1.4.1.

1.6 Developing a Capital Strategy

1.6.1 The current strategy states that “although commitment to a scheme is given by its inclusion in the programme, the strategy requires that funding is identified in advance of formal commencement of work”. This means that the appraisal and prioritisation of schemes occurs prior to the decision to enter into contractual commitments. Contractual commitment requires the scheme to be firstly detailed in the capital programme and then for the resources to complete the scheme to have been identified and certain.

1.6.2 The strategy further states that “the inclusion of specific capital schemes within the overall programme requires an assessment based on affordability in revenue and capital terms, including the whole life cost, deliverability in terms of ability to complete and a full risk assessment”. While these assessment criteria meet the requirements of the Prudential Code the Council also assesses schemes for their ability to deliver on the objectives set out in the strategic plan.

1.6.3 Following the assessment of this report, Cabinet are requested to consider an update to the current strategy that will support the development of a future capital programme in the current economic climate and reflect the revenue pressures faced by the Council. A strategy that includes the principles set out in paragraphs 1.5.4 and 1.5.5 below is recommended.

1.6.4 Capital expenditure

All schemes and programmes within the capital programme are subject to appropriate option appraisal. Such appraisal must comply with the requirements of the Prudential Code.

Where schemes fit within a specific strategy that has programmed resources, such as the IT Strategy, the schemes should also be subject to appraisal and prioritisation against the objectives of that strategy and funded from the approved budgets allocated to that strategy.

Where schemes can be demonstrated to be commercial, producing a return that makes them effectively self-funding, they must also

produce either an additional financial benefit or support the strategic plan priorities.

Where schemes do not fit within the criteria above but an appropriate option appraisal has been completed, the prioritisation of such schemes will be as follows:

1. For statutory reasons;
2. Fully or partly self-funded schemes focused on strategic plan priority outcomes;
3. Other schemes focused on strategic plan priority outcomes;
4. Other non-priority schemes with a significant funding gearing.

1.6.5 Capital resources

The Council will maximise the resources available to finance capital expenditure in line with the requirements of the Prudential Code. The Council has budgetary provision for revenue funding of £0.35m. In addition to this resource the council will:

1. Maximise the use of external grants and contributions, subject to maintaining a focus on the priority outcomes of its own strategies;
2. Consider opportunities to obtain receipts from assets sales subject to the benefits of assets sales demonstrably outweighing the benefits of current and alternative uses of each asset;
3. Allow prudential borrowing when the following criteria also apply to the schemes funding by this method:
 - a. They 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 plan's priority outcomes.

1.7 Capital Expenditure and a Future Programme

- 1.7.1 The report has set out a prudent limit to the resources that can be considered available for use, of up to £3.7m. It has also reviewed the current programme and detailed the May 2009 reductions made across the capital programme.

- 1.7.2 Much of this reduction occurred to the asset management programmes and programmes within the housing strategy. The prudential code supports the use of such programmes and affords them high importance in option appraisal. Cabinet may wish to give consideration to the full or partial replacement of the resources removed in 2009, a total of £0.44m per annum for the asset management programmes and a variable amount for both housing programmes.
- 1.7.3 It is difficult within a report of this nature to provide Cabinet with enough detail for them to approve amendments to those resources levels and allocate any funding across the programmes. However Cabinet may wish to consider the action in principle and set a maximum amount for this purpose and review each programme later in the year as part of the further development of the MTFs for 2013/14. It should also be noted that the infrastructure delivery plan and to a lesser extent some other programmes (i.e. Play Areas) will receive future funding from section 106 agreements and the community infrastructure levy.
- 1.7.4 In developing the proposals set out in this report, officers have identified schemes that could form an updated capital programme. At this time Corporate Leadership Team is completing a full options appraisal however estimated values that give Cabinet an indication of the level of resources required have been summarised into the following categories:

Scheme Category	£,000	Timescale
Schemes that are high priority because of their legislative importance, i.e. for Health & Safety reasons.	800	Immediate
Schemes that meet the objectives of an asset management strategy that is considered for funding on an annual basis. It is assumed that these schemes will be funded from within the allocated resources	2,200	Funding to be considered
Housing Grants (2015/16 and 2016/17)	1,300	Per Annum
Support to Social Housing	2,070	When approved
Schemes that deliver one or more of the priority outcomes from the strategic plan or the corporate improvement plan.	4,445	When approved
Local Authority Mortgage Scheme	500	Long Term Investment
Schemes that offered a commercial potential and could be expected to deliver a return that would cover the cost of the scheme	1,000	When approved
Total value of schemes being appraised	12,315	

1.7.5 The resources available now or in the immediate future, as set out in paragraph 1.4.19, demonstrate that options to update the programme are available to Cabinet at this time. The following proposal, based on the details in this report, is recommended for Cabinet's consideration:

- From the immediately available resources of £1.2m it is possible to commence those schemes identified as high priority for legislative reasons totalling £0.8m and including the necessary support for the provision of a new Gypsy and Traveller site;
- From the balance of the £1.2m above and the use of the annual revenue contribution, it would be possible to partially reinstate the funding of the programmes set out in paragraph 1.3.2. Cabinet may wish to consider utilising funding set aside for play areas and an immediate £0.2m to support an increased corporate property programme and receive reports on the current status of all strategies and their relative need before further distribution of any resources;
- From the minimum level of NHB for 2012/13, of £1.8m, it would be possible to commence work on one or more priority scheme providing commitment occurred and work commenced following the funding announcement in January 2013.

1.7.6 Elsewhere on this agenda is a report on the final stage of the High Street scheme. When Cabinet last considered the funding available for the High Street scheme, and agreed to progress with Phases 1a and 1b, Cabinet requested that officers report back on options when resources were available to complete the second phase of the scheme. The report on this agenda is brought back to cabinet at this time because the proposal above identifies the availability of £1.8m.

1.7.7 Cabinet may wish to also note two further matters regarding the High Street scheme:

- The scheme is featured within the draft infrastructure delivery plan;
- The community infrastructure levy will require public inspection including an assessment of the use of NHB in the provision of infrastructure.

1.8 Alternative Action and why not Recommended

1.8.1 Cabinet could at this time choose to take no further action in relation to the capital programme. An approved programme through to the financial year 2014/15 exists as set out in Appendix A. Whilst Cabinet could choose to wait, giving consideration at a future time,

resources are available for immediate use and it is appropriate to consider options as part of the medium term financial strategy for 2013/14 onwards.

1.8.2 Cabinet could chose not to amend the strategy for the development of the capital programme and continue with the strategy currently in existence. It would be possible to develop a programme using that strategy. It is however appropriate to consider the future needs of the organisation in keeping with the strategic plan priorities. Amending the strategy at this time reflects the current market conditions and the progressive ambitions of the Council.

1.8.3 Cabinet could chose to use prudential borrowing to finance a larger capital programme. Whilst achieving the Council's strategic aims at a quicker pace, such a strategy would place additional pressure on the revenue account. An alternative strategy such as this would not, at this time, support the requirements of the Prudential Code. The strategy recommended in this report is that prudential borrowing should only be considered by this Council where a commercial assessment of a scheme indicates it is suitable. Criteria that identify a suitable scheme are that a return on the investment can be made that is, at least, equal to the resources required to maintain the necessary debt repayments.

1.9 Impact on Corporate Objectives

1.9.1 The strategy outlined and the programme proposed in this report is focused on the Council's corporate objectives, other strategic priorities and asset management.

1.10 Risk Management

1.10.1 Resources identified in the report are found not to be available and the Council is forced to borrow. This situation is low risk as only guaranteed resources have been considered and any further use of balances has not been proposed at this time.

1.10.2 Statutory schemes come forward and the Council does not have resources to carry them out. Whilst capital resources may not be available, revenue resources and balances exist. The purpose of maintaining a minimum level of balances is to be prepared for such an eventuality.

1.10.3 Negotiations regarding the settlement of the final account on the Museum East Wing project may not achieve the expected result. If the final account is agreed at a higher cost than the provision agreed by Cabinet there may be a requirement to use balances.

The purpose of maintaining a minimum level of balances is to be prepared for such an eventuality.

1.10.4 There is potential, due to the nature of commercial enterprise, for borrowing to occur under the strategy and for the payback not to be available or sufficient to cover the cost of schemes for which prudential borrowing may be authorised. If Cabinet conclude that the option to finance commercially viable schemes through prudential borrowing is acceptable it would be appropriate to allow for a level of scheme failure by setting aside a reserve and by ensuring a diversified range of schemes are undertaken. This issue is considered in the revenue report on this agenda.

1.11 Other Implications

1.11.1

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

1.11.2 Financial and Legal – the considerations are set out in the report

1.11.3 Equality Impact Needs Assessment – the capital programme is developed in line with the strategic plan, medium term financial strategy and other strategic documents. The programme directs resources in accordance with these strategies and will create a positive impact.

1.12 Relevant Documents

1.12.1 Appendix A – Current Capital Programme 2012/13 to 2014/15

1.12.2 Background Documents

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 it is a budget strategy report

Wards/Parishes affected: All

- The Prudential Code, published by the Chartered Institute of Public Finance and Accountancy.

MAIDSTONE BOROUGH COUNCIL

CAPITAL PROGRAMME 2012/13 TO 2014/15

CAPITAL PROGRAMME DETAIL	2012/13	2013/14	2014/15	2015/16
	£	£	£	£
CCTV	238,505			
Asset Management / Corporate Property	145,759	100,000	100,000	
Software / PC Upgrade and Replacement	180,000	180,000	180,000	
Upgrade Amenity lighting	3,100			
CCTV - Park & Ride Sites	5,200			
Improvements to the Council's Car Parks	14,796			
Land Drainage/Improvement to Ditches & Watercourse	23,900			
Brenchley Gardens - Upgrading & Improvements				
Cobtree Golf Course	6,950			
Continued Improvements to Play Areas	175,000	50,000	50,000	
Green Space Strategy	4,500			
Hazlitt Heating				
Leisure Centre Roof	20,830			
Mote Park Regeneration	972,008	35,000		
Museum Improvements (Carbon Management)	40,000			
Small Scale Capital Works Programme	67,492			
Gypsy Site Improvements	100,000			
High Street Regeneration	672,238			
Planning Delivery	9,350			
Housing Grants	1,641,141	1,305,000	1,300,000	
Support for Social Housing	1,177,500	382,500	190,000	
Regeneration Schemes	26,450			
Non-programme schemes				
TOTAL	5,524,719	2,052,500	1,820,000	0

Maidstone Borough Council

Communities Overview and Scrutiny Committee

Tuesday 7 August 2012

Future Work Programme and Forward Plan of Key Decisions

Report of: Overview & Scrutiny Officer

1. Introduction

- 1.1 To consider the Committee's future work programme and the Forward Plan of Key Decisions.
- 1.2 To consider the update on the work programme given by the Overview and Scrutiny Officer.

2. Recommendation

- 2.1 That the Committee considers the draft future work programme, attached at **Appendix A**, to ensure that it is appropriate and covers all issues Members currently wish to consider within the Committee's remit. Items on the draft future work programme, highlighted in red, are provisional items for the Committee to approve.
- 2.2 That the Committee considers the sections of the Forward Plan of Key Decisions relevant to the Committee and discuss whether these are items require further investigation or monitoring by the Committee.
- 2.3 That the Committee considers the reference from the (old) Standards Committee at **Appendix C** and decides whether or not to include the recommendation made in its future work programme.
- 2.4 That the Committee considers the reference at **Appendix D** from the Corporate Governance Review Working Group and the recommendation made for this Committee to fulfil.

3 Future Work Programme

- 3.1 Throughout the course of the municipal year the Committee is asked to put forward work programme suggestions. These suggestions are planned into its annual work programme. Members are asked to consider the work programme at each meeting to ensure that remains appropriate and covers all issues Members currently wish to consider within the Committee's remit.
- 3.2 The Committee is reminded that the Constitution states under Overview and Scrutiny Procedure Rules number 9: Agenda items that 'Any Member of an Overview and Scrutiny Committee or Sub-

Committee shall be entitled to give notice to the proper officer that he wishes an item relevant to the functions of the Committee or Sub-Committee to be included on the agenda for the next available meeting. On receipt of such a request the proper officer will ensure that it is included on the next available agenda.'

4 Forward Plan of Key Decisions

4.1 The Forward Plan for August - November 2012 (**Appendix B**) contains the following decisions relevant to the Corporate Services Overview and Scrutiny Committee's current work programme and terms of reference:

- Asset Management Plan 2012-15;
- King St Multi Storey Car Park; and
- Council Tax 2012-13 – Collection Fund Adjustments.

5. Working Groups Update

5.1 At its first meeting of the Municipal Year the Corporate Services Overview and Scrutiny Committee appointed members for its Capital Programme Review Working Group. The Committee should consider the verbal update given by the Working Group and make recommendations if appropriate.

6. Impact on Corporate Objectives

6.1 The Committee will consider reports that deliver against the following Council priority:

- 'Corporate and Customer Excellence.'

6.2 The Strategic Plan sets the Council's key objectives for the medium term and has a range of objectives which support the delivery of the Council's priorities. Actions to deliver these key objectives may therefore include work that the Committee will consider over the next year.

Corporate Services Overview and Scrutiny Committee Work Programme 2012-13

Meeting Date	Agenda Items	Details and desired outcome
22 May 2012	<ul style="list-style-type: none"> • Appointment of Chairman and Vice-Chairman • Work programming workshop 	<ul style="list-style-type: none"> • Appoint Chairman and Vice-Chairman for 2012-13 • Select and develop review topics focusing on achievable outcomes.
12 June 2012	<ul style="list-style-type: none"> • Asset Management Plan - Policy Framework Document 	<ul style="list-style-type: none"> • Consider and make recommendations as appropriate ahead of document being recommended to Council for adoption. • Ascertain work plan for the year and strategic direction for the Council.
7 August 2012	<ul style="list-style-type: none"> • Budget Strategy • Interview with the Leader and Cabinet • Annual Performance Plan • Annual Complaints Report • Complaints quarterly monitoring report (January-March 2012) 	<ul style="list-style-type: none"> • To consider, advise and make recommendations on the initial budgetary proposals. The Committee's findings will be taken into account in the report to Council. The Committee can also canvas the views of stakeholders, if appropriate, and report the outcome to the Executive. • Ascertain work plan for the year and strategic direction for the Council. • Consider the results and the areas highlighted within the reports, making recommendations to Officers where appropriate.
6 November 2012	<ul style="list-style-type: none"> • 2nd quarter performance monitoring report • Budget Strategy • Complaints quarterly monitoring report • Vexatious Complaints Policy 	
8 January 2013	<ul style="list-style-type: none"> • Strategic Plan • Budget Strategy <p>(Budget, policy framework documents)</p>	
5 February 2013	<ul style="list-style-type: none"> • 3rd quarter performance monitoring report • Complaints Quarterly Monitoring Report 	

Appendix A

9 April 2013	• Interview with the Leader and Cabinet	
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MAIDSTONE BOROUGH COUNCIL

FORWARD PLAN

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**1 August 2012 to
30 November 2012**

**Councillor Christopher Garland
Leader of the Council**



Forward Plan August 2012 - November 2012

INTRODUCTION

This is the Forward Plan which the Leader of the Council is required to prepare. Its purpose is to give advance notice of all the “key decisions” which the Executive is likely to take over the next 4 month period. The Plan will be up-dated monthly.

Each “key decision” is the subject of a separate entry in the Plan. The entries are arranged in date order – i.e. the “key decisions” likely to be taken during the first month of the 4 month period covered by the Plan appear first.

Each entry identifies, for that “key decision” –

- the subject matter of the decision
- a brief explanation of why it will be a “key decision”
- the date on which the decision is due to be taken
- who will be consulted before the decision is taken and the method of the consultation
- how and to whom representations (about the decision) can be made
- what reports/papers are, or will be, available for public inspection
- the wards to be affected by this decision

DEFINITION OF A KEY DECISION

A key decision is an executive decision which is likely to:

- Result in the Maidstone Borough Council incurring expenditure or making savings which is equal to the value of £250,000 or more; or
- Have significant effect on communities living or working in an area comprising one or more wards in Maidstone.

**Forward Plan
August 2012 - November 2012**

HOW CAN I CONTRIBUTE TO THE DECISION-MAKING PROCESS?

The Council encourages and welcomes anyone wishing to express his or her views about decisions the Cabinet plans to make. This can be done by writing directly to the appropriate Officer or Cabinet Member (the details of which are shown for each decision to be made).

Alternatively, the Cabinet are contactable via our [website](#) where you can submit a question to the Leader of the Council. There is also the opportunity to invite the Leader of the Council to speak at a function you may be organising.

**Forward Plan
August 2012 - November 2012**

Decision Maker, Date of Decision/Month in which decision will be made and, if delayed, reason for delay:	Title of Report and Brief Summary of Decision to be made:	Consultees and Method:	Contact Officer and deadline for submission of enquiries:	Relevant Documents:
Cabinet Due Date: 8 Aug 2012	Asset Management Plan 2012-15 To consider the Council's Asset Management Plan 2012-15	Corporate Leadership Team Cabinet Member Corporate Services Overview & Scrutiny Committee	David Tibbit davidtibbit@maidstone.gov.uk 13 July 2012	Asset Management Plan 2012-15
Cabinet Due Date: 12 Sep 2012	King St Multi Storey Car Park To consider the options for King Street Multi Storey Car Park	Corporate Leadership Team Cabinet	David Tibbit davidtibbit@maidstone.gov.uk 17th August 2012	King St Multi Storey Car Park
Cabinet Due Date: 14 Nov 2012	Council Tax 2013-14 - Collection Fund Adjustments - Cabinet To agree the levels of Collection Fund Adjustment.	Corporate Leadership Team Heads of Service Members Internal Communication/Report to Corporate Leadership Team	Paul Riley, Head of Finance & Customer Services paulriley@maidstone.gov.uk 26 October 2012	Cabinet, Council or Committee Report for Council Tax 2013-14 - Collection Fund Adjustments

MAIDSTONE BOROUGH COUNCIL

**CORPORATE SERVICES OVERVIEW AND SCRUTINY
COMMITTEE**

REFERENCE FROM (OLD) STANDARDS COMMITTEE

**1. MONITORING AND EVALUATION OF THE INTRODUCTION
AND IMPLEMENTATION OF THE NEW STANDARDS REGIME**

1.1. Prior to its abolition, the old Standards Committee gave detailed consideration to the implementation of the provisions of the Localism Act 2011 relating to the ethical standards regime, and made numerous recommendations to the Council. In addition, the Committee felt that arrangements should be put in place to monitor and evaluate the introduction and implementation of the new regime. This could cover, for example, the following:-

- The adoption of the Kent Model Code of Conduct and the arrangements for registering and declaring interests and providing training for Members and Officers on the new Code;
- The implementation of the arrangements under which allegations of non-compliance with the Code can be investigated and decisions made, including the role of the Independent Person;
- The arrangements made to publicise the new Code of Conduct and complaints handling arrangements;
- The arrangements for dealing with applications for dispensations; and
- The arrangements for discharging the other functions carried out by the former Standards Committee.

1.2. It was suggested that the Corporate Services Overview and Scrutiny Committee be requested to consider including this exercise as a topic in its future work programme.

1.3. RECOMMENDED: That the Corporate Services Overview and Scrutiny Committee consider including the monitoring and evaluation of the introduction and implementation of the new ethical standards regime as a topic in its future work programme.

MAIDSTONE BOROUGH COUNCIL

**CORPORATE SERVICES OVERVIEW AND SCRUTINY
COMMITTEE**

REFERENCE FROM CORPORATE GOVERNANCE REVIEW GROUP

- 1.1 The Corporate Governance review Group held their first meeting on the 24th of July, the group was disappointed that there is no representation from the Conservative Group. Members of the review group stated that they wanted the review to be objective and in the interest of achieving this aim it was important that all political groups are represented on the review group.
- 1.2 The initial scope of the review has been agreed as:

To review the governance model and identify the advantages and disadvantages of returning to the committee system and make appropriate recommendations. This review will include examining alternative governance arrangements excluding the mayor model of governance.

The review will consider the present scrutiny arrangements and the role of back bench members.
- 1.3 **Recommended: That the Conservative Group be requested to nominate a Member to be part of the Corporate Governance Review group.**